



HEALTHY BOROUGH WITH
STRONG COMMUNITIES
OVERVIEW AND SCRUTINY COMMITTEE

Wednesday,
23 January 2008
10.00 a.m.

Council Chamber,
Council Offices,
Spennymoor

AGENDA
and
REPORTS



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العربية (Arabic)

إذا أردت المعلومات بلغة أخرى أو بطريقة أخرى، نرجو أن تطلب ذلك منا.

বাংলা (Bengali)

যদি আপনি এই ডকুমেন্ট অন্য ভাষায় বা ফরমেটে চান, তাহলে দয়া করে আমাদেরকে বলুন।

(中文 (繁體字)) (Cantonese)

如欲索取以另一語文印製或另一格式製作的資料，請與我們聯絡。

हिन्दी (Hindi)

यदि आपको सूचना किसी अन्य भाषा या अन्य रूप में चाहिये तो कृपया हमसे कहे

polski (Polish)

Jeżeli chcieliby Państwo uzyskać informacje w innym języku lub w innym formacie, prosimy dać nam znać.

ਪੰਜਾਬੀ (Punjabi)

ਜੇ ਇਹ ਜਾਣਕਾਰੀ ਤੁਹਾਨੂੰ ਕਿਸੇ ਹੋਰ ਭਾਸ਼ਾ ਵਿਚ ਜਾਂ ਕਿਸੇ ਹੋਰ ਰੂਪ ਵਿਚ ਚਾਹੀਦੀ, ਤਾਂ ਇਹ ਸਾਥੋਂ ਮੰਗ ਲਓ।

Español (Spanish)

Póngase en contacto con nosotros si desea recibir información en otro idioma o formato.

اردو (Urdu)

اگر آپ کو معلومات کسی دیگر زبان یا دیگر شکل میں درکار ہوں تو برائے مہربانی ہم سے پوچھئے۔

AGENDA

1. APOLOGIES

2. DECLARATIONS OF INTEREST

To notify the Chairman of any items that appear later in the agenda in which you may have an interest.

3. BUDGET FRAMEWORK 2008/2009

To consider the initial revenue budget proposals which are within the Healthy Borough with Strong Communities Overview and Scrutiny Committee area of responsibility.

The budget proposals together with a note explaining the reasons behind the proposals attached. (Pages 1 - 40)

**B. Allen
Chief Executive**

**Council Offices
SPENNYMOOR**

Councillor J.E. Higgin (Chairman)
Councillor Mrs. P. Crathorne (Vice Chairman)

Councillors W.M. Blenkinsopp, Mrs. D. Bowman, J. Burton, Mrs. S. Haigh,
Mrs. H.J. Hutchinson, Mrs. E.M. Paylor, K. Thompson, T. Ward, J. Wayman J.P and
Mrs E. M. Wood.

ACCESS TO INFORMATION

Any person wishing to exercise the right of inspection etc. in relation to this agenda and associated papers should contact
Liz North, Tel 01388 816166 Ext 4240, enorth@sedgefield.gov.uk

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Item 3

REPORT TO HEALTHY BOROUGH WITH STRONG COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE

23rd JANUARY 2008

REPORT OF DIRECTOR OF RESOURCES

Portfolios: HEALTHY BOROUGH WITH STRONG COMMUNITIES

BUDGET FRAMEWORK 2008/09

1. SUMMARY

- 1.1 Cabinet approved the Budget Framework for 2008/09 at its meeting on the 10th January 2008 and recommended that the Budgets are now consulted upon in accordance with the timetable previously approved by Cabinet on the 20th December 2007.
- 1.2 This report therefore sets out for consultation, the proposed 2008/2009 Revenue and Capital Budgets for the Strategic Leadership Portfolio, which falls under the responsibility of the Strategic Leadership Overview and Scrutiny Committee.
- 1.3 The Budgets have been developed after taking into account the Government's proposed settlements in relation to Revenue Support Grant (RSG), Housing Subsidy and Capital Allocations, proposed use of balances and the proposed increase in the Borough Council Tax.
- 1.4 Detailed account has also been taken of the Council's Medium Term Financial Plan (MTFP), which sets out the framework for developing annual revenue and capital budgets over the medium term.
- 1.5 In overall terms, the Budget Framework for 2008/09 maintains service delivery in key priority areas in accordance with the approved Corporate Plan and Transition Plan. Efficiency savings and re-engineering of existing service delivery will enable some changes to occur and keep the level of Council Tax increase to only 3%, whilst at the same time proposes to maintain an overall capital programme of £20 million.

2. RECOMMENDATION

- 2.1 That this Overview and Scrutiny Committee provide feedback to Cabinet on the proposed Budget Framework for 2008/2009 in respect of those services within the Healthy Borough with Strong Communities Portfolio's.

3 BUDGET FRAMEWORK 2008/2009

3.1 The Government's proposed settlements in relation to the following key components of the 2008/09 budget have now been received, although allocations through the Regional Housing Board are still to be announced:-

Spending Area

Government Settlements

General Fund Services
Housing Revenue Account
Capital Spending Programmes

Local Government Finance Settlement
Housing Subsidy Determinations
Supported Capital Allocations

3.2 Management Team has carefully assessed the implications of the settlements and has examined all main spending areas particularly to consider:-

- The balance between spending on statutory services and discretionary services.
- The allocation of resources between priorities to achieve our strategic goals and performance targets.
- The needs of the public as expressed in previous consultation exercises, particularly through previous Council Tax Focus Group meetings.
- The balance between spending and taxation/rent levels.
- The sustainability of the Budget Framework in relation to its dependency both on the receipt of large sums of money from the disposal of land and external time limited grant funding streams.
- The impact of efficiency savings achieved and the overall need to demonstrate that value for money principles have been applied

3.3 The Council has been provisionally notified that it will receive £9,971,348 of external Government support for 2008/09. The grant system now focuses more on grant distribution and not on national measures of spending and council tax. The system consists of four separate funding elements unchanged for 2008/09 as detailed below:-

- *Relative needs amount (based on amount per head adjusted to reflect local circumstances including deprivation and area costs).*
- *Resource amount (to take account of different capacities to raise council tax).*
- *Central allocation amount (allocated on a per head basis).*
- *Floor damping amount (to help ensure all authorities receive a minimum increase in grant).*

- 3.4 Although the latest Government Finance settlements are regarded as the worst in the last 10 years, by some commentators, it was broadly in line with expectations following the Comprehensive Spending Review (CSR) 2007 announcement by the Government in October 2007.
- 3.5 Generally Shire Districts received the lowest increase for any type of authority [the grant floors being the lowest since their introduction] less than half of all Shire Districts in the country had had an increase in excess of the absolute minimum 1% floor increase for 2008/09.
- 3.6 The grant settlement for Sedgefield Borough shows a year on year cash increase in grant of 1.98% or £190,065 including the base adjustments in accordance with the distribution framework. As well as being a harsh settlement it also falls well short of meeting the financial pressures facing the Council, particularly in the area of pay related costs. The settlement due on 1st April 2008 has not yet been agreed, but an assumed 2.5% increase has been built into the budgets. Furthermore an Actuarial revaluation of the Pension Fund has recently been completed and though the final outcome has still to be notified, the County Treasurer is advising that employer's contributions are expected to increase by an additional 1% of the cost of employee's contributions during 2008/09.
- 3.7 In addition a number of initiatives designed to build and maintain strong cohesive communities in order to tackle deprivation and social exclusion have relied on external finance streams many of which draw to a close by March 2008. Account has therefore had to be made of the fall out of grant / support in these important areas. As part of the changes brought about under CSR07 the Government has introduced a range of Area Based Grants. One of these grants, the Working Neighbourhood Fund replaces the Neighbourhood Renewals Fund and some of this funding will be applied where on-going schemes meet the criteria of the new Fund.
- 3.8 Whilst fuel price inflation significantly added to the Council's costs [particularly in the areas of high-energy use e.g. leisure centres.] during 2007/08 contract prices have over the last few months seen a downturn in prices. However more recently commentators are now predicting a further round of price increases of up to 15%, which have been factored into the Budgets.
- 3.9 Arrangements are being made with Durham County Council to use their energy management team to manage and monitor energy and water consumption across this Council's property portfolio. Their design services group will also undertake a detailed survey of each of the main buildings and identify specific opportunities for plant efficiency improvements.
- 3.10 The Budget Framework for 2008/09 has been prepared to take into account the above financial issues and pressures and to reflect the Council's key priorities set out in the Corporate and Transition Plans. The key changes can be summarised as follows:-

