

WINCHESTER TOWN FORUM – INFORMAL COUNCILLORS GROUP

TO: Review the Budget 2007/08

At its meeting on 16th January 2007 the Town Forum resolved:

1. That an Informal Group be established to review the Town Account 2006/07 Budget with officers with a view to identify savings and recommend a budget that was sustainable and not reliant on the reserves, and that any increases were as close as possible to inflation.
2. That the recommendation of the Informal Group be presented orally by the Chairman of the Town Forum to the 13 February 2007 meeting of the Cabinet, following consultation with other members of the Forum.
3. That membership of the Informal Group be agreed as Councillors Hiscock, Mather and Pines.

An initial meeting was held of the Informal Group and officers, followed by some further research and correspondence and a final meeting at which amended budget figures were presented and decisions taken on the proposed recommendations to be made to Cabinet.

The adjustments made to the budget projections as a result of the review are:

- Cemeteries income has been increased for the 2006/07 Revised Estimate (+£11,000) and in the baseline for 2007/08 (+£5,000) reflecting the most recent actual income.
- Capital Expenditure for Magdalen Hill Cemetery Improvements has been treated on a consistent basis to past practice which is for the Town Fund to pick up the costs through capital financing charges, therefore spreading the costs over a longer term.

There were a number of other issues identified for future review, which have been incorporated into the Informal Group's recommendations below.

INFORMAL GROUP PROPOSED RECOMMENDATIONS TO CABINET:

1. That the planning policy for determining decisions on play areas should be reviewed during 2007/08.
2. That a review should be conducted of all Play Area funding during 2007/08 to identify the total costs of Play Areas.
3. That evidence should be provided by officers to the Town Forum of the schedules for and monitoring of Bus shelter cleaning.
4. That regretfully there is no scope in the budget to provide a contribution towards the Theatre Royal.

5. Similarly there is no scope in the Town budget for providing funding towards the Cash Office. However it is recommended that the benefits of merging the parking office with the cash office be explored.
6. The proposed growth item of £30,000 for Playground Inspections is unavoidable and is supported.
7. That the charge levels for cemeteries should be increased by 10% in 2007/08.
8. That the Council Tax for the Winchester Town Area should be £52.92 for 2007/08.

Annex – Winchester Town Revenue Projections 2006/07 – 2011/12

Capital Growth and Savings Proposals

| GENERAL FUND | | 2007/08 £'000 | 2008/09 £'000 | 2009/10 £'000 | 2010/11 £'000 | 2011/12 £'000 | Corporate Priority |
|--|---|------------------|------------------|------------------|------------------|------------------|------------------------------------|
| Abbey Gardens Public Toilets | Refurbishment | 150 | - | - | - | - | Safe & Strong Communities |
| Abbey House | Renovation (phases 2 and 3) | - | 200 | 190 | - | - | High Quality Environment |
| Affordable Housing | Funded by Developers' contributions | 1,300 | 200 | 200 | 200 | 200 | Safe & Strong Communities |
| Affordable Housing | Funded by capital receipts from sale of vacant housing | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | Safe & Strong Communities |
| CCTV | Relocation of control room and purchase of new digital equipment | - | 250 | - | - | - | Safe & Strong Communities |
| Financial System | Upgrade or replacement of the core financial system | - | 150 | - | - | - | Efficient & Effective Organisation |
| Knowle Community Building | Provision of additional community facilities | 200 | 200 | - | - | - | Safe & Strong Communities |
| Meadowside | Urgent remedial work and extension | 116 | - | 300 | - | - | Safe & Strong Communities |
| Rural Transport | Capital funding for the provision of transport in rural areas | 50 | 50 | 50 | 50 | 50 | Safe & Strong Communities |
| Tower Street Car Park | Refurbishment for health and safety and operational needs | - | 100 | - | - | - | Safe & Strong Communities |
| Capital Grants - SAVINGS | Reduction of capital grants to meet capital works to community buildings. | -20 | -20 | -20 | -20 | -20 | Safe & Strong Communities |
| Total General Fund Capital Growth and Savings Proposals | | 2,796 | 2,130 | 1,720 | 1,230 | 1,230 | |

