



Gosport Borough Council

Budget Book

2016/17



GOSPORT
Borough Council

GOSPORT BOROUGH COUNCIL

BUDGET 2016/17

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The Budget Book sets out the Council's plans and priorities for financial investment in service delivery for the coming year and facilitates the setting of the levels of Fees & Charges, Rents and Council Tax necessary to fund the services after taking account of Government Grants.

The costs of running the different departments at the Town Hall are detailed in the Administration Accounts (cream pages). These costs are then recharged to the various services provided by each of the Council's Boards (salmon, lilac & grey pages) in order to reflect the amount of staff and accommodation resources used to provide each service.

The Board service budgets are detailed on the right hand pages of the salmon, lilac & grey pages with supplementary information on the left hand pages. (The first page of each of these pages shows a summary of the service costs).

A summary of the total requirements for the General Fund (affecting Council Tax levels) is shown on white paper. The exception is the Council's statutory Housing Revenue Account (salmon pages 14 & 15) which is primarily financed from Council House rents.

The service budgets show the running (revenue) costs of services, including financing charges associated with the Council's plans for investment in assets (capital costs) used to provide benefit over more than 1 year. These investment plans are detailed in the multi-year Capital Programme (green pages).

The following introductory report (yellow pages) provides a commentary on the Council's financial situation as it affects the budget requirements and includes consideration of what level of reserves are advisable to cope with foreseeable risks.

Further information regarding the Council's spending plans and commitments for future years can be found in the Medium Term Financial Strategy on the Council's website.

COUNCIL BUDGET 2016/17 FOREWORD

1.0 INTRODUCTION

- 1.1 The Budget Book sets out the projected costs of Council services in 2016/17 including the Capital Programme, as approved by Council.
- 1.2 An analysis of the administration budgets of Service Units is also included in the Budget Book by way of supplementary information.

2.0 BUSINESS RATE RETENTION

- 2.1 The 2013/14 Local Government Finance Settlement brought the most radical changes to the financing of Local Government for over 30 years.
- 2.2 The primary change was in relation to Business Rate income. Under the previous system business rates were collected by Councils on behalf of the government and paid into a central Treasury pot. This was then redistributed back to local authorities using a complex needs based formula. The Government considered that this did not provide an incentive for Councils to increase the business base in their area as no extra reward would be received by the Council as a result of such growth.
- 2.3 As a result of the above concerns Business Rate Retention was introduced from 1 April 2013 which enables Councils to retain a proportion of any business rates collected above a target level. The current system is complex and in the first instance a baseline funding level (funding that is assumed to be provided through the business rates retention scheme) is calculated. This is determined by the Government as part of the Council's Settlement Funding Assessment, the other element of which is the funding provided through the Revenue Support Grant.
- 2.4 The business rates collected are initially apportioned between Central Government and the billing authorities with the Government currently retaining 50%.
- 2.5 The Billing Authority business rate baseline (the Government's estimate of the business rates collectable in the Borough after deducting the Central Government share of 50%) has been split in two tier areas between the billing authorities and the major precepting authorities on the basis of 80% to the billing authorities (i.e. GBC) with the remaining 20% to the precepting authorities. The resulting individual authority business rate baselines are then either reduced or increased by applying a tariff or top-up respectively so they equal the baseline funding level.
- 2.6 In order to prevent any authority either gaining or losing excessively under the new arrangements the Government have included a levy arrangement whereby some authorities will be required to pay a levy if they collect more than their Individual Authority Business Rate Baseline. Levy rates are individually set for each Council using a formula with this Council's levy rate being 0.50. Therefore for every pound collected above the Individual Authority Baseline Funding Level 50 pence will be payable to the Government.
- 2.7 The proceeds from the Levy are then used to fund a safety net to provide support to Councils whose business rate receipts fall by more than 7.5% below their baseline funding level.
- 2.8 The current funding arrangements do therefore represent a significant transfer of risk (both positive and negative) from Central Government to Local Government. There are potential benefits under the current system but the arrangements whereby Councils bear a

substantial proportion (40% in the case of this Council) of the cost of any future successful rating appeals and rate reliefs results in a real possibility that the Council could be more than 7.5% below baseline funding and therefore would trigger a safety net payment.

- 2.9 While the new business rates system has been generally welcomed, it has also been subject to ongoing regulatory changes and clarifications that have 'fine-tuned' it to meet the government's national objectives and to clarify administrative and operational procedures.
- 2.10 It is a feature of the system that the tariffs, top ups, safety nets, levies and grant reliefs for national budget initiatives have resulted in complex funding streams and timings that blur transparency and inter-year comparisons.
- 2.11 The business rate listings, which are central to the new system, are managed by the local Billing Authorities who have no direct control over some of the key elements – i.e. the various reliefs and appeals; this is further detailed in section 3 to this report.
- 2.12 As detailed in paragraph 3.2 the Business Rate Retention system is currently under review by Central Government with significant changes to the system anticipated by the end of the Parliament. In particular the Government has stated that local government will retain 100% of business rate revenues by that date.

3.0 LOCAL GOVERNMENT FINANCE SETTLEMENT 2016/17

- 3.1 The Government published the provisional Local Government Finance Settlement 2016/17 in December 2015 and as widely predicted it highlights significant reductions in Central Government financial support to Councils over the term of the Parliament. The speed of the phasing out of Revenue Support Grant under the proposals is quicker than had been anticipated in the Council's Medium Term Financial Strategy with the last year that the grant will be received being 2018/19 rather than 2019/20.
- 3.2 The Settlement reaffirms the Government's intention to allow Councils to retain 100% of Business Rate revenues by the end of the Parliament although it should be noted that it is planned that this will be cash neutral to the Exchequer. This will be achieved by the phasing out of a number of Central Government grants paid for specific services in addition to the transfer of additional responsibilities to Councils. The transfer of the responsibility for funding the administration of Housing Benefit for pensioners and an increased role for Councils to support older people with care needs are two such areas currently under consideration.
- 3.3 The impact on individual Councils of these proposals is impossible to predict at this stage and will be determined by the mechanism for allocating resources under the new arrangements. The Government has publicised an intention to review the 'needs element' of the mechanism and this will be instrumental in determining the impact of the new arrangements on each council.
- 3.4 The proposals include a number of measures to support those Councils with responsibility for adult social care including an increase of 2% in the flexibility on their current council tax referendum limit and transfer of resource from the New Homes Bonus Scheme (NHB).
- 3.5 The New homes Bonus scheme is the subject of an ongoing consultation and whilst funding for the scheme has been maintained for 2016/17 this is likely to be substantially reduced in 2017/18. Measures under consideration include reducing the payments from 6 years to 4 years which could (particularly if applying to existing payments) impact adversely on current revenue budget projections. It is important to note that this Council's NHB receipt forms a key component of the base budget.

- 3.6 The Settlement gives indicative levels of support for each Council for the four year period from 2016/17 to 2019/20. The Government will offer those Councils who wish to take it a four year funding settlement to 2019/20. The Settlement consultation stated *'this would provide funding certainty and stability to enable a more proactive planning of service delivery and support strategic collaboration with local partners, Councils should also use their multiyear settlements to strengthen financial management and efficiency, including by maximising value in arrangements with suppliers and making strategic use of reserves in the interests of residents'*.

4.0 THE LOCAL FINANCIAL SITUATION

- 4.1 The headline figures for this Council in relation to the final grant settlements for 2013/14, 2014/15, 2015/16 and 2016/17 are as follows:-

	2013/14	2014/15	2015/16	2016/17
	£,000	£,000	£,000	£,000
Revenue Support Grant	3,289	2,557	1,824	1,176
Baseline Funding Level*	<u>2,188</u>	<u>2,231</u>	<u>2,274</u>	<u>2,292</u>
Start Up Funding Assessment	5,477	4,788	4,098	3,466

* Funded from Business Rate receipts

- 4.2 The above table highlights the very significant reduction (approximately £2M) in Central Government funding between 2013/14 and 2016/17.
- 4.3 In addition to the funding through the Start Up Funding Assessment the Council has received New Homes Bonus which is payable as a result of net growth in the Council Tax Base. A total sum of £985,453 is payable to the Council in 2016/17 including £227,053 in respect of 2012/13, £271,309 for 2013/14, £165,757 for 2014/15, £131,920 for 2015/16 and £189,414 for 2016/17. Each phase of New Homes Bonus was originally deemed payable for 6 years although the current consultation on reforms to the New Homes Bonus Scheme suggests that this may be changed both in respect of new and existing tranches.
- 4.4 The Baseline Funding Level now assumes that the Council will collect business rates receipts at target level. The revised estimate 2015/16 is that actual receipts (after Tariff and the levy payable) will be £3,344,030 (including direct grant for additional rate relief granted). This has increased from the original estimate of £3,172,930 and is £1,070,505 above the target level of £2,273,525 and £1,241,120 above the safety net threshold of £2,103,010.
- 4.5 The estimate of Business Rate Receipts 2016/17 (in accordance with the NNDR1 return to Central Government) is £2,708,450 (including direct grant for additional rate relief granted and the levy payable) which is £415,979 above the target level of £2,292,471 and £587,915 above the safety net threshold of £2,120,535. Whilst this reflects the best estimate on the information currently available significant risk remains that final income received will vary significantly and could even fall to that guaranteed by the safety net.
- 4.6 It must be stressed that the estimation of business rate receipts under the current grant system is extremely complex with many of the factors outside this Council's control. This is particularly true in the case of a business rate appeals and claims for rate relief (including Mandatory) whereby any granted will be funded 50% by Central Government, 40% by this Council and 10% by the other precepting authorities. The Valuation Office Agency will both determine whether a rating appeal is successful and the level of reduction granted with the Council having no right of challenge.
- 4.7 A Stability and Resilience Reserve was established in order to help mitigate against the risks outlined above. This reserve helps safeguard against the significant increase in risk and volatility arising from the introduction of Business Rate Retention Scheme and Council

Tax Support Scheme together with the uncertainties in future levels of Central Government support. The budget provides for a contribution to the reserve of £1,047,390 for 2015/16 with the reserve estimated to be £1,338,830 by 31 March 2016 which will greatly assist the Council by giving it more time to adjust to the reductions in funding anticipated in the next four years.

- 4.8 Council Tax Freeze Grant has been offered by Central Government since 2011/12 as a reward to those Council's not increasing their element of the council tax in a given year. The Settlement for 2016/17 does not include any provision for the payment of Council Tax Freeze Grant and the Government's calculation of the change in Council's spending power assumes an increase in Council Tax.
- 4.9 The Settlement for 2016/17 has resulted in a further significant decrease (approximately £632,000) in the level of Central Government support (Revenue Support Grant and Business Rate Income) that this Council is estimated to receive. As part of the Final Settlement for 2016/17 the Government announced a new transition grant to be paid to help Council's adjust to the significant reduction in Revenue Support Grant over the next two years. As a result this Council will receive transition grant of £24,258 in 2016/17 and £24,168 in 2017/18. To achieve a balanced budget a transfer of £142,250 from the Revenue Financing Reserve has been assumed although further efficiency reviews will be undertaken in 2016/17 which should enable this transfer to be reduced.

