



BUDGET 2007-2008

GOSPORT BOROUGH COUNCIL

BUDGET 2007/2008

INDEX

Foreword	(Yellow Paper)	
		Pages
Revenue Estimates		
Summaries 2006/2007 and 2007/2008	(White Paper)	1 to 2
Community and Environment Board	(Salmon Paper)	3 to 14
Housing Board	(Lilac Paper)	15 to 20
Policy and Organisation Board	(Grey Paper)	21 to 34
Administration Accounts	(Cream Paper)	35 to 44
Capital Programme		
Programme 2006/2007 to 2011/2012	(Green Paper)	45 to 54
Manpower Budget	(Blue Paper)	55
Efficiency Savings	(White Paper)	57
Glossary of Terms	(Orange Paper)	59

COUNCIL BUDGET 2007/2008

FOREWORD

1.0 INTRODUCTION

- 1.1 The Budget Book sets out the projected costs of Council services in 2007/8 including the Capital Programme, as approved by Council.
- 1.2 A manpower budget and detailed analysis of the estimated administration costs of Service Units are also included in the budget book by way of supplementary information.

2.0 BACKGROUND

- 2.1 Gosport Borough Council is a multi-million pound business having an annual turnover of almost £46M, over 370 employees and assets valued at over £207M.
- 2.2 Budgets are aligned with the Council's strategic priorities contained within the Corporate Plan.
- 2.3 This Foreword focuses on those revenue and capital budgets for services impacting on the level of Council Tax in 2007/8.
- 2.4 The Local Government Act 2003 requires the Council to formally consider whether its budget is balanced and robust with appropriate levels of reserves. It is considered that the budget meets these criteria.
- 2.5 Conclusions about the adequacy of the proposed budget are based on both an examination of various aspects that are summarised in a risk assessment and the knowledge that there is a commitment to reviewing all services in order to achieve efficiencies in the longer term.
- 2.6 The total net budget for 2007/8 is £12,302,210 and this represents an increase of £562,900 (4.8%) on the original budget for 2006/7, of which over £360,000 relates to a net reduction in income, the remainder of the increase primarily being due to inflation.
- 2.7 Reserve powers for Government capping of the Council's budget still exist and the Government has made it clear that these powers will be used if necessary. It is probable that an increase in Gosport's Council Tax of over 5% would mean a risk of capping. Current Council policy is for annual increases of no more than 4%.
- 2.8 The final Exchequer Grant figure for 2007/8 of £7,110,143 is £244,088 higher than 2006/7.

3.0 REVISED 2006/7 EXPENDITURE & INCOME

- 3.1 The revised budget totals £11,739,310, the same as the original. This has only been achieved by making use of a substantial supplementary estimate from reserves.
- 3.2 Appendix 1 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. There are a number of significant variations, many of which have previously been anticipated in budget monitor reports, plus a large number of smaller variations.
- 3.3 The Working Balance is being maintained at its target level of 7% (£840,000) by 31 March 2006 but the Revenue Financing Reserve is proving difficult to boost to an adequate level in order to fulfil its intended purpose, having been reduced to provide the supplementary estimate required in 2006/7.

4.0 BUDGET PROPOSALS FOR 2007/8

- 4.1 Substantial variations to the Council's budget requirements compared to Revised 2006/7 arise from inflation, additional costs associated with the bus pass scheme, Housing Benefits, Priddy's Hard Site, partly offset by interest transactions and the absence of any local elections in 2007. £52,000 of additional grant income from grant awarded through the temporary Business Growth Incentives scheme has been applied to appropriate services. A detailed analysis is contained in Appendix 1.
- 4.2 The 2007/8 budget totals £12,302,210 and this represents an increase of £562,900(4.8%) over the 2006/7 budget.
- 4.3 Every effort has been made to ensure that the budget is balanced and robust. In particular, Managers have recommended levels of maintenance and administration expenditure that they believe are the minimum necessary amounts to ensure that service provision is maintained within current Council policy and that Health and Safety requirements are met. A substantial number of reductions made by Managers from the initial bids that were submitted inevitably means that some budgets will not be sustainable in the longer term.
- 4.4 Appendix 2 summarises a risk assessment of the budget areas considered most vulnerable. Generally, these risks are higher than in previous years and these risks have been considered when determining appropriate reserve levels.

5.0 RESERVES

- 5.1 General Fund provisions available for general use comprise a Working Balance and the Revenue Financing Reserve. The Council's Policy & Organisation Board agreed rules for the operation of the Revenue Financing Reserve when the Budget Strategy for 2006/7 was considered. Revenue Financing Reserve is to be used to ensure that fluctuations in annual maintenance requirements can be met, to underwrite uninsurable risks and for funding spend-to-save initiatives. Substantial additional maintenance requirements are expected to arise in the future from Asset Management Planning and recent claims experience is requiring more self-insurance in order to moderate premium increases. Maintaining a viable Revenue Financing Reserve is therefore considered essential for improved management of the Council's finances.
- 5.2 The Council's Working Balance minimum prudent target level of 7% of net expenditure currently equates to £860,000. This is very low compared to most local authorities and requires continuing budget contributions and use of council tax collection fund surpluses. The percentage link will be kept under review as the Working Balance nears £1M, with the probability that further increases might not be necessary beyond that point if the Council has acted appropriately to manage the higher risk areas of its income and expenditure and has reduced future budget commitments down to a sustainable level.
- 5.3 Provision is made in the 2007/8 budget to continue restoring reserves. General Fund Working Balance will be increased by £20,000 to £860,000 during 2007/8 and Revenue Financing Reserve will increase by £42,000 to £331,650. A Council Tax Collection Fund Surplus of £55,000 provides £20,000 towards these transfers in accordance with Council policy but £35,000 of the surplus is in excess of expected levels and has been used to help keep the necessary tax increase down to 4%.

6.0 THE LONGER TERM OUTLOOK

- 6.1 A 3-year projection of revenue commitments (summarised in Appendix 3) indicates further pressures on budgets. A significant proportion of the projected increases relates to the revenue effect of capital investment contained in the Council's Capital Programme. Due to the time lag between spending capital monies and the impact on revenue accounts, much of the forecast increase in 2008/9 is inescapable.
- 6.2 Projected budget totals including inflation are as follows:

	Budget £'000	Budget Increase %	Potential Council Tax Increase %
2008/9	13,149	6.9	13.7
2009/10	14,144	7.6	13.6
2010/11	14,836	4.9	7.3

Early action will be taken to cut the cost of services to an affordable level and/or increase income in order to reduce the projected Council Tax rises in order to avoid the likelihood of capping in coming years. An updated Medium Term Financial Strategy 2007/8-2011/12 has been approved in March 2007, reflecting the implications of the 2007/8 budget and this will help determine the Council's 2008/9 Budget Strategy in due course.

- 6.3 Recently introduced Service Efficiency Review processes will assist in identifying economies that could improve the above forecasts, as will close monitoring of services using the Council's established performance management practices.

7.0 THE COUNCIL'S CAPITAL PROGRAMME

- 7.1 The Council's capital programme for the 6 years to 2011/12 amounts to over £37M and will require the use of capital receipts and borrowing totalling in excess of £12M.
- 7.2 There is a direct impact on revenue budgets arising from the capital programme and, where expenditure is not supported by Government grant, a resulting council tax requirement. (See para. 6.1 & Appendix 3). The ability of the Council to properly maintain and improve its assets is a concern, principally because of the revenue impact. The amount of discretionary capital expenditure in the capital programme must be strictly controlled in the future and it should be noted that some essential schemes (e.g. replacement landing stage) cannot be afforded unless the revenue implications can be met within future budgets. The Council is unable to fund such expenditure within the Prudential Code of Borrowing without such assurances.

8.0 COUNCIL TAX LEVELS FOR 2007/8

- 8.1 The budget of £12,302,210 for 2007/8 has resulted in an increase of 4% in Gosport's share of the Council Tax, which was set on 23 February 2007. The Band D tax is £190.63 for 2007/8.

9.0 HOUSING REVENUE ACCOUNT

- 9.1 Whilst separate from the General Fund and not directly affecting Council Tax levels, it is appropriate to also consider the funding of Council Housing in the Borough, contained in the ringfenced "Housing Revenue Account".

- 9.2 The revised council house maintenance budget for 2006/2007 is £2.614M, an increase of £0.94M on the Original budget. The principle cause of this is a change in the apportionment of recharging from the Housing administration accounts. The council house maintenance budget for 2007/2008 is £2.927M representing a £0.313M increase on the 2006/2007 revised estimate.

- 9.3 It is anticipated that the Housing Revenue Account Working Balance level will decrease to £901,000 from the current £991,000 by the end of March 2007. This is primarily due to an increase in expenditure with Management costs increasing significantly due to a number of factors. These have included Administration recharges, Audit fees and insurance which have all been higher than anticipated in the Original budget. These have been partially offset by a reduction in expenditure on supplies.

- 9.4 It is estimated that the Working Balance will further decrease to £814,000 by the end of the March 2008. This is due to a number of factors, the main one being an increase in the level of expenditure on repairs and maintenance. The predicted balance at the end of 2007/08 of £814,000 equates to approximately 7.5% of Housing Revenue Account turnover. This balance is in line with the recommendations laid out in the Audit Commission annual letter of October 2003, and is considered adequate for present needs.

- 9.5 The introduction of the Government's Rent Restructuring Policy in 2002/03 has significantly affected rent levels and has meant target rents have increased significantly in recent years. Rents for 2007/08 have had to be increased by £2.86 or 4.9% on average, in order for Gosport to remain on target to achieve Government required rent convergence by 2012.

10.0 CONCLUSION

- 10.1 The proposed 2007/8 budget of £12.302M is considered both balanced and robust, producing an increase of 4% in Gosport's Council Tax. The outlook for 2008/9 and beyond is further upward pressure on budgets, in excess of general inflation.

