

CABINET

11 September 2013

THE OVERVIEW AND SCRUTINY COMMITTEE

23 September 2013

FINANCIAL STRATEGY 2014/15 TO 2018/19

REPORT OF CHIEF FINANCE OFFICER

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RECENT REFERENCES:

CAB2454: Budget and Council Tax 2013/14, 13 February 2013

CAB2362: Financial Strategy 2013/14 – 2015/16, 4 July 2012

EXECUTIVE SUMMARY:

The purpose of this report is to give consideration to the Council's Financial Strategy to be adopted for the 2014/15 budget process and beyond. The Strategy sets out to establish the principles to be applied in setting the baseline budget and managing the medium term financial position, against a backdrop of reductions in government funding and ambitious capital expenditure plans.

RECOMMENDATIONS:

That the Cabinet :

1. Approves the Financial Strategy 2013, including the key principles to be applied to the General Fund Budget for 2014/15 and beyond.

That The Overview & Scrutiny Committee:

1. Considers any proposals it wishes to make to the Cabinet on the draft Financial Strategy.

CABINET11 September 2013THE OVERVIEW & SCRUTINY COMMITTEE23 September 2013FINANCIAL STRATEGY 2014/15 TO 2018/19REPORT OF CHIEF FINANCE OFFICER1 Purpose

- 1.1 The purpose of this report is to give consideration to the Council's Financial Strategy, to be adopted for the 2014/15 budget and for the medium term beyond. The Financial Strategy seeks to identify available resources to achieve the priorities set out in the Council's Change Plans which support the Community Strategy for the District.

2 Key Stages

- 2.1 These will be linked with the consultation timetable for the Community Strategy refresh (CAB2503 elsewhere on this agenda) as follows:

Consideration	By	When
Community Strategy Refresh Financial Strategy Capital Strategy	Cabinet & The Overview & Scrutiny Committee	11 September 23 September
Budget Considerations 2014/15 and review of Corporate priorities	Cabinet	23 October
Scrutiny of Cabinet's preliminary view of budget and corporate priorities.	The Overview & Scrutiny Committee	28 October
Refresh of Change Plans	Cabinet & The Overview & Scrutiny Committee & Council	4 December 9 December 8 January 2014

Consideration	By	When
Consultation summary for General Fund revenue budget	Cabinet	15 January 2014
	& The Overview & Scrutiny Committee	20 January 2014
Budget & Council Tax report	Cabinet	12 February 2014
	& The Overview & Scrutiny Committee	17 February 2014
	& Council	20 February 2014

3 The Budget Context

- 3.1 The budget for next year, and the Financial Strategy's forward projections, will be influenced both by actions that are within the Council's control and by various external factors that cannot be quantified at this stage. Where currently known, these are identified in the Strategy.
- 3.2 The Council continues to have to respond to significant changes in Government support whilst being mindful of the impact on local council tax payers and the services being provided to local communities. For this reason the planning horizon for the medium term financial strategy has been extended to 5 years from 3 years.

4 Policy Driven Approach

- 4.1 Financial planning is an intrinsic part of the Council's Corporate Planning Framework which is explained in more detail in section 10 of the Strategy Document.
- 4.2 In the period covered by this plan, it will be necessary to make significant savings, whilst at the same time creating some headroom for new or expanded requirements.
- 4.3 In considering how best to use limited financial resources, the Administration will be guided by their service and policy priorities, which in turn stem from the Council's Community Strategy and are key drivers of our corporate planning framework. Cabinet will review those priorities to guide the budget setting process, and will then consider, *inter alia*:
- a) Which services contribute to achieving the Council's priority outcomes, and whether they merit additional resources;

- b) Those services less central to achieving priority outcomes, which should therefore receive fewer resources;
- c) What opportunities exist for achieving savings through a different approach to realising outcomes, for example through out-sourcing, commissioning, collaboration or partnership;

4.4 As has been the Council's practice in previous years, the Administration will also explore opportunities for operational efficiency in our working practices, including by developing flexible working practices and exploring new ways of managing activity.

5 Capital Strategy

5.1 The Capital Strategy is being presented elsewhere on this agenda. The Council continues to plan to use prudential borrowing to support its capital spending and this will also have direct consequences for the revenue resources available. The current Capital Programme is provided at Appendix C.

