

CABINET

13 February, 2007

BUDGET AND COUNCIL TAX 2007/08

REPORT OF THE DIRECTOR OF FINANCE

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RECENT REFERENCES:

CAB1269: Financial Strategy 2007/08 to 2011/12, 26 July, 2006

CAB1270: Capital Strategy and Programme 2006, 26 July, 2006

CAB1331: General Fund Budget 2007/08, 11 October, 2006

CAB1353: General Fund Budget 2007/08 – Proposals for Consultation, 15 November, 2006

CAB1378: Capital Programme 2006/07 to 2011/12, 17<sup>th</sup> January, 2007

CAB1416: Corporate Strategy 2007-2012 – Final Draft, 13<sup>th</sup> February, 2007

EXECUTIVE SUMMARY:

This report concludes the budget process for 2007/08 by presenting the summarised General Fund budget for approval, including proposals for growth and savings - Members are asked to consider these and the level of Council Tax for next year (the current tax is £113.13 at Band D for City Council services).

The budget papers include final growth and savings proposals identified as part of the work undertaken by officers, Corporate Management Team, Cabinet and Scrutiny Panels. Priority revenue growth items requested for inclusion for 2007/08 total £606,000. Specific savings and proposals for increased income, not previously already identified for next year, total £406,000. Further savings of £103,000, to be realised through continued efficiency and organisational improvement, have also been included in the budget.

The paper also reports the Prudential Code indicators covering affordability, prudence and capital expenditure as these need to be calculated by 31<sup>st</sup> March, 2007.

A Council Tax of £52.92 is recommended for the Winchester Town account.

**RECOMMENDATIONS:**

1. That Members consider the level of General Fund budget and Service budgets for 2007/08 and make recommendations for the following:

	£
Central Services	
Chief Executive	
Legal, Electoral, Committee Services	
Finance, IT and Support Services	
Human Resources	
Community Services	
Environmental Health	
Strategic Housing	
Community Development	
Development Services	
Estates	
Engineering	
Cultural	
Planning	
Building Control	
Financing Transactions	
Savings to be allocated	
Sub Total	_____
Transfers from Reserves	_____
General Fund Budget	
Transfer to/(from) Winchester Town Reserve	_____
Total	
Charges on Winchester Town	_____
Total City Expenditure	_____

**Note: No firm recommendations are being made until after the completion of budget consultation. Recommendations will therefore be tabled at the Cabinet meeting.**

2. That Members consider growth, savings and increased income, as set out in Appendices C and D, and indicate those items to be included within the Budget.
3. That approval be given to the inclusion of any further Planning Delivery Grant within the budget for 2007/08, once known, and that detailed proposals for the use of such grant be included within the Development Directorate Business Plan for 2007/08.
4. That the capital programme set out in Appendices G and H be confirmed.

5. That the policy as previously agreed by the Council on 14<sup>th</sup> July, 1999 (min 186 refers) is confirmed to treat all expenses of the Council as General Expenses other than those specifically identified and itemised in the Winchester Town account. In consequence of which the sum of £727,710 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area, Appendix 11.
6. That the Council Tax for the Special Expenses in the Winchester Town area at Band D be set at £52.92 for 2007/08.
7. That the balances on the Collection Fund calculated at 25 January 2007, of £35,280 surplus for Council Tax for this Council, be approved.
8. That Members recommend the level of Council Tax at Band D for City Council services for 2007/08.
9. That Parish Council Taxes be noted as in Appendix L.
10. That the prudential indicators in Section 15 be noted.

## CABINET

13 February, 2007

### BUDGET AND COUNCIL TAX 2007/08

#### REPORT OF THE DIRECTOR OF FINANCE

##### 1 Introduction

- 1.1 As in recent years the budget process has attempted to link the budget closely to the Corporate Strategy. Following approval of the Financial Strategy in July, Cabinet has reviewed the Corporate Strategy and associated budgets, with Scrutiny Panels commenting on proposals for growth and savings.
- 1.2 A capital programme and e-government programme were also considered and approved by Cabinet in January (CAB1378).
- 1.3 A summary of the General Fund revenue budgets is presented for final consideration and Members are asked to consider the total level of General Fund budget and the Council Tax for next year.
- 1.4 The detailed service budgets are presented for approval as Appendix M. These do not include growth and savings proposals put forward in this report for consideration. Once the budget is finalised – by Council on 28 February – any growth or savings approved will be incorporated in the final figures that will be published in the Budget Book.
- 1.5 This year meetings have been held with representatives from parishes and businesses to seek their views on the Council's budget. As the second of these meetings will not take place until after despatch of this report no firm recommendations are being made in the paper. Recommendations will be tabled at the Cabinet meeting after considering all comments made.

##### 2 Revised Budget 2006/07

- 2.1 The revised budget for net expenditure on services totals £13,160,980 compared with an original budget of £12,821,820, a difference of £340,000. Significant variances between the original budget and the revised budget are detailed below:
  - a) Expenditure carried forward from 2005/06 of £442,000 (CAB1267, 21<sup>st</sup> June 2006 refers).
  - b) Additional expenditure of £336,000 to be funded from monies from the Local Authority Business Growth Incentive (LABGI) scheme (Council minute 832.2 23<sup>rd</sup> February, 2006 refers).
  - c) Additional costs in relation to the office accommodation relocation of £299,000. There is a credit within reserves of £295,000 in respect of the premium paid to the Council (CAB1366 13<sup>th</sup> December, 2006 refers).
  - d) Additional costs for the concessionary travel scheme of £100,000.

- e) Income from parking charges is below target £219,000.
- f) There is a shortfall of £200,000 on the savings target of £1.3m.
- g) Additional interest income on investments of £640,000.
- h) The final Benefit subsidy claim for 2005/06 was for £300,000 more than was included in the Accounts for last year. This claim has recently been audited and additional one off income of £369,000 has been included in the revised budget (PS242 11<sup>th</sup> September 2006 refers).
- i) Additional income of £128,000 in respect of the actuarial valuation of the Wessex Slaughterhouse pension fund (RE38 31<sup>st</sup> January, 2007 refers).
- j) Additional income from the sale of recyclables and from waste performance grant of £81,000.
- k) Additional land charges income of £90,000.

### 3 2007/08 Budget

3.1 The General Fund budget for net expenditure on services, before the inclusion of proposed growth and savings, totals £13,610,490. Summaries of the individual service budgets are shown in Appendix M. The budget includes the following:

- a) Additional costs in relation to the office accommodation relocation of £306,000 (CAB1366 13<sup>th</sup> December, 2006 refers).
- b) Expenditure proposed to be carried forward from 2006/07 of £72,000 in relation to LABGI projects.
- c) Costs relating to Alternative Bin Collection of £167,000 (CAB1197, 7<sup>th</sup> February 2006 refers)
- d) Additional income from an increase in Council Tax of 3%.
- e) It is assumed that the original savings target for next year of £1.7m will be achieved – £300,000 of this cannot readily be allocated as it is not easily attributed to particular budget heads in advance of projects being undertaken.
- f) It is assumed that further savings of £103,000 will be achieved through continued improvements to efficiency and reductions in the costs associated with some activities. Changes to working practices and ongoing organisational development will facilitate this.
- g) It is assumed that the current year's original budget plus 3% for inflation will be achieved next year for income from parking charges (see CAB1410 elsewhere on this agenda).
- h) Additional interest income on investments of £286,000.
- i) Costs in excess of current budgets of £40,000 for property surveys in connection with the Asset Management plan (CAB1371 13<sup>th</sup> December, 2006 refers).

3.2 Information is still awaited on any award of monies from the LABGI scheme – expected at the end of February. Any sums received that are not used to fund the specific growth proposals referred to in Appendix G will be available from reserves for future use.

#### 4 Growth, Savings and Increased Income

4.1 Cabinet has considered various items of growth, savings and increased income and has referred them to the Scrutiny Panels for further deliberation. Some further small changes have been proposed since CAB1353 and the detailed lists are shown in Appendices C and D.

4.2 Some items of savings and increased income have already been included in the base budget where a formal Cabinet decision has not been necessary.

4.3 If all additional income and savings that have been identified (£406,000) are accepted there is a projected surplus of £388,000 in next year's budget. Set against this priority growth bids total £606,000. If growth in excess of £388,000 is approved further savings or increases in Council Tax will be necessary in order to achieve a balanced budget.

#### 5 Capital Programme and E-Government Programme

5.1 The capital programme was considered and approved by Cabinet at its last meeting (CAB1378, 17<sup>th</sup> January, 2007 refers). The main sources of funding for the programme are from balances accumulated from capital receipts and from the Major Repairs Allowance, with support from the Major Investment Reserve (MIR). It will be necessary to consider borrowing later in the Strategy period for schemes not yet identified as the balances accumulated for the Programme are spent.

5.2 Both the MIR and capital receipts are invested with the interest underpinning the Council's financial strategy. The consequent loss of interest following the use of these balances through the Strategy period has been reflected in the revenue projections. The estimated use of the MIR and capital receipts is shown in Appendix I with the balances of both being reduced to £436,000 by the end of 2011/12.

#### 6 The Government Settlement

6.1 The Government issued a provisional local government settlement for 2007/08 early in December. Over the current year's figure there is a cash increase of £391,000 (3%) to £12,942,000.

#### 7 Collection Fund

7.1 The regulations require the Council formally to approve the Collection Fund balance at 31 March, calculated at 25 January.

7.2 For Council Tax a surplus of £268,480 is estimated, shared between the County Council (£195,950), the Police Authority (£25,700), the Fire & Rescue Authority (£11,540) and this Council (£35,290). This must be credited to the Council Tax for the District for 2007/08. This is equivalent to £0.76 at Band D.

### Council Tax

- 8.1 The Government settlement assumes that income from Council Tax will rise by no more than 5% next year. Ministers have indicated that local authorities that increase council tax above the 5% level will be capped. Capping is applied to the separate tiers of authorities, based on the increases applied individually, rather than by considering the total increase in Council Tax bills. The Parish Tax amounts are excluded from the capping calculations, but Winchester Town is included.
- 8.2 At present the projections include an increase in council tax income of 3%. Options for different District tax levels are shown below:

<b>Council Tax Options</b>	<b>Annual Increase</b>		<b>Annual income additional to projections £000</b>
£116.46	2.9%	£3.33	-4
£116.55	3.0%	£3.42	0
£117.36	3.7%	£4.23	38
£118.08	4.4%	£4.95	71
£118.80	5.0%	£5.67	105

- 8.3 The current level of Tax for District purposes is £113.13.
- 8.4 In considering the level of District tax, regard has to be had to the Tax for the Town area in order to ensure that the overall increase does not exceed 5%. Options for different combinations of tax are shown below:

<b>District Tax</b>	<b>Town Tax</b>	<b>Total</b>
3%	3%	3%
3%	8%	3.6%
5%	5%	5%
4.6%	8%	5%
4.4%	9.0%	5%

- 8.5 Assuming a Winchester Town tax increase of 8% the Tax for District purposes could increase by 4.6% and remain within the capping limit and be in line with inflation. In order to support the Council's priorities and to secure a firm foundation for the future, an increase in excess of 3% is advised. However, it is for Members to determine the level of increase taking account of the balance between priorities, future aspirations and a judgement of the public's willingness or ability to pay increased amounts.
- 8.6 Appendix L shows the figures for Parish Council or Meeting taxes, including a comparison with the previous year's precept. The overall increase in precepts is 7%

and the overall increase in tax, including Winchester Town at 8%, is 6%. The Council has no control over the levels of parish precepts.

8.7 The Taxes for the County Council, the Police Authority and the Fire Authority will be decided on 21, 13 and 14 February, respectively. An update will be given to Cabinet on the recommendations being made.

## 9 Winchester Town Charge – Section 35

9.1 In accordance with Section 35 of the Local Government Finance Act 1992 the Council has taken the decision in previous years to treat all expenses of the Council as general expenses other than those identified as special expenses. The Council endorsed this policy on 23 February 2006 (minute 789 refers).

9.2 Special expenses are costs incurred for the provision of an amenity or service that is primarily for the benefit of one locality. In the Winchester District these expenses are levied by the Council to cover the costs of local services in the Winchester town area which elsewhere would be dealt with by parish councils.

9.3 The services currently covered by special expenses are listed in Appendix K.

9.4 It is recommended that the policy as previously agreed by the Council on 14<sup>th</sup> July, 1999 (minute 186), and confirmed in the budget and council tax report for 2006/07 (CAB1172, 7 February 2006), is endorsed again. That is to treat all expenses of the Council as General Expenses other than those specifically identified and itemised in the Winchester Town account. In consequence of which the sum of £727,710 will be treated as Special Expenses under Section 35 of the Local Government Finance Act, 1992 in respect of the Winchester Town area, summarised in Appendix K.

9.5 The Winchester Town Forum met on 16 January 2007 and made the following recommendations:

- 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.
- 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.