5.0 BUDGET RISK ASSESSMENT

- 5.1 Conclusions about the adequacy of the Council's budget are based on a risk assessment (Appendix 1).
- 5.2 The financial arrangements that were introduced from 1 April 2013 resulted in a major shift in risk from Central to Local Government. The system of Business Rate Retention whilst providing a possibility of reward when Business Rate Receipts exceed the Baseline Funding Level also results in significant risk of a reduction in funding received by this Council. Whilst some of this risk is associated with the Council's performance on rate collection and the development of the Business base within the Borough other major risk factors are out of this Council's control. Examples of such factors include rating appeals, claims for mandatory relief and indeed the financial health of the Country as a whole. The legislative and accounting arrangements relating to the scheme produce significant additional complexity and risk with any given year's income potentially being significantly affected by previous years. Since the introduction of the scheme further complexities have been introduced as a result of the changes in business rate reliefs. The Stability and Resilience Reserve helps mitigate against this risk.
- 5.3 The current ongoing review of the business rates system with a move to 100% retention of business rates by Local Authorities by the end of the Parliament is an area of great uncertainty when trying to forecast future funding levels, The Government has expressed the intention for any changes to remain cost neutral to the Exchequer with the additional income retained being offset by existing grant foregone and additional responsibilities and services being transferred to Councils. As part of the move to the new system the Government has expressed the intention to conduct a fundamental review of the needs element of the system which could lead to significant redistribution of the grant and business rate income retained by each Council.
- 5.4 A further area of additional risk being borne by this Council results from the Council Tax Support Scheme which replaced Council Tax Rebates which were totally funded by Central Government. The Government transferred the responsibility for providing a locally determined Council Tax Support Scheme to Local Government while reducing the funding from Central Government to approximately 90% of the cost of the previous Council Tax Rebate Scheme. From 2013/14 the grant funding for this scheme has been included within

the overall grant settlement and whilst some allowance may be made this Council will bear a substantial proportion of the risk associated with the cost of the scheme in particular arising from any significant increase in take up.

- 5.5 As detailed in paragraph 3.3 the Council is estimated to receive a total New Homes Bonus of £985,453 in 2016/17 which is fully utilised to support the Council's Revenue Budget. The government is currently consulting on options for changes to the New Homes Bonus including the possibility of reducing the number of years in which current and future payments are made. Any changes arising from this consultation will take effect from 2017/18 so that the New homes Bonus payable for 2016/17 is not under threat, however any significant reduction in New Homes Bonus payable in the future will impact adversely on the budget projection for 2017/18-2020/21 (Appendix 2).
- 5.6 It can be seen from the considerable risks and uncertainties identified it is essential that a prudent approach is taken to budgeting and the level of reserves.

6.0 RESERVES

- 6.1 General Fund provisions available for general use comprise a Working Balance and the Revenue Financing Reserve (RFR). The Working Balance enables the Council to meet unexpected demands on its resources such as increased inflation or demand for statutory services and provides a cushion against uneven cash flows. RFR is used to ensure that fluctuations in annual maintenance requirements can be met, to underwrite uninsured risks and for funding spend-to-save revenue and capital initiatives.
- 6.2 As detailed in paragraph 4.7 a new reserve, the Stability and Resilience Reserve was established in 2014/15 to help safeguard against the significant increase in risk and volatility arising from the introduction of Business Rate Retention Scheme and Council Tax Support Scheme together with the uncertainties in future levels of Central Government support.
- 6.3 As a result of savings achieved in the actual expenditure compared to the budget in 2014/15 (partly the result of savings arising from revenue budget carry forwards of £174,880) a higher contribution to RFR of £598,450 rather than the original estimate of £25,610 was possible. As a result the RFR carry forward into 2015/16 totalled £2,665,460 The original budget 2015/16 included a contribution of £150,000 to be applied from the fund to support regeneration projects within the Borough in accordance with the RFR's objective to support spend to save revenue and capital initiatives. The revenue carry forwards have been largely offset by savings in the revised budget resulting in only £14,120 additional contribution above the £150,000 original estimate being required i.e. £164,120.
- 6.4 The original budget 2015/16 includes provision for a contribution to the Stability and Resilience Reserve of £876,290. As a result of current estimates relating to business rate income this has been increased to £1,047,390 in the revised budget. As stated previously in this report future Business Rate income is open to great variation and uncertainty with many of the factors such as the number and success of appeals and Central Government Reform are outside this Council's control. The Stability and Resilience Reserve is seen as essential to helping this Council mitigate against the risk and uncertainties arising from the business rate retention system.
- 6.5 As detailed in paragraph 4 the grant settlement for 2016/17 is substantially lower than 2015/16 with further significant reductions being indicated for future years which have been incorporated into the projected general fund for the years 2017/18 to 2020/21 (appendix 2).
- 6.6 In view of the challenges that the Council is likely to face in the next 4 years and the additional risks identified it is seen as essential that reserve levels are maintained at as high a level as possible. These funds will not only cover against such risks but also help provide

essential invest to save funding to enable the Council to fully utilise the opportunities for efficiencies in the future.

7.0 THE APPROVED BUDGET

7.1 REVENUE

- 7.1.1 The revised 2015/16 budget totals £10,466,250 and represents an increase of £171,100 (1.7%) on the original budget of £10,295,150. The draft budget book contains a list of variations that have arisen between the Council's original spending plans for the current year and the latest estimate of expenditure and income.
- 7.1.2 The total net budget for 2016/17 is £9,345,640 and represents a decrease of £949,510 (9.2%) on the original budget for the current year.
- 7.1.3 The budget totals detailed above are reported after allowing for contributions to and from balances and reserves in each year. The revised total net expenditure (before transfers) of £9,582,980 represents an increase of £14,120 on the original budget but after taking into account the revenue expenditure brought forwards totalling £174,880 a saving of £160,760 has been achieved.

7.2 CAPITAL

- 7.2.1 The Council's Capital Programme for the 4 years to 2018/19 amounts to over £23M primarily funded from the Major Repairs Reserve, HRA revenue contributions and borrowing as approved by Policy and Organisation Board on 23rd September 2015.
- 7.2.2 There is a direct impact on revenue budgets arising from the capital programme and, where expenditure is not supported by Government grant, the resulting financing cost is included within the budget. The amount of discretionary capital expenditure in the capital programme continues to be strictly controlled as the Council should only borrow to fund new capital investment if it can be demonstrated that the revenue consequences are affordable in line with the prudential code

7.3 COUNCIL TAX

- 7.3.1 It is currently Council policy to restrict Council Tax increases for its own requirements to no more than 2.5% although 'The Referendums Relating to Council Tax Increases (Principles) (England) Report 2016/17 limits the council tax increase for District Councils to £5 for a Band D property (equivalent to an increase of 2.47% for this Council) without a referendum being required.
- 7.3.2 The budget of £9,345,640 for 2016/17 will result in a 2.47% increase in Gosport's share of the Council Tax. The Band D Council Tax will therefore increase to £207.81 for 2016/17. The £5 p.a. increase on the current level of £202.81 for a Band D property equates to just under 8 pence per week.

7.4 COUNCIL TAX BASE

- 7.4.1 The projected Council tax Base for 2016/17 is shown below:-

Calculation of adjusted tax base:

Adjusted Tax Base (before Losses to Collection)	26,329.40
Less Losses on collection	<u>-383.50</u>
Adjusted Tax Base	<u>25,945.90</u>

8.0 BEYOND 2016/17

8.1 A 4-year projection of revenue commitments (Appendix 2) indicates significant pressures on budgets between 2017/18 and 2020/21.

8.2 Savings required are currently projected as follows:-

Year	Estimated Savings Required (Year on Year)
2017/18	£666,000
2018/19	£481,000
2019/20	£385,000
2020/21	£47,000 cr

8.3 It is currently Council policy to restrict Council Tax increases for its own requirements to no more than 2.5% although as stated in paragraph 7.3.1 each year the Government set the limit to the council tax increase without a referendum being required.

8.4 The current ongoing Central Government reviews of New Homes Bonus payments and the Business Rate Retention Scheme make this a particularly challenging time to forecast the Council's finances over the medium term so that the position outlined in the four year projection may be subject to major variation.

9.0 CONCLUSION

9.1 The 2016/17 budget of £9,345,640 is balanced and will result in a 2.47% increase in the level of Council Tax required for the Borough Council's purposes. The outlook for 2017/18 and beyond is that significant reductions in Exchequer Support will be forthcoming so it is essential that further reviews of services are undertaken and efficiencies and new sources of income are identified. The Council's Budget Strategy for 2017/18 will further address this when it is considered during autumn 2016.

BUDGET RISK ASSESSMENT (GENERAL FUND)

Budget Area	Risk	Budget £'000	Likelihood	Revenue Impact	Comment
Business Rate Retention Scheme/ Government Grants	Uncertainty regarding Collection Rates/Appeals/Mandatory Relief Grant Data//Policy change	-6,359	H	H	Considerable uncertainty regarding the impact of outstanding appeals will have on future NNDR income. Both positive and negative risk. Negative risk partly mitigated by 'Safety Net'/Prudent Budgeting. Increased risk due to current Government Review.
Council Tax Support Scheme	Increased costs due to take up etc.	4,200	H	M	Any increased costs relating to take up of the scheme are likely to be at least partly borne by this Council. The Government support for the scheme is no longer separately identified and is now included within the overall grant settlement.
Capital Programme	Failure to raise necessary financing (capital receipts 2015-19)	-1,615	H	M	Economic climate may not facilitate the raising of the new capital receipts required in future years
Housing Benefits	Overpayment rates &/or demand increase, grant formula change.	30,480	H	H	Major uncertainty still exists regarding the timing relating to the introduction of Universal Credit and the impact of future changes to the benefit system.
Homelessness	Additional demand.	2,554	H	M	
General Income	Shortfall due to unpredicted demand changes.	2,487	H	H	
Maintenance	Unforeseen urgent works.	732	M	M	Essential expenditure has been provided for.
Interest Rates	Interest rates are higher than forecast	353	M	H	The economic climate remains highly volatile making the prediction of future interest rate levels subject to uncertainty.
Government Grants (including New Homes Bonus)	Future levels of Revenue support grant and New Homes Bonus Payments.	2,160	H	H	Increase uncertainty regarding the level of New homes Bonus as a result of the current review.
Regional Growth Fund	Central Government Grant Clawback	>£3M	L	H	Risk likelihood considered low due to controls and procedures in place

NOTES

- 1 Assessment takes account of past trends and budget monitoring.
- 2 Likelihood: High = most years, Medium = Occasional, Low = rare.
3. Impact: High = over £100,000; Medium = £50 – 100,000; Low = less than £50,000

APPENDIX 2

PROJECTED GENERAL FUND FOR THE YEARS TO 2020/21 (at current prices)				
(£'000)				
	2017/18	2018/19	2019/20	2020/21
A 2016/17 Base Budget	9,345	9,345	9,345	9,345
B Budget Increases				
Crematorium (income down)	25	25	25	25
Pensions ERS	43	46	51	24
Inflation (inc pay award)	120	240	360	480
MRP	41	54	20	(30)
Transfer from Reserves	142	142	142	142
New Homes Bonus income	(63)	101	309	412
Apprenticeships Levy	20	20	20	20
	328	628	927	1,073
C Less Budget Decreases				
Elections	(55)	0	(55)	0
Transition Grant		24	24	24
	(55)	24	(31)	24
D PROJECTED BUDGET TOTALS (A+B+C)	9,618	9,997	10,241	10,442
E FUNDING				
Revenue Support Grant / Tariff Reduction	(612)	(264)	124	124
Collection Fund (Surplus) / Deficit - Council Tax	0	0	0	0
Business Rates income	(2,802)	(2,902)	(3,002)	(3,102)
	(3,414)	(3,166)	(2,878)	(2,978)
F GBC COUNCIL TAX LEVY (D-F)	(6,204)	(6,831)	(7,363)	(7,464)
G COUNCIL TAX BASE	26,020.9	26,095.9	26,170.9	26,245.9
H ESTIMATED COUNCIL TAX INCOME	(5,538)	(5,684)	(5,831)	(5,979)
I SAVINGS REQUIRED	666	1,147	1,532	1,485

