

Council Tax Resolution and Budget Book

2015/16



Bassetlaw
DISTRICT COUNCIL
— North Nottinghamshire —

Council Tax Resolution and Budget Book

2015/16

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Mike Hill

Head of Finance & Property & Section 151 Officer

BASSETLAW DISTRICT COUNCIL

COUNCIL

5TH MARCH 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

COUNCIL TAX RESOLUTION & BUDGET HEADLINES 2015/16

Cabinet Member: Finance
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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 12th February 2015.

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 reductions awarded under approved council tax reduction schemes. 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 made significant changes to the LGFA 1992, and 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 2015/16* 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 SCHEME

- 3.9 A letter received from the Department for Communities and Local Government dated 18th December 2014, set out the terms under which the scheme will operate. It states that *"An authority or PCC which freezes or reduces its basic amount of council tax in 2015/16 compared to 2014/15 will be eligible to receive the grant. The amount of grant provided will be equivalent to 1% of the basic amount of council tax set for*

2014/15 multiplied by the amount calculated as the authority's council tax base for 2015/16 but not taking into account reductions to be awarded under council tax reduction schemes". For Bassetlaw, the Council Tax Freeze Grant allocation for 2015/16 is £57,696.

- 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 2015/16.
- 3.11 As has been reported to the February Cabinet meeting, the Council did not increase its council tax between 2009/10 and 2013/14, and this decision came at a cost, as Bassetlaw would now be generating an additional £0.8m of council tax income per annum, had the council tax increased over this period in line with inflation, and the freeze grant not been added to the base. For 2014/15, Members decided to increase its council tax by 1.5%.
- 3.12 The recommendation in this report is to not accept the council tax freeze grant, and instead to increase council tax by 1.5% for 2015/16.

COUNCIL TAX REFERENDUMS

- 3.13 Schedule 5 to the Localism Act 2011 introduced a new chapter into the Local Government Finance Act 1992 ("the 1992 Act"), making provision for council tax referendums to be held if an authority increases its relevant basic amount of 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.
- 3.14 The final settlement for 2015/16 was announced on 4th February 2015, and one of the supporting documents is *"The Referendums Relating to Council Tax Increases (Principles) (England) Report 2015/16"*. This sets out the council tax referendum principles, and authorities' responsibilities in the event that they are required to arrange for a referendum to be held in 2015/16.
- 3.15 In short, each authority must determine whether its relevant basic amount of council tax is excessive. If it is deemed to be so, then a referendum must be held in relation to that amount. For district councils, the authority will be required to seek the approval of their local electorate in a referendum if the council sets a council tax increase (calculated on the relevant basic amount of council tax) of 2.0% or more than the equivalent 2014/15 figure.

CHANGES MADE TO THE BUDGET SINCE THE 12TH FEBRUARY 2015 CABINET REPORT

- 3.16 Since the meeting of the Cabinet on 12th February 2015, the following information has been received/determined:
- The final Revenue Support Grant entitlement and Baseline Funding Level for business rates was announced on 4th February 2015, with no changes made to the provisional settlement figures.
 - The Council has still not received all of the Internal Drainage Board annual levies for 2015/16, and therefore the budget has not been amended.
 - The Town/Parish precepts have now been received for 2015/16, and the budget for 2015/16 has been amended to £936,700, being an increase of £12,700 over the reported budget.

BUDGET CONSULTATION

3.17 Officers have consulted with the Council's stakeholders on the 2015/16 budget as follows:

- The Council Tax Reduction Scheme is a major part of the Council's budget as circa £8.1m is spent on council tax benefits. The Reduction Scheme results from a change in government policy, whereby only 90% of the costs of council tax benefits is funded by central government, leaving Bassetlaw to find circa £0.8m through a combination of savings, charging 10% to council tax benefit recipients, and offset by premiums on second and empty homes. The original scheme consultation exercise was undertaken during October 2013, and included the major preceptors and Town/Parish Councils, the Financial Inclusion Forum, and the general public via the One Stop Shops and the website. There is no requirement to consult again unless there are major changes to the scheme. At the full Council meeting in January 2015, it was approved that the Council Tax Reduction Scheme remains unchanged from the previous year. However, as part of best practice, the major preceptors have again been consulted for their views on the scheme.
- The Head of Finance & Property was invited to the Parish Forum meeting held on 19th January 2015 in Retford Town Hall to discuss the issue of parish council tax support funding.
- The process of elections is being examined with a proposal to move to all-out elections, linked to the financial savings this could generate. This has been consulted on with political parties, Parish Councils and the general public. The opportunity has been taken to ask for views on other efficiencies that could be generated through changes to our democratic processes.
- Bassetlaw has a statutory duty to consult the business community as part of its budget preparations, and held a public meeting to fulfil this requirement on the 9th February 2015. No interested parties attended this meeting.

OTHER PRECEPTING BODIES

3.18 Since the meeting of the Cabinet on 12th February 2015 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 2015/16 are detailed in Appendix B and total £936,688. The increase in the average Band D Council Tax for Town and Parish Councils is 1.30% and results in an average Band D Council Tax figure of £28.78 for 2015/16. Out of the 57 Town/Parish councils, 26 have increased their precept, 16 have stayed the same, and 15 have reduced.

Nottinghamshire County Council

Nottinghamshire County Council met on 26th February 2015 and set their precept at £40,393,336. This results in a Band D Council Tax of £1,241.14.

Nottinghamshire Police & Crime Commissioner

Nottinghamshire Police & Crime Commissioner met on 2nd February 2015 and set their precept at £5,741,000. This results in a Band D Council Tax of £176.40.

Nottinghamshire Fire & Rescue Authority

Nottinghamshire Fire & Rescue Authority met on 27th February 2015 and set their precept at £2,357,585. This results in a Band D Council Tax of £72.44.

4. Implications

a) For service users

The Council Tax Resolution effectively sets the revenue and capital budgets and the Council Tax level for 2015/16.

b) Strategic & Policy

As contained within this report and the individual budget reports.

c) Financial – Ref: 15/891

As contained within this report and the individual budget reports.

d) Legal - Ref: 39/02/15

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.

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 key decision number 483, but accompanies the reports under key decision numbers 471 and 479 to 482.

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 2015/16 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:

	2014/15	2015/16	Increase
	£	£	%
Bassetlaw District Council	155.11	157.44	1.50%
Nottinghamshire County Council	1,216.92	1,241.14	1.99%
Nottinghamshire Police & Crime Commissioner	172.98	176.40	1.98%
Nottinghamshire Fire & Rescue Authority	71.05	72.44	1.96%
Sub-Total	1,616.06	1,647.42	1.94%
Town & Parish Council (average)	28.41	28.78	1.30%
Total	1,644.47	1,676.20	1.93%

APPENDIX A

The Council is recommended to resolve as follows:

1. It be noted that on 29th January 2015 the Council calculated the Council Tax Base 2015/16:
 - (a) For the whole Council area as 32,545.35 [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 2015/16 (excluding Parish precepts and Special Expenses) is £5,123,800.
3. That the following amounts be calculated for the year 2015/16 in accordance with Sections 31 to 36 of the Act:
 - (a) £99,496,800 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) (£93,436,300) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £6,060,500 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) £186.22 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) £936,700 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) £157.44 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 2015/16 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	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Nottinghamshire County Council	827.43	965.33	1103.24	1241.14	1516.95	1792.76	2068.57	2482.28
Nottinghamshire Police & Crime Commissioner	117.60	137.20	156.80	176.40	215.60	254.80	294.00	352.80
Nottinghamshire Fire & Rescue Authority	48.29	56.34	64.39	72.44	88.54	104.64	120.73	144.88
Aggregate of Council Tax Requirements	1098.28	1281.32	1464.38	1647.42	2013.52	2379.61	2745.70	3294.84

6. That the Council's basic amount of Council Tax for 2015/16 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 within a 10 month period from April to January, or a 12 month period 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 2015/16

Parish/Town Council	2014/15			2015/16			Council Tax Increase
	Taxbase	Precept	Council Tax Band D	Taxbase	Precept	Council Tax Band D	
	£	£	£	£	£	£	%
Askham	80.91	0	0.00	82.49	0	0.00	0.00%
Babworth	220.66	4,711	21.35	220.92	4,951	22.41	4.96%
Barnby Moor	108.88	2,961	27.20	112.09	2,767	24.69	-9.23%
Beckingham-cum-Saundby	469.03	18,886	40.27	470.04	22,428	47.72	18.50%
Blyth	467.51	25,635	54.83	473.34	25,626	54.14	-1.26%
Bole	48.90	0	0.00	49.44	0	0.00	0.00%
Bothamsall	91.10	1,000	10.98	92.05	1,000	10.86	-1.09%
Carburton	24.29	0	0.00	23.41	0	0.00	0.00%
Carlton in Lindrick	1,558.05	148,014	95.00	1,560.03	148,202	95.00	0.00%
Clarlborough & Welham	377.46	15,000	39.74	383.24	15,000	39.14	-1.51%
Clayworth	137.88	5,900	42.79	140.42	7,600	54.12	26.48%
Clumber and Hardwick	33.13	0	0.00	29.57	0	0.00	0.00%
Cuckney	75.52	6,438	85.25	75.69	6,502	85.90	0.76%
Dunham on Trent with Ragnall, Fledborough and Darlton	206.44	9,488	45.96	214.56	9,946	46.36	0.87%
East Drayton	109.04	3,194	29.29	112.97	3,315	29.34	0.17%
East Markham	454.49	17,328	38.13	470.70	17,948	38.13	0.00%
East Retford Charter Trustees	6,240.64	8,924	1.43	6,443.72	9,215	1.43	0.00%
Elkesley	219.19	12,485	56.96	221.84	12,610	56.84	-0.21%
Everton	344.79	11,650	33.79	352.63	11,650	33.04	-2.22%
Garnston with West Drayton & Eaton	241.84	6,283	25.98	239.63	6,226	25.98	0.00%
Gringley-on-the Hill	297.14	18,983	63.89	308.21	18,983	61.59	-3.60%
Harworth & Bircotes	1,757.44	199,000	113.23	1,795.35	201,000	111.96	-1.12%
Haughton	20.15	0	0.00	19.98	0	0.00	0.00%
Hayton	153.78	6,637	43.16	155.03	6,800	43.86	1.62%
Headon-cum-Upton with Grove & Stokeham	142.33	3,407	23.94	149.21	3,572	23.94	0.00%
Hodsock	513.98	33,018	64.24	541.12	34,759	64.24	0.00%
Holbeck & Welbeck	123.38	3,438	27.87	125.22	3,404	27.18	-2.48%
Laneham	134.86	5,058	37.51	140.52	6,152	43.78	16.72%
Lound	187.96	4,934	26.25	191.33	5,124	26.78	2.02%
Markham Clinton	90.97	3,140	34.52	93.99	3,140	33.41	-3.22%
Mattersey	228.83	7,143	31.22	235.94	8,604	36.47	16.82%
Misson	260.31	9,394	36.09	263.12	9,864	37.49	3.88%
Misterton	680.20	51,000	74.98	696.83	55,000	78.93	5.27%
Nether Langwith	133.64	7,587	56.77	136.52	7,956	58.28	2.66%
Normanton-on-Trent with Marnham	186.34	4,258	22.85	184.70	4,630	25.07	9.72%
North Leverton with Habbleshorpe	324.53	18,878	58.17	328.43	19,256	58.63	0.79%
North and South Wheatley	256.76	19,059	74.23	263.30	20,011	76.00	2.38%
Norton	46.89	926	19.75	50.55	948	18.75	-5.06%
Rampton	262.68	5,571	21.21	263.36	7,855	29.83	40.64%
Ranskill	483.63	16,700	34.53	484.23	17,900	36.97	7.07%
Rhodesia	204.42	5,000	24.46	211.57	3,148	14.88	-39.17%
Scaftworth	18.09	0	0.00	16.77	0	0.00	0.00%
Scrooby	126.55	4,396	34.74	130.38	4,574	35.08	0.98%
Shireoaks	448.81	12,383	27.59	445.55	12,679	28.46	3.15%
South Leverton	188.42	7,832	41.57	187.58	9,000	47.98	15.42%
Sturton-le-Steeple	183.28	13,562	74.00	189.54	15,000	79.14	6.95%
Styrrup with Oldcotes	234.17	13,629	58.20	238.06	14,992	62.98	8.21%
Sutton	251.01	10,741	42.79	256.06	10,957	42.79	0.00%
Torworth	79.59	4,033	50.67	78.91	5,131	65.02	28.32%
Treswell-with-Cottam	120.73	2,146	17.78	121.06	1,887	15.59	-12.32%
Tuxford	740.80	90,261	121.84	762.14	92,282	121.08	-0.62%
Walkeringham	333.22	16,900	50.72	340.74	17,971	52.74	3.98%
Wallingwells	11.03	0	0.00	14.19	0	0.00	0.00%
West Burton	6.48	0	0.00	6.30	0	0.00	0.00%
West Stockwith	109.41	6,016	54.99	109.27	8,553	78.27	42.33%
Wiseton	38.89	539	13.86	42.00	458	10.90	-21.36%
Worksop Charter Trustees	11,003.39	2,531	0.23	11,199.51	112	0.01	-95.65%
Total:	31,893.84	905,997	28.41	32,545.35	936,688	28.78	1.30%

Summary:

Increased	26
Remained the same	16
Reduced	15
	57

LOCAL PRECEPTS 2015/16

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Bassetlaw District Council	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Nottinghamshire County Council	827.43	965.33	1103.24	1241.14	1516.95	1792.76	2068.57	2482.28
Nottinghamshire Police & Crime Commissioner	117.60	137.20	156.80	176.40	215.60	254.80	294.00	352.80
Nottinghamshire Fire & Rescue Authority	48.29	56.34	64.39	72.44	88.54	104.64	120.73	144.88
TOTAL:	1098.28	1281.32	1464.38	1647.42	2013.52	2379.61	2745.70	3294.84
Askham	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Babworth	14.94	17.43	19.92	22.41	27.39	32.37	37.35	44.82
Barnby Moor	16.46	19.20	21.95	24.69	30.18	35.66	41.15	49.38
Beckingham-cum-Saundby	31.81	37.12	42.42	47.72	58.32	68.93	79.53	95.44
Blyth	36.09	42.11	48.12	54.14	66.17	78.20	90.23	108.28
Bole	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bothamsall	7.24	8.45	9.65	10.86	13.27	15.69	18.10	21.72
Carburton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Carlton in Lindrick	63.33	73.89	84.44	95.00	116.11	137.22	158.33	190.00
Clarborough & Welham	26.09	30.44	34.79	39.14	47.84	56.54	65.23	78.28
Clayworth	36.08	42.09	48.11	54.12	66.15	78.17	90.20	108.24
Clumber and Hardwick	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cuckney	57.27	66.81	76.36	85.90	104.99	124.08	143.17	171.80
Dunham on Trent with Ragnall, Fledborough and Darlton	30.91	36.06	41.21	46.36	56.66	66.96	77.27	92.72
East Drayton	19.56	22.82	26.08	29.34	35.86	42.38	48.90	58.68
East Markham	25.42	29.66	33.89	38.13	46.60	55.08	63.55	76.26
East Retford Charter Trustees	0.95	1.11	1.27	1.43	1.75	2.07	2.38	2.86
Elkesley	37.89	44.21	50.52	56.84	69.47	82.10	94.73	113.68
Everton	22.03	25.70	29.37	33.04	40.38	47.72	55.07	66.08
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	41.06	47.90	54.75	61.59	75.28	88.96	102.65	123.18
Harworth & Bircotes	74.64	87.08	99.52	111.96	136.84	161.72	186.60	223.92
Haughton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hayton	29.24	34.11	38.99	43.86	53.61	63.35	73.10	87.72
Headon-cum-Upton with Grove & Stokeham	15.96	18.62	21.28	23.94	29.26	34.58	39.90	47.88
Hodsock	42.83	49.96	57.10	64.24	78.52	92.79	107.07	128.48
Holbeck & Welbeck	18.12	21.14	24.16	27.18	33.22	39.26	45.30	54.36
Laneham	29.19	34.05	38.92	43.78	53.51	63.24	72.97	87.56
Lound	17.85	20.83	23.80	26.78	32.73	38.68	44.63	53.56
Markham Clinton	22.27	25.99	29.70	33.41	40.83	48.26	55.68	66.82
Mattersey	24.31	28.37	32.42	36.47	44.57	52.68	60.78	72.94
Misson	24.99	29.16	33.32	37.49	45.82	54.15	62.48	74.98
Misterton	52.62	61.39	70.16	78.93	96.47	114.01	131.55	157.86
Nether Langwith	38.85	45.33	51.80	58.28	71.23	84.18	97.13	116.56
Normanton-on-Trent with Marnham	16.71	19.50	22.28	25.07	30.64	36.21	41.78	50.14
North Leverton with Hablesthorpe	39.09	45.60	52.12	58.63	71.66	84.69	97.72	117.26
North and South Wheatley	50.67	59.11	67.56	76.00	92.89	109.78	126.67	152.00
Norton	12.50	14.58	16.67	18.75	22.92	27.08	31.25	37.50
Rampton	19.89	23.20	26.52	29.83	36.46	43.09	49.72	59.66
Ranskill	24.65	28.75	32.86	36.97	45.19	53.40	61.62	73.94
Rhodesia	9.92	11.57	13.23	14.88	18.19	21.49	24.80	29.76
Scaftworth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Scrooby	23.39	27.28	31.18	35.08	42.88	50.67	58.47	70.16
Shireoaks	18.97	22.14	25.30	28.46	34.78	41.11	47.43	56.92
South Leverton	31.99	37.32	42.65	47.98	58.64	69.30	79.97	95.96
Sturton-le-Steeple	52.76	61.55	70.35	79.14	96.73	114.31	131.90	158.28
Styrrup with Oldcotes	41.99	48.98	55.98	62.98	76.98	90.97	104.97	125.96
Sutton	28.53	33.28	38.04	42.79	52.30	61.81	71.32	85.58
Torworth	43.35	50.57	57.80	65.02	79.47	93.92	108.37	130.04
Treswell-with-Cottam	10.39	12.13	13.86	15.59	19.05	22.52	25.98	31.18
Tuxford	80.72	94.17	107.63	121.08	147.99	174.89	201.80	242.16
Wakeringham	35.16	41.02	46.88	52.74	64.46	76.18	87.90	105.48
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	52.18	60.88	69.57	78.27	95.66	113.06	130.45	156.54
Wiseton	7.27	8.48	9.69	10.90	13.32	15.74	18.17	21.80
Worksop Charter Trustees	0.01	0.01	0.01	0.01	0.01	0.01	0.02	0.02

BASSETLAW DISTRICT COUNCIL TAX INCLUDING LOCAL PRECEPTS 2015/16

Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Askham	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Babworth	119.90	139.88	159.87	179.85	219.82	259.78	299.75	359.70
Barnby Moor	121.42	141.65	161.90	182.13	222.61	263.07	303.55	364.26
Beckingham-cum-Saundby	136.77	159.57	182.37	205.16	250.75	296.34	341.93	410.32
Blyth	141.05	164.56	188.07	211.58	258.60	305.61	352.63	423.16
Bole	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Bothamsall	112.20	130.90	149.60	168.30	205.70	243.10	280.50	336.60
Carburton	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Carlton in Lindrick	168.29	196.34	224.39	252.44	308.54	364.63	420.73	504.88
Clarborough & Welham	131.05	152.89	174.74	196.58	240.27	283.95	327.63	393.16
Clayworth	141.04	164.54	188.06	211.56	258.58	305.58	352.60	423.12
Clumber and Hardwick	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Cuckney	162.23	189.26	216.31	243.34	297.42	351.49	405.57	486.68
Dunham on Trent with Ragnall, Fledborough and Darlton	135.87	158.51	181.16	203.80	249.09	294.37	339.67	407.60
East Drayton	124.52	145.27	166.03	186.78	228.29	269.79	311.30	373.56
East Markham	130.38	152.11	173.84	195.57	239.03	282.49	325.95	391.14
East Retford Charter Trustees	105.91	123.56	141.22	158.87	194.18	229.48	264.78	317.74
Eikesley	142.85	166.66	190.47	214.28	261.90	309.51	357.13	428.56
Everton	126.99	148.15	169.32	190.48	232.81	275.13	317.47	380.96
Garnston with West Drayton & Eaton	122.28	142.66	163.04	183.42	224.18	264.94	305.70	366.84
Gringley-on-the Hill	146.02	170.35	194.70	219.03	267.71	316.37	365.05	438.06
Harworth & Bircotes	179.60	209.53	239.47	269.40	329.27	389.13	449.00	538.80
Haughton	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Hayton	134.20	156.56	178.94	201.30	246.04	290.76	335.50	402.60
Headon-cum-Upton with Grove & Stokeham	120.92	141.07	161.23	181.38	221.69	261.99	302.30	362.76
Hodsock	147.79	172.41	197.05	221.68	270.95	320.20	369.47	443.36
Holbeck & Welbeck	123.08	143.59	164.11	184.62	225.65	266.67	307.70	369.24
Laneham	134.15	156.50	178.87	201.22	245.94	290.65	335.37	402.44
Lound	122.81	143.28	163.75	184.22	225.16	266.09	307.03	368.44
Markham Clinton	127.23	148.44	169.65	190.85	233.26	275.67	318.08	381.70
Mattersey	129.27	150.82	172.37	193.91	237.00	280.09	323.18	387.82
Misson	129.95	151.61	173.27	194.93	238.25	281.56	324.88	389.86
Misterton	157.58	183.84	210.11	236.37	288.90	341.42	393.95	472.74
Nether Langwith	143.81	167.78	191.75	215.72	263.66	311.59	359.53	431.44
Normanton-on-Trent with Marnham	121.67	141.95	162.23	182.51	223.07	263.62	304.18	365.02
North Leverton with Habbleshthorpe	144.05	168.05	192.07	216.07	264.09	312.10	360.12	432.14
North and South Wheatley	155.63	181.56	207.51	233.44	285.32	337.19	389.07	466.88
Norton	117.46	137.03	156.62	176.19	215.35	254.49	293.65	352.38
Rampton	124.85	145.65	166.47	187.27	228.89	270.50	312.12	374.54
Ranskill	129.61	151.20	172.81	194.41	237.62	280.81	324.02	388.82
Rhodesia	114.88	134.02	153.18	172.32	210.62	248.90	287.20	344.64
Scaftworth	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
Scrooby	128.35	149.73	171.13	192.52	235.31	278.08	320.87	385.04
Shireoaks	123.93	144.59	165.25	185.90	227.21	268.52	309.83	371.80
South Leverton	136.95	159.77	182.60	205.42	251.07	296.71	342.37	410.84
Sturton-le-Steeple	157.72	184.00	210.30	236.58	289.16	341.72	394.30	473.16
Styrrup with Oldcotes	146.95	171.43	195.93	220.42	269.41	318.38	367.37	440.84
Sutton	133.49	155.73	177.99	200.23	244.73	289.22	333.72	400.46
Torworth	148.31	173.02	197.75	222.46	271.90	321.33	370.77	444.92
Treswell-with-Cottam	115.35	134.58	153.81	173.03	211.48	249.93	288.38	346.06
Tuxford	185.68	216.62	247.58	278.52	340.42	402.30	464.20	557.04
Wakeringham	140.12	163.47	186.83	210.18	256.89	303.59	350.30	420.36
Wallingwells	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
West Burton	104.96	122.45	139.95	157.44	192.43	227.41	262.40	314.88
West Stockwith	157.14	183.33	209.52	235.71	288.09	340.47	392.85	471.42
Wiseton	112.23	130.93	149.64	168.34	205.75	243.15	280.57	336.68
Worksop Charter Trustees	104.97	122.46	139.96	157.45	192.44	227.42	262.42	314.90

**BASSETLAW DISTRICT COUNCIL TAX INCLUDING COUNTY COUNCIL, POLICE & CRIME
COMMISSIONER, FIRE & RESCUE AUTHORITY, DISTRICT COUNCIL AND LOCAL PRECEPTS
2015/16**

Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Askham	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Babworth	1,113.22	1,298.75	1,484.30	1,669.83	2,040.91	2,411.98	2,783.05	3,339.66
Barnby Moor	1,114.74	1,300.52	1,486.33	1,672.11	2,043.70	2,415.27	2,786.85	3,344.22
Beckingham-cum-Saundby	1,130.09	1,318.44	1,506.80	1,695.14	2,071.84	2,448.54	2,825.23	3,390.28
Blyth	1,134.37	1,323.43	1,512.50	1,701.56	2,079.69	2,457.81	2,835.93	3,403.12
Bole	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Bothamsall	1,105.52	1,289.77	1,474.03	1,658.28	2,026.79	2,395.30	2,763.80	3,316.56
Carburton	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Carlton in Lindrick	1,161.61	1,355.21	1,548.82	1,742.42	2,129.63	2,516.83	2,904.03	3,484.84
Clarborough & Welham	1,124.37	1,311.76	1,499.17	1,686.56	2,061.36	2,436.15	2,810.93	3,373.12
Clayworth	1,134.36	1,323.41	1,512.49	1,701.54	2,079.67	2,457.78	2,835.90	3,403.08
Clumber and Hardwick	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Cuckney	1,155.55	1,348.13	1,540.74	1,733.32	2,118.51	2,503.69	2,888.87	3,466.64
Dunham on Trent with Ragnall, Fledborough and Darlton	1,129.19	1,317.38	1,505.59	1,693.78	2,070.18	2,446.57	2,822.97	3,387.56
East Drayton	1,117.84	1,304.14	1,490.46	1,676.76	2,049.38	2,421.99	2,794.60	3,353.52
East Markham	1,123.70	1,310.98	1,498.27	1,685.55	2,060.12	2,434.69	2,809.25	3,371.10
East Retford Charter Trustees	1,099.23	1,282.43	1,465.65	1,648.85	2,015.27	2,381.68	2,748.08	3,297.70
Elkesley	1,136.17	1,325.53	1,514.90	1,704.26	2,082.99	2,461.71	2,840.43	3,408.52
Everton	1,120.31	1,307.02	1,493.75	1,680.46	2,053.90	2,427.33	2,800.77	3,360.92
Gamston with West Drayton & Eaton	1,115.60	1,301.53	1,487.47	1,673.40	2,045.27	2,417.14	2,789.00	3,346.80
Gringley-on-the Hill	1,139.34	1,329.22	1,519.13	1,709.01	2,088.80	2,468.57	2,848.35	3,418.02
Harworth & Bircotes	1,172.92	1,368.40	1,563.90	1,759.38	2,150.36	2,541.33	2,932.30	3,518.76
Haughton	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Hayton	1,127.52	1,315.43	1,503.37	1,691.28	2,067.13	2,442.96	2,818.80	3,382.56
Headon-cum-Upton with Grove & Stokeham	1,114.24	1,299.94	1,485.66	1,671.36	2,042.78	2,414.19	2,785.60	3,342.72
Hodsock	1,141.11	1,331.28	1,521.48	1,711.66	2,092.04	2,472.40	2,852.77	3,423.32
Holbeck & Welbeck	1,116.40	1,302.46	1,488.54	1,674.60	2,046.74	2,418.87	2,791.00	3,349.20
Laneham	1,127.47	1,315.37	1,503.30	1,691.20	2,067.03	2,442.85	2,818.67	3,382.40
Lound	1,116.13	1,302.15	1,488.18	1,674.20	2,046.25	2,418.29	2,790.33	3,348.40
Markham Clinton	1,120.55	1,307.31	1,494.08	1,680.83	2,054.35	2,427.87	2,801.38	3,361.66
Mattersey	1,122.59	1,309.69	1,496.80	1,683.89	2,058.09	2,432.29	2,806.48	3,367.78
Misson	1,123.27	1,310.48	1,497.70	1,684.91	2,059.34	2,433.76	2,808.18	3,369.82
Misterton	1,150.90	1,342.71	1,534.54	1,726.35	2,109.99	2,493.62	2,877.25	3,452.70
Nether Langwith	1,137.13	1,326.65	1,516.18	1,705.70	2,084.75	2,463.79	2,842.83	3,411.40
Normanton-on-Trent with Marnham	1,114.99	1,300.82	1,486.66	1,672.49	2,044.16	2,415.82	2,787.48	3,344.98
North Leverton with Hablesthorpe	1,137.37	1,326.92	1,516.50	1,706.05	2,085.18	2,464.30	2,843.42	3,412.10
North and South Wheatley	1,148.95	1,340.43	1,531.94	1,723.42	2,106.41	2,489.39	2,872.37	3,446.84
Norton	1,110.78	1,295.90	1,481.05	1,666.17	2,036.44	2,406.69	2,776.95	3,332.34
Rampton	1,118.17	1,304.52	1,490.90	1,677.25	2,049.98	2,422.70	2,795.42	3,354.50
Ranskill	1,122.93	1,310.07	1,497.24	1,684.39	2,058.71	2,433.01	2,807.32	3,368.78
Rhodesia	1,108.20	1,292.89	1,477.61	1,662.30	2,031.71	2,401.10	2,770.50	3,324.60
Scaftworth	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
Scrooby	1,121.67	1,308.60	1,495.56	1,682.50	2,056.40	2,430.28	2,804.17	3,365.00
Shireoaks	1,117.25	1,303.46	1,489.68	1,675.88	2,048.30	2,420.72	2,793.13	3,351.76
South Leverton	1,130.27	1,318.64	1,507.03	1,695.40	2,072.16	2,448.91	2,825.67	3,390.80
Sturton-le-Steeple	1,151.04	1,342.87	1,534.73	1,726.56	2,110.25	2,493.92	2,877.60	3,453.12
Styrrup with Oldcotes	1,140.27	1,330.30	1,520.36	1,710.40	2,090.50	2,470.58	2,850.67	3,420.80
Sutton	1,126.81	1,314.60	1,502.42	1,690.21	2,065.82	2,441.42	2,817.02	3,380.42
Torworth	1,141.63	1,331.89	1,522.18	1,712.44	2,092.99	2,473.53	2,854.07	3,424.88
Treswell-with-Cottam	1,108.67	1,293.45	1,478.24	1,663.01	2,032.57	2,402.13	2,771.68	3,326.02
Tuxford	1,179.00	1,375.49	1,572.01	1,768.50	2,161.51	2,554.50	2,947.50	3,537.00
Walkeringham	1,133.44	1,322.34	1,511.26	1,700.16	2,077.98	2,455.79	2,833.60	3,400.32
Wallingwells	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
West Burton	1,098.28	1,281.32	1,464.38	1,647.42	2,013.52	2,379.61	2,745.70	3,294.84
West Stockwith	1,150.46	1,342.20	1,533.95	1,725.69	2,109.18	2,492.67	2,876.15	3,451.38
Wiseton	1,105.55	1,289.80	1,474.07	1,658.32	2,026.84	2,395.35	2,763.87	3,316.64
Worksop Charter Trustees	1,098.29	1,281.33	1,464.39	1,647.43	2,013.53	2,379.62	2,745.72	3,294.86

BUDGET HEADLINES 2015/16

1. Purpose of the Report

- 1.1 This report brings together the various budget recommendations made by Cabinet on 12th February 2015 to assist the Council in determining its call upon the Collection Fund and hence the level of the Council Tax for 2015/16.

2. Background

General Fund Revenue Budget

- 2.1. With the introduction of the Retained Business Rates scheme, the main grant provided by the DCLG is the Revenue Support Grant. The final grant settlement saw a decrease of £1,293,900 to £2,800,500.
- 2.2. The General Fund net budget for 2015/16, as agreed by Cabinet (including adjusted final figures for parish grants and internal drainage board levies) is £16,590,700 after funding Provisions (£390,400), Parish Precepts (£936,700), and the net transfer to balances £348,200. This provides for a Council Tax increase of 1.50%.

Parishes

- 2.3. The Parish Precepts for 2015/16 total £936,700, an average Band D increase of 1.30%.
- 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 increased by 651.51 Band D properties from 31,893.84 to 32,545.35.

Bassetlaw District Council Tax For 2015/16

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

	£'000	Council Tax Band D Equiv. £
General Fund Total Expenditure	16,243	499.08
Transfer to/(from) Reserves	348	10.69
	<hr/> 16,591	<hr/> 509.77
<u>LESS</u>		
Parish Precepts	-936	-28.76
Revenue Support Grant	-2,800	-86.03
National Non-Domestic Rates distribution	-4,174	-128.25
Other Grants	-3,445	-105.85
To be met from Collection Fund	<hr/> 5,236	<hr/> 160.88
<u>LESS</u> reductions due to better than expected local tax collection	-112	-3.44
	<hr/> 5,124	<hr/> 157.44

Housing Revenue Account (reported to Council 29th January 2015)

- 2.8. The Housing Revenue Account estimates for 2015/16 include an average weekly rent increase of £1.61 per week on a 52-week collection basis as from 6th April 2015 in respect of all dwellings. This provides for an average rent increase of 2.2%. 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 2015/16 (including the previous year's approvals) totals £15,556,000 of which £10,000,000 is for Housing, and the remaining £5,556,000 is for the General Fund.