9.6 In order to fund current levels of service, plus a small amount of growth, and to restore the balance to a prudent level, a Council Tax increase of 8% is recommended.

## 10 Reserves

10.1 A full summary of all earmarked and major reserves is included at Appendix E (to follow). It must be borne in mind however that some reserves can only be used for restricted purposes.

10.2 Detail of the projected movement on the balances for the MIR and capital receipts is shown in Appendix I. The balances will be depleted to £436,000 by the end of the Strategy period, 2011/12. It is assumed that the revenue budget will balance in future years and that there will not be a call on the MIR to support the Revenue Account.



## 11 General Fund Working Balance

- 11.1 The General Fund working balance stands at £2m. As has been reported previously, the level of this balance needs to be considered in the light of a number of factors concerning the Council's level of exposure to changes in income and expenditure.
- 11.2 A significant proportion of the Council's spending is financed from investment income - an estimated £1.4m in the 2007/08 budget (Appendix F) generated by investments, albeit at fixed interest rates. The forward projections assume that the current rates will remain relatively stable, in accordance with the latest information from the Council's investment advisors. A change in interest rates of 0.25% alters investment income by about £70,000 pa.
- 11.3 Exposure to expenditure fluctuations is more limited. Inflation of 1% increases the Council's General Fund costs for contracts by about £49,000 pa. A provision of about 2.5% for pay awards has been included in the budget. Each additional 1% awarded increases the Council's General Fund costs by about £136,000. There is adequate insurance cover for risks such as fire.
- 11.4 Overall, taking into account the fact that the Council has built up specific reserves to fund identified most major future expenditure, the provision of £2m as a General Reserve is thought to be sufficient and the forward projections assume that this level is retained. However, it should be noted that the projections assume a significant use of reserves and capital receipts and the position needs to be kept under review. It will be reviewed formally as part of the budget process for 2008/09.

## 12 Inflation

- 12.1 A summary of the effect of changes in inflation and interest rates is shown below:

Item	General Assumption	Variance		
		0.5%	1.0%	1.4%
		£000	£000	£000
Contract costs	3%	24	49	68
Pay	2.5%	68	136	190
Fees and charges income	3%	(62)	(123)	(172)
Interest income		(135)	(270)	(378)

- 12.2 The latest figure available for the retail price index (RPI) is 4.4% (December 2006). It is almost certain that contract costs will be excess of those currently provided for within the budget, given the recent RPI figures, and a potential shortfall of £30,000 is identified.

## 13 Looking Ahead

- 13.1 In considering its budget each year the Council is required to look further ahead than the year under detailed consideration to ensure that the impact and affordability of

proposals is assessed for future years. The forward projections in Appendix B give an indication of the Council's position for the next five years.

13.2 With the inclusion of savings and additional income proposals the forward projections indicate that a balanced budget can be achieved in the medium term. However, a significant element of the savings proposals is the expectation that efficiency savings can be made: the organisation will have to work hard to ensure that these are delivered. It is assumed that savings will continue to be found to balance the budget and to prevent a further call on the MIR.

13.3 A more detailed risk assessment has been included at Appendix N.

#### 14 Adequacy of Reserves and Robustness of Estimates

14.1 There are specific requirements under Section 25 of the Local Government Act, 2003, for the chief finance officer to provide a positive assurance statement about the adequacy of proposed financial reserves and the robustness of estimates made for the purposes of the budget calculation.

14.2 Reserves are detailed in this report and specific comment is made upon the significant balances. The General Fund working balance is discussed in Section 10 and is considered to be adequate. The Major Investment Reserve is available to support specific projects, both revenue and capital, and is in balance through the Strategy period, though almost depleted by the end of the period. Capital Receipts are expected to be a mere £100,000 by the end of the period and this will curtail capital spending unless it is supported by borrowing (or reductions in expenditure elsewhere). Borrowing is an option available to the Council to consider for specific projects, taking account of the revenue impact of those projects, in the same way as it considers that impact for schemes financed from capital receipts. The Director of Finance is able to provide positive assurance about the adequacy of reserves bearing in mind the commentary about the need to identify funding for future projects that are not yet included within current programmes.

14.3 When considering the robustness of estimates for the budget calculation for the current year the area that was highlighted was that of the savings and increased income proposals of £1.5m included in the budget. Whilst considerable savings have been achieved, about £1.1m, there is a shortfall of about £220,000 in expected income for parking and of about £200,000 for savings in connection with efficiency and procurement programmes. There are also compensating savings, as detailed earlier in this paper, which has meant that there has been no significant additional call on balances. Given the complex nature of the organisation, the significant turnover, the cautious approach to budgeting and the sensitivity to changes in inflation and interest rates, these variations are not unexpected. The purpose of reserves, in particular the General Fund working balance, is to provide a cushion for these variations.

14.4 For next year savings totalling around £1.7m (ie the current year's base figure of £1.5m plus a further £0.2m) have been included within the budget. A further significant sum (£0.2m) is likely to be required in addition to this if the proposed priority growth bids are approved. As with the current year, these sums should be achievable but will require a diligent approach to realising them. Directors and Members will need to adopt a robust attitude towards realising improvements in efficiency and, where necessary, accepting reductions in service levels. Both approaches are likely to have impacts on staffing, which will need to be managed carefully by officers. Achieving reductions is likely to incur one-off costs and it would

be prudent to recognise that this will be a priority call on the MIR. A detailed programme to achieve the savings will need to be devised and close monitoring must be a priority for by Corporate Management Team and Members.

- 14.5 Within the context of the overall budget and reserve levels, the Director of Finance is able to provide positive assurance about the robustness of the estimates made for the purposes of the budget calculation for next year, bearing in mind the commentary about the need to pursue a rigorous programme of cost reduction.
- 15 Prudential Code
- 15.1 Local authorities determine their own programmes for capital investment in fixed assets that are central to the delivery of quality public services. The Prudential Code has been developed as a professional code of practice to support local authorities in taking their decisions. They are required by Regulation to have regard to the Prudential Code when carrying out their duties under Part 1 of the Local Government Act 2003.
- 15.2 The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability.
- 15.3 To demonstrate that local authorities have fulfilled these objectives, the Prudential Code sets out indicators that must be used and factors that must be taken into account. These indicators are designed to support and record local decision making in a manner that is publicly accountable.
- 15.4 The indicators are purely for internal use by the Council and are not intended to be used as comparators with other authorities, as any comparisons will be meaningless. In addition the indicators should not be taken individually; rather the benefit from monitoring will arise from following the movement in indicators over time and the year on year changes.
- 15.5 The indicators in respect of treasury management covering borrowing and investment have been included in report CAB1377 elsewhere on this agenda. The remaining five indicators covering affordability, prudence and capital expenditure are set out below.
- 15.6 **1. Estimates of Capital Expenditure** for the ensuing three years. For several years the City Council has produced a six year rolling capital programme so the capital budget referred to in Section 5 above and the capital programme and financing summary in Appendices G and H cover this requirement.
- 15.7 **2. Actual Capital Expenditure.** This is monitored on an ongoing basis with regular monitoring reports to Cabinet during the year and an outturn report at year end.
- 15.8 **3. Capital Financing Requirement (CFR),** which represents the Council's underlying need to borrow for a capital purpose. In determining the CFR the Council must distinguish between supported and unsupported capital expenditure decisions taken during the budgeting cycle. Supported capital expenditure identifies a source of funding such as capital receipts, government grant, reserves, contributions, etc, whereas unsupported capital expenditure gives a measure of the underlying need to borrow. However, this borrowing may not necessarily take place externally as the

Council may judge it prudent to make use of cash that it has available under its treasury management strategy. The following table shows the CFR projections:

	2005/06 Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate
Capital Financing requirement	£000	£000	£000	£000	£000
General Fund	-10,131	-10,131	-10,131	-10,131	-10,131
Housing Revenue Account	10,313	10,131	10,131	10,131	10,131
Total CFR	0	0	0	0	0

In this table the projections show that there is unlikely to be a need to borrow for capital purposes in the period 2007/08 to 2009/10 although specific schemes for which there is no provision, such as new offices, would change the position.

- 15.9 **4. Ratio of financing costs to net revenue stream.** The net revenue stream is the estimate of the amounts to be met from Government grants and local taxpayers and this indicator identifies the trend in the cost of capital (borrowing costs net of interest and investment income) against the net revenue stream. As the authority is debt free this indicator has little relevance: it will become relevant if the Council borrows externally in future.

	2005/06 Actual	2006/07 Estimate	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate
Ratio of financing costs to net revenue stream	%	%	%	%	%
General Fund Gross	-16.3	-15.4	-12.5	-7.7	-6.8
General Fund net of earmarked reserves	-14.3	-13.6	-10.8	-6.4	-5.9
Housing Revenue Account Gross	23.0	22.4	22.0	20.9	20.0

- 15.10 **5. Incremental impact of capital programme decisions** over the period 2007/08 to 2009/10 on the Council Tax and housing rent levels. This reflects the increasing cost of the current capital programme on the level of council tax through the loss of interest on investments.

	Estimate 2007/08	Estimate 2008/09	Estimate 2009/10
Council Tax – Band D	-£1.03	£2.67	£2.34
Weekly Housing Rents	0	0	0

**OTHER CONSIDERATIONS:****16 CORPORATE STRATEGY (RELEVANCE TO):**

16.1 Financial strategy and the budget process should accord with the objectives of the Corporate Strategy whilst proposals in the Strategy must be linked to resource allocation and availability. The Budget is vital to the achievement of the Corporate Strategy.

**17 RESOURCE IMPLICATIONS:**

17.1 These are contained in the body of the report.

**BACKGROUND DOCUMENTS:**

Working papers within Finance and other directorates.

**APPENDICES:**

- Appendix A General Fund Service Summary:
- Appendix B General Fund Revenue Projections 2006/07 to 2011/12
- Appendix C Growth Proposals
- Appendix D Savings Proposals
- Appendix E Summary of Reserves (to follow)
- Appendix F Financing Transactions
- Appendix G Capital Programme
- Appendix H E-Government Programme
- Appendix I Major Investment Reserve and Capital Receipts
- Appendix J Collection Fund (provisional)
- Appendix K Council Tax on Winchester Town Area
- Appendix L Parish Council Precepts and Council Taxes 2007/08
- Appendix M Detailed Service Budgets 2007/08
- Appendix N Risk Assessment

**GENERAL FUND SERVICE SUMMARY**

	<b>2005/06 Outturn £</b>	<b>2006/07 Original £</b>	<b>2006/07 Revised £</b>	<b>2007/08 Original £</b>
<b>Corporate Services</b>				
Chief Executive	800,130	736,650	826,270	755,250
Legal, Electoral, Committee Services	2,281,178	2,571,750	2,386,780	2,644,520
Finance, IT and Support Services	1,749,296	2,123,840	1,612,600	2,131,720
Human Resources	0	0	0	0
<b>Community</b>				
Environmental Health	4,787,727	5,238,390	5,412,920	5,614,130
Strategic Housing	2,101,953	2,448,050	2,307,260	2,465,630
Community Development	4,175,072	3,832,890	3,492,650	3,649,230
<b>Development</b>				
Estates	(832,712)	(840,640)	(1,552,080)	(1,528,040)
Engineering	106,831	828,300	665,740	324,680
Cultural	2,889,191	2,932,060	3,073,460	2,801,260
Planning	1,802,671	1,543,250	1,610,710	1,611,660
Building Control	129,651	185,770	182,660	225,720
	19,990,987	21,600,310	20,018,970	20,695,760
Savings to be allocated		(312,890)		(300,070)
Further Savings Target				(103,430)
<b>Gross Budget for GF services</b>	<b>19,990,987</b>	<b>21,287,420</b>	<b>20,018,970</b>	<b>20,292,260</b>
Financing Transactions	(8,680,374)	(8,465,600)	(6,857,990)	(6,681,770)
	11,310,613	12,821,820	13,160,980	13,610,490
Contributions to/(from) Win Town Reserve	(71,943)	(50,190)	(57,640)	730
Direct Revenue Financing	527,621			
LABGI			(336,000)	(72,000)
Brought Forward funded from Reserves			(442,200)	
Income / Savings not achieved funded from Reserves			(418,370)	
Transfers to/(from) Reserves	(91,583)	(173,800)	691,060	(601,570)
Total	11,674,708	12,597,830	12,597,830	12,937,650
Less Charges on Winchester Town	(624,300)	(668,900)	(668,900)	(728,440)
Total City Expenditure	11,050,408	11,928,930	11,928,930	12,209,210