All Portfolios

Revenue Budgets

- 3.11 The budget has been prepared on an outturn basis which means that the Contingency sum has been eliminated. If during the year unforeseen issues arise they will have to be met from efficiency savings within the relevant Portfolio area to avoid Balances having to be used.
- 3.12 It is expected that the Budgetary Control reports now being considered by Cabinet on a regular basis may identify whether any savings in any Portfolio area could be used to meet any urgent additional unexpected demands on the Council's resources.
- 3.13 The provision for savings arising from staff turnover has been increased to reflect the current position.
- 3.14 This will be the last budget round for this Council to determine before local government in County Durham is re-organised from April 2009. The budget has been prepared on the basis of business as usual but with growth in service provision restricted to essential areas only and where these would not be to the detriment of the new authority arrangements.
- 3.15 Although several other requests have been made to enhance service provision they have been excluded from the budget framework as the shortage of funds do not permit their inclusion. However, it is proposed that subject to funds becoming available during the year the excluded items may be allowed to commence but on a prioritised and considered basis and subject to Cabinet approval.
- 3.16 The annual efficiency targets set by central government are no longer required from 2008/09 resulting in no formal requirement to identify and report cashable and non-cashable savings. They have been replaced with a single efficiency indicator full details of which are still being clarified. The 2008/09 budget framework has been prepared on the basis of identifying efficiencies during the initial preparation of spending forecasts in order that a workable but affordable budget is prepared. The government's revenue support grant settlement assumes cash releasing efficiency savings of 3% will be achieved.
- 3.17 It will be noted that efficiency savings amounting to £169,840 have been identified within the Healthy Borough with Strong Communities portfolio budgets and have helped to offset the £927,760 unavoidable growth in these General Fund services.
- 3.18 In addition to the features set out above, the detailed budgets have been prepared on the following basis: -
- 4.5% anticipated savings from staff turnover.
 - Increase in fees and charges of 3% on average.
 - Allowances for inflation have been restricted to the following areas of spending:-
 - *Salaries and wages*
 - *Business rates*
 - *Utilities costs i.e. gas, water, electricity and telephones*
 - *Other unavoidable costs which are of a contractual nature*

- 3.19 Details of the Council's overall General Fund Revenue Budget, are attached at Appendix 1. An explanatory note is attached at Appendix 2 that provides a definition of the various terms used in the budget documents. The detailed budgets in respect of the services within the Healthy Borough with Strong Communities Portfolio's are also attached at Appendices 3 to 7.

Healthy Borough with Strong Communities Revenue Budgets

Culture & Leisure

- 3.20 In accordance with the MTFP this portfolio has, in the main only been provided with an inflationary increase.
- 3.21 There has been no growth allowed within the budget provision to enhance service provision any further. However during 2007/08 significant works have been carried out at **Newton Aycliffe Leisure Centre** to upgrade the Lifestyle fitness suite in conjunction with Competition Line, this has allowed a review of operating arrangements to be made and some efficiency savings have therefore been factored into the budgets. This redevelopment should generate additional income to the Council. Similar developments are planned for **Spennymoor Leisure Centre** during 2008/09
- 3.22 The Council will continue to work with and **support voluntary organisations** throughout the Borough whose work reflects the aim of getting more people physically active

Community Health

- 3.23 Whilst this budget area is relatively small compared with the other Portfolio's it contributes specifically to **the Pioneering Care Partnership** and **Carelink Club** both of which provide a range of services to some of the most vulnerable people in our Borough
- 3.24 The budget also provides for the **SHARP project** providing a first point of contact for vulnerable households requiring crisis intervention.

Safer Communities

- 3.25 The Council recognises the importance of contributing to our **community's safety** through a range of direct service provision and by acting in partnership with other organisations through the Community Safety Partnership. During 2007 the service was subject to a major service review and the 2008/09 budget will enable the Council to sustain current service levels and to make improvements based on the outcomes of the review.
- 3.26 External grant funding from a variety of sources is integral to the services this portfolio provides. The 2008/09 budget assumes that neighbourhood renewals funding finishes and grant through the Local Area Agreement for Safer Stronger Communities Funds are maintained at existing levels. The LAA Board has not yet determined grant allocations for 2008/09 and service provision may need to be reviewed if lower than expected allocations are announced.

Private Sector Housing

- 3.27 The renaissance of our priority areas of Dean Bank, Ferryhill Station & Chilton West was subject to a **Master Plan** approved by Cabinet in July 2006. Work on Phase 1 is well underway with significant numbers of the effected properties being repurchased and a substantial provision has been made within the 2008/09 Capital Programme to reflect this.

Revenue Services Summary

- 3.28 Careful planning of the budget means that the commitment made in the MTFP to restrict council tax increases to 3.0% can be delivered in 2008/09. The investment in Council services will add only £5.58 per year or 11p per week to the Band D Tax. The cost to the Band A taxpayer will be £3.72 per year or 7p per week.

4.0 Capital Programme

- 4.1 The Council's capital programme budget is funded from a combination of government grants such as the Major Repairs Allowance for Decent Homes expenditure and SHIP grant for private sector housing renewal, use of capital receipts from the sale of land and property and the use of revenue contributions from the HRA and Council balances. The Council currently has significant capital receipts available from housing land sales and these are available to fund major regeneration and affordable housing initiatives. The realisation of other receipts is required to fund the full proposed capital programme and these are still in the latter stages of completion.
- 4.2 The Medium Term Financial Plan and the Transition Plan has allowed for a Capital Programme of £20m to be maintained in 2008/09, subject to resources being available. The larger elements of this were outlined in the Transition Plan and are shown in the table below, and a contingency sum of £2.5m has provisionally been identified to meet other Corporate Projects such as the funding of planned maintenance of public buildings in accordance with asset management plans, LIP funding and the replacement of obsolete ICT equipment. These schemes will be assessed and prioritised when funding becomes available and Cabinet approval will be sought at a future meeting subject to the availability of resources.
- 4.3 Grant funding from various sources may assist some Capital schemes and, where this is the case, the grant will be fully additional to the resources available from the Council.

PROPOSED CAPITAL TARGET SPENDING LIMITS

	<u>£000</u>
Housing Revenue Account	7,700
Transition Projects	
Regeneration Trust – Housing Market Renewal	6,000
Construction and Skills Centre	2,500
Redevelopment of Spennymoor Town Centre [Arts Resource Centre]	1,300
Other Corporate Projects	2,500
Total Programme	<u><u>20,000</u></u>

PROGRAMME FUNDED BY: -

	Housing	General	Total
	<u>£000</u>	<u>Fund</u> <u>£000</u>	<u>£000</u>
Major Repairs Allowance	5,540	-	5,540
Private Sector Renewal*	-	1,250	1,250
Revenue Contributions from HRA	1,700	-	1,700
Use of Revenue Reserves	-	300	300
Capital Receipts	460	950	1,410
Capital Receipts earmarked for regeneration	-	9,800	9,800
	7,700	12,300	20,000

*Not confirmed yet**

5.0 HOUSING REVENUE ACCOUNT

5.1 The funding of the Council's Housing Revenue Account (HRA) is very much driven by the Government. The Housing Subsidy System provides the resources for the funding of Council Housing throughout the country, via the annual Housing Subsidy Settlement. The Government via its Rent Restructuring methodology also controls the Council's annual rent increases. The Housing Subsidy and Rent Restructuring System have undergone major methodology changes over recent years and this has had a significant impact on the Council's HRA.