Capital Growth and Savings Proposals

| HOUSING REVENUE ACCOUNT | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | Corporate Priority |
|--|----------------|----------------|----------------|----------------|----------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Enhancements – Heating System Programme (priority 1) | 250 | 250 | 250 | 250 | 250 | Safe & Strong Communities |
| Enhancements - Disabled Adaptations (priority 1) | 300 | 200 | 200 | 200 | 200 | Safe & Strong Communities |
| Enhancements – Digital Switchover (priority 1) | 100 | 100 | 100 | 100 | 50 | Safe & Strong Communities |
| Enhancements – Garage Replacement (priority 2) | 50 | - | 50 | - | 50 | Safe & Strong Communities |
| Enhancement – Kitchens & Bathrooms (priority 2) | 200 | 200 | 200 | 200 | 200 | Safe & Strong Communities |
| Enhancements – Loft Conversions (priority 3) | - | 75 | 50 | 75 | 75 | Safe & Strong Communities |
| Enhancements – Energy Efficiency Works (priority 3) | - | 75 | 50 | 75 | 75 | Safe & Strong Communities |
| Project Fees | 100 | 100 | 100 | 100 | 100 | Safe & Strong Communities |
| Total HRA Capital Growth proposals | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | |

| | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--|
| Total Capital Growth and Savings Proposals (GF & HRA) | 3,796 | 3,130 | 2,720 | 2,230 | 2,230 | |
|--|--------------|--------------|--------------|--------------|--------------|--|

| WINCHESTER TOWN REVENUE PROJECTIONS 2006/07 - 2011/12 | | | | | | | | |
|--|------------|------------|------------|------------|-------------|-------------|-------------|-------------|
| | 2005/06 | 2006/07 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
| | Outturn | Budget | Revised | Forecast | Forecast | Forecast | Forecast | Forecast |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Recurring Expenditure | | | | | | | | |
| Cemeteries | 47 | 53 | 42 | 38 | 38 | 38 | 38 | 38 |
| Allotments | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) |
| Grants | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 |
| Recreation Grounds & Open Spaces (Proportion) | 502 | 509 | 519 | 534 | 528 | 510 | 501 | 501 |
| Community Wardens (Contribution) | 20 | 45 | 45 | 45 | 45 | 45 | 45 | 45 |
| Footway Lighting | 30 | 27 | 30 | 36 | 37 | 37 | 37 | 38 |
| Bus Shelter Cleaning | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Christmas Lights | 7 | 8 | 9 | 9 | 9 | 9 | 9 | 9 |
| Tree Maintenance | 24 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Town Forum Support | 10 | 10 | 11 | 11 | 11 | 12 | 12 | 12 |
| Councillor's Special Responsibility Allowance | 0 | 0 | 0 | 2 | 2 | 2 | 2 | 2 |
| Interest on Balance | (8) | (4) | (6) | (3) | (3) | (3) | (6) | (9) |
| Total Baseline Expenditure | 667 | 695 | 697 | 719 | 714 | 697 | 685 | 683 |
| Funding | | | | | | | | |
| Council Tax increase (%) | | | | 8% | 0% | 0% | 0% | 0% |
| Proceeds of Council Tax | (624) | (669) | (669) | (728) | (734) | (739) | (744) | (750) |
| (Surplus) / Deficit - baseline before growth | 42 | 26 | 28 | (9) | (20) | (42) | (59) | (67) |
| Non- recurring costs - to be funded from reserves | | | | | | | | |
| Neighbourhood Design Statements | | 5 | 5 | | | | | |
| St.Faith's Meadow | 5 | 5 | 5 | 5 | | | | |
| Grants | 16 | 10 | 13 | | | | | |
| Total non-recurring costs | 21 | 20 | 23 | 5 | 0 | 0 | 0 | 0 |
| Total (Surplus) / Deficit before growth | 64 | 46 | 51 | (4) | (20) | (42) | (59) | (67) |
| Proposed Growth Bids / Increased Income - Recurring | | | | | | | | |
| Cemeteries Income | | | | (6) | (7) | (7) | (7) | (7) |
| Playground Safety Inspections | | | | 30 | 30 | 30 | 30 | 30 |
| Net growth (recurring) | | | | 24 | 23 | 23 | 23 | 23 |
| Projected Recurring Expenditure | 667 | 695 | 697 | 743 | 737 | 720 | 708 | 706 |
| (Surplus) / Deficit - projected baseline incl. growth | 42 | 26 | 28 | 15 | 3 | (19) | (36) | (44) |
| Non recurring costs in the baseline (as above) | 21 | 20 | 23 | 5 | | | | |
| Magdalen Hill Cemetery Improvements (capital) | | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total non-recurring costs | 21 | 20 | 23 | 5 | 0 | 0 | 0 | 0 |
| Total (Surplus) / Deficit after growth | 64 | 46 | 51 | 20 | 3 | (19) | (36) | (44) |
| PROJECTED FUND BALANCES | | | | | | | | |
| FUND BALANCE at 1st APRIL | (188) | (91) | (124) | (73) | (53) | (50) | (69) | (105) |
| FUND BALANCE CARRIED FORWARD | (124) | (45) | (73) | (53) | (50) | (69) | (105) | (149) |
| Council Tax | | | | | | | | |
| Tax Base | 13,354 | 13,637 | 13,637 | 13,765 | 13,865 | 13,965 | 14,065 | 14,165 |
| Tax increase - % pa | | | | 8% | 0% | 0% | 0% | 0% |
| Tax at Band D | £46.75 | £49.05 | £49.05 | £52.92 | £82.92 | £52.92 | £52.92 | £52.92 |
| Proceeds of Council Tax (£'000s) | | | 669 | 728,440 | 734 | 739 | 744 | 750 |