**GENERAL FUND REVENUE PROJECTIONS 2006/07 - 2011/12**

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
	£000	£000	£000	£000	£000	£000
<b><u>GROSS BUDGET FOR GF SERVICES</u></b>	20,019	20,292	20,292	20,292	20,292	20,292
less one off costs in prior year			-674	-674	-674	-674
Supplementary approvals			-49	-77	-77	-77
Revenue savings			-59	-59	-59	-59
Pensions Increases			142	195	250	305
Pay Inflation			348	704	1,069	1,443
Inflation on 3rd party payments			213	433	659	892
Inflation on income			-380	-772	-1,175	-1,590
Refuse/cleansing costs re new properties			50	100	150	200
Projected Expenditure Ceiling	20,019	20,292	19,884	20,143	20,436	20,733
Capital Financing Charges	-4,920	-5,098	-5,098	-5,098	-5,098	-5,098
Net Interest	-1,937	-1,583	-969	-905	-795	-377
Budget Requirement	<u>13,162</u>	<u>13,611</u>	<u>13,817</u>	<u>14,140</u>	<u>14,543</u>	<u>15,258</u>
<i>Current Tax level</i>						
<i>Council Tax</i>	-5,895	-6,129	-6,373	-6,626	-6,888	-7,161
<i>RSG &amp; NNDR</i>	-6,656	-6,813	-6,949	-7,088	-7,230	-7,375
<i>Winchester Town contributions</i>	-58	1	0	0	0	0
<i>Earmarked Reserves</i>	-58	0	0	0	0	0
<i>Cont. to/( from) Major Investment Reserve</i>		-635				
<i>(Headroom)/Shortfall</i>	<u>495</u>	<u>35</u>	<u>495</u>	<u>426</u>	<u>425</u>	<u>722</u>
<i>Collection Fund (surplus)/deficit</i>	<u>-42</u>	<u>-35</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

<b>GENERAL FUND REVENUE PROJECTIONS 2006/07 - 2011/12</b>						
	<b>2006/07</b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>(Headroom) / Shortfall projected</u></b>		0	495	426	425	722
Interest cost of Capital growth bids (CAB1378)		18	61	99	113	115
Increased Income		(61)	(61)	(61)	(61)	(73)
Potential Revenue Savings		(345)	(306)	(306)	(317)	(327)
<b><i>(Headroom) / Shortfall projected prior to Growth</i></b>	<b>0</b>	<b>(388)</b>	<b>189</b>	<b>158</b>	<b>161</b>	<b>437</b>
Priority Growth Bids - unavoidable		345	375	375	352	352
<b><i>(Headroom) / Shortfall projected</i></b>	<b>0</b>	<b>(43)</b>	<b>564</b>	<b>533</b>	<b>513</b>	<b>789</b>
Priority Growth Bids - other		261	267	267	268	269
<b><i>(Headroom) / Shortfall projected</i></b>	<b>0</b>	<b>218</b>	<b>831</b>	<b>801</b>	<b>781</b>	<b>1,058</b>
Further Growth Bids for consideration		166	167	168	150	150
<b><i>(Headroom) / Shortfall projected</i></b>	<b>0</b>	<b>384</b>	<b>998</b>	<b>969</b>	<b>931</b>	<b>1,208</b>
Lowest Priority Growth Bids		210	150	150	150	150
<b><i>(Headroom) / Shortfall projected</i></b>	<b>0</b>	<b>594</b>	<b>1,148</b>	<b>1,119</b>	<b>1,081</b>	<b>1,358</b>

<b><u>One-Off costs</u></b>	<b>2007/08</b>	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>2011/12</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
One- Off costs to be funded from Investment Reserves	225	70	5	5	20
One- Off costs to be funded from LABGI if awarded	95	25	0	0	0
<b><i>Total One-off Revenue costs</i></b>	<b>320</b>	<b>95</b>	<b>5</b>	<b>5</b>	<b>20</b>



Revenue Growth Bids						
	2007/08	2008/09	2009/10	2010/11	2011/12	Rate Priority
	£'000	£'000	£'000	£'000	£'000	

### Priority Growth Bids

#### Recurring costs requiring increases to the Base Budget

Concessionary Travel	- Additional cost of scheme due to increase in operators costs and additional take up of concessionary bus passes.	230	230	230	230	230	Safe & Strong Communities
Winchester Centre	- Additional grant for WACA for the Winchester Centre	66	66	66	73	73	Safe & Strong Communities
Electronic Document Records Mgt System	-Software maintenance costs for licences	0	30	30	0	0	Efficient & Effective Organisation
Supporting Older People	- Charge to the GF if Central Control transfers to HRA for use of the service corporately to provide out of hours contacts for all services.	20	20	20	20	20	Safe & Strong Communities
Park & Ride	- Contract inflation over and above RPI.	15	15	15	15	15	Safe & Strong Communities
Grounds Maintenance	- Transfer from HRA to General Fund to reflect right to buy sales.	14	14	14	14	14	High Quality Environment

<b>Total Unavoidable Priority Growth Bids</b>		<b>345</b>	<b>375</b>	<b>375</b>	<b>352</b>	<b>352</b>	
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Local Development Framework preparation	-LDF is a statutory requirement. The Council has produced a Local Development Scheme and this will enable the programme to continue.	63	63	63	63	63	Cross Cutting
Land Charges	- re expected new Govt regulations which will limit local discretion on setting charges - full details not yet available. Estimated reduction in income.	50	50	50	50	50	Efficient & Effective Organisation
Tree inspections	- In order to meet risk register requirements.	35	30	30	30	30	High Quality Environment
Members' Allowances	- provision to allow recommendations of the Independent Remuneration Panel to be implemented. Allowances currently frozen at 2004/05 levels and have not been index linked by Council decision.	28	29	29	30	31	Efficient & Effective Organisation
Animal Welfare Act	- New duties under legislation to licence additional premises.	0	20	20	20	20	Efficient & Effective Organisation
Establish out of hours service for collection of stray dogs	- To meet duties under Clean Neighbourhoods & Environment Act.	20	20	20	20	20	Efficient & Effective Organisation
Elections/Electoral Registration	- To provide for changes in procedures arising from the Electoral Administration Act 2006. Expected at least partly to be funded by the Govt. although detail is not yet available.	20	10	10	10	10	Efficient & Effective Organisation
Choice Based Lettings	- Statutory responsibility (60:40 Gov't funded). Start up costs with scheme to launch April 2008.	15	15	15	15	15	Efficient & Effective Organisation
Standards Committee Consultancy	- Investigation and determination of most cases has been devolved from the Standards Board without match funding. This sum is to provide consultancy for both when Council staff have a conflict of interest and peaks of work.	10	10	10	10	10	Efficient & Effective Organisation
Parish Pilots	- A programme of setting up hubs in market towns to provide community service points.	10	10	10	10	10	Safe & Strong Communities
Unlicensed major outdoor events	- Funding for additional work on events across the District where licence fee not received.	10	10	10	10	10	Efficient & Effective Organisation

	2007/08	2008/09	2009/10	2010/11	2011/12	Rate Priority
	£'000	£'000	£'000	£'000	£'000	
<i>Total Priority Growth Bids - "Other"</i>	261	267	267	268	269	

		2007/08	2008/09	2009/10	2010/11	2011/12	Rate Priority
		£'000	£'000	£'000	£'000	£'000	
<b>One- Off costs to be funded from Investment Reserves</b>							
Electronic Document Records Mgt System	- Estimated costs of scanning essential historic records.	120	50	0	0	0	Efficient & Effective Organisation
Private Sector Housing Survey	- Government requirement every 4 to 5 years. Last survey was done 2001.	50	0	0	0	0	Safe & Strong Communities
Local Plan Legal Challenge	- High Court challenge submitted which seeks to quash the Local Plan.	25	10	0	0	0	Cross Cutting
Housing Market Assessment Survey	- Previously Housing Needs Survey. Will work with neighbouring authorities.	20	0	0	0	20	Safe & Strong Communities
<b>Total One- Off costs to be funded from Investment Reserves</b>		<b>215</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>20</b>	
<b>One- Off costs to be funded from LABGI if awarded</b>							
Economic Development Study	- Review/amendment of planning and other policies to support economic development (eg work on LDF).	50	25	0	0	0	Economic Prosperity
Conserving Character/Design Guidance	- to produce Local Area Design Statements and/or assist the production of Village/Neighbourhood Design Statements.	45	0	0	0	0	High Quality Environment
<b>Total One- Off costs to be funded from LABGI if awarded</b>		<b>95</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Growth items to be funded by the Winchester Town Account</b>							
Playground safety inspections	- To meet risk register requirements.	30	30	30	30	30	High Quality Environment
<b>Total Items to be funded by the Winchester Town Account</b>		<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	

	2007/08	2008/09	2009/10	2010/11	2011/12	Rate Priority
	£'000	£'000	£'000	£'000	£'000	

#### Further Growth Bids for consideration

Historic buildings grants	- Reinstatement of Grants Scheme.	70	70	70	70	70	High Quality Environment
Conservation Service	- One additional Conservation Officer.	40	40	40	40	40	High Quality Environment
Expansion of AEZ & Outreach Work	- Part fund Support Outreach Worker.	16	17	18	0	0	Safe & Strong Communities
Re-establishment of Out of Hours Service for EH services	- To meet Civil Contingency Act requirements for out of hours service provision.	15	15	15	15	15	Efficient & Effective Organisation
Active Lifestyles Officer	- Full time post to develop schemes that encourage a healthy lifestyle through increased physical activity.	15	15	15	15	15	Safe & Strong Communities
Public Conveniences repairs	- To fund deficit in maintenance budget	10	10	10	10	10	High Quality Environment
<b>Total Further Growth Bids for consideration</b>		<b>166</b>	<b>167</b>	<b>168</b>	<b>150</b>	<b>150</b>	

#### Revenue Growth Bids considered to be the Lowest Priority

Salix Finance Bid	- Match funding-sets up fund for energy efficiency.	100	0	0	0	0	Efficient & Effective Organisation
Biodiversity Officer	- Officer required to implement Biodiversity Action Plan.	35	35	35	35	35	High Quality Environment
Recycling Advisors	- 2 advisor posts to be retained following completion of ABC roll out for behavioural change projects.	25	50	50	50	50	High Quality Environment
Members' Pensions	- The Independent Remuneration Panel can recommend that Councillors have the right to join the Local Govt. Pension Scheme. This is the estimated costs of Employer's contributions, in the initial years, if this were done.	25	25	25	25	25	Efficient & Effective Organisation
Scrutiny Officer	- to provide increased officer support for scrutiny panels.	25	25	25	25	25	Efficient & Effective Organisation
Street Scene / cleansing	- To fund additional street cleansing works and streetscene projects	0	15	15	15	15	High Quality Environment
<b>Total Revenue Growth Bids considered to be the Lowest Priority</b>		<b>210</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	

Potential Revenue Savings						
	2007/08	2008/09	2009/10	2010/11	2011/12	Corporate Priority
<b>Potential Revenue Savings identified</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<i>Assumed percentage of corporate savings applied to the General Fund</i>	70%	70%	70%	70%	70%	
<b>Potential Recurring Savings that would reduce the Base Budget</b>						
Organisational development	- to include process review and new mechanisms for service delivery	150	150	150	150	150 Efficient & Effective Organisation
Roll out of ABC refuse/recycling collection system	- efficiencies achieved as part of contract negotiation which will have an impact in 2007/08	50	0	0	0	0 High Quality Environment
Environmental Services	- client side review	30	30	30	30	30 High Quality Environment
Health Improvement Partnership (HIS)	- withdraw contribution to HISI	25	25	25	25	25 Safe & Strong Communities
Meals on Wheels	- Stop our contribution to the County Scheme.	21	21	21	21	21 Safe & Strong Communities
Members' allowances	- projected estimate of unclaimed member allowances	16	16	6	6	6 Efficient & Effective Organisation
Recycling Officer Post	- current postholder due to retire. Would mean no publicity works with school and community groups	15	15	15	15	15 High Quality Environment
Recruitment Advertising	- Development of a Hampshire Recruitment web portal	11	21	32	42	53 Efficient & Effective Organisation
Recruitment Advertising	- Use of signposting for adverts to reduce advert size and costs	11	11	11	11	11 Efficient & Effective Organisation
Planning Applications	- proposed distribution of weekly lists via website as opposed to copying and posting	10	10	10	10	10 Efficient & Effective Organisation
Theatre Royal grant	- reduction of grant to previous levels	5	5	5	5	5 Safe & Strong Communities
Radiation Monitoring Contract	- Radiation levels monitored as part of regional approach to maintaining records of background levels - ad hoc monitoring could be undertaken in response to any incident	2	2	2	2	2 High Quality Environment
<b>Total Recurring Savings that could reduce the Base Budget</b>		<b>345</b>	<b>306</b>	<b>306</b>	<b>317</b>	<b>327</b>

