

**GENERAL FUND REVENUE PROJECTIONS 2004/05 - 2009/10**

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	Note
	£000	£000	£000	£000	£000	£000	
<b><u>BASE BUDGET FOR GF SERVICES</u></b>	12,155	12,155	12,155	12,155	12,155	12,155	1
<b><u>Financing Transactions</u></b>	7,487	7,231	6,769	6,275	6,353	6,324	2
<b><u>GROSS BUDGET FOR GF SERVICES</u></b>	19,642	19,386	18,924	18,430	18,508	18,479	
<i>Future changes</i>							
Other budgets		(31)	(31)	(31)	(31)	(31)	3
Fall off from Proposed savings		43	13	23	23	23	4
Housing benefit transitional relief		(180)	0	0	0	0	5
Approved growth		321	368	233	233	233	6&7
Housing Benefits		23	46	46	46	46	8
Pensions Increases		190	389	599	657	716	9
Pay Inflation		350	710	1,080	1,460	1,850	10
Inflation on 3rd party payments		100	190	290	390	500	11
Inflation on income		(230)	(470)	(710)	(960)	(1,210)	12
Refuse/cleansing costs re new properties		50	100	150	200	250	13
Projected Expenditure Ceiling	19,642	20,022	20,239	20,110	20,526	20,856	
Capital Financing Charges	(6,631)	(6,067)	(5,599)	(5,130)	(5,130)	(5,130)	2
Net Interest	(856)	(1,164)	(1,170)	(1,145)	(1,223)	(1,194)	2
Budget Requirement	12,155	12,791	13,470	13,835	14,173	14,532	
<i><u>Current Tax level + 3% pa (2% RSG cash increase)</u></i>							
Council Tax	(5,310)	(5,497)	(5,690)	(5,889)	(6,095)	(6,308)	14
RSG & NNDR	(5,935)	(6,054)	(6,175)	(6,299)	(6,425)	(6,554)	15
Major Reserves	(870)	(190)	(90)	0	0	0	16
(Headroom)/Shortfall	40	1,050	1,515	1,647	1,653	1,670	
Collection Fund (surplus)/deficit	(40)	0	0	0	0	0	
 <i>Notes:</i> see attached list of sources and assumptions for these projections							



CAB883 - General Fund Projections - Appendix 1

Notes re sources and assumptions for projections

- 1 Base budget for GF services from page 1.14 of Budget Book (service total less WinTown reserve)
- 2 Projections for financing transactions per capital budget papers
- 3 Drop out from previous years time limited growth proposals
- 4 Fall off from proposed savings taken from Appendic C of CAB778 (difference between savings column for 2004/05 and subsequent years)
- 5 Housing benefit transitional relief taken from Appendix B of CAB778
- 6 Future effects of proposed growth taken from Appendic C, section C1 of CAB778 (difference between growth column for 2004/05 and subsequent years)
- 7 Future effects of proposed growth taken from Appendic C, section C4 of CAB778 (difference between growth column for 2004/05 and subsequent years)
- 8 Housing benefit increases taken from Appendix B of CAB778
- 9 Projections for pensions increases derived from information supplied by HCC
- 10 Pay inflation at 3% pa
- 11 3rd party payments inflation at 2% pa
- 12 Inflation on fees, charges and rents at 2% pa
- 13 New properties to take into account developments at Knowle, West of Waterlooville and Barton Farm
- 14 Assume tax base increases by 250 properties pa with developments at Knowle, West of Waterlooville and Barton Farm. Assume tax increases of 3% pa.
- 15 Assume cash increase of 2% per annum in RSG
- 16 Funding of proposed growth taken from Appendic C, section C4 of CAB778

Drop out of limited life growth proposals

		2005/06	2006/07	2007/08
from 2002/03 budgets				
Affordable Housing Project Officer (three years from 02/03)	CAB303	20000	20000	20000
Meadowside (reducing subsidy)	CAB303	11240	11240	11240
TOTAL		<u>31240</u>	<u>31240</u>	<u>31240</u>