OTHER CONSIDERATIONS:

6 SUSTAINABLE COMMUNITY STRATEGY & CHANGE PLANS (RELEVANCE TO):

6.1 The Financial Strategy is an integral part of the Council's corporate planning framework and is driven by what the Council is seeking to achieve which is led by the District's Sustainable Community Strategy. The Council's Corporate Planning Framework is explained more fully in the Financial Strategy (section 10).

7 RESOURCE IMPLICATIONS:

7.1 As outlined in the Strategy paper.

8 RISK

8.1 This is considered in the Strategy.

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix A: Financial Strategy 2014/15 – 2018/19

Appendix B: General Fund Indicative Revenue Projections

Appendix C: Capital Programme

Appendix D: Reserves



Winchester
City Council

FINANCIAL STRATEGY

2014/15 – 2018/19

Winchester City Council

Financial Strategy

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Financial Strategy 2014/15 - 2018/19

1 Introduction

- 1.1 The Financial Strategy is part of the Council's Corporate Policy Framework and is key to the achievement of the Council's corporate priorities. It aims to provide a financial framework for delivering the Council's policy objectives by enabling resourced plans to be put in place.
- 1.2 The overall objective of the Financial Strategy is to determine how the Council wants to structure and manage its finances for a 5 year forward period and to ensure this fits with and supports the objectives and priorities of the Council. It aims to support the rational allocation of resources based on as full and transparent a picture as possible, and to guide our approach to delivering efficiency improvements and operational savings whilst protecting services to the public.
- 1.3 The financial management arrangements of the Council including the Financial Procedure Rules and other relevant parts of the Council's Constitution support the delivery of the Financial Strategy.
- 1.4 The Budget Strategy, in which the Council has set a balanced budget for the current financial year, responding to year on year changes and supporting business continuity, addresses short term delivery issues and is focussed on ensuring that fundamental stewardship requirements are met.
- 1.5 The Financial Strategy shapes the Budget Strategy and considers how it can be enhanced to support and enable transformation in the way that services are delivered and in our working practices so that the Council meets its policy and service priorities in the medium term.
- 1.6 In determining the Financial Strategy consideration is given to the following:
 - Setting the baseline financial position over the 5 year planning horizon;
 - Identifying what resources may be available and how these may be used;
 - Establishing Key Budget Principles;
 - Developing options to support service change and improvement;
 - The Council's programme of organisational development;
 - Determining how performance is to be managed and measured; and
 - Managing risk and scenario planning.

2 Setting the Baseline

2.1 To enable the rational allocation of resources based on a full and transparent picture the Financial Strategy baseline reflects the financial implications of the current position over the planning period i.e. if the Council makes no changes to what it currently does:

- what resources will it have?
- how much will it be spending?
- what will be the budget gap or surplus?

2.2 The current position is determined by taking into account all available information viz:

- **The working budget for the current year** - The capital and revenue budgets for each year are approved by Council in February. The working budget takes into account any changes since the Original Budget was set arising from approved supplementary estimates and virements.
- **The outturn position for the previous year** – The outturn positions for both Revenue and Capital are reported to Cabinet and The Overview and Scrutiny Committee and, where appropriate, to Council as soon as possible after the year end. Approved budget carry forwards will generally only affect the current year and should be excluded when setting the baseline. Further, consideration should be given in setting the baseline of 2014/15 as to the reasons for any over/under-spends in the previous year.
- **Year to date monitoring information and the Revised Estimate for the current year** – monthly monitoring procedures enable the early identification and extrapolation of significant variations in the year to date and consequently early actions to be taken.
- **The latest forecast of the capital expenditure programme** will be used to determine the future revenue effects including the loss of interest income resulting from the reduction in balances, and any Revenue Provisions arising from unfinanced expenditure/prudential borrowing.
- **Existing contractual commitments** will be fully reflected in the baseline and forecast using inflation assumptions appropriate to the relevant contracts.
- **Paybill commitments** including nationally agreed pay awards, incremental progression, and fixed term contracts will be fully reflected in baseline forecasts.

2.3 The following key assumptions will be used to set the baseline for the medium term forecasts:-

- **Council Tax** will remain at 2010/11 levels (see para. 3.1 below) although the actual level of Council Tax will be set by Members in the final stages of setting the budget.

- **Government Grant** forecasts will be based on the latest information available including proposals under consultation, with adjustment to be made in the final stages of setting the budget when the grant levels are announced.