Potential Income Increases						
	2007/08	2008/09	2009/10	2010/11	2011/12	Corporate Priority
<b>Potential Income increases above inflation</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
<b>Potential Income that would increase the Base Budget</b>						
Licences	- Estimated higher Liquor licence fees (fees set nationally) plus more Hackney licences projected, plus some increases as a result of the Gambling Act.	55	55	55	55	55 Efficient & Effective Organisation
Meadowside income	- Increase income target. Target for 06/07 already increased by £25000. Any increase in excess of £5000 may be unrealistic without significant expansion to the facilities on offer at the centre.	6	6	6	6	6 Safe & Strong Communities
Houses in Multiple Occupation	- Potential to generate income from the Accreditation Scheme.	0	0	0	0	12 Efficient & Effective Organisation
<b>Total Potential Income increases to the Base Budget</b>		<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>73</b>

**FINANCING TRANSACTIONS**

	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
<b><u>Capital Financing</u></b>						
Charge to GF services	-6,857	-6,681	-6,067	-6,003	-5,893	-5,475
<b><u>Interest</u></b>						
Short Term	11	11	11	11	11	11
Other	9	9	9	9	9	9
Total payable	20	20	20	20	20	20
Investment income	-1,787	-1,435	-751	-653	-535	-108
Net external interest	-1,767	-1,415	-731	-633	-515	-88
Reserve interest paid	253	255	185	151	143	134
Net received	-1,514	-1,160	-546	-482	-372	46
Interest recovered from HRA	-423	-423	-423	-423	-423	-423
Total Net Interest	-1,937	-1,583	-969	-905	-795	-377
Capital charges	-4,920	-5,098	-5,098	-5,098	-5,098	-5,098
 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	4.90%	5.26%	5.26%	5.26%	5.26%	5.26%

CAPITAL PROGRAMME 2006/07 to 2011/12

EXPENDITURE	2006/07	2007/08			2008/09	2009/10	2010/11	2011/12
	Revised Estimate	Projected	Original	Total incl. projected brought forward	Forecast	Forecast	Forecast	Forecast
		2006/07 carry forward	Estimate 2007/08					
£000	£000	£000	£000	£000	£000	£000	£000	
<b><u>SOCIAL ISSUES</u></b>								
<i>Housing Revenue Account</i>								
Major repairs	3,259	0	3,278	3,326	3,326	3,326	3,326	3,326
Sewage Treatment Works	417	0	200	200	200	200	200	200
<i>Housing General Fund</i>								
Renovation Grants - Mandatory	479	0	450	450	450	450	450	450
Renovation Grants - Discretionary	170	0	170	170	170	170	170	170
Affordable Housing (SHG)	375	0	0	0	0	0	0	0
Affordable Housing / Regeneration	500	0	0	0	0	0	0	0
Affordable Housing/funded by Developers' cont'ns	403	0	0	0	0	0	0	0
<i>Community Development</i>								
Open Space & Recreation Facilities	190	0	290	290	150	150	150	150
Capital grants	131	0	100	100	100	100	100	100
Guildhall Improvements	11	0	0	0	0	0	0	0
Guildhall Community Facilities	75	0	500	500	500	0	0	0
Swanmore Community Scheme	38	0	10	0	0	0	0	0
Outdoor sports centre - Bar End	0	1,000	0	900	100	0	0	0
<i>Total - Social Issues</i>	6,048	1,000	4,998	5,936	4,996	4,396	4,396	4,396
<b><u>ENVIRONMENT</u></b>								
<i>Environmental Health</i>								
Public Conveniences	0	0	20	20	0	20	0	0
Replacement Bins	960	0	100	100	10	10	10	10
<i>Conservation</i>								
Environmental Improvements in Rural Areas	15	0	0	0	0	0	0	0
Denmead Environmental Improvements	62	0	0	0	0	0	0	0
Waterways improvements	59	0	0	0	0	0	0	0
<i>Total - Environment</i>	1,096	0	120	120	10	30	10	10
<b><u>LOCAL ECONOMY</u></b>								
<i>Transportation</i>								
Car Parks	225	0	700	200	200	180	180	180
Footway Lighting (reclassified as revenue)	0	0	10	0	0	0	0	0
Tower Street	0	0	0	1,130	100	100	100	0
<i>Cultural Services</i>								
Market Lane Window Display	14	0	0	0	0	0	0	0
Groundworks in Jewry Street	180	0	0	0	0	0	0	0
Winchester Cultural Centre	330	0	340	340	0	0	0	0
<i>Total - Local Economy</i>	749	0	1,050	1,670	300	280	280	180
<b><u>RESOURCES</u></b>								
<i>Finance</i>								
ICT Equipment	130	0	250	250	200	200	250	200
ICT E-govt (see Appendix B)	625	280	1,521	1,406	425	0	0	0
Digital Print Software	25	0	0	0	0	0	0	0
<i>City Secretary</i>								
Land Charges Computerisation	15	0	0	0	0	0	0	0
Magdalen Hill Cemetery Improvements	5	25	0	25	0	0	0	0
<i>Estates</i>								
Purchase of property	1,483	2,817	0	2,817	0	0	0	0
West Wing	190	202	0	202	0	0	0	0
Abbey House	150	0	0	0	0	0	0	0
Abbey Mill	25	0	0	0	0	0	0	0
Avalon House	0	150	0	150	0	0	0	0
City Museum	137	0	45	0	0	0	0	0
City Offices	45	0	20	20	20	20	20	20
New Offices - fees	40	110	400	110	400	0	0	0
Casson Block Repairs	108	0	0	0	0	0	0	0
Guildhall Capital Repairs	56	0	0	0	0	0	0	0
RPLC Capital Repairs	1,575	0	0	0	0	0	1,000	0
<i>Total - Resources</i>	4,609	3,584	2,236	4,980	1,045	220	1,270	220
<b>TOTAL CAPITAL PROGRAMME</b>	<b>12,502</b>	<b>4,584</b>	<b>8,404</b>	<b>12,706</b>	<b>6,351</b>	<b>4,926</b>	<b>5,956</b>	<b>4,806</b>

**CAPITAL PROGRAMME - FINANCING**

<b>BASELINE PROGRAMME FINANCING</b>	<b>2006/07 £000</b>	<b>2007/08 £000</b>	<b>2008/09 £000</b>	<b>2009/10 £000</b>	<b>2010/11 £000</b>	<b>2011/12 £000</b>
Major repairs Allowance	3,259	3,326	3,326	3,326	3,326	3,326
Capital Grant (SCG)	287	270	270	270	270	270
DEFRA grant	50	52	0	0	0	0
Developers contributions	403	0	0	0	0	0
Car Park Property Reserve	225	755	0	0	0	0
ICT Strategy Reserve	525	378	0	0	0	0
Open Space Provision Reserve	160	1,090	200	100	100	100
Bapsy Bequest	75	500	500	0	0	0
General Fund Property Reserve	108	0	0	0	0	0
Capital Receipts for General Fund	6,873	5,501	1,810	1,030	2,060	741
Capital Receipts for HRA	417	155	245	200	200	200
Winchester Town - Cemeteries	5	25	0	0	0	0
Other Reserves	115	0	0	0	0	0
Major Investment Reserve	0	654	0	0	0	169
<b>Total</b>	<b>12,502</b>	<b>12,706</b>	<b>6,351</b>	<b>4,926</b>	<b>5,956</b>	<b>4,806</b>

<b>PROPOSED CAPITAL GROWTH &amp; SAVINGS FINANCING</b>	<b>2007/08 £000</b>	<b>2008/09 £000</b>	<b>2009/10 £000</b>	<b>2010/11 £000</b>	<b>2011/12 £000</b>
Affordable Housing - Developers contributions	1,300	200	200	200	200
Capital Receipts (disposal of dwellings)	2,000	2,000	2,000	2,000	2,000
Major Investment Reserve	496	930	520	30	30
<b>Total</b>	<b>3,796</b>	<b>3,130</b>	<b>2,720</b>	<b>2,230</b>	<b>2,230</b>



E-GOVERNMENT CAPITAL PROGRAMME

Expenditure	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
<u>EDRMS</u>					
Software	320				
Integration with back office systems	50	50			
<i>Sub total</i>	370	50	0	0	0
<u>GIS</u>					
Software	50				
Communities mobile data capture					
ESRI Local View Intranet Version					
ESRI Local View Internet Version					
Ordnance Survey Point X data	7				
Sites and monuments record	5				
Positional accuracy improvements					
Tree survey system					
<i>Sub total</i>	62	0	0	0	0
<u>CRM - Phase II</u>					
Telephony	20				
Software development	15				
Integration of back office systems	40	20			
<i>Sub total</i>	75	20	0	0	0
<u>Content Management System</u>					
Software upgrade	0				
e - payments	10				
Community Web Portal	0				
Members website	0				
<i>Sub total</i>	10	0	0	0	0
<u>Infrastructure upgrades</u>					
Storage area network (SAN)	160				
Wireless Infrastructure	40				
<i>Sub total</i>	200	0	0	0	0
<u>e-forms</u>					
Development of e-forms	15				
Integration with mobile devices	50				
<i>Sub total</i>	65	0	0	0	0
<u>e-procurement</u>					
Software	0	70	0		
Market Place	0	35	0		
Catalogue i/face	0	10	0		

E-GOVERNMENT CAPITAL PROGRAMME

Expenditure	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
<u>EDRMS</u>					
Sub total	0	115	0	0	0
<u>Integrated HR/Payroll system</u>					
Software					
Sub total	0	0	0	0	0
<u>Orchard Archouse Plus</u>					
Software	87				
PSI Asbestos Management	30				
Sub total	117	0	0	0	0
<u>CAPS</u>					
CAPS Estates Management	20				
CAPS for Dev Services	0				
UFIS - historical update	0				
I/face - GIS/CAPS	0				
Local development framework	0				
LDF upgrade	0				
Public Access BC	16				
Public Access Licensing	12				
Sub total	48	0	0	0	0
<u>Interfaces</u>					
I/face - LLPG/SX3	7				
I/face - LLPG/Elect. Reg.	15				
I/face - CDMS/creditors	20				
I/face - GIS/CAPS	5				
I/face - CRM/backoffice	29				
Sub total	76	0	0	0	0
<u>Flexible working</u>					
Software	50	50			
Hardware	50	0			
Integration	40	0			
Software Bens SX3)	43	0			
Sub total	183	50	0	0	0
<u>e-Billing &amp; account access</u>					
Software - SX3	0	115			
Software - Orchard	0	45			
Laser cheques	0				
Sub total	0	160	0	0	0

E-GOVERNMENT CAPITAL PROGRAMME

Expenditure	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
<u>EDRMS</u>					
<u>Performance management</u>					
Software	0				
<i>Sub total</i>	0	0	0	0	0
<u>e-democracy</u>					
video council proceedings	0	30			
Citizen database	0				
<i>Sub total</i>	0	30	0	0	0
<u>High level info audit</u>					
<u>Car Parking upgrade</u>					
Software					
<i>Sub total</i>	0	0	0	0	0
<u>Middleware</u>					
Software	100				
<i>Sub total</i>	100	0	0	0	0
<u>Workflow</u>					
Software	100				
<i>Sub total</i>	100	0	0	0	0
<b>Total</b>	<b>1,406</b>	<b>425</b>	<b>0</b>	<b>0</b>	<b>0</b>

Funding	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
HRA contribution	117	45			
ICT reserve	378	0			
Other Reserves	0	0			
Capital receipts	911	380			
<b>Total</b>	<b>1,406</b>	<b>425</b>	<b>0</b>	<b>0</b>	<b>0</b>

**MAJOR INVESTMENT RESERVE AND CAPITAL RECEIPTS**

	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000
<b>MAJOR INVESTMENT RESERVE</b>						
Balance B/F	-5,012					
Approved contributions to Revenue	506	635	28	0	0	0
Financing of Capital Programme	0	654	0	0	0	169
<b>Total before growth and savings items</b>	<b>-4,506</b>	<b>-3,218</b>	<b>-3,190</b>	<b>-3,190</b>	<b>-3,190</b>	<b>-3,021</b>
Proposed Financing of Revenue Growth (Appendix C)		215	60	0	0	20
Proposed Financing of Capital Growth		496	930	520	30	30
Revenue cost of financing net growth (at 5%)		18	60	98	112	114
<b>Projected total after growth and savings items</b>	<b>-4,506</b>	<b>-2,507</b>	<b>-1,429</b>	<b>-811</b>	<b>-669</b>	<b>-336</b>
<b>CAPITAL RECEIPTS</b>						
Balance B/F	-12,677					
Asset Sales (RTB)	-2,000	-2,000	-2,000	-2,000	-2,000	-2,000
Asset Sales (Other HRA)	-500	0	0	0	0	0
Pooling	1,500	1,500	1,500	1,500	1,500	1,500
Pooling transition	-375	0	0	0	0	0
Asset Sales (Other)	-430	-1,950	-150	-150	-150	-150
Financing of Capital Programme	7,290	5,656	2,055	1,230	2,260	941
<b>Total before growth items</b>	<b>-7,192</b>	<b>-3,986</b>	<b>-2,581</b>	<b>-2,001</b>	<b>-391</b>	<b>-100</b>
Proposed Capital Receipts		-3,300	-2,200	-2,200	-2,200	-2,200
Proposed Financing of Capital Growth		3,300	2,200	2,200	2,200	2,200
<b>Projected total after growth items</b>	<b>-7,192</b>	<b>-3,986</b>	<b>-2,581</b>	<b>-2,001</b>	<b>-391</b>	<b>-100</b>
<b>[Total MIR and Capital Receipts before growth and savings]</b>	<b>-11,698</b>	<b>-7,204</b>	<b>-5,771</b>	<b>-5,191</b>	<b>-3,581</b>	<b>-3,121</b>
<b>[Total MIR and Capital Receipts after growth and savings]</b>	<b>-11,698</b>	<b>-6,493</b>	<b>-4,010</b>	<b>-2,812</b>	<b>-1,060</b>	<b>-436</b>