Salaries budget 2005/06Pensions increase projections

	£m	%
Original salary budget for 2004/05	11.420	
Of which - salary	9.707	0.85
lgps	1.256	0.11
NI & higher NI	0.457	0.04
	<b>11.420</b>	

2003/4 Budget includes pensions at 215% of employees contributions	12.9%
2004/5 Budget includes pensions at 225% of employees contributions	13.5%
2005/6 Budget includes pensions at 250% of employees contributions	15.0%
2006/7 Budget includes pensions at 275% of employees contributions	16.5%
2007/8 Budget includes pensions at 300% of employees contributions	18.0%
2008/9 Budget includes pensions at 300% of employees contributions	18.0%
2009/10 Budget includes pensions at 300% of employees contributions	18.0%

Increases in pension contributions

		2004/5	2005/6	2006/7	2007/8	2008/9	2008/9
	Salary base	£k	£k	£k	£k	£k	£k
2004/5	9.707	1310					
2005/6	9.998		1500				
2006/7	10.298			1699			
2007/8	10.607				1909		
2008/9	10.925					1967	
2009/10	11.253						2026
Year on year increase		0	190	199	210	58	59
Cum Year on year increase		<b>0</b>	<b>190</b>	<b>389</b>	<b>599</b>	<b>657</b>	<b>716</b>

Pay inflation 3%

**FINANCING TRANSACTIONS**

	2003/04 £000	2004/05 £000	2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000
<b><u>Capital Financing</u></b>						
Charge to GF services	(6,631)	(6,067)	(5,599)	(5,130)	(5,130)	(5,130)
Charge to HRA	0	0	0	0	0	0
<b>Total Capital Charges</b>	<b>(6,631)</b>	<b>(6,067)</b>	<b>(5,599)</b>	<b>(5,130)</b>	<b>(5,130)</b>	<b>(5,130)</b>
<b><u>Interest</u></b>						
Short term	14	14	14	14	14	14
Other	7	0	0	0	0	0
<b>Total payable</b>	<b>21</b>	<b>21</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
Investment income	(1,028)	(1,182)	(1,122)	(1,051)	(1,111)	(1,082)
<b>Net external interest</b>	<b>(1,007)</b>	<b>(1,161)</b>	<b>(1,108)</b>	<b>(1,037)</b>	<b>(1,097)</b>	<b>(1,068)</b>
Reserve interest	428	333	271	262	244	244
<b>Net received</b>	<b>(579)</b>	<b>(828)</b>	<b>(837)</b>	<b>(775)</b>	<b>(853)</b>	<b>(824)</b>
Interest recovered from HRA	(277)	(336)	(333)	(370)	(370)	(370)
<b>Total Net Interest</b>	<b>(856)</b>	<b>(1,164)</b>	<b>(1,170)</b>	<b>(1,145)</b>	<b>(1,223)</b>	<b>(1,194)</b>
<b>Total Financing Transactions</b>	<b>(7,487)</b>	<b>(7,231)</b>	<b>(6,769)</b>	<b>(6,275)</b>	<b>(6,353)</b>	<b>(6,324)</b>

Notes:

Capital financing charges are the charges made to operational budgets for capital investment through the capital programme. The charges include depreciation and a charge for the use of capital (currently 3.5%).

Av interest rate on investments      4.50%      4.75%      5.00%      5.00%      5.00%      5.00%

## Forward Estimates of Interest to 2009/10

### Assumptions

<u>Interest payable</u>	<u>2004/05</u> <u>£000</u>	<u>2005/06</u> <u>£000</u>	<u>2006/07</u> <u>£000</u>	<u>2007/08</u> <u>£000</u>	<u>2008/09</u> <u>£000</u>	<u>2009/10</u> <u>£000</u>
PWLB	0	0	0	0	0	0
Market	0	0	0	0	0	0
Temp	21	14	14	14	14	14
<b>Total interest</b>	<b>21</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>