2.4 The budget for next year, and the Strategy's forward projections, will be influenced significantly by various external factors that cannot be quantified or assessed fully at this stage even though they will affect the baseline in due course. These include:

- The implications of any new legislation;
- Developing policy and practice on the implementation of major national initiatives such as health service reform and the provision of care to vulnerable adults;
- The effect of the changes to the distributional system for government funding from 2013/14, and the further reductions to Departmental budgets announced in the Spending Review effective from 2015/16 onwards;
- The amount of New Homes Bonus and Affordable Homes Bonus earned, and any future changes to the distribution system;
- Other opportunities for grant funding or other support;
- Updated Government position regarding Planning fees;
- Further opportunities for income, for example through charging for services or through use of the Council's assets;
- Interest rates;
- Further changes to the statutory basis for or actuarial adjustments to the funding and management of the Local Government Pension Scheme;
- The South Downs National Park Authority agency agreement, and
- Other growth pressures, new burdens determined by Parliament and changes to national priorities promulgated by Ministers.

2.5 Similarly the baseline budget will also be influenced by factors and aspirations within the Council's control, such as changes to corporate priorities. Capital schemes that may have an impact on the revenue budget in the future include:

- Silver Hill development;
- River Park Leisure Centre;
- Avalon House;
- Carfax site development;

- City office site;
- Asset Management Plan - any need for further investment in building fabric;
- Opportunities to take advantage of external funding where relatively small match funding may be needed.

- 2.6 In line with previous years, no inflationary increases will be added to any costs other than contractual commitments. This supports the continuing drive for efficiency.
- 2.7 Interest rate sensitivity is to be considered within the budget projections with the central/ base case to be presented using a forecast obtained from the Council's advisers. Balances will be estimated on the basis of forward cash flow projections and taking into account experience to date.
- 2.8 An initial assessment of the General Fund baseline position for setting the 2014/15 budget is provided at Appendix B.

3 Identifying Financial Resources

- 3.1 The Council continues to be constrained in its ability to raise income. Approximately 22% of gross income (Excluding Benefit Payment Income) arises from Council Tax. For 2011/12, and 2012/13 the Council chose to freeze council tax, and received additional Government grants in each year, equivalent to a 2.5 per cent increase from the 2010-11 level of Council Tax; for 2012/13 a grant of £174,000 was received for one year only, so is not available in the baseline for 2013/14; it was announced in the 2013 Spending Round that the 2013/14 Council Tax Freeze Grant would be included into the baseline funding. The Government is proposing that all grants rolled in from 2013/14 will be included in totals for 2015/16 so that they remain unchanged in cash terms from their original amounts; this includes the 2011/12 Council Tax Freeze compensation and Homelessness Prevention Funding. The Government is also proposing support for two further council tax freezes in 2014/15 and 2015/16, and planning to set a council tax referendum threshold in each of those years at 2%.
- 3.2 A further 22% of gross income (Excluding Benefit Payment Income) is derived from Non-ring fenced Government Grants, which mainly comprise Revenue Support Grant (RSG), National Non Domestic Rates (NNDR), and New Homes Bonus. The methodology for allocating these grants changed in 2013/14 so that local authorities can retain a local share of any growth in business rates (this is fixed until 2020).
- 3.3 The Government announced in the 2013 Budget speech that public spending needed to reduce by a further £11.5 billion to help reduce the public deficit. This translated to a further 1% reduction to the illustrative 2014/15 settlements for Local Government and a year on year reduction of 14.3% for 2015/16. Future years are assumed to reduce by 10% per annum year on year. The amount of New Homes Bonus directly available to the Council will also be reduced (by an estimated 35%) as the Government is consulting on its intention to pool £400m from the New Homes Bonus within Local Enterprise Partnership areas to support strategic, locally led housing and economic development priorities.