Total Council Tax for 2015/16

- 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	157.44	1.50%
Nottinghamshire County Council	1,241.14	1.99%
Nottinghamshire Police & Crime Commissioner	176.40	1.98%
Nottinghamshire Fire & Rescue Authority	72.44	1.96%
Parish Councils and Charter Trustees	28.78	1.30%
TOTAL	1,676.20	1.93%

Precept Requirements for 2015/16

2.13 The position may be summarised as follows:

	Band D Council Tax £	Proportion Of Band D %
Bassetlaw District Council	5,123,940	9.39%
Nottinghamshire County Council	40,393,336	74.05%
Nottinghamshire Police & Crime Commissioner	5,741,000	10.52%
Nottinghamshire Fire & Rescue Authority	2,357,585	4.32%
Parish Councils and Charter Trustees	936,688	1.72%
TOTAL	54,552,549	100.00%

3. Recommendations from the General Fund budget reports presented to Cabinet on 12th February 2015

The Council is recommended to approve for 2015/16:

General Fund Budget 2015/16 to 2017/18

- a) The General Fund net revenue budget of £15,654,000 excluding parishes, and a General Fund net revenue budget of £16,590,700 including parishes.
- b) A Council Tax increase of 1.50% for 2015/16, giving a Band D council tax amount of £157.44 for Bassetlaw District Council.
- c) The use of £73,500 of General Reserve to fund the 2015/16 budget.
- d) The contribution of £421,700 into earmarked reserves.

General Fund Capital Programme 2015/16 to 2019/20

- e) The Capital Programme for 2015/16 totalling £5,556,000.
- f) The indicative Capital Programme for 2016/17 to 2019/20 totalling £8,392,000.

Treasury Management Policy and Strategy 2015/16 to 2017/18

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

Capital Investment Strategy 2015/16 to 2019/20

- k) The approval of the Capital Investment Strategy.

Property Asset Management Plan 2015/16 to 2019/20

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

Robustness of Estimates and Adequacy of Reserves - 2015/16

- m) The Council notes the report.

BASSETLAW DISTRICT COUNCIL

CABINET

12th FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

GENERAL FUND REVENUE BUDGET 2015/16 TO 2017/18

Cabinet Member: Finance
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 provide details for the General Fund Budget proposals for 2015/16, and make recommendations for the budget setting meeting at full Council on the 5th March 2015.

3. Background and Discussion

Introduction

- 3.1 The budget report plays a key integral role 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 last 12 months in preparation of the 2015/16 budget;
 - The consolidation of 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 Revenue Support Grant funding, which represents a further 31.6% reduction between 2014/15 and 2015/16;
 - 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 2015/16, and to establish a savings target for 2016/17.
- 3.3 As Members are aware, the continual reduction of Bassetlaw's grant income is putting sustained pressure on the organisation, and this is compounded by the lateness of the Finance Settlement information which was not announced until 18th December 2014. The other major factor is the General Election which means only a one year settlement i.e. 2015/16, has been announced.
- 3.4 There is also some uncertainty about the impact of:

- the infancy of the new National Non Domestic Rates system, and the volatility experienced around power stations and potential appeals;
- the operational experience of the Local Council Tax Reduction Scheme, which has seen reductions in the overall amount of benefits paid during 2014/15;
- any impact of further welfare reforms and the introduction of Universal Credit;
- the undetermined future position regarding the New Homes Bonus following the General Election.

3.5 This budget builds upon the work undertaken for the Medium Term Financial Plan, which was reported to Cabinet at its December 2014 meeting.

Revenue Budget Overview

- 3.6 The Council's budget requirement is measured by the amount of council expenditure that can be funded from external finances (Revenue Support Grant and retained business rates), and from council tax income. The budget requirement comprises gross expenditure on services, less gross income from services, less any planned use of reserves.
- 3.7 The budget requirement for 2014/15 (excluding parishes) was £14.092m. The budget requirement for 2015/16 is calculated as follows:

Net Expenditure on Services	£'000	External Finance	£'000
Gross Expenditure	69,475	Revenue Support Grant	2,801
Gross Income	(54,169)	Retained Business Rates	3,681
		- Baseline	
		Retained Business Rates – Above Baseline	492
		Council Tax Surplus	112
		Council Tax Support Admin Grant	134
		Capital Grants	1,720
		New Homes Bonus Grant	1,590
Net Expenditure:	15,306	External Finance:	10,530
Use of Reserves	348	Council Tax Income	5,124
Budget Requirement:	15,654	Income from Grant and Council Tax:	15,654

- 3.8 The annual increase in the budget requirement (net spending) for 2015/16 is £1.562m (11.1%), but this is due to the accounting of £1.720m of capital grants which have been included in the capital programme for Worksop Creative Village Phase 2, but need presenting within the revenue account under the latest accounting conventions. Without this, the budget would have been equivalent to the previous year.

2015/16 Budget Pressures

- 3.9 The budget components are covered in greater detail in the *Robustness of Estimates and Adequacy of Reserves – 2015/16* report elsewhere on this agenda. As part of the budget process undertaken last year, the Council set a savings target of £1.459m to balance their next budget for 2015/16. This has been achieved in year primarily through a combination of:

Expenditure:

- Senior Management Review;
- Organisational Service Review (including Voluntary Redundancies and Early Retirements);
- Reductions in long term borrowing interest costs;
- Reductions in contingencies and provisions;
- Zero-based Budget Review;
- ICT Contract Review and retender of Core Business Applications Contract.

Income:

- Council tax increases;
- Sharing of office accommodation;
- Increase in discretionary fees and charges;
- Retained business rates growth.

- 3.10 The underlying message for Members is that each year the savings target is becoming ever increasingly difficult to find. From the list of measures above, approximately 69% (£1.0m) of the savings target has been met from non-staffing areas, despite the Council going through a comprehensive Organisational Review process, and this is not sustainable.
- 3.11 All service budgets have been reduced over a number of years now (£7.8m or 24% since 2007/08), and this has impacted on the flexibility to respond to pressures once the budget has been set at the start of the financial year. Equally, it presents the continual challenge to managers and Members to identify service areas to address the identified shortfalls in funding year on year.

2016/17 and 2017/18 Budget Pressures

- 3.12 The budget is summarised in Appendix 1, and this illustrates the magnitude of the task to provide a balanced budget each year. For 2016/17, the savings target has been set at £0.587m, and this is after a one-off contribution from the New Homes Bonus Reserve of £0.590m. The cumulative figure for 2017/18 increases to a savings target of £1.889m.

Senior Management and Organisational Service Reviews

- 3.13 As previously highlighted, the budget challenge this year was to identify the savings target of £1.459m. Two of the key facets to this approach in year were to deliver the Senior Management Review and the Organisational Service Reviews.

- 3.14 The Senior Management Review was presented to Cabinet on 13th February 2014. This report recommended the optimum management structure for the top two officer tiers of the Council, and identified ongoing revenue savings of £76,000.
- 3.15 Phase 2 of the Organisational Service Review was initially reported to Cabinet on 1st July 2014, and it built upon the Phase 1 work undertaken during 2013/14. This meeting formally launched the staff and trade union consultation period, and the results were reported back to Cabinet for final approval on 4th November 2014. In conjunction with this, the Council repeated its voluntary early retirement and voluntary redundancy exercises that had proved successful in the previous two years. This was reported to the same July and November Cabinet meetings, and resulted in 8 applications from staff wishing to leave the Council being approved. Overall this has produced ongoing annual savings of £0.259m.
- 3.16 Together, the Organisational Service Reviews and the VER/VR process delivered the following savings (as reported to the November 2014 Cabinet meeting):
- Corporate Services £197.2k saving, less former post of Senior Manager Support Services £62.0k;
 - Revenues & Benefits £5.4k saving;
 - Finance £40.6k saving;
 - Property £75.3k saving;
 - Environmental Health £11.9k saving;
 - Leisure & Open Spaces £87.2k saving;
 - Economic Regeneration £46.8k saving;
 - Planning & Building Control £93.8k cost;
 - Human Resources £71.3k saving.
- 3.17 Other Organisational Review reports have also been received by Cabinet:
- Elections £23.2k cost – February Cabinet;
 - Strategic Housing £35.5k saving – December Cabinet;
 - Regeneration & Growth Team £19.3k cost – December Cabinet.
- 3.18 In order to complete the budget process, the results from the Senior Management Review, the Organisational Service Reviews, and the Voluntary Early Retirement/Voluntary Redundancy savings have been removed from the base budget as follows:

	Senior Management Review	Organisational Review	VR/VER	Total
	£	£	£	£
Chief Executive (incl. HR)	122,000	71,300	0	193,300
Corporate Services	(18,000)	(58,400)	170,400	94,000
Finance & Property	(2,000)	101,100	14,800	113,900
Housing	0	35,500	0	35,500
Neighbourhoods	(26,000)	25,500	73,600	73,100
Regeneration	0	(66,300)	0	(66,300)
Revenues & Customer Services	0	5,400	0	5,400
Total:	£76,000	£114,100	£258,800	£448,900

3.19 As can be seen from the table above, staff-related savings have been implicit in balancing the 2015/16 budget. However, the requirement is to use 2015/16 budget as a base position to prepare for 2016/17, which is why other service initiatives will be so important as follows:

- Further ICT contract renegotiations and rationalisation of systems;
- Digital by default and mobile working;
- Shared procurement of goods, services and works;
- Further sharing of office accommodation;
- Continuation of base budget reviews;
- Review of staff car mileage;
- Review of costs of democracy;
- Working closer with our key partners, particularly A1 Housing;
- Reviewing income;
- Implementation of the Transformation Board.

General Fund Revenue Reserves & Balances

3.20 The Local Government Act 2003 requires authorities to consider the level of reserves when calculating their budget requirements. Professional guidance is set out to assist in this deliberation. The Council is maintaining its minimum working balance of £1.0m in 2015/16. Members know how important this is as the KPMG External Audit Engagement Lead will comment on it as part of the official Financial Resilience test for Bassetlaw, which is an important reputational issue. The estimated position at the end of 2015/16 will be:

General Fund:	Estimated Position At 31st March 2016 £'000
Minimum Working Balance	1,000
General Reserve	107
Job Evaluation Reserve*	735
New Homes Bonus Reserve**	590
Insurance Reserve	300
Business Rates Volatility Reserve	200
Developers' Contributions Unapplied	188
Pilgrim Fathers Celebration Reserve	40
Other Minor Reserves	260
Total	£3,420
Treasury Management Impairment***	327

*Note: The Job Evaluation Reserve is being written back to revenue over the four year period 2016/17 to 2019/20.

**Note: The New Homes Bonus Reserve is being used to fund 2016/17 budgets.

***Note: This relates to the outstanding amounts of Icelandic Banks investments. It is fully provided for, and is written back to revenue as and when further dividends are received.

- 3.21 The Council has to meet the costs of staff leaving under the voluntary redundancy and voluntary early retirement arrangements this year, but it is expected that these will be found from in-year revenue savings. However, if these do not materialise, then some or all of these costs will have to be met from the Job Evaluation Reserve.

Settlement Funding Assessment 2015/16 and Other Direct Grants

- 3.22 The Settlement Funding Assessment from Central Government has now reduced to 42% of Bassetlaw's net budget for 2015/16. In 2010/11 this stood at 66%. The following table illustrates the changes the Council has had to deal with:

	2011/12	2012/13	2013/14	2014/15	2015/16 Provisional
	£'000	£'000	£'000	£'000	£'000
Revenue Support Grant	2,189	20*	4,438**	4,094	2,801
Retained Business Rates	7,081	8,173	3,545***	3,613***	3,681***
Total	£9,270	£8,193	£7,983	£7,707	£6,482
Financial Reduction	n/a	-£1,077	-£210	-£276	-£1,225
Percentage Reduction	n/a	-12%	-3%	-3%	-16%

*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 RSG formula.

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

***Note: the 2013-16 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 government forecasts of expected collection of business rates in year.

- 3.23 Members should be aware that the above figures for 2015/16 include former specific grants in respect of Homelessness Prevention Funding of £0.090m, Rural Services Delivery Funding of £0.010m, and previous years' council tax freeze grants totalling £0.193m, which have all been rolled into the Settlement Funding Assessment.
- 3.24 Until 2012/13, the financial settlement was known as the Formula Grant, and it included redistributed business rates based on population statistics. This was a fixed allocation, and was not varied during the year. Under the retained business rate scheme, Councils enjoy the gains or suffer losses from variations to business rates collected, whether due to changes in collection rates or more/fewer businesses. The same principles apply to business rate appeals, but these can be backdated several years, and the full impact will be shared between the government (50%), District (40%), County (9%), and Fire (1%). This highlights the unfairness that exists in some mechanisms as any appeals dating back prior to 2012/13 are still shared in these proportions, even though the liability was 100% central government.
- 3.25 The New Homes Bonus was first introduced in 2011/12 and this gave some relief against the backdrop of government grant cuts, but it is another variable that is top-

sliced from the revenue support grant, and is paid as a separate specific grant. Members will be aware that each year's New Homes Bonus will only be in place for six years before dropping out, subject to any changes made to the scheme by the CLG:

	£'000
New Homes Bonus 2011/12 (last year of payment is 2016/17)	286
New Homes Bonus 2012/13 (last year of payment is 2017/18)	261
New Homes Bonus 2013/14 (last year of payment is 2018/19)	344
New Homes Bonus 2014/15 (last year of payment is 2019/20)	355
New Homes Bonus 2015/16 (last year of payment is 2020/21)	344
TOTAL	£1,590

- 3.26 The employment of an Empty Homes Officer confirms the Council's commitment to bringing empty properties back into use, and this currently provides a significant financial benefit to the Council in doing so, in the form of New Homes Bonus. These incentive based grants are now equivalent to nearly 25% of Bassetlaw's overall Formula Grant for 2015/16.
- 3.27 In times of austerity, the government has now turned its attention to the New Homes Bonus allocation, and its future post General Election now looks in doubt. For this reason, caution has been taken when using New Homes Bonus as core funding. For 2015/16, only £1.0m of the £1.59m allocation has been used for funding the revenue budget, with the remaining £0.59m being allocated towards the 2016/17 savings target. This is real money to be received in the bank, but this could be the last year as it may be removed in its entirety in future years, or it may be phased out over the six year period. The budget presented in this report assumes the latter.

Inflation and Other Budget Provisions

- 3.28 The NJC agreed a pay award of 2.2% plus some minor non-consolidated payments effective from 1st January 2015 to 31st March 2016. From 2016/17 onwards, the budget assumes a 1% increase in pay. It also assumes a further 1% increase in the superannuation rates charged by the Nottinghamshire Pension Fund. In addition all RPI based contracts and fees and charges have been uplifted by 1.5% to reflect the level of inflation.
- 3.29 There is also a Corporate Contingency of £0.150m, plus a provision for external legal costs of £0.110m which should start to reduce in future years now that the legal team's establishment has been put on a sound footing. Both of these measures should ensure that the Council has enough in-built flexibility to manage budgets throughout the financial year. There has however, been no increase allowed for inflation on supplies and services - in effect this means an in-built efficiency on these budgets.

Discretionary Grants to Outside Bodies

- 3.30 Despite current financial pressures, Bassetlaw will still provide a significant level of funding to the third sector, parish/town councils, and other external organisations during 2015/16 as follows:

	£'000
Grants for Voluntary & Community Sector	112
Councillor Community Grants	48
Parish/Town Concurrent Grants	24
Parish/Town Street Cleaning Grants	21
Parish/Town Public Convenience Grants	12
Parish/Town Cemetery Grants	9
Misterton Centre	9
Total	235

Council Tax

- 3.31 Bassetlaw did not increase its level of council tax between 2009/10 and 2013/14. This decision, however, came at a cost. Since 2009/10 the level of RPI increased by 16.3% (CPI by 13.4%) and Bassetlaw dealt with all these inflationary pressures through reductions in expenditure and not increased its local level of tax. This equated to £0.8m per annum in income that was foregone by the Council to assist residents' domestic budgets and the local economy.
- 3.32 For 2014/15, Members recognised this dilemma, but given the financial situation ahead, it was deemed prudent to reconsider this position, and approved a council tax increase of 1.5%.
- 3.33 A council tax freeze grant of 1% has once again been offered by the CLG in return for setting the council tax for 2015/16 at a zero per cent increase - this is applied to the taxbase set prior to the council tax reduction being applied, and equates to £0.058m. This is likely to be payable in 2015/16 only, as the future past the General Election is unclear.
- 3.34 The government have confirmed a referendum limit for 2015/16 of 2.0%.
- 3.35 The report to Council on 29th January 2015 proposed a council tax base for collection purposes of 32,545.35 band D properties for 2015/16, which reflects a growth in band D of 651.51 properties or 2.04%.
- 3.36 The average band D council tax for 2014/15 for Bassetlaw District Council services is £155.11 or £2.98 per week. In preparation for the 2015/16 budget, three options have been considered:
- a 0% increase which would mean the council tax remains at £155.11;
 - a 1.5% increase which would mean a new council tax of £157.44. This represents an annual increase of £2.33, and a 4p per week increase.
 - a 1.9% increase which would mean a new council tax of £158.06. This represents an annual increase of £2.95, and a 6p per week increase.
- 3.37 As each 1% council tax increase generates an additional £0.050m of revenue for the Council, the maximum that could be levied before a local referendum is £0.100m (based on a referendum trigger of 2.0%), and this is very small compared to the gross budget for the General Fund which is £68.9m.

- 3.38 The majority of properties (approximately 52%) in the Council's area are in Band A with a 2014/15 council tax of £103.41. An increase of 1.5% for 2015/16 would mean a new council tax level of £104.96. This would represent an annual increase of £1.55, or a weekly increase of 3p.
- 3.39 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 5th March 2015 report.

Collection Fund Surplus

- 3.40 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.
- 3.41 Collections to 31st March 2014 were in line with the budgeted rate and resulted in a surplus of £1.163m carried forward. A surplus of £0.55m was declared on 15th January 2014 for 2014/15, and a surplus of £1.0m has been declared for 2015/16, which will be split between the major preceptors in line with their council tax requirements – for Bassetlaw, the declared surplus is £0.112m. The primary reasons for the increase in council tax revenue is: the higher than expected growth in property numbers, coupled with the less than expected payment amounts for housing benefits resulting from the change to the Local Council Tax Reduction Scheme.
- 3.42 The council taxbase report to Council on 29th January 2015 recommended that the estimated collection rate be retained at 98.0%. The Collection Fund estimates are provided at Appendix 3.

Budget Consultation

- 3.43 Officers have consulted with the Council's stakeholders on the 2015/16 budget as follows:
- The Council Tax Reduction Scheme is a major part of the Council's budget as circa £8.1m is spent on council tax benefits. The Reduction Scheme results from a change in government policy, whereby only 90% of the costs of council tax benefits is funded by central government, leaving Bassetlaw to find circa £0.8m through a combination of savings, charging 10% to council tax benefit recipients, and offset by premiums on second and empty homes. The original scheme consultation exercise was undertaken during October 2013, and included the major preceptors and Town/Parish Councils, the Financial Inclusion Forum, and the general public via the One Stop Shops and the website. There is no requirement to consult again unless there are major changes to the scheme. At the full Council meeting in January 2015, it was approved that the Council Tax Reduction Scheme remains unchanged from the previous year. However, as part of best practice, the major preceptors have again been consulted for their views on the scheme.
 - The Head of Finance & Property was invited to the Parish Forum meeting held on 19th January 2015 in Retford Town Hall to discuss the issue of parish council tax support funding.

- The process of elections is being examined with a proposal to move to all-out elections, linked to the financial savings this could generate. This has been consulted on with political parties, Parish Councils and the general public. The opportunity has been taken to ask for views on other efficiencies that could be generated through changes to our democratic processes.
- 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 9th February 2015.

4. Implications

a) For service users.

The savings outlined in the report have enabled Members to keep council tax increases at a minimum, but budgets have already been significantly reduced over prolonged periods, and the Council is now facing further increasing pressure from central government cuts.

b) Strategic & Policy.

The General Fund revenue budget complements the capital report elsewhere on this agenda, and both contribute to the action plan that is the Corporate Plan.

c) Financial - Ref: 15/477

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 5th March 2015.

d) Legal – Ref: 39/02/15

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 2015/16* 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 early 2015. All the savings have been dealt with in the budget proposals.

f) Community Safety, Equalities, Environmental.

The Equality Impact Assessment has been updated for the 2015/16 budget, and there are no adverse impacts.

g) This is Key Decision Number 479.

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 referendum trigger. For the 2015/16 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 2015/16;
- iv) Revise the General Fund Capital Programme and its associated funding strategy.

6. Conclusions

6.1 The 2015/16 budget process has been planned and tightly controlled throughout the financial year, thus enabling managers and Members the opportunity to consider a number of work programmes to deliver the required £1.459m savings target for 2015/16, with the minimum amount of disruption.

6.2 In addition the separate balancing of the Local Council Tax Reduction Scheme has been an additional task which Members and officers have had to address. 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. Staff have already been briefed about the scale of the challenge for the period 2016-2020, as it will represent the biggest financial target Bassetlaw has faced – another £3.1m of savings need to be found over the next four years.

6.4 Members and officers' attention must be first drawn to addressing the £0.587m target for 2016/17 and the £1.889m cumulative target for 2017/18.

6.5 The budget has been constructed using a 1.5% council tax increase. As Bassetlaw's reserves and balances remain low in comparison to gross expenditure, the Council will need to reassess its financial position in July 2015 after the 2014/15 out-turn is declared. Members have already started to plan for their approach to 2016/17, with the service initiatives set out in para 3.19.

6.6 Whilst the Council has covered all its foreseeable commitments for 2015/16, 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.

6.7 Despite all of this, officers are remaining positive and are proactively seeking to reduce the impact through a combination of initiatives:

- We have plans now in place to share our buildings with other parts of the public sector such as the Police in Retford, and the Department for Work & Pensions in Worksop.

- We are investing in new technology to provide more services online to improve local peoples' access to them and also reduce costs.
- We are working with all other parts of the public sector in the district in the Bassetlaw Community Partnership to maximise the synergies between the Police, the Fire & Rescue service, the County Council, the local Clinical Commissioning Group and other local groups such as Rural Community Action Nottinghamshire.
- We are working closer with Bassetlaw's Arm's Length Management Organisation and providing more services jointly as part of completing the new contractual arrangements with A1 Housing.
- We have developed a shared procurement partnership with a number of local authorities, which is proactively pursuing financial efficiencies across each authority by taking advantage of economies of scale and better working practices.

7. Recommendations

Cabinet is recommended to agree the following recommendations to full Council on 5th March 2015:

- 7.1 That Cabinet considers the budget for 2015/16 and future years, together with the associated comments from the Audit & Risk Scrutiny Committee on 10th February 2015, and to recommend their approval.
- 7.2 That Cabinet recommends a council tax increase of 1.5% for 2015/16.
- 7.3 That Cabinet notes the declaration of a £1.0m surplus on the Collection Fund for 2015/16 as summarised in para 3.41 and detailed in Appendix 3 of this report.
- 7.4 That Cabinet delegates authority to the Cabinet Member for Finance for addressing any issues arising from the Business Ratepayers meeting on the 9th February 2015.
- 7.5 That Cabinet delegates authority to the Head of Finance & Property to deal with amendments to the budget for any changes to Drainage Board and Parish Town Council precepts.

Background Papers

Medium Term Financial Plan 2015/16 – 2019/20
Local Government Finance Settlement Data
Budget Model.

Location

Head of Finance & Property
office.

GENERAL FUND BUDGET 2015/16 TO 2017/18

Approved Budget 2014/15		Budget 2015/16	Budget 2016/17	Budget 2017/18
£		£	£	£
SERVICE BUDGETS				
204,600	Chief Executive Department	183,700	183,700	183,700
674,800	Corporate Management	1,297,300	1,394,000	1,390,400
1,322,700	Corporate Services	1,313,600	1,326,900	1,233,200
2,402,700	Regeneration	2,380,900	2,288,200	2,277,000
7,139,100	Neighbourhoods	6,782,600	6,814,100	6,852,700
383,900	Finance & Property	165,100	177,300	184,100
1,082,000	Housing General Fund	1,080,500	1,071,100	344,000
839,300	Revenues Services	715,800	821,400	868,700
14,049,100	Total Net Cost of Services	13,919,500	14,076,700	13,333,800
OTHER BUDGETS				
(2,840,100)	Asset Rents	(2,858,600)	(2,822,700)	(2,024,200)
300,000	Capital Grants	1,720,000	0	0
150,000	Provisions - Corporate Contingency	150,000	150,000	150,000
100,000	Provisions - Bad Debts	100,000	100,000	100,000
130,400	Provisions - Legal Contingency	110,400	110,400	110,400
20,000	Provisions Payroll Issues	0	0	0
40,000	Provisions - Utilities	30,000	30,000	30,000
16,400	Localism Act Grants	0	0	0
1,748,900	Net interest and borrowing costs	1,605,300	1,533,100	1,565,700
531,300	Concurrent functions & drainage board levies	529,200	537,100	545,100
906,000	Parish Precepts	936,700	942,000	961,000
1,102,900	Total Other Budgets	2,323,000	579,900	1,438,000
0	Transfer to/(from) General Reserves	(73,500)	0	0
(153,600)	Transfer to/(from) Earmarked Reserves	421,700	(234,400)	69,900
0	Savings Target	0	(586,800)	(1,889,300)
14,998,400	Total Council Net Budget	16,590,700	13,835,400	12,952,400
FUNDED BY				
(4,094,400)	Revenue Support Grant	(2,800,500)	(1,833,000)	(1,200,000)
(3,612,500)	Retained Business Rates Baseline	(3,681,500)	(3,736,700)	(3,792,700)
271,000	Retained Business Rates (over and above baseline)	(492,000)	(400,000)	(400,000)
(1,246,100)	New Homes Bonus Grant	(1,590,300)	(1,590,300)	(1,304,300)
0	New Homes Bonus Adjustment Grant	0	0	0
(86,000)	Localised Council Tax Set up Grant	0	0	0
(16,400)	Localism Act Grants	0	0	0
0	Council Tax Support Admin Grant	(134,300)	(120,900)	(108,800)
(300,000)	Capital Grants Received	(1,720,000)	0	0
(60,900)	Collection Fund Deficit/(Surplus)	(111,600)	(50,000)	0
(4,947,100)	Council Tax - BDC	(5,123,800)	(5,162,500)	(5,185,600)
(906,000)	Council Tax - Parishes	(936,700)	(942,000)	(961,000)
(14,998,400)	Total Funding	(16,590,700)	(13,835,400)	(12,952,400)
31,893.84	Tax Base	32,545.35	32,790.00	32,937.00
155.11	Council Tax	157.44	157.44	157.44
GENERAL FUND BALANCES:				
	Balance @ 1 April	1,180,900	1,107,400	1,107,400
	Movement in year	(73,500)	0	0
	Balance @ 31 March	1,107,400	1,107,400	1,107,400

GENERAL FUND

SUMMARY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
			2016/17	2017/18
£		£	£	£
	<u>EXPENDITURE</u>			
11,719,700	Employees	11,685,400	11,884,500	11,965,900
2,904,300	Premises	2,879,300	3,012,600	3,080,600
1,471,200	Transport	1,473,400	1,472,800	1,473,000
4,730,100	Supplies and Services	4,728,200	3,908,600	3,131,800
3,557,700	Third Party Payments	4,698,700	4,627,600	4,633,200
31,176,200	Transfer Payments	30,879,300	31,409,500	30,976,400
8,140,600	Internal Services Recharged	7,981,400	8,010,200	8,017,200
3,717,700	Depreciation	5,254,600	2,887,200	2,852,300
894,800	Capital Financing Costs	831,100	731,400	731,400
68,312,300	TOTAL EXPENDITURE	70,411,400	67,944,400	66,861,800
	<u>INCOME</u>			
(13,532,900)	Internal Services Recharges	(14,322,200)	(13,724,500)	(12,977,500)
(33,841,900)	Grants/Contributions/Reimbursements	(34,505,700)	(34,260,500)	(34,097,700)
(5,918,300)	Customer & Client Receipts	(4,750,500)	(4,712,300)	(4,710,300)
(200)	Interest	(200)	(200)	(200)
(20,600)	Revenue Appropriations	(242,100)	(1,411,500)	(2,123,700)
(53,313,900)	TOTAL INCOME	(53,820,700)	(54,109,000)	(53,909,400)
14,998,400	NET BUDGET	16,590,700	13,835,400	12,952,400

CHIEF EXECUTIVE DEPARTMENT

CHIEF EXECUTIVE DEPARTMENT

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
			2016/17	2017/18
£		£	£	£
0	Strategic Management	0	0	0
0	Human Resources	0	0	0
0	Unions	0	0	0
0	Corporate Training	0	0	0
204,600	Major Grants	183,700	183,700	183,700
204,600	Total	183,700	183,700	183,700

CHIEF EXECUTIVE DEPARTMENT

CHIEF EXECUTIVE DEPARTMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
787,700	Employees	621,100	601,200	606,500
0	Premises	0	0	0
10,500	Transport	12,400	12,400	12,400
237,400	Supplies and Services	207,100	205,700	205,700
29,000	Third Party Payments	33,000	33,000	33,000
0	Transfer Payments	0	0	0
252,100	Internal Services Recharged	188,300	189,000	189,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
1,316,700	TOTAL EXPENDITURE	1,061,900	1,041,300	1,046,600
	INCOME			
(1,007,000)	Internal Services Recharges	(770,600)	(748,900)	(753,100)
(79,800)	Grants/Contributions/Reimbursements	(107,600)	(108,700)	(109,800)
(25,300)	Customer & Client Receipts	0	0	0
(1,112,100)	TOTAL INCOME	(878,200)	(857,600)	(862,900)
204,600	NET BUDGET	183,700	183,700	183,700

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
11.63	Expenditure per Resident	9.34	9.16	9.21
(9.82)	Income per Resident	(7.73)	(7.55)	(7.59)

CHIEF EXECUTIVE DEPARTMENT

STRATEGIC MANAGEMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
440,500	Employees	402,900	405,500	409,200
0	Premises	0	0	0
4,000	Transport	7,600	7,600	7,600
8,400	Supplies and Services	8,100	7,800	7,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
15,500	Internal Services Recharged	21,300	21,300	21,300
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
468,400	TOTAL EXPENDITURE	439,900	442,200	445,900
	INCOME			
(391,500)	Internal Services Recharges	(361,500)	(363,000)	(365,900)
(76,900)	Grants/Contributions/Reimbursements	(78,400)	(79,200)	(80,000)
0	Customer & Client Receipts	0	0	0
(468,400)	TOTAL INCOME	(439,900)	(442,200)	(445,900)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
4.14	Expenditure per Resident	3.87	3.89	3.92
(4.14)	Income per Resident	(3.87)	(3.89)	(3.92)

CHIEF EXECUTIVE DEPARTMENT

HUMAN RESOURCES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
277,300	Employees	191,400	168,700	170,400
0	Premises	0	0	0
6,500	Transport	4,800	4,800	4,800
12,800	Supplies and Services	17,500	16,400	16,400
29,000	Third Party Payments	33,000	33,000	33,000
0	Transfer Payments	0	0	0
223,700	Internal Services Recharged	160,500	161,200	161,200
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
549,300	TOTAL EXPENDITURE	407,200	384,100	385,800
	INCOME			
(521,100)	Internal Services Recharges	(378,000)	(354,600)	(356,000)
(2,900)	Grants/Contributions/Reimbursements	(29,200)	(29,500)	(29,800)
(25,300)	Customer & Client Receipts	0	0	0
(549,300)	TOTAL INCOME	(407,200)	(384,100)	(385,800)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.85	Expenditure per Resident	3.58	3.38	3.39
(4.85)	Income per Resident	(3.58)	(3.38)	(3.39)

CHIEF EXECUTIVE DEPARTMENT

UNIONS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
17,000	Employees	26,800	27,000	26,900
0	Premises	0	0	0
0	Transport	0	0	0
1,000	Supplies and Services	500	500	500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
4,900	Internal Services Recharged	3,800	3,800	3,800
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
22,900	TOTAL EXPENDITURE	31,100	31,300	31,200
	INCOME			
(22,900)	Internal Services Recharges	(31,100)	(31,300)	(31,200)
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(22,900)	TOTAL INCOME	(31,100)	(31,300)	(31,200)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.20	Expenditure per Resident	0.27	0.28	0.27
(0.20)	Income per Resident	(0.27)	(0.28)	(0.27)