GENERAL FUND BUDGET

Summary 2015/2016 Revised, Estimate 2016/2017

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
GENERAL FUND BUDGET			
COMMUNITY BOARD	5,661,830	5,666,540	5,500,140
ECONOMIC DEVELOPMENT BOARD	879,880	867,260	752,630
POLICY AND ORGANISATION BOARD	3,027,150	3,049,180	3,235,120
Total Net Expenditure	9,568,860	9,582,980	9,487,890
Transfer to/(from) Balances & Reserves			
General Fund Working Balance	-	-	-
Revenue Financing Reserve	(150,000)	(164,120)	(142,250)
Stability and Resilience Reserve	876,290	1,047,390	-
BUDGET TOTAL	10,295,150	10,466,250	9,345,640
FINANCED BY			
Council Tax	(5,297,610)	(5,297,610)	(5,461,300)
Revenue Support Grant	(1,824,610)	(1,824,610)	(1,175,890)
Business Rates Retention	(3,172,930)	(3,344,030)	(2,708,450)
	(10,295,150)	(10,466,250)	(9,345,640)
BALANCES			
General Fund Working Balance			
B/Fwd	890,000	890,000	890,000
Change	-	-	-
C/Fwd	890,000	890,000	890,000
Revenue Financing Reserve (RFR)			
B/Fwd	2,092,812	2,665,460	2,501,340
Change	(150,000)	(164,120)	(142,250)
C/Fwd	1,942,812	2,501,340	2,359,090
Stability and Resilience Reserve			
B/Fwd	291,440	291,440	1,338,830
Change	876,290	1,047,390	-
C/Fwd	1,167,730	1,338,830	1,338,830

SUMMARY OF REVENUE ESTIMATES 2016/2017

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £	Page
COMMUNITY BOARD				
Leisure & Culture	2,091,860	2,096,540	2,014,610	5
Waste	1,328,650	1,429,950	1,447,400	5
Streetscene	545,220	494,730	476,770	7
Community Safety	337,800	339,320	335,550	9
Environmental Services	422,710	457,110	441,490	9
Misc Environmental & Transportation	494,160	484,700	503,230	11
Cemetery	5,000	15,840	15,090	11
Home Adaptation Grants	8,040	7,580	7,220	13
Private Sector Housing	103,000	96,280	96,040	13
Homelessness	356,240	339,030	198,360	13
Other General Fund Housing	(30,850)	(94,540)	(35,620)	13
Board Total	5,661,830	5,666,540	5,500,140	
ECONOMIC DEVELOPMENT BOARD				
Economic Prosperity	358,670	345,980	228,740	19
Market	(48,970)	(50,910)	(51,880)	19
Town Harbour Foreshore	212,990	213,220	213,470	19
Events	73,350	76,140	68,030	19
Properties	118,090	104,760	118,110	21
Marketing and Tourism	145,750	143,070	141,160	21
Local Development Framework	20,000	35,000	35,000	21
Board Total	879,880	867,260	752,630	
POLICY AND ORGANISATION BOARD				
Registration of Electors	216,700	221,370	329,720	25
Local Land Charges	(18,260)	(57,300)	3,120	25
Housing Benefits	507,680	515,940	580,930	25
Local Taxation	248,150	300,050	291,650	27
Development Services	757,560	819,380	791,530	27
Licensing & Registration	30,770	30,430	21,670	29
Assistance to Voluntary Organisations	208,190	208,690	208,790	29
Corporate & Civic Expenses	1,124,290	1,138,430	1,205,990	31
Miscellaneous Services	136,320	117,470	(105,050)	33
Other Corporate Areas	(184,250)	(245,280)	(93,230)	33
Board Total	3,027,150	3,049,180	3,235,120	
GRAND TOTAL OF ALL BOARDS	9,568,860	9,582,980	9,487,890	

COMMUNITY BOARD

SUMMARY OF REVENUE ESTIMATES 2016/2017

SERVICE	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £	Page
Leisure & Culture	2,091,860	2,096,540	2,014,610	5
Waste	1,328,650	1,429,950	1,447,400	5
Streetscene	545,220	494,730	476,770	7
Community Safety	337,800	339,320	335,550	9
Environmental Services	422,710	457,110	441,490	9
Misc Environmental & Transportation	494,160	484,700	503,230	11
Cemetery	5,000	15,840	15,090	11
Home Adaptation Grants	8,040	7,580	7,220	13
Private Sector Housing	103,000	96,280	96,040	13
Homelessness	356,240	339,030	198,360	13
Other General Fund Housing	(30,850)	(94,540)	(35,620)	13
Board Total	<u>5,661,830</u>	<u>5,666,540</u>	<u>5,500,140</u>	

COMMUNITY BOARD

LEISURE & CULTURE

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Open Spaces	1,168,630	1,162,040	1,114,070
Outdoor Sports	288,890	296,970	273,660
Leisure Centre (see breakdown below)	298,480	279,380	258,980
Splash Park (see breakdown below)	106,790	115,200	118,730
Countryside Management	119,850	126,970	130,470
Museum	66,150	67,400	67,100
Allotments	43,070	48,580	51,600
Net Expenditure	2,091,860	2,096,540	2,014,610

Leisure Centre

The new Leisure Centre opened in December 2012, facilities include a 25m swimming pool, gym, eight five-a-side and one seven-a-side synthetic football pitches and two grass mini-pitches, along with a multi-purpose sports hall.

Running costs	14,980	15,380	15,380
Administration Recharges	4,400	4,900	4,500
Capital Finance (Depreciation)	299,100	299,100	299,100
Income from profit share	(20,000)	(40,000)	(60,000)
	298,480	279,380	258,980

Splash Park

Gosport Splash Park has been designed and provided by Gosport Borough Council as a free outside play facility with traditional all year round play equipment and water features which are open in the Summer only.

Running costs	40,090	37,960	40,590
Administration Recharges	9,700	8,900	9,800
Capital Finance (Depreciation)	57,000	68,340	68,340
	106,790	115,200	118,730

WASTE

The Council operates recycling collection centres for glass, paper, cans and textiles through a number sites across the Borough. A scheme for the kerbside collection of mixed dry recyclable materials is operated throughout the Borough.

A service is also provided for unwanted domestic items (for which a charge is made). All waste arising in the Borough that is not recycled is transported to the Energy Recovery Facility at Portsmouth.

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
LEISURE & CULTURE			
Employees	66,990	67,130	69,830
Premises	344,530	390,350	338,360
Transport	7,410	5,430	6,380
Supplies and Services	185,550	199,510	162,710
Third Party Payments	1,165,450	1,193,240	1,203,210
Administration Recharges	325,700	326,200	336,400
Capital Finance	411,800	416,080	416,080
	2,507,430	2,597,940	2,532,970
Income			
- Fees & Charges	(59,770)	(64,630)	(74,840)
- Rents, Lettings & Wayleaves	(255,730)	(300,250)	(300,250)
- Other	(100,070)	(136,520)	(143,270)
	(415,570)	(501,400)	(518,360)
NET EXPENDITURE	2,091,860	2,096,540	2,014,610
 WASTE			
Supplies and Services	67,870	67,920	66,050
Third Party Payments	1,337,140	1,353,100	1,364,830
Administration Recharges	196,100	225,100	231,300
Capital Finance	17,560	17,560	17,560
	1,618,670	1,663,680	1,679,740
Income	(290,020)	(233,730)	(232,340)
NET EXPENDITURE	1,328,650	1,429,950	1,447,400

COMMUNITY BOARD

STREETSCENE

CAR PARKS

There are currently 2,169 off-street and foreshore parking spaces provided within Gosport and Lee on the Solent, a further 157 spaces will be created in the Alver Valley in 2016.

OTHER

The Council has responsibility for enforcing legislation and local byelaws regarding dogs and abandoned vehicles

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Expenditure comprises			
Abandoned/Unwanted Vehicles	25,750	30,200	31,000
Dog Control	72,660	72,210	68,930
Public Conveniences	222,640	198,280	179,770
Street Cleansing	389,140	378,900	387,070
Flower Bed, Shrubbery & High Street Maintenance	348,800	348,840	351,530
Enforcement Services	88,320	60,520	60,720
	<u>1,147,310</u>	<u>1,088,950</u>	<u>1,079,020</u>
Income comprises			
Dog Control	(3,430)	(1,720)	(1,720)
Public Conveniences	(600)	(640)	(640)
Flower Bed, Shrubbery & High Street Maintenance	(131,400)	(132,300)	(132,300)
Enforcement of Fixed Penalties	(1,520)	(1,520)	(1,520)
	<u>(136,950)</u>	<u>(136,180)</u>	<u>(136,180)</u>
Net Expenditure	<u>1,010,360</u>	<u>952,770</u>	<u>942,840</u>

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
STREETSCENE			
CAR PARKS			
Premises	86,250	86,730	88,070
Supplies and Services	72,140	69,280	72,390
Third Party Payments	35,850	35,850	36,350
Administration Recharges	199,100	213,000	218,100
Capital Finance	9,680	30,340	12,310
	403,020	435,200	427,220
Income			
- Car Park Fees	(756,190)	(742,810)	(742,810)
- Car Park Permits	(55,670)	(76,990)	(76,990)
- Parking Fines	(55,300)	(72,490)	(72,490)
- Advertising	(1,000)	(950)	(1,000)
	(868,160)	(893,240)	(893,290)
NET INCOME	(465,140)	(458,040)	(466,070)
 OTHER			
Premises	131,080	139,500	122,510
Supplies and Services	17,060	14,290	13,940
Third Party Payments	544,900	549,270	551,380
Administration Recharges	333,800	293,200	298,500
Capital Finance	120,470	92,690	92,690
	1,147,310	1,088,950	1,079,020
Income	(136,950)	(136,180)	(136,180)
NET EXPENDITURE	1,010,360	952,770	942,840
NET EXPENDITURE	545,220	494,730	476,770

COMMUNITY BOARD

COMMUNITY SAFETY

The Community Safety Section works together with the Gosport Community Safety Partnership to co-ordinate the development and implementation of a Strategy to reduce crime and disorder across the Borough and develops innovative and effective initiatives in support of the strategy objectives.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
CCTV	218,670	217,030	212,950
Community Safety Priorities	3,650	3,450	3,510
Administration Recharges	201,100	209,100	206,410
Capital Finance	20,450	20,450	20,450
	443,870	450,030	443,320
CCTV Partner Contributions	(106,070)	(110,710)	(107,770)
Net Expenditure	337,800	339,320	335,550

ENVIRONMENTAL SERVICES

Environmental Health Services - Commercial

Food, Safety and Hygiene	118,270	127,000	120,300
Public Health	29,010	25,620	24,980
Health & Safety	62,190	68,510	65,230
Net Expenditure	209,470	221,130	210,510

Environmental Health Services - Pollution & Environment

Pollution Control	118,690	132,260	125,440
Rodent and Pest Control	74,700	80,620	76,240
Gypsy and Traveller Services	16,650	19,300	20,500
Health Initiatives	3,200	3,800	8,800
Net Expenditure	213,240	235,980	230,980

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
COMMUNITY SAFETY			
Premises	14,370	17,180	12,990
Transport	1,650	1,530	1,590
Supplies and Services	65,700	60,220	57,880
Third Party Payments	140,600	141,550	144,000
Administration Recharges	201,100	209,100	206,410
Capital Finance	20,450	20,450	20,450
	443,870	450,030	443,320
Income	(106,070)	(110,710)	(107,770)
NET EXPENDITURE	337,800	339,320	335,550
 ENVIRONMENTAL SERVICES			
Environmental Health Services - Commercial			
Supplies and Services	18,200	14,000	14,000
Third Party Payments	163,670	178,430	168,710
Administration Recharges	27,600	28,700	27,800
NET EXPENDITURE	209,470	221,130	210,510
 Environmental Health Services - Pollution & Environment			
Employees	400	-	-
Premises	2,100	-	2,100
Supplies and Services	3,150	3,800	8,800
Third Party Payments	171,920	190,470	180,170
Administration Recharges	44,200	48,300	46,500
	221,770	242,570	237,570
Income	(8,530)	(6,590)	(6,590)
NET EXPENDITURE	213,240	235,980	230,980
NET EXPENDITURE	422,710	457,110	441,490

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
MISC ENVIRONMENTAL & TRANSPORTATION			
Pontoons (Gosport Ferry & Hardway Walkashore)	(46,700)	(44,210)	(44,790)
Environmental Maintenance & Improvements	43,590	40,600	39,880
Street Name Plates - Maintenance	27,880	23,700	22,870
Christmas Entertainment, Decorations & Lighting	29,970	30,070	33,100
Forton Lake Bridge	26,110	23,900	27,000
Coastal Services	50,230	74,710	57,320
Coast Protection	252,800	229,240	255,350
Tenanted Buildings	36,450	43,030	43,950
Other Expenses inc Transport & Traffic Liaison	73,830	63,660	68,550
Net Expenditure	<u>494,160</u>	<u>484,700</u>	<u>503,230</u>

CEMETERY

Local Authorities are required to provide this service under the Local Government Act 1972, Section 214, Schedule 26, Part II. There is Ann's Hill Cemetery and a number of closed churchyards that are the responsibility of the Council together with the provision of a sympathetic and efficient burial service.