- 3.4 Approximately half of the Council's gross income (Excluding Benefit Payment Income) is derived from fees, charges and rents, the fee levels for which are generally within its control (although there are statutory and market restrictions on some of these charges). Parking income is a substantial proportion of this total. An annual review of all charges is carried out and this considers both statutory restrictions and the impact on users of the services charged for.
- 3.5 The main drivers likely to affect the Council's expenditure are:
- a) Obligations set by statute, although these do not necessarily specify the level at which that obligation is to be met;
 - b) Local political priorities for both the services to be provided and the quality or standard to which they should be delivered;
 - c) Unavoidable increases or decreases in demand;
- 3.6 To ensure a sustainable financial outlook it will be necessary to make significant savings over the plan period, which will also need to accommodate scope for new or enhanced services that are required.
- 3.7 To achieve this balance, the Administration will be guided by their service and policy priorities, which in turn stem from the Council's Sustainable Community Strategy and are key drivers of our corporate planning framework. Cabinet will review those priorities to guide the budget setting process.
- 3.8 As has been the Council's practice in previous years, the Administration will also explore opportunities for operational efficiency in our working practices, including by developing flexible working practices and exploring new ways of managing activity.
- 3.9 The Council will also continue to actively manage its paybill by ensuring staff are used flexibly to meet shifting priorities, and by taking a proactive approach to reducing the paybill in a managed way. This will entail managing vacancies in our staff complement and directing staff to areas of highest priority, and away from areas are not immediately essential to the delivery of the outcomes in the Sustainable Community Strategy. It will also require reductions in the overall staffing establishment. The Government has announced that due to the introduction of the flat rate state pension the current arrangements for contracting out of the state second pension will be scrapped from April 2016. The Council currently receives a 'contracting out' reduction to its Employer's National Insurance contribution of 3.4% for every employee member of the final salary pension scheme. The estimated additional cost of this change is £0.3m per annum commencing 2016/17.
- 3.10 The Council has useable revenue reserves comprising the General Fund Balance, the Major Investment Reserve and various earmarked reserves. Earmarked reserves have been established for specific purposes with associated spending plans. In setting the budget, consideration will be given to the requirements for reserves to ensure that there are adequate balances in the future to support essential expenditure. However, recurring baseline revenue budgets must be in line with the recurring revenue income forecasts.

3.11 Accessing to pressures for growth without concomitant savings would put the budget into deficit which would have to be made good from reserves. However funding continuing growth from reserves is not sustainable as :

- Reserves are finite and do not provide for recurring expenditure;
- The Council's capital aspirations are dependent upon finance being available from reserves or borrowing;
- Reserves provide a source of income (through investment) that supports the revenue budget;
- It is prudent to ensure the Council has resources set aside to deal with unforeseen emergencies or similar pressing demands.

3.12 The Prudential Code which has been adopted by the Council provides a clear framework to ensure that the capital investment plans of local authorities are affordable, prudent and sustainable. The Council has determined that Capital Financing Requirements will be matched against specific assets. These are generally those assets for which the financial appraisal can demonstrate value for money in terms that the financial benefits outweigh the financing costs (including the Minimum Revenue Provision and, where applicable, Voluntary Revenue Contributions).

4 Key Budget Principles

4.1 A fundamental principle to be applied to the Financial Strategy is that Members should seek to attain a balanced revenue budget. Accordingly, the following principles will be applied to setting the budget:

- The revenue budget for the forthcoming year will be balanced;
- Reserves will not be used to fund annual, recurring expenditure;
- Savings and income proposals will be sufficient to eliminate any projected deficit and to fund Growth proposals;
- Growth proposals will not create a revenue deficit in future financial years without equivalent forward savings also being identified;
- Growth, savings and income proposals will be considered in relation to the Council's corporate objectives and priorities;
- Inflation will be applied only to budgets for external contracts.
- The Council will seek to optimise income from services and assets

5 **Developing Options to Support Service Change and Improvement**

- 5.1 The Financial Strategy is being developed in line with the policy agenda that is designed to take into account the corporate priorities and targets of the Council. It complements the Sustainable Community Strategy and Change Plans and the underlying service strategies and seeks to match corporate priorities with resources.
- 5.2 The Government's Budget and likely continued changes to funding will place significant financial pressures on all councils which will need to continue to deliver and improve services at much lower costs.
- 5.3 The various options to deliver, improve and transform services will be accompanied by time and cost pressures. It will be necessary for service and performance levels to be managed both upwards and downwards as we will have to adjust to very significantly reduced funding. The Council is actively considering new ways of securing delivery in the most efficient manner possible, whilst ensuring the impact on the public is minimised.
- 5.4 Change Plans will provide the focus on priorities and the means of delivery to enable the Council to consider options for future service levels to align with the likely available funding.