ANALYSIS OF MAIN VARIATIONS BETWEEN

1. ORIGINAL ESTIMATE 2006/2007 AND REVISED ESTIMATE 2006/2007

2. REVISED ESTIMATE 2006/2007 AND ESTIMATE 2007/2008

(Figures prefixed with a minus sign represent reduced expenditure or increased income)

	VARIANCE		Page
	ORIGINAL 2006/2007 to REVISED 2006/2007 £	REVISED 2006/2007 to ESTIMATE 2007/2008 £	
COMMUNITY AND ENVIRONMENT BOARD			
<u>Gosport Market</u>			5
Income from Operator	68,840	-10,000	
<u>Cemetery</u>			5
Premises - Special Maintenance		-7,500	
Income - Fees & Charges & Portchester Crematorium Joint Board	13,630	-7,200	
<u>Leisure & Culture</u>			5
Open Spaces			
Premises - inc slippage	47,950	-73,930	
Supplies & Services - Equipment Maintenance (virement)	10,000		
Third Party - Enterprise Contract & Inflation		19,990	
Income - Legal Costs, Sales & Rent Reviews	-4,840	-2,990	
Outdoor Sports			
Premises - Maintenance (inc slippage), Utilities etc	5,260	-6,690	
Supplies & Services - inc temporary changing facilities	11,180	-5,000	
Contractor Payments		4,250	
Holbrook Recreation Centre			
Third Party - Current Contract ends Apr'07. New arrangement/contract to be agreed.		26,030	
Countryside Management			
Premises - Grounds Maintenance, Rowner Copse & Treework	11,780	-9,780	
Community Recreation			
Play & Childcare			
Supplies & Services - Contribution to Voluntary Organisations	-7,160	-5,350	
Income - Grants, Donations, Sponsorship inc Hants Children Fund Grant	-6,000	10,000	
Arts & Events			
Events - Waterfront Festival - Net Cost	16,520	-6,520	
<u>Waste</u>			7
Waste Recycling			
Income - Recycling Credits, Salvage, Mixed Kerbside MRF	-51,120	18,330	
Waste Collection			
Supplies & Services - Purchase of Equipment	8,780	-8,780	
Miscellaneous Supplies	-5,090	-900	
Contractor Payments - incs supply & delivery of new & replacement bins	32,400	14,410	
<u>Streetscene</u>			9
Car Parks			
Employees & Transport now included within Administration Recharges	-202,770		
Premises - Maintenance	-10,000	-30,000	
Supplies & Services - External Printing	0	-6,000	
Income - Fees	182,000	161,200	
Fines	15,000	-15,000	
Permits	-5,000	0	
Abandoned / Unwanted Vehicles			
Contractor Payments - HCC taking service back in house		-13,420	
Income - HCC & Sales	-7,220	20,600	
Dog Control			
Employees & Transport now included within Administration Recharges	-56,580		
Nursery			
Employees	-4,120	-11,440	
Premises - Repairs & Maintenance of Buildings inc Energy Costs	-14,310	1,380	
Supplies & Services - Purchase of Equipment	7,500	-6,800	
Supplies & Services - Seeds, Plants & Shrubs	-3,000	0	
Income - General Sales	3,500	-3,500	
Street Cleansing			
Supplies & Services - Litter Bins	18,000	-18,000	
Third Party - Special Collections of Asbestos & Inflation		11,800	
Flower Bed & Shrubbery Maintenance			
Seeds, Plants, Shrubs, Consultants, Maintenance	12,360	-930	

ANALYSIS OF MAIN VARIATIONS BETWEEN 1. ORIGINAL ESTIMATE 2006/2007 AND REVISED ESTIMATE 2006/2007 2. REVISED ESTIMATE 2006/2007 AND ESTIMATE 2007/2008 (Figures prefixed with a minus sign represent reduced expenditure or increased income)	VARIANCE		Page
	ORIGINAL 2006/2007 to REVISED 2006/2007 £	REVISED 2006/2007 to ESTIMATE 2007/2008 £	
Concessionary Travel			11
Tokens - Swing in take-up to Farepass, inflation & growth	-68,720	24,870	
Farepass - Swing in take-up from tokens, inflation & growth	78,670	56,710	
Misc Environmental & Transportation			11
Highways (GBC)			
Street Name Plates - improvements		-8,000	
Third Party Payments - BC Partnership	-8,890	700	
Business Growth Incentive Grant to finance Christmas Lights		-30,000	
Tenanted Buildings			
Premises - various inc Park Lodge, Cemetery Lodge, Beach Huts (slippage)	11,560	-21,320	
Enterprise Grounds Maintenance Contract (all services)			
Enterprise Core Activities RPI 3.3%	-5,550	52,170	
	94,560	113,390	
HOUSING BOARD - GENERAL FUND SERVICES			
Homelessness	12,920	-2,940	17
	12,920	-2,940	
POLICY AND ORGANISATION BOARD			
Registration of Electors			23
Supplies & Services - Registration Fee & Advertising	7,420	3,200	
Local Land Charges			23
Income - reduction in Fees in accordance with OFT guidance		158,320	
Housing Benefits			25
Rent Allowances & Rent Rebates - Net expenditure after subsidy	36,550	920	
Local Tax Rebates - Net expenditure after subsidy	11,700	610	
Income - DWP Admin Grant - included within Administration Recharges	394,000		
Local Tax Collection			25
Income - Council Tax Court Costs - increase in fees charged	-50,000	-9,800	
Income - NNDR Court Costs - Increased fees	-11,000		
Economic Prosperity			27
Job Creation & Other Initiatives - expenditure	227,280	-20,000	
Job Creation & Other Initiatives - external funding	-227,280	20,000	
Use Business Growth Incentive Grant towards Job Creation Initiatives		-22,000	
Community Safety			27
Crime & Disorder Initiatives		8,000	
Development Services			27
Expenditure - additional Planning Delivery Grant expenditure	125,630	-269,460	
Building Control Partnership Charge	14,110	2,110	
Income - additional Planning Delivery Grant	-125,630	269,460	
Income - Planning Fees	15,000	-20,500	
Depot (Landlord Account)			27
Employees - Depot Yardman	3,300	17,620	
Premises - Maintenance & Utilities	43,200	-30,140	
Income - including Utility Costs & Rents	-57,410	-8,810	
Licensing & Registration			29
Income - increase in fees	-30,740	2,100	

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	VARIANCE		Page
	ORIGINAL 2006/2007 to REVISED 2006/2007 £	REVISED 2006/2007 to ESTIMATE 2007/2008 £	
Priddys Hard			29
Premises - Maintenance, Security, Site Supervision, RPS Fees	16,400	-29,900	
Supplies & Services - Consultants & Advertising		-7,550	
Income from Site - Interest on Capital Receipts	32,980	-16,590	
Explosion - Reductions in Revised Budget (Employees, Premises & S&S)	-23,550	5,170	
Explosion - Mothballing of Museum from 1st April 2007		-152,080	
Assistance to Voluntary Organisations			29
CAB - increase in grant re new building		4,090	
Gosport Victim Support (P&O 23rd January 2007)	-3,000	0	
Relate (P&O 23rd January 2007)		-2,000	
Civic Events	11,870	-1,470	31
Members & Election Expenses			31
Supplies & Services - Members Allowances		5,100	
Supplies & Services - Election Fees	-7,700	-49,320	
Miscellaneous Services			33
Community Strategy & LSP Co-ordinator	25,270	-15,380	
LSP Co-ordinator Funding	-25,270	15,380	
Vision Fair	6,500	-11,500	
Insurance admin, valuations, debt & asset management	23,570	1,620	
Dangerous Structures - Building Control Partnership recharge	6,410	610	
Staff Canteen & Trolley Service	10,680	-6,000	
Best Value / Performance Indicators / Consultation		-12,000	
E Government Initiatives - now included within Administration Recharges	3,000	-35,000	
Haslar Hospital Campaign	13,720	-13,720	
Portsmouth Harbour Renaissance		-3,900	
Income - Town centre Properties & Haslar Marina & Coastline	-10,000	-13,300	
Income - Revenue Support Grant 04/05 & 05/06		43,000	
Other Corporate Areas			33
Reversal of Capital Financing Costs for Administration Recharges	-70,810		
Net External Interest Receivable	-135,290	53,050	
Minimum Revenue Provision	1,590	143,260	
Internal Interest Payable	9,780	-7,030	
HRA Item 8 Transfer	6,240	-66,040	
Audit Fees - move to full accruals for non-core external audit work	29,850	-20,560	
	298,370	-90,430	
All Boards	405,850	20,020	
Administration Recharge		276,220	
Pay Inflation inc NI & Super			
All Other Service Unit cost variations	45,870	-39,270	
Non G.Fund recharges & Vacancy Allowance	14,220	-114,060	
Other Minor Variations	-42,290	-31,500	
Contribution to / (from) Balances & Reserves	-423,650	451,490	
Total Budgetary Change	0	562,900	

GENERAL FUND SERVICE UNIT ACCOUNTS

Leisure & Cultural Services

Engineering Group			37
Employees - Employee moved to Development Services	-44,690		
Leisure Unit			
Employees - Re-grading, Increments, Inflation, Agency/Hire Staff	-1,440	27,000	
Supplies & Services - Furniture, Scanning, Courses & Seminars	4,270	-5,730	

ANALYSIS OF MAIN VARIATIONS BETWEEN

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	VARIANCE		Page
	ORIGINAL 2006/2007 to REVISED 2006/2007 £	REVISED 2006/2007 to ESTIMATE 2007/2008 £	
Leisure Maintenance Team Employees - Agency/hire staff transferred to Play Areas	-10,000		
Development Services			39
Property Services Employees	3,960	4,300	
Traffic Management Employees	-3,450	9,600	
Building Control Partnership Account Employees	-5,000	8,100	
Development Control Business Account Employees	-21,270	10,590	
Forward Planning Business Account Employees	52,920		
Planning Policy Employees		11,850	
Chief Executive's Unit			39
Chief Executive Employees	46,760	-64,820	
Corporate Policy Section Employees	-11,670	-4,690	
Supplies and Services Personnel	39,780	-34,340	
Employees	-7,960	8,300	
Personnel Corporate Budget Audit		-4,000	
Employees	4,160	22,590	
Supplies and Services	5,770	-7,280	
Economic Prosperity Employees	-12,950	13,480	
Community Safety Employees		11,570	
Environmental Services			41
Contracts Officers Employees	-242,590	6,730	
Premises	30,780	29,910	
Transport	-19,410	30	
Supplies & Services	11,720	-22,520	
Waste Management Employees	90,320	16,260	
Parks & Horticulture Employees	103,510	-35,580	
Transport	5,070	-210	
Supplies & Services	4,670	360	
Enforcement Employees	296,300	52,340	
Transport	40,060	5,040	
Supplies & Services	14,130	-4,990	
Environmental Services Employees - Restructure / Inflation	22,890	8,200	
Environmental Health - Commercial Employees - Increment, Inflation & Smoking Legislation	6,900	36,300	
Supplies & Services - inc conbn to Student Tng Consortium	5,660	1,410	
Income - External Funding, Smoking Legislation	-7,000	-34,320	
Environmental Health - Pollution Employees - Restructure / Regrading, Increments & Inflation	-52,010	12,630	
Corporate Services & Accommodation			41
Town Hall Keepers Employees - Previously split with Accommodation & inflation Accommodation BU (Town Hall)	51,460	1,300	

ANALYSIS OF MAIN VARIATIONS BETWEEN

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	VARIANCE		Page
	ORIGINAL 2006/2007 to REVISED 2006/2007 £	REVISED 2006/2007 to ESTIMATE 2007/2008 £	
Employees - Previously split with Town Hall Keepers, part-time post removed	-53,650	-4,870	
Premises - NNDR & inflation	1,950	6,000	
Supplies & Services		-11,000	
Income - Backdated recharge of electricity to radio mast operators	-60,000	52,500	
Corporate Cleaning			
Employees - Additional hours, take up of pension scheme & inflation	5,650	1,030	
Corporate Services Support			
Employees - Increments & Inflation	1,450	7,000	
Central Purchasing			
Employees - Additional part-time post (inc NI & pension) & Inflation	14,200	1,710	
Supplies & Services - Hampshire Market Place - moved from service	11,960	-1,980	
Reception			
Employees - Addit. temp part-time post (inc NI & pension), overtime & infl	12,780	-3,760	
IT Product Support			
Employees - Restructure	1,530	-156,030	
Supplies & Services - Restructure		-8,940	
IT Operations			
Employees - Additional part-time post & Restructure	10,190	-62,180	
Supplies & Services - Restructure		-217,780	
Business Systems Support			
Employees - restructure & inflation		239,110	
Supplies & Services - E-government moved from Corporate Expenses & Restructure		260,380	
PC & Network Support			
Corporate Services - Capital Financing Charges (removed in P&O Board)	65,490		
Telephones			
Employees - Additional part-time post (inc NI & pension), overtime & infl	12,780	-3,760	
Premises - Telephone system maintenance	2,130	4,690	
Supplies & Services - Completion of lease payments		-31,050	
Print Centre			
Employees - Increase in hours for part-time post, increments & inflation	2,820	6,940	
Income	4,000		
Revenues			
Employees - Deleted Head Cashier Post & Inflation	-21,010	1,860	
Legal & Democratic Support			43
Borough Solicitor			
Employees	-21,090	9,720	
Democratic Services			
Employees	14,600	8,320	
Legal BU			
Employees	4,200	10,990	
Supplies & Services	10,610	-7,640	
External Legal Fees			
Supplies & Services	10,000	-10,000	
Electoral Registrat.BU			
Employees	-7,630		
Financial Services			43
Accountancy			
Employees - Increments & Inflation	10,770	24,390	
Housing Benefit			
Employees - Vacancies, overtime, agency costs, increments & inflation	-8,430	13,290	
Supplies & Services - Equipment, software, hardware & studies/surveys	20,280	-9,980	
Income - DWP Grant moved from services & inflation	-405,630	-41,350	
Council Tax BU			
Employees - Vacant post & inflation	-14,060	28,110	
Capital Financing Charges (removed in P&O Board)	5,320		
Total specified changes	32,860	185,130	
All other variations	13,010	51,820	
Total Budgetary Change	45,870	236,950	

