



2004-2005
Supporting People

2006-2007
Waste and Recycling

2006-2007
*Culture and Sport for
Hard to Reach Groups*



POLICY AND BUDGET FRAMEWORK

2008/09

Babergh District Council
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Message from the Chairman of Strategy Committee

The Council's Corporate Plan sets out our aims and corporate priorities for the future, which are listed on page 32 and these are based on extensive consultation.

This Corporate Plan is being comprehensively reviewed to ensure that the Council has a clear focus and future direction for the long term benefit of the area. This is important in ensuring that we provide the services people want and indicates the outcomes we will be looking to achieve for our residents and other stakeholders in the coming years.

A clear and understood Policy and Budget Framework is key to delivering the Corporate Plan and there has again this year been an integrated approach to the review of the Corporate Plan, consultation and the formulation of the budget for 2008/09.

In addition, we have a Medium-Term Financial Strategy that looks forward for the next 3 years. This ensures that the Council can plan ahead effectively. Our aim and achievement in recent years has been to do our best to deliver Council Tax increases that do not exceed the rate of inflation. With this budget for 2008/09, we will have achieved that over the last 5 years.

This has only been possible by redirecting resources, finding additional income and making significant efficiencies and savings of around £700,000. The result is a Council Tax increase for Babergh's services of 3.9% next year, in line with the headline RPI rate in September 2007. This is used by the Government to fix Business Rates and uplift Pensions.

This publication sets out and explains how the budget has been arrived and provides information on the efficiencies, savings and additional income that have been identified to pay for financial commitments and service improvements. It also indicates the Council's Vision, Values and Priorities in the current Corporate Plan - this can be accessed on the Council's website at www.babergh.gov.uk. A revised Corporate Plan will be available later this year.

By working in partnership with other organisations, both in the public and private sector and with staff, we are working hard to achieve what the public wants. However, we are aware that future years will almost certainly pose an even tougher challenge for Babergh to maintain this balance between service provision and Council Tax increases. The Government has indicated grant increases of only 2% for the next 3 years and a requirement to achieve efficiency savings of 3% each year. So, it is forecast that further year-on-year savings or additional income of £700,000 in each year are likely to be needed.

I hope that you will find this a useful document, and one that gives you a clear indication of what the Council is trying to achieve on your behalf.

Nick Ridley
Chairman of Strategy Committee
February 2008

Policy and Budget Framework Process

The Policy and Budget Framework process for 2008/09 is set out below and shows how consultation, the Corporate Plan and the annual Service & Financial Planning process were integrated and linked.

<i>Month</i>	<i>Consultation</i>	<i>Corporate Plan</i>	<i>Budget</i>
2007			
June/July		Strategy Committee and Overview & Scrutiny Committees agree integrated plan and approach to the Corporate Plan, Service & Financial Planning Process and budget formulation for 2008/09.	
	Corporate Plan Working Group (CPWG) agrees approach to reviewing Corporate Plan and consultation arrangements.		Members Seminar and Service & Financial Planning (SFP) Group consider key financial issues and Medium-Term Financial Strategy.
August	CPWG starts to develop Corporate Plan for 2007 onwards and approach to State of District Debate in October.		
September/ October	Make detailed arrangements for consultation.	Both Groups give further consideration to the issues relating to producing a 10 year Corporate Plan, linked to the Suffolk Community Strategy and developing the 2008/09 Budget.	
	State of District Debate to inform what changes should be made to the Corporate Plan.	Budget position reviewed in the light of the Government's Comprehensive Spending Review (CSR 07).	
November	Use Babergh Matters to advise and consult public on outcome of the State of District event.	CPWG work on a draft Corporate Plan in the light of the State of District event.	SFP Group work with officers to deliver a budget that reflects the Corporate Plan and the Financial Strategy. Strategy Committee to approve new Capital Strategy & Asset Management Plan.
December		Joint meeting of Overview & Scrutiny Committees to consider progress on the development of the Corporate Plan and make recommendations to Strategy Committee on the 2008/09 budget and Financial Strategy.	

Month	Consultation	Corporate Plan	Budget
2008			
January		Strategy Committee to consider progress on the development of the Corporate, the Budget for 2008/09 and the Medium-Term Financial Strategy.	
February			Overview and Scrutiny Committees scrutinise 2008/09 Budget proposals.
			Strategy Committee recommends and Council approves 2008/09 Budget.

Budget Report

BABERGH DISTRICT COUNCIL

FROM: Strategy Committee

REPORT NUMBER

TO: Council

DATE OF MEETING 22 February 2008

2008/09 BUDGET AND FINANCIAL STRATEGY FOR FUTURE YEARS

1. PURPOSE OF REPORT

- 1.1 As a result of a rigorous exercise to identify savings and additional income, the Council will be able to set a Budget for 2008/09 that delivers its emerging Corporate Plan and service priorities and achieves, as has been the case over the last four years, a Council Tax increase of no more than the rate of inflation.
- 1.2 The report also explains the pressures in relation to the Council's Medium-Term Financial Strategy.

2. RECOMMENDATIONS

- 2.1 That Council Tax be increased by 3.9% for 2008/09 and the General Fund revenue budgets and capital programme be approved.
- 2.2 That the revised General Fund charges for services are implemented with effect from the 1 April 2008.
- 2.3 That the temporary amendments to the staffing establishment and arrangements for utilising the funding for Chilton Woods and Planning staffing resources set out in paragraph 5.16 of the report be approved.
- 2.4 That the budget risk assessment and prudential indicators for capital finance and treasury management set out in Appendices 4 and 5 to this report be approved.
- 2.5 That where expenditure is included within the approved budget, the Head of Finance be empowered to:-
 - (a) Vary the timing of revenue and capital payments from the current financial year to 2008/09 or vice versa in accordance with Financial Regulations and Council resolutions.
 - (b) Vary the method of financing capital schemes, if he is satisfied that it is in the financial interest of the Council to do so.
- 2.6 That the Head of Finance be authorised to amend the annual amounts of Council Tax payable in accordance with any changes notified by Suffolk County Council, and/or Suffolk Police Authority to the precepts issued by them.