**COLLECTION FUND (PROVISIONAL)**

	<b>2006/07 Probable £</b>	<b>2007/08 Estimate £</b>
<b><u>Income</u></b>		
Council Tax		
Net income	(51,118,255)	(54,492,067)
Benefits	(3,594,826)	0
Transitional relief	242	0
Non Domestic Rates	(34,498,000)	(34,847,653)
	(89,210,839)	(89,339,720)
<b><u>Expenditure</u></b>		
Hampshire County Council Precept	39,712,410	To be decided
Hampshire Police Authority Precept	5,196,324	To be decided
Hampshire Fire & Rescue Authority Precept	2,380,278	To be decided
Winchester City Council Demand	7,003,056	To be decided
Provision for Non Payment of Council Tax	100,000	200,000
Council Tax Written Off	154,556	0
NNDR Payment to National Pool	34,320,967	34,670,620
NNDR Cost of Collection Allowance	177,033	177,033
	89,044,624	
	112,749	322,741
<b><u>Adjustments re Previous Years</u></b>		
Surplus( )/Deficit for year	(53,466)	
Surplus( )/Deficit brought forward 1st April	(269,275)	(322,741)
Surplus( )/Deficit carried forward 31st March	(322,741)	

**BUDGET REQUIREMENT**

	<b>2006/07 Probable £000</b>	<b>2007/08 Estimate £000</b>
Winchester City Council Budget	11,051	To be decided
Winchester Town Charge	624	To be decided
Parish Precepts	1,454	To be decided
Budget Requirement	13,129	
Collection Fund Surplus()/Deficit	(14)	(42)
Government Grant	(2,944)	(1,072)
NNDR - payment from National Pool	(3,167)	(5,584)
Net Budget Requirement	7,004	

**COUNCIL TAX ON WINCHESTER TOWN AREA**

	<b>2005/06 Outturn</b>	<b>2006/07 Original</b>	<b>2006/07 Revised</b>	<b>2007/08 Budget</b>
	£	£	£	£
Cemeteries	46,513	52,640	41,480	38,160
Allotments	(1,006)	(1,240)	(1,120)	(1,270)
Grants	41,112	35,000	38,500	25,000
Recreation Grounds (propn)	501,702	509,170	519,290	534,250
Community Wardens (contrbn)	20,000	45,000	45,000	45,000
Footway Lighting	29,861	27,520	30,100	36,700
Bus Shelter Maintenance	12,639	12,670	12,670	12,670
Christmas Lights	7,146	7,880	9,320	9,320
Neighbourhood Design Statements	0	5,000	5,000	0
Tree Survey and Maintenance	23,587	10,000	10,000	10,000
St Faith's Meadow	5,000	5,000	5,000	5,000
Town Forum	9,689	10,450	11,300	12,880
<b>Total Expenditure</b>	<b>696,243</b>	<b>719,090</b>	<b>726,540</b>	<b>727,710</b>
<b>PROCEEDS OF COUNCIL TAX</b>	<b>(624,300)</b>	<b>(668,900)</b>	<b>(668,900)</b>	<b>(728,440)</b>
Interest on balance	(8,442)	(4,100)	(5,891)	(3,620)
<b>Variation in Balances</b>	<b>63,501</b>	<b>46,090</b>	<b>51,749</b>	<b>(4,350)</b>
<b>FUND BALANCE: 1st April</b>	<b>(187,600)</b>	<b>(91,400)</b>	<b>(124,099)</b>	<b>(72,350)</b>
<b>FUND BALANCE CARRIED FORWARD</b>	<b>(124,099)</b>	<b>(45,310)</b>	<b>(72,350)</b>	<b>(76,700)</b>
Tax Base	13,354	13,637	13,637	13,765
Tax at Band D	£46.75	£49.05	£49.05	£52.92

PARISH COUNCIL PRECEPTS AND COUNCIL TAXES 2007/08

	EXPENDITURE £	TAX BASE	TAX RATE BAND D - £.p
<u>BILLING AUTHORITY</u>			
WINCHESTER	6,129,000	46,971.09	130.48
<u>SPECIAL AREAS</u>			
(BILLING AUTHORITY)			
WINCHESTER TOWN	728,440	13,765.11	52.92
<u>PARISHES</u>			
BADGER FARM	25,500	988.18	25.81
BEAUWORTH	-	54.26	0.00
BIGHTON	1,900	168.72	11.26
BISHOPS SUTTON	3,056	215.06	14.21
BISHOPS WALTHAM	297,170	2,629.46	113.02
BOARHUNT	9,000	240.98	37.35
BRAMDEAN & HINTON AMPNER	5,000	209.11	23.91
CHERITON	8,500	301.83	28.16
CHILCOMB	-	58.65	0.00
COLDEN COMMON	99,097	1,540.37	64.33
COMPTON & SHAWFORD	25,916	762.22	34.00
CORHAMPTON & MEONSTOKE	8,500	362.65	23.44
CRAWLEY	12,000	214.75	55.88
CURDRIDGE	18,000	618.25	29.11
DENMEAD	301,457	2,663.74	113.17
DROXFORD	8,000	323.23	24.75
DURLEY	14,000	453.10	30.90
EXTON	203	129.34	1.57
HAMBLEDON	11,500	495.78	23.20
HEADBOURNE WORTHY	3,225	272.21	11.85
HURSLEY	22,000	417.92	52.64
ITCHEN STOKE & OVINGTON	1,500	126.68	11.84
ITCHEN VALLEY	13,965	707.59	19.74
KILMESTON	3,000	128.31	23.38
KINGS WORTHY	97,500	1,752.20	55.64
LITTLETON & HARESTOCK	56,500	1,497.64	37.73
MICHELDEVER	17,000	590.87	28.77
NEW ALRESFORD	180,000	2,229.80	80.72
NORTHINGTON	3,000	126.22	23.77
OLD ALRESFORD	7,000	262.19	26.70
OLIVERS BATTERY	23,300	751.98	30.98
OTTERBOURNE	26,002	703.17	36.98
OWSLEBURY	15,000	385.51	38.91
SHEDFIELD	95,488	1,601.54	59.62
SOBERTON	15,500	799.68	19.38
SOUTH WONSTON	55,235	1,163.54	47.47
SOUTHWICK & WIDLEY	11,750	281.00	41.81
SPARSHOLT	5,175	306.11	16.91
SWANMORE	105,000	1,277.20	82.21
TICHBORNE	3,200	86.39	37.04
TWYFORD	34,000	694.12	48.98
UPHAM	9,300	312.83	29.73
WARNFORD	950	109.33	8.69
WEST MEON	15,860	372.13	42.62
WHITELEY	20,403	1,264.28	16.14
WICKHAM	79,668	1,663.96	47.88
WONSTON	21,000	582.16	36.07
PARISH TOTAL	1,790,320	32,896.24	54.42
WINCHESTER TOWN	728,440	13,765.11	52.92
TOTAL	2,518,760	46,661.35	53.98

**PARISH COUNCIL PRECEPTS AND COUNCIL TAXES - YEAR ON YEAR CHANGE**

	BAND D TAX RATE 2007/08	BAND D TAX RATE 2006/07	Difference	%
	£	£	£	
<u>BILLING AUTHORITY</u>				
WINCHESTER TOWN	0.00	49.05	0.00	0.00%
<u>PARISHES</u>				
BADGER FARM	25.81	24.84	0.97	3.88%
BEAUWORTH	0.00	0.00	0.00	0.00%
BIGHTON	11.26	11.25	0.01	0.10%
BISHOPS SUTTON	14.21	13.77	0.44	3.20%
BISHOPS WALTHAM	113.02	91.08	21.94	24.08%
BOARHUNT	37.35	38.34	-0.99	-2.59%
BRAMDEAN & HINTON AMPNER	23.91	23.40	0.51	2.18%
CHERITON	28.16	26.55	1.61	6.07%
CHILCOMB	0.00	0.00	0.00	0.00%
COLDEN COMMON	64.33	65.16	-0.83	-1.27%
COMPTON & SHAWFORD	34.00	34.56	-0.56	-1.62%
CORHAMPTON & MEONSTOKE	23.44	22.41	1.03	4.59%
CRAWLEY	55.88	55.17	0.71	1.28%
CURDRIDGE	29.11	32.94	-3.83	-11.61%
DENMEAD	113.17	112.95	0.22	0.20%
DROXFORD	24.75	24.84	-0.09	-0.36%
DURLEY	30.90	29.61	1.29	4.35%
EXTON	1.57	1.53	0.04	2.58%
HAMBLEDON	23.20	23.58	-0.38	-1.63%
HEADBOURNE WORTHY	11.85	14.04	-2.19	-15.62%
HURSLEY	52.64	48.24	4.40	9.12%
ITCHEN STOKE & OVINGTON	11.84	0.00	11.84	
ITCHEN VALLEY	19.74	17.37	2.37	13.62%
KILMESTON	23.38	22.59	0.79	3.50%
KINGS WORTHY	55.64	52.83	2.81	5.33%
LITTLETON & HARESTOCK	37.73	36.45	1.28	3.50%
MICHELDEVER	28.77	0.00	28.77	
NEW ALRESFORD	80.72	80.55	0.17	0.22%
NORTHINGTON	23.77	22.77	1.00	4.38%
OLD ALRESFORD	26.70	24.48	2.22	9.06%
OLIVERS BATTERY	30.98	30.33	0.65	2.16%
OTTERBOURNE	36.98	36.90	0.08	0.21%
OWSLEBURY	38.91	36.90	2.01	5.45%
SHEDFIELD	59.62	54.99	4.63	8.42%
SOBERTON	19.38	0.00	19.38	
SOUTH WONSTON	47.47	45.90	1.57	3.42%
SOUTHWICK & WIDLEY	41.81	41.40	0.41	1.00%
SPARSHOLT	16.91	16.38	0.53	3.21%
SWANMORE	82.21	75.24	6.97	9.27%
TICHBORNE	37.04	33.03	4.01	12.14%
TWYFORD	48.98	47.97	1.01	2.11%
UPHAM	29.73	28.44	1.29	4.53%
WARNFORD	8.69	8.64	0.05	0.57%
WEST MEON	42.62	29.07	13.55	46.61%
WHITELEY	16.14	15.03	1.11	7.37%
WICKHAM	47.88	48.06	-0.18	-0.38%
WONSTON	36.07	19.80	16.27	82.18%



**DIRECTORATE BUDGETS 2007/08 - GENERAL FUND**

<b>Index of Directorate Budgets</b>	<b>Page</b>
Central Services	
Chief Executive Directorate	2
City Secretary & Solicitor Directorate	3
Human Resources Directorate	4
Finance Directorate	5 & 6
Communities Directorate	
Summary	7
Environmental Services	8 & 9
Strategic Housing	10
Community Development	11
Development Directorate	
Summary	12
Planning	13
Estates	14
Building Control	15
Transport & Engineering	16
Cultural Services	17
Budget Summaries	18

**CHIEF EXECUTIVE BUDGET**

**Service Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Business Unit	632,014	681,710	635,120	643,290
Recharges to Services	(630,013)	(681,210)	(634,620)	(643,400)
Net Cost /(Credit)	2,001	500	500	(110)
Best Value	0	0	0	0
Central Management Support	4,759	3,700	3,700	3,700
Community Strategy	0	0	10,560	3,060
Corporate Communications	0	0	0	0
Corporate Expenses	197,745	222,320	218,220	229,820
Emergency Planning	16,458	31,040	46,750	45,900
Essential Subscriptions	38,412	34,630	29,440	29,440
Market Research	32,271	37,710	23,730	24,470
Strategic Planning	508,484	406,750	493,370	418,970
Net Cost	800,130	736,650	826,270	755,250