6 **Organisational Development**

- 6.1 For some time now the Council has been changing the way we work to deliver outcomes which achieve community objectives. Alongside exploring new ways of delivery, as outlined above, we have been considering how best to modify our own working practices to achieve efficiencies and improve service to the public.
- 6.2 Initiatives have included our focus on customer service, the introduction of flexible working practices and a programme designed to use staff resources more flexibly through our *1-team* project. These have all contributed to savings, whilst ensuring services are maintained and enhanced.
- 6.3 This programme of organisational development will continue to ensure we use our staff in the best possible way, and that effective deployment and management assist in managing the paybill and meeting budget targets.

7 **Managing and Measuring Financial Performance**

- 7.1 Regular budget monitoring of all service areas is a key feature of the Council's processes. With effective scrutiny arrangements within the system, this has played an important role in holding management and Cabinet to account for all aspects of performance, not just financial.
- 7.2 The Council's financial management arrangements continue to be developed and the provision of electronic monthly management reports providing information to budget managers, Heads of Team, Directors, and Portfolio Holders, has supported effective budget

management. Corporate Management Team monitors the budget monthly, and makes adjustments where necessary.

- 7.3 The Members of Cabinet also review the budget monthly with senior officers, and ensure that spending and savings plans remain on target. Portfolio Holders continue to be responsible for regularly monitoring service and financial performance in their areas of responsibility. The Overview & Scrutiny Committee is developing a more strategic focus to hold them to account for delivery of key projects and programmes of improvement.
- 7.4 Overview budget monitoring reports on both revenue and capital budgets are presented to Cabinet with The Overview & Scrutiny Committee keeping an overview.
- 7.5 Annual outturn reports showing financial performance against budgets are presented after the end of the financial year to Cabinet, The Overview & Scrutiny Committee and Council if appropriate. These reports show the most significant variances and explanations for them.
- 7.6 The Council's Annual Financial Report (incorporating the Statement of Accounts) and Treasury Management Stewardship review are considered and approved by the Audit Committee.

8 Managing Risk and scenario planning

- 8.1 In managing risk it is important that risks are recognised and dealt with appropriately. There are various types and level of risk that have to be considered in the Financial Strategy. The most obvious is that the resources available are insufficient to meet service needs of the Council. This must be addressed by either securing additional resources or reducing the cost, level or quantum of services provided. This aspect is identified as one of the Council's corporate risks.
- 8.2 Both financial and service based risks need to be reflected and considered as part of the financial strategy. The Council's risk management framework is used to support a comprehensive review of the financial risks for forecasting and scenario planning, and budget proposals include a risk assessment including risks identified, potential impact and mitigation actions.
- 8.3 The budget for next year and the forward projections will be influenced significantly by various factors that cannot be quantified or assessed fully at this stage; some external and outside of the control of the Council and others that relate to factors and aspirations within the Council's control. Consideration will be given to these factors in the risk assessment and scenario planning undertaken as part of the budget process.

9 Consultation

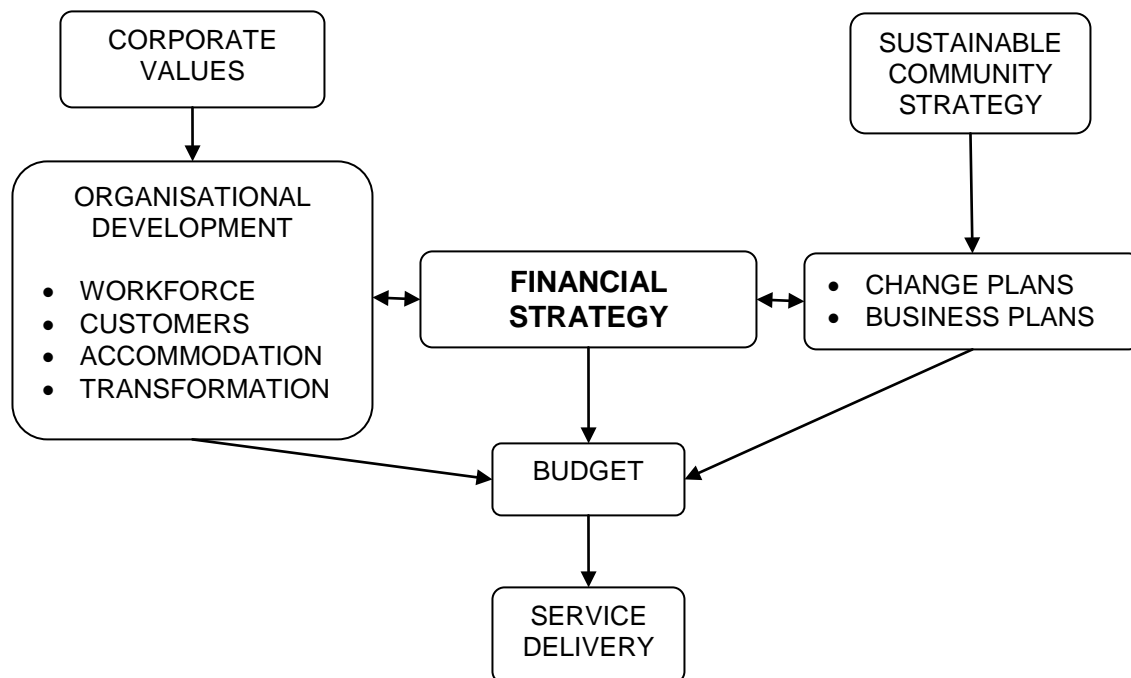
- 9.1 There will be consultation on the budget proposals with the business community, local strategic partners, parish and town councils, community groups in Winchester and the Winchester Town Forum.