APPENDIX 2

BUDGET RISK ASSESSMENT (GENERAL FUND)

Budget Area	Risk	Budget £'000	Likelihood	Impact	Comment
Political Balance	Problems delivering difficult decisions (planning decisions, service level changes).	N/A	H	H	
Homelessness	Additional demand.	2,219	H	M	Strategy is under review.
Housing Benefits	Error/overpayment rates increase + grant formula changes.	18,134	H	M	
Gosport Market Income	Reduction in stall numbers.	191	H	L	Downward trend appears to be levelling off.
Maintenance & Administration	Inadequate provision.	3,100	H	L	Essential expenditure has been provided for.
Land Charges Income	Recession/policy change.	154	M	M	Budget reflects prudent forecasts and policy change.
General Income	Shortfall due to unpredicted demand changes.	2,500	M	M	Budget reflects prudent income forecasts.
Inflation	Exceeds allowance.	350	M	M	Inflation expected to peak soon and reduce in 2007/8.
Insurance	Claims experience forces more self-insurance.	300	M	M	Storm damage is an increasing concern (£100,000 excess).
Concessionary Fares	Increased cost of bus passes.	483	M	M	Negotiations with the operator are ongoing.
Interest Income (net)	Reduces from forecast or capital receipts & deposits get spent earlier than anticipated.	156	L	H	The Council is becoming over-dependent on investment income.
Vacancy Savings target	Target cannot be achieved.	120	L	L	Budgeted provision is realistic based on recent experience.

NOTES

- 1 **Assessment is of 2007/8 budget taking 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 3

PROJECTED GENERAL FUND FOR THE YEARS TO 2011/12 (AT CURRENT PRICES)

	(£'000)			
	2008/9	2009/10	2010/11	2011/12
A 2007/8 Base Budget	12,302	12,302	12,302	12,302
B Revenue Increases				
Private Housing Condition Survey			60	
Local Elections	70		70	
Insurance Premiums		100	100	100
Contract re-tendering		350	350	350
Other	7	26	21	28
	<u>77</u>	<u>476</u>	<u>601</u>	<u>478</u>
C Additional Financing Charges *	245	441	556	619
D (A+B+C)	<u>12,624</u>	<u>13,219</u>	<u>13,459</u>	<u>13,399</u>
E Less Revenue Decreases				
Planning Grant	-125	-125	-125	-125
Business Growth Grant			-52	-52
New Revenue Streams	50	100	150	150
	<u>-75</u>	<u>-25</u>	<u>-27</u>	<u>-27</u>
F PROJECTED BUDGET TOTALS (D-E)	<u>12,699</u>	<u>13,244</u>	<u>13,486</u>	<u>13,426</u>

*Arising from the Capital Programme and accounting requirements

GENERAL FUND BUDGET

Summary 2006/2007 Revised, Estimate 2007/2008

	ACTUAL 2005/2006 £	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
BOARD				
COMMUNITY AND ENVIRONMENT	6,479,320	6,316,740	6,764,130	6,934,580
HOUSING	578,120	533,640	561,390	532,530
POLICY AND ORGANISATION	3,343,320	4,870,010	4,818,520	4,788,340
Total Net Expenditure	10,400,760	11,720,390	12,144,040	12,255,450
Transfer to/(from) Balances & Reserves				
- Base Contribution	56,000	50,670	50,670	50,670
- Collection Fund		20,000	20,000	20,000
- Maintenance	(20,800)	(52,000)	(52,000)	(8,670)
- GF Surplus (to RFR)	489,450			
- Savings		13,250	13,250	
- Supplementary Estimate incl slippage from 2005/06			(432,020)	
- Building Control	8,700			
- Access Officer conb		(13,000)	(4,630)	(15,240)
BUDGET TOTAL	10,934,110	11,739,310	11,739,310	12,302,210

General Fund Working Balance

B/Fwd	765,000	821,000	821,000	840,000
Change	56,000	19,000	19,000	20,000
C/Fwd	821,000	840,000	840,000	860,000

Revenue Financing Reserve

B/Fwd	240,100	219,290	708,750	289,650
Change	468,650	12,920	(419,100)	42,000
C/Fwd	708,750	232,210	289,650	331,650

Building Control Surplus

B/Fwd	60,560	60,560	69,260	64,630
Change	8,700	(13,000)	(4,630)	(15,240)
C/Fwd	69,260	47,560	64,630	49,390

Total

B/Fwd	1,065,660	1,100,850	1,599,010	1,194,280
Change	533,350	18,920	(404,730)	46,760
C/Fwd	1,599,010	1,119,770	1,194,280	1,241,040

SUMMARY OF REVENUE ESTIMATES 2007/08

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £	Page
COMMUNITY AND ENVIRONMENT BOARD				
Gosport Market	(227,840)	(169,620)	(179,330)	5
Cemetery	42,610	52,620	38,690	5
Leisure & Culture	2,259,000	2,358,590	2,309,610	5
Waste	1,434,010	1,454,610	1,507,880	7
Streetscene	687,620	890,310	1,046,680	9
Concessionary Travel	880,180	890,760	974,530	11
Landing Stage	62,170	71,170	30,020	11
Misc Environmental & Transportation	444,920	455,140	403,720	11
Environmental Health Services	734,070	760,550	802,780	13
Board Total	6,316,740	6,764,130	6,934,580	
HOUSING BOARD				
Home Improvement Grants	58,800	58,800	58,800	17
Private Sector Housing	97,610	100,290	68,650	17
Homelessness	377,230	402,300	405,080	17
Board Total	533,640	561,390	532,530	
POLICY AND ORGANISATION BOARD				
Registration of Electors	156,870	164,430	170,260	23
Local Land Charges	(180,910)	(153,870)	0	23
Mobile Home Park	(53,570)	(61,030)	(59,940)	23
Housing Benefits	586,530	647,990	623,140	25
Local Taxation	596,810	509,200	523,770	25
Marketing and Tourism	99,880	108,640	109,120	25
Economic Prosperity	306,860	302,480	291,520	27
Community Safety	377,850	388,310	417,330	27
Development Services	615,670	693,460	704,150	27
Depot (Landlord Account)	(56,140)	(43,760)	(70,510)	27
Licensing & Registration	228,460	105,580	105,800	29
Priddy's Hard	581,620	614,500	420,700	29
Assistance to Voluntary Organisations	196,030	198,790	204,540	29
Corporate & Civic Expenses	2,136,010	2,041,140	2,075,160	31
Miscellaneous Services	563,220	811,760	647,660	33
Other Corporate Areas	(1,285,180)	(1,509,100)	(1,374,360)	33
Board Total	4,870,010	4,818,520	4,788,340	
GRAND TOTAL OF ALL BOARDS	11,720,390	12,144,040	12,255,450	

COMMUNITY AND ENVIRONMENT BOARD

SUMMARY OF REVENUE ESTIMATES 2007/08

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £	Page
SERVICE				
Gosport Market	(227,840)	(169,620)	(179,330)	5
Cemetery	42,610	52,620	38,690	5
Leisure & Culture	2,259,000	2,358,590	2,309,610	5
Waste	1,434,010	1,454,610	1,507,880	7
Streetscene	687,620	890,310	1,046,680	9
Concessionary Travel	880,180	890,760	974,530	11
Landing Stage	62,170	71,170	30,020	11
Misc Environmental & Transportation	444,920	455,140	403,720	11
Environmental Health Services	734,070	760,550	802,780	13
Board Total	6,316,740	6,764,130	6,934,580	

COMMUNITY AND ENVIRONMENT BOARD

GOSPORT MARKET

An open air market is held every Tuesday and Saturday in the pedestrianised area of the High Street in Gosport. The management of the market is contracted out to Hughmark International.

CEMETERY

Ann's Hill Cemetery and closed churchyards. The cemetery is still operational although as available space is rapidly becoming used the team are also undertaking planning and preparation for the new cemetery.

LEISURE & CULTURE

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Open Spaces	1,220,730	1,263,000	1,185,500
Outdoor Sports	290,280	291,750	286,330
Holbrook Recreation Centre	260,060	257,790	285,840
Non GBC Leisure Facilities	4,280	4,930	5,240
Countryside Management	104,940	116,330	111,080
Museum	101,080	102,330	105,980
Community Recreation	129,460	159,270	171,480
Allotments	39,430	39,730	41,840
Arts & Events	108,740	123,460	116,320
	<u>2,259,000</u>	<u>2,358,590</u>	<u>2,309,610</u>

COMMUNITY AND ENVIRONMENT BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
GOSPORT MARKET			
Premises	4,500	1,000	1,000
Supplies and Services	150	250	300
Administration Recharges	17,510	10,290	10,530
	<u>22,160</u>	<u>11,540</u>	<u>11,830</u>
Income	250,000	181,160	191,160
NET INCOME	<u>(227,840)</u>	<u>(169,620)</u>	<u>(179,330)</u>
CEMETERY			
Employees	45,360	46,600	48,460
Premises	32,860	32,310	25,620
Transport	3,600	3,690	3,410
Supplies and Services	10,250	13,390	7,200
Contractor Payments	84,000	83,710	86,320
Administration Recharges	73,110	84,330	87,200
Capital Finance	0	1,580	1,580
	<u>249,180</u>	<u>265,610</u>	<u>259,790</u>
Income			
- Fees and Charges	88,040	74,410	79,610
- Portchester Crematorium Joint Board	110,000	110,000	112,000
- Recharges to Other Boards	8,530	28,580	29,490
	<u>206,570</u>	<u>212,990</u>	<u>221,100</u>
NET EXPENDITURE	<u>42,610</u>	<u>52,620</u>	<u>38,690</u>
LEISURE & CULTURE			
Employees	129,230	131,590	132,270
Premises	237,540	307,630	214,170
Transport	8,440	7,150	7,690
Supplies and Services	170,050	192,310	170,110
Contractor Payments	1,198,050	1,197,910	1,251,650
Administration Recharges	622,700	629,880	633,120
Capital Finance	196,900	191,470	198,060
Events - Waterfront Festival	59,470	80,130	30,000
Events - Other Events	25,050	26,320	24,290
	<u>2,647,430</u>	<u>2,764,390</u>	<u>2,661,360</u>
Income			
- Fees & Charges	61,800	63,720	64,410
- Rents, Lettings & Wayleaves	194,730	193,810	201,040
- Other	131,900	148,270	86,300
	<u>388,430</u>	<u>405,800</u>	<u>351,750</u>
NET EXPENDITURE	<u>2,259,000</u>	<u>2,358,590</u>	<u>2,309,610</u>

COMMUNITY AND ENVIRONMENT BOARD

WASTE

The Council operates recycling collection centres for glass, paper, cans and textiles at eleven major sites and twenty nine micro centres throughout the Borough. A scheme for the kerbside collection of mixed dry recyclable materials was implemented throughout the Borough following a successful trial scheme.