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	756,015	784,340	757,360	776,590
Premises	10,487	4,580	5,250	4,920
Transport	28,664	33,160	34,870	34,750
Supplies & Services	396,821	101,980	232,390	97,020
Third Party Payments	11,150	21,900	22,340	22,340
Management Overheads	293,405	358,040	366,640	350,240
Total Expenditure	1,496,542	1,304,000	1,418,850	1,285,860
Fees & Charges	(400)	(1,000)	(81,000)	(1,000)
Recharges to Services	(574,188)	(606,850)	(582,080)	(570,110)
Total Income	(574,588)	(607,850)	(663,080)	(571,110)
Transfers to/(from) Reserves	(121,824)	40,500	70,500	40,500
Total Net Cost	800,130	736,650	826,270	755,250

**CITY SECRETARY & SOLICITOR BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Legal Business Unit	853,760	1,018,660	959,730	1,000,530
Recharges to Services	(852,760)	(1,017,660)	(958,730)	(999,480)
	1,000	1,000	1,000	1,050
Secretariat	593,625	523,500	529,290	577,480
Recharges to Services	(593,625)	(523,500)	(529,290)	(577,480)
	0	0	0	0
Abbey House	0	0	0	0
Boundary Reviews	3,319	3,930	3,450	2,730
Cemeteries	46,847	49,770	52,400	39,390
Civic and Mayoral	172,795	164,520	178,170	172,570
Council & Committee Business	1,918,032	2,086,130	1,957,440	2,135,120
Elections	31,241	97,580	99,910	100,040
Electoral Registration	200,002	192,920	208,940	211,590
Hackney Carriages	640	620	600	600
Land Charges	(152,000)	(112,000)	(202,000)	(112,000)
Licensing	11,870	3,970	3,900	3,150
Licensing Act	39,490	74,500	73,650	80,840
Miscellaneous Legal Income	0	0	0	0
Public Health Act Burial	7,942	8,810	9,320	9,440
Net Cost	2,281,178	2,571,750	2,386,780	2,644,520

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	1,118,983	1,221,380	1,224,460	1,267,290
Premises	189,611	176,450	188,270	181,960
Transport	76,488	95,060	104,390	105,850
Supplies & Services	741,676	888,350	928,360	823,140
Third Party Payment	6,954	7,240	7,240	7,240
Capital Financing	29,718	99,090	13,270	73,640
Management Overheads	1,554,894	1,680,040	1,573,080	1,669,620
Total Expenditure	3,718,324	4,167,610	4,039,070	4,128,740
Fees & Charges	(856,037)	(684,930)	(842,500)	(707,390)
Recharges to Services	(574,485)	(726,550)	(637,880)	(671,560)
Total Income	(1,430,522)	(1,411,480)	(1,480,380)	(1,378,950)
Transfers to/(from) Reserves	(6,624)	(184,380)	(171,910)	(105,270)
Total Net Cost	2,281,178	2,571,750	2,386,780	2,644,520

**HUMAN RESOURCES BUDGET**

**Service Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
HR Business Unit	432,356	476,150	467,320	520,930
Employment Related Expenses	180,343	187,000	212,000	155,180
Job Evaluation	5,226	2,000	2,000	2,000
Recharges to Services	(617,925)	(665,150)	(681,320)	(678,110)
Net Cost	0	0	0	0

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	320,362	364,080	389,600	432,160
Premises	32,032	32,730	32,730	33,710
Transport	3,952	6,770	8,310	12,100
Supplies and Services	30,153	22,470	22,470	22,470
Capital Financing	147	70	70	7,000
Management Overheads	231,975	239,030	228,840	171,470
Net Revenue Cost	618,623	665,150	682,020	678,910
External Income	(698)		(700)	(800)
Recharges to Services	(617,925)	(665,150)	(681,320)	(678,110)
Total Income	(618,623)	(665,150)	(682,020)	(678,910)
Transfers to/from reserves	0	0	0	0
Net Cost	(0)	0	0	0

**FINANCE SERVICE BUDGET**

<b>Service Summary</b>				
	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
<i>Finance Business Unit</i>	£	£	£	£
Director of Finance	113,370	114,100	115,870	117,940
Accountancy	469,541	516,870	513,870	488,910
Audit	163,221	160,090	156,710	162,960
Client	52,265	53,220	55,270	57,940
Recharges to services	(801,779)	(844,280)	(841,720)	(825,220)
	(3,381)	0	0	2,530
Printing, Graphics & OA	740,647	740,910	679,760	702,780
Recharges to services	(740,647)	(740,910)	(679,760)	(703,130)
	0	0	0	(350)
Customer Services	481,513	791,080	741,780	830,430
Support Services	480,143	404,960	371,730	366,800
Recharges to services	(1,061,152)	(1,195,090)	(1,123,040)	(1,195,760)
	(99,495)	950	(9,530)	1,470
Information Technology	1,819,371	2,202,170	1,824,330	2,027,460
Telephones	152,448	109,270	115,770	113,460
Recharges to services	(1,971,054)	(2,310,920)	(1,921,760)	(2,201,220)
	765	520	18,340	(60,300)
Treasury Management	1,089	770	770	(370)
Bank Charges	31,018	26,400	33,790	26,500
	32,107	27,170	34,560	26,130
<i>Revenues</i>				
Exchequer Services	96,650	83,010	92,650	94,760
Revenues Administration	307,940	332,480	324,160	336,620
Council Tax	566,566	547,920	515,740	558,100
Council Tax Benefit Administration	278,042	443,610	458,460	493,890
Council Tax Benefits Paid	(29,066)	15,700	(60,180)	10,170
Housing Benefit Administration	235,862	51,340	42,060	34,430
Housing Benefit Paid	6,519	87,760	(92,090)	122,740
HRA Rent Rebates	(48,891)	106,020	1,860	109,170
NNDR Administration (Net)	12,665	14,830	4,050	5,150
	1,426,287	1,682,670	1,286,710	1,765,030
<i>Corporate</i>				
Pensions Added Years	123,642	129,160	151,080	141,820
Corporate Finance	188,696	177,280	173,790	173,730
Audit Commission Fees (Net)	86,175	106,090	86,040	81,660
Miscellaneous Income	(5,500)	0	(128,390)	
	393,013	412,530	282,520	397,210
<b>Total Net Cost</b>	<b>1,749,296</b>	<b>2,123,840</b>	<b>1,612,600</b>	<b>2,131,720</b>

**FINANCE SUBJECTIVE BUDGET**

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	3,442,948	3,485,530	3,450,770	3,574,970
Premises	2,156	2,030	700	1,500
Transport	530,387	547,870	595,900	595,510
Supplies and Services	2,266,912	1,996,870	2,070,110	2,039,640
Benefits Paid	18,623,273	18,831,710	19,837,590	21,260,610
Capital Financing	381,228	780,290	302,900	486,430
Management Overheads	1,903,586	2,027,800	1,932,300	2,024,310
<b>Total Expenditure</b>	<b>27,150,490</b>	<b>27,672,100</b>	<b>28,190,270</b>	<b>29,982,970</b>
Fees and Charges	(450,322)	(466,770)	(434,890)	(318,320)
Recharges to Services	(5,426,098)	(5,890,940)	(5,415,600)	(5,790,950)
Govt allowance and subsidy	(19,315,802)	(19,093,160)	(20,617,170)	(21,631,970)
Costs Recovered	(108,688)	(98,860)	(111,000)	(111,000)
<b>Total Income</b>	<b>(25,300,910)</b>	<b>(25,549,730)</b>	<b>(26,578,660)</b>	<b>(27,852,240)</b>
Transfers to/(from) reserves	(100,284)	1,470	990	990
<b>Net Cost</b>	<b>1,749,296</b>	<b>2,123,840</b>	<b>1,612,600</b>	<b>2,131,720</b>

**COMMUNITIES BUDGET SUMMARY**

**Service Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Environment	4,787,727	5,238,390	5,412,920	5,614,130
Strategic Housing	2,101,953	2,448,050	2,307,260	2,465,630
Community Development	4,175,072	3,832,890	3,492,650	3,649,230
Net Cost Communities	<u>11,064,752</u>	<u>11,519,330</u>	<u>11,212,830</u>	<u>11,728,990</u>

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	3,083,788	3,240,390	3,464,210	3,088,060
Premises	1,298,029	1,296,370	1,295,350	1,328,250
Transport	230,830	206,480	246,260	214,590
Supplies and Services	743,065	576,270	803,900	637,310
Third Party Payments	4,202,625	4,498,940	4,400,200	4,543,520
Transfer Payments	3,800	0	0	0
Capital Financing	2,744,418	2,600,910	2,140,780	2,375,700
Management Overheads	1,559,383	1,773,780	1,632,830	1,696,210
Total Expenditure	<u>13,865,940</u>	<u>14,193,140</u>	<u>13,983,530</u>	<u>13,883,640</u>
Fees and Charges	(1,209,575)	(1,014,450)	(1,090,140)	(886,850)
Recharges to Services	(1,342,035)	(1,408,950)	(1,405,730)	(989,920)
Notional Income	(24,450)	0	(24,450)	(24,450)
Total Income	<u>(2,576,060)</u>	<u>(2,423,400)</u>	<u>(2,520,320)</u>	<u>(1,901,220)</u>
Net Revenue Cost	11,289,880	11,769,740	11,463,210	11,982,420
Net Contribution to/(from) Reserves	(225,128)	(250,410)	(250,380)	(253,430)
Net Cost Communities	<u>11,064,752</u>	<u>11,519,330</u>	<u>11,212,830</u>	<u>11,728,990</u>

**ENVIRONMENT SERVICE BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
<u>Trading Account</u>				
Env Health Trading A/C	789,243	845,240	871,340	857,280
Trading A/C Recharged	(785,629)	(844,310)	(871,310)	(852,100)
Net Cost Trading A/C	3,614	930	30	5,180
<u>Client Services</u>				
Abandoned Vehicles	14,230	0	14,630	15,130
Bucket Emptying	3,969	4,050	4,050	4,050
Grounds Maintenance	168	0	0	890
Highways P'ship-Grounds Mtce	20,079	9,570	9,930	16,980
Materials Recycling	733,129	1,001,910	821,350	935,270
Recycling Pilot	4,876	0	0	0
ABC Roll Out-Recycling	0	0	389,180	341,580
Pest Control	164,644	168,370	172,000	177,300
Public Conveniences	292,194	289,070	282,910	246,530
Refuse Collection	1,695,833	1,787,910	1,790,730	1,892,840
Safety Officer	0	0	0	0
Street Cleansing	871,564	952,280	934,690	963,080
Net Cost Environment Team	3,800,686	4,213,160	4,419,470	4,593,650
<u>Health Services</u>				
Air Pollution	59,164	87,340	81,060	83,280
Caravan Control	14,784	15,600	14,590	15,300
Dog Control Service	58,080	57,240	53,830	50,540
Environmental Issues	43,944	60,480	64,160	66,390
Food Safety	217,644	227,670	254,840	261,860
Health Education	37,226	30,160	30,160	34,660
Health and Safety Enforcement	238,526	227,110	166,490	161,180
Infectious Disease Control	12,666	15,030	11,400	11,780
Licensing	46,472	29,200	28,200	29,100
Noise Pollution	95,998	108,110	123,060	127,820
Other Pollution	75,065	70,700	71,600	75,270
Statutory Nuisances	62,697	69,940	69,290	71,730
Water Supply and Swimming Pools	21,161	25,720	24,740	26,390
Net Cost Environment Protection Team	983,427	1,024,300	993,420	1,015,300
Net Cost Environment	4,787,727	5,238,390	5,412,920	5,614,130



**ENVIRONMENT SUBJECTIVE BUDGET**

<i>Subjective Summary</i>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	1,235,385	1,285,480	1,499,880	1,456,480
Premises	210,824	213,690	201,850	206,370
Transport	120,058	111,170	132,030	132,050
Supplies & Services	269,461	141,700	369,630	275,050
Third Party Payments	3,237,253	3,565,210	3,464,770	3,656,590
Capital Financing	220,119	230,570	208,980	263,160
Management Overheads	497,967	553,010	502,870	529,250
<b>Total Expenditure</b>	<b>5,791,067</b>	<b>6,100,830</b>	<b>6,380,010</b>	<b>6,518,950</b>
Fees & Charges	(451,831)	(245,590)	(348,520)	(312,050)
Recharges	(557,962)	(617,780)	(619,520)	(593,720)
<b>Total Income</b>	<b>(1,009,793)</b>	<b>(863,370)</b>	<b>(968,040)</b>	<b>(905,770)</b>
Transfers to/from Reserves	6,453	930	950	950
<b>Net Cost Environment</b>	<b>4,787,727</b>	<b>5,238,390</b>	<b>5,412,920</b>	<b>5,614,130</b>