CHIEF EXECUTIVE DEPARTMENT

CORPORATE TRAINING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
52,900	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
13,200	Supplies and Services	0	0	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
5,400	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
71,500	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
(71,500)	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(71,500)	TOTAL INCOME	0	0	0
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.63	Expenditure per Resident	0.00	0.00	0.00
(0.63)	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE DEPARTMENT

MAJOR GRANTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
202,000	Supplies and Services	181,000	181,000	181,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
2,600	Internal Services Recharged	2,700	2,700	2,700
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
204,600	TOTAL EXPENDITURE	183,700	183,700	183,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
204,600	NET BUDGET	183,700	183,700	183,700

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

Manages the payments of approved grants.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
1.81	Expenditure per Resident	1.62	1.62	1.62
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE DEPARTMENT

CORPORATE MANAGEMENT

BUDGET 2014/15 £	DIVISION	BUDGET 2015/16 £	FORECAST	
			2016/17 £	2017/18 £
377,900	Corporate Finance	1,031,900	1,131,800	1,130,300
296,900	Strategic Advice	265,400	262,200	260,100
674,800	Total	1,297,300	1,394,000	1,390,400

CHIEF EXECUTIVE DEPARTMENT

CORPORATE MANAGEMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
272,600	Employees	1,069,000	1,169,000	1,169,000
200	Premises	100	100	100
0	Transport	0	0	0
229,000	Supplies and Services	155,700	156,000	156,300
700	Third Party Payments	600	600	600
0	Transfer Payments	0	0	0
508,000	Internal Services Recharged	452,500	452,800	452,800
6,300	Depreciation	8,200	8,200	8,200
600	Capital Financing Costs	200	200	200
1,017,400	TOTAL EXPENDITURE	1,686,300	1,786,900	1,787,200
	INCOME			
0	Internal Services Recharges	0	0	0
(342,600)	Grants/Contributions	(389,000)	(392,900)	(396,800)
0	Customer & Client Receipts	0	0	0
(342,600)	TOTAL INCOME	(389,000)	(392,900)	(396,800)
674,800	NET BUDGET	1,297,300	1,394,000	1,390,400

Responsible Budget Holder: Mike Hill

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
8.99	Expenditure per Resident	14.84	15.72	15.72
(3.03)	Income per Resident	(3.42)	(3.46)	(3.49)

CHIEF EXECUTIVE DEPARTMENT

CORPORATE FINANCE

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
270,600	Employees	1,067,000	1,167,000	1,167,000
200	Premises	100	100	100
0	Transport	0	0	0
112,200	Supplies and Services	0	0	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
86,000	Internal Services Recharged	103,200	104,600	104,600
6,300	Depreciation	8,200	8,200	8,200
0	Capital Financing Costs	0	0	0
475,300	TOTAL EXPENDITURE	1,178,500	1,279,900	1,279,900
	INCOME			
0	Internal Services Recharges	0	0	0
(97,400)	Grants/Contributions	(146,600)	(148,100)	(149,600)
0	Customer & Client Receipts	0	0	0
(97,400)	TOTAL INCOME	(146,600)	(148,100)	(149,600)
377,900	NET BUDGET	1,031,900	1,131,800	1,130,300

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.20	Expenditure per Resident	10.37	11.26	11.26
(0.86)	Income per Resident	(1.29)	(1.30)	(1.32)

CHIEF EXECUTIVE DEPARTMENT

STRATEGIC ADVICE

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
2,000	Employees	2,000	2,000	2,000
0	Premises	0	0	0
0	Transport	0	0	0
116,800	Supplies and Services	155,700	156,000	156,300
700	Third Party Payments	600	600	600
0	Transfer Payments	0	0	0
422,000	Internal Services Recharged	349,300	348,200	348,200
0	Depreciation	0	0	0
600	Capital Financing Costs	200	200	200
542,100	TOTAL EXPENDITURE	507,800	507,000	507,300
	INCOME			
0	Internal Services Recharges	0	0	0
(245,200)	Grants/Contributions	(242,400)	(244,800)	(247,200)
0	Customer & Client Receipts	0	0	0
(245,200)	TOTAL INCOME	(242,400)	(244,800)	(247,200)
296,900	NET BUDGET	265,400	262,200	260,100

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
4.79	Expenditure per Resident	4.47	4.46	4.46
(2.17)	Income per Resident	(2.13)	(2.15)	(2.18)

DIRECTORATE OF CORPORATE RESOURCES

CORPORATE SERVICES

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0	Land Charges	0	0	0
9,800	T-Government	10,300	10,300	10,300
(900)	Licensing	(23,800)	(16,700)	(16,200)
0	Customer Services	0	0	0
0	Head of Corporate Services	0	0	0
0	Legal Services	0	0	0
0	Information Technology & Communications	0	0	0
0	General Administration & Support	0	0	0
34,900	GIS	36,400	37,000	37,600
220,000	Community Safety	241,100	243,200	246,700
706,500	Democratic Representation & Support	605,700	607,300	608,200
314,100	Elections	334,900	336,400	237,000
15,000	Community & Engagement	16,700	16,500	16,500
19,000	Public Relations	16,700	16,700	16,700
4,300	Service & Corporate Management	3,800	3,700	3,700
0	Shop Mobility	71,800	72,500	72,700
1,322,700	TOTAL	1,313,600	1,326,900	1,233,200

DIRECTORATE OF CORPORATE RESOURCES

CORPORATE SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
1,981,300	Employees	1,792,300	1,821,900	1,796,100
26,600	Premises	31,100	31,400	32,200
60,000	Transport	51,600	52,000	52,200
1,184,500	Supplies and Services	1,203,500	1,183,800	1,137,500
54,800	Third Party Payments	64,800	64,800	64,800
0	Transfer Payments	0	0	0
1,182,900	Internal Services Recharged	1,049,000	1,061,400	1,061,800
155,700	Depreciation	163,300	163,300	100,100
200	Capital Financing Costs	100	100	100
4,646,000	TOTAL EXPENDITURE	4,355,700	4,378,700	4,244,800
	<u>INCOME</u>			
(2,361,200)	Internal Services Recharges	(2,072,300)	(2,095,400)	(2,050,900)
(303,900)	Grants, Contributions and Reimbursements	(655,600)	(646,900)	(651,200)
(658,200)	Customer & Client Receipts	(314,200)	(309,500)	(309,500)
0	Interest	0	0	0
(3,323,300)	TOTAL INCOME	(3,042,100)	(3,051,800)	(3,011,600)
1,322,700	NET BUDGET	1,313,600	1,326,900	1,233,200

Head of Service:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

Corporate Services combines Policy and Community Engagement (which includes; Policy, Scrutiny, Performance, Complaints, Public Relations, Democratic Services, Elections, Community Safety and Administrative and Member support), with Support Services (which includes; Legal Services, Licensing, Administration, Information Technology and Communications, GIS and Land Charges). Along with Customer Services and Shop Mobility.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
41.04	Expenditure per Resident	38.32	38.53	37.35
(29.36)	Income per Resident	(26.77)	(26.85)	(26.50)

DIRECTORATE OF CORPORATE RESOURCES

LAND CHARGES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
50,700	Employees	47,600	48,100	48,700
0	Premises	0	0	0
100	Transport	100	100	100
23,800	Supplies and Services	20,200	20,100	20,100
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
28,100	Internal Services Recharged	34,800	29,700	29,100
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
102,700	TOTAL EXPENDITURE	102,700	98,000	98,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
(102,700)	Customer & Client Receipts	(102,700)	(98,000)	(98,000)
0	Interest	0	0	0
(102,700)	TOTAL INCOME	(102,700)	(98,000)	(98,000)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Lesley Bianco
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BRIEF DESCRIPTION OF SERVICE

To provide a service to carry out official searches and land terrier enquiries from the Council's Asset Register.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.91	Expenditure per Resident	0.90	0.86	0.86
(0.91)	Income per Resident	(0.90)	(0.86)	(0.86)

DIRECTORATE OF CORPORATE RESOURCES

T-GOVERNMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
9,800	Supplies and Services	10,300	10,300	10,300
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
9,800	TOTAL EXPENDITURE	10,300	10,300	10,300
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
9,800	NET BUDGET	10,300	10,300	10,300

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

Information technology outreach providing access to rural communities.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.09	Expenditure per Resident	0.09	0.09	0.09
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE RESOURCES

LICENSING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
69,800	Employees	71,400	72,700	74,200
0	Premises	0	0	0
2,900	Transport	2,300	2,300	2,300
19,400	Supplies and Services	19,700	19,400	19,400
5,800	Third Party Payments	5,200	5,200	5,200
0	Transfer Payments	0	0	0
87,600	Internal Services Recharged	63,400	69,500	68,500
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
185,500	TOTAL EXPENDITURE	162,000	169,100	169,600
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
(186,400)	Customer & Client Receipts	(185,800)	(185,800)	(185,800)
0	Interest	0	0	0
(186,400)	TOTAL INCOME	(185,800)	(185,800)	(185,800)
(900)	NET BUDGET	(23,800)	(16,700)	(16,200)

Responsible Budget Holder:

Stella Fitzgerald

BRIEF DESCRIPTION OF SERVICE

To issue licenses, permits and registrations within appropriate legislation.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.64	Expenditure per Resident	1.43	1.49	1.49
(1.65)	Income per Resident	(1.63)	(1.63)	(1.63)

DIRECTORATE OF CORPORATE RESOURCES

CUSTOMER SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
322,200	Employees	310,000	314,700	319,600
4,600	Premises	4,600	4,600	4,600
2,500	Transport	1,900	1,900	1,900
45,600	Supplies and Services	52,200	51,100	51,100
600	Third Party Payments	1,600	1,600	1,600
0	Transfer Payments	0	0	0
117,500	Internal Services Recharged	101,300	107,000	107,000
5,100	Depreciation	5,100	5,100	3,200
0	Capital Financing Costs	0	0	0
498,100	TOTAL EXPENDITURE	476,700	486,000	489,000
	INCOME			
(412,500)	Internal Services Recharges	(391,900)	(400,500)	(402,800)
(25,300)	Grants, Contributions & Reimbursements	(84,800)	(85,500)	(86,200)
(60,300)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(498,100)	TOTAL INCOME	(476,700)	(486,000)	(489,000)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Adele Watson
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BRIEF DESCRIPTION OF SERVICE

To provide a customer friendly service dealing with all incoming telephone calls and personal visits to the Council. To provide information and direct enquiries to the appropriate Council service or department.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.40	Expenditure per Resident	4.19	4.28	4.30
(4.40)	Income per Resident	(4.19)	(4.28)	(4.30)

DIRECTORATE OF CORPORATE RESOURCES

HEAD OF CORPORATE SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
84,500	Employees	75,400	78,800	82,400
0	Premises	0	0	0
2,400	Transport	1,900	1,900	1,900
6,200	Supplies and Services	38,500	38,100	38,100
200	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
30,000	Internal Services Recharged	55,000	55,000	55,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
123,300	TOTAL EXPENDITURE	170,800	173,800	177,400
	<u>INCOME</u>			
(116,400)	Internal Services Recharges	(163,900)	(166,800)	(170,300)
0	Grants, Contributions & Reimbursements	(6,900)	(7,000)	(7,100)
(6,900)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(123,300)	TOTAL INCOME	(170,800)	(173,800)	(177,400)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Steve Brown
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BRIEF DESCRIPTION OF SERVICE

To provide overall control and management of Corporate Services.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.09	Expenditure per Resident	1.50	1.53	1.56
(1.09)	Income per Resident	(1.50)	(1.53)	(1.56)

DIRECTORATE OF CORPORATE RESOURCES

LEGAL SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
213,300	Employees	185,400	188,800	191,900
0	Premises	0	0	0
2,800	Transport	1,300	1,300	1,300
27,200	Supplies and Services	20,600	20,100	20,100
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
150,300	Internal Services Recharged	59,500	59,700	59,700
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
393,600	TOTAL EXPENDITURE	266,800	269,900	273,000
	<u>INCOME</u>			
(342,400)	Internal Services Recharges	(208,600)	(211,200)	(213,800)
(10,700)	Grants, Contributions & Reimbursements	(50,800)	(51,300)	(51,800)
(40,500)	Customer & Client Receipts	(7,400)	(7,400)	(7,400)
0	Interest	0	0	0
(393,600)	TOTAL INCOME	(266,800)	(269,900)	(273,000)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Steve Wormald
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BRIEF DESCRIPTION OF SERVICE

To provide internal advice and support to Services on all legal matters including administration law. To deal with mortgage matters, criminal and civil matters, planning and enforcement enquiries, conveyancing, tendering, contracts and purchases.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
3.48	Expenditure per Resident	2.35	2.37	2.40
(3.48)	Income per Resident	(2.35)	(2.37)	(2.40)

DIRECTORATE OF CORPORATE RESOURCES

INFORMATION TECHNOLOGY & COMMUNICATIONS
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
288,100	Employees	246,200	252,400	256,800
7,300	Premises	7,500	7,700	7,900
7,700	Transport	1,100	1,100	1,100
408,700	Supplies and Services	464,500	451,000	451,000
0	Third Party Payments	300	300	300
0	Transfer Payments	0	0	0
56,400	Internal Services Recharged	57,200	57,200	57,200
143,600	Depreciation	153,100	153,100	93,900
0	Capital Financing Costs	0	0	0
911,800	TOTAL EXPENDITURE	929,900	922,800	868,200
	INCOME			
(486,900)	Internal Services Recharges	(504,800)	(508,600)	(451,900)
(264,900)	Grants, Contributions & Reimbursements	(425,100)	(414,200)	(416,300)
(160,000)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(911,800)	TOTAL INCOME	(929,900)	(922,800)	(868,200)
0	NET BUDGET	0	0	0

Responsible Budget Holder:

Andrew Brammall

BRIEF DESCRIPTION OF SERVICE

To provide a comprehensive service dealing with the purchasing and maintenance of the Council's computer systems and equipment.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
8.05	Expenditure per Resident	8.18	8.12	7.64
(8.05)	Income per Resident	(8.18)	(8.12)	(7.64)

DIRECTORATE OF CORPORATE RESOURCES

GENERAL ADMINISTRATION AND SUPPORT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
186,500	Employees	111,600	112,700	113,900
0	Premises	0	0	0
300	Transport	1,400	1,400	1,400
60,000	Supplies and Services	43,000	42,600	42,600
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
136,500	Internal Services Recharged	114,500	116,300	116,300
2,100	Depreciation	2,100	2,100	0
0	Capital Financing Costs	0	0	0
385,400	TOTAL EXPENDITURE	272,600	275,100	274,200
	<u>INCOME</u>			
(331,700)	Internal Services Recharges	(227,200)	(229,300)	(228,000)
0	Grants, Contributions & Reimbursements	(40,100)	(40,500)	(40,900)
(53,700)	Customer & Client Receipts	(5,300)	(5,300)	(5,300)
0	Interest	0	0	0
(385,400)	TOTAL INCOME	(272,600)	(275,100)	(274,200)
0	NET BUDGET	0	0	0

Responsible Budget Holder:	Adele Watson
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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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
3.40	Expenditure per Resident	2.40	2.42	2.41
(3.40)	Income per Resident	(2.40)	(2.42)	(2.41)

DIRECTORATE OF CORPORATE RESOURCES

GIS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
86,800	Employees	120,300	121,400	122,700
6,700	Premises	7,400	7,400	8,000
1,600	Transport	1,400	1,400	1,400
32,700	Supplies and Services	24,600	24,400	24,400
33,200	Third Party Payments	33,200	33,200	33,200
0	Transfer Payments	0	0	0
65,000	Internal Services Recharged	72,000	73,300	73,300
4,900	Depreciation	0	0	0
200	Capital Financing Costs	100	100	100
231,100	TOTAL EXPENDITURE	259,000	261,200	263,100
	<u>INCOME</u>			
(185,600)	Internal Services Recharges	(202,800)	(204,300)	(205,500)
(2,000)	Grants, Contributions & Reimbursements	(9,800)	(9,900)	(10,000)
(8,600)	Customer & Client Receipts	(10,000)	(10,000)	(10,000)
0	Interest	0	0	0
(196,200)	TOTAL INCOME	(222,600)	(224,200)	(225,500)
34,900	NET BUDGET	36,400	37,000	37,600

Responsible Budget Holder:	Lesley Bianco
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BRIEF DESCRIPTION OF SERVICE

To undertake the cleansing and verification of the Council's Corporate Geographical Information and Property Database Systems.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.04	Expenditure per Resident	2.28	2.30	2.31
(1.73)	Income per Resident	(1.96)	(1.97)	(1.98)

DIRECTORATE OF CORPORATE RESOURCES

COMMUNITY SAFETY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
113,900	Employees	108,100	109,900	112,000
0	Premises			
11,000	Transport	7,600	7,600	7,600
16,800	Supplies and Services	12,000	11,800	11,800
7,200	Third Party Payments	20,000	20,000	20,000
0	Transfer Payments	0	0	0
71,100	Internal Services Recharged	93,400	93,900	95,300
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
220,000	TOTAL EXPENDITURE	241,100	243,200	246,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
220,000	NET BUDGET	241,100	243,200	246,700

Responsible Budget Holder: Steve Brown

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
1.94	Expenditure per Resident	2.12	2.14	2.17
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE RESOURCES

DEMOCRATIC REPRESENTATION & SUPPORT
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
144,900	Employees	161,900	164,100	166,400
1,000	Premises	400	400	400
24,500	Transport	22,400	22,800	23,000
390,500	Supplies and Services	365,400	364,100	364,100
1,000	Third Party Payments	1,000	1,000	1,000
0	Transfer Payments	0	0	0
280,500	Internal Services Recharged	232,700	234,100	234,700
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
842,400	TOTAL EXPENDITURE	783,800	786,500	789,600
	<u>INCOME</u>			
(135,400)	Internal Services Recharges	(177,800)	(178,900)	(181,100)
0	Grants, Contributions & Reimbursements	0	0	0
(500)	Customer & Client Receipts	(300)	(300)	(300)
	Interest	0	0	0
(135,900)	TOTAL INCOME	(178,100)	(179,200)	(181,400)
706,500	NET BUDGET	605,700	607,300	608,200

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
7.44	Expenditure per Resident	6.90	6.92	6.95
(1.20)	Income per Resident	(1.57)	(1.58)	(1.60)

DIRECTORATE OF CORPORATE RESOURCES

ELECTIONS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
106,100	Employees	103,300	104,700	51,600
7,000	Premises	5,800	5,800	5,800
1,000	Transport	600	600	600
97,500	Supplies and Services	97,300	96,900	50,600
0	Third Party Payments	500	500	500
0	Transfer Payments	0	0	0
104,200	Internal Services Recharged	126,100	126,600	126,600
0	Depreciation	3,000	3,000	3,000
0	Capital Financing Costs	0	0	0
315,800	TOTAL EXPENDITURE	336,600	338,100	238,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
(1,700)	Customer & Client Receipts	(1,700)	(1,700)	(1,700)
	Interest	0	0	0
(1,700)	TOTAL INCOME	(1,700)	(1,700)	(1,700)
314,100	NET BUDGET	334,900	336,400	237,000

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

<p>To conduct the Council's elections. Also to Promote electoral awareness both in terms of electoral registration and democratic participation in elections.</p>

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.79	Expenditure per Resident	2.96	2.97	2.10
(0.02)	Income per Resident	(0.01)	(0.01)	(0.01)

DIRECTORATE OF CORPORATE RESOURCES

COMMUNITY ENGAGEMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
5,800	Supplies and Services	6,900	6,700	6,700
6,800	Third Party Payments	3,000	3,000	3,000
0	Transfer Payments	0	0	0
2,400	Internal Services Recharged	6,800	6,800	6,800
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
15,000	TOTAL EXPENDITURE	16,700	16,500	16,500
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
	Interest	0	0	0
0	TOTAL INCOME	0	0	0
15,000	NET BUDGET	16,700	16,500	16,500

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

<p>Enables the council to respond to national, regional and local issues, and supports the Bassetlaw Public and Third Sector Partnership (replaces the Local Strategic Partnership) which sets an overall vision to improve the District and delivers actions to achieve this in its Community Strategy.</p>
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.13	Expenditure per Resident	0.15	0.15	0.15
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE RESOURCES

PUBLIC RELATIONS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
128,800	Employees	133,700	135,300	136,800
0	Premises	0	0	0
700	Transport	700	700	700
20,900	Supplies and Services	10,900	10,600	10,600
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
5,400	Internal Services Recharged	15,500	15,500	15,500
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
155,800	TOTAL EXPENDITURE	160,800	162,100	163,600
	<u>INCOME</u>			
(99,900)	Internal Services Recharges	(106,800)	(107,700)	(108,800)
0	Grants, Contributions & Reimbursements	(37,300)	(37,700)	(38,100)
(36,900)	Customer & Client Receipts	0	0	0
	Interest	0	0	0
(136,800)	TOTAL INCOME	(144,100)	(145,400)	(146,900)
19,000	NET BUDGET	16,700	16,700	16,700

Responsible Budget Holder: Steve Brown

BRIEF DESCRIPTION OF SERVICE

<p>Informs the people of Bassetlaw about the council, the services we provide and how to contact us.</p>
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.38	Expenditure per Resident	1.41	1.43	1.44
(1.21)	Income per Resident	(1.27)	(1.28)	(1.29)

DIRECTORATE OF CORPORATE RESOURCES

SERVICE & CORPORATE MANAGEMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
185,700	Employees	79,200	79,500	80,100
0	Premises	0	0	0
2,500	Transport	2,200	2,200	2,200
19,600	Supplies and Services	7,400	6,600	6,600
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
47,900	Internal Services Recharged	4,300	4,300	4,300
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
255,700	TOTAL EXPENDITURE	93,100	92,600	93,200
	<u>INCOME</u>			
(250,400)	Internal Services Recharges	(88,500)	(88,100)	(88,700)
(1,000)	Grants, Contributions & Reimbursements	(800)	(800)	(800)
0	Customer & Client Receipts	0	0	0
	Interest	0	0	0
(251,400)	TOTAL INCOME	(89,300)	(88,900)	(89,500)
4,300	NET BUDGET	3,800	3,700	3,700

Responsible Budget Holder: Steve Brown
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BRIEF DESCRIPTION OF SERVICE

Performance

Drives continuous improvement of our services

Scrutiny

To support the work of the Overview & Scrutiny Committee

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.26	Expenditure per Resident	0.82	0.81	0.82
(2.22)	Income per Resident	(0.79)	(0.78)	(0.79)

DIRECTORATE OF CORPORATE RESOURCES

SHOP MOBILITY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	38,200	38,800	39,000
0	Premises	5,400	5,500	5,500
0	Transport	6,700	6,700	6,700
0	Supplies and Services	10,000	10,000	10,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	12,500	12,500	12,500
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	72,800	73,500	73,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	(1,000)	(1,000)	(1,000)
0	Interest	0	0	0
0	TOTAL INCOME	(1,000)	(1,000)	(1,000)
0	NET BUDGET	71,800	72,500	72,700

Responsible Budget Holder: Adele Watson
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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> <p>Note: Previously this Division came under Directorate of Regeneration and Neighbourhoods.</p>

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.66	Expenditure per Resident	0.00	0.00	0.00
(0.00)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

REGENERATION

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
86,100	Town Centre Management	101,200	101,100	101,900
206,100	Markets & Fairs	202,300	185,800	189,500
167,500	Museums & Galleries	161,200	162,700	164,600
411,500	Economic Development	395,100	407,700	409,400
211,900	CCTV Schemes	203,600	204,100	204,500
74,600	Shop Mobility	0	0	0
127,800	Tourism	49,000	49,300	49,900
479,600	Planning Policy & Conservation	701,500	600,700	566,900
333,300	Planning	262,100	268,800	278,100
0	Planning - Service Management & Support	0	0	0
0	Head of Regeneration	0	0	0
3,300	Environmental Projects	3,300	3,300	3,300
301,000	Building Control / Dangerous Structures	301,600	304,700	308,900
2,402,700	TOTAL EXPENDITURE	2,380,900	2,288,200	2,277,000

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

REGENERATION

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
2,044,000	Employees	1,964,200	1,987,600	2,014,600
245,000	Premises	234,400	236,800	240,100
114,400	Transport	113,200	113,200	113,200
361,300	Supplies and Services	396,400	375,400	375,400
268,100	Third Party Payments	402,600	301,600	263,100
0	Transfer Payments	0	0	0
1,174,000	Internal Services Recharged	1,182,500	1,175,600	1,175,900
230,800	Depreciation	223,800	212,200	212,200
400	Capital Financing Costs	100	100	100
4,438,000	TOTAL EXPENDITURE	4,517,200	4,402,500	4,394,600
	INCOME			
(467,100)	Internal Services Recharges	(531,600)	(532,700)	(535,600)
(56,600)	Grants/Contributions/Reimbursements	(54,900)	(55,300)	(55,700)
(1,511,600)	Customer & Client Receipts	(1,549,800)	(1,526,300)	(1,526,300)
(2,035,300)	TOTAL INCOME	(2,136,300)	(2,114,300)	(2,117,600)
2,402,700	NET BUDGET	2,380,900	2,288,200	2,277,000

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
39.20	Expenditure per Resident	39.75	38.74	38.67
(17.98)	Income per Resident	(18.80)	(18.60)	(18.63)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

TOWN CENTRE MANAGEMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
40,100	Employees	37,800	37,800	38,600
300	Premises	900	900	900
0	Transport	2,000	2,000	2,000
21,400	Supplies and Services	11,500	11,400	11,400
27,300	Third Party Payments	50,000	50,000	50,000
0	Transfer Payments	0	0	0
0	Internal Services Recharged	2,000	2,000	2,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
89,100	TOTAL EXPENDITURE	104,200	104,100	104,900
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(3,000)	Customer & Client Receipts	(3,000)	(3,000)	(3,000)
(3,000)	TOTAL INCOME	(3,000)	(3,000)	(3,000)
86,100	NET BUDGET	101,200	101,100	101,900

Responsible Budget Holder: Richard Blagg
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BRIEF DESCRIPTION OF SERVICE

To co-ordinate town centre activities, markets, parking issues to stimulate town centres vitality and events i.e. christmas lights.

Note: in the previous years budget book appendices, Christmas Lighting was separate in its own division but is now part of Town Centre Management.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.79	Expenditure per Resident	0.92	0.92	0.92
(0.03)	Income per Resident	(0.03)	(0.03)	(0.03)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

MARKETS & FAIRS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
266,800	Employees	265,500	268,700	271,400
92,200	Premises	98,200	98,800	99,800
24,500	Transport	23,500	23,500	23,500
29,200	Supplies and Services	14,900	14,900	14,900
26,800	Third Party Payments	22,000	22,000	22,000
0	Transfer Payments	0	0	0
54,300	Internal Services Recharged	61,700	53,000	53,000
88,400	Depreciation	101,100	89,500	89,500
100	Capital Financing Costs	0	0	0
582,300	TOTAL EXPENDITURE	586,900	570,400	574,100
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(376,200)	Customer & Client Receipts	(384,600)	(384,600)	(384,600)
(376,200)	TOTAL INCOME	(384,600)	(384,600)	(384,600)
206,100	NET BUDGET	202,300	185,800	189,500

Responsible Budget Holder: Richard Blagg
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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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
5.14	Expenditure per Resident	5.16	5.02	5.05
(3.32)	Income per Resident	(3.38)	(3.38)	(3.38)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

MUSEUMS & GALLERIES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
84,800	Employees	82,100	82,700	83,800
49,300	Premises	48,600	49,100	49,900
800	Transport	400	400	400
10,500	Supplies and Services	8,000	8,000	8,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
25,000	Internal Services Recharged	19,000	19,400	19,400
5,400	Depreciation	5,700	5,700	5,700
0	Capital Financing Costs			
175,800	TOTAL EXPENDITURE	163,800	165,300	167,200
	INCOME			
0	Internal Services Recharges			
0	Grants/Contributions/Reimbursements			
(8,300)	Customer & Client Receipts	(2,600)	(2,600)	(2,600)
(8,300)	TOTAL INCOME	(2,600)	(2,600)	(2,600)
167,500	NET BUDGET	161,200	162,700	164,600

Responsible Budget Holder: Sam Glasswell

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
1.55	Expenditure per Resident	1.44	1.45	1.47
(0.07)	Income per Resident	(0.02)	(0.02)	(0.02)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ECONOMIC DEVELOPMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
228,900	Employees	175,600	177,100	178,800
74,900	Premises	63,400	64,400	65,400
3,600	Transport	9,400	9,400	9,400
127,300	Supplies and Services	140,500	124,900	124,900
26,400	Third Party Payments	17,600	17,600	17,600
0	Transfer Payments	0	0	0
96,700	Internal Services Recharged	146,600	148,800	147,800
75,400	Depreciation	66,800	66,800	66,800
200	Capital Financing Costs	100	100	100
633,400	TOTAL EXPENDITURE	620,000	609,100	610,800
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(221,900)	Customer & Client Receipts	(224,900)	(201,400)	(201,400)
(221,900)	TOTAL INCOME	(224,900)	(201,400)	(201,400)
411,500	NET BUDGET	395,100	407,700	409,400

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.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
5.60	Expenditure per Resident	5.46	5.36	5.37
(1.96)	Income per Resident	(1.98)	(1.77)	(1.77)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

CCTV SCHEMES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
14,500	Premises	14,800	15,100	15,500
0	Transport	0	0	0
26,800	Supplies and Services	13,200	13,200	13,200
108,800	Third Party Payments	114,000	114,000	114,000
0	Transfer Payments	0	0	0
24,700	Internal Services Recharged	29,200	29,400	29,400
50,800	Depreciation	46,200	46,200	46,200
100	Capital Financing Costs	0	0	0
225,700	TOTAL EXPENDITURE	217,400	217,900	218,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(13,800)	Grants/Contributions/Reimbursements	(13,800)	(13,800)	(13,800)
0	Customer & Client Receipts	0	0	0
(13,800)	TOTAL INCOME	(13,800)	(13,800)	(13,800)
211,900	NET BUDGET	203,600	204,100	204,500

Responsible Budget Holder: David Armiger
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BRIEF DESCRIPTION OF SERVICE

Enhancing the safety and the confidence of the local community.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.99	Expenditure per Resident	1.91	1.92	1.92
(0.12)	Income per Resident	(0.12)	(0.12)	(0.12)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

SHOP MOBILITY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
36,100	Employees	0	0	0
5,200	Premises	0	0	0
6,500	Transport	0	0	0
17,300	Supplies and Services	0	0	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
9,900	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
75,000	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(400)	Customer & Client Receipts	0	0	0
(400)	TOTAL INCOME	0	0	0
74,600	NET BUDGET	0	0	0

Responsible Budget Holder: Adele Watson

BRIEF DESCRIPTION OF SERVICE

To provide a Shopmobility Service in Worksop and Retford to enable people with disabilities to use the facilities of the town centre's by means of motorised scooters. NOTE
THIS IS NOW PART OF CORPORATE SERVICES.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.66	Expenditure per Resident	0.00	0.00	0.00
(0.00)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

TOURISM

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
68,400	Employees	22,800	23,100	23,600
6,800	Premises	6,700	6,700	6,800
2,500	Transport	1,200	1,200	1,200
28,800	Supplies and Services	27,100	27,100	27,100
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
34,700	Internal Services Recharged	4,600	4,600	4,600
700	Depreciation	700	700	700
0	Capital Financing Costs	0	0	0
141,900	TOTAL EXPENDITURE	63,100	63,400	64,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(14,100)	Customer & Client Receipts	(14,100)	(14,100)	(14,100)
(14,100)	TOTAL INCOME	(14,100)	(14,100)	(14,100)
127,800	NET BUDGET	49,000	49,300	49,900

Responsible Budget Holder: Sandra Withington
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BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.25	Expenditure per Resident	0.56	0.56	0.56
(0.12)	Income per Resident	(0.12)	(0.12)	(0.12)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PLANNING POLICY AND CONSERVATION

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
370,400	Employees	373,600	376,400	383,100
0	Premises	0	0	0
16,000	Transport	23,000	23,000	23,000
14,600	Supplies and Services	59,200	57,900	57,900
43,000	Third Party Payments	152,500	51,500	13,000
0	Transfer Payments	0	0	0
67,600	Internal Services Recharged	145,200	143,900	141,900
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
511,600	TOTAL EXPENDITURE	753,500	652,700	618,900
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(32,000)	Customer & Client Receipts	(52,000)	(52,000)	(52,000)
0	Interest	0	0	0
(32,000)	TOTAL INCOME	(52,000)	(52,000)	(52,000)
479,600	NET BUDGET	701,500	600,700	566,900