10 The Council's Corporate Planning Framework

- 10.1 The Financial Strategy is an integral part of the Council's Corporate Planning Framework, which is illustrated by the diagram below. Our Organisational Planning, which shapes how we work and reflects our desire to be efficient and effective in all we do, is driven by our Corporate Values. The actions which help achieve our organisational aims are set out in key strategies on our workforce, customers and accommodation, and in our corporate transformation programme.
- 10.2 Service Planning is led by the District's Sustainable Community Strategy, which identifies the key outcomes we aim to achieve: active communities, economic prosperity and a high quality environment. Actions to help realise those outcomes are set out in Change Plans and in individual teams' Business Plans.
- 10.3 Organisational and Service Planning helps shape the Financial Strategy: it is driven by what the Council is seeking to achieve. However, this is an iterative process in that the Financial Strategy also helps determine what are realistic and achievable ambitions for both our services and the organisation. These three inter-linked components of our corporate planning framework determine the Council's budget and shape our approach to delivery. Regular performance review offers feedback to develop further both organisational and service planning, and so allows review of the Financial Strategy.

Organisational Planning

Service Planning



11 **Conclusion**

- 11.1 The Financial Strategy has been developed to support the delivery of corporate objectives and to provide a more effective integration between service and financial planning. It will continue to evolve. It recognises that there are constraints to achieving all the aspirations that Members and citizens have for their District, but sets out a framework for decisions on priorities to be made in the knowledge of the Council's ability to finance them.

GENERAL FUND REVENUE INDICATIVE MEDIUM TERM PROJECTIONS 2014/15 - 2018/19

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	Working Budget	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000
OPENING BALANCE	15,434	16,450	16,065	16,130	17,021	17,663
One-off budgets & Stepped Growth / Savings	1,016	(1,065)	(556)	(40)		
Contractual commitments inflation (3% pa)		350	361	371	382	394
Employee Costs (Assuming pay inflation of 1% pa)		330	260	560	260	260
Cost of Services (incl. Trading Accounts)	16,450	16,065	16,130	17,021	17,663	18,317
Other Operating Income & Expenditure						
Payment of Parish Precepts	2,208	2,208	2,208	2,208	2,208	2,208
Council Tax Support Grant to Parishes (Estimate)	155	133	121	109	98	88
Financing & Investment Income & Expenditure	(68)	(70)	90	131	123	122
Taxation & Non-Specific Grants						
Council Tax Income	(6,524)	(6,524)	(6,524)	(6,524)	(6,524)	(6,524)
Parish Precepts	(2,208)	(2,208)	(2,208)	(2,208)	(2,208)	(2,208)
<u>Non-ring fenced Govt grants</u>						
Council Tax Support grant	(627)					
Formula grant	(3,847)	(3,836)	(3,494)	(3,145)	(2,830)	(2,547)
New Homes Bonus	(1,522)	(2,070)	(2,714)	(3,360)	(3,360)	(3,359)
New Homes Bonus adjustment			950	1,176	1,176	1,176
Affordable Homes Bonus	(94)	(105)	(105)	(105)	(105)	(105)
<u>Council Tax Freeze grant</u>						
2011/12	(173)	(173)				
2012/13 (one year only)						
2013/14	(70)	(70)				
2014/15		(65)	(65)			
2015/16 (assumed for two years)			(65)	(65)		
Local Services Support Grant	(229)	(229)	(190)	(190)	(190)	(190)
New Burdens Grants	(100)	(68)				
(Surplus) / deficit on Provision of Services	3,351	2,987	4,133	5,048	6,052	6,978
Adjustments between Accounting basis and Funding basis under Regulations						
Capital Charges	(2,314)	(2,314)	(2,314)	(2,314)	(2,314)	(2,314)
Transfers to or (from) Capital Adjustment Account		102	478	478	478	478
Other planned Movements in Reserves						
Transfers to or (from) Major Investment Reserve	(1,281)	100	100	100	100	100
Transfers to or (from) Earmarked Reserves	336	295	490	530	530	530
Transfers to or (from) Winchester Town Reserve	(94)	3	(13)			
FORECAST DEFICIT / (SURPLUS)	(0)	1,173	2,874	3,842	4,846	5,772