<u>Interest receivable</u>	<u>2004/05</u> <u>£000</u>	<u>2005/06</u> <u>£000</u>	<u>2006/07</u> <u>£000</u>	<u>2007/08</u> <u>£000</u>	<u>2008/09</u> <u>£000</u>	<u>2009/10</u> <u>£000</u>
Estimated investment at 1s	31,700	25,359	22,477	20,564	19,624	19,104
Man saving spent	0	0	0	0	0	0
Capital receipts	3,850	3,050	2,550	2,550	2,550	2,550
Pooling (net)	(525)	(900)	(1,350)	(1,800)	(1,800)	(1,800)
Surplus	0	0	0	0	0	0
Capital expenditure	(9,666)	(5,032)	(3,113)	(1,690)	(1,270)	(1,270)
<b>Closing balance</b>	<b>25,359</b>	<b>22,477</b>	<b>20,564</b>	<b>19,624</b>	<b>19,104</b>	<b>18,584</b>
Equated balance	28,530	23,918	21,521	20,094	19,364	18,844
Interest @ 5.5%					1,065	1,036
Interest @ 5.0%			1,076	1,005		
Interest @ 4.75%		1,136				
Interest per budget	963					
<b>Short term investments inc</b>	<b>963</b>	<b>1,136</b>	<b>1,076</b>	<b>1,005</b>	<b>1,065</b>	<b>1,036</b>
Other interest						
Car loan, mortgage, etc	65	60	60	60	60	60
<b>Investment income</b>	<b>1,028</b>	<b>1,196</b>	<b>1,136</b>	<b>1,065</b>	<b>1,125</b>	<b>1,096</b>
<b>Net Interest</b>	<b>1,007</b>	<b>1,182</b>	<b>1,122</b>	<b>1,051</b>	<b>1,111</b>	<b>1,082</b>