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
MISC ENVIRONMENTAL & TRANSPORTATION			
Premises	110,240	129,310	113,890
Supplies and Services	27,520	26,090	24,210
Third Party Payments	127,750	102,080	127,390
Administration Recharges	137,500	140,200	151,300
Capital Finance	180,440	178,210	178,210
	583,450	575,890	595,000
Income			
- Fees & Charges	(25,020)	(26,190)	(26,760)
- Rents	(60,000)	(60,000)	(60,000)
- Other	(4,270)	(5,000)	(5,010)
	(89,290)	(91,190)	(91,770)
NET EXPENDITURE	494,160	484,700	503,230
 CEMETERY			
Premises	14,650	17,490	15,670
Supplies and Services	4,140	5,060	3,960
Third Party Payments	126,220	133,090	134,660
Administration Recharges	73,900	70,200	70,800
	218,910	225,840	225,090
Income			
- Fees and Charges	(88,910)	(85,000)	(85,000)
- Portchester Crematorium Joint Board	(125,000)	(125,000)	(125,000)
	(213,910)	(210,000)	(210,000)
NET EXPENDITURE/(INCOME)	5,000	15,840	15,090

COMMUNITY BOARD

HOME ADAPTATION GRANTS

The Council provides a range of home improvement grants, subject to budget availability. Mandatory grants are paid towards eligible disabled adaptations. All other grants are dependant upon Council policy which is reviewed annually.

PRIVATE SECTOR HOUSING

The expenditure relates to inspection of premises to assess whether they meet the Decent Homes Standard, structural defects, enforcing standards for overcrowding and houses in multiple occupation, and remedying conditions which might constitute a nuisance or danger to health. Statutory notices to remedy defects and unsatisfactory conditions are served when necessary.

The promotion of domestic energy efficiency improvements in order to meet statutory targets. The service includes the provision of direct financial assistance but relies primarily upon education and awareness raising to bring about changes in public attitude and behaviour.

This category also includes Housing Associations. The Council has also financially assisted a number of local Housing Associations in the construction or improvement of houses and has, in return, been allowed to nominate a proportion of the tenants. This assistance is expected to increase significantly through the provision of Local Authority Housing Association Grant, although this will have no effect on the revenue budget.

HOMELESSNESS

The Council has been successful in targeting resources towards the prevention of homelessness helping to reduce the number of homelessness acceptances and the resulting accommodation costs incurred. An example of this is a significant reduction in Bed and Breakfast costs which has been achieved partly through investment in both Barclay House and Agnew Family Centre as a more cost effective provision of temporary accommodation for most households.

These budgets can be significantly influenced by external factors and will be closely monitored particularly to identify any variations arising from the impact of benefit changes to tenants. The accommodation strategy has been reviewed to minimise the impact on Council funding.

OTHER GENERAL FUND HOUSING

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Expenditure comprises			
Stokes Bay Mobile Home Park	44,100	49,770	50,650
Other	42,250	46,230	47,880
	<hr/> 86,350	<hr/> 96,000	<hr/> 98,530
Income comprises			
Stokes Bay Mobile Home Park	(117,200)	(190,540)	(134,150)
	<hr/> (117,200)	<hr/> (190,540)	<hr/> (134,150)
Net Income	<hr/> (30,850)	<hr/> (94,540)	<hr/> (35,620)

COMMUNITY BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
HOME ADAPTATION GRANTS			
Third Party Payments	6,140	6,680	6,320
Administration Recharges	1,900	900	900
NET EXPENDITURE	8,040	7,580	7,220
PRIVATE SECTOR HOUSING			
Transport	700	850	1,150
Supplies and Services	6,080	2,420	1,420
Third Party Payments	49,120	53,470	50,570
Administration Recharges	65,700	59,100	61,500
	121,600	115,840	114,640
Income	(18,600)	(19,560)	(18,600)
NET EXPENDITURE	103,000	96,280	96,040
HOMELESSNESS			
Premises	1,000	630	-
Transport	-	210	-
Supplies and Services	2,833,990	2,199,880	2,031,910
Transfer Payments	52,100	22,950	22,950
Administration Recharges	548,400	472,100	498,700
	3,435,490	2,695,770	2,553,560
Income	(3,079,250)	(2,356,740)	(2,355,200)
NET EXPENDITURE	356,240	339,030	198,360
OTHER GENERAL FUND HOUSING			
Employees	35,090	35,670	36,940
Premises	30,880	31,600	31,930
Transport	500	420	200
Supplies and Services	1,860	1,270	1,300
Third Party Payments	2,720	2,840	2,860
Administration Recharges	15,300	24,200	25,300
	86,350	96,000	98,530
Income	(117,200)	(190,540)	(134,150)
NET INCOME	(30,850)	(94,540)	(35,620)

COMMUNITY BOARD

HOUSING REVENUE ACCOUNT

The Housing Revenue Account (HRA) records expenditure and income relating to council houses and the provision of services to tenants.

Provisions governing the operation of the HRA were contained in the Local Government and Housing Act 1989. This defined what transactions should be recorded in the HRA and enabled the government to directly influence the finances of local authority housing through the housing subsidy system.

The 'self financing' system started in April 2012 allowing authorities to retain future rental receipts, this replaces the old subsidy system.

Gosport Borough Council paid £57.09m to exit the system and a thirty year business plan has been produced to show how this will be repaid.

The estimated average nos of dwellings in 2016/17 is 3145.

The HRA has two revenue reserves the 'HRA working balance' and the 'Major Repairs, New Build and Loan Repayments Reserve' the latter was approved at Community Board on 4th February 2013.

COMMUNITY BOARD

	ORIGINAL 2015/2016 £000	REVISED 2015/2016 £000	BUDGET 2016/2017 £000
HOUSING REVENUE ACCOUNT			
Expenditure			
Repairs & Maintenance	4,260	4,183	4,272
Supervision & Management	3,700	3,692	3,789
Rents ,Rates,Taxes and Other Charges	146	296	310
Depreciation,Impairment and Revaluation	3,560	3,560	3,640
Debt Management Costs	56	37	40
Total Expenditure	11,722	11,768	12,051
Income			
Dwelling Rents	(13,947)	(13,967)	(13,845)
Non Dwelling Rents	(239)	(251)	(248)
Charges For Services and Facilities	(425)	(424)	(399)
Total Income	(14,611)	(14,642)	(14,492)
Net Cost Of Services	(2,889)	(2,874)	(2,441)
Interest Payable & Similar Charges	1,862	1,832	1,837
Interest & Investment Income	(20)	(25)	(24)
NET HRA SURPLUS FOR YEAR	(1,047)	(1,067)	(628)
HRA BALANCE			
Balance B/fwd	991	991	991
Transfer (to) or from HRA	-	-	-
Balance C/Fwd	991	991	991
MAJOR REPAIRS, NEW BUILD AND LOAN REPAYMENT RESERVE			
Balance B/Fwd	1,262	1,622	2,689
Transfer (to) or from HRA	1,047	1,067	628
Balance C/Fwd	2,309	2,689	3,317

ECONOMIC DEVELOPMENT BOARD

SUMMARY OF REVENUE ESTIMATES 2016/2017

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £	Page
SERVICE				
Economic Prosperity	358,670	345,980	228,740	19
Market	(48,970)	(50,910)	(51,880)	19
Town Harbour Foreshore	212,990	213,220	213,470	19
Events	73,350	76,140	68,030	19
Properties	118,090	104,760	118,110	21
Marketing and Tourism	145,750	143,070	141,160	21
Local Development Framework	20,000	35,000	35,000	21
Board Total	<u>879,880</u>	<u>867,260</u>	<u>752,630</u>	

ECONOMIC DEVELOPMENT BOARD

ECONOMIC PROSPERITY

The Economic Prosperity Section has a focus on job creation and retention, including enterprise support, skills development, business engagement and facilitation of economic investment and development in the Borough. A number of services are delivered directly by the Section and others through staff leading or contributing to local and sub-regional partnerships.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Economic Development Initiatives	35,000	38,000	30,000
Town Centre Improvements	-	3,730	-
Town Centre & Retail Post	36,020	36,000	37,240
Daedalus Enterprise Zone	14,400	6,000	-
Regeneration Projects	150,000	150,000	30,000
Administration Recharges	146,300	152,500	137,500
	<u>381,720</u>	<u>386,230</u>	<u>234,740</u>
Grants / Donations & Sponsorships			
- Economic Development Initiatives	-	(14,000)	-
- Town Centre Improvements	-	(3,500)	-
- Town Centre & Retail Post	(12,250)	(18,250)	(6,000)
- Daedalus Enterprise Zone	(10,800)	(4,500)	-
	<u>(23,050)</u>	<u>(40,250)</u>	<u>(6,000)</u>
Net Expenditure	<u>358,670</u>	<u>345,980</u>	<u>228,740</u>

MARKET

The Council operates a town market on Tuesdays and Saturdays

TOWN HARBOUR FORESHORE

The foreshore covers the area from the ramparts (Haslar Bridge) along the front to the Camper & Nicholson boundary including the Millennium walkway/the Esplanade, Falkland Garden & the Tidal Clock

EVENTS

Includes Celebrate Gosport, Christmas Events and partnership initiatives with arts, museums and library services. For 2015/16 this also includes Grand Prix of the Sea and Harbour Events.

ECONOMIC DEVELOPMENT BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
ECONOMIC PROSPERITY			
Employees	35,610	35,610	36,850
Transport	200	100	100
Supplies and Services	49,610	48,020	30,290
Regeneration Projects	150,000	150,000	30,000
Administration Recharges	146,300	152,500	137,500
	381,720	386,230	234,740
Income	(23,050)	(40,250)	(6,000)
NET EXPENDITURE	358,670	345,980	228,740
 MARKET			
Premises	1,270	1,270	1,310
Supplies and Services	780	1,980	1,950
Third Party Payments	28,580	29,040	27,960
Administration Recharges	3,500	4,700	5,900
	34,130	36,990	37,120
Income	(83,100)	(87,900)	(89,000)
NET INCOME	(48,970)	(50,910)	(51,880)
 TOWN HARBOUR FORESHORE			
Premises	3,900	4,060	4,060
Supplies and Services	5,500	3,150	3,150
Third Party Payments	37,060	38,760	38,910
Administration Recharges	600	300	400
Capital Finance	165,930	166,950	166,950
	212,990	213,220	213,470
NET EXPENDITURE	212,990	213,220	213,470
 EVENTS			
Supplies and Services	28,730	32,000	29,730
Administration Recharges	49,200	49,300	43,800
	77,930	81,300	73,530
Income	(4,580)	(5,160)	(5,500)
NET EXPENDITURE	73,350	76,140	68,030

ECONOMIC DEVELOPMENT BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
PROPERTIES			
Investment Properties Managed	(20,950)	(36,420)	(33,960)
Wilmott Lane Depot	105,360	112,340	121,890
Leisure Operational Properties	33,680	28,840	30,180
Net Expenditure	<u>118,090</u>	<u>104,760</u>	<u>118,110</u>

MARKETING AND TOURISM

Marketing and Tourism will retain its primary focus on promotional activity in the areas of economic development and tourism. The budget will fund the marketing of the Borough's inward investment and development opportunities, tourism destination marketing in collaboration with partners, in addition to a variety of other marketing initiatives.