Housing Subsidy

- 5.2 The Government was extremely late in issuing the 2008/09 Subsidy Determinations and the consultation period does not finish until the 9th January 2008 with a final announcement promised by the 14th January 2008, so whilst allowances and allocations were as advised at the time of writing they may yet be subject to amendment. An update will be provided at the meeting. It is proposed that the rent constraint allowance introduced for 2006/07 and 2007/08 that compensated Councils for the 5% cap on rent increases is to be discontinued.
- 5.3 The 2008/09 Housing Subsidy settlement has left the Council's HRA relatively unchanged. Our spending allowances for Management and Maintenance have increased in excess of inflation by 5.65% [national average increase is 2.95%] and 11.99% [national average increase is 3.67%] respectively. These together with an increase in Guideline Rent Levels of 5.72% has meant that the net Subsidy payable to the Government for redistribution to other local housing authorities will be broadly similar to the current year and is expected to be around £3.27m in 2008/09.
- 5.4 As part of the management allowance a sum of £4 per property has been provided to cover Energy Performance Certificate production amounting to £34,588.
- 5.5 There has been a major shift in government policy towards rent convergence. In contrast with the previous two years' determinations, the Rent Constraint Allowance has been removed. To offset the effects of this, guideline rent increases are lower than expected in 2008/09 and modelled on the basis of rent convergence by 2016/17 **but for one year only and subject to future review**. The impact of these changes for 2008/09 is considered in some detail in the paragraphs 4.8 to 4.12 dealing specifically with the implications of Rent Restructuring.

- 5.6 The cap on rent increases above 5% has been removed for 2008/09 only, whilst the Government considers the future direction of the subsidy system.
- 5.7 The Council's Major Repairs Allowance, which is used to finance the Council Housing Capital Programme, has been increased by 11.45%, which gives a grant figure of £5.541M for 2008/09.

Rent Restructuring

- 5.8 As indicated earlier, the major changes in the methodology relating to rent restructuring implemented in 2006/07 will continue to have a significant impact on the Council's tenants in achieving full convergence with housing association rents by 2017. The Council's rents are currently significantly lower than housing association rents, and this can only mean significant rent increases for most tenants over the next few years.
- 5.9 Under the current methodology very few tenancies are expected to be at target once the rent changes have been applied in 2008/09. The vast majority of tenants face significant rent increases of inflation (currently 3.9%) + 0.5% + £2.00 per week per year for a number of years to come.
- 5.10 As stated in paragraph 4.5 the extension of rent convergence for guideline and limit rents to 2017 is for "one year only". This gives the Council some options for actual rent increases in 2008/09, as the Government has not been prescriptive about what they expect Council's to do.
- 5.11 Whilst the Government has introduced a transitional year on the basis of rent convergence by 2017 as mentioned above, it makes sense for the Council to continue with its present policy of ensuring convergence by 2012 until the Government's position is clarified.
- 5.12 This means in practice that individual rents will rise by slightly more than the previous 5% cap under the formula "inflation +0.5% (i.e.4.4%) +£2.00, the average rent increase is likely to be in the region of 5.6% which in cash terms will see rents increasing on average from £56.25 to £59.40 per week.

Communal Heating Charges-Grouped Accommodations

- 5.13 As Members are already aware, the Council has a responsibility to determine heating charges for tenants in grouped accommodations. The Council has had a very good record over recent years at being able to hold prices to the tenants, however significant increases in both gas and electricity prices meant that it was necessary to increase the charges from April 2006 for the first time in 9 years and increase them again with effect from 1st April 2007.
- 5.14 During 2007/08 the Council has continued to monitor the costs of both gas and electricity used in the communal heating schemes and whilst the account is still in deficit energy efficiency measures has seen the projected loss for 2008/09 fall to about £24,000. Although this is a lower than forecasted deficit it is expected that fuel prices will rise again and therefore a 9% increase will need to be applied in 2008/09.

- 5.15 The increase will not fully recover the total deficit if inflation is as expected but close monitoring of usage and price will continue in making every effort to minimise the impact on the tenant
- 5.16 Current charges range between £2.89 for a one-person bed-sit to £13.81 for a two-bedroom bungalow. One change that was introduced last year was to split the charge to the tenants between a contribution to the heating of the communal facilities and the heating of their own property, this change has allowed those tenants in receipt of housing benefit to mitigate some of the increased charges.

Housing Partnering

- 5.17 The Council has recently taken the decision to appoint a strategic partner [Mears] to undertake construction works from February 2008 to January 2013. The value of the contract is estimated to be in the region of £85m and forecasted efficiency savings of around 3% are anticipated which will amount to approximately £2.5m over the period of the contract.
- 5.18 The delivery of an efficient service providing value for money to tenants was a key aspect of the decision to seek a strategic partner. It would help the Council achieve three star status, address issues around a diminishing workload base for staff and meet the challenges the Council faces in meeting the Decent Homes target
- 5.19 As a direct consequence of entering into the strategic partnering arrangements with Mears significant revenue savings have been made in relation to the costs of employing those staff that have TUPE transferred.
- 5.20 It is too early to determine how these savings can be utilised, as there are still a number of financial arrangements to be concluded [i.e. Impact on the pension fund in respect of those employees who opted for early retirement rather than transfer to the new company in accordance with Council policy].
- 5.21 The financial impact of new Housing Health and Safety Ratings (the new fitness standard) and other changes in Government legislation including the energy performance certification scheme, expected new asbestos regulations and the recently introduced Construction Design and Management (CDM) Regulations 2007 are also still unclear at this time.

HRA Working Balance

- 5.22 The current estimates show that it may be possible to transfer in the region of £1.28m to HRA Working Balances. This is considered to be a prudent approach as there are a number of significant issues that remain outstanding including the implementation of Partnering, LSVT preparation and the finalisation of equal pay issues. It is also worth noting that paragraph 4.2 confirms that the Government has still not yet announced the final settlements in respect of Housing Subsidy determinations for 2008/09 and the uncertain financial impact of the new Housing Health and Safety Ratings as shown in paragraph 4.19 above.

- 5.23 Once all issues have been determined the opportunity should arise to increase the current levels of resources set aside for maintenance and capital works whilst at the same time maintaining a working balance in line with the current Medium Term Financial plan.

Large Scale Voluntary Transfer of the Housing Stock [LSVT]

- 5.24 Cabinet considered a report on the 11th October 2007 recommending that it would be prudent to revisit the strategic options to consider how the future investment needs of the Council's housing stock could be met whilst ensuring its ongoing effective management.
- 5.25 Council subsequently considered the recommendations on the 26th October 2007 and determined that the preferred option for the future ownership and management of the Council's housing stock was to seek the LSVT to a stand alone Registered Social Landlord. The delivery of a successful LSVT requires a significant financial commitment to provide for expert consultant services, staffing resources and other costs in the pre and post ballot phases. The sum of £411,000 has been allocated to cover the costs of the pre ballot process. In the event of a successful transfer these costs and any further post ballot costs will be recovered as set up costs from the Capital Receipt, however if the ballot is unsuccessful then the HRA will only meet those costs associated with consultation that are estimated at £247,000, the General Fund having to meet the balance, and these will be met from revenue reserves.