Responsible Budget Holder: David Armiger
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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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
4.52	Expenditure per Resident	6.63	5.74	5.45
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PLANNING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
308,800	Employees	365,600	372,100	378,100
0	Premises	0	0	0
20,800	Transport	18,200	18,200	18,200
24,300	Supplies and Services	47,400	46,500	46,500
22,000	Third Party Payments	35,000	35,000	35,000
0	Transfer Payments	0	0	0
530,400	Internal Services Recharged	475,700	476,800	480,100
6,800	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
913,100	TOTAL EXPENDITURE	941,900	948,600	957,900
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(579,800)	Customer & Client Receipts	(679,800)	(679,800)	(679,800)
0	Interest	0	0	0
(579,800)	TOTAL INCOME	(679,800)	(679,800)	(679,800)
333,300	NET BUDGET	262,100	268,800	278,100

Responsible Budget Holder: Beverley Alderton-Sambrook

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
8.07	Expenditure per Resident	8.29	8.35	8.43
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PLANNING - SERVICE MANAGEMENT & SUPPORT
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
206,500	Employees	229,500	232,700	236,000
1,000	Premises	1,000	1,000	1,000
6,800	Transport	6,000	6,000	6,000
39,000	Supplies and Services	18,600	16,100	16,100
2,200	Third Party Payments	4,000	4,000	4,000
0	Transfer Payments	0	0	0
116,700	Internal Services Recharged	110,500	110,500	110,500
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
372,200	TOTAL EXPENDITURE	369,600	370,300	373,600
	<u>INCOME</u>			
(343,700)	Internal Services Recharges	(361,100)	(361,800)	(365,100)
0	Grants/Contributions/Reimbursements	0	0	0
(28,500)	Customer & Client Receipts	(8,500)	(8,500)	(8,500)
0	Interest	0	0	0
(372,200)	TOTAL INCOME	(369,600)	(370,300)	(373,600)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Lisa Taylor
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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.
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
3.29	Expenditure per Resident	3.25	3.26	3.29
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HEAD OF REGENERATION

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
83,600	Employees	79,700	80,500	80,500
0	Premises	0	0	0
1,600	Transport	2,600	2,600	2,600
300	Supplies and Services	36,000	36,000	36,000
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
78,000	Internal Services Recharged	89,000	89,000	89,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
163,500	TOTAL EXPENDITURE	207,300	208,100	208,100
	<u>INCOME</u>			
(120,700)	Internal Services Recharges	(166,200)	(166,600)	(166,200)
(42,800)	Grants/Contributions/Reimbursements	(41,100)	(41,500)	(41,900)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(163,500)	TOTAL INCOME	(207,300)	(208,100)	(208,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: David Armingier

BRIEF DESCRIPTION OF SERVICE

To provide overall management and control of the Regeneration service area.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.44	Expenditure per Resident	1.82	1.83	1.83
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ENVIRONMENTAL PROJECTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
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
3,300	Depreciation	3,300	3,300	3,300
0	Capital Financing Costs	0	0	0
3,300	TOTAL EXPENDITURE	3,300	3,300	3,300
	<u>INCOME</u>	0	0	0
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
3,300	NET BUDGET	3,300	3,300	3,300

Responsible Budget Holder: David Armiger
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BRIEF DESCRIPTION OF SERVICE

<p>This budget relates to capital financing of previous years environmental works including disabled access, links and gateways around Worksop and Retford.</p>

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.03	Expenditure per Resident	0.03	0.03	0.03
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

BUILDING CONTROL / DANGEROUS STRUCTURES
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
349,600	Employees	332,000	336,500	340,700
800	Premises	800	800	800
31,300	Transport	26,900	26,900	26,900
21,800	Supplies and Services	20,000	19,400	19,400
11,600	Third Party Payments	7,500	7,500	7,500
0	Transfer Payments	0	0	0
136,000	Internal Services Recharged	99,000	98,200	98,200
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
551,100	TOTAL EXPENDITURE	486,200	489,300	493,500
	<u>INCOME</u>	0	0	0
(2,700)	Internal Services Recharges	(4,300)	(4,300)	(4,300)
0	Grants/Contributions/Reimbursements	0	0	0
(247,400)	Customer & Client Receipts	(180,300)	(180,300)	(180,300)
0	Interest	0	0	0
(250,100)	TOTAL INCOME	(184,600)	(184,600)	(184,600)
301,000	NET BUDGET	301,600	304,700	308,900

Responsible Budget Holder: 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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.87	Expenditure per Resident	4.28	4.31	4.34
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

NEIGHBOURHOODS

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
470,600	Environmental Health	1,062,800	1,082,200	1,090,500
0	Head of Neighbourhood Services	0	0	0
546,800	Environment Public Health	0	0	0
116,400	Waste Disposal	182,100	182,200	153,000
96,400	Cemeteries	85,000	89,200	97,000
790,000	Street Cleansing	826,200	902,800	892,300
1,784,100	Waste Collection	1,696,900	1,685,400	1,694,900
54,200	Emergency Planning	62,000	62,400	62,700
0	Transport	0	0	0
0	Environment Services Unit	0	0	0
161,800	Environment Policy & Development	0	0	0
0	Grounds Maintenance Trading A/C	0	0	0
0	Health & Safety	(4,000)	(4,000)	(4,000)
4,600	NCC Disposal Charges	1,300	1,300	1,300
164,500	Public Conveniences	160,000	161,700	163,300
1,313,900	Leisure -Service Management & Support	1,317,700	1,338,100	1,359,800
45,100	Arts Development & Culture	11,000	11,000	11,000
238,500	Sports & Physical Activity Development	181,800	177,200	178,000
1,352,200	Community Parks & Open Spaces	1,199,800	1,124,600	1,152,900
7,139,100	TOTAL EXPENDITURE	6,782,600	6,814,100	6,852,700

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

NEIGHBOURHOODS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
3,773,400	Employees	3,656,200	3,700,800	3,744,800
1,623,500	Premises	1,573,800	1,688,900	1,735,500
1,213,300	Transport	1,216,200	1,215,200	1,215,200
478,700	Supplies and Services	387,500	383,300	383,500
1,220,300	Third Party Payments	1,173,100	1,193,500	1,214,900
0	Transfer Payments	0	0	0
1,566,900	Internal Services Recharged	2,001,300	2,001,500	2,002,000
1,357,000	Depreciation	1,263,000	1,245,400	1,241,100
2,300	Capital Finance Costs	800	800	800
11,235,400	TOTAL EXPENDITURE	11,271,900	11,429,400	11,537,800
	<u>INCOME</u>			
(2,225,900)	Internal Services Recharges	(2,572,000)	(2,691,600)	(2,753,600)
(591,200)	Grants/Contributions/Reimbursements	(1,204,800)	(1,211,200)	(1,219,000)
(1,279,000)	Customer & Client Receipts	(712,300)	(712,300)	(712,300)
(200)	Interest	(200)	(200)	(200)
(4,096,300)	TOTAL INCOME	(4,489,300)	(4,615,300)	(4,685,100)
7,139,100	NET BUDGET	6,782,600	6,814,100	6,852,700

Head of Service	L Prime
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BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as abandoned vehicles, animal and public health, cemeteries, emergency planning, fly tipping, food safety, water safety, housing standards, parks and open spaces, noise and nuisance, environmental pollution, street care and cleansing, waste recycling and the provision of advice and support on all aspects of matters affecting the environment of the District.

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
99.25	Expenditure per Resident	99.18	100.56	101.52
(36.19)	Income per Resident	(39.50)	(40.61)	(41.22)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ENVIRONMENTAL HEALTH

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
331,200	Employees	614,300	626,200	637,900
0	Premises	1,700	1,700	1,900
16,800	Transport	34,300	34,300	34,300
11,300	Supplies and Services	53,300	52,500	52,500
8,500	Third Party Payments	59,000	59,000	59,000
0	Transfer Payments	0	0	0
123,000	Internal Services Recharged	529,400	538,500	536,600
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
490,800	TOTAL EXPENDITURE	1,292,000	1,312,200	1,322,200
	INCOME			
0	Internal Services Recharges	(207,300)	(208,100)	(209,800)
0	Grants	0	0	0
(20,200)	Customer & Client Receipts	(21,900)	(21,900)	(21,900)
0	Interest	0	0	0
(20,200)	TOTAL INCOME	(229,200)	(230,000)	(231,700)
470,600	NET BUDGET	1,062,800	1,082,200	1,090,500

Responsible Budget Holder: E Prime

BRIEF DESCRIPTION OF SERVICE

The management and provision of services such as Noise & Nuisance, Animal & Public Health, Health & Safety General, Environmental Protection, Water Safety, Food Safety, Environmental Works, Housing Standards. Public Health Division has been amalgamated into this Division.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.34	Expenditure per Resident	11.37	11.55	11.63
(0.18)	Income per Resident	(2.02)	(2.02)	(2.04)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HEAD OF NEIGHBOURHOOD SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
0	Employees	82,800	86,200	89,700
0	Premises	0	0	0
0	Transport	1,900	1,900	1,900
0	Supplies and Services	35,500	35,500	35,500
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
0	Internal Services Recharged	76,000	84,700	84,700
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
0	TOTAL EXPENDITURE	196,200	208,300	211,800
	<u>INCOME</u>			
0	Internal Services Recharges	(196,200)	(208,300)	(211,800)
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	(196,200)	(208,300)	(211,800)
0	NET BUDGET	0	0	0

Responsible Budget Holder: E Prime

BRIEF DESCRIPTION OF SERVICE

The management and provision of services, such as Environmental Health, Refuse, Street Cleaning, Grounds Maint Cemeteries, Leisure & Parks & Open Spaces. The provision of advice and support on aspects affecting health and wellbeing in neighbourhoods within the district.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.00	Expenditure per Resident	1.73	1.83	1.86
0.00	Income per Resident	(1.73)	(1.83)	(1.86)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ENVIRONMENT PUBLIC HEALTH

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
335,200	Employees	0	0	0
300	Premises	0	0	0
19,200	Transport	0	0	0
30,900	Supplies and Services	0	0	0
61,300	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
101,600	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
548,500	TOTAL EXPENDITURE	0	0	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(1,700)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(1,700)	TOTAL INCOME	0	0	0
546,800	NET BUDGET	0	0	0

Responsible Budget Holder:

BRIEF DESCRIPTION OF SERVICE

This Division has been amalgamated with Environmental Health Division

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
4.85	Expenditure per Resident	0.00	0.00	0.00
(0.02)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

WASTE DISPOSAL

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	25,700	26,500	27,100
21,800	Premises	93,500	94,900	95,000
6,300	Transport	8,300	8,300	8,300
17,200	Supplies and Services	15,600	15,500	15,500
10,900	Third Party Payments	10,000	10,000	10,000
0	Transfer Payments	0	0	0
28,600	Internal Services Recharged	35,400	35,400	35,400
84,400	Depreciation	46,500	44,500	14,600
200	Capital Finance Costs	100	100	100
169,400	TOTAL EXPENDITURE	235,100	235,200	206,000
	INCOME			
0	Internal Services Recharges	0	0	0
(48,000)	Grants/Contributions/Reimbursements	(48,000)	(48,000)	(48,000)
(5,000)	Customer & Client Receipts	(5,000)	(5,000)	(5,000)
0	Interest	0	0	0
(53,000)	TOTAL INCOME	(53,000)	(53,000)	(53,000)
116,400	NET BUDGET	182,100	182,200	153,000

Responsible Budget Holder: J Walker

BRIEF DESCRIPTION OF SERVICE

To provide a comprehensive recycling service.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.50	Expenditure per Resident	2.07	2.07	1.81
(0.47)	Income per Resident	(0.47)	(0.47)	(0.47)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

CEMETERIES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
23,300	Employees	24,400	24,600	24,900
191,600	Premises	164,900	167,600	175,100
2,600	Transport	3,000	3,000	3,000
18,600	Supplies and Services	6,000	5,900	5,900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
42,000	Internal Services Recharged	58,400	59,800	59,800
26,900	Depreciation	26,900	26,900	26,900
0	Capital Finance Costs			
305,000	TOTAL EXPENDITURE	283,600	287,800	295,600
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(208,400)	Customer & Client Receipts	(198,400)	(198,400)	(198,400)
(200)	Interest	(200)	(200)	(200)
(208,600)	TOTAL INCOME	(198,600)	(198,600)	(198,600)
96,400	NET BUDGET	85,000	89,200	97,000

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.69	Expenditure per Resident	2.50	2.53	2.60
(1.84)	Income per Resident	(1.75)	(1.75)	(1.75)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

STREET CLEANSING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
485,100	Employees	494,700	500,000	504,500
62,400	Premises	88,200	187,600	196,700
176,400	Transport	177,200	177,300	177,400
33,700	Supplies and Services	24,500	24,400	24,400
24,000	Third Party Payments	24,000	24,000	24,000
0	Transfer Payments	0	0	0
172,500	Internal Services Recharged	183,600	181,200	181,600
110,300	Depreciation	125,300	192,700	185,300
100	Capital Finance Costs	0	0	0
1,064,500	TOTAL EXPENDITURE	1,117,500	1,287,200	1,293,900
	INCOME			
(272,800)	Internal Services Recharges	(289,600)	(382,700)	(399,900)
0	Grants/Contributions/Reimbursements	0	0	0
(1,700)	Customer & Client Receipts	(1,700)	(1,700)	(1,700)
0	Interest	0	0	0
(274,500)	TOTAL INCOME	(291,300)	(384,400)	(401,600)
790,000	NET BUDGET	826,200	902,800	892,300

Responsible Budget Holder: T Andrew

BRIEF DESCRIPTION OF SERVICE

To maintain cleanliness in accordance with the Environmental Protection Act 1988

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
9.40	Expenditure per Resident	9.83	11.33	11.38
(2.42)	Income per Resident	(2.56)	(3.38)	(3.53)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

WASTE COLLECTION

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
971,100	Employees	993,400	996,300	1,005,600
1,400	Premises	1,700	1,700	1,700
400,200	Transport	389,100	389,200	388,900
94,900	Supplies and Services	73,800	73,700	73,700
100	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
335,200	Internal Services Recharged	336,000	330,200	331,700
374,800	Depreciation	353,500	346,200	346,200
200	Capital Finance Costs	100	100	100
2,177,900	TOTAL EXPENDITURE	2,147,600	2,137,400	2,147,900
	<u>INCOME</u>			
(205,200)	Internal Services Recharges	(223,900)	(225,200)	(226,200)
(400)	Grants/Contributions/Reimbursements	(400)	(400)	(400)
(188,200)	Customer & Client Receipts	(226,400)	(226,400)	(226,400)
0	Interest	0	0	0
(393,800)	TOTAL INCOME	(450,700)	(452,000)	(453,000)
1,784,100	NET BUDGET	1,696,900	1,685,400	1,694,900

Responsible Budget Holder: T Andrew

BRIEF DESCRIPTION OF SERVICE

To provide a collection for domestic waste including dry recyclables and bulky items
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
19.24	Expenditure per Resident	18.90	18.81	18.90
(3.48)	Income per Resident	(3.97)	(3.98)	(3.99)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

EMERGENCY PLANNING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
34,000	Employees	31,900	32,300	32,600
0	Premises	0	0	0
2,300	Transport	2,300	2,300	2,300
2,100	Supplies and Services	200	200	200
12,100	Third Party Payments	9,000	9,000	9,000
0	Transfer Payments	0	0	0
10,800	Internal Services Recharged	18,600	18,600	18,600
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
61,300	TOTAL EXPENDITURE	62,000	62,400	62,700
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(7,100)	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(7,100)	TOTAL INCOME	0	0	0
54,200	NET BUDGET	62,000	62,400	62,700

Responsible Budget Holder: J Moran
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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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.54	Expenditure per Resident	0.55	0.55	0.55
(0.06)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

TRANSPORT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
253,300	Employees	238,000	242,300	244,700
1,100	Premises	1,100	1,100	1,100
332,000	Transport	333,400	333,400	333,400
52,600	Supplies and Services	25,100	25,100	25,200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
137,200	Internal Services Recharged	167,700	167,800	168,100
6,800	Depreciation	6,800	4,000	4,000
200	Capital Finance Costs	100	100	100
783,200	TOTAL EXPENDITURE	772,200	773,800	776,600
	<u>INCOME</u>			
(441,100)	Internal Services Recharges	(438,700)	(437,400)	(437,300)
0	Grants/Contributions/Reimbursements	(289,300)	(292,200)	(295,100)
(342,100)	Customer & Client Receipts	(44,200)	(44,200)	(44,200)
0	Interest	0	0	0
(783,200)	TOTAL INCOME	(772,200)	(773,800)	(776,600)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
6.92	Expenditure per Resident	6.79	6.81	6.83
(6.92)	Income per Resident	(6.79)	(6.81)	(6.83)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ENVIRONMENTAL SERVICES UNIT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
82,500	Employees	77,800	78,600	79,400
400	Premises	200	200	200
0	Transport	0	0	0
6,700	Supplies and Services	5,300	4,900	4,900
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
151,000	Internal Services Recharged	132,600	132,600	132,600
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
240,600	TOTAL EXPENDITURE	215,900	216,300	217,100
	<u>INCOME</u>			
(240,200)	Internal Services Recharges	(215,900)	(216,300)	(217,100)
(400)	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(240,600)	TOTAL INCOME	(215,900)	(216,300)	(217,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: P Jones
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BRIEF DESCRIPTION OF SERVICE

To oversee all aspects of Refuse, Grounds Maintenance and Transport.
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
2.13	Expenditure per Resident	1.90	1.90	1.91
(2.13)	Income per Resident	(1.90)	(1.90)	(1.91)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ENVIRONMENTAL POLICY AND DEVELOPMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
53,600	Employees	0	0	0
90,300	Premises	0	0	0
2,600	Transport	0	0	0
1,400	Supplies and Services	0	0	0
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
13,900	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
161,800	TOTAL EXPENDITURE	0	0	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
161,800	NET BUDGET	0	0	0

Responsible Budget Holder: J Walker

BRIEF DESCRIPTION OF SERVICE

This function has been considered as part of the organisational review. The constituent elements of the Environment Policy & Development team that are to remain, have been incorporated into the Environmental Health Division from 2015/16, still giving support to the Environmental Services section in terms of recycling. Accordingly, salaries and direct costs have been split between other budgets and the internal recharges and central support costs have been recalculated, as they are every year, to match the 2015/16 requirements of any new/changed requirements.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.43	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

GROUNDS MAINTENANCE TRADING ACCOUNT
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
675,200	Employees	680,000	688,600	695,700
15,700	Premises	16,500	16,500	16,500
216,300	Transport	232,000	230,800	231,000
64,000	Supplies and Services	30,300	30,300	30,300
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
123,900	Internal Services Recharged	130,600	131,300	132,000
110,900	Depreciation	103,600	112,000	145,000
200	Capital Finance Costs	100	100	100
1,206,200	TOTAL EXPENDITURE	1,193,100	1,209,600	1,250,600
	<u>INCOME</u>			
(904,800)	Internal Services Recharges	(838,200)	(851,200)	(888,600)
0	Grants/Contributions/Reimbursements	(354,900)	(358,400)	(362,000)
(301,400)	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(1,206,200)	TOTAL INCOME	(1,193,100)	(1,209,600)	(1,250,600)
0	NET BUDGET	0	0	0

Responsible Budget Holder: K Somers

BRIEF DESCRIPTION OF SERVICE

<p>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.</p>
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
10.66	Expenditure per Resident	10.50	10.64	11.00
(10.66)	Income per Resident	(10.50)	(10.64)	(11.00)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HEALTH & SAFETY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
133,800	Employees	128,600	129,700	131,000
0	Premises	0	0	0
3,700	Transport	4,000	4,000	4,000
13,500	Supplies and Services	21,000	20,700	20,700
34,100	Third Party Payments	25,000	25,000	25,000
0	Transfer Payments	0	0	0
11,700	Internal Services Recharged	28,400	27,600	27,600
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
196,800	TOTAL EXPENDITURE	207,000	207,000	208,300
	<u>INCOME</u>			
(75,200)	Internal Services Recharges	(79,300)	(79,300)	(79,300)
(121,600)	Grants/Contributions/Reimbursements	(131,700)	(131,700)	(133,000)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(196,800)	TOTAL INCOME	(211,000)	(211,000)	(212,300)
0	NET BUDGET	(4,000)	(4,000)	(4,000)

Responsible Budget Holder: J Moran
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BRIEF DESCRIPTION OF SERVICE

This is a shared service with Mansfield District Council and provides a comprehensive Health & Safety service across both councils. To develop and maintain the Council's Safety Policy.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
1.74	Expenditure per Resident	1.82	1.82	1.83
(1.74)	Income per Resident	(1.86)	(1.86)	(1.87)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

NCC DISPOSAL CHARGES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
168,400	Third Party Payments	172,400	172,400	172,400
0	Transfer Payments	0	0	0
4,600	Internal Services Recharged	1,300	1,300	1,300
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
173,000	TOTAL EXPENDITURE	173,700	173,700	173,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(168,400)	Customer & Client Receipts	(172,400)	(172,400)	(172,400)
0	Interest	0	0	0
(168,400)	TOTAL INCOME	(172,400)	(172,400)	(172,400)
4,600	NET BUDGET	1,300	1,300	1,300

Responsible Budget Holder: T Andrew
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BRIEF DESCRIPTION OF SERVICE

Management of the NCC Disposal Charges.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.53	Expenditure per Resident	1.53	1.53	1.53
(1.49)	Income per Resident	(1.52)	(1.52)	(1.52)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PUBLIC CONVENIENCES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
75,600	Employees	73,400	74,300	75,000
52,700	Premises	50,900	51,700	52,600
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
15,400	Internal Services Recharged	14,900	14,900	14,900
13,400	Depreciation	13,400	13,400	13,400
0	Capital Finance Costs	0	0	0
164,500	TOTAL EXPENDITURE	160,000	161,700	163,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
164,500	NET BUDGET	160,000	161,700	163,300

Responsible Budget Holder: T Andrew

BRIEF DESCRIPTION OF SERVICE

To provide adequate and clean public conveniences.
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
1.45	Expenditure per Resident	1.41	1.42	1.44
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

LEISURE SERVICE MANAGEMENT & SUPPORT

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
50,100	Employees	47,200	47,500	48,000
527,900	Premises	539,000	539,000	539,000
2,600	Transport	3,600	3,600	3,600
9,600	Supplies and Services	6,900	6,800	6,800
872,900	Third Party Payments	855,700	876,100	897,500
0	Transfer Payments	0	0	0
64,400	Internal Services Recharged	84,000	84,000	84,300
239,300	Depreciation	231,000	231,000	231,000
700	Capital Financing Costs	200	200	200
1,767,500	TOTAL EXPENDITURE	1,767,600	1,788,200	1,810,400
	<u>INCOME</u>			
(86,600)	Internal Services Recharges	(82,900)	(83,100)	(83,600)
(367,000)	Grants/Contributions/Reimbursements	(367,000)	(367,000)	(367,000)
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
(453,600)	TOTAL INCOME	(449,900)	(450,100)	(450,600)
1,313,900	NET BUDGET	1,317,700	1,338,100	1,359,800

Responsible Budget Holder: Peter Clark

BRIEF DESCRIPTION OF SERVICE

<p>The management, administration and development of Leisure Centres, Kilton Forest Golf Course and Sports Development. Providing support and advice to local clubs and groups and promoting good health initiatives.</p>

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
15.61	Expenditure per Resident	15.55	15.73	15.93
(4.01)	Income per Resident	(3.96)	(3.96)	(3.96)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

ARTS DEVELOPMENT & CULTURE

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
7,400	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
9,300	Supplies and Services	11,000	11,000	11,000
11,100	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
17,300	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
45,100	TOTAL EXPENDITURE	11,000	11,000	11,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements/Cont	0	0	0
0	Customer & Client Receipts	0	0	0
0	Interest	0	0	0
0	TOTAL INCOME	0	0	0
45,100	NET BUDGET	11,000	11,000	11,000

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 through the Village Ventures programme
--

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.40	Expenditure per Resident	0.10	0.10	0.10
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

SPORTS & PHYSICAL ACTIVITY DEVELOPMENT

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
169,900	Employees	92,400	94,500	95,100
1,500	Premises	1,500	1,500	1,500
17,000	Transport	13,500	13,500	13,500
20,300	Supplies and Services	6,600	4,700	4,700
16,100	Third Party Payments	16,000	16,000	16,000
0	Transfer Payments	0	0	0
59,300	Internal Services Recharged	61,700	56,900	57,100
0	Depreciation	2,500	2,500	2,500
0	Capital Financing Costs	0	0	0
284,100	TOTAL EXPENDITURE	194,200	189,600	190,400
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(45,200)	Grants/Contributions/Reimbursements/Cont	(12,000)	(12,000)	(12,000)
(400)	Customer & Client Receipts	(400)	(400)	(400)
0	Interest	0	0	0
(45,600)	TOTAL INCOME	(12,400)	(12,400)	(12,400)
238,500	NET BUDGET	181,800	177,200	178,000

Responsible Budget Holder: Tony 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.
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BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.51	Expenditure per Resident	1.71	1.67	1.68
(0.40)	Income per Resident	(0.11)	(0.11)	(0.11)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

COMMUNITY PARKS & OPEN SPACES
--

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
92,100	Employees	51,600	53,200	53,600
656,400	Premises	614,600	625,400	654,200
15,300	Transport	13,600	13,600	13,600
85,200	Supplies and Services	65,000	64,700	64,800
800	Third Party Payments	2,000	2,000	2,000
0	Transfer Payments	0	0	0
154,500	Internal Services Recharged	142,700	136,700	135,700
390,200	Depreciation	353,500	272,200	272,200
700	Capital Financing Costs	200	200	200
1,395,200	TOTAL EXPENDITURE	1,243,200	1,168,000	1,196,300
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(1,500)	Grants/Contributions/Reimbursements/Conf	(1,500)	(1,500)	(1,500)
(41,500)	Customer & Client Receipts	(41,900)	(41,900)	(41,900)
0	Interest	0	0	0
(43,000)	TOTAL INCOME	(43,400)	(43,400)	(43,400)
1,352,200	NET BUDGET	1,199,800	1,124,600	1,152,900

Responsible Budget Holder: John Foster

BRIEF DESCRIPTION OF SERVICE

To maintain and develop the Council's Parks & Open Spaces and Allotments
--

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
12.33	Expenditure per Resident	10.94	10.28	10.53
(0.38)	Income per Resident	(0.38)	(0.38)	(0.38)

DIRECTORATE OF CORPORATE RESOURCES

FINANCE & PROPERTY

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0	Head of Finance & Property	0	0	0
0	Management Accounts	0	0	0
1,100	Corporate Accounts	0	0	0
0	Internal Audit	0	0	0
88,800	Estates	96,600	157,500	159,000
549,200	Engineers & Building Maintenance	376,000	325,600	327,900
(14,600)	Town Halls	(13,300)	(13,200)	(13,200)
0	Procurement	0	0	0
0	Facilities	0	0	0
(240,600)	Parking Services	(294,200)	(292,600)	(289,600)
0	Transactional Finance	0	0	0
383,900	TOTAL EXPENDITURE	165,100	177,300	184,100

DIRECTORATE OF CORPORATE RESOURCES

FINANCE & PROPERTY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
1,485,700	Employees	1,319,700	1,318,000	1,331,800
969,000	Premises	1,009,900	1,025,400	1,042,700
40,100	Transport	45,100	45,100	45,100
347,000	Supplies and Services	604,000	193,800	194,000
774,500	Third Party Payments	797,000	801,200	804,900
0	Transfer Payments	0	0	0
1,211,700	Internal Services Recharged	1,195,300	1,199,000	1,199,500
385,300	Depreciation	405,300	462,600	462,600
800	Capital Financing Costs	200	200	200
5,214,100	TOTAL EXPENDITURE	5,376,500	5,045,300	5,080,800
	INCOME			
(2,476,900)	Internal Services Recharges	(2,450,400)	(2,456,300)	(2,476,100)
(547,800)	Grants/Contributions/Reimbursements	(1,159,200)	(809,900)	(818,800)
(1,805,500)	Customer & Client Receipts	(1,601,800)	(1,601,800)	(1,601,800)
(4,830,200)	TOTAL INCOME	(5,211,400)	(4,868,000)	(4,896,700)
383,900	NET BUDGET	165,100	177,300	184,100

Head of Service:

Mike Hill

BRIEF DESCRIPTION OF SERVICE

Provision of a comprehensive range of financial services to support all activities of the council. The services include Accountancy, Internal Audit and Exchequer Services such as Payroll, Banking & 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. Provide management and maintenance of public on and off-street parking and Council owned Pay and Display Car Parks.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
46.06	Expenditure per Resident	47.31	44.39	44.70
(42.67)	Income per Resident	(45.85)	(42.83)	(43.08)

DIRECTORATE OF CORPORATE RESOURCES

HEAD OF FINANCE & PROPERTY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
89,700	Employees	93,200	94,100	95,000
0	Premises	0	0	0
2,200	Transport	2,700	2,700	2,700
11,400	Supplies and Services	45,400	45,300	45,300
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
65,000	Internal Services Recharged	66,000	66,000	66,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
168,300	TOTAL EXPENDITURE	207,300	208,100	209,000
	<u>INCOME</u>			
(156,900)	Internal Services Recharges	(195,300)	(196,000)	(196,800)
(11,400)	Grants/Contributions/Reimbursements	(12,000)	(12,100)	(12,200)
0	Customer & Client Receipts	0	0	0
(168,300)	TOTAL INCOME	(207,300)	(208,100)	(209,000)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
1.49	Expenditure per Resident	1.82	1.83	1.84
(1.49)	Income per Resident	(1.82)	(1.83)	(1.84)

DIRECTORATE OF CORPORATE RESOURCES

MANAGEMENT ACCOUNTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
218,100	Employees	219,400	222,500	225,800
0	Premises	0	0	0
600	Transport	500	500	500
17,500	Supplies and Services	9,400	10,400	10,400
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
60,500	Internal Services Recharged	72,400	73,000	73,000
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
296,700	TOTAL EXPENDITURE	301,700	306,400	309,700
	INCOME			
(265,300)	Internal Services Recharges	(274,700)	(279,100)	(282,100)
(31,400)	Grants/Contributions/Reimbursements	(27,000)	(27,300)	(27,600)
0	Customer & Client Receipts	0	0	0
(296,700)	TOTAL INCOME	(301,700)	(306,400)	(309,700)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
2.62	Expenditure per Resident	2.65	2.70	2.72
(2.62)	Income per Resident	(2.65)	(2.70)	(2.72)

DIRECTORATE OF CORPORATE RESOURCES

CORPORATE ACCOUNTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	EXPENDITURE			
240,000	Employees	171,800	158,800	160,800
0	Premises	0	0	0
1,300	Transport	900	900	900
66,000	Supplies and Services	33,100	33,900	34,000
400,100	Third Party Payments	396,800	401,000	404,700
0	Transfer Payments	0	0	0
236,000	Internal Services Recharged	160,200	160,400	160,900
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
943,400	TOTAL EXPENDITURE	762,800	755,000	761,300
	INCOME			
(492,000)	Internal Services Recharges	(364,500)	(351,500)	(352,400)
(395,500)	Grants/Contributions/Reimbursements	(398,200)	(403,400)	(408,800)
(54,800)	Customer & Client Receipts	(100)	(100)	(100)
(942,300)	TOTAL INCOME	(762,800)	(755,000)	(761,300)
1,100	NET BUDGET	0	0	0

Responsible Budget Holder:

Nick Wilson

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
8.33	Expenditure per Resident	6.71	6.64	6.70
(8.32)	Income per Resident	(6.71)	(6.64)	(6.70)

DIRECTORATE OF CORPORATE RESOURCES

INTERNAL AUDIT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
14,800	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
700	Supplies and Services	100	100	100
77,800	Third Party Payments	73,000	73,000	73,000
0	Transfer Payments	0	0	0
25,000	Internal Services Recharged	56,700	56,700	56,700
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
118,300	TOTAL EXPENDITURE	129,800	129,800	129,800
	<u>INCOME</u>			
(118,300)	Internal Services Recharges	(129,800)	(129,800)	(129,800)
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(118,300)	TOTAL INCOME	(129,800)	(129,800)	(129,800)
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
1.05	Expenditure per Resident	1.14	1.14	1.14
(1.05)	Income per Resident	(1.14)	(1.14)	(1.14)