LOCAL DEVELOPMENT FRAMEWORK

The Local Plan will set out Gosport Borough Council's planning strategy over the next 15 years. It will set out a broad vision for the Borough and contain a number of land use policies and proposals to deliver the Vision.

ECONOMIC DEVELOPMENT BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
PROPERTIES			
Premises	157,280	147,380	152,410
Supplies and Services	66,350	63,870	67,980
Administration Recharges	107,200	95,300	108,000
Capital Finance	4,330	4,330	4,330
	<u>335,160</u>	<u>310,880</u>	<u>332,720</u>
Income	(217,070)	(206,120)	(214,610)
NET EXPENDITURE	<u>118,090</u>	<u>104,760</u>	<u>118,110</u>
MARKETING AND TOURISM			
Premises	2,050	2,020	2,020
Transport	200	-	-
Supplies & Services	78,980	78,400	78,940
Administration Recharges	73,500	73,400	70,300
	<u>154,730</u>	<u>153,820</u>	<u>151,260</u>
Income	(8,980)	(10,750)	(10,100)
NET EXPENDITURE	<u>145,750</u>	<u>143,070</u>	<u>141,160</u>
LOCAL DEVELOPMENT FRAMEWORK			
Supplies & Services	20,000	35,000	35,000
NET EXPENDITURE	<u>20,000</u>	<u>35,000</u>	<u>35,000</u>

POLICY AND ORGANISATION BOARD

SUMMARY OF REVENUE ESTIMATES 2016/2017

SERVICE	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £	Page
Registration of Electors	216,700	221,370	329,720	25
Local Land Charges	(18,260)	(57,300)	3,120	25
Housing Benefits	507,680	515,940	580,930	25
Local Taxation	248,150	300,050	291,650	27
Development Services	757,560	819,380	791,530	27
Licensing & Registration	30,770	30,430	21,670	29
Assistance to Voluntary Organisations	208,190	208,690	208,790	29
Corporate & Civic Expenses	1,124,290	1,138,430	1,205,990	31
Miscellaneous Services	136,320	117,470	(105,050)	33
Other Corporate Areas	(184,250)	(245,280)	(93,230)	33
Board Total	<u>3,027,150</u>	<u>3,049,180</u>	<u>3,235,120</u>	

POLICY AND ORGANISATION BOARD

REGISTRATION OF ELECTORS

One of the Council's statutory functions relates to the annual compilation and publication of the Register of Electors. This process will undergo significant change in 2015/16 and 2016/17 – while the additional costs of this may be offset by further Section 31 grants from the Cabinet Office this is uncertain and has not been budgeted for. Administration and management is also carried out on all types of elections in accordance with the relevant statutory requirements.

LOCAL LAND CHARGES

This is a statutory service which deals with over 1,000 searches of the Land Charges Register each year and also the registration and discharge of local land charges. A New Burdens grant of £62,640 was received in 2015/16 towards previously incurred personal search fees refund costs.

HOUSING BENEFITS

The award of Housing and Council Tax Support is a financial lifeline for many people with lower incomes. The Benefits Section provides a service for the calculation of an award of entitlement within a legislative framework provided by the Government. The Benefits are intended to assist people on Income Support or otherwise low income, with their housing costs and/or Council Tax bills. Entitlement is calculated using an applicants income and capital using a complex calculation process.

"To provide an effective, secure and customer focused Benefits Service that supports the Council's vision, helps to achieve the strategic priorities and meets the Council's Service values."

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Housing Benefits	389,310	414,780	456,430
Local Council Tax Support	118,370	101,160	124,500
Net Expenditure	507,680	515,940	580,930

POLICY AND ORGANISATION BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
REGISTRATION OF ELECTORS			
Employees	70,250	25,500	40,000
Supplies and Services	129,450	69,660	131,820
Administration Recharges	168,000	169,100	158,900
	367,700	264,260	330,720
Income	(151,000)	(42,890)	(1,000)
NET EXPENDITURE	216,700	221,370	329,720
LOCAL LAND CHARGES			
Supplies and Services	23,350	19,000	16,500
Third Party Payments	44,890	42,540	41,220
Administration Recharges	53,600	54,000	55,600
	121,840	115,540	113,320
Income	(140,100)	(172,840)	(110,200)
NET INCOME	(18,260)	(57,300)	3,120
HOUSING BENEFITS			
Discretionary Housing Payment	120,000	107,920	107,920
Rent Allowances	20,752,560	19,636,460	19,331,910
Rent Rebates	7,750,850	7,548,280	7,548,280
Non HRA Rent Rebates	3,001,200	2,410,140	2,410,140
Administration Recharges	1,025,700	1,023,100	1,081,400
	32,650,310	30,725,900	30,479,650
Income			
- Discretionary Housing Payment	(120,000)	(107,920)	(107,920)
- DWP Grant - Rent Allowances	(20,763,960)	(19,621,350)	(19,402,500)
- DWP Grant - Rent Rebates	(7,726,780)	(7,539,150)	-7539150
- DWP Grant - Non HRA Rent Rebates	(3,001,200)	(2,410,140)	(2,410,140)
- DWP/DCLG Grant - Administration Subsidy	(530,690)	(531,400)	(439,010)
	(32,142,630)	(30,209,960)	(29,898,720)
NET EXPENDITURE	507,680	515,940	580,930

POLICY AND ORGANISATION BOARD

LOCAL TAXATION

The Local Taxation section is responsible for the collection of local taxes, from residents and businesses, to help finance services provided by Gosport Borough Council, Hampshire County Council, Hampshire Police Authority and Hampshire Fire and Rescue Service.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Local Tax Collection	252,150	261,500	251,600
National Non Domestic Rates	(4,000)	38,550	40,050
Net Expenditure	248,150	300,050	291,650

DEVELOPMENT SERVICES

Development Control is a process that regulates the development and use of land. It is a statutory service that is governed by law and operates within a complex framework of government guidance, policies and advice set out in the County Council's Structure Plan and the Gosport Borough Local Plan. The service also involves consideration by the Council of planning applications and applications for advertisement consent. Fees are charged for processing planning applications.

Building Control is a partnership with Fareham Borough Council and provides an independent specialist surveying service, examining drawings and calculations and supervising building works during construction. Fees are charged for this service that is provided to the public, designers, architects, other development professionals and to the building industry.

Planning Policy section is responsible for the preparation and review of the statutory Development Plan for the Borough.

Conservation and Design has a key role to play in safeguarding the built and natural heritage of the Borough.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Development Control	334,140	373,880	356,770
Building Control	93,120	87,530	81,760
Planning Policy	222,600	239,170	242,700
Conservation & Design	107,700	118,800	110,300
Net Expenditure	757,560	819,380	791,530

POLICY AND ORGANISATION BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
LOCAL TAXATION			
Supplies & Services	24,450	30,250	13,850
Administration Recharges	620,200	664,300	672,300
	<u>644,650</u>	<u>694,550</u>	<u>686,150</u>
Income			
- Court Costs	(314,000)	(312,000)	(312,000)
- Administration Grant	(82,500)	(82,500)	(82,500)
	<u>(396,500)</u>	<u>(394,500)</u>	<u>(394,500)</u>
NET EXPENDITURE	<u>248,150</u>	<u>300,050</u>	<u>291,650</u>
DEVELOPMENT SERVICES			
Supplies & Services	38,400	41,170	41,100
Third Party Payments	136,860	139,960	127,230
Administration Recharges	778,300	839,500	814,200
	<u>953,560</u>	<u>1,020,630</u>	<u>982,530</u>
Income	(196,000)	(201,250)	(191,000)
NET EXPENDITURE	<u>757,560</u>	<u>819,380</u>	<u>791,530</u>

POLICY AND ORGANISATION BOARD

LICENSING & REGISTRATION

This heading includes the licensing of hackney carriages, private hire vehicles, alcohol licenses for individuals and premises, pet shops, street trading, and various other licences including the issue of permits for machines for amusement with prizes and the registration of food premises, late night food premises, acupuncturists, ear-piercers, hairdressers etc.

ASSISTANCE TO VOLUNTARY ORGANISATIONS

This heading includes grants to the Citizen's Advice Bureau and local voluntary organisations as well as costs associated with some Council owned buildings currently let to voluntary organisations.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Grants:			
- Citizens Advice - Bureau Grant	96,480	96,480	96,480
- Gosport Victim Support	3,490	3,490	3,490
- Gosport Voluntary Action	66,270	66,270	66,270
- Dial-a-ride	25,410	25,410	25,410
- Age Concern	1,310	1,310	1,310
- Solent Sea Rescue	2,160	2,160	2,160
- Gosporters	870	870	870
- Relate	5,500	5,500	5,500
Administration Recharges	6,700	7,200	7,300
Net Expenditure	208,190	208,690	208,790

POLICY AND ORGANISATION BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
LICENSING & REGISTRATION			
Supplies and Services	4,700	2,700	2,700
Third Party Payments	125,870	137,010	129,590
Administration Recharges	41,600	35,500	34,700
	<u>172,170</u>	<u>175,210</u>	<u>166,990</u>
Income	(141,400)	(144,780)	(145,320)
NET EXPENDITURE	<u>30,770</u>	<u>30,430</u>	<u>21,670</u>

ASSISTANCE TO VOLUNTARY ORGANISATIONS

Supplies & Services	201,490	201,490	201,490
Admin Recharges	6,700	7,200	7,300
NET EXPENDITURE	<u>208,190</u>	<u>208,690</u>	<u>208,790</u>

POLICY AND ORGANISATION BOARD

CORPORATE AND CIVIC EXPENSES

The 'costs of democracy' plus expenses associated with the Mayoralty and formal Civic Events Corporate and Civic Expenses include certain central costs which comprise the 'Corporate and Democratic Core' - these are not support costs and are not charged to direct services. They are the cost of activities which local authorities engage in because they are elected multi-purpose authorities, including the provision of an infrastructure for service provision, information for public accountability and all aspects of members' activities. In line with professional guidance they are identified as a separate budget heading.

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Mayoral Expenses			
Mayor's Allowance	9,720	9,720	9,720
Deputy Mayor's Allowance	2,180	2,180	2,180
National Insurance ERS payments	200	790	580
Premises	250	250	250
Transport	8,090	6,290	7,630
Supplies and Services	1,120	3,630	1,600
Mayor Making	5,000	4,200	5,000
Administration Recharges	39,300	43,700	43,300
Income	(60)	(60)	(60)
	65,800	70,700	70,200
Civic Events			
Royan Twinning	4,000	4,000	3,000
Other Civic Events	9,870	10,110	9,740
Administration Recharges	52,300	51,800	52,400
	66,170	65,910	65,140
Members and Election Expenses			
Members Allowances	242,790	237,600	237,600
Members Travelling Expenses	50	100	100
Other Expenses	22,090	22,960	22,610
Administration Recharges	97,400	97,900	100,000
Election Expenses #	99,000	140,800	246,720
Election Income	(89,000)	(135,200)	(185,000)
	372,330	364,160	422,030

The costs and income for County, Parliamentary and Police elections and the referendum are fully reimbursed with the remaining net cost being the cost to the Council of its local elections.