6.0 FINANCIAL IMPLICATIONS

- 6.1 As the purpose of this report is to seek Overview and Scrutiny's comments on the Budget proposals for these Portfolio services, there are no financial implications to be considered at this stage.

7.0 CONSULTATION

- 7.1 The Council's three Overview and Scrutiny Committees will be consulted as part of the overall Budget process.
- 7.2 The Tenants Housing Services Group and residents Federations will be fully consulted on all aspects relating to the Housing Revenue Account.

8.0 OTHER MATERIAL CONSIDERATIONS

8.1 Links to Corporate Objectives/Values

The timetable has been established to ensure that all appropriate actions are undertaken during the process of determining the 2008/09 budget in that the Council is:

- *Consulting the appropriate representatives of service users, customers and partners;*
- *Being responsible with and accountable for public finances.*
- *Being open, accessible, equitable, fair and responsive to the public.*

8.2 Risk Management

If the budget timetable, which includes this opportunity for the Overview and Scrutiny Committees to consider and review the budget framework is not met, the Council could suffer an adverse cash flow in not being able to collect Council Tax from Council Taxpayers from the beginning of the financial year on the 1st April 2008. This timetable has therefore been devised to ensure that the appropriate statutory deadline to determine the level of Council Tax can be achieved.

The Budget Framework 2009 has been prepared on a medium risk basis. Account has been taken of some of the significant capital receipts that are expected to materialise during 2008/9 that would lead to additional investment income. Account has also been taken of the loss of external funding streams where appropriate.

The Housing service has been fully reassessed and a three year service improvement plan is now in place. There will need to be a concentrated effort in achieving the Decent Homes Standard by 2010 and this has been addressed in the capital programme budget.

The capital investment provisions set out in this report have been made in the light of known resources and a realistic assessment of capital receipts. As the revenue impact of all programmes has been fully counted for, a low risk approach has been taken.

8.3 Health and Safety

No additional implications have been identified.

8.4 Equality and Diversity

No Equality and Diversity implications have been identified as the purpose of this report is to identify the timetable for the budget process.

8.5 Legal and Constitutional

The appropriate Legal and Constitutional implications have been taken into account in determining the Budget timetable

8.6 No other 'Material Considerations' have been identified.

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Background Papers: The Constitution – Part 4 Section C – Budget and Policy Framework Procedure Rules.

Budget Framework 2008/09 – report to Cabinet 10.01.2008

Appendices

Appendix 1 General Fund Revenue Budget Summary

Appendix 2 Explanatory Notes

Appendix 3 Culture and Leisure Revenue Budgets 2008/09

Appendix 4 Community Health Revenue Budgets 2008/09

Appendix 5 Safer Communities Revenue Budgets 2008/09

Appendix 6 Housing General Fund Revenue Budgets 2008/09

Appendix 7 Housing Revenue Account Budgets 2008/09

Examination by Statutory Officers:

	Yes	Not Applicable
1. The report has been examined by the Council's Head of the Paid Service or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Council's S.151 Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Management Team has approved the report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<u>Budget</u> <u>2007/08</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/09</u> £
GENERAL FUND SUMMARY					
1,864,610	Strategic Leadership	453,310	-	(633,640)	1,684,280
	Healthy Borough				
3,839,790	Leisure & Culture	332,260	-	(148,780)	4,023,270
141,460	Community Health	23,620	-	(2,980)	162,100
	Attractive Borough				
5,629,880	Environment	297,000	-	(135,430)	5,791,450
494,240	Planning & Development	60,890	51,000	(59,610)	546,520
	Strong Communities				
601,450	Housing - General Fund Functions	175,900	-	(8,850)	768,500
829,150	Safer Communities	395,980	-	(9,230)	1,215,900
	Prosperous Borough				
2,036,550	Social Regeneration & Partnership	109,310	-	(244,020)	1,901,840
207,790	Learning & Employment	160,180	-	(106,830)	261,140
58,140	Contingency & Efficiency Savings	-	-	(93,140)	(35,000)
(385,000)	Salary Saving @ 4.5% [General Fund Share]	(95,000)	-	-	(480,000)
15,318,060	Budget Requirement	1,913,450	51,000	(1,442,510)	15,840,000
700,000	Less Use of Balances	-	-	90,000	790,000
14,618,060	Net Budget Requirement	1,913,450	51,000	(1,532,510)	15,050,000
(9,601,288)	Revenue Support Grant	-	-	(190,065)	(9,791,353)
(150,000)	Collection Fund Surplus	-	-	(7,000)	(157,000)
4,866,772	Net Council Tax Demand	1,913,450	51,000	(1,729,575)	5,101,647

4,866,772

Council Tax Demand

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2007/2008 Budgets - Explanatory Notes

The budget for each service is compiled under standard headings for various types of expenditure. The main items included in each standard heading are as follows:

Employees

Salaries and wages, National Insurance and pensions.
Other staff costs such as training.
Employee insurances.

Premises

Repairs and maintenance of buildings, fixed plant and land.
Energy costs.
Rents, Rates and water charges.
Fixtures and fittings.
Insurance.
Cleaning and domestic supplies.

Supplies and services

Equipment, Furniture and Materials.
Clothing, Uniforms and Laundry.
Printing, Stationary and General Office expenses.
Telephone charges.

Transport

Vehicle expenses.
Car Allowances.
Public Transport.

Agency and Third Party Payments

Use of contractors.
Use of consultants.

Financing Charges

Depreciation and notional interest charges for using fixed assets.

Central Support Costs

Reallocated costs of staff and associated overheads supporting the service.

Definition of Changes to Budget

Unavoidable Growth

Unavoidable growth covers essential budget growth that cannot be avoided. Such growth would include:-

- Inflation on salaries, utility costs, contracts for goods and services
- Inflationary increases in income eg fees and charges, rents etc
- Salary increments and pay awards
- Growth arising from new legislation
- Changes arising from the review of Central Support Service Charges
- Growth already committed to / approved by Management Team and Cabinet
- Revenue costs arising from an approved Capital Programme bid

Uncommitted Growth

This is any other budget growth, not already committed to as detailed above. All uncommitted growth is subject to the approval of an Uncommitted Budget Growth Bid.

Examples include:-

- Requests for additional staffing, changes to hours worked, overtime provision etc
- Requests for additional supplies and services budgets
- Service specific budget requests eg initiative budgets

It should be noted that any new income secured against any additional costs included as uncommitted budget growth, must also be shown as uncommitted growth to match the expenditure eg grant funded posts, initiatives etc

Efficiency Savings

This is where a service has made efficiency savings *or* reductions have been achieved on its budgets in the form of reduced expenditure or increased income.