DIRECTORATE OF CORPORATE RESOURCES

ESTATES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
190,300	Employees	146,000	148,200	150,800
99,300	Premises	107,200	107,900	109,400
4,700	Transport	5,700	5,700	5,700
13,500	Supplies and Services	11,100	11,000	11,000
18,900	Third Party Payments	10,000	10,000	10,000
0	Transfer Payments	0	0	0
332,100	Internal Services Recharged	385,400	388,500	388,500
96,000	Depreciation	97,600	154,900	154,900
300	Capital Financing Costs	100	100	100
755,100	TOTAL EXPENDITURE	763,100	826,300	830,400
	INCOME			
(297,600)	Internal Services Recharges	(279,800)	(281,800)	(284,100)
(22,800)	Grants/Contributions/Reimbursements	(67,400)	(67,700)	(68,000)
(345,900)	Customer & Client Receipts	(319,300)	(319,300)	(319,300)
(666,300)	TOTAL INCOME	(666,500)	(668,800)	(671,400)
88,800	NET BUDGET	96,600	157,500	159,000

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
6.67	Expenditure per Resident	6.71	7.27	7.31
(5.89)	Income per Resident	(5.86)	(5.88)	(5.91)

DIRECTORATE OF CORPORATE RESOURCES

ENGINEERS & BUILDING MAINTENANCE

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
309,800	Employees	285,800	288,700	291,300
680,900	Premises	714,100	726,100	739,000
21,500	Transport	24,800	24,800	24,800
174,800	Supplies and Services	438,800	30,500	30,500
34,400	Third Party Payments	34,000	34,000	34,000
0	Transfer Payments	0	0	0
257,200	Internal Services Recharged	206,700	207,500	207,500
269,400	Depreciation	271,900	271,900	271,900
400	Capital Financing Costs	100	100	100
1,748,400	TOTAL EXPENDITURE	1,976,200	1,583,600	1,599,100
	INCOME			
(839,000)	Internal Services Recharges	(863,200)	(876,800)	(887,800)
(60,300)	Grants/Contributions/Reimbursements	(592,500)	(236,700)	(238,900)
(299,900)	Customer & Client Receipts	(144,500)	(144,500)	(144,500)
(1,199,200)	TOTAL INCOME	(1,600,200)	(1,258,000)	(1,271,200)
549,200	NET BUDGET	376,000	325,600	327,900

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
15.45	Expenditure per Resident	17.39	13.93	14.07
(10.59)	Income per Resident	(14.08)	(11.07)	(11.18)

DIRECTORATE OF CORPORATE RESOURCES

TOWN HALLS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	0	0	0
2,600	Premises	1,900	2,000	2,000
0	Transport	0	0	0
9,800	Supplies and Services	7,800	7,800	7,800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
5,400	Internal Services Recharged	7,400	7,400	7,400
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
17,800	TOTAL EXPENDITURE	17,100	17,200	17,200
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(32,400)	Customer & Client Receipts	(30,400)	(30,400)	(30,400)
(32,400)	TOTAL INCOME	(30,400)	(30,400)	(30,400)
(14,600)	NET BUDGET	(13,300)	(13,200)	(13,200)

Responsible Budget Holder: John Unstead

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
0.16	Expenditure per Resident	0.15	0.15	0.15
(0.29)	Income per Resident	(0.27)	(0.27)	(0.27)

DIRECTORATE OF CORPORATE RESOURCES

PROCUREMENT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
180,400	Employees	180,900	180,900	180,900
0	Premises	0	0	0
3,100	Transport	2,500	2,500	2,500
7,800	Supplies and Services	6,700	3,600	3,600
38,700	Third Party Payments	37,000	37,000	37,000
0	Transfer Payments	0	0	0
13,200	Internal Services Recharged	14,900	14,900	14,900
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
243,200	TOTAL EXPENDITURE	242,000	238,900	238,900
	<u>INCOME</u>			
(51,200)	Internal Services Recharges	(37,200)	(33,900)	(33,700)
0	Grants/Contributions/Reimbursements	(16,200)	(16,400)	(16,600)
(192,000)	Customer & Client Receipts	(188,600)	(188,600)	(188,600)
(243,200)	TOTAL INCOME	(242,000)	(238,900)	(238,900)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Howard Lane

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.15	Expenditure per Resident	2.13	2.10	2.10
(2.15)	Income per Resident	(2.13)	(2.10)	(2.10)

DIRECTORATE OF CORPORATE RESOURCES

FACILITIES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
41,100	Employees	38,700	39,000	39,500
0	Premises	0	0	0
6,200	Transport	7,100	7,100	7,100
800	Supplies and Services	300	300	300
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
8,200	Internal Services Recharged	12,900	12,600	12,600
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
56,300	TOTAL EXPENDITURE	59,000	59,000	59,500
	<u>INCOME</u>			
(53,300)	Internal Services Recharges	(56,000)	(56,000)	(56,500)
0	Grants/Contributions/Reimbursements	(3,000)	(3,000)	(3,000)
(3,000)	Customer & Client Receipts	0	0	0
(56,300)	TOTAL INCOME	(59,000)	(59,000)	(59,500)
0	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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.50	Expenditure per Resident	0.52	0.52	0.52
(0.50)	Income per Resident	(0.52)	(0.52)	(0.52)

DIRECTORATE OF CORPORATE RESOURCES

PARKING SERVICES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
28,500	Employees	0	0	0
186,200	Premises	186,700	189,400	192,300
0	Transport	0	0	0
25,800	Supplies and Services	35,600	35,700	35,800
199,100	Third Party Payments	244,200	244,200	244,200
0	Transfer Payments	0	0	0
147,000	Internal Services Recharged	122,400	121,200	121,200
19,900	Depreciation	35,800	35,800	35,800
100	Capital Financing Costs	0	0	0
606,600	TOTAL EXPENDITURE	624,700	626,300	629,300
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(847,200)	Customer & Client Receipts	(918,900)	(918,900)	(918,900)
(847,200)	TOTAL INCOME	(918,900)	(918,900)	(918,900)
(240,600)	NET BUDGET	(294,200)	(292,600)	(289,600)

Responsible Budget Holder: John Unstead

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
5.36	Expenditure per Resident	5.50	5.51	5.54
(7.48)	Income per Resident	(8.09)	(8.09)	(8.09)

DIRECTORATE OF CORPORATE RESOURCES

TRANSACTIONAL FINANCE

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	<u>EXPENDITURE</u>			
173,000	Employees	183,900	185,800	187,700
0	Premises	0	0	0
500	Transport	900	900	900
18,900	Supplies and Services	15,700	15,200	15,200
5,500	Third Party Payments	2,000	2,000	2,000
0	Transfer Payments	0	0	0
62,100	Internal Services Recharged	90,300	90,800	90,800
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
260,000	TOTAL EXPENDITURE	292,800	294,700	296,600
	<u>INCOME</u>			
(203,300)	Internal Services Recharges	(249,900)	(251,400)	(252,900)
(26,400)	Grants/Contributions/Reimbursements	(42,900)	(43,300)	(43,700)
(30,300)	Customer & Client Receipts	0	0	0
(260,000)	TOTAL INCOME	(292,800)	(294,700)	(296,600)
0	NET BUDGET	0	0	0

Responsible Budget Holder:

Andrew Bayliss

BRIEF DESCRIPTION OF SERVICE

To maintain, control and supervise the Creditors, Banking Services and Debt Recovery. The Debt Recovery Unit is responsible for the billing, collection and enforcement of payment of the Council's Sundry Debts.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.30	Expenditure per Resident	2.58	2.59	2.61
(2.30)	Income per Resident	(2.58)	(2.59)	(2.61)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOUSING GENERAL FUND

BUDGET 2014/15	Division	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
76,900	Housing Strategy	37,900	38,100	38,100
653,400	Private Sector Housing Renewal	744,300	730,600	400
300,900	Homelessness	224,100	228,200	231,300
34,800	Homelessness Grant	58,000	58,000	58,000
0	Housing Management & Support	0	0	0
16,000	Private Sector PAS	16,200	16,200	16,200
1,082,000	TOTAL EXPENDITURE	1,080,500	1,071,100	344,000

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOUSING GENERAL FUND

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
374,600	Employees	283,400	289,300	294,500
0	Premises	0	0	0
13,100	Transport	19,900	19,900	19,900
1,130,400	Supplies and Services	1,192,900	833,700	102,700
17,900	Third Party Payments	17,000	17,000	17,000
0	Transfer Payments	0	0	0
272,600	Internal Services Recharged	185,700	186,100	186,800
0	Depreciation	0	0	0
300	Capital Finance Costs	100	100	100
1,808,900	TOTAL EXPENDITURE	1,699,000	1,346,100	621,000
	INCOME			
(145,100)	Internal Services Recharges	(69,900)	(70,100)	(70,800)
(476,600)	Grants/Contributions/Reimbursements	(475,600)	(131,900)	(133,200)
(105,200)	Customer & Client Receipts	(73,000)	(73,000)	(73,000)
(726,900)	TOTAL INCOME	(618,500)	(275,000)	(277,000)
1,082,000	NET BUDGET	1,080,500	1,071,100	344,000

Head of Service M Ladyman

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 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
15.98	Expenditure per Resident	14.95	11.84	5.46
(6.42)	Income per Resident	(5.44)	(2.42)	(2.44)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOUSING STRATEGY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
1,000	Supplies and Services	800	800	800
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
75,900	Internal Services Recharged	37,100	37,300	37,300
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
76,900	TOTAL EXPENDITURE	37,900	38,100	38,100
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
76,900	NET BUDGET	37,900	38,100	38,100

Responsible Budget Holder: Claire Holt

BRIEF DESCRIPTION OF SERVICE

Costs relating to the Housing Investment Programme bid

BUDGET 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.68	Expenditure per Resident	0.33	0.34	0.34
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PRIVATE SECTOR HOUSING RENEWAL

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
114,600	Employees	108,900	110,200	111,300
0	Premises	0	0	0
8,000	Transport	9,500	9,500	9,500
1,032,000	Supplies and Services	1,102,400	743,400	12,400
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
65,300	Internal Services Recharged	41,300	41,300	42,000
0	Depreciation	0	0	0
300	Capital Finance Costs	100	100	100
1,220,200	TOTAL EXPENDITURE	1,262,200	904,500	175,300
	INCOME			
0	Internal Services Recharges	0	0	0
(464,600)	Grants/Contributions/Reimbursements	(447,900)	(103,900)	(104,900)
(102,200)	Customer & Client Receipts	(70,000)	(70,000)	(70,000)
(566,800)	TOTAL INCOME	(517,900)	(173,900)	(174,900)
653,400	NET BUDGET	744,300	730,600	400

Responsible Budget Holder: Claire Holt

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 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
10.78	Expenditure per Resident	11.11	7.96	1.54
(5.01)	Income per Resident	(4.56)	(1.53)	(1.54)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOMELESSNESS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
171,300	Employees	135,800	139,700	142,800
0	Premises	0	0	0
3,300	Transport	6,400	6,400	6,400
52,800	Supplies and Services	29,200	29,200	29,200
0	Third Party Payments	0	0	0
0	Transfer Payments	0	0	0
76,500	Internal Services Recharged	55,700	55,900	55,900
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
303,900	TOTAL EXPENDITURE	227,100	231,200	234,300
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
(3,000)	Customer & Client Receipts	(3,000)	(3,000)	(3,000)
(3,000)	TOTAL INCOME	(3,000)	(3,000)	(3,000)
300,900	NET BUDGET	224,100	228,200	231,300

Responsible Budget Holder: Claire Holt / Trudy Walstow

BRIEF DESCRIPTION OF SERVICE

To provide temporary accommodation for the homeless

BUDGET 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
2.68	Expenditure per Resident	2.00	2.03	2.06
(0.03)	Income per Resident	(0.03)	(0.03)	(0.03)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOMELESSNESS GRANT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
34,800	Supplies and Services	57,500	57,500	57,500
0	Third Party Payments	0	0	0
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
34,800	TOTAL EXPENDITURE	58,000	58,000	58,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
34,800	NET BUDGET	58,000	58,000	58,000

Responsible Budget Holder: Claire Holt

BRIEF DESCRIPTION OF SERVICE

To provide temporary accomodation for the homeless

BUDGET 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.31	Expenditure per Resident	0.51	0.51	0.51
0.00	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

HOUSING MANAGEMENT AND SUPPORT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
88,700	Employees	38,700	39,400	40,400
0	Premises	0	0	0
1,800	Transport	3,500	3,500	3,500
3,700	Supplies and Services	2,800	2,600	2,600
2,000	Third Party Payments	2,000	2,000	2,000
0	Transfer Payments	0	0	0
54,900	Internal Services Recharged	50,600	50,600	50,600
0	Depreciation	0	0	0
0	Capital Finance Costs	0	0	0
151,100		97,600	98,100	99,100
	INCOME			
(145,100)	Internal Services Recharges	(69,900)	(70,100)	(70,800)
(6,000)	Grants/Contributions/Reimbursements	(27,700)	(28,000)	(28,300)
0	Customer & Client Receipts	0	0	0
(151,100)	TOTAL INCOME	(97,600)	(98,100)	(99,100)
0	NET BUDGET	0	0	0

Responsible Budget Holder: Claire Holt

BRIEF DESCRIPTION OF SERVICE

Strategic management of housing services.

BUDGET 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.33	Expenditure per Resident	0.86	0.86	0.87
(1.33)	Income per Resident	(0.86)	(0.86)	(0.87)

DIRECTORATE OF REGENERATION & NEIGHBOURHOODS

PRIVATE SECTOR PREVENTATIVE ADAPTATIONS SERVICE
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BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	500	500	500
6,100	Supplies and Services	200	200	200
15,900	Third Party Payments	15,000	15,000	15,000
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
22,000		16,200	16,200	16,200
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
(6,000)	Grants/Contributions/Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(6,000)	TOTAL INCOME	0	0	0
16,000	NET BUDGET	16,200	16,200	16,200

Responsible Budget Holder: Claire Holt

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 2014/15	UNIT COTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.19	Expenditure per Resident	0.14	0.14	0.14
(0.05)	Income per Resident	0.00	0.00	0.00

DIRECTORATE OF CORPORATE RESOURCES

REVENUE SERVICES

BUDGET 2014/15 £	DIVISION	BUDGET 2015/16 £	FORECAST	
			2016/17 £	2017/18 £
229,700	Housing Benefits	129,800	218,500	259,100
86,000	Revenues & Customer SMS	0	0	0
523,600	Local Tax Collection	586,000	602,900	609,600
839,300	Total	715,800	821,400	868,700

DIRECTORATE OF CORPORATE RESOURCES

REVENUE SERVICES

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
1,000,400	Employees	979,500	996,700	1,008,600
0	Premises	0	0	0
19,800	Transport	15,000	15,000	15,000
265,000	Supplies and Services	152,900	150,000	151,200
61,400	Third Party Payments	66,400	66,400	66,400
30,722,900	Transfer Payments	29,826,700	30,347,700	30,191,200
1,972,400	Internal Services Recharged	1,726,800	1,744,800	1,749,400
0	Depreciation	0	0	0
2,900	Capital Financing Costs	700	700	700
34,044,800	TOTAL EXPENDITURE	32,768,000	33,321,300	33,182,500
	INCOME			
(1,228,600)	Internal Services Recharges	(1,093,800)	(1,106,800)	(1,113,200)
(31,443,400)	Grants, Contributions & Reimbursements	(30,459,000)	(30,903,700)	(30,713,200)
(533,500)	Customer & Client Receipts	(499,400)	(489,400)	(487,400)
(33,205,500)	TOTAL INCOME	(32,052,200)	(32,499,900)	(32,313,800)
839,300	NET BUDGET	715,800	821,400	868,700

Head of Service: Mike Hill
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BRIEF DESCRIPTION OF SERVICE

The Revenue Services service is responsible for the billing and collection of Council Tax and Business Rates. The service arranges Housing Benefits payments and now also administers the Council Tax Benefits replacement called Council Tax Support (Reductions), to members of the public on low incomes.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
300.75	Expenditure per Resident	288.31	293.18	291.96
(293.33)	Income per Resident	(282.02)	(285.95)	(284.32)

DIRECTORATE OF CORPORATE RESOURCES

HOUSING BENEFITS

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
100,400	Employees	84,600	85,500	86,300
0	Premises	0	0	0
3,000	Transport	3,800	3,800	3,800
7,600	Supplies and Services	10,400	9,900	9,900
6,500	Third Party Payments	5,100	5,100	5,100
30,722,900	Transfer Payments	29,826,700	30,347,700	30,191,200
844,100	Internal Services Recharged	778,400	787,500	791,800
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
31,684,500	TOTAL EXPENDITURE	30,709,000	31,239,500	31,088,100
	INCOME			
(130,200)	Internal Services Recharges	(126,600)	(134,000)	(134,800)
(31,120,100)	Grants, Contributions & Reimbursements	(30,267,600)	(30,712,000)	(30,521,200)
(204,500)	Customer & Client Receipts	(185,000)	(175,000)	(173,000)
(31,454,800)	TOTAL INCOME	(30,579,200)	(31,021,000)	(30,829,000)
229,700	NET BUDGET	129,800	218,500	259,100

Responsible Budget Holder: Elaine Simmonds

BRIEF DESCRIPTION OF SERVICE

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

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
279.90	Expenditure per Resident	270.20	274.86	273.53
(277.87)	Income per Resident	(269.06)	(272.94)	(271.25)

DIRECTORATE OF CORPORATE RESOURCES

REVENUES SMS

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
593,800	Employees	590,700	599,300	605,200
0	Premises	0	0	0
7,100	Transport	3,400	3,400	3,400
136,300	Supplies and Services	56,500	53,800	53,800
37,000	Third Party Payments	23,000	23,000	23,000
0	Transfer Payments	0	0	0
410,100	Internal Services Recharged	319,000	319,000	319,000
0	Depreciation	0	0	0
100	Capital Financing Costs	0	0	0
1,184,400	TOTAL EXPENDITURE	992,600	998,500	1,004,400
	INCOME			
(1,098,400)	Internal Services Recharges	(967,200)	(972,800)	(978,400)
0	Grants, Contributions & Reimbursements	(25,400)	(25,700)	(26,000)
0	Customer & Client Receipts	0	0	0
(1,098,400)	TOTAL INCOME	(992,600)	(998,500)	(1,004,400)
86,000	NET BUDGET	0	0	0

Responsible Budget Holder: Elaine Simmonds

BRIEF DESCRIPTION OF SERVICE

Management of Revenues Services. Administration of Housing Benefits and Council Tax Reductions.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
10.46	Expenditure per Resident	8.73	8.79	8.84
(9.70)	Income per Resident	(8.73)	(8.79)	(8.84)

DIRECTORATE OF CORPORATE RESOURCES

LOCAL TAX COLLECTION

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
306,200	Employees	304,200	311,900	317,100
0	Premises	0	0	0
9,700	Transport	7,800	7,800	7,800
121,100	Supplies and Services	86,000	86,300	87,500
17,900	Third Party Payments	38,300	38,300	38,300
0	Transfer Payments	0	0	0
718,200	Internal Services Recharged	629,400	638,300	638,600
0	Depreciation	0	0	0
2,800	Capital Financing Costs	700	700	700
1,175,900	TOTAL EXPENDITURE	1,066,400	1,083,300	1,090,000
	INCOME			
0	Internal Services Recharges	0	0	0
(323,300)	Grants, Contributions & Reimbursements	(166,000)	(166,000)	(166,000)
(329,000)	Customer & Client Receipts	(314,400)	(314,400)	(314,400)
(652,300)	TOTAL INCOME	(480,400)	(480,400)	(480,400)
523,600	NET BUDGET	586,000	602,900	609,600

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 Reductions Service for the public.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
10.39	Expenditure per Resident	9.38	9.53	9.59
(5.76)	Income per Resident	(4.23)	(4.23)	(4.23)

CHIEF EXECUTIVE

OTHER BUDGETS

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
(2,840,100)	Asset Rents	(2,858,600)	(2,822,700)	(2,024,200)
300,000	Capital Grants	1,720,000	0	0
0	Contribution to Pooling	0	0	0
150,000	Provision - Corporate Contingency	150,000	150,000	150,000
100,000	Provision - Bad debts	100,000	100,000	100,000
130,400	Provision - Legal Contingency	110,400	110,400	110,400
20,000	Provision - Payroll Issues	0	0	0
40,000	Provision - Utilities	30,000	30,000	30,000
16,400	Localism Act Grants	0	0	0
1,748,900	Net Interest & borrowing costs	1,605,300	1,533,100	1,565,700
531,300	Concurrent functions & drainage board levies	529,200	537,100	545,100
906,000	Parishes Precepts	936,700	942,000	961,000
1,102,900	TOTAL	2,323,000	579,900	1,438,000

CHIEF EXECUTIVE

OTHER BUDGETS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	0	0	0
40,000	Premises	30,000	30,000	30,000
0	Transport	0	0	0
496,800	Supplies and Services	428,200	426,900	425,500
1,131,000	Third Party Payments	2,144,200	2,149,500	2,168,500
453,300	Transfer Payments	462,300	471,500	480,900
0	Internal Services Recharged	0	0	0
1,582,600	Depreciation	3,191,000	795,500	828,100
887,300	Capital Financing Costs	828,900	729,200	729,200
4,591,000	TOTAL EXPENDITURE	7,084,600	4,602,600	4,662,200
	INCOME			
0	Internal Services Recharges	(4,761,600)	(4,022,700)	(3,224,200)
0	Grants, Contributions & Reimbursements	0	0	0
(3,488,100)	Customer & Client Receipts	0	0	0
(3,488,100)	TOTAL INCOME	(4,761,600)	(4,022,700)	(3,224,200)
1,102,900	NET BUDGET	2,323,000	579,900	1,438,000

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
40.56	Expenditure per Resident	62.33	40.50	41.02
(30.81)	Income per Resident	(41.90)	(35.39)	(28.37)

CHIEF EXECUTIVE

ASSET RENTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	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
423,000	Depreciation	703,000	0	0
0	Capital Financing Costs	0	0	0
423,000	TOTAL EXPENDITURE	703,000	0	0
	INCOME			
(3,263,100)	Internal Services Recharges	(3,561,600)	(2,822,700)	(2,024,200)
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(3,263,100)	TOTAL INCOME	(3,561,600)	(2,822,700)	(2,024,200)
(2,840,100)	NET BUDGET	(2,858,600)	(2,822,700)	(2,024,200)

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
3.74	Expenditure per Resident	6.19	0.00	0.00
(28.83)	Income per Resident	(31.34)	(24.84)	(17.81)

CHIEF EXECUTIVE

CAPITAL GRANTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	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
300,000	Depreciation	1,720,000	0	0
0	Capital Financing Costs	0	0	0
300,000	TOTAL EXPENDITURE	1,720,000	0	0
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
300,000	NET BUDGET	1,720,000	0	0

Responsible Budget Holder: Nick Wilson

BRIEF DESCRIPTION OF SERVICE

To account for the reversal of any Capital grants received

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
2.65	Expenditure per Resident	15.13	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

CONTRIBUTION TO POOLING

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
225,000	Third Party Payments	1,200,000	1,200,000	1,200,000
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
225,000	TOTAL EXPENDITURE	1,200,000	1,200,000	1,200,000
	INCOME			
-225,000	Internal Services Recharges	-1,200,000	-1,200,000	-1,200,000
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
(225,000)	TOTAL INCOME	-1,200,000	-1,200,000	-1,200,000
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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.99	Expenditure per Resident	10.56	10.56	10.56
(1.99)	Income per Resident	(10.56)	(10.56)	(10.56)

CHIEF EXECUTIVE

PROVISION - CORPORATE CONTINGENCY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	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, Contributions & Reimbursements	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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
1.33	Expenditure per Resident	1.32	1.32	1.32
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - BAD DEBT

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
100,000	Supplies and Services	100,000	100,000	100,000
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
100,000	TOTAL EXPENDITURE	100,000	100,000	100,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
100,000	NET BUDGET	100,000	100,000	100,000

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.88	Expenditure per Resident	0.88	0.88	0.88
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - LEGAL CONTINGENCY

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
130,400	Supplies and Services	110,400	110,400	110,400
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
130,400	TOTAL EXPENDITURE	110,400	110,400	110,400
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
130,400	NET BUDGET	110,400	110,400	110,400

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet the expected costs of future pay awards

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
1.15	Expenditure per Resident	0.97	0.97	0.97
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - PAYROLL ISSUES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
20,000	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
20,000	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
20,000	NET BUDGET	0	0	0

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet any unexpected payroll costs.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.18	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PROVISION - UTILITIES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
40,000	Premises	30,000	30,000	30,000
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
40,000	TOTAL EXPENDITURE	30,000	30,000	30,000
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
40,000	NET BUDGET	30,000	30,000	30,000

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

A provision to meet the expected increased costs of utilities.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.35	Expenditure per Resident	0.26	0.26	0.26
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

LOCALISM ACT GRANTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	<u>EXPENDITURE</u>			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
16,400	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
16,400	TOTAL EXPENDITURE	0	0	0
	<u>INCOME</u>			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
16,400	NET BUDGET	0	0	0

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

This budget relates to the expected costs associated with the Localism Act. This was a 2 year grant for 2013/14 & 2014/15 which has now been withdrawn by Government.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0.14	Expenditure per Resident	0.00	0.00	0.00
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

NET INTEREST AND BORROWING COSTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
2,000	Supplies and Services	900	900	900
0	Third Party Payments	7,500	7,500	7,500
0	Transfer Payments	0	0	0
0	Internal Services Recharged	0	0	0
859,600	Depreciation	768,000	795,500	828,100
887,300	Capital financing costs	828,900	729,200	729,200
1,748,900	TOTAL EXPENDITURE	1,605,300	1,533,100	1,565,700
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
1,748,900	NET BUDGET	1,605,300	1,533,100	1,565,700

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
15.45	Expenditure per Resident	14.12	13.49	13.78
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

CONCURRENT FUNCTIONS AND DRAINAGE BOARD LEVIES

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
78,000	Supplies and Services	66,900	65,600	64,200
0	Third Party Payments	0	0	0
453,300	Transfer Payments	462,300	471,500	480,900
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
531,300	TOTAL EXPENDITURE	529,200	537,100	545,100
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
531,300	NET BUDGET	529,200	537,100	545,100

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 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
4.69	Expenditure per Resident	4.66	4.73	4.80
0.00	Income per Resident	0.00	0.00	0.00

CHIEF EXECUTIVE

PARISH PRECEPTS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	EXPENDITURE			
0	Employees	0	0	0
0	Premises	0	0	0
0	Transport	0	0	0
0	Supplies and Services	0	0	0
906,000	Third Party Payments	936,700	942,000	961,000
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
906,000	TOTAL EXPENDITURE	936,700	942,000	961,000
	INCOME			
0	Internal Services Recharges	0	0	0
0	Grants, Contributions & Reimbursements	0	0	0
0	Customer & Client Receipts	0	0	0
0	TOTAL INCOME	0	0	0
906,000	NET BUDGET	936,700	942,000	961,000

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

Precepts payable to parishes.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
			£	£
8.00	Expenditure per Resident	8.24	8.29	8.46
0.00	Income per Resident	0.00	0.00	0.00

RESERVES

RESERVES

BUDGET 2014/15	DIVISION	BUDGET 2015/16	FORECAST	
£		£	2016/17 £	2017/18 £
0	Savings Target	0	(586,800)	(1,889,300)
0	Transfer (from) General Reserve	(73,500)	0	0
0	Transfer to Earmarked Reserves	590,300	590,300	304,300
(153,600)	Transfer (from) Earmarked Reserves	(168,600)	(824,700)	(234,400)
(153,600)	TOTAL EXPENDITURE	348,200	(821,200)	(1,819,400)

RESERVES

TRANSFERS

BUDGET 2014/15	GROUP	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
	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	590,300	590,300	304,300
0	Internal Services Recharged	0	0	0
0	Depreciation	0	0	0
0	Capital Financing Costs	0	0	0
0	TOTAL EXPENDITURE	590,300	590,300	304,300
	INCOME			
(133,000)	Internal Services Recharges	0	0	0
0	Grants	0	0	0
0	Customer & Client Receipts	0	0	0
(20,000)	Revenue Appropriations	(242,100)	(1,411,500)	(2,123,700)
(153,000)	TOTAL INCOME	(242,100)	(1,411,500)	(2,123,700)
(153,000)	NET BUDGET	348,200	(821,200)	(1,819,400)

Responsible Budget Holder: Mike Hill

BRIEF DESCRIPTION OF SERVICE

This budget represents the movements to/(from) general reserve and earmarked reserves for 2015/16, 2016/17 and 2017/18. It also details the savings target required for 2016/17 and 2017/18.

BUDGET 2014/15	UNIT COSTS	BUDGET 2015/16	FORECAST	
£		£	2016/17	2017/18
0.00	Expenditure per Resident	5.19	5.19	2.68
(1.35)	Income per Resident	(2.13)	(12.42)	(18.69)

COLLECTION FUND ESTIMATES 2015/16

COUNCIL TAX	£'000	£'000	£'000
Surplus for 2013/14			
Actual surplus as at 31.03.14		1,163	
Less surplus declared 15th January 2014		<u>(550)</u>	
Estimate overstated			613
Transactions in 2014/15			
Taxpayers' accounts due		68,337	
Less:			
Council Tax Support	(7,736)		
Exemptions, discounts and disabled relief	(6,650)		
Precepts	(52,448)		
Anticipated write offs	(228)		
Increase in bad debt provision	<u>(888)</u>		
		<u>(67,950)</u>	
			387
Surplus declared 15th January 2015			1,000

Allocation of Council Tax surplus		£
Bassetlaw District Council	11.16%	111,597
Nottinghamshire County Council	74.00%	740,009
Nottinghamshire Police & Crime Commisioner	10.52%	105,189
Nottinghamshire Fire & Rescue Authority	4.32%	43,205
		<u>1,000,000</u>

MOVEMENT ON BALANCES:

REVENUE BALANCE	Balance 01/04/14 £'000	2014/15			2015/16			2016/17			2017/18		
		Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/15 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/16 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/17 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/18 £'000
Working Balance	1,000	-	-	1,000	-	-	1,000	-	-	1,000	-	-	1,000
General Reserve	82	99	-	181	-	(74)	107	-	-	107	-	-	107
SUB-TOTAL	1,082	99	-	1,181	-	(74)	1,107	-	-	1,107	-	-	1,107

MOVEMENT ON EARMARKED RESERVES:

REVENUE RESERVE	Balance 01/04/14 £000	2014/15			2015/16			2016/17			2017/18		
		Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/15 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/16 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/17 £'000	Transfer to Reserve £'000	Transfer from Reserve £'000	Balance 31/03/18 £'000
Developers Revenue Contributions Unapplied	223	-	(35)	188	-	-	188	-	-	188	-	-	188
Job Evaluation	735	-	-	735	-	-	735	-	(184)	551	-	(184)	367
Donations - Bassetlaw Games	17	-	-	17	-	-	17	-	-	17	-	-	17
Donations - Museum	2	-	(2)	-	-	-	-	-	-	-	-	-	-
Donations - Shopmobility	18	-	-	18	-	-	18	-	-	18	-	-	18
Donations - Sports Development	3	-	(3)	-	-	-	-	-	-	-	-	-	-
Revenue Grants Unapplied (cashflow)	101	-	(74)	27	-	-	27	-	-	27	-	-	27
Pension Strain	20	-	(20)	-	-	-	-	-	-	-	-	-	-
High Street Innovation Fund	45	-	(5)	40	-	-	40	-	-	40	-	-	40
Insurance Reserve	300	-	-	300	-	-	300	-	-	300	-	-	300
Earmarked Reserves (one-offs)	352	-	(93)	259	-	(117)	142	-	-	142	-	-	142
LAMS Default Reserve (Mortgages)	8	8	-	16	-	-	16	-	-	16	-	-	16
Treasury Management Impairment	429	-	(51)	378	-	(51)	327	-	(51)	276	-	(51)	225
Business Rates Volatility Fund	-	200	-	200	-	-	200	-	-	200	-	-	200
Pilgrim Fathers Celebration Reserve	-	40	-	40	-	-	40	-	-	40	-	-	40
New Homes Bonus Reserve	-	-	-	-	590	-	590	590	(590)	590	304	-	894
SUB-TOTAL	2,253	248	(283)	2,218	590	(168)	2,640	590	(825)	2,405	304	(235)	2,474

TOTAL RESERVES	3,335	347	(283)	3,399	590	(242)	3,747	590	(825)	3,512	304	(235)	3,581
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BASSETLAW DISTRICT COUNCIL

CABINET

12th FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

GENERAL FUND CAPITAL PROGRAMME 2015/16 TO 2019/20

Cabinet Member: Finance
Contact: Mike Hill
Ext: 3174

1. Public Interest Test

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

2. Purpose of the Report

- 2.1 To approve the General Fund Capital Programme for 2015/16 to 2019/20.