POLICY AND ORGANISATION BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
CORPORATE AND CIVIC EXPENSES			
Third Party Payments	3,070	3,340	3,160
Administration Recharges			
- Financial Services	242,670	244,890	249,090
- Legal Services	34,980	37,710	40,180
- Chief Executives Unit	196,730	182,320	189,440
- Housing Services	15,040	18,400	18,950
- HRA Attributable Element	(83,600)	(82,600)	(86,900)
	<hr/> 408,890	<hr/> 404,060	<hr/> 413,920
Mayoral Expenses			
Employees	200	790	580
Premises	250	250	250
Transport	8,090	6,290	7,630
Supplies & Services	18,020	19,730	18,500
Admin Recharges	39,300	43,700	43,300
Income	(60)	(60)	(60)
	<hr/> 65,800	<hr/> 70,700	<hr/> 70,200
Civic Events			
Employees	2,300	4,710	4,600
Supplies and Services	11,820	9,660	8,390
Administration Recharges	52,300	51,800	52,400
Income	(250)	(260)	(250)
	<hr/> 66,170	<hr/> 65,910	<hr/> 65,140
Members and Election Expenses			
Employees	12,100	12,250	12,250
Transport	50	180	340
Supplies & Services	351,780	388,230	493,840
Admin Recharges	97,400	98,700	100,600
Income	(89,000)	(135,200)	(185,000)
	<hr/> 372,330	<hr/> 364,160	<hr/> 422,030
Council and Board Meetings			
Transport			
Supplies and Services	300	300	300
Administration Recharges	210,800	233,300	234,400
	<hr/> 211,100	<hr/> 233,600	<hr/> 234,700
NET EXPENDITURE	<hr/> 1,124,290	<hr/> 1,138,430	<hr/> 1,205,990

POLICY AND ORGANISATION BOARD

MISCELLANEOUS SERVICES

Other Expenses comprises	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
Dangerous Structures	14,980	14,680	14,130
Emergency Planning	48,820	48,490	52,020
Public Notice Boards	480	1,600	1,600
Union Duties	120	120	120
General Insurances & Building Condition Consultants	35,510	10,430	10,430
Meals-on-wheels	5,000	2,500	2,500
Employee costs, savings, efficiencies and vacancies	7,040	(10,000)	(118,060)
Pension Costs for Discontinued Services	176,700	183,280	168,540
Pension Costs - Fixed Element payable to administering authority	445,600	445,680	484,880
Firewardens & First Aid Allowances etc	5,000	5,000	5,000
Corporate Training	2,500	4,960	2,500
Compact Events	2,150	1,100	3,900
Coastline Expenditure (excluding Admin)	13,330	13,330	13,700
Other Corporate Expenses	9,780	10,910	8,170
	<u>767,010</u>	<u>732,080</u>	<u>649,430</u>

Income comprises

New Homes Bonus	(803,490)	(803,320)	(985,450)
Council Tax Freeze Grant	(56,900)	(57,950)	-
Transition Grant	-	-	(24,260)
Other Income	(25,100)	(24,940)	(24,570)
	<u>(885,490)</u>	<u>(886,210)</u>	<u>(1,034,280)</u>

OTHER CORPORATE AREAS

Other Corporate Areas includes the following Non-Financing items:

Audit Fees	44,500	36,950	35,950
Capital Administration	45,000	65,200	68,300
Subscriptions	23,400	23,500	23,500
Safety Committee	11,120	11,230	9,230
	<u>124,020</u>	<u>136,880</u>	<u>136,980</u>

Other Corporate Areas includes the following Financing items:

Capital Finance - Depreciation Reversal	(1,122,080)	(1,149,610)	(1,131,580)
External Interest Payable	2,291,500	2,266,200	2,285,600
External Interest Receivable	(72,600)	(107,600)	(79,500)
Internal Interest Payable	310	360	360
Capital Finance - Minimum Revenue Provision	646,500	644,400	696,400
Treasury Management	75,200	74,350	79,100
Debt Rescheduling Discount	(37,900)	(37,900)	-
Hra Item 8 Transfer	(1,860,000)	(1,844,000)	(1,853,000)
Interest Receivable Under Finance Leases	(229,850)	(229,850)	(228,390)
Interest Paid Under Finance Leases	650	1,490	800
	<u>(308,270)</u>	<u>(382,160)</u>	<u>(230,210)</u>
	<u>(184,250)</u>	<u>(245,280)</u>	<u>(93,230)</u>

POLICY AND ORGANISATION BOARD

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
MISCELLANEOUS SERVICES			
Other Expenses (breakdown opposite)	767,010	732,080	649,430
Administration Recharges	254,800	271,600	279,800
	1,021,810	1,003,680	929,230
Income (breakdown opposite)	(885,490)	(886,210)	(1,034,280)
NET EXPENDITURE	136,320	117,470	(105,050)
 OTHER CORPORATE AREAS			
Employees	700	700	700
Supplies and Services	109,520	101,430	102,680
Administration Recharges	89,000	109,100	112,700
Capital Finance	(475,580)	(505,210)	(435,180)
Financing Income and Expenditure	92,110	48,700	125,870
NET INCOME	(184,250)	(245,280)	(93,230)

SERVICE UNIT ACCOUNTS

SUMMARY OF REVENUE ESTIMATES 2016/2017

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £	Page
TOTAL EXPENSES BY SERVICE UNIT				
Chief Executive's Unit	2,648,820	2,630,150	2,663,740	37
Legal, Democratic & Planning Service	2,037,820	2,077,740	2,089,830	37
Financial Services	3,751,910	3,802,470	3,885,840	39
Housing Services	3,681,830	3,330,500	3,379,460	39
	12,120,380	11,840,860	12,018,870	

TOTAL SUBJECTIVE EXPENSES

Employees	8,096,670	7,743,480	7,994,770
Premises	252,850	259,790	251,770
Transport	131,870	103,680	104,720
Supplies & Services	1,127,830	1,217,690	1,154,770
Third Party Payments	7,620	11,800	9,230
	2,312,120	2,281,420	2,280,610
Capital Finance	191,420	223,000	223,000
	12,120,380	11,840,860	12,018,870

ANAYSIS OF INCOME AND RECHARGES

Income

- Fees and Charges and External Funding	(486,840)	(431,770)	(494,990)
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Recharges

General Fund - Community	(2,170,300)	(2,110,300)	(2,173,510)
- Economic Development	(380,300)	(375,500)	(365,900)
- Policy and Organisation	(3,927,120)	(4,084,220)	(4,145,260)
Housing Revenue Account	(2,843,700)	(2,557,650)	(2,558,600)
Recharges between Business Units	(1,407,800)	(1,366,700)	(1,357,790)
Recharges within Business Unit	(904,320)	(914,720)	(922,820)

Total Recharges from Service Units

	(12,120,380)	(11,840,860)	(12,018,870)
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SERVICE UNIT ACCOUNTS

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
CHIEF EXECUTIVE'S UNIT			
Economic Prosperity	294,690	283,370	255,430
Chief Executive Section	247,210	246,540	250,190
Corporate Policy Section	155,380	148,750	159,250
Community Safety	125,390	143,130	135,310
Personnel	155,640	155,130	163,210
Personnel Corporate Budget	20,990	21,390	22,490
I T Services	855,900	877,630	887,940
Duty Client Contact Officer	11,780	10,350	9,600
Waste Management	173,210	161,170	168,020
Landscape Management	361,860	337,410	360,600
Enforcement	246,770	245,280	251,700
Total Gross Expenditure	2,648,820	2,630,150	2,663,740
Less recharges within the business unit	(129,000)	(127,500)	(133,200)
Total Expenditure	2,519,820	2,502,650	2,530,540

LEGAL, DEMOCRATIC AND PLANNING SERVICE

Borough Solicitor & Deputy Chief Executive Section	143,360	140,810	143,030
Democratic Services	91,300	127,230	132,880
Electoral Registration	152,280	149,850	138,420
Land Charges Team	38,610	42,880	45,000
Legal Services	272,630	261,320	265,950
Development Services Administration	122,220	114,360	116,480
Conservation & Design	77,030	86,650	79,130
Development Control	339,550	379,450	349,400
Planning Policy	236,190	240,310	247,160
Transport & Traffic Section	113,770	114,550	117,850
Heritage at Risk Officer	3,000	3,000	3,000
Civic Support	136,320	139,240	140,020
Building Control Partnership Account	327,370	296,010	329,730
Building Control Partnership Administration	(15,810)	(17,920)	(18,220)
Total Gross Expenditure	2,037,820	2,077,740	2,089,830
Less recharges within the business unit	(133,920)	(126,820)	(127,620)
Total Expenditure	1,903,900	1,950,920	1,962,210

SERVICE UNIT ACCOUNTS

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
CHIEF EXECUTIVE'S UNIT			
Employees	1,778,810	1,731,570	1,794,090
Premises	-	130	-
Transport	41,300	38,570	38,770
Supplies and Services	339,960	367,010	334,240
Third Party Payments	1,000	3,230	1,000
Administration Recharges	343,700	318,700	324,700
Capital Finance	144,050	170,940	170,940
	<u>2,648,820</u>	<u>2,630,150</u>	<u>2,663,740</u>
Income			
- Fees and Charges and External Funding	(90)	(30)	-
Recharges			
General Fund - Community	(950,000)	(934,600)	(955,510)
- Economic Development	(234,000)	(231,700)	(211,000)
- Policy and Organisation	(542,630)	(533,520)	(555,640)
Housing Revenue Account	(214,700)	(222,600)	(227,700)
Recharges between Business Units	(578,400)	(580,200)	(580,690)
Recharges within Business Unit	(129,000)	(127,500)	(133,200)
	<u>(2,648,820)</u>	<u>(2,630,150)</u>	<u>(2,663,740)</u>
NET EXPENDITURE	<u>-</u>	<u>-</u>	<u>-</u>

LEGAL, DEMOCRATIC AND PLANNING SERVICE

Employees	1,473,900	1,506,830	1,556,180
Transport	24,230	18,060	18,460
Supplies and Services	146,270	144,830	115,070
Administration Recharges	393,420	408,020	400,120
	<u>2,037,820</u>	<u>2,077,740</u>	<u>2,089,830</u>
Income			
- Fees and Charges and External Funding	(360,720)	(327,110)	(358,330)
Recharges			
General Fund - Community	(112,900)	(101,000)	(106,500)
- Economic Development	(8,700)	(8,400)	(8,600)
- Policy and Organisation	(1,194,680)	(1,288,910)	(1,261,180)
Housing Revenue Account	(93,400)	(96,600)	(97,000)
Recharges between Business Units	(133,500)	(128,900)	(130,600)
Recharges within Business Unit	(133,920)	(126,820)	(127,620)
	<u>(2,037,820)</u>	<u>(2,077,740)</u>	<u>(2,089,830)</u>
NET EXPENDITURE	<u>-</u>	<u>-</u>	<u>-</u>

SERVICE UNIT ACCOUNTS

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
FINANCIAL SERVICES			
Financial Services Management	109,700	111,870	113,970
Internal Audit	227,950	226,470	226,780
Accountancy	452,660	449,440	456,200
Debtors	76,250	75,270	74,820
Creditors	67,730	70,920	72,860
Financial Support	76,720	75,140	72,150
Payroll & Admin	180,750	176,170	178,920
Housing Benefit	1,024,670	1,024,720	1,082,640
Council Tax	499,900	520,180	526,310
Reprographics	347,750	368,490	367,320
Customer Services & Administration	249,690	249,910	257,340
Telephones	37,620	33,800	32,120
Cashiers and Reception	292,260	310,230	314,730
Central Purchasing	108,260	109,860	109,680
Total Gross Expenditure	<u>3,751,910</u>	<u>3,802,470</u>	<u>3,885,840</u>
Less recharges within the business unit	(467,500)	(471,500)	(472,600)
Total Expenditure	<u><u>3,284,410</u></u>	<u><u>3,330,970</u></u>	<u><u>3,413,240</u></u>