A service is also provided on request for Councillors' Amenity Bins (which are provided free of charge), and for Unwanted Domestic Items (for which a charge is made). All waste arising in the Borough that is not recycled is transported to the incinerator at Portsmouth.

Contractor payments comprises -

	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Domestic Refuse Collection	1,026,090	1,029,280	1,039,170
Garden Waste Collection	21,600	21,600	24,570
Amenity Bin Service	34,680	34,820	35,970
Clinical Waste Collection	25,500	27,390	29,240
Special Collections	4,090	4,600	4,700
Household Waste/Bedding List	67,320	94,640	94,340
Waste Recycling	34,420	33,300	34,190
	<u>1,213,700</u>	<u>1,245,630</u>	<u>1,262,180</u>

NET EXPENDITURE

	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Waste Recycling	165,530	121,840	159,770
Waste Collection	1,268,480	1,332,770	1,348,110
	<u>1,434,010</u>	<u>1,454,610</u>	<u>1,507,880</u>

COMMUNITY AND ENVIRONMENT BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
WASTE			
Employees	14,570	14,330	14,680
Premises	0	230	0
Supplies and Services	36,950	43,410	36,260
Contractor Payments	1,213,700	1,245,630	1,262,180
Administration Recharges	215,330	233,340	257,870
Capital Finance	72,100	86,390	86,390
	<hr/>	<hr/>	<hr/>
	1,552,650	1,623,330	1,657,380
 Income			
- Recycling	65,530	116,650	98,320
- Collection	53,110	52,070	51,180
	<hr/>	<hr/>	<hr/>
	118,640	168,720	149,500
 NET EXPENDITURE			
	<hr/>	<hr/>	<hr/>
	1,434,010	1,454,610	1,507,880

COMMUNITY AND ENVIRONMENT BOARD

STREETSCENE

CAR PARKS

Almost 3,000 off-street and foreshore parking spaces are provided with Gosport and Lee on the Solent

OTHER

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

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Abandoned/Unwanted Vehicles	48,210	31,610	36,770
Car Parks	(311,100)	(221,960)	(96,090)
Dog Control	130,080	88,130	93,130
Nursery	72,600	60,460	35,680
Public Conveniences	228,010	222,600	239,650
Street Cleansing	365,870	532,360	562,500
Flower Bed, Shrubbery & High Street Maintenance	153,950	174,700	173,480
Other	0	2,410	1,560
	<u>687,620</u>	<u>890,310</u>	<u>1,046,680</u>

COMMUNITY AND ENVIRONMENT BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
STREETSCENE			
CAR PARKS			
Employees	187,050	0	0
Premises	102,900	91,700	62,280
Transport	15,720	0	0
Supplies and Services	24,530	22,310	16,620
Contractor Payments	28,480	28,380	29,320
Administration Recharges	108,520	222,930	236,510
Capital Finance	104,800	104,800	104,800
	<hr/>	<hr/>	<hr/>
	572,000	470,120	449,530
 Income			
- Car Park Fees	750,000	568,000	406,800
- Car Park Permits	60,000	65,000	65,000
- Parking Fines	70,000	55,000	70,000
- Advertising & Other Miscellaneous Income	3,100	4,080	3,820
	<hr/>	<hr/>	<hr/>
	883,100	692,080	545,620
 NET INCOME	<hr/>	<hr/>	<hr/>
	(311,100)	(221,960)	(96,090)
 OTHER			
Employees	126,070	74,750	63,390
Premises	136,440	128,860	137,050
Transport	9,550	500	500
Supplies and Services	92,570	122,440	89,110
Contractor Payments	522,860	522,120	527,740
Administration Recharges	306,840	485,740	521,820
Capital Finance	44,540	34,580	42,930
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	1,238,870	1,368,990	1,382,540
 Income			
- Abandoned / Unwanted Vehicles	19,350	28,170	6,470
- Dog Control / Enforcement	3,280	3,900	3,250
- Nursery	94,700	96,280	99,780
- Other	122,820	128,370	130,270
	<hr/>	<hr/>	<hr/>
	240,150	256,720	239,770
 NET EXPENDITURE	<hr/>	<hr/>	<hr/>
	998,720	1,112,270	1,142,770
 NET EXPENDITURE FOR STREETSCENE	<hr/>	<hr/>	<hr/>
	687,620	890,310	1,046,680

COMMUNITY AND ENVIRONMENT BOARD

CONCESSIONARY TRAVEL

Concessionary travel is available to certain disabled residents and all men and women aged 60 and above. Residents have the choice of Tokens or Farepass which offers all day free bus travel for journeys that start and finish within Hampshire.

LANDING STAGE

The ferry pontoon is owned by Gosport Borough Council and leased to Portsmouth Ferry Company who operate a frequent cross harbour service to Portsmouth. Built in 1926 the pontoon, which facilitates 3 million passenger crossings per annum, is due for replacement.

MISC ENVIRONMENTAL & TRANSPORTATION

Misc Environmental & Transportation includes the following specific budgets-

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Traffic Agency Deficiency	75,090	69,930	74,050
Environmental Maintenance & Improvements	32,760	35,230	34,610
Street Name Plates - Maintenance	45,420	36,410	29,460
Christmas Decorative Lighting	35,360	40,530	7,560
Other Expenses - Traffic Regulation Orders	32,200	36,810	36,680
Forton Lake Bridge	31,910	25,100	26,720
Coastal Services	28,840	27,670	29,490
Coast Protection	173,680	179,330	183,750
Tenanted Buildings	(1,190)	18,140	(6,810)
Bus Station	(9,130)	(13,800)	(11,710)
Town Quay	450	370	380
Other	(470)	(580)	(460)
	<u>444,920</u>	<u>455,140</u>	<u>403,720</u>

COMMUNITY AND ENVIRONMENT BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
CONCESSIONARY TRAVEL			
Employees	3,000	2,710	3,000
Premises	750	600	750
Transport	100	30	100
Supplies and Services	4,700	5,350	5,400
Transfer Payments - Tokens	487,060	418,340	443,210
Less Token handling income	(3,800)	(3,800)	(3,800)
Transfer Payments - Farepass	347,140	425,810	482,520
Administration Recharges	41,230	41,720	43,350
NET EXPENDITURE	880,180	890,760	974,530
LANDING STAGE			
Premises - Special Maintenance	1,500	760	740
Administration Recharges	10,190	20,540	19,780
Capital Finance	52,270	52,270	11,900
	63,960	73,570	32,420
Income	1,790	2,400	2,400
NET EXPENDITURE	62,170	71,170	30,020
MISC ENVIRONMENTAL & TRANSPORTATION			
Premises	139,730	173,600	125,400
Supplies and Services	38,800	36,930	37,540
Third Party Payments	49,690	40,800	38,500
Administration Recharges	299,960	311,580	327,360
Capital Finance	158,560	158,790	158,790
	686,740	721,700	687,590
Income			
- Fees & Charges	2,950	24,700	8,700
- Rents	132,320	133,070	134,890
- Other	106,550	108,790	140,280
	241,820	266,560	283,870
NET EXPENDITURE	444,920	455,140	403,720

COMMUNITY AND ENVIRONMENT BOARD

SERVICE

ENVIRONMENTAL HEALTH SERVICES - Commercial

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Food, Safety and Hygiene	94,380	164,510	165,530
Public Health	115,130	123,730	129,530
Health & Safety	70,260	95,990	105,840
	<u>279,770</u>	<u>384,230</u>	<u>400,900</u>

ENVIRONMENTAL HEALTH SERVICES - Residential & Pollution

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Pollution Control	291,700	229,770	246,550
Rodent and Pest Control	131,200	107,100	113,200
Gypsy and Traveller Services	31,400	39,450	42,130
	<u>454,300</u>	<u>376,320</u>	<u>401,880</u>

COMMUNITY AND ENVIRONMENT BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
ENVIRONMENTAL SERVICES			
Environmental Health Services - Commercial			
Transport	2,300	2,600	0
Supplies and Services	32,940	29,510	31,000
Third Party Payments	40	1,090	1,200
Administration Recharges	251,180	354,580	372,700
	<u>286,460</u>	<u>387,780</u>	<u>404,900</u>
Income	6,690	3,550	4,000
NET EXPENDITURE	<u>279,770</u>	<u>384,230</u>	<u>400,900</u>
Environmental Health Services - Residential & Pollution			
Employees	50,350	50,060	51,910
Premises	7,460	800	700
Transport	8,930	8,280	8,480
Supplies and Services	41,990	34,210	41,140
Contractor Payments	300	0	100
Administration Recharges	358,160	294,270	311,740
Capital Finance	1,110	1,110	1,110
	<u>468,300</u>	<u>388,730</u>	<u>415,180</u>
Income	14,000	12,410	13,300
NET EXPENDITURE	<u>454,300</u>	<u>376,320</u>	<u>401,880</u>
NET EXPENDITURE FOR ENV HEALTH SERVICES	<u>734,070</u>	<u>760,550</u>	<u>802,780</u>

HOUSING BOARD

SUMMARY OF REVENUE ESTIMATES 2007/2008

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £	Page
SERVICE				
Home Improvement Grants	58,800	58,800	58,800	17
Private Sector Housing	97,610	100,290	68,650	17
Homelessness	377,230	402,300	405,080	17
Board Total	533,640	561,390	532,530	

HOUSING BOARD

SERVICE

REPAIR & ADAPTION 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.

The Council contributes towards the running costs of a local Home Improvement Agency. This provides practical advice and support for vulnerable clients who wish to improve or adapt their homes.

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 adopted a 'break-even' temporary accommodation, by which it is meant that each category of temporary accommodation should break-even (after management costs are included) or the accommodation category will be reviewed to assess whether there is a suitable alternative that is available to the Council

The status of the temporary accommodation categories is as follows:

Emergency Accommodation

Commercial Bed & Breakfast - Very high expense / will never be break-even - Alternative hostel accommodation a high priority.

GBC Lodgings - Alternative to B&B and should breakeven - due to reasonable charge added under section 206, continue to use until further hostel accommodation secured.

Hostel (Barclay House)(Stoke Gardens) - Break-even - Continue, limitation of only 36 units at present. In 2007/08 it is hoped to expand to between 44 and 49 units as part of the Homeless Strategy to achieve nil use of B&B

Move-on Accommodation

RAPS (Rented accommodation in the private sector) - Break-even - Continue expansion
Expansion to a maximum of 225 at any one time.

HOUSING BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
HOME IMPROVEMENT GRANTS			
Contribution to Southern Focus Trust	11,000	11,000	11,000
Administration Recharges	47,800	47,800	47,800
NET EXPENDITURE	58,800	58,800	58,800
 PRIVATE SECTOR HOUSING			
Supplies and Services	6,370	6,070	6,370
Administration Recharges	92,340	95,320	63,380
	98,710	101,390	69,750
Income	1,100	1,100	1,100
NET EXPENDITURE	97,610	100,290	68,650
 HOMELESSNESS			
Employees	37,950	27,950	26,950
Premises	75,710	76,110	66,350
Supplies and Services	1,779,910	1,816,470	1,817,210
Administration Recharges	290,130	302,280	308,000
	2,183,700	2,222,810	2,218,510
Income	1,806,470	1,820,510	1,813,430
NET EXPENDITURE	377,230	402,300	405,080

HOUSING BOARD

SERVICE

HOUSING REVENUE ACCOUNT

Provisions governing the operation of the Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989. Expenditure falls within the broad categories of management (including administration), repair and maintenance and subsidy. Income is derived from rents, service charges and interest on mortgages on sold Council properties.