CAPITAL PROGRAMME 2013/14 TO 2018/19									
	2013/14			2014/15	2015/16	2016/17	2017/18	2018/19	TOTAL
	Original Estimate	Brought forward & Adjustments	Working Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000
GENERAL FUND									
<u>ACTIVE COMMUNITIES</u>									
Affordable Housing / Regeneration	148	(148)	-	-	-	-	-	-	0
Affordable Hsg funded by Developers' contributions	1,441	(1,441)	-	-	-	-	-	-	0
Capital Grants - Chesil theatre	-	60	60	-	-	-	-	-	60
Carfax	-	262	262	2,361	-	-	-	-	2,623
Changing Pavilions (Town A/C)	57	400	457	-	-	-	-	-	457
Disabled Facility Grants	500	268	768	500	500	500	500	500	3,268
River Park Leisure Centre - Essential Repairs	950		950	3,250	-	-	-	-	4,200
Jubilee Event Space	20		20	-	-	-	-	-	20
Total Active Communities	3,116	(599)	2,517	6,111	500	500	500	500	10,628
<u>PROSPEROUS ECONOMY</u>									
Enterprise Centre managed workspace	1,000		1,000	5,000	-	-	-	-	6,000
Winchester Cathedral Roof	25		25	25	25	25	-	-	100
Total Prosperous Economy	1,025	-	1,025	5,025	25	25	-	-	6,100
<u>HIGH QUALITY ENVIRONMENT</u>									
Car Parks	225	29	254	120	180	180	180	180	1,094
Footway Lighting at North Walls (Town A/C)	-	24	24	-	-	-	-	-	24
Great Minster Street	60		60	-	-	-	-	-	60
High Speed Broadband for Hampshire	46		46	46	46	0	-	-	139
Hockley Viaduct		124	124	-	-	-	-	-	124
Magdalen Hill Cemetery - Extension	135		135	-	-	-	-	-	135
Market Lane Toilet Works	45		45	-	-	-	-	-	45
Wickham Toilet Works	50		50	-	-	-	-	-	50
Open Space & Recreation Facilities	45	2	47	330	-	-	-	-	377
River Itchen Maintenance	40	60	100	75	-	-	-	-	175
Street Care Jetting Machine	-	25	25	-	-	-	-	-	25

CAPITAL PROGRAMME 2013/14 TO 2018/19									
	2013/14			2014/15	2015/16	2016/17	2017/18	2018/19	TOTAL
	Original Estimate	Brought forward & Adjustments	Working Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Wet Shelter				50	-				50
	646	264	910	621	226	180	180	180	2,298
EFFICIENT & EFFECTIVE									
ASSET MANAGEMENT									
Abbey Gardens - environmental improvements	75	-	75	150	-				225
Abbey House	77	7	84	-	-				84
Abbey Mill	737	258	995	-	-				995
Abbey Mill - Tenants costs	500	(500)	-	-					0
Abbey Mill - hydro	150	(75)	75	75					150
Asset Management Plans	-	64	64	-	30	-			94
Avalon House	1,500	(500)	1,000	500	-				1,500
2-3 Bridge St			-	100	-				100
City Offices & Annexe Works	332		332	70	170	-			572
Depot	1,108	(71)	1,037	-	-				1,037
Guildhall staff office to changing rooms		5	5	-	-				5
Guildhall Toilets	67		67	-	-				67
Old Chesil Rectory		36	36	-	-				36
Property Acquisition & Development	4,500		4,500	4,500	-				9,000
Silver Hill associated development	3,000	(1,000)	2,000	5,000	-				7,000
Storage Facility	600		600	-	-				600
West Wing Lift	20		20	-	-				20
West Wing / City Offices Heating Works		1	1	-	-				1
Winchester Town Access Plan	150		150	-					150
Total AMP	12,816	(1,775)	11,041	10,395	200	-	-	-	21,636