HOUSING SERVICES

Housing Management	246,240	244,430	266,090
Estate Management	703,530	793,540	745,070
Finance & Admin	158,220	163,850	165,110
Allocations & Advice	905,340	740,220	707,750
At Your Service	12,200	22,000	22,000
Tic Development	21,980	19,860	19,620
Supporting People	178,400	5,990	5,020
Housing Strategic Services	19,100	19,000	19,690
Choice Based Lettings	9,300	10,910	11,010
Technical Services	281,480	225,860	290,370
Asset Management	197,860	177,650	186,470
Property Services	355,380	304,020	337,680
Town Hall	140,640	128,790	131,620
Environmental Health	88,500	91,900	88,300
Corporate Cleaning	35,800	44,600	45,180
Town Hall Landlord	327,860	337,880	338,480
Total Gross Expenditure	<u>3,681,830</u>	<u>3,330,500</u>	<u>3,379,460</u>
Less recharges within the business unit	(173,900)	(188,900)	(189,400)
Total Expenditure	<u><u>3,507,930</u></u>	<u><u>3,141,600</u></u>	<u><u>3,190,060</u></u>

SERVICE UNIT ACCOUNTS

	ORIGINAL 2015/2016 £	REVISED 2015/2016 £	BUDGET 2016/2017 £
FINANCIAL SERVICES			
Employees	2,326,910	2,351,620	2,431,560
Premises	22,030	18,880	17,200
Transport	13,280	12,810	12,340
Supplies and Services	452,940	461,420	469,100
Administration Recharges	935,700	952,000	949,900
Capital Finance	1,050	5,740	5,740
	3,751,910	3,802,470	3,885,840
Income			
- Fees and Charges and External Funding	(98,040)	(73,780)	(73,250)
Recharges			
General Fund - Community	(411,500)	(433,300)	(436,300)
- Economic Development	(49,600)	(59,500)	(57,700)
- Policy and Organisation	(2,088,770)	(2,151,990)	(2,223,990)
Housing Revenue Account	(220,200)	(232,400)	(233,900)
Recharges between Business Units	(416,300)	(380,000)	(388,100)
Recharges within Business Unit	(467,500)	(471,500)	(472,600)
	(3,751,910)	(3,802,470)	(3,885,840)
NET EXPENDITURE	-	-	-

HOUSING SERVICES

Employees	2,517,050	2,153,460	2,212,940
Premises	230,820	240,780	234,570
Transport	53,060	34,240	35,150
Supplies and Services	188,660	244,430	236,360
Third Party Payments	6,620	8,570	8,230
Administration Recharges	639,300	602,700	605,890
Capital Finance	46,320	46,320	46,320
	3,681,830	3,330,500	3,379,460
Income			
- Fees and Charges and External Funding	(27,990)	(30,850)	(63,410)
Recharges			
General Fund - Community	(695,900)	(641,400)	(675,200)
- Economic Development	(88,000)	(75,900)	(88,600)
- Policy and Organisation	(101,040)	(109,800)	(104,450)
Housing Revenue Account	(2,315,400)	(2,006,050)	(2,000,000)
Recharges between Business Units	(279,600)	(277,600)	(258,400)
Recharges within Business Unit	(173,900)	(188,900)	(189,400)
	(3,681,830)	(3,330,500)	(3,379,460)
NET EXPENDITURE	-	-	-

ANALYSIS OF MAIN VARIATIONS BETWEEN ORIGINAL ESTIMATE 2015/16 AND REVISED ESTIMATE 2015/16 REVISED ESTIMATE 2015/16 AND ESTIMATE 2016/17 (Figures in brackets represent reduced expenditure or increased income)	VARIANCE		Page
	ORIGINAL 2015/16 to REVISED 2015/16 £	REVISED 2015/16 to ESTIMATE 2016/17 £	
COMMUNITY BOARD			
LEISURE AND CULTURE			5
Open Spaces			
Premises - Signage & Special maintenance c/fwd from 2014/15	12,000	(38,700)	
Supplies & Services - Insurance/Land at Gomer Lane /Seats and Plants	24,400	(31,530)	
Income - Commemorative donations / use of land at Brookers field	(5,940)	6,960	
Investment Properties			
Income - Ice Cream Trading Concession	6,600	(500)	
Income - Rent lettings & wayleave - Huhtamaki, Crown House, Ice Rink	(45,020)	(7,560)	
Ancient Monuments			
Premises - Bridge maintenance c/fwd from 2014/15	10,960	(10,230)	
Play Areas			
Premises - Refurbishment & safety surfaces inc c/fwd from 2014/15	13,140	11,860	
Income - Recharge to HRA for housing play areas	(8,640)	640	
Football Privett Enclosure			
Premises - Utilities, irrigation system	11,380	(7,680)	
Tennis / Basketball			
Premises - Refurbishment of Lee-on-Solent Basketball court	(100)	(9,400)	
Gosport Leisure Centre			
Profit Share	(20,000)	(20,000)	
WASTE			5
Waste/Recycling Collection			
Third Party Payments inc Garden Waste and Paper Bank collections	12,710	11,880	
Income - recycling credits based on reduced rates on glass and paper	57,100	-	
STREETSCENE			7
Car Parking			
Income			
Parking charges	13,380		
Permits	(21,320)		
Fines	(17,190)		
Public Conveniences			
Repair & Maintenance of Buildings	(7,000)		
Special Maintenance - Demolition of Whites Place & Gosport Park toilets	16,600	(16,600)	
Street Cleansing			
Special Collections	(5,000)		
ENVIRONMENTAL SERVICES			9
Commercial			
Third Party Payment - Env Health Partnership charge to Food Safety	9,330	(5,970)	
Pollution & Environment			
Third Party Payment - Env Health Partnership charge to Pollution	8,770	(3,790)	
Third Party Payment - Env Health Partnership charge to Pest Control	5,980	(3,980)	

ANALYSIS OF MAIN VARIATIONS BETWEEN ORIGINAL ESTIMATE 2015/16 AND REVISED ESTIMATE 2015/16 REVISED ESTIMATE 2015/16 AND ESTIMATE 2016/17 (Figures in brackets represent reduced expenditure or increased income)	VARIANCE		Page
	ORIGINAL 2015/16 to REVISED 2015/16 £	REVISED 2015/16 to ESTIMATE 2016/17 £	
MISC ENVIRONMENTAL AND TRANSPORTATION			9
Slipways			
Premises - incs GAFIRS slipway enhancements c/fwd from 2014/15	18,080	(14,030)	
Coastal Protection			
Coastal Partnership	(23,860)	23,860	
HOMELESSNESS			13
Net running costs excluding administration	59,090	(167,270)	
OTHER GENERAL FUND HOUSING			
Stokes Bay Mobile Home Park			13
Income - Commission on sale of mobile homes	(72,100)	58,100	
	<u>53,350</u>	<u>(223,940)</u>	
ECONOMIC DEVELOPMENT BOARD			
ECONOMIC PROSPERITY			19
Economic Prosperity Initiatives			
Regeneration Projects	-	(120,000)	
Town Centre Association			
Trading Concessions	(6,000)	-	
LOCAL DEVELOPMENT FRAMEWORK			21
Local Development Plan			
Studies & Surveys - incs 2014/15 c/fwd	15,000		
	<u>9,000</u>	<u>(120,000)</u>	
POLICY AND ORGANISATION BOARD			
REGISTRATION OF ELECTORS			25
Includes costs of Individual Electoral Registration	2,670	118,820	
LOCAL LAND CHARGES			25
Income variation	(32,640)	62,640	
HOUSING BENEFITS			25
Net expenditure (income) after subsidy	10,860	6,690	
LOCAL TAXATION			27
Council Tax Cost of Collection			
Consultants	6,000	(16,500)	
LICENSING AND REGISTRATION			29
Licensing			
Third Party Payments - Env Health Partnership charge	11,140	(7,420)	

ANALYSIS OF MAIN VARIATIONS BETWEEN ORIGINAL ESTIMATE 2015/16 AND REVISED ESTIMATE 2015/16 REVISED ESTIMATE 2015/16 AND ESTIMATE 2016/17 (Figures in brackets represent reduced expenditure or increased income)	VARIANCE		Page
	ORIGINAL 2015/16 to REVISED 2015/16 £	REVISED 2015/16 to ESTIMATE 2016/17 £	
CORPORATE AND CIVIC EXPENSES			31
Municipal Elections			
Includes for Local elections in 2016/17	(5,500)	55,000	
MISCELLANEOUS SERVICES			33
Savings, Efficiencies and Vacancies	(14,390)	(112,440)	
Non Distributed Costs - incs Pension ERS Fixed Monthly Contributions	6,660	24,460	
New Homes Bonus, Council Tax Freeze Grant and Transition Grant	(880)	(148,440)	
OTHER CORPORATE AREAS			33
Audit Fees	(7,550)	(1,000)	
Interest and Financing Costs	(47,100)	128,400	
	<u>(70,730)</u>	<u>110,210</u>	
ALL BOARDS	<u>(8,380)</u>	<u>(233,730)</u>	
ADMINISTRATION RECHARGES	61,720	110,350	
OTHER MINOR VARIATIONS	(39,220)	28,290	
CONTRIBUTION TO / (FROM) RESERVES	156,980	(1,025,520)	
TOTAL BUDGET VARIATION	<u>171,100</u>	<u>(1,120,610)</u>	
ADMINISTRATION RECHARGES #			35
EMPLOYEES	(353,190)	251,290	
PREMISES	6,940	(8,020)	
TRANSPORT	(28,190)	1,040	
SUPPLIES & SERVICES	89,590	(62,800)	
THIRD PARTY PAYMENTS	4,180	(2,570)	
INCOME	(69,410)	61,410	
COST OF ALL SERVICE UNITS - (REDUCED) INCREASED	<u>(350,080)</u>	<u>240,350</u>	
RECHARGES TO HRA - REDUCED (INCREASED)	411,800	(130,000)	
RECHARGES TO GF - INCREASED	<u>61,720</u>	<u>110,350</u>	

The cost of the Council's business units (staff and all related costs) is summarised on pages 35 to 39 - this total cost is then recharged across all Council services, including General Fund (GF) services, the Housing Revenue Account (HRA) and other business units. The analysis on page 43 shows (i) the total cost variations of the business units by type of expense and (ii) the recharge variations to the GF and HRA. The net effect on the GF services in 2015/16 and 2016/17 is +£61,720 and +£110,350 respectively.