The Secretary of State makes assumptions about increases in expenditure and rent levels when determining an authorities subsidy.

As well as the items charged or credited to the account, the HRA is also "ring fenced". This means that contributions are not allowed between the HRA and the General Fund.

The estimated average number of dwellings in 2006/07 will be in the region of 3,270.

We estimate selling approximately 20 dwellings to secure tenants under the Right To Buy scheme during 2006/07.

In April 2001 the ODPM introduced a new financial framework for Local Authority Housing. This has brought about significant changes to the way in which the HRA is accounted for. This authority has used the new format for HRA presentation since 2001/2002.

To conform with Government guidance, rent rebates have been accounted for within the General Fund since 1st April 2004.

COUNCIL HOUSING

THE HOUSING REVENUE ACCOUNT

	ACTUAL 2005/2006 £000	ORIGINAL 2006/2007 £000	REVISED 2006/2007 £000	ESTIMATE 2007/2008 £000
Income				
Dwelling Rents	8,792	9,250	9,124	9,570
Shops & Garages	211	230	214	223
Service Charges	511	490	543	484
	9,514	9,970	9,881	10,277
Expenditure				
Management	2,301	2,610	2,646	2,775
Maintenance	2,735	2,520	2,614	2,927
Rents, Rates, Taxes, Other Charges	78	100	91	99
Cost Of Capital/Impairment/Deferred Charges	5,821	6,120	6,118	6,118
Depreciation	2,181	2,110	2,153	2,163
Transitional Contribution for Rent Rebates	157	0	0	0
HRA Subsidy(including MRA)	2,018	2,240	2,166	2,039
	15,291	15,700	15,788	16,121
	5,777	5,730	5,907	5,844
Net Cost Of Services				
TFR AMRA (Difference between cost of capital and impairment/ deferred charges and HRA interest costs)	(5,905)	(6,150)	(6,160)	(6,108)
Amortised Premiums/discounts	35	40	0	0
HRA Investment income/mortgage interest	(52)	(50)	(57)	(49)
	(5,922)	(6,160)	(6,217)	(6,157)
	(145)	(430)	(310)	(313)
Net Operating Expenditure				
Appropriations				
Revenue Contributions to Capital	51	400	400	400
Housing Revenue Account Balance				
Surplus/(-)Deficit at beginning of Year	897	787	991	901
Surplus/(-)Deficit for Year	94	30	(90)	(87)
Surplus(-)/Deficit at end of Year	991	817	901	814

POLICY AND ORGANISATION BOARD

SUMMARY OF REVENUE ESTIMATES 2007/2008

SERVICE	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £	Page
Registration of Electors	156,870	164,430	170,260	23
Local Land Charges	(180,910)	(153,870)	0	23
Mobile Home Park	(53,570)	(61,030)	(59,940)	23
Housing Benefits	586,530	647,990	623,140	25
Local Taxation	596,810	509,200	523,770	25
Marketing and Tourism	99,880	108,640	109,120	25
Economic Prosperity	306,860	302,480	291,520	27
Community Safety	377,850	388,310	417,330	27
Development Services	615,670	693,460	704,150	27
Depot (Landlord Account)	(56,140)	(43,760)	(70,510)	27
Licensing & Registration	228,460	105,580	105,800	29
Priddy's Hard	581,620	614,500	420,700	29
Assistance to Voluntary Organisations	196,030	198,790	204,540	29
Corporate & Civic Expenses	2,136,010	2,041,140	2,075,160	31
Miscellaneous Services	563,220	811,760	647,660	33
Other Corporate Areas	(1,285,180)	(1,509,100)	(1,374,360)	33
Board Total	4,870,010	4,818,520	4,788,340	

REGISTRATION OF ELECTORS

One of the Council's statutory functions relates to the annual compilation and publication of the Register of Electors. Administration and management is also carried out on all types of elections in accordance with the relevant statutory requirements.

LOCAL LAND CHARGES

This a statutory service which deals with over 2500 searches of the Land Charges Register each year and also the registration and discharge of local land charges.

MOBILE HOME PARK

This account shows the cost of managing and operating the mobile home park at Stokes Bay. There are 55 mobile homes at the park.

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
REGISTRATION OF ELECTORS			
Employees	850	0	0
Supplies and Services	20,880	28,300	31,500
Administration Recharges	136,640	137,130	139,760
	<u>158,370</u>	<u>165,430</u>	<u>171,260</u>
Income	1,500	1,000	1,000
NET EXPENDITURE	<u>156,870</u>	<u>164,430</u>	<u>170,260</u>
LOCAL LAND CHARGES			
Supplies and Services	14,460	13,950	14,930
Third Party Payments	24,000	31,350	22,560
Administration Recharges	90,630	112,830	116,190
	<u>129,090</u>	<u>158,130</u>	<u>153,680</u>
Income	310,000	312,000	153,680
NET INCOME	<u>(180,910)</u>	<u>(153,870)</u>	<u>0</u>
MOBILE HOME PARK			
Premises	24,720	22,300	25,070
Supplies and Services	5,000	5,000	5,000
Contractor Payments	2,120	1,750	1,800
Administration Recharges	4,830	5,490	6,110
	<u>36,670</u>	<u>34,540</u>	<u>37,980</u>
Income	90,240	95,570	97,920
NET INCOME	<u>(53,570)</u>	<u>(61,030)</u>	<u>(59,940)</u>

POLICY AND ORGANISATION BOARD

HOUSING BENEFITS

The award of Housing and Council Tax Benefit is a financial lifeline for many people with lower incomes. The Benefits Section provides a service for the calculation 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 Taxbills. People in receipt of Income Support/Job Seekers Allowance normally receive full 100% rebates, whilst the entitlement of those on a low income is assessed in accordance with a complex calculation process. The Council's Policy and Organisation Board 10 November 2004 approved the following Mission Statement and Service Goals:-

"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."

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Housing Benefits	469,600	340,710	328,940
Local Tax Rebates	116,930	307,280	294,200
	<u>586,530</u>	<u>647,990</u>	<u>623,140</u>

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 CountyCouncil, Hampshire Police Authority and Hampshire Fire and Rescue Service.

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Local Tax Collection	530,420	456,340	471,340
National Non Domestic Rates	66,390	52,860	52,430
	<u>596,810</u>	<u>509,200</u>	<u>523,770</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, a range of maritime events, in addition to a variety of other marketing initiatives.

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
HOUSING BENEFITS			
Rent Allowances	8,339,000	8,502,990	8,928,140
Rent Rebates	5,329,000	4,872,670	5,116,300
Council Tax Rebates	4,435,000	3,895,090	4,089,850
Administration Recharges	1,022,530	641,740	616,580
	<u>19,125,530</u>	<u>17,912,490</u>	<u>18,750,870</u>
Income			
- DWP Grant - Rebates	9,716,300	8,714,500	9,150,230
- DWP Grant - Rent Allowances	8,428,700	8,550,000	8,977,500
- Administration Grant	394,000	0	0
	<u>18,539,000</u>	<u>17,264,500</u>	<u>18,127,730</u>
NET EXPENDITURE	<u>586,530</u>	<u>647,990</u>	<u>623,140</u>
 LOCAL TAXATION			
Supplies & Services	20,500	26,000	21,640
Other Expenses - Discretionary Relief	22,000	18,500	18,500
Administration Recharges	737,310	711,700	742,430
	<u>779,810</u>	<u>756,200</u>	<u>782,570</u>
Income			
- Court Costs	105,000	166,000	175,800
- Administration Grant	78,000	81,000	83,000
	<u>183,000</u>	<u>247,000</u>	<u>258,800</u>
NET EXPENDITURE	<u>596,810</u>	<u>509,200</u>	<u>523,770</u>
 MARKETING AND TOURISM			
Premises	4,550	4,590	3,650
Supplies & Services	84,150	84,580	85,140
Administration Recharges	11,180	19,470	20,330
NET EXPENDITURE	<u>99,880</u>	<u>108,640</u>	<u>109,120</u>

POLICY AND ORGANISATION BOARD

ECONOMIC PROSPERITY

The Economic Prosperity Sections responsible for economic development and community regeneration. It is involved with a wide range of projects and initiatives aimed at increasing the Borough's economy. The Section seeks to create prosperity and local jobs through inward investment, business and skills support, whilst ensuring that opportunities and benefits are accessible to all members of the community.

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.

CCTV

The development, maintenance, provision and management of CCTV throughout the Borough.

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Community Safety	142,710	143,790	171,360
CCTV	235,140	244,520	245,970
	<u>377,850</u>	<u>388,310</u>	<u>417,330</u>

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.

NET EXPENDITURE	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Development Control	165,820	180,590	172,270
Building Control	90,240	104,000	106,110
Planning Policy	359,610	408,870	425,770
	<u>615,670</u>	<u>693,460</u>	<u>704,150</u>

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
ECONOMIC PROSPERITY			
Job Creation & Other Initiatives	83,690	311,840	292,690
Administration Recharges	172,570	167,320	178,870
Contribution to the Trusts	50,600	50,600	50,600
	<u>306,860</u>	<u>529,760</u>	<u>522,160</u>
Income	0	227,280	230,640
NET EXPENDITURE	<u>306,860</u>	<u>302,480</u>	<u>291,520</u>
COMMUNITY SAFETY			
Crime and Disorder Initiatives	12,200	14,140	34,820
Safer and Stronger Communities Initiatives	140,930	140,930	140,930
Contribution to Running Costs	151,700	151,360	152,560
Administration Recharges	130,510	131,640	151,460
Capital Finance	83,440	93,110	93,110
	<u>518,780</u>	<u>531,180</u>	<u>572,880</u>
Income - SSC Fund	140,930	140,930	140,930
Income - Other	0	1,940	14,620
	<u>140,930</u>	<u>142,870</u>	<u>155,550</u>
NET EXPENDITURE	<u>377,850</u>	<u>388,310</u>	<u>417,330</u>
DEVELOPMENT SERVICES			
Employees	88,860	129,130	91,030
Premises	540	128,490	240
Transport	0	1,750	0
Supplies and Services	189,870	142,200	43,870
Third Party Payments	103,360	116,520	120,110
Administration Recharges	750,900	809,860	828,430
	<u>1,133,530</u>	<u>1,327,950</u>	<u>1,083,680</u>
Income			
- Planning Fees	208,000	193,000	213,500
- Planning Grant	309,860	435,490	166,030
- Rents	0	6,000	0
	<u>517,860</u>	<u>634,490</u>	<u>379,530</u>
NET EXPENDITURE	<u>615,670</u>	<u>693,460</u>	<u>704,150</u>
DEPOT (LANDLORD ACCOUNT)			
Employees	0	3,300	20,920
Premises	23,820	67,020	36,880
Supplies and Services	7,140	12,850	8,050
Administration Recharges	9,610	27,190	26,570
	<u>40,570</u>	<u>110,360</u>	<u>92,420</u>
Income	96,710	154,120	162,930
NET INCOME	<u>(56,140)</u>	<u>(43,760)</u>	<u>(70,510)</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, food hawkers, acupuncturists, ear-piercers, hairdressers etc.