SUMMARY OF RESERVES

| | <i>2006/07 Opening Balance</i> | <i>2007/08 Opening Balance</i> | <i>2008/09 Opening Balance</i> | <i>2009/10 Opening Balance</i> | <i>2010/11 Opening Balance</i> | <i>2011/12 Opening Balance</i> |
|--|--|--|--|--|--|--|
| | <i>£000</i> | <i>£000</i> | <i>£000</i> | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| General Fund Working Balance Reserve | -2,000 | -2,000 | -2,000 | -2,000 | -2,000 | -2,000 |
| Major Investment Reserve | -5,012 | -4,506 | -2,507 | -1,429 | -811 | -669 |
| <hr/> | | | | | | |
| <u>Earmarked Reserves</u> | | | | | | |
| <i>Social Issues</i> | | | | | | |
| Bapsy Bequest | (1,202) | (1,186) | (748) | (302) | (318) | (335) |
| Leisure, Arts and Culture Grants | (54) | (54) | (54) | (44) | (34) | (24) |
| Guildhall Kitchen Equipment | (5) | (5) | (5) | (5) | (5) | (5) |
| Open Spaces Maintenance | (799) | (623) | (529) | (436) | (344) | (233) |
| Planning Open Spaces Deposits | (2,292) | (2,132) | (1,042) | (842) | (742) | (642) |
| Sewage Works replacement contributions | (8) | (8) | (8) | (8) | (8) | (8) |
| <i>Environment</i> | | | | | | |
| Local Development Framework | 0 | (70) | 0 | 0 | 0 | 0 |
| Car Park Property Maintenance | (980) | (755) | 0 | 0 | 0 | 0 |
| Planning Grants | (169) | (60) | 0 | 0 | 0 | 0 |
| <i>Local Economy</i> | | | | | | |
| Museums Acquisitions | (11) | (11) | (11) | (11) | (11) | (11) |
| Museums Publications | (29) | (34) | (34) | (34) | (34) | (34) |
| Recreational Development | (10) | (8) | (6) | (6) | (6) | (6) |
| Town Twinning | (18) | (18) | (18) | (18) | (18) | (18) |
| Tourism Public Relations contributions | (9) | (9) | (9) | (9) | (9) | (9) |
| Whiteley | (812) | (743) | (666) | (618) | (565) | (507) |
| <i>Resources</i> | | | | | | |
| GF Non-operational Property Repairs | (172) | (64) | (64) | (64) | (64) | (64) |
| Insurance Reserve (GF) | (364) | (386) | (408) | (408) | (408) | (408) |
| ICT Strategy | (903) | (278) | 0 | 0 | 0 | 0 |
| Land Charges Computerisation | (371) | (209) | 0 | 0 | 0 | 0 |
| Winchester Town | (124) | (72) | (53) | (50) | (69) | (105) |
| Total Earmarked Reserves | <hr/> (8,332) | <hr/> (6,706) | <hr/> (3,652) | <hr/> (2,874) | <hr/> (2,671) | <hr/> (2,453) |
| <i>Total Reserves</i> | <hr/> (15,344) | <hr/> (13,212) | <hr/> (8,159) | <hr/> (6,303) | <hr/> (5,482) | <hr/> (5,122) |