**STRATEGIC HOUSING BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
<b>Trading Account</b>				
Trading A/C	441,144	559,600	336,030	334,180
Trading A/C Recharged	(441,144)	(559,600)	(336,030)	(334,180)
Net Cost Trading A/C	0	0	0	0
<b>Housing Services</b>				
Care in the Community	4,900	4,900	4,900	4,900
Corporate Property Repairs	0	0	0	0
General Improvement Areas	(8,976)	(8,300)	(8,300)	(8,300)
Home Check Scheme	42,257	34,480	33,640	31,340
Home Energy Conservation	22,988	29,680	23,490	29,530
House Purchase Advances	(2,847)	(4,200)	(2,310)	(2,330)
Housing Enablement	952,894	1,235,530	1,158,870	1,292,620
Homelessness-Admin & Advice	252,418	257,910	219,350	239,560
Homelessness-B & B Payments	671	1,780	1,780	1,780
Housing Needs	236,487	220,120	247,090	275,740
Central Control	31,563	57,930	38,970	0
Private Sector Housing	161,201	149,240	136,160	150,630
Renovation Grants	408,396	468,980	453,620	450,160
Sewage Works	0	0	0	0
	<u>2,101,953</u>	<u>2,448,050</u>	<u>2,307,260</u>	<u>2,465,630</u>
Net Cost Strategic Housing	<u>2,101,953</u>	<u>2,448,050</u>	<u>2,307,260</u>	<u>2,465,630</u>

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	1,192,951	1,195,190	1,201,880	818,980
Premises	14,425	2,120	2,120	0
Transport	77,878	68,100	81,170	51,090
Supplies & Services	114,641	95,840	103,530	36,710
Third Party Payments	33,780	9,680	14,180	9,680
Transfer Payments	3,800	0	0	0
Capital Financing	1,037,603	1,332,270	1,251,670	1,364,990
Management Overheads	573,105	686,810	602,530	608,030
Total Expenditure	<u>3,048,185</u>	<u>3,390,010</u>	<u>3,257,080</u>	<u>2,889,480</u>
Fees & Charges	(203,163)	(194,580)	(207,580)	(71,160)
Recharges	(741,969)	(748,010)	(742,870)	(353,320)
Total Income	<u>(945,132)</u>	<u>(942,590)</u>	<u>(950,450)</u>	<u>(424,480)</u>
Transfers to/from Reserves	(1,100)	630	630	630
Net Cost Housing General Fund	<u>2,101,953</u>	<u>2,448,050</u>	<u>2,307,260</u>	<u>2,465,630</u>

**COMMUNITY DEVELOPMENT BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
<b>Community Development</b>				
Community Development BU	0	0	0	0
Admin, Community & Grants	872,595	931,790	980,050	970,190
Community Safety	76,869	82,900	90,350	94,490
Community Safety Partnership	195	0	240	250
Community Wardens	100,558	179,820	161,130	208,500
CCTV	260,045	238,580	216,540	209,730
Health For All	29,480	35,600	22,040	23,310
Health Improvement Partnership	65,631	27,270	46,830	30,980
Meals on Wheels	29,555	21,000	21,120	21,130
<b>Total</b>	<b>1,434,928</b>	<b>1,516,960</b>	<b>1,538,300</b>	<b>1,558,580</b>
<b>Recreation &amp; Sports</b>				
Allotments	(1,006)	(2,420)	(1,230)	(1,380)
Caravan Site	(13,523)	(12,080)	(14,980)	(15,050)
Recreational Development	522,369	10,000	58,200	10,000
Recreation Grounds	1,160,999	1,203,260	1,023,740	1,051,560
Sport & Recreation Management	0	0	0	0
River Park Leisure Centre	882,025	926,480	706,490	863,600
Meadowside Centre	114,009	116,090	113,280	102,760
Sports Development	75,271	74,600	68,850	79,160
<b>Total</b>	<b>2,740,144</b>	<b>2,315,930</b>	<b>1,954,350</b>	<b>2,090,650</b>
<b>Total Net Cost</b>	<b>4,175,072</b>	<b>3,832,890</b>	<b>3,492,650</b>	<b>3,649,230</b>

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	655,452	759,720	762,450	812,600
Premises	1,072,780	1,080,560	1,091,380	1,121,880
Transport	32,894	27,210	33,060	31,450
Supplies and Services	358,963	338,730	330,740	325,550
Third Party Payments	931,592	924,050	921,250	877,250
Capital Financing	1,486,696	1,038,070	680,130	747,550
Management Overheads	488,311	533,960	527,430	558,930
<b>Total Expenditure</b>	<b>5,026,688</b>	<b>4,702,300</b>	<b>4,346,440</b>	<b>4,475,210</b>
External Income	(533,565)	(555,370)	(515,130)	(484,650)
Recharge to services	(42,104)	(43,160)	(43,340)	(42,880)
Notional Income	(24,450)	0	(24,450)	(24,450)
External Rents	(21,016)	(18,910)	(18,910)	(18,990)
<b>Total Income</b>	<b>(621,135)</b>	<b>(617,440)</b>	<b>(601,830)</b>	<b>(570,970)</b>
<b>Net Revenue Cost</b>	<b>4,405,553</b>	<b>4,084,860</b>	<b>3,744,610</b>	<b>3,904,240</b>
<b>Net Contribution to / (from) Reserves</b>	<b>(230,481)</b>	<b>(251,970)</b>	<b>(251,960)</b>	<b>(255,010)</b>
<b>Net Cost</b>	<b>4,175,072</b>	<b>3,832,890</b>	<b>3,492,650</b>	<b>3,649,230</b>

**DEVELOPMENT BUDGET SUMMARY**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Estates	(529,966)	(482,660)	(1,226,610)	(1,220,080)
Building Control	152,771	205,320	202,210	245,860
Planning	2,693,783	2,607,100	2,785,600	2,867,170
Engineering	776,392	1,497,010	1,306,360	992,980
Cultural Services	2,889,191	2,932,060	3,073,460	2,801,260
Recharges	(1,886,539)	(2,110,090)	(2,160,530)	(2,251,910)
Net Cost Development Services	<u>4,095,632</u>	<u>4,648,740</u>	<u>3,980,490</u>	<u>3,435,280</u>

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	4,574,063	4,473,410	4,567,700	4,671,650
Premises	2,068,193	2,099,710	2,230,310	2,416,090
Transport	219,300	251,130	266,690	260,420
Supplies and Services	2,145,712	1,729,340	1,945,790	1,760,890
Third Party Payments	2,349,142	2,921,000	3,355,440	2,934,270
Transfer Payments	123,805	0	32,530	0
Capital Financing	3,662,483	3,686,280	2,463,270	2,155,300
Management Overheads	3,753,955	4,172,470	4,019,500	4,240,810
Total Expenditure	<u>18,896,653</u>	<u>19,333,340</u>	<u>18,881,230</u>	<u>18,439,430</u>
Fees and Charges	(10,288,616)	(10,339,920)	(10,483,990)	(10,709,070)
Rents	(80)	(530)	(530)	(550)
Recharges to Services	(3,801,044)	(4,197,280)	(4,136,920)	(4,164,950)
Total Income	<u>(14,089,740)</u>	<u>(14,537,730)</u>	<u>(14,621,440)</u>	<u>(14,874,570)</u>
Net Revenue Cost	4,806,912	4,795,610	4,259,790	3,564,860
Net Contribution to/(from) Reserves	(711,281)	(146,870)	(279,300)	(129,580)
Net Cost Dev Team	<u>4,095,632</u>	<u>4,648,740</u>	<u>3,980,490</u>	<u>3,435,280</u>

**PLANNING BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Development Management & Support	386,564	437,110	457,180	473,120
Recharges to Services	(386,375)	(437,010)	(457,080)	(473,250)
Net Cost /(Credit)	189	100	100	(130)
Planning Management & Support	504,737	626,840	717,810	782,260
Recharges to Services	(504,737)	(626,840)	(717,810)	(782,260)
Net Cost /(Credit)	0	0	0	0
Development Control	1,286,810	931,940	900,810	953,860
Landscape	333,258	347,830	367,620	298,550
Monitoring & Enforcement	274,488	323,380	342,180	359,380
Planning Delivery	(92,074)	(60,000)	0	0
Net Cost	1,802,671	1,543,250	1,610,710	1,611,660

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	1,738,127	1,659,690	1,717,130	1,759,400
Premises	19,905	4,390	4,390	4,390
Transport	101,390	111,810	122,210	117,870
Supplies & Services	482,445	252,270	281,340	240,970
Third Party Payments	47,722	63,050	73,050	73,050
Capital Financing	40,019	60,290	88,690	11,040
Management Overheads	1,551,763	1,902,410	1,943,890	2,067,320
Total Expenditure	3,981,371	4,053,910	4,230,700	4,274,040
Fees & Charges	(984,358)	(1,096,150)	(1,147,570)	(1,100,410)
Recharges to Services	(1,231,494)	(1,407,610)	(1,465,520)	(1,555,070)
Total Income	(2,215,852)	(2,503,760)	(2,613,090)	(2,655,480)
Transfers to/(from) Reserves	37,152	(6,900)	(6,900)	(6,900)
Total Net Cost	1,802,671	1,543,250	1,610,710	1,611,660

**ESTATES BUDGET**

**Service Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Estates Trading Account	302,746	359,810	327,380	309,410
Trading account recharged	(302,746)	(357,980)	(325,470)	(307,960)
Net Cost /(Credit)	0	1,830	1,910	1,450
General Fund Property	(848,599)	(861,430)	(1,749,020)	(1,786,840)
Local Christmas Lights	15,642	18,650	18,650	18,650
Facilities Management	0	0	0	0
Accommodation	245	310	176,380	238,700
Net Cost/(Credit)	<u>(832,712)</u>	<u>(840,640)</u>	<u>(1,552,080)</u>	<u>(1,528,040)</u>

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	264,449	309,610	309,280	313,180
Premises	810,301	712,980	843,000	995,920
Transport	15,126	18,480	15,680	14,580
Supplies and Services	230,146	57,010	57,010	101,010
Third Party Payments	3,870	15,760	15,760	15,760
Capital Financing	1,746,290	1,742,750	822,150	807,410
Management Overheads	587,282	558,020	518,370	488,470
Total Expenditure	<u>3,657,464</u>	<u>3,414,610</u>	<u>2,581,250</u>	<u>2,736,330</u>
External Income	(2,610,959)	(2,370,400)	(2,350,400)	(2,485,150)
Recharges to Services	(1,711,318)	(1,806,990)	(1,705,070)	(1,701,360)
Total Income	<u>(4,322,277)</u>	<u>(4,177,390)</u>	<u>(4,055,470)</u>	<u>(4,186,510)</u>
Net Contribution to/(from) Reserves	(167,899)	(77,860)	(77,860)	(77,860)
Net Credit	<u>(832,712)</u>	<u>(840,640)</u>	<u>(1,552,080)</u>	<u>(1,528,040)</u>

**BUILDING CONTROL BUDGET**

**Service Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Business Unit	152,771	205,320	202,210	245,860
Recharges to Services	(23,120)	(19,550)	(19,550)	(20,140)
	<u>129,651</u>	<u>185,770</u>	<u>182,660</u>	<u>225,720</u>

**Subjective Summary**

Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	422,161	448,410	444,500	461,190
Premises	0	10	0	0
Transport	32,199	38,030	39,040	38,920
Supplies & Services	112,647	124,080	124,090	124,090
Third Party Payments	500	0	0	0
Management Overheads	152,102	175,990	175,780	202,860
	0	0	0	0
Total Expenditure	<u>719,609</u>	<u>786,520</u>	<u>783,410</u>	<u>827,060</u>
Fees & Charges	(569,567)	(581,400)	(581,400)	(581,400)
Recharges to Services	(23,120)	(19,550)	(19,550)	(20,140)
Total Income	<u>(592,687)</u>	<u>(600,950)</u>	<u>(600,950)</u>	<u>(601,540)</u>
Transfers to/(from) Reserves	2,729	200	200	200
Total Net Cost	<u>129,651</u>	<u>185,770</u>	<u>182,660</u>	<u>225,720</u>

**TRANSPORT & ENGINEERING BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Engineering Trading Account	669,761	668,910	640,590	667,750
Recharges to Services	(669,561)	(668,710)	(640,620)	(668,300)
Net Cost /(Credit)	200	200	(30)	(550)
<i>Engineering Services</i>				
Drainage & Flooding	83,386	75,250	91,730	96,830
Engineering Projects	(3,964)	(22,000)	(22,000)	(22,000)
Street Naming & Numbering	50,462	50,250	24,680	24,940
Total Engineering Services	129,884	103,500	94,410	99,770
<i>Traffic &amp; Transportation Services</i>				
Car Parking & Enforcement	(926,484)	(458,280)	(730,200)	(947,010)
Community Transport & Shopmobility	137,141	153,120	155,160	151,610
Concessionary Travel	476,186	799,880	890,390	791,770
Development Control	(1)	0	0	4,930
Footway Lighting	29,861	26,980	26,150	33,490
Street Services	40,879	35,570	65,010	34,930
Sustainable Transport	133,716	109,740	74,750	79,180
Traffic Management	89,053	57,590	90,100	76,560
Traffic Projects	(3,604)	0	0	0
Total Traffic & Transportation Services	(23,253)	724,600	571,360	225,460
Net Cost	106,831	828,300	665,740	324,680