PRIDDY'S HARD

The Council owns this 28 acre heritage area including the Explosion! Museum and is currently seeking partners for phase 2 of the redevelopment

Priddys Hard includes the following figures that relate specifically to the Explosion Museum

	<u>Org 2006/07</u>	<u>Rev 2006/07</u>	<u>Est 2007/08</u>
Operation	379,410	360,010	109,900
Admin Recharges (within the PHHA total)	41,790	55,550	45,150
Income	(114,350)	(119,240)	0
	<u>306,850</u>	<u>296,320</u>	<u>155,050</u>
Excludes notional capital finance costs of	317,680	317,680	317,680

ASSISTANCE TO VOLUNTARY ORGANISATIONS

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

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
LICENSING & REGISTRATION			
Employees	86,300	82,140	89,260
Transport	1,560	1,560	1,570
Supplies and Services	13,300	14,400	14,710
Administration Recharges	212,310	123,230	113,910
	313,470	221,330	219,450
Income	85,010	115,750	113,650
NET EXPENDITURE	228,460	105,580	105,800

PRIDDY'S HARD

Premises - Maintenance	24,800	48,000	10,540
Museum Operation	379,410	360,010	109,900
Supplies and Services - Insurance etc.	22,480	20,270	10,340
Administration Recharges	62,930	68,500	59,190
Capital Finance	356,270	364,260	364,260
	845,890	861,040	554,230
Income from Museum Operation	114,350	119,240	0
Income from Site	149,920	127,300	133,530
	264,270	246,540	133,530
NET EXPENDITURE	581,620	614,500	420,700

ASSISTANCE TO VOLUNTARY ORGANISATIONS

Premises	6,950	5,120	4,330
Supplies & Services	1,060	1,230	1,300
Grants:			
- Citizens Advice - Bureau Grant	71,590	72,840	80,130
- Citizens Advice - Bureau Rent	5,000	3,750	0
- Gosport Victim Support	6,000	3,000	3,000
- GVA	47,270	47,270	48,220
- Relate	4,800	7,000	5,000
- Dial-a-ride	21,460	21,360	21,790
- Age Concern	1,100	1,100	1,120
- Solent Sea Rescue	1,790	1,780	1,830
- Gosporters	750	750	750
- Grant Aid Payments	10,350	10,350	10,560
Administration Recharges	23,570	28,370	32,170
	201,690	203,920	210,200
Income	5,660	5,130	5,660
NET EXPENDITURE	196,030	198,790	204,540

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.

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
CORPORATE AND CIVIC EXPENSES			
Mayoral Expenses			
Mayor's Allowance	9,020	9,020	9,250
Deputy Mayor's Allowance	2,040	2,040	2,090
Transport	4,910	6,540	6,650
Supplies and Services	3,040	3,560	3,440
Mayor Making	5,100	5,100	5,360
Remembrance Sunday	2,100	2,100	2,100
Administration Recharges	57,500	69,850	72,850
Net Expenditure	83,710	98,210	101,740
Civic Events			
Royan Twinning	4,770	4,770	4,900
Civic Events	4,000	15,870	14,400
Supplies and Services	4,180	5,730	5,080
Administration Recharges	50,450	53,450	56,020
Net Expenditure	63,400	79,820	80,400
Council and Board Meetings			
Supplies and Services	4,100	4,100	4,100
Administration Recharges	425,620	392,060	409,220
Net Expenditure	429,720	396,160	413,320
Members and Election Expenses			
Members Allowances	203,580	204,500	209,600
Members Travelling Expenses	3,900	3,900	3,900
Other Expenses	39,800	37,080	38,970
Municipal Elections - Expenses	57,020	49,320	0
Administration Recharges	92,550	93,290	86,840
Net Expenditure	396,850	388,090	339,310
Corporate Expenses			
Administration Recharges			
- Environmental Services	31,540	64,830	69,780
- Leisure Services	51,570	46,590	49,270
- Development Services	86,140	81,200	86,340
- Chief Executive	513,330	497,090	470,330
- Corporate Services	96,720	27,230	66,620
- Borough Solicitor	156,990	168,510	187,720
- Financial Services	226,040	193,410	210,330
Net Expenditure	1,162,330	1,078,860	1,140,390
TOTAL NET EXPENDITURE FOR CORPORATE AND CIVIC EXPENSES	2,136,010	2,041,140	2,075,160

POLICY AND ORGANISATION BOARD

MISCELLANEOUS SERVICES

This area contains the following items :

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
Coastline expenditure	26,230	24,070	23,740
Meals-on-wheels	9,000	7,500	9,000
Portsmouth and Gosport Joint Board	3,000	3,000	3,000
Public Notice Boards	3,000	3,000	3,000
Town Centre Properties	400	1,000	0
Vacancy Allowance	(92,010)	(35,000)	(120,000)
Investors in People	1,000	1,380	0
Community Strategy & LSP	9,500	19,500	6,600
Burials	500	500	500
Insurance admin, valuations & debt mangmnt.	78,280	103,170	103,470
Dangerous Structures	9,760	16,170	16,780
Staff Canteen & Trolley Service	(4,680)	6,000	0
Other Corporate Expenses	7,880	9,670	7,140
Best Value / Perf.Indicators / Consultation	16,000	16,000	4,000
Added years pension- not for existing services	72,640	75,670	77,560
E Government Initiatives	32,000	35,000	0
E Government Initiatives (Capital Charges)	200,460	267,680	267,680
Allowances-Firewardens,First Aid,Telephones	5,090	5,830	6,050
Health & Safety for workstations	3,000	4,500	3,000
Emergency Planning	19,080	18,660	17,150
Haslar Hospital Campaign	0	13,720	0
Portsmouth Harbour Renaissance	4,900	4,900	1,000
	405,030	601,920	429,670

OTHER CORPORATE AREAS

Financing Items contains the following items:

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
Reversal of Capital Charges - Depreciation	(1,421,150)	(1,577,550)	(1,552,120)
External Interest Payable		311,500	311,500
External Interest Receivable	(248,100)	(661,900)	(624,500)
Minimum Revenue Provision	21,400	22,990	166,250
Net Internal Interest Payable	171,580	148,370	156,990
HRA Item 8 Transfer	35,330	41,570	(24,470)
	(1,440,940)	(1,715,020)	(1,566,350)

POLICY AND ORGANISATION BOARD

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
MISCELLANEOUS SERVICES			
Other Expenses (breakdown opposite)	405,030	601,920	429,670
Administration Recharges	222,020	284,110	255,440
	<hr/>	<hr/>	<hr/>
	627,050	886,030	685,110
Income			
- Coastline Advertising	5,960	6,120	7,000
- Town Centre Property Rents	6,270	9,550	14,850
- Lease of Land Haslar Marina	0	7,000	7,000
- Commission on Insurance premiums	8,600	8,600	8,600
- Revenue Support Grant 04/05 & 05/06	43,000	43,000	0
	<hr/>	<hr/>	<hr/>
	63,830	74,270	37,450
NET EXPENDITURE	<hr/>	<hr/>	<hr/>
	563,220	811,760	647,660
 OTHER CORPORATE AREAS			
Financing Items	(1,440,940)	(1,715,020)	(1,566,350)
Audit Fees	84,010	113,860	93,300
Administration Recharges - Capital Projects	32,140	55,550	59,820
Conference Expenses	5,410	0	0
Safety Panel	4,300	7,360	7,960
Administration Recharges	1,190	1,090	1,510
Subscriptions	28,710	28,060	29,400
NET INCOME	<hr/>	<hr/>	<hr/>
	(1,285,180)	(1,509,100)	(1,374,360)

SERVICE UNIT ACCOUNTS

SUMMARY OF REVENUE ESTIMATES 2007/2008

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £	Page
TOTAL EXPENSES BY SERVICE UNIT				
Leisure and Cultural Services	774,030	738,880	766,660	37
Housing Services	2,554,550	2,610,780	2,668,090	37
Development Services	1,429,970	1,489,440	1,530,730	39
Chief Executive's Unit	1,313,430	1,384,620	1,338,160	39
Environmental Services	1,444,730	1,785,990	1,895,340	41
Corporate Services & Office Accommodation	2,185,400	2,254,200	2,293,660	41
Legal & Democratic Support	859,410	888,980	902,820	43
Financial Services	2,676,410	2,720,750	2,806,930	43
	<u>13,237,930</u>	<u>13,873,640</u>	<u>14,202,390</u>	

TOTAL SUBJECTIVE EXPENSES

Employees	9,626,380	9,876,170	10,283,500
Premises	228,050	264,570	294,710
Transport	158,160	196,840	202,500
Supplies & Services	1,373,870	1,507,350	1,359,000
Third Party Payments	0	12,290	10,250
Administration recharges	1,700,770	1,794,910	1,830,920
Capital Finance	150,700	221,510	221,510
	<u>13,237,930</u>	<u>13,873,640</u>	<u>14,202,390</u>

ANAYSIS OF INCOME AND RECHARGES

Fees & Charges and External Funding	883,100	1,360,420	1,393,290
General Fund Community and Environment	3,173,650	3,425,310	3,571,650
Housing	437,140	454,170	427,540
Policy and Organisation	4,514,610	4,254,240	4,321,240
Housing Revenue Account	2,442,320	2,503,820	2,538,960
Capital	195,760	193,670	217,690
Holding Accounts	55,420	52,450	55,860
Recharges between Business Units	1,535,930	1,629,560	1,676,160
Total Recharges from Service Units	<u>13,237,930</u>	<u>13,873,640</u>	<u>14,202,390</u>

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
LEISURE AND CULTURAL SERVICES			
Environmental Engineering	147,270	95,570	98,710
Leisure & Recreation	447,230	468,700	490,470
Leisure Maintenance Team	97,110	91,170	93,860
Leisure Inspectors	86,510	88,410	88,870
Total Gross Expenditure	778,120	743,850	771,910
Less recharges within the business unit	4,090	4,970	5,250
Total Expenditure	774,030	738,880	766,660

HOUSING SERVICES

This account shows the total costs of administration of the Housing Services Business Unit and includes :

- (a)** The Housing Services Unit, based at the Town Hall, the prime contact point for tenants and applicants for housing.
- (b)** An administration recharge for the cost of housing services provided by the other Units of the Council.
- (c)** Former Environmental Health staff (from Revised 2004/2005) that have been transferred to the Housing Services Business Unit.