Examples include:-

- Deleted posts or savings from restructured staffing budgets
- Reduced supplies and services budgets
- Procurement savings eg on the renegotiation of a contract
- Additional income from new business growth / increased volumes
- New grants and contributions attracted to subsidise existing budgets
- Revised central support recharge methodology increasing recharges to Housing Revenue Account and Capital Programme
- Increased salary savings targets
- Budget prepared on outturn basis and contingency sum therefore deleted

Budget 2007/08		Unavoidable Growth	Uncommitted Growth	Efficiency Savings	Budget 2008/09
£		£	£	£	£
CULTURE & RECREATION SUMMARY					
255,200	Shildon Leisure Centre	41,820	-	(54,990)	242,030
638,480	Spennymoor Leisure Centre	65,320	-	(24,540)	679,260
543,690	Newton Aycliffe Leisure Centre	41,820	-	(27,750)	557,760
329,890	Ferryhill Leisure Centre	18,250	-	(8,600)	339,540
(44,540)	Leisure Centre Bars and Catering	(6,100)	-	(320)	(50,960)
14,810	Fishburn Swimming Pool	4,640	-	(60)	19,390
247,700	Locomotion : NRM at Shildon	35,040	-	(25,740)	257,000
10,000	Sports Development	-	-	-	10,000
73,000	Promotion and Advertising	(10,900)	-	-	62,100
7,700	GP Referrals	3,140	-	(40)	10,800
18,860	Arts Development	-	-	-	18,860
2,000	Mobile Skatepark	-	-	-	2,000
8,400	School Holiday Activities - Sports Camps	-	-	-	8,400
4,400	School Holiday Activities - Urban Mismash	130	-	-	4,530
13,870	Play Ranger	140	-	-	14,010
12,260	Community Coach	-	-	-	12,260
23,770	Playground Equipment	9,380	-	(50)	33,100
9,720	Ferryhill E Café	170	-	(20)	9,870
10,000	Special Projects	-	-	-	10,000
765,260	Leisure Services Staffing	53,090	-	(4,080)	814,270
211,020	Central Support Services Recharges	35,820	-	(2,590)	244,250
684,300	Asset Charges	40,500	-	-	724,800
3,839,790	Net Expenditure	332,260	-	(148,780)	4,023,270

Budget 2007/08		Unavoidable Growth	Uncommitted Growth	Efficiency Savings	Budget 2008/09
£		£	£	£	£
SHILDON LEISURE CENTRE					
253,200	Employees	19,510	-	(50,540)	222,170
116,690	Premises	17,950	-	(2,440)	132,200
32,880	Supplies and Services	-	-	(600)	32,280
760	Transport	-	-	-	760
5,010	Agency Costs	-	-	-	5,010
408,540	Total Expenditure	37,460	-	(53,580)	392,420
(73,000)	Grants and Contributions	-	-	-	(73,000)
(132,270)	Fees and Charges	(840)	-	-	(133,110)
(205,270)	Total Income	(840)	-	-	(206,110)
203,270	Net Expenditure Before Recharges	36,620	-	(53,580)	186,310
51,930	Expenditure Recharges	5,200	-	(1,410)	55,720
255,200	Net Expenditure After Recharges	41,820	-	(54,990)	242,030

SPENNYMOOR LEISURE CENTRE					
738,970	Employees	54,280	-	(1,510)	791,740
327,370	Premises	4,580	-	(23,030)	308,920
43,430	Supplies and Services	(1,270)	-	-	42,160
5,050	Transport	-	-	-	5,050
9,100	Agency Costs	-	-	-	9,100
1,123,920	Total Expenditure	57,590	-	(24,540)	1,156,970
(556,100)	Fees and Charges	1,150	-	-	(554,950)
(556,100)	Total Income	1,150	-	-	(554,950)
567,820	Net Expenditure Before Recharges	58,740	-	(24,540)	602,020
70,660	Expenditure Recharges	6,580	-	-	77,240
638,480	Net Expenditure After Recharges	65,320	-	(24,540)	679,260

NEWTON AYCLIFFE LEISURE CENTRE					
656,260	Employees	42,470	-	(1,430)	697,300
333,270	Premises	15,600	-	(26,320)	322,550
53,910	Supplies and Services	(430)	-	-	53,480
2,240	Transport	-	-	-	2,240
7,600	Agency Costs	-	-	-	7,600
1,053,280	Total Expenditure	57,640	-	(27,750)	1,083,170
(506,500)	Fees and Charges	(16,950)	-	-	(523,450)
(13,500)	Rents	-	-	-	(13,500)
(520,000)	Total Income	(16,950)	-	-	(536,950)
533,280	Net Expenditure Before Recharges	40,690	-	(27,750)	546,220
68,010	Expenditure Recharges	2,930	-	-	70,940
(57,600)	Income Recharges	(1,800)	-	-	(59,400)
543,690	Net Expenditure After Recharges	41,820	-	(27,750)	557,760

Budget 2007/08 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/09 £
FERRYHILL LEISURE CENTRE					
303,840	Employees	17,060	-	(2,310)	318,590
136,420	Premises	2,580	-	(4,440)	134,560
35,010	Supplies and Services	3,440	-	(550)	37,900
1,040	Transport	-	-	-	1,040
5,300	Agency Costs	-	-	-	5,300
481,610	Total Expenditure	23,080	-	(7,300)	497,390
(158,940)	Fees and Charges	(3,560)	-	-	(162,500)
(28,300)	Grants & Contributions	-	-	-	(28,300)
(5,000)	Rents	-	-	-	(5,000)
(192,240)	Total Income	(3,560)	-	-	(195,800)
289,370	Net Expenditure Before Recharges	19,520	-	(7,300)	301,590
40,520	Expenditure Recharges	(1,270)	-	(1,300)	37,950
329,890	Net Expenditure After Recharges	18,250	-	(8,600)	339,540

LEISURE CENTRE BARS & CATERING					
96,760	Employees	2,000	-	(320)	98,440
189,370	Supplies and Services	2,820	-	-	192,190
6,100	Transport Costs	-	-	-	6,100
4,270	Agency Costs	-	-	-	4,270
296,500	Total Expenditure	4,820	-	(320)	301,000
(341,500)	Sales	(11,000)	-	-	(352,500)
(341,500)	Total Income	(11,000)	-	-	(352,500)
(45,000)	Net Expenditure Before Recharges	(6,180)	-	(320)	(51,500)
460	Expenditure Recharges	80	-	-	540
(44,540)	Net Expenditure After Recharges	(6,100)	-	(320)	(50,960)

FISHBURN SWIMMING POOL					
26,990	Employees	-	-	(60)	26,930
13,350	Premises Costs	4,610	-	-	17,960
1,200	Supplies and Services	-	-	-	1,200
41,540	Total Expenditure	4,610	-	(60)	46,090
(26,900)	Fees and Charges	-	-	-	(26,900)
(26,900)	Total Income	-	-	-	(26,900)
14,640	Net Expenditure Before Recharges	4,610	-	(60)	19,190
170	Expenditure Recharges	30	-	-	200
14,810	Net Expenditure After Recharges	4,640	-	(60)	19,390

Budget 2007/08 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/09 £
LOCOMOTION : NRM AT SHILDON					
327,990	Employees	28,780	-	(8,230)	348,540
187,300	Premises	4,130	-	(7,260)	184,170
72,380	Supplies and Services	-	-	-	72,380
12,700	Transport	-	-	-	12,700
3,000	Agency	-	-	-	3,000
603,370	Total Expenditure	32,910	-	(15,490)	620,790
(306,700)	Grants and Contributions			(6,600)	(313,300)
(33,000)	Sales (net)			(3,000)	(36,000)
(32,690)	Other Income			(650)	(33,340)
(372,390)	Total Income	-	-	(10,250)	(382,640)
230,980	Net Expenditure Before Recharges	32,910	-	(25,740)	238,150
16,720	Expenditure Recharges	2,130			18,850
247,700	Net Expenditure After Recharges	35,040	-	(25,740)	257,000

SPORTS DEVELOPMENT					
10,000	Supplies and Services	-	-	-	10,000
10,000	Net Expenditure	-	-	-	10,000

PROMOTION & ADVERTISING					
75,000	Supplies and Services	(4,900)			70,100
75,000	Total Expenditure	(4,900)	-	-	70,100
(2,000)	Grants and Contributions	(6,000)	-	-	(8,000)
(2,000)	Total Income	(6,000)	-	-	(8,000)
73,000	Net Expenditure	(10,900)	-	-	62,100