CAPITAL PROGRAMME 2013/14 TO 2018/19									
	2013/14			2014/15	2015/16	2016/17	2017/18	2018/19	TOTAL
	Original Estimate	Brought forward & Adjustments	Working Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
	£000	£000	£000	£000	£000	£000	£000	£000	£000
IMT ASSET MANAGEMENT									
ICT Equipment	60	46	106	20	20	20	20	20	206
ICT EDRMS	-	98	98	-	-				98
ICT Hardware	164	51	215	5	7	45	67		339
ICT Software	130	(30)	100	226	-			165	491
ICT Telephony	-	30	30	-	-				30
Total IMT	354	195	549	251	27	65	87	185	1,164
Total General Fund									
	17,957	(1,915)	16,042	22,403	978	770	767	865	41,826
HOUSING REVENUE ACCOUNT									
ACTIVE COMMUNITIES									
River Itchen Maintenance				35					35
Major repairs	6,530	-	6,530	6,613	6,765	6,920	7,155	7,376	41,359
New Build	4,294	(98)	4,196	11,541	12,782	4,920	5,040	5,160	43,639
Improvements and Loft Conversions	650	350	1,000	660	676	698	714	735	4,483
Disabled Adaptations	700		700	711	728	746	769	792	4,446
Other Capital Spends	100	34	134	103	105	108	110	113	673
Total Housing Revenue Account	12,274	286	12,560	19,663	21,056	13,392	13,788	14,176	94,635
Grand Total									
	30,231	(1,629)	28,602	42,066	22,034	14,162	14,555	15,041	136,461

GENERAL FUND INDICATIVE EARMARKED RESERVES PROJECTIONS 2013/14 - 2018/19

Description	2013/14	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	Opening Bal. @ 01/04/13	Forecast Closing Bal.	Forecast Closing Bal.	Forecast Closing Bal.	Forecast Closing Bal.	Forecast Closing Bal.	Forecast Closing Bal.
	£000	£000	£000	£000	£000	£000	£000
Major Investment Reserve	(5,428)	(3,261)	(748)	(777)	(852)	(952)	(887)
Property Reserve (Asset Management Plan)	(763)	(132)	(57)	(57)	(257)	(457)	(657)
Car Parks Property	(517)	(390)	(390)	(390)	(390)	(390)	(390)
Homelessness Gold Standard	(430)						
Homelessness Prevention	(333)	(247)	(218)	(218)	(218)	(218)	(218)
Winchester Town Reserve	(295)	(91)	(93)	(51)	(9)		
Planning Open Spaces Reserve (Interest)	(210)	(210)	(210)	(210)	(210)	(210)	(210)
Local Development Framework (LDF)	(173)	(158)	(2)	(2)	(2)	(2)	(2)
Municipal Mutual Insurance	(157)	(157)	(157)	(157)	(157)	(157)	(157)
Building Control	(75)	(75)	(75)	(75)	(75)	(75)	(75)
IMT Strategy	(75)	(41)	(116)	(184)	(254)	(302)	(417)
Insurance Reserve	(41)	(41)	(41)	(41)	(41)	(41)	(41)
L.A. Business Growth Incentive	(40)						
Land Charges - New Burdens	(34)	(34)	(34)	(34)	(34)	(34)	(34)
Museums Publications	(20)	(20)	(20)	(20)	(20)	(20)	(20)
Museums Acquisition	(12)	(12)	(12)	(12)	(12)	(12)	(12)
Community Grants	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Local Elections		(15)	(30)	(45)		(15)	(30)
	(8,615)	(4,895)	(2,215)	(2,285)	(2,543)	(2,896)	(3,161)
General Fund Balance	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
TOTAL	(10,615)	(6,895)	(4,215)	(4,285)	(4,543)	(4,896)	(5,161)