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
LEISURE AND CULTURAL SERVICES			
Employees	631,670	574,210	606,960
Premises	0	870	300
Transport	25,650	25,040	24,710
Supplies and Services	26,550	29,740	23,280
Administration Recharges	90,160	109,020	111,410
	774,030	738,880	766,660
Income			
- Fees and Charges and External Funding	0	950	0
Recharges			
- General Fund - Community and Environment	577,630	582,680	601,210
Housing			
Policy and Organisation	134,520	123,890	133,560
Housing Revenue Account	23,300	1,630	1,680
Capital	38,400	29,730	30,210
Recharges between Business Units	180	0	0
	774,030	738,880	766,660
NET EXPENDITURE	0	0	0
 HOUSING SERVICES			
Employees	2,000,730	2,029,710	2,113,350
Premises	8,620	8,120	7,870
Transport	33,330	37,140	33,330
Supplies and Services	234,900	213,700	188,580
Third Party Payments	0	190	190
Administration Recharges	276,970	321,920	324,770
	2,554,550	2,610,780	2,668,090
Income :			
Fees and Charges and External Funding	182,430	175,330	206,870
Recharges :			
General Fund - Housing	392,440	404,330	379,810
Housing Revenue Account	1,979,680	2,031,120	2,081,410
	2,554,550	2,610,780	2,668,090
NET EXPENDITURE	0	0	0

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
DEVELOPMENT SERVICES			
Traffic Management	214,570	209,650	220,260
Development Services Management	82,720	81,450	86,040
Building Control	355,650	351,750	355,190
Development Control	373,290	366,820	376,870
Forward Planning	340,400		
Planning Policy		253,700	259,120
Conservation and Design		157,880	162,580
Property Services	87,010	97,820	101,740
Total Gross Expenditure	1,453,640	1,519,070	1,561,800
Less recharges within the business unit	23,670	29,630	31,070
Total Expenditure	1,429,970	1,489,440	1,530,730

CHIEF EXECUTIVE'S UNIT

Chief Executive	230,670	289,190	225,790
Deputy Chief Executive & Borough Treasurer	114,100	114,340	117,640
Internal Audit	205,620	227,050	242,920
Corporate Policy And Performance	274,600	320,950	282,990
Economic Prosperity	146,460	141,780	156,540
Crime And Disorder	144,700	147,000	160,970
Personnel	209,790	213,840	223,560
Total Gross Expenditure	1,325,940	1,454,150	1,410,410
Less recharges within the business unit	12,510	69,530	72,250
Total Expenditure	1,313,430	1,384,620	1,338,160

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
DEVELOPMENT SERVICES			
Employees	1,143,540	1,171,120	1,223,100
Transport	28,570	33,520	35,510
Supplies and Services	70,730	78,740	68,010
Third Party Payments	0	0	(3,100)
Administration Recharges	187,130	206,060	207,210
	<u>1,429,970</u>	<u>1,489,440</u>	<u>1,530,730</u>
Income :			
Fees and Charges and External Funding	363,650	365,300	368,100
Recharges :			
General Fund - Community and Environment	916,550	981,710	1,013,350
Housing			
Policy and Organisation	148,040	124,300	130,280
Housing Revenue Account			
Capital			
Holding Accounts			
Recharges between Business Units	1,730	18,130	19,000
	<u>1,429,970</u>	<u>1,489,440</u>	<u>1,530,730</u>
NET EXPENDITURE	<u>0</u>	<u>0</u>	<u>0</u>
CHIEF EXECUTIVE'S UNIT			
Employees	1,099,770	1,109,870	1,096,490
Transport	11,310	9,540	10,050
Supplies and Services	43,180	87,940	45,980
Administration Recharges	159,170	177,270	185,640
	<u>1,313,430</u>	<u>1,384,620</u>	<u>1,338,160</u>
Income :			
Fees and Charges and External Funding	33,660	27,510	28,440
Recharges :			
General Fund - Community and Environment	31,700	33,260	39,590
Housing	7,180	10,780	8,540
Policy and Organisation	1,010,240	1,048,330	989,700
Housing Revenue Account	59,780	85,570	66,540
Capital	0	0	0
Holding Accounts	13,510	15,230	17,870
Recharges between Business Units	157,360	163,940	187,480
	<u>1,313,430</u>	<u>1,384,620</u>	<u>1,338,160</u>
NET EXPENDITURE	<u>0</u>	<u>0</u>	<u>0</u>

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
ENVIRONMENTAL SERVICES			
Environmental Services Management	124,690	151,390	160,380
Contracts	581,690	906,130	952,440
Environmental Health	839,140	732,630	786,870
Total Gross Expenditure	1,545,520	1,790,150	1,899,690
Less recharges within the business unit	100,790	4,160	4,350
Total Expenditure	1,444,730	1,785,990	1,895,340

CORPORATE SERVICES & ACCOMMODATION

Corporate Services Manager and Support	217,460	218,850	230,690
Information Technology	874,650	932,630	999,240
Inprint Centre and Graphic Design	351,160	359,150	363,770
Telephones and Reception	198,010	224,810	191,840
Cashiers	171,200	158,150	161,910
Registry	36,120	33,840	35,720
Purchasing	62,850	80,390	81,380
Town Hall Keepers	50,490	102,580	104,280
Accommodation	425,310	500,050	496,220
Total Gross Expenditure	2,387,250	2,610,450	2,665,050
Less recharges within the business unit	192,550	356,250	371,390
Total Expenditure	2,194,700	2,254,200	2,293,660

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
ENVIRONMENTAL SERVICES			
Employees	1,127,180	1,351,140	1,451,040
Premises	8,670	39,450	60,690
Transport	36,870	67,850	74,760
Supplies and Services	61,570	100,570	74,570
Administration Recharges	210,440	226,980	234,280
	<u>1,444,730</u>	<u>1,785,990</u>	<u>1,895,340</u>
Income :			
Fees and Charges and External Funding	2,180	7,000	34,320
Recharges :			
General Fund - Community and Environment	1,355,210	1,529,240	1,615,150
Housing			
Policy and Organisation	34,030	164,110	161,790
Housing Revenue Account	53,310	51,130	46,160
Capital			
Holding Accounts			
Recharges between Business Units	0	34,510	37,920
	<u>1,444,730</u>	<u>1,785,990</u>	<u>1,895,340</u>
NET EXPENDITURE	<u>0</u>	<u>0</u>	<u>0</u>

CORPORATE SERVICES & ACCOMMODATION

Employees	1,058,110	1,097,810	1,136,840
Premises	210,760	216,130	225,850
Transport	7,110	8,200	8,360
Supplies and Services	631,500	644,840	635,620
Third Party Payments		12,100	13,160
Administration Recharges	127,220	58,930	57,640
Capital Finance	150,700	216,190	216,190
	<u>2,185,400</u>	<u>2,254,200</u>	<u>2,293,660</u>
Income :			
Fees and Charges and External Funding	61,740	122,450	66,140
Recharges :			
General Fund - Community and Environment	50,430	54,000	53,480
Housing	9,500	10,340	9,700
Policy and Organisation	555,730	576,090	635,340
Housing Revenue Account	152,860	148,330	151,740
Capital			
Holding Accounts	7,000	0	0
Recharges between Business Units	1,348,140	1,342,990	1,377,260
	<u>2,185,400</u>	<u>2,254,200</u>	<u>2,293,660</u>
NET EXPENDITURE	<u>0</u>	<u>0</u>	<u>0</u>

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
LEGAL AND DEMOCRATIC SUPPORT			
Borough Solicitor	138,800	118,690	128,220
Democratic Services	221,490	234,740	242,010
Electoral Registration	122,800	122,590	124,880
Land Charges Team	86,070	104,200	107,110
Legal Services	330,220	344,430	338,820
Total Gross Expenditure	899,380	924,650	941,040
Less recharges within the business unit	39,970	35,670	38,220
Total Gross Expenditure	859,410	888,980	902,820

FINANCIAL SERVICES

Financial Services Management	82,460	83,890	88,380
Accountancy	728,870	752,420	785,500
Payroll and Admin	287,400	283,080	297,240
Revenues	1,786,800	1,810,640	1,850,630
Total Gross Expenditure	2,885,530	2,930,030	3,021,750
Less recharges within the business unit	209,120	209,280	214,820
Total Gross Expenditure	2,676,410	2,720,750	2,806,930

SERVICE UNIT ACCOUNTS

	ORIGINAL 2006/2007 £	REVISED 2006/2007 £	ESTIMATE 2007/2008 £
LEGAL AND DEMOCRATIC SUPPORT			
Employees	621,580	612,670	643,870
Transport	750	760	760
Supplies and Services	98,120	125,550	105,910
Administration Recharges	138,960	150,000	152,280
	859,410	888,980	902,820
Income :			
Fees and Charges and External Funding	6,500	17,500	10,000
Recharges :			
General Fund - Community and Environment	71,820	79,240	72,280
Housing	11,270	10,490	10,590
Policy and Organisation	651,910	655,760	684,400
Housing Revenue Account	72,980	69,240	70,380
Capital			
Holding Accounts	2,050	0	0
Recharges between Business Units	42,880	56,750	55,170
	859,410	888,980	902,820
NET EXPENDITURE	0	0	0
 FINANCIAL SERVICES			
Employees	1,943,800	1,929,640	2,011,850
Transport	14,570	14,790	15,020
Supplies and Services	207,320	226,270	217,050
Administration Recharges	510,720	544,730	557,690
Capital Finance	0	5,320	5,320
	2,676,410	2,720,750	2,806,930
Income :			
Fees and Charges and External Funding	232,940	644,380	679,420
Recharges :			
General Fund - Community and Environment	170,310	165,180	176,590
Housing	16,750	18,230	18,900
Policy and Organisation	1,980,140	1,561,760	1,586,170
Housing Revenue Account	100,410	116,800	121,050
Capital			
Holding Accounts	32,860	37,220	37,990
Recharges between Business Units	143,000	177,180	186,810
	2,676,410	2,720,750	2,806,930
NET EXPENDITURE	0	0	0

**CAPITAL
PROGRAMME**

2006 / 2007 TO 2011 / 2012

CAPITAL PROGRAMME 2006/2007 TO 2011/2012
HOUSING BOARD (HRA)

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
1	L.A. Tenants Disabled Persons Grant	E	-	50	50	50	50	50	50				
2	Improvements to Housing Stock (including Decent Homes Standard, Central Heating, Windows and Doors and Disabled Aids)	E	-	4,200	4,556	3,926	2,306	2,124	2,124				
	Board Total			4,250	4,606	3,976	2,356	2,174	2,174	1,678	2,037	1,407	

CAPITAL PROGRAMME 2006/2007 TO 2011/2012
HOUSING BOARD (GENERAL FUND)

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
1	Social Housing Specific Schemes	E *	-	366	450						450		
	Steane contribution to PHA	E	-	300	300	300	300	300	300				
	Future Schemes (undecided)	E	-		30	30	30	30	30				
2	Disabled Facilities	E	-	307	210	210	210	210	210	123	84	84	84
3	Housing Renewal	E	-	207	162	162	162	162	162	147	102	102	102
	Board Total			1,180	1,152	702	702	702	702	270	636	186	186

KEY TO CATEGORIES

E. Exempt from category system

* 2007/08 is a £450k hostel accommodation 'spend to save' scheme

CAPITAL PROGRAMME 2006/2007 TO 2011/2012
COMMUNITY AND ENVIRONMENT BOARD

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
1	Aid to Voluntary Organisations	E	-	63	25	25	25	25	25	63	25	25	25
2	Haslar Lake Sea Wall	3	600			600							
3	Regional Coastline Monitoring	E	-	3						3			
4	Town Centre Historic Parks	1	972	15									
5	Alver Valley - GBC contribution	1	116	34						34			
	- Habitat Creation & Access Works	3	342	342									
6	St Vincent - Leisure Facilities	1	100	20						20			
7	Bastion No 1	1	153	7						7			
8	St Vincent - Artificial Turf Pitch	1	581	18									
9	High Street Refurbishment	2	548	213	98	68	82			213	98	68	82
10	Landing Stage	3	2910	110	2800					110			
11	Alverstoke Flood Protection	3	304			300							
12	Forton Flood Protection	3	200			200							
13	Solent Strategy Study	E	90			90						45	
14	Portsmouth Harbour (North & West) Shoreline Defence Study	E	30		30						10		
15	L-O-S Embankment Regrading	E	-	10	10	10	10	10	10	10	10	10	10
16	Nobes Hall	1	158	4						4			
17	Open Space Security Measures - Cemetery	1	47	7						7			
	Open Space Security Measures - Parks	1		12						12			
18	New Cemetery	3	500	15	100	100	100	160		15	100	100	100