Budget 2007/08 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/09 £
	G.P. REFERRALS				
72,080	Employees	3,460	-	(40)	75,500
13,200	Supplies and Services	-	-	-	13,200
2,010	Transport	-	-	-	2,010
87,290	Total Expenditure	3,460	-	(40)	90,710
(73,000)	Grants and Contributions	14,600			(58,400)
(7,040)	Fees and Charges	(15,000)			(22,040)
(80,040)	Total Income	(400)	-	-	(80,440)
7,250	Net Expenditure Before Recharges	3,060	-	(40)	10,270
450	Expenditure Recharges	80			530
7,700	Net Expenditure After Recharges	3,140	-	(40)	10,800

ARTS DEVELOPMENT					
37,860	Supplies and Services				37,860
37,860	Total Expenditure	-	-	-	37,860
(19,000)	Grants and Contributions	-	-	-	(19,000)
(19,000)	Total Income	-	-	-	(19,000)
18,860	Net Expenditure	-	-	-	18,860

GRANT INITIATIVES					
22,890	Employees	(12,330)		-	10,560
15,000	Supplies and Services	(12,000)		-	3,000
37,890	Total Expenditure	(24,330)	-	-	13,560
(38,000)	Grants and Contributions	24,310		-	(13,690)
(38,000)	Total Income	24,310	-	-	(13,690)
(110)	Net Expenditure Before Recharges	(20)	-	-	(130)
110	Expenditure Recharges	20	-	-	130
-	Net Expenditure After Recharges	-	-	-	-

Budget 2007/08 £		<u>Unavoidable Growth</u> £	<u>Uncommitted Growth</u> £	<u>Efficiency Savings</u> £	Budget 2008/09 £
	MOBILE SKATEPARK				
1,240	Supplies and Services	-	-	-	1,240
760	Transport	-	-	-	760
2,000	Total Expenditure Before Recharges	-	-	-	2,000
-	Expenditure Recharges	-	-	-	-
2,000	Net Expenditure After Recharges	-	-	-	2,000

SCHOOL HOLIDAY ACTIVITIES - SPORTS CAMPS					
7,840	Employees	-		-	7,840
560	Supplies and Services	-		-	560
8,400	Net Expenditure After Recharges	-	-	-	8,400

SCHOOL HOLIDAY ACTIVITIES - URBAN MISMASH					
2,100	Employees	-	-	-	2,100
1,600	Supplies and Services	-	-	-	1,600
700	Transport	-		-	700
4,400	Net Expenditure Before Recharges	-	-	-	4,400
-	Expenditure Recharges	130		-	130
4,400	Net Expenditure After Recharges	130	-	-	4,530

Budget 2007/08 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/09 £
	PLAY RANGER				
12,710	Employees	-		-	12,710
700	Supplies and Services	-	-	-	700
400	Transport	-		-	400
13,810	Net Expenditure Before Recharges	-	-	-	13,810
60	Expenditure Recharges	140		-	200
13,870	Net Expenditure After Recharges	140	-	-	14,010

	COMMUNITY COACH				
10,310	Employees	-		-	10,310
1,900	Transport	-		-	1,900
12,210	Total Expenditure Before Recharges	-	-	-	12,210
50	Expenditure Recharges	-		-	50
12,260	Net Expenditure After Recharges	-	-	-	12,260

	PLAYGROUND EQUIPMENT				
31,260	Employees	1,760	-	(50)	32,970
300	Supplies and Services	-	-	-	300
8,200	Transport	-	-	-	8,200
8,000	Central Support Services	-	-	-	8,000
47,760	Total Expenditure	1,760	-	(50)	49,470
(24,100)	Fees and Charges	7,600	-	-	(16,500)
(24,100)	Total Income	7,600	-	-	(16,500)
23,660	Net Expenditure Before Recharges	9,360	-	(50)	32,970
110	Expenditure Recharges	20	-	-	130
23,770	Net Expenditure After Recharges	9,380	-	(50)	33,100

Budget 2007/08 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/09 £
	FERRYHILL E CAFÉ				
11,560	Employees	160	-	(20)	11,700
200	Supplies and Services				200
11,760	Total Expenditure	160	-	(20)	11,900
-	Grants and Contributions				-
(2,100)	Recharges to Ferryhill Town Council				(2,100)
(2,100)	Total Income	-	-	-	(2,100)
9,660	Net Expenditure Before Recharges	160	-	(20)	9,800
60	Expenditure Recharges	10			70
9,720	Net Expenditure After Recharges	170	-	(20)	9,870

SPECIAL PROJECTS					
10,000	Supplies and Services	-	-	-	10,000
10,000	Net Expenditure	-	-	-	10,000

GREEN LANE CANTEEN OPERATIONS					
68,170	Employees	1,920	-	(4,260)	65,830
35,210	Supplies and Services	-	3,750	-	38,960
103,380	Total Expenditure	1,920	3,750	(4,260)	104,790
(55,000)	Sales	-	-	-	(55,000)
(12,500)	Recharges	-	-	-	(12,500)
(67,500)	Total Income	-	-	-	(67,500)
35,880	Net Expenditure Before Recharges	1,920	3,750	(4,260)	37,290
410	Expenditure Recharges	60	-	-	470
(36,290)	Income Recharges	(1,980)	(3,750)	4,260	(37,760)
-	Net Expenditure After Recharges	-	-	-	-

LEISURE SERVICES STAFFING					
675,300	Employees	68,080	-	(660)	742,720
9,690	Supplies and Services	240	-	(1,800)	8,130
25,480	Transport	3,010	-	(1,620)	26,870
3,100	Agency Costs	-	-	-	3,100
713,570	Total Expenditure Before Recharges	71,330	-	(4,080)	780,820
-	Recharges to Other Accounts	(6,500)	-	-	(6,500)
-	Grants and Contributions	(13,130)	-	-	(13,130)
-	Total Income	(19,630)	-	-	(19,630)
713,570	Net Expenditure	51,700	-	(4,080)	761,190
51,690	Expenditure Recharges	1,390	-	-	53,080
765,260	Net Expenditure After Recharges	53,090	-	(4,080)	814,270

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<u>Budget</u> <u>2007/2008</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/2009</u> £
COMMUNITY HEALTH SUMMARY					
2,600	Luncheon Clubs	-	-	(300)	2,300
46,000	Contribution to Pioneering Care Partnership	1,400	-	-	47,400
6,000	Financial Assistance	-	-	-	6,000
3,000	Your Health Roadshow	-	-	-	3,000
76,970	Carelink Club	1,770	-	(2,680)	76,060
6,000	SHARP Project - Cleves Cross Grange	-	-	-	6,000
890	Corporate Support Service Recharges	50	-	-	940
-	Asset Charges	20,400	-	-	20,400
141,460		23,620	-	(2,980)	162,100

Budget 2007/2008 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/2009 £
Cost Centre 19032 LUNCHEON CLUBS					
2,600	Supply & Services	-		(300)	2,300

Cost Centre 19002 CONTRIBUTION TO PCP					
46,000	Supply & Services	1,400	-	-	47,400

Cost Centre 19022 FINANCIAL ASSISTANCE					
6,000	Supply & Services	-	-	-	6,000

Cost Centre 19023 YOUR HEALTH ROADSHOW					
3,000	Supply & Services	-	-	-	3,000

Cost Centre 19035 CARELINK CLUB					
46,010	Employee	1,360	-	(100)	47,270
7,750	Supply & Services	-	-	-	7,750
39,000	Transport	-	-	-	39,000
92,760	Total Expenditure	1,360	-	(100)	94,020
(17,000)	Charges for Facilities	-	-	(2,580)	(19,580)
(17,000)	Total Income	-	-	(2,580)	(19,580)
75,760	Net Expenditure before Recharges	1,360	-	(2,680)	74,440
1,210	Expenditure Recharges	410	-	-	1,620
76,970	Net Expenditure after Recharges	1,770	-	(2,680)	76,060