**CAPITAL
PROGRAMME
2015/16 to 2018/19**

**CAPITAL PROGRAMME 2015/16 TO 2018/19
COMMUNITY BOARD - HOUSING (HRA)**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources				
								2015/16	2016/17	2017/18	2018/19	
								£,000	£,000	£,000	£,000	
1	LA Tenants Disabled Persons Grant	E	-	50	50	50	50	50	50	50	50	50
2	Improvements to Housing Stock	E	-	3,510	3,590	3,450	3,250	3,510	3,590	3,450	3,250	3,250
3	St Vincent Road Development	I	2,375	1,400	900			1,400	900			
Board Total				4,960	4,540	3,500	3,300	4,960	4,540	3,500	3,300	3,300

**CAPITAL PROGRAMME 2015/16 TO 2018/19
COMMUNITY BOARD - HOUSING (GENERAL FUND)**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources				
								2015/16	2016/17	2017/18	2018/19	
								£,000	£,000	£,000	£,000	
1	Disabled Facilities	E	-	493	382	382	382		100	100	100	100
2	Housing Renewal	E	-	111	60	60	60	111	60	60	60	60
Board Total				604	442	442	442	111	160	160	160	160

KEY TO PROGRESSION CATEGORIES

- I - Inception
- D - Design
- T - Tender
- P - Progressing
- C - Complete
- F- Final
- E. Exempt from progression categories

CAPITAL PROGRAMME 2015/16 TO 2018/19
COMMUNITY BOARD - NON HOUSING

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources			
								2015/16	2016/17	2017/18	2018/19
								£,000	£,000	£,000	£,000
1	Alver Valley Country Park	P	1,040	966				321			
2	River Hamble to Portchester CFERM Strategy	E	-	77							
3	Car Park resurfacing & upgrading	E	-	135	40	40	40	135	40	40	40
4	Provide lighting to pathways within Leisure Parks, Gardens & Open Spaces	P	197	174							
5	Privett Park - Replacement 2nd Pavilion & paths (this scheme is subject to both S.106 developer contribution and equivalent match funding [each £350k] being identified - the capital programme funding projections currently assume that this will be the case or the scheme will not proceed)	I	700	700							
6	Leesland Skatepark - MUGA & skatepark improvements	P	58	2							
7	Lee Promenade resurfacing	P	45	45				45			
8	Public Conveniences refurbishment	E	-	142	80	80	80	142	80	80	80
9	Transfer of Play Areas at Priddys Hard	P	21	7							
10	Privett Park-Provision of High Protective Fence & Multi Use Games Facility	P	35	10				10			
11	Playgrounds - improvements to existing facilities	E	-	57	20	20	20	57	20	20	20
12	Kerbside & Glass Collection service	I	134		134				134		
13	Essential Paving Improvements & Upgrades	E	-	90	40	30	30	90	40	30	30
14	Stokes Bay - Wet & Dry Play Area	P	425	25		25		25		25	
15	Install permanent vehicle deterrents at various locations	P	33	33				33			
16	Gosport Park - replace bowling green hedge with fencing	P	14	12				12			
17	Stanley Park - phased refurbishment	P	80	49	20			49	20		
18	Renew interpretation boards across the Borough	P	39	30	9			30	9		
19	Ice Rink refurbishment & improvement	P	100	100				100			
20	Enclosure Football Pitch - automatic watering system	P	10	8				8			
21	Stokes Bay Golf Club - drainage works	p	35	35				35			
22	Ann's Hill Cemetery Waiting Room	I	20		20				20		
23	Bridgemary Skate Park (to include BMX & Scooters)(subject to match funding of £90k)	I	180		180				90		
24	Cockle Pond - water circulation scheme	I	100		100				100		
25	Cockle Pond - footway repairs	I	100			100				100	
26	Community Space - Manor Way	I	100		100				100		
27	Parham Road - flood measures	I	25		25				25		
	Board Total			2,706	768	295	170	2,706	768	295	170

**CAPITAL PROGRAMME 2015/16 TO 2018/19
ECONOMIC DEVELOPMENT BOARD**

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources			
								2015/16	2016/17	2017/18	2018/19
								£,000	£,000	£,000	£,000
1	Waterfront Masterplanning	D	220	72				72			
2	Pumping Stations upgrade	P	15	15				15			
Board Total				87				87			

POLICY & ORGANISATION BOARD

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources			
								2015/16	2016/17	2017/18	2018/19
								£,000	£,000	£,000	£,000
1	CCTV - Replacement & Upgrades	E	-	15	46	15	15	15	46	15	15
2	Hampshire High Speed Broadband Project	E	-	15				15			
3	IT - PC Replacement Programme	E	-	5	10	10	10	5	10	10	10
4	IT - Server Replacement	E	-	68	40	40	80	68	40	40	80
5	IT - Microsoft Licence	E	-	70	50	50	50	70	50	50	50
6	IT - System Upgrades	E	-	76	35	10	10	76	35	10	10
7	Town Hall Major Repairs - Electrics	E	-	75	10	10	10	75	10	10	10
8	Town Hall Major Repairs - Internal Decorations	E	-	40	15	15	15	40	15	15	15
9	Town Hall Major Repairs - Health & Safety	E	-	35	10	10	10	35	10	10	10
10	Town Hall Major Repairs - Adaptions	E	-	105	15	15	15	105	15	15	15
11	Town Hall Passenger Lift - major refurbishment / renewal	E	-	79				79			
12	Financial Management System V.5 Upgrade	I	-		45				45		
Board Total				583	276	175	215	583	276	175	215

CAPITAL PROGRAMME 2015/16 TO 2018/19

Item No	SCHEME	Progress Category	Project total (where appropriate) £,000	Revised 2015/16 £,000	Estimate 2016/17 £,000	Estimate 2017/18 £,000	Estimate 2018/19 £,000	Local Resources			
								2015/16	2016/17	2017/18	2018/19
								£,000	£,000	£,000	£,000
	Total Capital Programme			8,940	6,026	4,412	4,127	6,838	5,654	4,130	3,845

SUMMARY FINANCING STATEMENT

	2015/16 £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	Total £'000
Specific Capital Grants - GF	493	282	282	282	1,339
Developer Contributions - Open Spaces - GF	866				866
Other Grants and Contributions - GF	743	90			833
Local Resources - Major Repairs Reserve - HRA	2,400	2,400	2,400	2,400	9,600
Local Resources - Revenue Contribution - HRA	1,160	1,240	1,100	900	4,400
Local Resources - Reserves - HRA	1,400	900			2,300
Local Resources - Capital Receipts - GF	710	135	135	635	1,615
Local Resources - Capital Funding Requirement - GF	1,168	979	495	(90)	2,552
Total Funding	8,940	6,026	4,412	4,127	23,505

KEY TO PROGRESSION CATEGORIES

- I - Inception
- D - Design
- T - Tender
- P - Progressing
- C - Complete
- F- Final
- E. Exempt from progression categories

PROGRESSION OF A CAPITAL SCHEME THROUGH THE CAPITAL PROGRAMME.

Inception Stage (I) – notional cost of an unapproved scheme

In order for a scheme to be included in the Council's approved Capital Programme a Capital Scheme Proposal Form has to be submitted for consideration. The form requires revenue and funding implications to be considered. If accepted the sum shown in the Programme is a notional forecast based simply on experience.

For major (over £100,000) schemes, during the inception stage the Client Unit's requirements, timescales and financial limits are established, from which alternative designs and construction approaches will be considered. The data contained in the inception stage report to Board as part of the annual budget process will only be in outline to ensure that if the Board requires amendments to the proposals, the designer can incorporate these without involving excessive additional work.

Design Stage (D) – estimated cost of an approved scheme

If the proposals are approved as part of the budget consideration, Officers will proceed to the design stage and appoint any specialist Consultants, submit the scheme, where appropriate, to the Government Department, public participation, tenant consultation, planning and other bodies who may provide grants, financial support or influence design considerations and schemes will progress in accordance with Contract Standing Orders. Schemes of less than £100,000 will automatically progress to Design Stage (D) by virtue of approval as part of the Capital Programme at the annual budget meeting.

During the design stage of a major scheme, drawings, specifications and a cost plan will be prepared in accordance with the approved brief. The culmination of this stage for major schemes is a design stage report to the Board, which will also advise on the full revenue implications of the project. These include projections of financing costs, amendments to staffing establishments, together with associated maintenance and running costs. If the proposals find favour with the Board it will be recommended to instruct the officers to proceed to the tender stage (T).

Tender Stage(T)

This stage of a Major Project requires the greatest workload commitment as it should be understood that the drawings and other technical information presented at design stage provide simply sufficient details for planning purposes not for the Contractor to construct the scheme. Thus, during the tender stage drawings, detailed specifications and Bill of Quantities need to be prepared in order to provide the necessary data to seek tenders for the work. Projects with a value of less than £100,000 will normally require tenders or quotations in accordance with Contract Standing Orders in order to demonstrate that good value is being obtained.

Works-in-progress (P)

Schemes will then progress through works-in-progress (P) to completion (C).

Budget

Due to the statutory requirement to produce a balanced revenue budget for tax-setting purposes, major projects involving significant design requirements that have not proceeded to design stage will not generally be scheduled for start within the forthcoming budget year.

Exemptions (E)

Some Capital Programme schemes will be exempted from the above controls by virtue of short lead-in times e.g. equipment purchase or grants.

Summary

The overriding principle is good governance - being seen to achieve value for money by procurement in accordance with Contract Standing Orders.

The table below summarises the way in which schemes will progress and the indicators that will be used in the capital programme and budget monitors:-

<u>Stage Indicator</u>	<u>Schemes under £100K</u>	<u>Schemes over £100K</u>
I (Inception)	As approved by P&O Board	As approved by P&O Board
D (Design)	Approved on budget night	Costed Design approved by Board
P (Progressing)	Quote/tender accepted	Tender accepted
C (Complete)	Works complete	Works complete
F (Final Cost)	Final cost after release of retentions etc.	Final cost after release of retentions etc.
E (Exempt)	Exempt from indicators	Exempt from indicators

GLOSSARY OF TERMS

Wherever possible the CIPFA standard narrative is used to describe the detail of the budgets within each service head. This enables comparison to be made both between budget heads within Board and with other local authorities. Significant budget items are detailed separately.

Administration Recharges

Administration recharges represent the cost of the Council's service units – both frontline and support – that are incurred in providing the Council's services. They are a recharge of the total service unit costs usually based on an assessment of time allocation.

Capital Expenditure

Generally, expenditure on the acquisition, construction or enhancement of assets that have an expected life of more than one year. Capital expenditure is strictly defined under current legislation and expenditure which does not fall within this definition must be charged to a revenue account.

Capital Receipts

The proceeds from the disposal of land or other assets. Capital receipts can be used to finance new capital expenditure within rules set down by the government but cannot be used to finance revenue expenditure. Certain receipts are payable to the government in line with regulations.

Collection Fund

The separate fund, administered by billing authorities, recording the expenditure and income relating to Council Tax and Business Rates.

Contingency

Money included in the budget for unforeseen items of expenditure or shortfalls in income.

Depreciation

The measure of the wearing out, consumption, or other reduction in the useful economic life of a fixed asset. General Fund depreciation is reversed out in P&O Board so there is no end cost to Council Tax payers.

Employees

The salaries and wages of staff directly employed by the Council - includes employer's national insurance and pension contributions, training, redundancy and severance payments.

Income

Most income comes from fees and charges or rents with some service heads receiving specific government or external grants. This is separate from the revenue support grant that is included in the budget at a summary level and reduces the overall level of council tax.

Leases

Where a rental is paid for the use of an asset for a specified period of time. There are two forms of lease – finance and operating. The lessor leases the asset to the lessee. The Council is both lessee and lessor.

Minimum Revenue Provision (MRP)

The minimum amount that the council must charge to the revenue account in the year in respect of the repayment of principal of borrowing for capital purposes.

Precepts

The levies made by precepting authorities (eg County Council, Police Authority, Fire & Rescue Authority) on billing authorities, requiring the latter to collect income from local taxpayers on their behalf

Provisions and Reserves

Amounts set aside in one year to cover expenditure in the future. Provisions are for liabilities or losses which are likely or certain to be incurred but for which the amounts or the dates on which they will arise are uncertain. Reserves are amounts set aside which do not fall within the definition of provisions and include general reserves or balances.

PWLB

The Public Works Loans Board is a Government agency set up to provide loans for local authorities.

Recharge to Services

The charge made from service units for their professional and support services used in the supply of services. This re-charge shows under services within boards as administration recharges.

Revenue Support Grant

The grant paid by central government towards local authorities services in general, as opposed to specific grants, which may only be used for a specific purpose.

Specific Grants

Government grants to local authorities in aid of particular project or services.

Treasury Management

This is the process by which the Council controls its cash flow and its borrowing and lending activities.

Gosport Borough Council is committed to equal opportunities for all.

If you need this document in large print, on CD or tape, in Braille or in another language please ask.

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