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. This means that the capital programme is predominantly funded using capital resources from the sale of assets, Section 106 contributions, or external grant funding.
- 3.2 The theme of last year's capital budget was one of completion. Expenditure does not neatly fit into one financial year, as schemes can take several months in the planning stage to ensure that the outcomes required from the project are maximised, and then any external funding has to be secured before any expenditure is committed or works on site are commenced. Historically this has been experienced by Bassetlaw, as project budgets and timescales for completion have had to be re-profiled/extended into future years to complete the projects.
- 3.3 This approach has provided the Council with the opportunity to start afresh for 2015/16 with a new Capital Programme that will be appropriately managed to ensure the successful delivery of schemes within a designated financial year.
- 3.4 Outline capital bids were invited over the summer months, with a deadline of 12th September 2014. These have been scored and examined by the Capital Project Assessment Team during October 2014, with the outcome of the deliberations being presented in this report to Cabinet.

Schemes Already Approved as Part of the 2013/14 Budget Setting Process

- 3.5 There are a number of schemes already approved for the period 2015/16 to 2019/20 resulting from the budget process in February last year. In addition to this a number

of schemes have been reprofiled into future years as part of the quarters 1, 2 and 3 Budget Monitoring reports to Cabinet (highlighted in bold). Together these are as follows:

	Total Cost £'000	Funded by:
2015/16:		
Queen's Buildings Modernisation Plan	180	Capital Receipts £50k; Borrowing £130k
Retford & Worksop – Prince's Trust Initiative	35	Capital Receipts £35k
Buildings at Risk	46	Capital Receipts £46k
Manton Regeneration	60	Capital Receipts £60k
Empty Homes Grant	40	Capital Receipts £40k
Kings Park – Performance Area/Improvement Programme	121	Capital Receipts £120k; Kings Park Trust £1k
Strawberry Road - Community Garden	16	Capital Receipts £16k
Walkeringham Flood Alleviation Scheme	358	Environment Agency £358k
Vehicles & Plant – Replacement	561	Borrowing £561k
Flood Mitigation Schemes	50	Capital Receipts £50k
Worksop Creative Village Phase 2	1,720	Heritage Lottery Fund £1,489k; Section 106 £231k
2016/17:		
Vehicles & Plant – Replacement	248	Borrowing £248k
Memorial Library	231	Borrowing £231k
2017/18:		
Vehicles & Plant – Replacement	1,100	Borrowing £1,100k
TOTAL	£4,766	

Resources

- 3.6 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 Minimum Revenue Provision (MRP) that results from borrowing. Leasing is also tightly controlled within the revenue budgets for the same reason.
- 3.7 The Council has received a number of capital receipts to date this year, and a figure of £0.391m is being reported to Cabinet within the quarter 3 budget monitoring report elsewhere on this agenda.
- 3.8 For the General Fund, the Council has £1.614m of unallocated receipts that can be made available to fund new capital projects. In conforming to the ethos of prudence and affordability, this report excludes any capital receipts that will be received after the date of this meeting.
- 3.9 External grants e.g. ERDF are subject to a detailed bidding process against projects submitted by other organisations. If successful, these can provide additional funding for the capital programme, and any bids for new schemes will be assessed accordingly.

- 3.10 A separate report from the Director of Regeneration and Neighbourhoods to the July 2014 Cabinet provided details of the latest position with regard to Section 106 agreements. It identified that the Council holds £1.187m of Section 106 capital contributions that, subject to the conditions attached, can be utilised to fund capital projects going forward.

Prudential Borrowing / 100% Externally Funded Schemes 2015/16 – 2019/20

- 3.11 Some of the capital bids are traditional in that the approach to replacing assets e.g. vehicles and plant, is a well-established pattern, and these are funded from borrowing. The reason for this is that they used to be funded via leasing, but given the low interest rates over the last few years, the costs of borrowing are a much cheaper option.
- 3.12 Other schemes, such as specific flood alleviation schemes, require upfront commitment of resources by the Council before Environment Agency Grant-in-Aid partnership funding can be applied for. As these schemes are several years away, they have initially been identified as being funded from borrowing, but the likelihood is that sufficient capital receipts will be generated by that time and the resourcing will be amended. In the circumstance that sufficient capital receipts have not been generated, then the Council's budgets can still afford this minimal level of borrowing.
- 3.13 The longer term vehicle and plant replacement budgets have been updated for the purposes of this report, and a number of changes are required to the approved budgets as set out in para 3.5 above. These are included in the table below.

	Total Cost £'000	Funded by:
2015/16:		
Vehicles & Plant – Replacement	(39)	Borrowing (£39k)
2016/17:		
Vehicles & Plant – Replacement	207	Borrowing £207k
2017/18:		
Vehicles & Plant – Replacement	99	Borrowing £99k
2018/19:		
Vehicles & Plant – Replacement	979	Borrowing £979k
Clarlborough Flood Alleviation Scheme	500	Borrowing £180k; Environment Agency £320k
2019/20:		
Vehicles & Plant – Replacement	289	Borrowing £289k
Retford Beck Flood Alleviation Scheme	1,100	Borrowing £250k; Environment Agency £850k
TOTAL	£3,135	

New Schemes 2015/16 - 2019/20

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

	Total Cost £'000	Funded by:
2015/16:		
Asbestos Removal	25	Capital Receipts £25k
ICT Storage Infrastructure	175	Capital Receipts £175k
PC Desktop End of Life Renewal	19	Capital Receipts £19k
Planned Maintenance & Capital Upgrades	82	Capital Receipts £82k
Carlton Forest Depot – Drainage Improvements	75	Capital Receipts £50k; A1 Funding £25k
Sandhill Lake – Car Park Improvements	50	Capital Receipts £50k
ICT Server Infrastructure	21	Capital Receipts £21k
Retford Cemetery – Resurface Roads/Pathways	30	Capital Receipts £30k
Market Canopy Renewals	10	Capital Receipts £10k
Retford Town Hall – Security Upgrade	13	Capital Receipts £13k
Flood Alleviation – Small Schemes	50	HRA capital £50k
Walkeringham Flood Alleviation Scheme	100	Capital Receipts £100k
Car Park Improvements	40	Capital Receipts £40k
Retford – Public Open Space Improvements	200	Capital Receipts £200k
Carlton Forest Depot – Office Improvements	80	Capital Receipts £40k; A1 funding £40k
Harworth & Bircotes – Town Centre Environmental & Security Improvements	60	Capital Receipts £50k; Town Council £10k
Hannah Park Cemetery – Extension to Roadways	50	Capital Receipts £50k
North Nottinghamshire Visitor Experience and signage	23	Capital Receipts £20k; NCC £3k
Carlton Phoenix Industrial Estate – Demolition of Wooden Units	20	Capital Receipts £20k
Carlton Forest Depot – Vehicle Wash	20	Capital Receipts £20k
Crematorium – Feasibility Study	25	Capital Receipts £25k
Community Sports Scheme	150	Capital Receipts £150k
2016/17:		
Market Canopy Renewals	10	Capital Receipts £10k
Flood Alleviation – Small Schemes	100	Capital Receipts £50k; HRA capital £50k
Walkeringham Flood Alleviation Scheme	360	Capital Receipts £100k; Environment Agency £260k
2017/18:		
ICT Server Infrastructure	28	Capital Receipts £28k
Market Canopy Renewals	10	Capital Receipts £10k
Flood Alleviation – Small Schemes	100	Capital Receipts £50k; HRA capital £50k
2018/19:		
Flood Alleviation – Small Schemes	100	Capital Receipts £50k; HRA capital £50k

2019/20:		
Flood Alleviation – Small Schemes	100	Capital Receipts £50k; HRA capital £50k
TOTAL	£2,126	

- 3.15 This leaves an unallocated balance of General Fund capital receipts of £0.026m to consider other schemes as they emerge during the coming financial year. This will, of course, be added to as further General Fund capital receipts are generated.
- 3.16 Members have carefully balanced their competing priorities in their approach to this investment plan and have sought to take stock of our assets. The continued investment in ICT and maintenance of its corporate buildings 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 move on to the next stage of its customer services delivery plan.
- 3.17 Council resources in terms of both money and officer time are shrinking, and it is important that appropriate time is allocated to project planning before the commencement of a project.

Capital Prioritisation Process

- 3.18 The Capital Project Assessment Team considers all bids for new capital projects, and allocates scores in accordance with the Capital Prioritisation Process (details of which are provided within the *Capital Investment Strategy 2015/16 to 2019/20* on this agenda).
- 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.

Disabled Facilities Grants

- 3.20 The payment of disabled facilities grants is a mandatory requirement on the Council, and in previous years, Bassetlaw has spent in excess of £1m per annum in line with those requirements, with this being funded from the sale of council-owned assets. An officer working group has been established to critically appraise the applications against need and suitability of design, and this has successfully resulted in a reduction in expenditure each year.
- 3.21 Disabled Facilities Grants are a statutory requirement and the Council is faced with funding this expenditure year on year. For this reason, capital receipts have been allocated into a dedicated DFG Capital Receipt pot which was created by setting aside 50% of the capital receipt received from the sale of a large piece of land. This action therefore protects the rest of the General Fund capital programme for a number of years.
- 3.22 The Integration Transformation Fund (ITF) was announced as part of the Comprehensive Spending Review in June 2013. From 2015/16, £3.8billion worth of funding will be operated as a single pooled budget for health and social care services, including £220m of capital funding to local authorities for future disabled

facilities grant expenditure. From 2015/16, this funding will be paid to the County Council instead of direct to the Districts, and it is still unclear as to how resources will be re-allocated back to the district councils, who will still retain the statutory responsibilities for this service.

- 3.23 The existing capital programme includes approved budgets for 2015/16 and 2016/17, and further budgets have been requested for 2017/18, 2018/19 and 2019/20 as follows:

	Total Cost £'000	Funded by:
2015/16:		
Disabled Facilities Grant	1,090	DFG Capital Receipts £745k; NCC grant £345k
2016/17:		
Disabled Facilities Grant	731	DFG Capital Receipts £546k; NCC grant £185k
2017/18:		
Disabled Facilities Grant	700	DFG Capital Receipts £170k; NCC grant £530k
2018/19:		
Disabled Facilities Grant	700	DFG Capital Receipts £170k; NCC grant £530k
2019/20:		
Disabled Facilities Grant	700	DFG Capital Receipts £170k; NCC grant £530k
TOTAL	£3,921	

Potential Future Schemes

- 3.24 Looking forward to a future capital programme, the longer term vision is for four areas that may have the potential to be developed:
- The consideration of projector lighting that can be used in Worksop and Retford to allow artwork, images, words, and animations to be projected onto buildings such as the Town Halls. This will be aimed at adding to the visitor experience, as a way of promoting and enhancing events and themes.
 - An initial feasibility study to assess the potential for an athletics track.
 - To build upon the current "Regeneration of the Priorswell Area, Worksop" capital project with the Princes Regeneration Trust. This will help to support the future role of the church as a tourist destination, and it may also link in with the recreational role of the Canch by delivering a pedestrianised walkway.
 - Retford town centre improvements, including street scene and environmental improvements arising from the findings of the recent Princes Regeneration Trust study.

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 Corporate Plan. In particular, it supports the delivery of the Council's priorities through the Medium Term Financial Plan.

c) Financial - Ref: 15/275

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: 298/02/15

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 471.

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 It is imperative that capital schemes are seen to be delivered on time and to budget. Resources are scarce and therefore capital expenditure is approved for three specific reasons:

- there is a demonstrable need for the project;
- it meets the strategic objectives of the Council;

- the benefits are clearly measurable.

It is therefore important that expectations from Members and the public are realistic when approving timescales, and determining the project outcomes is key to the successful delivery of projects.

7. Recommendations

- 7.1 That Cabinet approves the Capital Programme for 2015/16 of £5.556m as shown at Appendix A, and recommends these to full Council on 5th March 2015.
- 7.2 That Cabinet approves the indicative Capital Programme for 2016/17 to 2019/20 of £8.392m also set out in Appendix A, and recommends these to full Council on 5th March 2015.

Background Papers

Location

Capital Bids & Resourcing Statements

Head of Finance & Property's office

GENERAL FUND CAPITAL PROGRAMME 2015-2020

	2015/16		2016/17		2017/18		2018/19		2019/20		Total		
	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Disabled Facilities Grant	745	345	546	185	170	530	170	530	170	530	1,801	2,120	3,921
Vehicles & Plant - Replacement		522		455		1,199		979		289	0	3,444	3,444
Workshop Creative Village Phase 2		1,720									0	1,720	1,720
Retford Beck Flood Alleviation Scheme									0	1,100	0	1,100	1,100
Walkeringham Flood Alleviation Scheme	100	358	100	260							200	618	818
Flood Alleviation - Small Schemes	50	50	50	50	50	50	50	50	50	50	250	250	500
Clarlborough Flood Alleviation Scheme							0	500			0	500	500
Memorial Library			0	231							0	231	231
ICT Storage & Server Infrastructure	196				28						224	0	224
Retford - Public Open Space Improvements	200										200	0	200
Queen's Building Modernisation Plan	50	130									50	130	180
Community Sports Scheme	150										150	0	150
Kings Park - Performance Area/Improvement Programme	120	1									120	1	121
Planned Maintenance & Capital Upgrades	82										82	0	82
Carlton Forest Depot - Office Improvements	40	40									40	40	80
Carlton Forest Depot - Drainage Improvements	50	25									50	25	75
Manton Regeneration	60										60	0	60
Harworth & Bircotes - Town Centre Environmental & Security Improvements	50	10									50	10	60
Sandhill Lake - Car Park Improvements	50										50	0	50
Hannah Park Cemetery - Extension to Roadways	50										50	0	50
Buildings At Risk	46										46	0	46
Empty Homes Grant	40										40	0	40
Car Park Improvements	40										40	0	40
Retford & Workshop - Prince's Trust Initiative	35										35	0	35
Retford Cemetery - Resurface Roads/Pathways	30										30	0	30
Market Canopy Renewals	10		10		10						30	0	30
Asbestos Removal	25										25	0	25
Crematorium - Feasibility Study	25										25	0	25
North Nottinghamshire Visitor Experience and signage	20	3									20	3	23
Carlton Phoenix Industrial Estate - Demolition of Wooden Units	20										20	0	20
Carlton Forest Depot - Vehicle Wash	20										20	0	20
PC Desktop End of Life Renewal	19										19	0	19
Strawberry Road - Community Garden	16										16	0	16
Retford Town Hall - Security Upgrade	13										13	0	13
	2,352	3,204	706	1,181	258	1,779	220	2,059	220	1,969	3,756	10,192	13,948

FUNDED FROM:

	2015/16		2016/17		2017/18		2018/19		2019/20		Total		
	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	BDC	Ext	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Receipts	1,567		160		88		50		50		1,915	0	1,915
DFG Capital Receipts	785		546		170		170		170		1,841	0	1,841
Borrowing		652		871		1,199		1,159		539	0	4,420	4,420
Disabled Facilities Grant		345				530		530		530	0	1,935	1,935
Environment Agency		358		260				320		850	0	1,788	1,788
Heritage Lottery Fund		1,489									0	1,489	1,489
A1 Contribution		115		50		50		50		50	0	315	315
S106 to be confirmed		231									0	231	231
Harworth & Bircotes Town Council		10									0	10	10
Notts Contribution		3									0	3	3
Kings Park Trust Fund		1									0	1	1
	2,352	3,204	706	1,181	258	1,779	220	2,059	220	1,969	3,756	10,192	13,948

CAPITAL RECEIPTS

Brought Forward 1st April	1,941	374	214	126	76
Used for Funding	-1,567	-160	-88	-50	-50
Carried Forward 31st March	374	214	126	76	26

BASSETLAW DISTRICT COUNCIL

CABINET

12TH FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

TREASURY MANAGEMENT POLICY AND STRATEGY 2015/16 TO 2017/18

Cabinet Member: Finance
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.
 - 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 2015/16 to 2017/18 (Appendix 1), which encompasses the Capital Prudential Indicators, the Borrowing Strategy, and the Annual Investment Strategy, in accordance with latest guidance as follows:

- The Treasury Management Strategy determines the manner in which the Council's treasury function is managed;
- The Prudential Indicators set out the expected capital activities during the financial year (as required by the *CIPFA Prudential Code for Capital Finance in Local Authorities*). 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*.

- 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 Annual 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 The report also seeks approval for the Council's Minimum Revenue Provision (MRP) Policy Statement (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 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 Management (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: 15/408

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

d) Legal Ref: 24/02/15

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 480.

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 *Report to those charged with governance (ISA260)*.

6. **Recommendations**

That Cabinet approves each of the following key elements and recommends these to Full Council on 5th March 2015:

- 6.1 The Treasury Management Strategy 2015/16 to 2017/18, incorporating the Borrowing Strategy and the Annual Investment Strategy (Appendix 1).
- 6.2 The Prudential Indicators and Limits for 2015/16 to 2017/18, also contained within Appendix 1.
- 6.3 The Authorised Limit Prudential Indicator, also contained within Appendix 1.
- 6.4 The Minimum Revenue Provision (MRP) Policy Statement as contained within Appendix 2, which sets out the Council's policy on MRP.

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

TREASURY MANAGEMENT STRATEGY FOR 2015/16

1 INTRODUCTION

1.1 Strategy

The strategy for 2015/16 covers two main areas:

Capital issues:

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) policy.

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 Capita, who are the Councils Treasury Advisors, attended the Audit and Risk Scrutiny Committee in November 2014, 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 Capita Asset Services, Treasury solutions 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 2015/16 – 2017/18

The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the 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 £'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
General Fund (GF)	4,918	5,248	5,556	1,887	2,037
HRA	10,347	10,342	10,000	10,000	10,000
Total	15,265	15,590	15,556	11,887	12,037

The above financing need excludes other long term liabilities, i.e. 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 £'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
General Fund Expenditure	4,918	5,248	5,556	1,887	2,037
Financed by:					
Capital Receipts	2,209	2,154	2,352	706	258
Capital Grants	1,453	1,265	2,552	310	580
Revenue	0	54	0	0	0
General Fund Net Financing need for the year	1,256	1,775	652	871	1,199
HRA Expenditure	10,347	10,342	10,000	10,000	10,000
Financed by:					
Capital receipts	1,286	1,740	1,185	385	385
Capital grants	130	619	0	0	0
Major Repair Reserve	8,931	6,983	8,815	9,615	5,615
Revenue	0	0	0	0	0
HRA Net Financing need for the year	0	1,000	0	0	4,000
Total Net Financing need for the year	1,256	2,775	652	871	5,199

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 no such schemes within the CFR.

The Council is asked to approve the CFR projections below:

£'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Capital Financing Requirement					
CFR – non housing	26,596	27,720	27,602	27,650	27,970
CFR – housing	97,513	95,188	95,136	95,084	93,441
Total CFR	124,110	122,908	122,738	122,734	121,411
Movement in CFR	-1,668	-1,202	-170	-4	-1,323

Movement in CFR represented by					
Net financing need for the year (above)	1,256	2,775	652	871	5,199
Less MRP/VRP and other financing movements	-2,924	-3,976	-822	-938	-6,602
Movement in CFR	-1,668	-1,201	-170	-67	-1,403

2.3 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 £'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Reserves - GF	1,083	1,049	1,049	1,049	1,049
Reserves - HRA	1,380	1,345	1,484	1,597	1,963
Capital receipts - GF	3,427	2,049	482	322	234
Capital receipts - HRA	4,663	3,204	2,019	1,634	1,249
Provisions	1,630	598	552	506	460
General Fund					
Earmarked Reserves	4,770	3,010	3,777	3,644	3,511
Major Repairs Reserve	3,962	708	1,191	584	302

Total core funds	20,915	11,963	10,554	9,336	8,768
Working capital	2,178	2,300	2,300	2,300	2,300
Under/over borrowing	5,684	6,545	10,375	9,371	7,048
Expected investments	2,888	2,888	2,888	2,888	2,888
Temporary Borrowing	10,165	230	-5,009	-5,223	-3,468

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.

%	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Non-HRA	20.95	10.62	9.68	12.06	13.10
HRA	31.22	31.69	30.86	30.89	30.90

The estimates of financing costs include current commitments and the proposals in this budget report.

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

This indicator identifies the revenue costs associated with proposed changes to the first three years of the five year capital programme as presented on this agenda 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.

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Council tax - band D	4.65	5.80	2.16	2.56	3.39

2.6 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 as approved by cabinet in January 2015, compared to the Council's existing commitments and current plans, expressed as a discrete impact on weekly rent levels.

Incremental impact of capital investment decisions on housing rent levels

£	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Weekly housing rent levels	0.74	7.20	0.85	0.39	23.59

Note: 2017/18 has increased due to anticipated borrowing of £4.0m

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

2.7 HRA ratios

The following are optional indicators that are not required, but assist with further understanding of the impact of self-financing on the HRA.

HRA Revenues as a percentage of Debt

This indicator identifies the total revenues received from Council properties against the total debt from the HRA expressed as a percentage.

£'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
HRA debt	97,513	95,188	95,136	95,084	93,441
HRA revenues	26,050	26,216	26,216	26,216	26,056
Ratio of debt to revenues %	27%	28%	28%	28%	28%

HRA debt per property

This indicator identifies the total debt on the HRA per HRA dwelling. This is expressed as an amount per property.

£'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
HRA debt	97,513	95,188	95,136	95,084	93,441
Number of HRA dwellings	6,899	6,863	6,835	6,819	6,808
Debt per dwelling £	14.13	13.87	13.92	13.95	13.73

3 BORROWING STRATEGY

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 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 2014, 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.

£'000	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
External Debt					
Debt at 1 April	118,426	116,363	112,363	113,363	114,363
Expected change in Debt	-2,063	-4,000	1,000	1,000	-6,500
Other long-term liabilities (OLTL)	0	0	0	0	0
Expected change in OLTL	0	0	0	0	0
Actual gross debt at 31 March	116,363	112,363	113,363	114,363	107,863
The Capital Financing Requirement	124,110	122,908	122,738	122,734	121,411
Under / (over) borrowing	5,684	6,545	10,375	9,371	7,048

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 2015/16 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 budget report.

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 £'000	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Debt	130,907	127,738	127,734	126,411
Other long term liabilities	0	0	0	0
Total	130,907	127,738	127,734	126,411

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 £'000	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
Total	135,044	132,738	132,734	131,411

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

HRA Debt Limit £'000	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
HRA debt cap	105,436	105,436	105,436	105,436
HRA CFR	95,188	95,136	95,084	93,441
HRA headroom	10,248	10,300	10,352	11,995

3.3 Prospects for interest rates

The Council has appointed Capita Asset Services 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 our central view.

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Mar 2015	0.50	2.20	3.40	3.40
Jun 2015	0.50	2.20	3.50	3.50
Sep 2015	0.50	2.30	3.70	3.70
Dec 2015	0.75	2.50	3.80	3.80
Mar 2016	0.75	2.60	4.00	4.00
Jun 2016	1.00	2.80	4.20	4.20
Sep 2016	1.00	2.90	4.30	4.30
Dec 2016	1.25	3.00	4.40	4.40
Mar 2017	1.25	3.20	4.50	4.50
Jun 2017	1.50	3.30	4.60	4.60
Sep 2017	1.75	3.40	4.70	4.70
Dec 2017	1.75	3.50	4.70	4.70
Mar 2018	2.00	3.60	4.80	4.80

UK GDP growth surged during 2013 and the first half of 2014. Since then it appears to have subsided somewhat but still remains strong by UK standards and is expected to continue likewise into 2015 and 2016. There needs to be a significant rebalancing of the economy away from consumer spending to manufacturing, business investment and exporting in order for this recovery to become more firmly established. One drag on the economy has been that wage inflation has only recently started to exceed CPI inflation, so enabling disposable income and living standards to start improving. The plunge in the price of oil brought CPI inflation down to a low of 1.0% in November, the lowest rate since September 2002. Inflation is expected to stay around or below 1.0% for the best part of a year; this will help improve consumer disposable income and so underpin economic growth during 2015. However, labour productivity needs to improve substantially to enable wage rates to increase and further support consumer disposable income and economic growth. In addition, the encouraging rate at which unemployment has been falling must eventually feed through into pressure for wage increases, though current views on the amount of hidden slack in the labour market probably means that this is unlikely to happen early in 2015.

The US, the biggest world economy, has generated stunning growth rates of 4.6% (annualised) in Q2 2014 and 5.0% in Q3. This is hugely promising for the outlook for strong growth going forwards and it very much looks as if the US is now firmly on the path of full recovery from the financial crisis of 2008. Consequently, it is now confidently expected that the US will be the first major western economy to start on central rate increases by mid 2015.

The current economic outlook and structure of market interest rates and government debt yields have several key treasury management implications:

- Greece: the general election on 25 January 2015 is likely to bring a political party to power which is anti EU and anti austerity. However, if this eventually results in Greece leaving the Euro, it is unlikely that this will directly destabilise the Eurozone as the EU has put in place adequate firewalls to contain the

immediate fallout to just Greece. However, the indirect effects of the likely strengthening of anti EU and anti austerity political parties throughout the EU is much more difficult to quantify;

- As for the Eurozone in general, concerns in respect of a major crisis subsided considerably in 2013. However, the downturn in growth and inflation during the second half of 2014, and worries over the Ukraine situation, Middle East and Ebola, have led to a resurgence of those concerns as risks increase that it could be heading into deflation and prolonged very weak growth. Sovereign debt difficulties have not gone away and major concerns could return in respect of individual countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise to levels that could result in a loss of investor confidence in the financial viability of such countries. Counterparty risks therefore remain elevated. This continues to suggest the use of higher quality counterparties for shorter time periods;
- Investment returns are likely to remain relatively low during 2015/16 and beyond;
- Borrowing interest rates have been volatile during 2014 as alternating bouts of good and bad news have promoted optimism, and then pessimism, in financial markets. The closing weeks of 2014 saw gilt yields dip to historically remarkably low levels after inflation plunged, a flight to quality from equities (especially in the oil sector), and from the debt and equities of oil producing emerging market countries, and an increase in the likelihood that the ECB will commence quantitative easing (purchase of EZ government debt) in early 2015. The policy of avoiding new borrowing by running down spare cash balances has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times, when authorities will not be able to avoid new borrowing to finance new capital expenditure and/or to refinance maturing debt;

There will remain a cost of carry to any new borrowing which causes an increase in investments as this 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 2015/16 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 the anticipated rate to US tapering of asset purchases, or 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 are still lower than they will be in the next few years.

Any decisions will be reported to Cabinet and full Council 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:

	2015/16	2016/17	2017/18
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:			
• Debt only	100%	100%	100%
• Investments only	50%	50%	50%
Limits on variable interest rates			
• Debt only	20%	20%	20%
• Investments only	100%	100%	100%
Maturity structure of fixed interest rate borrowing 2015/16			
	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 to 50 years	0%	100%	
Maturity structure of variable interest rate borrowing 2015/16			
	Lower	Upper	
Under 12 months	0%	20%	

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

Introduction: changes to credit rating methodology

The main rating agencies (Fitch, Moody's and Standard & Poor's) have, through much of the financial crisis, provided some institutions with a ratings "uplift" due to implied levels of sovereign support. More recently, in response to the evolving regulatory regime, the agencies have indicated they may remove these "uplifts". This process may commence during 2014/15 or 2015/16. The actual timing of the changes is still subject to discussion, but this does mean immediate changes to the credit methodology are required.

It is important to stress that the rating agency changes do not reflect any changes in the underlying status of the institution or credit environment, merely the implied level of sovereign support that has been built into ratings through the financial crisis. The eventual removal of implied sovereign support will only take place when the regulatory and economic environments have ensured that financial institutions are much stronger and less prone to failure in a financial crisis.

Both Fitch and Moody's provide "standalone" credit ratings for financial institutions. For Fitch, it is the Viability Rating, while Moody's has the Financial Strength Rating. Due to the future removal of sovereign support from institution assessments, both agencies have suggested going forward that these will be in line with their respective Long Term ratings. As such, there is no point monitoring both Long Term and these "standalone" ratings.

Furthermore, Fitch has already begun assessing its Support ratings, with a clear expectation that these will be lowered to 5, which is defined as "A bank for which there is a possibility of external support, but it cannot be relied upon." With all institutions likely to drop to these levels, there is little to no differentiation to be had by assessing Support ratings.

As a result of these rating agency changes, the credit element of our future methodology will focus solely on the Short and Long Term ratings of an institution. Rating Watch and Outlook information will continue to be assessed where it relates to these categories. This is the same process for Standard & Poor's that we have always taken, but a change to the use of Fitch and Moody's ratings. Furthermore, we will continue to utilise CDS prices as an overlay to ratings in our new methodology.

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 applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk.

Continuing regulatory changes in the banking sector are designed to see greater stability, lower risk and the removal of expectations of Government financial support should an institution fail. This withdrawal of implied sovereign support is anticipated to have an effect on ratings applied to institutions. This will result in the key ratings used to monitor counterparties being the Short Term and Long Term ratings only. Viability, Financial Strength and Support Ratings previously applied will effectively become redundant. This

change does not reflect deterioration in the credit environment but rather a change of method in response to regulatory changes.

As with previous practice, ratings will 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.

Investment instruments identified for use in the financial year are listed in the table at point 4.2 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 Capita Asset Services, 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+
- 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
- Local Authority Mortgage Scheme. Under this scheme the Council has placed funds of £1m (£0.5m BDC & £0.5m NCC), 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.

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 Short/Long term Rating (or equivalent)	Money and/or % Limit	Specified / Non Specified	Time Limit
Banks 1 good credit quality	F1+/A+	£1m	Specified	6 months
Banks 2 – part nationalised UK Banks	N/A	£1m	Specified	6 months
Limit 3 category – Council's Banker (not meeting Banks 1)	-	£1m	Non Specified	1 day
DMADF	AAA	unlimited	Specified	1 year
Local Authorities	N/A	£3m	Specified	1 year
UK Government Bodies	AAA	£3m	Specified	1 year
Money Market Funds	AAA	£3m	Specified	daily

A definition of specified and non-specified investments is:

SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with maturities up to maximum of **6 months for banks**, meeting the minimum 'high' quality criteria where applicable. Investments with **government funds will have maturities up to a maximum of one year**.

NON-SPECIFIED INVESTMENTS:

These are any investments which do not meet the specified investment criteria. A maximum 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.

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. The Bank Rate is forecast to remain unchanged at 0.5% before starting to rise from quarter 4 of 2015. Bank Rate forecasts for financial year ends (March) are:

- 2015/16 0.75%
- 2016/17 1.25%
- 2017/18 2.00%

There are downside risks to these forecasts (i.e. start of increases in Bank Rate occurs later) if economic growth weakens. However, should the pace of growth quicken, there could be an upside risk.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to 100 days during each financial year for the next eight years are as follows:

2015/16	0.60%
2016/17	1.25%
2017/18	1.75%
2018/19	2.25%
2019/20	2.75%
2020/21	3.00%
2021/22	3.25%
2022/23	3.25%
Later years	3.50%

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	2015/16	2016/17	2017/18
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 3 months) in 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. As at 31st January 2014 the principal balances outstanding on each of the four affected investments are as follows:

Heritable bank	£0.091m
Kaupthing Singer & Friedlander	£0.141m
Glitnir ISK	£0.332m
Landsbanki	<u>£0.000m</u>
	<u>£0.564m</u>

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 year, with a maximum of 1 year.

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 (MRP) POLICY STATEMENT

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 the former CLG regulations (option 1);

This option provides 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 regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3).

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).

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

The Council has decided to participate in LAMS using the cash backed option, the mortgage lenders require a 5 year cash advance from the local authority to match the 5 year life of the indemnity. The cash advance placed with the mortgage lender provides an integral part of the mortgage lending, and should therefore be 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 cash advance is due to be returned in full at maturity, with interest paid annually. Once the cash advance 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 (5 year) 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. The position should be reviewed on an annual basis.