Cost Centre 13061 SHARP PROJECT - CLEVES CROSS GRANGE					
17,700	Premises	-	-	-	17,700
(11,700)	Recharge to PCT	-	-	-	(11,700)
6,000	Net Expenditure	-	-	-	6,000

Cost Centre 19999 Corporate Support Charges					
890	Expenditure Recharges	50	-	-	940

<u>Budget</u> <u>2007/2008</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/2009</u> £
	SAFER COMMUNITIES SUMMARY				
151,500	Safer Communities Management	75,050	-	(3,800)	222,750
411,050	Neighbourhood Wardens	101,270	-	(400)	511,920
227,150	CCTV Control Room	158,530	-	(4,960)	380,720
-	Domestic Violence	62,260	-	(70)	62,190
20,650	Corporate Support Service Recharges	(2,330)	-	-	18,320
18,800	Safer Communities Asset Charges	1,200	-	-	20,000
829,150		395,980	-	(9,230)	1,215,900

<u>Budget</u> 2007/2008 £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> 2008/2009 £
SAFER COMMUNITIES MANAGEMENT					
191,200	Employees	44,750	-	(3,800)	232,150
14,100	Supplies and Services	-	-	-	14,100
28,750	Contribution to Emergency Planning Unit	-	-	-	28,750
5,650	Transport	700	-	-	6,350
239,700	Total Expenditure	45,450		(3,800)	281,350
(104,800)	Grants and Contributions	25,900	-	-	(78,900)
(104,800)	Total Income	25,900		-	(78,900)
134,900	Net Expenditure Before Recharges	71,350	-	(3,800)	202,450
21,600	Expenditure Recharges	3,700	-	-	25,300
(5,000)	Income Recharges	-	-	-	(5,000)
151,500	Net Expenditure After Recharges	75,050	-	(3,800)	222,750

NEIGHBOURHOOD WARDENS					
502,250	Employees	61,530	-	(400)	563,380
1,350	Premises	-	-	-	1,350
34,500	Supplies and Services	-	-	-	34,500
27,750	Transport	750	-	-	28,500
565,850	Total Expenditure	62,280		(400)	627,730
(107,000)	Fees and Charges	26,700	-	-	(80,300)
(64,700)	Recharge to HRA and Housing Capital	-	-	-	(64,700)
(171,700)	Total Income	26,700		-	(145,000)
394,150	Net Expenditure Before Recharges	88,980	-	(400)	482,730
16,900	Expenditure Recharges	12,290	-	-	29,190
-	Income Recharges	-	-	-	-
411,050	Net Expenditure After Recharges	101,270	-	(400)	511,920

<u>Budget</u> 2007/2008 £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> 2008/2009 £
	CCTV CONTROL ROOM				
312,950	Employees	62,200	-	(4,960)	370,190
58,000	Premises	8,600	-	-	66,600
84,050	Supplies and Services	6,050	-	-	90,100
100	Transport	1,500	-	-	1,600
455,100	Total Expenditure	78,350	-	(4,960)	528,490
(140,400)	CCTV Recharges	17,930	-	-	(122,470)
(16,000)	Recharge to CCTV Capital Programme	16,000	-	-	-
(156,400)	Total Income	33,930	-	-	(122,470)
298,700	Net Expenditure Before Recharges	112,280	-	(4,960)	406,020
15,750	Expenditure Recharges	47,550	-	-	63,300
(87,300)	Income Recharges	(1,300)	-	-	(88,600)
227,150	Net Expenditure After Recharges	158,530	-	(4,960)	380,720

	DOMESTIC VIOLENCE				
63,100	Employees	3,920	-	(70)	66,950
7,900	Premises	-	-	-	7,900
12,000	Supplies and Services	-	-	-	12,000
1,000	Transport	1,600	-	-	2,600
84,000	Total Expenditure	5,520	-	(70)	89,450
(94,450)	Grants and Contributions	53,480	-	-	(40,970)
(94,450)	Total Income	53,480	-	-	(40,970)
(10,450)	Net Expenditure Before Recharges	59,000	-	(70)	48,480
10,450	Expenditure Recharges	3,260	-	-	13,710
-	Income Recharges	-	-	-	-
-	Net Expenditure After Recharges	62,260	-	(70)	62,190

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<u>Budget</u> <u>2007/08</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/09</u> £
	HOUSING GENERAL FUND SUMMARY				
657,700	Neighbourhood Services Department	(9,120)	-	(6,750)	641,830
(62,700)	Non HRA Garages	220	-	(2,100)	(64,580)
(9,650)	Homelessness & Domestic Violence Units	(9,000)	-	-	(18,650)
-	- Neighbourhood Management - Shildon	-	-	-	-
-	- Private Housing Regeneration Team	-	-	-	-
(5,500)	Selective Licensing Team	5,500	-	-	-
16,000	Durham Housing Partnership	-	-	-	16,000
5,600	Corporate Support Service Recharges	7,100	-	-	12,700
-	- Asset Charges	181,200	-	-	181,200
601,450		175,900	-	(8,850)	768,500

<u>Budget</u> <u>2007/08</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/09</u> £
NEIGHBOURHOOD SERVICES SUMMARY					
636,200	Employee Costs	48,810	-	(620)	684,390
15,850	Supply & Services	280	-	(2,200)	13,930
29,600	Transport Costs	1,100	-	-	30,700
83,350	Agency Costs	2,000	-	(4,060)	81,290
765,000	Total Expenditure	52,190	-	(6,880)	810,310
Income:					
(13,400)	Grants and Contributions	500	-	-	(12,900)
(139,300)	Fees and Charges	(6,630)	-	100	(145,830)
(152,700)	Total Income	(6,130)	-	100	(158,730)
612,300	Net Expenditure Before Recharges	46,060	-	(6,780)	651,580
50,400	Expenditure Recharges	320	-	-	50,720
(5,000)	Income Recharges	(55,500)	-	30	(60,470)
657,700	Net Expenditure After Recharges	(9,120)	-	(6,750)	641,830

GARAGES - NON HOUSING AREAS					
5,800	Expenditure: Premises Costs	220	-	-	6,020
(68,500)	Income: Rents	-	-	(2,100)	(70,600)
(62,700)	Net Expenditure	220	-	(2,100)	(64,580)

HOMELESSNESS AND DOMESTIC VIOLENCE UNITS					
68,850	Premises Costs	4,500	-	-	73,350
5,000	Supply & Services	500	-	-	5,500
21,000	Agency Costs	-	-	-	21,000
94,850	Total Expenditure	5,000	-	-	99,850
Income:					
(27,000)	Grants	(13,000)	-	-	(40,000)
(1,500)	Fees and Charges	-	-	-	(1,500)
(76,000)	Rents	(1,000)	-	-	(77,000)
(104,500)	Total Income	(14,000)	-	-	(118,500)
(9,650)	Net Expenditure	(9,000)	-	-	(18,650)

<u>Budget</u> <u>2007/08</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/09</u> £
	NEIGHBOURHOOD MANAGEMENT				
	- Employee Costs	42,900	-	-	42,900
	- Premises Costs	10,000	-	-	10,000
	- Total Expenditure before recharges	52,900	-	-	52,900
	Income				
	- Recharge to Capital Programme	(52,900)	-	-	(52,900)
	- Total Income	(52,900)	-	-	(52,900)
	- Net Expenditure After Recharges	-	-	-	-