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	735,967	697,780	702,430	716,690
Premises	776,091	933,500	923,450	945,580
Transport	37,039	39,380	38,650	40,260
Supplies & Services	391,635	353,140	376,410	380,470
Third Party Payments	2,026,532	2,574,890	2,905,640	2,568,450
Capital Financing	1,077,010	1,079,660	767,430	699,230
Management Overheads	781,455	819,960	752,690	759,450
Total Expenditure	5,825,729	6,498,310	6,466,700	6,110,130
Fees & Charges	(4,809,475)	(5,012,790)	(5,056,530)	(5,199,920)
Recharges to Services	(516,423)	(662,680)	(649,980)	(591,080)
Total Income	(5,325,898)	(5,675,470)	(5,706,510)	(5,791,000)
Transfers to/(from) Reserves	(393,000)	5,460	(94,450)	5,550
Total Net Cost	106,831	828,300	665,740	324,680



**CULTURAL SERVICES BUDGET**

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
<b>Economy &amp; Tourism</b>				
Cultural Business Unit	321,702	332,830	367,520	354,570
Recharges to Services	(321,790)	(332,830)	(367,520)	(354,570)
	(88)	0	0	0
Cultural Centre	330,000	330,000	530,000	340,000
Arts Development	74,092	71,510	77,320	74,390
Theatre Royal	205,182	205,000	215,370	205,360
Conservation	161,664	165,490	98,160	133,190
Local Economy	97,075	176,550	368,820	212,530
Guildhall	355,471	385,760	236,180	268,940
Special Events	55,592	58,790	63,750	70,320
Tourism	281,674	276,630	274,530	280,110
Tourism Marketing	232,197	233,610	220,950	230,540
Town Twinning	92	0	190	180
<b>Total Economy &amp; Tourism</b>	<b>1,792,951</b>	<b>1,903,340</b>	<b>2,085,270</b>	<b>1,815,560</b>
<b>Culture &amp; Heritage</b>				
Heritage	260,478	237,710	250,270	284,380
Guildhall Gallery	133,517	75,890	63,350	23,120
Historic Resources Centre	422,623	426,410	458,020	439,590
Monuments	29,029	28,360	17,450	17,580
Museums	233,634	245,760	182,010	203,510
Records	16,959	14,590	17,090	17,520
<b>Total Culture &amp; Heritage</b>	<b>1,096,240</b>	<b>1,028,720</b>	<b>988,190</b>	<b>985,700</b>
<b>Total</b>	<b>2,889,191</b>	<b>2,932,060</b>	<b>3,073,460</b>	<b>2,801,260</b>

<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
Employees	1,413,359	1,357,920	1,394,360	1,421,190
Premises	461,896	448,830	459,470	470,200
Transport	33,546	43,430	51,110	48,790
Supplies and Services	928,839	942,840	1,106,940	914,350
Third Party Payments	271,018	267,300	360,990	277,010
Transfer Payments (Grants)	123,305	0	32,530	0
Capital Financing	799,164	803,580	785,000	637,620
Management Overheads	681,353	716,090	628,770	722,710
<b>Total Expenditure</b>	<b>4,712,480</b>	<b>4,579,990</b>	<b>4,819,170</b>	<b>4,491,870</b>
External Rents	(80)	(530)	(530)	(550)
Fees and Charges	(1,314,257)	(1,279,180)	(1,348,090)	(1,342,190)
Recharges to Services	(318,689)	(300,450)	(296,800)	(297,300)
<b>Total Income</b>	<b>(1,633,026)</b>	<b>(1,580,160)</b>	<b>(1,645,420)</b>	<b>(1,640,040)</b>
<b>Net Revenue Cost</b>	<b>3,079,453</b>	<b>2,999,830</b>	<b>3,173,750</b>	<b>2,851,830</b>
<b>Net Contribution to/(from) Reserves</b>	<b>(190,263)</b>	<b>(67,770)</b>	<b>(100,290)</b>	<b>(50,570)</b>
<b>Net Cost Cultural Services</b>	<b>2,889,191</b>	<b>2,932,060</b>	<b>3,073,460</b>	<b>2,801,260</b>

GENERAL FUND SUMMARY - SERVICE and SUBJECTIVE BUDGETS

<b>Service Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
<b>General Fund</b>	£	£	£	£
<b>Central Services</b>				
Chief Executive	800,130	736,650	826,270	755,250
City Secretary & Solicitor	2,281,178	2,571,750	2,386,780	2,644,520
HR	0	0	0	0
Finance	1,749,296	2,123,840	1,612,600	2,131,720
<b>Community Services</b>				
Environment	4,787,727	5,238,390	5,412,920	5,614,130
Housing	2,101,953	2,448,050	2,307,260	2,465,630
Community Development	4,175,072	3,832,890	3,492,650	3,649,230
<b>Development Services</b>				
Estates	(832,712)	(840,640)	(1,552,080)	(1,528,040)
Engineering	106,831	828,300	665,740	324,680
Cultural	2,889,191	2,932,060	3,073,460	2,801,260
Planning	1,802,671	1,543,250	1,610,710	1,611,660
Building Control	129,651	185,770	182,660	225,720
<b>Total Net Cost</b>	<b>19,990,987</b>	<b>21,600,310</b>	<b>20,018,970</b>	<b>20,695,760</b>
<b>Subjective Summary</b>				
Description	2005/06 Actual	2006/07 Original Budget	2006/07 Revised Budget	2007/08 Budget
	£	£	£	£
<b>General Fund</b>				
Employees	13,296,160	13,569,130	13,854,100	13,810,720
Premises	3,600,508	3,611,870	3,752,610	3,966,430
Transport	1,089,621	1,140,470	1,256,420	1,223,220
Supplies and Services	6,324,339	5,315,280	6,003,020	5,380,470
Third Party Payments	6,569,871	7,449,080	7,785,220	7,507,370
Transfer Payments (Grants)	127,605	0	32,530	0
Benefits Paid	18,623,273	18,831,710	19,837,590	21,260,610
Capital Financing	6,817,994	7,166,640	4,920,290	5,098,070
Management Overheads	9,297,199	10,251,160	9,753,190	10,152,660
<b>Total Expenditure</b>	<b>65,746,571</b>	<b>67,335,340</b>	<b>67,194,970</b>	<b>68,399,550</b>
Fees, Charges and Rents	(12,914,416)	(12,606,460)	(13,044,750)	(12,734,980)
Recharges to Services	(12,335,775)	(13,495,720)	(12,859,530)	(12,865,600)
Notional Income	(24,450)	0	(24,450)	(24,450)
Govt allowance and subsidy	(19,315,802)	(19,093,160)	(20,617,170)	(21,631,970)
<b>Total Income</b>	<b>(44,590,443)</b>	<b>(45,195,340)</b>	<b>(46,545,900)</b>	<b>(47,257,000)</b>
<b>Net Revenue Cost</b>	<b>21,156,128</b>	<b>22,140,000</b>	<b>20,649,070</b>	<b>21,142,550</b>
Transfers to / (from) Reserves	(1,165,141)	(539,690)	(630,100)	(446,790)
<b>Net Cost</b>	<b>19,990,987</b>	<b>21,600,310</b>	<b>20,018,970</b>	<b>20,695,760</b>

**RISK ASSESSMENT**

Risk area identified	Potential Impact of Risk	Mitigation
RPI	Budget provision insufficient to cover contractual commitments that are linked to RPI	<ul style="list-style-type: none"> <li>✓ Budget provision made for inflation of 3% pa or higher where known</li> <li>✓ Fees and charges increases based on same RPI assumptions</li> <li>✓ Maintain adequate level of General Fund working balance</li> </ul>
Pay Inflation	Budget provision insufficient to cover actual pay settlements for years 2007/08 and beyond	<ul style="list-style-type: none"> <li>✓ Budget provision made for pay inflation of 2.5% p.a.</li> <li>✓ Maintain adequate level of General Fund working balance</li> </ul>
Interest Rates	Interest rate forecasts vary from the assumptions made in the financial forecasts resulting in a shortfall in assumed investment interest.	<ul style="list-style-type: none"> <li>✓ Specialist advice taken on interest rate forecasts</li> <li>✓ Cash flow modeled against anticipated financial forecasts and a prudent approach adopted</li> <li>✓ Treasury Management Strategy and Policies</li> </ul>
Revenue Support Grant	Shortfall in grant funding compared with funding assumed for budget	<ul style="list-style-type: none"> <li>✓ Final settlement provided by the Government for 2007/08 provides certainty</li> <li>✓ Increases of 2% p.a. assumed for 2008/09 and beyond</li> <li>✓ Maintain adequate level of General Fund working balance</li> </ul>
Planning Delivery Grant	Future grant funding discontinued	<ul style="list-style-type: none"> <li>✓ Monitor Government consultation on future proposals for funding planning improvement</li> </ul>
Local Authority Business Growth Incentive Scheme	Funding received may be less than growth items identified to be covered by this funding.	<ul style="list-style-type: none"> <li>✓ Income assumed is thought to be prudent</li> <li>✓ One off costs could be funded by reserves or not progressed if LABGI insufficient</li> </ul>
Government Capping	Government considers that the budget decisions taken by the Council should be subject to capping resulting in the costs of rebilling etc.	<ul style="list-style-type: none"> <li>✓ Council will consider Government guidance when setting council tax</li> <li>✓ Effect of Town Account decisions also considered</li> </ul>
Efficiency Targets	Failure to deliver budget cashable efficiency targets leading to a funding shortfall	<ul style="list-style-type: none"> <li>✓ Ensure that targets are realistic and achievable within the timescales set</li> </ul>

Risk area identified	Potential Impact of Risk	Mitigation
		<ul style="list-style-type: none"> <li>✓ Allocate ownership and develop action plans to deliver</li> <li>✓ Maintain adequate level of General Fund working balance</li> </ul>
Concessionary Travel	Budget provision is insufficient to cover full costs of the scheme for 2007/08 and for the introduction of the national scheme in 2008/09 and beyond	<ul style="list-style-type: none"> <li>✓ Budget growth item reflects advice of consultants for the Hampshire Countywide scheme</li> <li>✓ Expected that there will be additional grant support for the national scheme</li> </ul>
Car Park income	Budgeted income not achieved resulting in shortfall.	<ul style="list-style-type: none"> <li>✓ Various charging options presented</li> </ul>
The review of Government funding for local councils and the possibility of business rate income being retained by councils	Uncertainty in future funding mechanisms and levels of support pending publication and consideration of Lyons review	<ul style="list-style-type: none"> <li>✓ Maintain a prudent approach to budget and forecasting (as above) pending publication and Government response</li> </ul>
Equal Pay	Unexpected claims for back pay	<ul style="list-style-type: none"> <li>✓ Equal Pay audit completed and no issues raised</li> <li>✓ Union agreement that there were no equal pay issues when new pay structure was introduced</li> <li>✓ Maintain adequate level of General Fund working balance</li> </ul>
Changes to fee structure for land charges searches	Budget provision is insufficient when the detail of the regulations is available	<ul style="list-style-type: none"> <li>✓ Prudent provision for reduction in income made at this stage</li> </ul>
Growth pressures and changes to national priorities that must be met	New pressures and requirements, particularly those arising from Local Government White Paper, likely to carry additional costs	<ul style="list-style-type: none"> <li>✓ To be considered as individual initiatives and requirements emerge</li> </ul>
New office accommodation	Escalation of costs for new provision <u>or</u> growing costs of existing accommodation	<ul style="list-style-type: none"> <li>✓ Option appraisal for new offices to take full account of current financial outlook and detailed project risks</li> </ul>
Silver Hill development proposals	Costs arising due to Council input, revenue costs post-implementation or risks to return on Council assets	<ul style="list-style-type: none"> <li>✓ Detailed risks managed as part of Silver Hill project</li> </ul>
Any need for further investment in building fabric / capital repairs	Budget may be insufficient to meet requirements	<ul style="list-style-type: none"> <li>✓ Detailed needs assessment / prioritisation underway</li> </ul>
Further expansion of the Park and Ride scheme	There may be further substantial costs from 2009/10 as a result of	<ul style="list-style-type: none"> <li>✓ Keep scheme and current charging levels under review</li> </ul>

Risk area identified	Potential Impact of Risk	Mitigation
	expansion of the scheme – not covered by commensurate increases in Government grant	✓ Maintain adequate level of General Fund working balance
Benefits Subsidy	Impact of transitional scheme not fully known and therefore difficult to quantify	✓ Keep under review with prudent approach to setting budgets
VAT – breach of the 5% limit	Additional irrecoverable VAT costs as a result of breaching the limit	✓ VAT implications considered as part of capital appraisal for each project