APPENDIX 3: Interest Rate Forecasts 2014 – 2018

Capita Asset Services Interest Rate View													
	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Bank Rate View	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.75%	1.75%	2.00%
3 Month LIBID	0.50%	0.50%	0.60%	0.80%	0.90%	1.10%	1.10%	1.30%	1.40%	1.50%	1.80%	1.90%	2.10%
6 Month LIBID	0.70%	0.70%	0.80%	1.00%	1.10%	1.20%	1.30%	1.50%	1.60%	1.70%	2.00%	2.10%	2.30%
12 Month LIBID	0.90%	1.00%	1.10%	1.30%	1.40%	1.50%	1.60%	1.80%	1.90%	2.00%	2.30%	2.40%	2.60%
5yrPW LB Rate	2.20%	2.20%	2.30%	2.50%	2.60%	2.80%	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.60%
10yrPW LB Rate	2.80%	2.80%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
25yrPW LB Rate	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
50yrPW LB Rate	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
Bank Rate													
Capita Asset Services	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.75%	1.75%	2.00%
Capital Economics	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%	1.25%	1.25%	-	-	-	-	-
5yrPW LB Rate													
Capita Asset Services	2.20%	2.20%	2.30%	2.50%	2.60%	2.80%	2.90%	3.00%	3.20%	3.30%	3.40%	3.50%	3.60%
Capital Economics	2.20%	2.50%	2.70%	3.00%	3.10%	3.20%	3.30%	3.40%	-	-	-	-	-
10yrPW LB Rate													
Capita Asset Services	2.80%	2.80%	3.00%	3.20%	3.30%	3.50%	3.60%	3.70%	3.80%	3.90%	4.00%	4.10%	4.20%
Capital Economics	2.80%	3.05%	3.30%	3.55%	3.60%	3.65%	3.70%	3.80%	-	-	-	-	-
25yrPW LB Rate													
Capita Asset Services	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
Capital Economics	3.25%	3.45%	3.65%	3.85%	3.95%	4.05%	4.15%	4.25%	-	-	-	-	-
50yrPW LB Rate													
Capita Asset Services	3.40%	3.50%	3.70%	3.80%	4.00%	4.20%	4.30%	4.40%	4.50%	4.60%	4.70%	4.70%	4.80%
Capital Economics	3.30%	3.50%	3.70%	3.90%	4.00%	4.10%	4.20%	4.30%	-	-	-	-	-
Please note – The current PWLB rates and forecast shown above have taken into account the 20 basis point certainty rate reduction effective as of the 1st November 2012													

ECONOMIC BACKGROUND

THE UK ECONOMY

Economic Growth. After strong UK GDP growth in 2013 at an annual rate of 2.7%, and then in 2014 0.7% in Q1, 0.9% in Q2 2014 (annual rate 3.2% in Q2), Q3 has seen growth fall back to 0.7% in the quarter and to an annual rate of 2.6%. It therefore appears that growth has eased since the surge in the first half of 2014 leading to a downward revision of forecasts for 2015 and 2016, albeit that growth will still remain strong by UK standards. For this recovery to become more balanced and sustainable in the longer term, the recovery needs to move away from dependence on consumer expenditure and the housing market to exporting, and particularly of manufactured goods, both of which need to substantially improve on their recent lacklustre performance. This overall strong growth has resulted in unemployment falling much faster than expected. The MPC is now focusing on how quickly slack in the economy is being used up. It is also particularly concerned that the squeeze on the disposable incomes of consumers should be reversed by wage inflation rising back significantly above the level of inflation in order to ensure that the recovery will be sustainable. There also needs to be a major improvement in labour productivity, which has languished at dismal levels since 2008, to support increases in pay rates. Unemployment is expected to keep on its downward trend and this is likely to eventually feed through into a return to significant increases in wage growth at some point during the next three years. However, just how much those future increases in pay rates will counteract the depressive effect of increases in Bank Rate on consumer confidence, the rate of growth in consumer expenditure and the buoyancy of the housing market, are areas that will need to be kept under regular review.

Also encouraging has been the sharp fall in inflation (CPI), reaching 1.0% in November 2014, the lowest rate since September 2002. Forward indications are that inflation is likely to remain around or under 1% for the best part of a year. The return to strong growth has helped lower forecasts for the increase in Government debt over the last year but monthly public sector deficit figures during 2014 have disappointed until November. The autumn statement, therefore, had to revise the speed with which the deficit is forecast to be eliminated.

THE GLOBAL ECONOMY

Eurozone (EZ). The Eurozone is facing an increasing threat from weak or negative growth and from deflation. In November 2014, the inflation rate fell further, to reach a low of 0.3%. However, this is an average for all EZ countries and includes some countries with negative rates of inflation. Accordingly, the ECB took some rather limited action in June and September 2014 to loosen monetary policy in order to promote growth. It now appears likely that the ECB will embark on full quantitative easing (purchase of EZ country sovereign debt) in early 2015.

Concern in financial markets for the Eurozone subsided considerably after the prolonged crisis during 2011-2013. However, sovereign debt difficulties have not gone away and major issues could return in respect of any countries that do not dynamically address fundamental issues of low growth, international uncompetitiveness and the need for overdue reforms of the economy, (as Ireland has done). It is, therefore, possible over the next few years that levels of government debt to GDP ratios could continue to rise for some countries. This could mean that sovereign debt concerns have not disappeared but, rather, have only been postponed. The ECB's pledge in 2012 to buy unlimited amounts of bonds of countries which ask for a bailout has provided heavily indebted countries with a strong defence against market forces. This has bought them time to make progress with

their economies to return to growth or to reduce the degree of recession. However, debt to GDP ratios (2013 figures) of Greece 180%, Italy 133%, Portugal 129%, Ireland 124% and Cyprus 112%, remain a cause of concern, especially as some of these countries are experiencing continuing rates of increase in debt in excess of their rate of economic growth i.e. these debt ratios are likely to continue to deteriorate. Any sharp downturn in economic growth would make these countries particularly vulnerable to a new bout of sovereign debt crisis. It should also be noted that Italy has the third biggest debt mountain in the world behind Japan and the US.

Greece: the general election due to take place on 25 January 2015 is likely to bring a political party to power which is anti EU and anti austerity. However, if this eventually results in Greece leaving the Euro, it is unlikely that this will directly destabilise the Eurozone as the EU has put in place adequate firewalls to contain the immediate fallout to just Greece. However, the indirect effects of the likely strengthening of anti EU and anti austerity political parties throughout the EU is much more difficult to quantify. There are particular concerns as to whether democratically elected governments will lose the support of electorates suffering under EZ imposed austerity programmes, especially in countries which have high unemployment rates. There are also major concerns as to whether the governments of France and Italy will effectively implement austerity programmes and undertake overdue reforms to improve national competitiveness. These countries already have political parties with major electoral support for anti EU and anti austerity policies. Any loss of market confidence in either of the two largest Eurozone economies after Germany would present a huge challenge to the resources of the ECB to defend their debt.

USA. The U.S. Federal Reserve ended its monthly asset purchases in October 2014. GDP growth rates (annualised) for Q2 and Q3 of 4.6% and 5.0% have been stunning and hold great promise for strong growth going forward. It is therefore confidently forecast that the first increase in the Fed. rate will occur by the middle of 2015.

China. Government action in 2014 to stimulate the economy appeared to be putting the target of 7.5% growth within achievable reach but recent data has indicated a marginally lower outturn for 2014, which would be the lowest rate of growth for many years. There are also concerns that the Chinese leadership has only started to address an unbalanced economy which is heavily over dependent on new investment expenditure, and for a potential bubble in the property sector to burst, as it did in Japan in the 1990s, with its consequent impact on the financial health of the banking sector. There are also concerns around the potential size, and dubious creditworthiness, of some bank lending to local government organisations and major corporates. This primarily occurred during the government promoted expansion of credit, which was aimed at protecting the overall rate of growth in the economy after the Lehmans crisis.

Japan. Japan is causing considerable concern as the increase in sales tax in April 2014 has suppressed consumer expenditure and growth to the extent that it has slipped back into recession in Q2 and Q3. The Japanese government already has the highest debt to GDP ratio in the world.

CAPITA ASSET SERVICES FORWARD VIEW

Economic forecasting remains difficult with so many external influences weighing on the UK. Our Bank Rate forecasts, (and also MPC decisions), will be liable to further amendment depending on how economic data transpires over 2015. Forecasts for average earnings beyond the three year time horizon will be heavily dependent on economic and political developments. Major volatility in bond yields is likely to endure as

investor fears and confidence ebb and flow between favouring more risky assets i.e. equities, or the safe haven of bonds.

The overall longer run trend is for gilt yields and PWLB rates to rise, due to the high volume of gilt issuance in the UK, and of bond issuance in other major western countries. Increasing investor confidence in eventual world economic recovery is also likely to compound this effect as recovery will encourage investors to switch from bonds to equities.

The overall balance of risks to economic recovery in the UK is currently evenly balanced. Only time will tell just how long this current period of strong economic growth will last; it also remains exposed to vulnerabilities in a number of key areas.

The interest rate forecasts in this report are based on an initial assumption that there will not be a major resurgence of the EZ debt crisis. There is an increased risk that Greece could end up leaving the Euro but if this happens, the EZ now has sufficient fire walls in place that a Greek exit would have little immediate direct impact on the rest of the EZ and the Euro. It is therefore expected that there will be an overall managed, albeit painful and tortuous, resolution of any EZ debt crisis that may occur where EZ institutions and governments eventually do what is necessary - but only when all else has been tried and failed. Under this assumed scenario, growth within the EZ will be weak at best for the next couple of years with some EZ countries experiencing low or negative growth, which will, over that time period, see an increase in total government debt to GDP ratios. There is a significant danger that these ratios could rise to the point where markets lose confidence in the financial viability of one, or more, countries, especially if growth disappoints and / or efforts to reduce government deficits fail to deliver the necessary reductions. However, it is impossible to forecast whether any individual country will lose such confidence, or when, and so precipitate a sharp resurgence of the EZ debt crisis. While the ECB has adequate resources to manage a debt crisis in a small EZ country, if one, or more, of the larger countries were to experience a major crisis of market confidence, this would present a serious challenge to the ECB and to EZ politicians.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- Geopolitical risks in Eastern Europe, the Middle East and Asia, increasing safe haven flows.
- UK strong economic growth is weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU, US and China.
- A resurgence of the Eurozone sovereign debt crisis.
- Recapitalisation of European banks requiring more government financial support.
- Monetary policy action failing to stimulate sustainable growth and to combat the threat of deflation in western economies, especially the Eurozone and Japan.

The potential for upside risks to current forecasts for UK gilt yields and PWLB rates, especially for longer term PWLB rates include: -

- An adverse reaction by financial markets to the result of the UK general election in May 2015 and the economic and debt management policies adopted by the new government.
- ECB either failing to carry through on recent statements that it will soon start quantitative easing (purchase of government debt) or severely disappointing financial markets embarking on only a token programme of minimal purchases which are unlikely to have much impact, if any, on stimulating growth in the EZ.
- The commencement by the US Federal Reserve of increases in the central rate in 2015 causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities, leading to a sudden flight from bonds to equities.
- A surge in investor confidence that a return to robust world economic growth is imminent, causing a flow of funds out of bonds into equities.

UK inflation returning to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium inherent to gilt yields.

APPENDIX 5

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 Head of Finance and Property has produced its treasury management practices (TMPs). This part, TMP 1(1), 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 the 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. This category covers pooled investment vehicles, such as Money Market Funds, rated AAA by Standard and Poor's, Moody's and / or Fitch rating agencies.

5. A body that is considered of a high credit quality (such as a bank or building society). This category covers bodies with a minimum Short Term rating of F1+ (or the equivalent) as rated by Standard and Poor's, Moody's and / 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.

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 Capita Asset Services as and when ratings change, and counterparties are checked promptly. On occasion ratings may be downgraded when an investment has already been made. The criteria used are such that a minor downgrading should not affect the full receipt of the principal and interest. Any counterparty failing to meet the criteria will be removed from the list immediately by the Head of Finance and Property, and if required new counterparties which meet the criteria will be added to the list.

APPENDIX 6**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 Cabinet and full Council.

APPENDIX 7**THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER****The S151 (responsible) officer will:**

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

BASSETLAW DISTRICT COUNCIL

CABINET

12th FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

CAPITAL INVESTMENT STRATEGY 2015/16 TO 2019/20

Cabinet Member: Finance
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 2015/16 to 2019/20.

3. Background and Discussion

- 3.1 A copy of the Capital Investment Strategy is attached as an Appendix to this report.
- 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 – 15/72

The financial implications of the capital programme are fully reflected within the *General Fund Revenue Budget 2015/16 to 2017/18* report elsewhere on this agenda.

d) Legal – 29/02/15

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 481.

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 2015/16 to 2019/20 to full Council on 5th March 2015.

Background Papers

Capital programme working papers

Location

Accountancy office

CAPITAL INVESTMENT STRATEGY

2015/16 TO 2019/20

BASSETLAW DISTRICT COUNCIL

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.

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 Property 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 Policy and 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;

CAPITAL INVESTMENT STRATEGY

- 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 capital project 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.

The capital programme consists of two elements:

- The Housing Capital Programme with a proposed budget for 2015/16 of £10.0m, which supports the maintenance of the council's circa 6,900 council houses;
- The General Fund Capital Programme with a proposed budget for 2015/16 of £5.6m. Of this amount, expenditure on the Council's non-housing assets totals £4.5m, and £1.1m 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 Property Asset Management Plan, Treasury Management Policy and Strategy, Budget Strategy, and the ICT 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:

CAPITAL INVESTMENT STRATEGY

- The development of Asset Management Plans (AMP) 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;
- 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, 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 2014-2017 sets out the vision for Bassetlaw. 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:

- *A Viable Co-operative Council;*
- *Local Growth;*
- *Quality Housing and Decent Neighbourhoods; and*
- *Local Living Standards.*

CAPITAL INVESTMENT STRATEGY

4. CAPITAL INVESTMENT – AMBITION, OPPORTUNITY AND NEED

The capital programme for 2015-20 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 capital projects meet the following strategic themes as follows:

A Viable Co-operative Council

- Asbestos Removal
- ICT Storage & Server Infrastructure
- PC Desktop End of Life Renewal
- Planned Maintenance & Capital Upgrades
- Carlton Forest Depot - Drainage Improvements
- Sandhill Lake - Car Park Improvements
- Retford Cemetery - Resurface Roads/Pathways
- Retford Town Hall - Security Upgrade
- Carlton Forest Depot - Office Improvements
- Hannah Park Cemetery - Extension to Roadways
- Vehicles & Plant - Replacement
- Carlton Phoenix Industrial Estate - Demolition of Wooden Units
- Carlton Forest Depot - Vehicle Wash

Local Growth

- Market Canopy Renewals
- Car Park Improvements
- Harworth & Bircotes - Town Centre Environmental & Security Improvements
- North Nottinghamshire Visitor Experience and signage
- Crematorium - Feasibility Study

Quality Housing and Decent Neighbourhoods

- Disabled Facilities Grant

Local Living Standards

- Retford Beck Flood Alleviation Scheme
- Flood Alleviation - Small Schemes
- Clarbrough Flood Alleviation Scheme
- Walkeringham Flood Alleviation Scheme
- Retford - Public Open Space Improvements
- Community Sports Scheme

5. FINANCIAL CONTEXT

Comprehensive Spending Review

The DCLG published the coalition government's formal proposals on funding for English local authorities for 2015/16 on 18th December 2014. This is a one year settlement that recognises that any future decisions on financing Local Government will be dependent upon the results of the General Election during 2015.

CAPITAL INVESTMENT STRATEGY

Unsurprisingly, it detailed further cuts for local authorities, and 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 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** – A number of capital grants are 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. Unfortunately these are now diminishing in number as further cuts are enforced on Local Government;
- **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.

CAPITAL INVESTMENT STRATEGY

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.

Under these changes to the Right to Buy scheme, local authorities were given the option of either transferring all Right to Buy receipts in excess of a government-set sales target back to central government, or to retain the receipt and reinvest in replacement homes. Bassetlaw opted to retain the additional Right to Buy receipts, and this means that the receipts:

- Must be used for the provision of affordable rented homes;
- Will constitute no more than 30% of total investment in such homes (net of any contribution from another public body);
- If they have not been used after three years, the Council will pay the unused sums, plus interest, back to the Secretary of State.

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;
- Unsupported borrowing;
- Capital receipts from the disposal of fixed assets;
- Leasing finance;
- 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 grants that the Council now receives are from a combination of European money e.g. ERDF, Section 106 monies and Community Infrastructure Levies from development sites that are acquired for housing and other purposes.

Unsupported Borrowing – Unsupported prudential borrowing is 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 2015/16 to 2019/20 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

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'gap' is circa £9.8m in 2015/16 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 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 £947,000 in 2013/14 (estimated at £453,000 in 2014/15), and Housing capital receipts of £814,000 in 2013/14 (estimated at £2,585,000 in 2014/15).

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 large sums involved with regard to Disabled Facilities Grants (DFG's), these have been funded from Housing capital receipts in recent years.

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 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, which set out the government's assumptions on the number of council house sales that would be made each financial year – for Bassetlaw this equates to 18 Right-to-Buy sales in 2015/16. For any sales in excess of the 18 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 Property 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

CAPITAL INVESTMENT STRATEGY

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.

	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
GENERAL FUND					
Grants & Contributions	2,552	310	580	900	1,430
Capital Receipts	2,352	706	258	220	220
Leasing/Unsupported Borrowing	652	871	1,199	1,159	539
	5,556	1,887	2,037	2,279	2,189
HOUSING					
Major Repairs Reserve	8,815	9,615	5,615	9,615	9,615
Unsupported Borrowing	0	0	4,000	0	0
Capital Receipts	1,185	385	385	385	385
	10,000	10,000	10,000	10,000	10,000
TOTAL:	15,556	11,887	12,037	12,279	12,189

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. A Capital Project Assessment Team 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;

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- 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 Property 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 Capital Monitoring Group, which meets on a bi-monthly basis. This Group is attended by responsible officers and cabinet portfolio Members and is chaired by the Cabinet Member for finance. It is a supportive environment in which 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;
- Bi-monthly capital monitoring meetings which have now replaced the Regeneration & Property Group. Project managers report on performance outputs on each of their 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.

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

CAPITAL INVESTMENT STRATEGY

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;*
- *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.

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.

CAPITAL INVESTMENT STRATEGY

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 is to 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 by the Capital Project Assessment Team. 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)		
A Viable Co-operative Council	1.1	A Resilient Local Authority	
	1.2	Working towards a Co-operative Council	
	1.3	Increasing Pride in the District	
Local Growth	2.1	A District that maximises its potential	
	2.2	Driving the local economy	
	2.3	Bassetlaw as a Destination	
Quality Housing and Decent Neighbourhoods	3.1	Quality Housing in the District	
	3.2	Maximum benefit for tenants and Local Communities	
	3.3	Local Neighbourhoods that are Clean, Safe and Welcoming	
Local Living Standards	4.1	Meeting the Challenge of Welfare Reform	
	4.2	Standing up for local people	

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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

12th FEBRUARY 2015

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

PROPERTY ASSET MANAGEMENT PLAN 2015/16 TO 2019/20

Cabinet Member: Finance
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.
- 3.3 The Plan outlines in section 9.6 the results of the Localism Act 2011, which introduced the concept of "community asset transfer", "community right to challenge", and "community right to bid" for services. These changes in legislation have opened up a whole spectrum of opportunities for private sector investment in community-led projects, where deemed appropriate. Some county and unitary councils have already used these powers to transfer libraries to community bodies, and Bassetlaw could also explore any such opportunities for its assets, for example, community centres.

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: 15/436

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: 23/2/15

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 482.

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 2015/16 to 2019/20 to full Council on 5th March 2015.

Background Papers

Property Asset Management Plan

Location

Estates Unit

BASSETLAW DISTRICT COUNCIL

ASSET MANAGEMENT PLAN 2015/16 – 2019/20





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“Bassetlaw District Council’s Asset Management Plan will translate into actions the commitments made in the Council’s Corporate Plan 2014/2017.

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.

Councils can no longer operate in isolation and the delivery of customer facing and support services vital to the local economy can be achieved by working with partners in the public, private and voluntary sectors. Bassetlaw has already started this process by engaging with a number of public sector partners with regard to the shared use of its operational buildings. It is expected that these partnership initiatives will deliver improved value for money and benefits for service users.

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 2015 - 2020, 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" 2nd edition 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 2014-2017. Bassetlaw's Asset Management Plan demonstrates a critically important aspect of the Council's commitment to quality services for the people of the District.

The challenges posed by the Government's Comprehensive Spending Review continues to place future public spending under increased pressure. By 2019/20 it is anticipated that Bassetlaw will have lost all of its Reserve Support Grant. And a further £3.1m of savings will need to be found over the next 4 years.

There is a need to continue to encourage transformation and a continued culture of innovation and co-operation. 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 seek to improve the overall condition of the property holdings.

Bassetlaw District Council operates a substantial property portfolio comprising of 1,096 Operational Properties and 56 leased assets with a total combined asset value of just over £46.5 million.

With such a large property portfolio, Asset Management planning is essential in order to ensure that our 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.

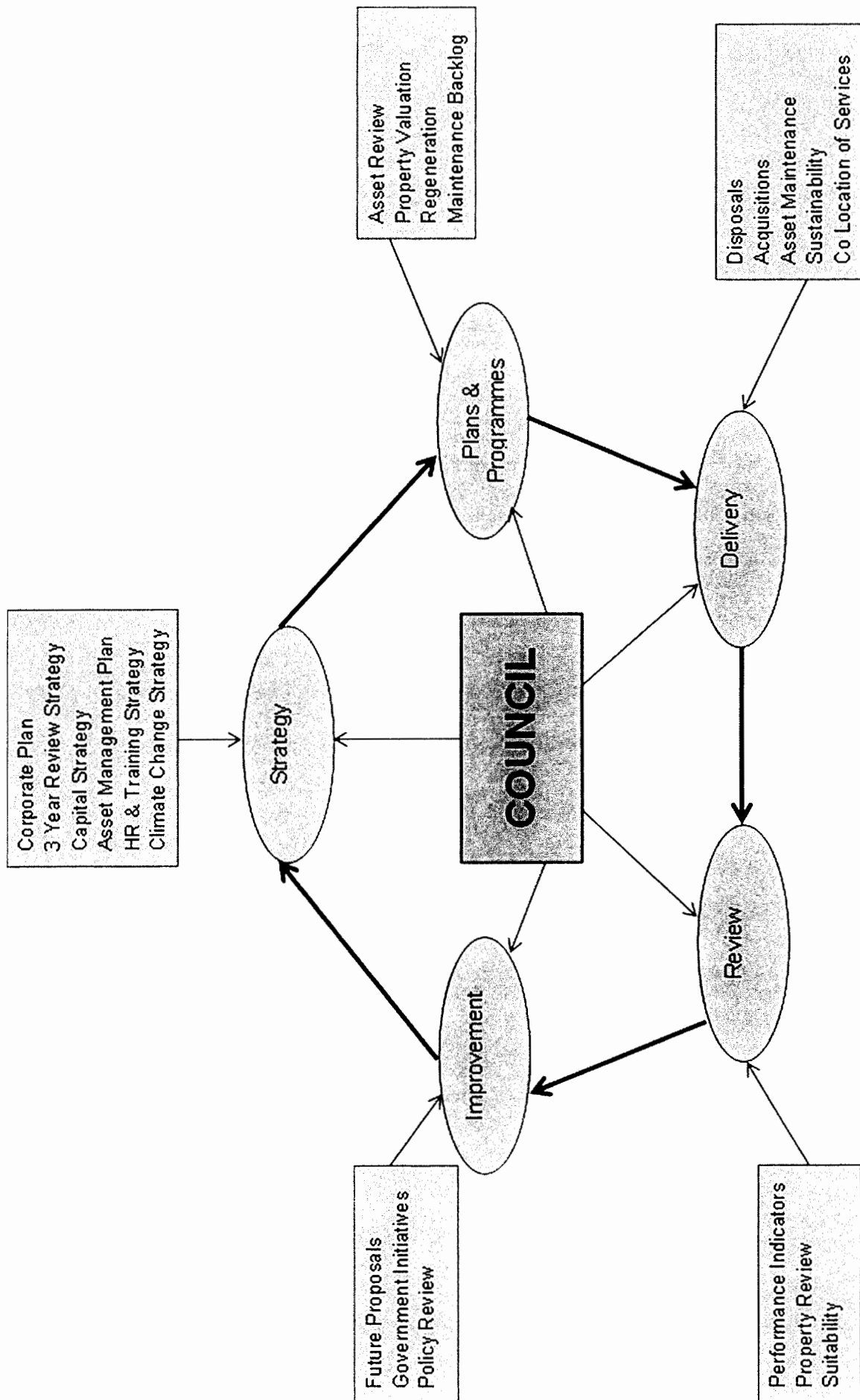
2. Operational Property – Ensuring that there are sufficient operational properties that are fit for purpose and in the right location to serve the people of Bassetlaw. The previously introduced five year planned maintenance programme alongside projects to provide improved accommodation for front line services as resulted in a reduction in the backlog maintenance liability.
3. Management of 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 pro-active 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. Over the next 2 years the anticipated total combined capital receipts target is £6.15 million.
5. Support the sustainability agenda.
6. Establish a one Council approach in relation to property and facilities management.
7. Reduce backlog maintenance.
8. The introduction of the Idox asset management system to provide the Council with a full asset data record management system that contains accurate property records.
9. To provide value for money in respect of their current or future investment, capital value and/or the ability to influence regeneration.

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, and where possible alternative income producing assets are considered for potential addition to the income producing managed estate.

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 Public Sector Asset Management Guidelines 2012 (2nd edition).

“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 2014 to 2017. This Plan outlines the Council's direction for the next 2 years. It acknowledges that as a result of unprecedented Central Government funding cuts there has to be a fundamental shift in the Council's approach as to how services are delivered and the Council's relationship with its local communities.

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 2014-2017 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 continue to reduce carbon emissions and promote sustainability in the district.

2.4 The Council's Revised Strategic Themes 2014 - 2017

The Council has identified the following ambitions and priorities in the Corporate Plan 2014 - 2017:

Ambition 1 – A Viable Co-operative Council

Priorities

- *A Resilient Local Authority*
- *Working Towards a Co-operative Council*
- *Increasing Pride in the District*

Ambition 2 – Local Growth

Priorities

- *A District that Maximises its Potential*
- *Driving the Local Economy*
- *Bassetlaw as a Destination*

Ambition 3 – Quality Housing & Decent Neighbourhoods

Priorities

- *Quality Housing in the District*
- *Maximum Benefit for Tenants and Local Communities*
- *Local Neighbourhoods that are Clean, Safe and Welcoming*

Ambition 4 - Local Living Standards

Priorities

- *Meeting the Challenge of Welfare Reform*
- *Standing up for Local People*

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

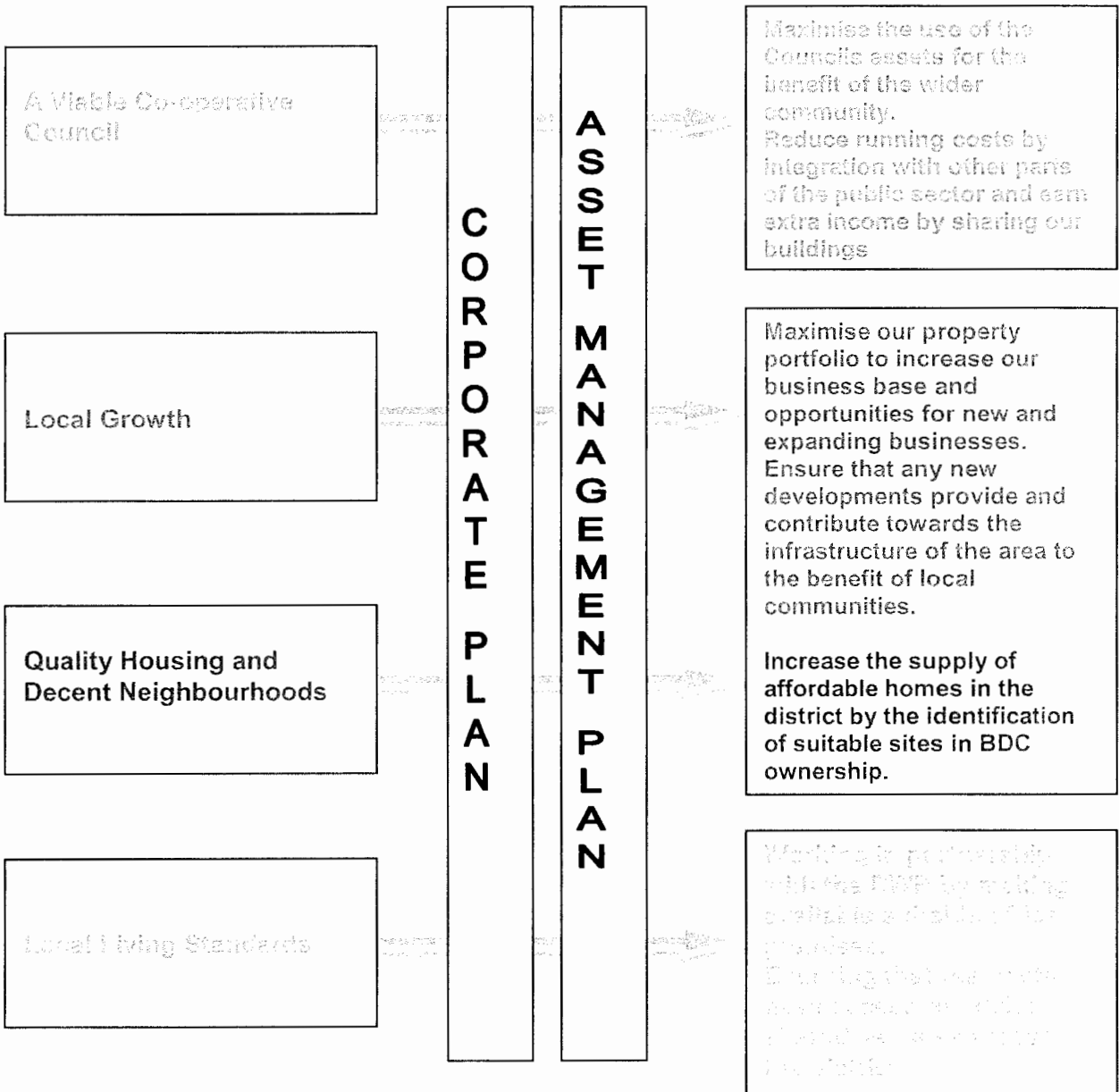
The Asset Management Plan is based on the key outcomes identified below:

- 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, and the findings of the anticipated Employment Land Review
- 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 through the transfer of asset records on to the Council's chosen management and recording system, Idox.
- Ongoing office accommodation transformation
- Development of an improved surplus property disposals strategy
- The identification of further 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
- Ongoing opportunities for 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



OVERVIEW OF ASSETS

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 (31/3/14) £'000
Other Land and Buildings	948	£36,026
Community Assets	53	£281
Assets under construction	2	£181
Surplus Assets Not Held for Sale)	193	£10,422
Investment Properties	0	£0
Assets Held for Sale	55	£1,350
Heritage	12	£314

4.2 Leased Assets

The Leased Assets portfolio has a total asset value of £4,069,059 and generates an annual revenue stream of £359,800 per year.