	PRIVATE HOUSING REGENERATION INITIATIVES				
147,450	Employee Costs	6,620	-	(240)	153,830
-	Premises Costs	5,000	-	-	5,000
3,000	Supply & Services	2,850	-	-	5,850
3,850	Transport Costs	-	-	-	3,850
154,300	Total Expenditure	14,470	-	(240)	168,530
	Income:				
(166,300)	Recharge to Capital Programme	(9,540)	-	240	(175,600)
(166,300)	Total Income	(9,540)	-	240	(175,600)
(12,000)	Net Expenditure Before Recharges	4,930	-	-	(7,070)
12,000	Expenditure Recharges	(4,930)	-	-	7,070
-	Net Expenditure After Recharges	-	-	-	-

<u>Budget</u> <u>2007/08</u> £		<u>Unavoidable</u> <u>Growth</u> £	<u>Uncommitted</u> <u>Growth</u> £	<u>Efficiency</u> <u>Savings</u> £	<u>Budget</u> <u>2008/09</u> £
	SELECTIVE LICENSING TEAM				
44,850	Employee Costs	3,000	-	(30)	47,820
1,200	Supply & Services	-	8,000	-	9,200
1,000	Transport Costs	-	-	-	1,000
47,050	Total Expenditure	3,000	8,000	(30)	58,020
	Income:				
(61,150)	Fees and Charges	3,160	(8,000)	30	(65,960)
(61,150)	Total Income	3,160	(8,000)	30	(65,960)
(14,100)	Net Expenditure Before Recharges	6,160	-	-	(7,940)
8,600	Expenditure Recharges	(660)	-	-	7,940
(5,500)	Net Expenditure After Recharges	5,500	-	-	-

	DURHAM HOUSING PARTNERSHIP				
2,000	Employee Costs	-	-	-	2,000
117,500	Supply & Services	-	-	-	117,500
5,000	Transport Costs	-	-	-	5,000
86,300	Agency Costs	-	-	-	86,300
210,800	Total Expenditure	-	-	-	210,800
	Income:				
(120,800)	Grants	-	-	-	(120,800)
(74,000)	Fees and Charges	-	-	-	(74,000)
(194,800)	Total Income	-	-	-	(194,800)
16,000	Net Expenditure	-	-	-	16,000

<u>Budget 2007/2008</u> £		<u>Unavoidable Growth</u> £	<u>Uncommitted Growth</u> £	<u>Efficiency Savings</u> £	<u>Budget 2008/2009</u> £
	HOUSING REVENUE ACCOUNT SUMMARY				
	<u>INCOME</u>				
22,564,400	Dwellings Rents (Net of Void Losses)	1,041,880	-	-	23,606,280
914,800	Non Dwelling Rents (Garages and Shops)	(1,260)	-	-	913,540
16,400	Housing Defects Subsidy	(16,400)	-	-	-
4,879,000	Grants and Contributions / Charges for Services	162,320	-	-	5,041,320
96,000	Interest Receivable	31,400	-	-	127,400
28,470,600		1,217,940	-	-	29,688,540
	<u>EXPENDITURE</u>				
7,910,000	Housing Management - General	(893,140)	48,500	(44,940)	7,020,420
3,300,800	Housing Management - Special	163,800	86,850	-	3,551,450
100,000	Service Improvement Initiatives	(30,000)	-	-	70,000
6,188,350	Repairs and Maintenance	3,550	-	-	6,191,900
5,934,900	HRA Capital Financing Charges	435,380	-	-	6,370,280
60,000	HRA Contingency Sum	-	-	-	60,000
100,000	Provision for Bad Debts	-	-	-	100,000
1,636,900	Revenue Contribution to HRA Capital Programme	63,100	-	-	1,700,000
3,339,650	Government Subsidies Payable to Government	(67,050)	-	-	3,272,600
-	Transfer to HRA Working Balance	1,281,890	-	-	1,281,890
28,570,600		957,530	135,350	(44,940)	29,618,540
100,000	Use of HRA Balances [Service Improvement Initiatives]	(260,410)	135,350	(44,940)	(70,000)

<u>Budget 2007/2008</u> £		<u>Unavoidable Growth</u> £	<u>Uncommitted Growth</u> £	<u>Efficiency Savings</u> £	<u>Budget 2008/2009</u> £
REPAIRS AND MAINTENANCE					
2,047,550	Jobbing Maintenance	59,650	-	-	2,107,200
168,500	Emergency Call Out	4,900	-	-	173,400
200,000	Priority E Repairs Backlog	5,800	-	-	205,800
900,000	Voids	26,200	-	-	926,200
400,000	Repainting	11,600	-	-	411,600
405,650	Central Heating Servicing	11,850	-	-	417,500
460,000	Disabled Persons Works	13,400	-	-	473,400
30,000	Shops Maintenance	900	-	-	30,900
238,000	Other Maintenance Works	6,900	-	-	244,900
31,000	Helping Hands	900	-	-	31,900
31,000	Rapid Response	900	-	-	31,900
12,000	Void Security	300	-	-	12,300
55,000	Other Housing Related Assets	1,600	-	-	56,600
4,978,700	Total Direct Expenses	144,900	-	-	5,123,600
1,180,500	Service Support Costs	(119,200)	-	-	1,061,300
7,000	Freephone Number for Repairs	-	-	-	7,000
22,150	Emergency Call Out Recharges	(22,150)	-	-	-
6,188,350	Total Expenditure	3,550	-	-	6,191,900
(80,000)	LESS : Income Fees and Charges	60,000	-	-	(20,000)
6,108,350	Net Expenditure	63,550	-	-	6,171,900

Budget 2007/2008 £		Unavoidable Growth £	Uncommitted Growth £	Efficiency Savings £	Budget 2008/2009 £
SUPERVISION & MANAGEMENT GENERAL (SUMMARY)					
2,326,750	Housing Management	106,250	-	(16,440)	2,416,560
631,400	Housing Business Development	(32,650)	-	(15,000)	583,750
3,007,800	Housing Property Services	(820,120)	48,500	-	2,236,180
2,079,050	Central Support Services	(146,620)	-	(13,500)	1,918,930
(135,000)	2.5% Salary Savings	-	-	-	(135,000)
7,910,000	Total Expenditure	(893,140)	48,500	(44,940)	7,020,420
3,029,900	LESS : Income	(208,940)	-	-	2,820,960
4,880,100	Net Expenditure	(684,200)	48,500	(44,940)	4,199,460

SUPERVISION & MANAGEMENT SPECIAL (SUMMARY)					
1,350,250	Carelink Warden Services	628,770	82,850	-	2,061,870
1,023,200	Carelink - Alarm Monitoring & Response	(310,180)	2,000	-	715,020
427,750	Carelink Management	(144,720)	2,000	-	285,030
219,500	Borough Heating Schemes	(60,200)	-	-	159,300
17,350	Janitors and Cleaners	1,180	-	-	18,530
18,750	Lighting : Communal Areas	(8,750)	-	-	10,000
203,500	Grounds Maintenance Recharge	-	-	-	203,500
64,700	Neighbourhood Wardens Recharge	-	-	-	64,700
(50,000)	2.5% Salary Savings	50,000	-	-	-
25,800	Service Support Costs	7,700	-	-	33,500
3,300,800	Total Expenditure	163,800	86,850	-	3,551,450
1,622,300	LESS : Income Supporting People - Alarm Monitoring & Response	418,160	-	-	2,040,460
9,800	Carelink Warden Services	-	-	-	9,800
136,200	Borough Heating Schemes	13,100	-	-	149,300
800	Janitors and Cleaners	-	-	-	800
1,769,100	Total Income	431,260	-	-	2,200,360
1,531,700	Net Expenditure	(267,460)	86,850	-	1,351,090

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