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
19	Cemetery Memorial Headstones Safety	2	37										
20	Amenity Lighting - Contribution to HCC Schemes	E	-	5	5	5	5	5	5	5	5	5	5
21	Waste Recycling - Project Integra Contribution	E	-	7	7	7	7	7	7	7	7	7	7
22	Alverbank Sea Wall	3	698				688						
23	Lee Skate Park - Additional equipment	1	25	14						14			
24	Tukes Avenue Playing Field - Facility Upgrade	1	5	5									
25	Privett Park - Tennis Courts, Fencing Upgrade	1	4	4									
26	Privett Park - Football & Cricket, Perimeter Upgrade	1	5	1									
27	Walpole Park - Basketball / Football Facility, Surfacing	1	10	8									
28	Walpole Park - Basketball / Football Facility, Railings	1	2	2									
29	Elson Recreation Ground - Football Pavilion, Pavings	1	14	13									
30	Elson Recreation Ground, Football Fields, Footways	1	7	7									
31	Nobes Avenue - Play Area, Equipment Renewal	1	10	10						6			
32	Privett Park - Crazy Paving Area to Grass	1	5	5									
33	Park Road Allotments - Fence Renewal	1	4	4						4			
34	Ramparts Railings Upgrade	E	10	10						10			
35	Bow Top Railings, Equipment Upgrade & Skate Park extension - Various Locations	1	46	46									
36	Stokes Bay Tennis Courts resurfacing	E	15	15						15			
37	Walpole Park South - Green Bow Top Railings	E	14	14						14			

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
38	Falklands Gardens - New Public Convenience	1	100	100						100			
39	Brookers Field - drainage to 4 football pitches	2	120		120								
40	Privett Park Pavilion	3	1100	169	838	93				100			
41	Improvement Works to Solent Gardens	E	15	15						15			
42	Stokes Bay Paddling Pool - Customer Toilet	E	19	19						19			
43	Stokes Bay Paddling Pool - Increased Height Railings	E	8	8						8			
44	Stokes Bay Road - Traffic Island	E	8	8						8			
45	Allotments - Fencing Upgrades & Security Provision	1	55	55						55			
46	Replacement Bottle Banks	E	15	15						15			
47	Waste Performance & Efficiency Grant	1	134	33	101								
48	Privett Park Play Area Equipment	1	8	8									
49	Leesland Road Play Area Equipment	1	4	4									
50	Fairway Play Area Equipment	1	7	7						3			
51	Kings Road Play Equipment	1	27	27									
52	G&FRFC - Sewer Pump Main Upgrade	E	16		16						16		
53	Falklands Gardens Taxi Rank	3	14		14						14		
54	Leisure Facility improvements at several locations	1	49	49						0			
55	Forton Recreation Ground - facility upgrade	1	22	22									
56	Harbour Waterfront - illumination improvements	3	62		62						62		
57	Hardway Sailing Club - replace public slipway	3	40		40						8		

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
58	Tukes & Nobes Avebue - Play Equipment Upgrades	3	24		24								
59	Ham Lane Play Area - Equipment & Surfacing Upgrade	3	21		21								
60	Stokes Bay & Lee Promenade - renew shelters	3	25		25								
61	Esplanade - renew seating	3	13		13								
62	Maintenance of Seawalls at Stokesbay	3	15		15								
63	Car Park resurfacing & upgrade	3	25		25								
	Board Total			1,581	4,389	1,498	917	207	47	896	478	260	229

KEY TO CATEGORIES

1. Tender Sum
2. Estimated cost of an approved scheme
3. Notional Cost of an unapproved scheme
- E. Exempt from category system

CAPITAL PROGRAMME 2006/2007 TO 2011/2012
POLICY & ORGANISATION BOARD

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
1	Millennium Bridge - Repairs	1	2	(0)	2					(0)	2		
2	Millennium Bridge - Lighting Improvements	3	10		10						10		
3	CCTV - General Replacement	E	324		84	60	60	60	60		84	60	60
4	CCTV - Cherque Farm	E	28	28									
5	CCTV - Northcott House	E	28	28									
	Priddys Hard												
6	Priddys Hard - Ramparts	1	250	47	200					0			
7	Priddys Hard - Site Development												
8	Priddys Hard - Camber Repairs & Restoration	E	450		200	250					130	170	
	Tenanted Buildings - Major Repairs												
10	Mobile Home Park	E	93	10	25	28			30	10	25	28	
11	Westfield Road Depot	E	106	86	20					86	20		
12	Alverbank Hotel	E	27	27							27		
13	Bus Station	E	257	22	75	30	30	50	50	22	75	30	30
	Central Services & Accommodation												
14	IT Equipment	E	-	178	158	440	110	110	110	178	158	440	110
15	IEG	E	-	145						1			
16	Inprint	E	30	30						30			
17	Town Hall Major Repairs	E	1,288										
	Windows Replacement					300	300					300	300
	Shower Facilities				19						19		
	Building Condition Survey			5						5			
	Council Chamber PA System			25						25			
	Electrical Re-Wire			50	45	45	45	30	70	50	45	45	45
	Electrical Test & Inspection			10						10			
	Flat Roof Recovering & Insulation				77	62	31	43	37		77	62	31
	Replacement Air Conditioning			12	10	6	18	6	6	12	10	6	18
	Upgrade of Committee Rooms			10	10	10				10	10	10	
	DDA Compliance			6						6			
	Lift Refurbishment				30						30		
	Heating Replacement						25	25	25				25
	Replacement Floor Coverings						35	35					35
	Fire Alarm System Upgrade				30						30		
	Board Total			693	1,022	1,231	654	359	388	445	752	1,151	654

Capital Item Details			Scheme Expenditure							Local Resources			
Item No	SCHEME	Category	Project total (where appropriate) £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000	Revised 2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000
	Total Capital Programme			7,704	11,169	7,407	4,629	3,442	3,311	3,289	3,903	3,004	1,069

KEY TO CATEGORIES

1. Tender Sum
2. Estimated cost of an approved scheme
3. Notional Cost of an unapproved scheme
- E. Exempt from category system

SUMMARY FINANCING STATEMENT

	2006 /2007 £,000	2007 /2008 £,000	2008 /2009 £,000	2009 /2010 £,000	2010 /2011 £,000	2011 /2012 £,000
Supported Capital Expenditure (R) - Housing	6	6	6	6	6	6
Major Repairs Allowance - HRA	2,166	2,163	2,163	2,163	2,163	2,163
Specific Capital Grants - GF	244	186	186	186	186	186
Revenue Contributions - HRA	400	400	400	187	5	5
Commuted Sums - GF	204	40				
Developer's Contributions - Social Housing - GF	666	330	330	330	330	330
Other Grants and Contributions - GF	728	4,141	1,318	688		
Earmarked Capital Receipts - GF	55	130	170			
Earmarked Capital Receipts - HRA	884	150				
Local Resources - General Capital Receipts -GF	460	465				
Local Resources - Prudential Borrowing - GF	1,096	1,271	1,427	1,069	752	621
Local Resources - Prudential Borrowing - HRA	794	1,887	1,407			
Total Funding	7,704	11,169	7,407	4,629	3,442	3,311

PROGRESSION OF A CAPITAL SCHEME THROUGH THE CAPITAL PROGRAMME.

Inception Stage – 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 scheme will be accorded an exempt (e.g. non-construction off-the-shelf items) or **Category 3** rating which is a notional forecast based simply on experience. 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.

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.

Design Stage – estimated cost of an approved scheme

During the design stage drawings, specifications and a cost plan for the scheme will be prepared in accordance with the approved brief. The culmination of this stage 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 and the project will progress to a **Category 2**.

Tender Stage

This stage of a 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.

The tender stage report will contain an appraisal of the tenders received, including arithmetical and technical checks carried out and a financial analysis providing comparative figures between previous forecasts and the effect of the expenditure on the Capital Programme, revenue budgets and funding requirements. If the tender to be accepted exceeds the estimated sum by more than the limits in Financial Regulations requiring a virement or supplementary estimate, then Board (and, possibly P&O Board) approval must be sought prior to acceptance. Acceptance of the tender raises the scheme to a **Category 1** rating.

Budget

Due to the statutory requirement to produce a balanced and robust revenue budget for tax-setting purposes, projects that have not proceeded beyond Category 3 and involving significant design requirements will not generally be scheduled for start within the forthcoming budget year.

Exemptions

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

ADMINISTRATION MANPOWER BUDGET

NUMBER OF POSTS IN BUDGET

	ORIGINAL 2006/2007	REVISED 2006/2007	ESTIMATE 2007/2008
SERVICES			
CHIEF EXECUTIVE (INC. SURESTART)	27.5	31.5	31.5
CORPORATE SERVICES	36.8	37.8	37.8
ENVIRONMENTAL SERVICES	46.5	46.5	46.5
FINANCIAL SERVICES	64.7	62.6	62.6
HOUSING SERVICES	78.7	80.1	80.1
BOROUGH SOLICITOR	17.0	17.9	17.9
LEISURE SERVICES (INC. EXPLOSION)	21.5	23.5	23.5
DEVELOPMENT SERVICES	29.2	33.1	32.1
	<u>321.9</u>	<u>333.0</u>	<u>332.0</u>

LABOUR MANPOWER BUDGET

SERVICE

CEMETERY	2.0	2.0	2.0
LEISURE MAINTENANCE	3.0	3.0	3.0
NURSERY	3.0	3.0	3.0
BUILDING CLEANING	13.0	13.0	13.0
	<u>21.0</u>	<u>21.0</u>	<u>21.0</u>

All Figures are in Whole Time Equivalentents

Efficiency Savings

As part of the Gershon efficiency savings initiative, Local Authorities are required to achieve an annual 2.5% efficiency saving for each of the three years from 2005/06.

For Gosport, this equates to £330,000 per annum or £990,000 over the three years.

Efficiency savings may be cashable (saving can be utilised elsewhere) or non cashable (saving is due to improved quality or additional outputs) and must not compromise quality or service delivery.

It is expected that this target will increase to 3% from 2008/09 and will be predominantly cashable. This is reflected in the table below.

Summary of targets & savings :	2005/06 £	2006/07 £	2007/08 £	2008/09 £
<u>Government Targets</u>				
Annual target	330,000	330,000	330,000	400,000
Cumulative target	330,000	660,000	990,000	1,390,000
<u>Projected Savings</u>				
Staffing Reports & Restructuring	298,160	521,390	609,340	608,670
Housing (HRA and General Fund)	243,000	243,000	397,000	397,000
Information Technology	89,900	192,400	326,900	326,900
Other	17,330	41,170	52,820	52,820
	648,390	997,960	1,386,060	1,385,390

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.

Asset Management Revenue Account (AMRA)

The Asset Management Revenue Account removes capital finance charges from the revenue accounts so that they do not impact on the Council Tax. It also includes interest payments and the statutory charge to Housing Revenue Account. This account is being discontinued from 2006/07 in line with central guidance.

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 statutory account maintained by billing authorities for collecting council tax and non-domestic rates, paying precepting authorities and the national pool of non-domestic rates.

Contingency

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

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.

Minimum Revenue Provision (MRP)

The statutory minimum amount that must be charged to the revenue account each year to repay debt

Operating Leases

A type of lease whereby ownership of the asset remains with the lessor and the asset is not required to be included on the Council's balance sheet.

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 Contribution to Capital

The financing of capital expenditure directly from revenue monies

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