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

Investment Type	Number of Properties
Miscellaneous Properties	19
Shops	29
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 £36,026,000 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	7
Community Centres and Sheltered Housing schemes	18
Cemetery Buildings	3
TIC	1
Leisure Centres	2
Other Arts and Leisure facilities	2
Garages and garage sites	844
Golf Course	1
Other Buildings	22
Land holdings	36
Markets	2
Leasehold Flats	134

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 £281,378 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

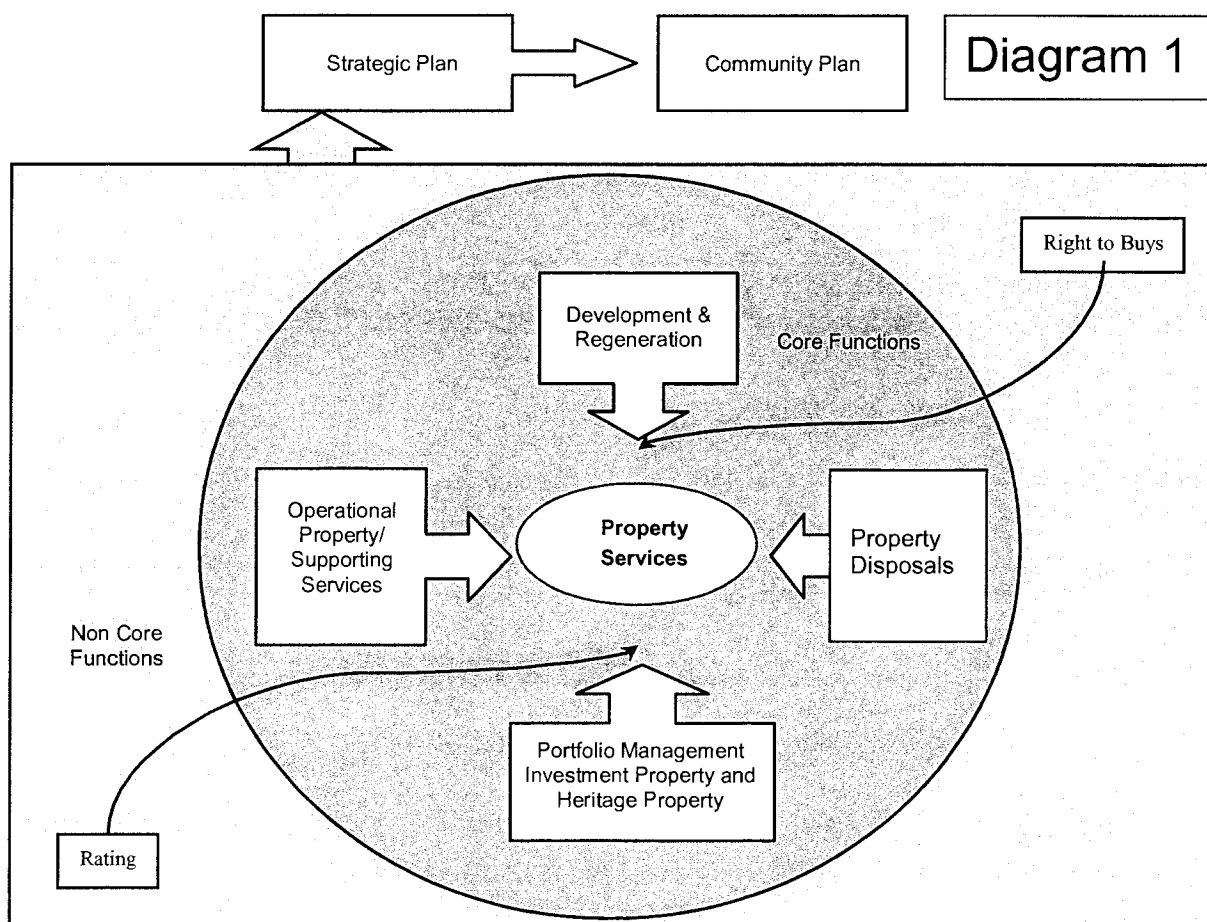
5.1 Introduction

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.



5.2 Development and Regeneration

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 five 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, and the development of a Civic square and street market for Worksop.

There have also been other successes including:

- Opening of the new Savoy Cinema
- Relocation of Worksop Market
- Retford Enterprise Centre is fully let and providing 110 jobs
- Creative Village is fully let and houses 20 new businesses
- Delivery of the decent homes Programme by our ALMO, A1 Housing
- Opening or refurbishing 15 play areas across the District
- Neighbourhood plans are being drawn up for 13 areas across the District
- Multi million pound investment in Bassetlaw by Usher Martin in Worksop and Charcon Construction in Lound
- Over 50,000 participants in the Bassetlaw Games and the creation of new sports clubs

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 and re-designated Council car parks into Shopper, Leisure and Visitor car parks and reduced car park charging hours for designated shopper car parks in Worksop and Retford.

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 which for the first time has come under the full administration of the Facilities team.

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 as part of Destination North Notts.

The Council will continue to take action on derelict buildings and empty homes, bringing them back into use; and 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 Community Infrastructure Levy (CIL) has been adopted by the Council and this came into force with effect from 1st September 2013. The CIL is a charge that local Councils 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's CIL (amendment regulations) came into force from 23 February 2014 and details are available on the Council's Web Page.

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 is to be developed which will detail priority actions under this Strategy following:-

- the establishment of the Council's Regeneration and Growth Team
- The appointment of external consultants to undertake a review of available employment land across the District.

6.0 PROPERTY DISPOSALS

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 aftermath of the economic recession and tied into this the continued 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.

Stockpiles of over-valued land still sit 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 continue to market its sites which remain 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.

The review of the Council's employment land sites will identify underperforming assets and may result in disposal opportunities. At this stage, the report is still awaited and the impact of any disposal is not reflected in the anticipated capital receipts targets.

6.1 Current Position

Key Strengths

- A Land-bank 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 capital receipts for the General Fund through property review exercise of operational property.

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

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Receipts Target	3,650,000	2,500,000	0	0	0
Loss of Rental Revenue Stream	0	0	0	0	0

- To generate Housing Revenue Account capital receipts as outlined below:-

	2015/16 £	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Property Disposals - RTB	153,000	236,000			

- 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 Disposals 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 Capital Programme remains dependent upon the generation of capital receipts from the sale of assets.

It is important to understand that this is a finite resource and the capital receipts generated from future disposals which are not linked to future initiatives and can be used as an unfettered receipt is relatively low in both number and value

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. Whilst there are signs of property markets improving locally the position overall remains sluggish and significant improvement in the near future is unlikely.

Locally, the knock on effect has been the increase in vacant premises in particular commercial property which has seen an increase in empty rates liability although arrangements are in place to mitigate there where possible.

Mission Statement

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

The Council's estimated outturn income from Leased Assets during 2014/15 is:

Industrial Estates	£194,000
Miscellaneous Properties	£65,300
Shops	£100,500
Total Revenue Stream	£359,800

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

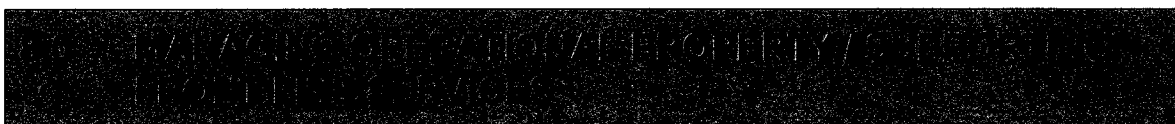
- Market volatility/demand for properties held in portfolio
- Property condition
- Tenant default (failure to pay rent and comply with repair covenants)
- Property voids

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 underperforming 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

The existing workplan will be amended following consideration of the recently commissioned Employment Land Review. It is anticipated that one of the outcomes of this review will be information that will form the basis of a new plan which could see both existing industrial estates being earmarked for disposal and unused land within some estates being developed to create further industrial space available for let.



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 further 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.

The colocation of the DWP into Queens Buildings planned for late April has created the opportunity to adopt more agile ways of working by using "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 necessary building works required to create the necessary open plan office accommodation as evidenced by the planned works initially for all the floors at Queens Buildings. Subject to market demand and available funding the opportunities for shared use of the Council's office accommodation by public sector partners could be expanded in the future.

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
- Further identification of co-location with partner organisations in Queens Buildings and the Worksop and Retford Town Halls
- 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, external consultants were employed to investigate the better utilisation of Council meeting and training rooms, together with storage of archive data. It is clear from the research information supplied that there was an oversupply of available space and potential savings could 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.

Based on the Employment Land Review findings we will seek to dispose of low quality, poor yield commercial premises and look to 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 HRA Business Plan was presented to Cabinet in January 2015 and set out a capital investment of £50m over the next 5 years.

The HRA Capital Programme allocated its funding as follows:

- Major improvements – maintaining decent homes standard
- Green Energy
- Decent neighbourhoods
- Homes for life
- Other schemes

9.5 Co-location of Services

The Council's objective 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 is already advanced. This opportunity to seek to improve customer relationships, providing access to services, information and support, in good accommodation at one convenient location will evolve over time. However, the Council like other public sector partners needs to reduces costs through the economies of single site provision and, wherever possible, through flexible redesign to allow for ease of adaptation in the future. The outcome of this activity has resulted in the CAB and the 2 Shires Credit Union occupying office space within Queens Buildings together with the DWP opening up their new office in the building from late April 2015. In Retford,

Nottinghamshire Police will vacate their existing premises and move into the Council's offices at 17b The Square.

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 2011(Part 4, Chapter 4). The Act is seen as a key piece of legislation to help ensure local people have a real opportunity to shape and influence their communities. The two key community rights within the act are:- The Community Right to Challenge and The Community Right to Bid (Assets of Community Value)

The government has decided not to draw up a long list of buildings and land that fall within this definitions. 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, of 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 in to 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.

9.8 Transparency and Open Government

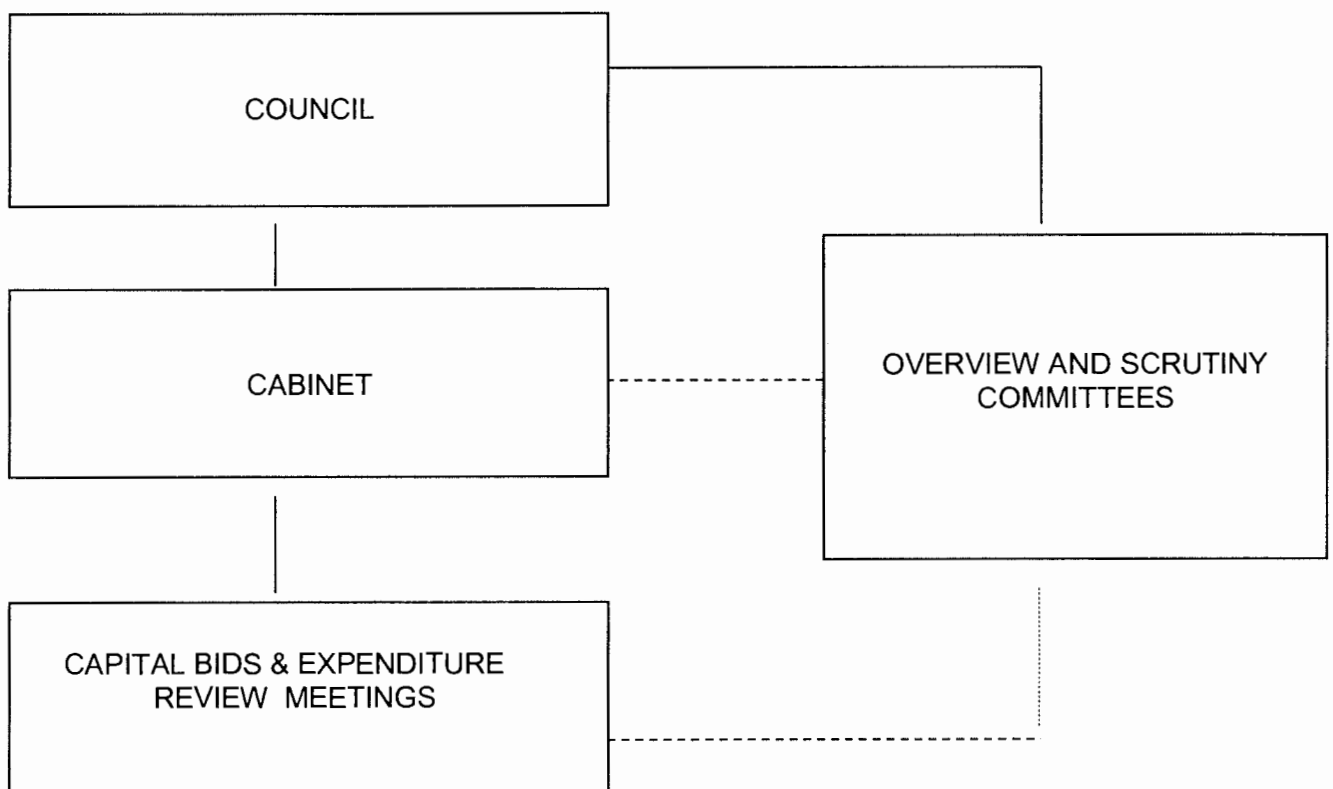
Bassetlaw District Council actively supports the Government's data Transparency agenda. The use of Idox as the basis for holding asset management data is a step towards reducing duplication, and improving the accuracy of data. The initial transfer of information into the Idox system will commence during late Spring 2015.



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 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.

10.6 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 in relation to property and FM related matters. 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) – this work is tendered and testing is mostly undertaken by private contractors.

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) 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.
- 2) 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
- 3) 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.

- 4) 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.
- 5) Invest to save bids will be submitted to carry out energy efficiency improvements to Council property.
- 8) 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.
- 9) The disposal of surplus or 'non-fit-for-purpose' property that is in poor condition, large backlog maintenance cost, or in poor legislative compliance
- 10) Effective management of investment estate through enforcement of tenant obligations under leases and tenancy agreements.
- 11) Properly planned and reactive maintenance prioritisation to comply with the maintenance.
- 12) The effective targeting of maintenance by reference to condition survey reports.
- 13) Limiting maintenance spends of non-strategic buildings to Health & Safety and legislative compliance reasons only.
- 14) 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 is £3,315,844

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) 6%

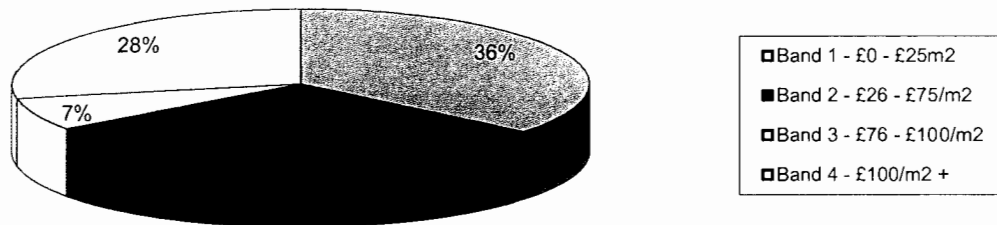
Band 4 (>£100/m²) 36%

The percentages above are based on the number of properties that fall into each band.

Bands applied:

- Band 1 - Urgent Work,
- Band 2 - Essential Work,
- Band 3 - Desirable Work
- Band 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 related to conditions prevailing on site in June 2009. See property schedule in Appendix 2. Ongoing work has resulted in back log maintenance costs being reduced and a further desk top study has started and will be continued during 2015.

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 which came into effect from 6th January 2014. 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.

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.

13.3 Property Review/Suitability

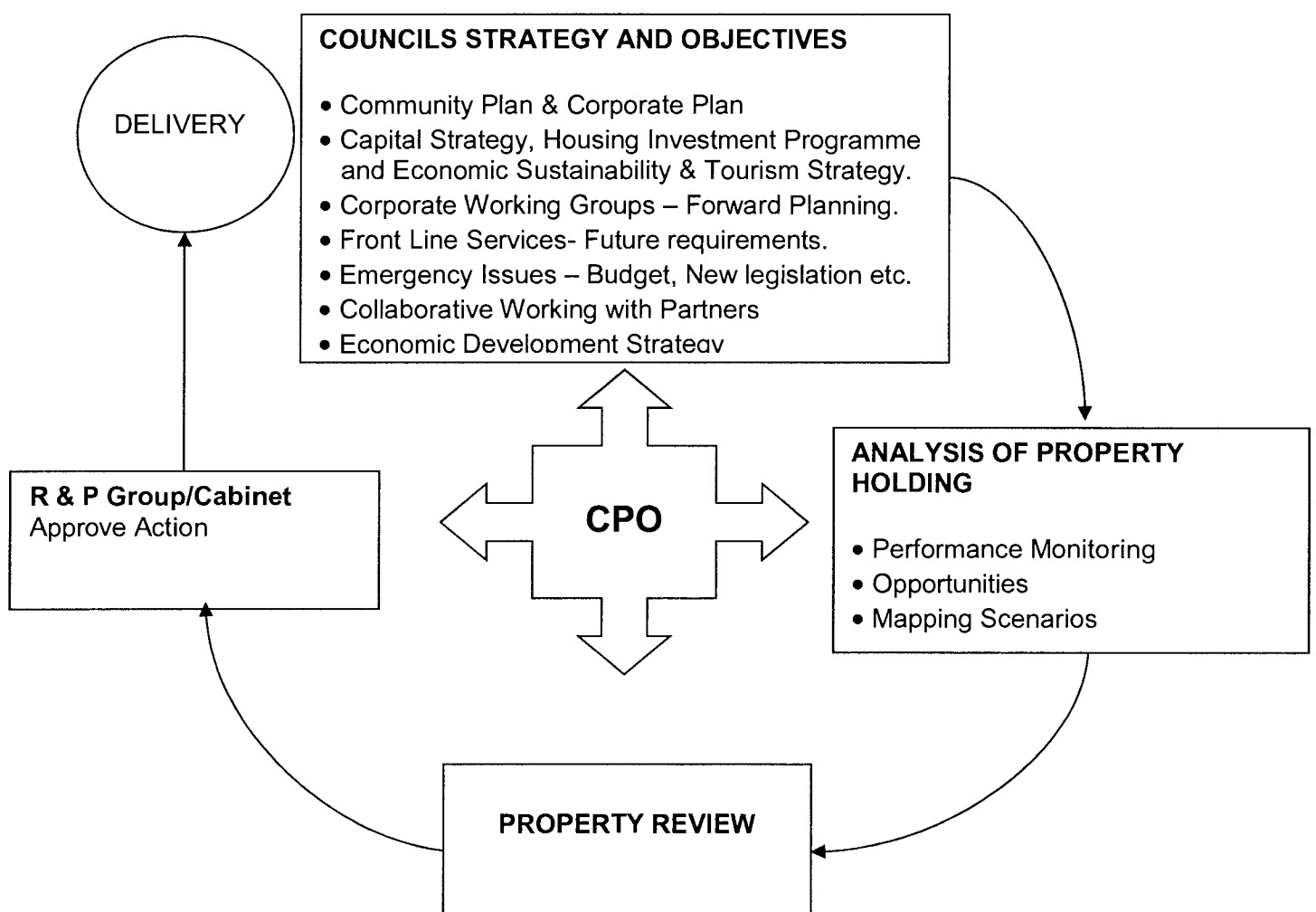
A robust property review exercise is fundamental in developing an effective management strategy.

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

Objective	Target/Measure	Timeline/Status
Capital programme	<ul style="list-style-type: none"> Implement property disposal strategy 	Ongoing since September 2011
Market place management	<ul style="list-style-type: none"> 5 year PPM schedule that identified statutory and non-statutory work 	Ongoing work
Customer service	<ul style="list-style-type: none"> 5 year program to ensure front line properties are fit for purpose 	Ongoing work from April 2011
Financial management	<ul style="list-style-type: none"> Bassetlaw District Council "in house" targets 	Within Central government timetable 2020
Asset management	<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>
IT systems	<ul style="list-style-type: none"> Replacement IT system purchased Property records updated 	<p>Migration of data to be undertaken</p> <p>Ongoing work</p>
Community development	<ul style="list-style-type: none"> Develop employment opportunities in Worksop and Harworth Improve the quality of our Town Centres Target with partners vacant garage sites especially rural ones for affordable housing 	<p>Demand studies ongoing</p> <p>Work to Bridge St. Market and Retford Market Square – completed</p> <p>Worksop Market Place – Public Realm Works – to be completed March 2012</p> <p>Initial sites identified</p>

	<ul style="list-style-type: none"> • Maintain the provision of quality employment sites 	Consultants appointed to undertake Employment Land Review. Initial findings to be reported late January 2015
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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:

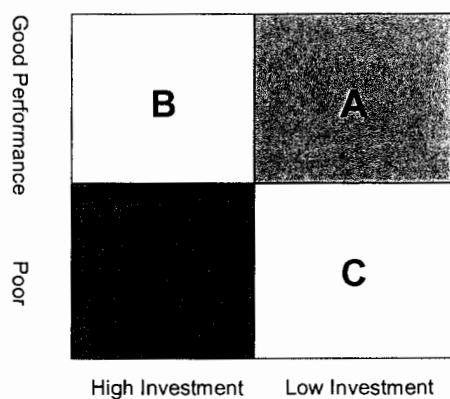
8.5 Management Issues:

9. COMMITTEE - Executive

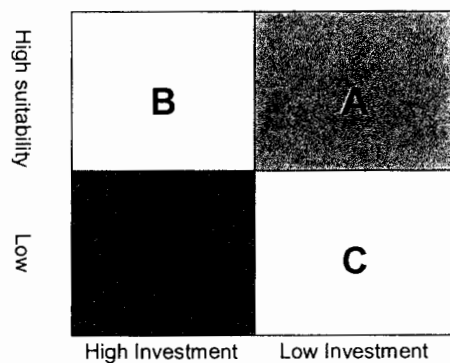
10. PLANNING -

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



11.7 Suitability Matrix (Operational Properties Only)



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. There will be “desk top” review undertaken in 2014/15 to review the figures detailed below.

Property Types and Addresses

Site	Address	Block	Total Cost
001	Queen's Building	01 - Main Building	£200,000* (see note 1)
002	Worksop Town Hall	01 - Main Building	£98,000
003	Worksop Town Hall	Link 01 - Main Building	£50,000
004	Retford Town Hall 01	Main Building	£160,000
005	17b The Square	01 - Main Building	£80,000
007	Retford TIC	01 - Main Building	£17,350
008	Worksop TIC	01 - Main Building	£99,520* (see note 4)
009	Harworth Housing Office	01 - Main Building	Now sold
010	Kilton Forest Golf Course	00 - Main Building	£20,000
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	£10,000
012b	Carlton Forest Depot	02 - Training & Development Centre	£1,000
012c	Carlton Forest Depot	03 - Environmental Services	£15,000
012d	Carlton Forest Depot	04 - The Bungalow	£10,000
012e	Carlton Forest Depot	05 - Carlton Forest House	£30,000
012f	Carlton Forest Depot	06 - East House	£25,000
013	88 Albert Road	01 - Main Building	£20,000
014	Bircotes Leisure Centre	01 - Main Building	£230,000
015	The Pavillion, Kings Park	01 - Main Building	£14,764
016	Goosemoor Lane,	01 - Main Building	£15,000

	Changing Rooms		
017	Retford Nurseries	01- Offices	£180,000* (see note 5)
017a	Retford Nurseries	02 - Racket Court	£44,000*
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	£40,000
020	Langold Country Park	01 - Cafe	£5,000
020a	Langold Country Park	02 - WC	£1,000
020b	Langold Country Park	03 - Kiosk	£1,000
022	Amcott House Museum	01 - Main Building	£40,000
022a	Amcott House Museum	03 - Store	£30,000
023	Chancery Lane	01 - Main Building	£3,000
024	Chapelgate	01 - Main Building	£3,000
025	Park Street	01 - Main Building	Demolished
026	Gateford	Road 01 - Main Building	Closed- to be sold
027	Main Street	01 - Main Building	Sold
028	Worksop Cemetery	01 - Chapel	£40,000
028a	Worksop Cemetery	02 - Office & WC	£5,000
028b	Worksop Cemetery	03 - Sheds	£400
029	Retford Cemetery	01 - Main Building	£2,000
030	Carlton Phoenix (see note 7)	00 - Site	£7,000
030a	Carlton Phoenix “	01 - Main Building	£230,000
030b	Carlton Phoenix “	02 - Block 02	To be demolished
031	Old Brewery Yard (see note 7)	01 - Main Building	£360,000
032	Canal Terrace (see note 7)	01 - Main Building	£50,000
033	Leverton Road (see note 7)	01 - Block 01	£140,000
034	Leverton Road “	03 - Block 03	£5,000
035	Goodwin Hall	01 - Main Building	£10,000 (see note 6)

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 (to be sold or relet
039	Chapelgate, Retford	01 - Car Park	£39,000
040	West Street, Retford	01 - Car Park	£28,000
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	Resurfaced by County Council
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	£3,315,844

Notes:

The backlog maintenance figure previously stood at £4,452,404 as at April 2014. The reduction has been achieved through a mixture of completed improvement schemes and property disposals, which in over terms represents a reduction of around 25.5 %

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.

Note 4 - Premises vacant and to be re-let or sold.

Note 5 - Premises to be sold (017 to 017b inclusive)

Note 6 - Future of the building to be determined no further expenditure planned.

Note 7 - The Industrial Estates listed are included in the recently commissioned Employment sites report. This report may recommend the retention of disposal of any or all of the sites listed

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 re-let.

John Unstead BSc. MRICS
Property Manager
Bassetlaw District Council



30/12/14

BASSETLAW DISTRICT COUNCIL

CABINET

12TH FEBRUARY 2015

REPORT OF HEAD OF FINANCE & PROPERTY

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES – 2015/16

Cabinet Member: Finance

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;
 - (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 audit 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 bi-monthly basis by the Capital Budget Monitoring Group, which is chaired by the Cabinet Member for Finance.
- 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 2015/16 revenue budget proposals and Capital Programme in the context of the Medium Term Financial Plan are:

General Fund Revenue Expenditure

- The National Joint Council for Local Government Services reached an agreement on the rates of pay applicable from 1st January 2015 until 31st March 2016. This included a pay increase of 2.2%, plus some minor non-consolidated payments that are to be paid in December 2014 and April 2015. An increase of 1% has been assumed in the budget for 2016/17 onwards.
- The Nottinghamshire County Council Pension Fund completed its last triennial review in January 2014, with the new rates coming into force from 1st April 2014. The review has set the percentage of payroll at 13.5% for active employees, with an annual lump sum of £0.817m for the backfunding element attributed to former employees. The 13.5% will remain in place until 31st March 2017, but the backfunding charge will increase to £0.917m for 2016/17.
- Bassetlaw became a Living Wage employer during 2013/14, and the additional costs arising from its introduction have been built into the salary estimates.

- Job evaluation discussions are still subject to agreement with the trade unions, for which a dedicated Job Evaluation Reserve exists to meet residual costs. It is expected that these discussions will be completed during 2015, and the remaining balance on the Job Evaluation Reserve will be written back to revenue between 2016 and 2020.
- No inflationary increases have been applied to general budgets, however any contracts that are linked to RPI have received an inflationary increase of 3.1%.
- Through effective treasury management the Council is currently under-borrowed by £10m, which means that the budget for long term borrowing interest can be reduced. For cashflow purposes, it has been assumed that a proportion of this will be borrowed using temporary funding, which is predominantly at lower interest rates, so savings can accrue during 2015/16. For prudence in the estimates, it has been assumed that £4m of borrowing against this gap will be undertaken in year.
- BPL continues to provide a well-respected leisure service, and negotiations are underway to extend the contract for a further five years. There will be some savings from the re-negotiated management fee, but these have been offset in the budget by expected increases in utility costs.
- 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 2015/16, a savings target of £1.459m was established. This has been achieved in year through a combination of :
 - Senior Management Review;
 - Organisational Service Review (including Voluntary Redundancies and Early Retirements);
 - Reductions in long term borrowing interest costs;
 - Reductions in contingencies and provisions;
 - Zero-based Budget Review;
 - ICT Contract Review and retender of Core Business Applications Contract;
 - Council tax increases;
 - Sharing of office accommodation;
 - Increase in discretionary fees and charges;
 - Retained business rates growth.

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 £1.909m (94%) and £0.859m (82.5%) respectively, (including a share of interest), against the initial £3.0m investment. For the two Icelandic bank investments, Glitner bank has made payments to the Council of £1.668m (80% of the £2.0m investment) with the balance held in a secure escrow account awaiting conversion from Icelandic Krona to English Stirling. The holding in Landsbanki bank was sold in February 2014 for £2.887m (91.2%) against the initial £3.0m 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 2014, and this followed a detailed examination of existing and new potential charges by a Member/officer working group during October 2014. They have been set in accordance with the Corporate Charging Policy with a baseline increase of 2.5%, and realistic estimates have been included within the budget based on estimated usage of each service.
- The number of specific grants reduces year on year as they are rolled into the Settlement Funding Assessment. The Council Tax Support Admin grant has been converted into a Section 31 grant of £0.134m. The DWP element that relates to housing benefits is still a ringfenced grant of £0.485m. Both of these grants have been reduced by 10% over that received in 2014/15. The budget assumes that these will reduce by 10% each year thereafter.
- 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 2015/16.

General Fund Financing

- The Extraordinary Cabinet meeting in January 2015 approved a taxbase of 32,545.35 band D properties, which is an increase of 651.51 properties. The Council Tax remained static between 2009/10 and 2013/14, but was increased by 1.5% for 2014/15. The budget report proposes an increase of 1.5% for 2015/16 due to the stark realities of cuts to central government funding.
- The ministerial statement in December 2014 identified a headline reduction in Revenue Support Grant of 31.6% for Bassetlaw, and a retention of £19.0m of business rates collected for 2015/16. This latter figure is an estimate made by central government, but in reality, this figure will be highly volatile due to the impacts of business rate changes, any new/closed power stations, and any successful appeals.

General Fund Provisions and Reserves

- As part of the 2013/14 closedown process, the Council holds an Insurance provision against general fund losses of £0.229m. 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.
- The Council has also set aside a provision of £0.163m in expectation of claims in respect of land charges and the Environmental Information Regulations.
- As a further measure against financial risk, the Council operates a strategic Corporate Contingency Fund in which £0.15m is allocated for the 2015/16 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 retained its bad debt provision at £0.1m 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 each dividend payment has been received, the amount required to be set aside has reduced, resulting in a Treasury Management Impairment Reserve of £0.429m being held in the Council's balance sheet at 31st March 2014. 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 further dividends are repaid to the Council. Only £0.765m of the original debt remains outstanding, and £0.051m is released back to revenue each year to reflect the Minimum Revenue Provision that the council must pay on this debt over the next 15 years.
- 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 £0.11m in the 2015/16 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

- 2015/16 is the fourth 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 is a 'living document' in that it is updated on a continuous basis as and when events and changes occur, 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 3rd December 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 2015/16 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 2015/16 revenue budget.

Statement of Accounts

- The Council has sound Financial Management arrangements in place as evidenced by the positive *Report to those charged with governance (ISA260) 2013/14* received from KPMG as the external auditors.

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 New Homes Bonus Reserve, the Treasury Management Impairment Reserve, the Insurance Reserve, the Business Rates Volatility 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 £1.3m for the Housing Revenue Account. 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 2015/16 budget (i.e. at 31st March 2016) are summarised below. Further details are available in the budget report elsewhere on this agenda.

	31st March 2016 £'000
General Fund Revenue	
Minimum Working Balance	1,000
General Reserve	107
Job Evaluation Reserve	735
New Homes Bonus Reserve	590
Treasury Management Impairment Reserve	327
Insurance Reserve	300
Business Rates Volatility Reserve	200
Developers Revenue Contributions Unapplied	188
Pilgrim Fathers Celebration Reserve	40
Other Minor Reserves	260
	<hr/> 3,747 <hr/>
 Housing Revenue	
Minimum Working Balance	1,300
General Reserve	298
	<hr/> 1,598 <hr/>
 Capital	
Capital Receipts	374
Capital Reserves	0
	<hr/> 374 <hr/>

Future Years

- 3.9 The budget report outlines the expected financial position of Bassetlaw between now and 2020. The savings target for 2016/17 has been set at £0.587m, with a further £1.302m, £0.6m, and £0.6m for the years 2017/18, 2018/19 and 2019/20 respectively.

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: 15/361

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: 45/02/15

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 in its own right, but supports the suite of budget papers under key decisions 471 and 479 to 482.

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	This is in response to forecasted reductions in Revenue Support Grant. The Council has yet to face the full implementation of welfare reforms, and any government changes to local authority financing post the General Election. 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	Income budgets have been maintained at relatively low levels, but planning fees have been increased to take some account of the upsurge in applications. Rigorous budget monitoring throughout the year. Budget accountability clearly identified. Corporate Charging Policy in place for fees and charges.
Business Rate Appeals	Medium	The position is unclear as appeals have been lodged but await assessment by the VOA. Main concern is the backdating of appeals over a number of previous financial years. This has been partly mitigated by being part of the Nottinghamshire Business Rate Pool and the 92.5% safety net agreement. This year the Council has also introduced a Business Rate Volatility Reserve.
Achieving target spending for capital programme	Medium	The bi-monthly Capital Budget Monitoring Group monitors and co-ordinates the capital programme. Accountability clearly identified.
Volatility of grant income (excluding RSG)	Medium	Very few ringfenced grants now exist, however the main ones are the Housing Benefit and Council Tax Support grants. Expected reductions of 10% each year have been built into the budget, but the position for 2016/17 following the transfer of Housing Benefit Fraud to the DWP and the introduction of Universal Credit is unclear.
Exposure to Borrowing interest rate changes	Low	Substantial levels of long-term borrowing were undertaken in March 2012 in preparation for the new HRA self-financing regime. It is unlikely that substantial levels of borrowing will ensue in the coming years. The majority of

		loans are on fixed rates.
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.
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 2016 are adequate,

to allow the Council to set the Revenue Budget, Capital Programme and Council Tax for 2015/16.

6.2 The reductions in local government finance have been announced for 2015/16, but this will not be the end of it, with annual reductions expected until the government's self-imposed target of 2019/20. For Bassetlaw, this is expected to be a further £3.1m. 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 5th March 2015.

Background Papers
Budget working papers

Location
Accountancy office