4/6/04

Interest rate projections based on Butlers May2003 forecast

**CAPITAL PROGRAMME**

	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	Note
	£000	£000	£000	£000	£000	£000	
<b><u>Housing</u></b>							
<i>Housing Revenue Account</i>							
Sale of Council Houses Admin	50	50	50	50	50	50	
Major repairs	3,718	3,215	3,215	3,215	3,215	3,215	1
Makins Court	0	0	0	0	0	0	
Sewage Treatment Works	350	200	200	200	200	200	
<i>Housing General Fund</i>							
Renovation Grants - Mandatory	450	450	450	450	450	450	
Renovation Grants - Discretionary	170	170	170	170	170	170	
Affordable Housing (LASHG)	1,575	1,186	450	0	0	0	
Affordable Housing/Regeneration	500	500	0	0	0	0	
Homeless Hostel - Sussex Street	500	0	0	0	0	0	
<i>Total</i>	<u>7,313</u>	<u>5,771</u>	<u>4,535</u>	<u>4,085</u>	<u>4,085</u>	<u>4,085</u>	
<b><u>Health</u></b>							
Public Conveniences	180	0	0	0	0	0	2
Sewer at Crofton Way, Swanmore	60	0	0	0	0	0	3
Air Quality Monitoring Eqpt	115	0	0	0	0	0	
Recycling Pilot Scheme	100	6	0	0	0	0	4
Replacement Trade Bins	10	10	10	10	10	10	
<i>Total</i>	<u>465</u>	<u>16</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	
<b><u>Community, Arts &amp; Social</u></b>							
Lease of property	0	0	0	0	0	0	
Open Space & Recreation Facilities	50	50	50	50	50	50	
Capital grants	70	90	100	50	50	50	
Guildhall Improvements	18	0	0	0	0	0	
Guildhall Community Facilities	500	625	0	0	0	0	
Hyde Abbey Garden	0	0	0	0	0	0	
Swanmore Community Scheme	855	10	10	10	0	0	
Meadowside - fire escape	0	0	0	0	0	0	
Whiteley Sports Ground	42	0	0	0	0	0	
Waterways improvements	73	0	0	0	0	0	
CCTV	40	40	47	0	0	0	
Winchester Cultural Centre	0	330	330	340	0	0	2
<i>Total</i>	<u>1,648</u>	<u>1,145</u>	<u>537</u>	<u>450</u>	<u>100</u>	<u>100</u>	
<b><u>Transport &amp; Access/Environment</u></b>							
Car Parks	200	700	700	200	200	200	5
Friarsgate	80	50	0	0	0	0	
Footway Lighting	10	10	10	10	10	10	
Environmental Improvements in Rural Areas	50	50	29	0	0	0	
Clausentum Road - amenity land	10	0	0	0	0	0	
<i>Total</i>	<u>350</u>	<u>810</u>	<u>739</u>	<u>210</u>	<u>210</u>	<u>210</u>	
<b><u>Central Services</u></b>							
ICT Equipment	250	200	130	250	200	200	
ICT E-govt	264	258	204	150	150	150	6
Customer Relations Management	190	150	50	0	0	0	
Land Charges computerisation	75	75	0	0	0	0	
<i>Total</i>	<u>779</u>	<u>683</u>	<u>384</u>	<u>400</u>	<u>350</u>	<u>350</u>	
<b><u>Non-Operational Property</u></b>							
Purchase of property	<u>1,150</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
<b><u>Operational Property</u></b>							
Purchase of property	500	0	0	0	0	0	
Guildhall Capital Repairs	100	42	23	0	0	0	
RPLC Capital Repairs	737	0	350	0	0	0	
City Offices capital repairs	365	20	20	20	0	0	
Avalon House capital repairs	160	80	0	0	0	0	
Abbey House capital repairs	50	0	0	0	0	0	
<i>Total</i>	<u>1,912</u>	<u>142</u>	<u>393</u>	<u>20</u>	<u>0</u>	<u>0</u>	
<b>TOTAL BUDGET</b>	<u>13,617</u>	<u>8,567</u>	<u>6,598</u>	<u>5,175</u>	<u>4,755</u>	<u>4,755</u>	



**CAPITAL PROGRAMME - FINANCING**

<b><u>FINANCING</u></b>	<u>2004/05</u>	<u>2005/06</u>	<u>2006/07</u>	<u>2007/08</u>	<u>2008/09</u>	<u>2009/10</u>
	£000	£000	£000	£000	£000	£000
Supported Capital Expenditure	853	886	0	0	0	0
Major repairs Allowance	3,728	3,215	3,215	3,215	3,215	3,215
Capital Grant (SCG)	270	270	270	270	270	270
DEFRA grant for recycling	38	0	0	0	0	0
External Contributions	60	0	0	0	0	0
Developers contributions	0	50	0	0	0	0
Car Park Property Reserve	200	700	700	200	200	200
Operational Property Reserve	276	25	0	0	0	0
ICT Strategy Reserve	454	258	204	150	150	150
Land Charges Computerisation Reser	75	75	0	0	0	0
Open Space Provision Reserve	0	25	0	0	0	0
Whiteley Reserve	42	0	0	0	0	0
Bapsy Bequest	500	625	0	0	0	0
Revenue - Specific	240	0	0	0	0	0
Capital Receipts	6,801	2,428	2,199	1,330	920	920
Major Investment Reserve	80	10	10	10	0	0
	<u>13,617</u>	<u>8,567</u>	<u>6,598</u>	<u>5,175</u>	<u>4,755</u>	<u>4,755</u>

**Notes re changes to the Capital Programme since approved in CAB778**

- 1 Committed expenditure on Housing brought forward CAB853
- 2 Cultural Centre Development with HCC CAB889
- 3 Private drainage, Swanmore CAB888
- 4 Recycling pilot scheme CAB867
- 5 Friarsgate carpark rolled back one year
- 6 Approved growth on Customer Service Unit CAB793  
Slippage approved by Cabinet in CAB881 is included