3. FINANCIAL IMPLICATIONS

- 3.1 These budgets determine the level of service provision, Council Tax, rents and charges for the coming year. The budget enables the Council to meet its emerging Corporate Plan and Financial Strategy and, specifically, the aim of increasing Council Tax by no more than the rate of inflation in 2008/09.
- 3.2 This is despite a poor Formula Grant settlement for 2008/09 that sees the Council's grant only increasing by 2.9% in cash terms. Allowing for certain specific grants and other adjustments that have now been included in the Formula grant, the real increase is only 2.1%.
- 3.3 This follows the Government's 2007 Comprehensive Spending Review, which has resulted in grant indications for the next 3 years. District Councils have fared very poorly overall. Although this was anticipated, and it reflects the new 3% cashable efficiency target for the next 3 years, the very low grant increases will place significant additional pressures on the Council's future finances.
- 3.4 Therefore, beyond 2008/09 and in addition to continuing the drive for efficiencies and savings, the Council needs to consider options for generating additional income in future years as part of its overall financial strategy.

4 RISK MANAGEMENT

- 4.1 The report is linked to the Council's significant business risk No. 8 – Comprehensive Spending Review. Key risks are detailed in paper G158, considered by the joint Overview & Scrutiny Committees on the 11 December 2007.
- 4.2 Members attention is drawn to the Budget Risk Assessment set out in Appendix 4.

5 KEY INFORMATION

Background

- 5.1 During the year there has been an integrated approach to the review of the Corporate Plan, consultation and the formulation of the budget for 2008/09. The Service and Financial Planning (SFP) Group has worked closely with the Corporate Plan Working Group and with officers over the last few months to arrive at proposals which support the development of the Council's priorities.
- 5.2 Further, in order to streamline and integrate arrangements further next year, a single combined Corporate Plan and SFP Group is to be established early in 2008/09 to ensure plans for resource allocation for the 2009/10 Budget and beyond are considered in the context of the resources available and the priority outcomes the Council wants to achieve.
- 5.3 The aim for this year's budget considerations has been to meet the Council's current Financial Strategy of 'doing its best to achieve a Council Tax increase at no more than the rate of inflation' for next year. That has not been easy and a number of assumptions have been necessary involving some uncertainties

and understood risks in terms of predicted costs, savings and additional income.

- 5.4 The SFP Group's report (Paper G158) was considered by a joint meeting of the two Overview and Scrutiny Committees on the 11 December 2007 who supported the group's overall proposals, and these are included in the Budget for 2008/09.
- 5.5 In terms of the Medium-Term Financial Strategy, key issues are covered in paras. 5.25 to 5.30 of Paper G158.
- 5.6 Key details of the General Fund Revenue Budget are attached in Appendices 1 to 3. Key points relating to the General Fund Budget detailed on pages 34-48 are highlighted below:
- The total cost of services provided is summarised on page 34. Pages 35 to 37 provide further details of the total costs of each service
 - Pages 41 to 48 give details of the net direct costs and income of each individual service excluding staff management and support (operational and support services) and capital charges These are shown separately for each main service area.
 - The 2007/08 Revised Budget includes approved sums carried forward from 2006/07 and other expenditure/income variations that have arisen.

2008/09 Revenue Budget and Council Tax

- 5.7 **The Budget for 2008/09 is based on the SFP Group and the O&S Committees proposals to support a Council Tax increase of 3.9%.** A 1% variation would amount to just over £40,000 a year.
- 5.8 The Council has previously based any Council Tax increase on the Retail Price Index in September which, in 2007, was 3.9%. This is again felt to be appropriate this year as this is the basis used by the Government to increase state pensions and business rates.
- 5.9 The statutory consultation with Business Ratepayers took place on the 5 February 2008 and there were no observations on the budget or the proposed Council Tax increase for 2008/09 of 3.9%.
- 5.10 If approved, this will mean that the Council will have achieved an increase in Council Tax over the last 5 years that has not exceeded inflation (as measured by the headline RPI increase in September each year).
- 5.11 A summary of the overall Budget and the change from 2007/08 to 2008/09 is set out below:-

	2007/08 £000	2008/09 £000	Change
Net revenue expenditure	10,391	10,646*	+2.5%
Use of reserves:			
– 2008/09	-414	-231	-44.2%
– From 2006/07 savings	-	-105	-
Collection Fund Surplus/Deficit	-33	-10	-69.7%
	9,944	10,300	+3.6%
Government Support	-5,836	-6,005	+2.9%
Council Tax payers	4,108	4,295	+4.6%
Council Taxbase (Band D equivalent)	32,539	32,750	+0.6%
Council Tax for Band D property	£126.24	£131.16	
Council Tax increase	2.9%	3.9%	

* Includes £105,000 approved allocation from savings and higher reserves in 2006/07.

5.12 The Government's Formula Grant of £6,005,000 for 2008/09 is, as expected, very disappointing. The real increase of only 2.1% is wholly insufficient to cover inflation and other cost pressures.

5.13 The explanation for the change in net revenue expenditure is shown below:

See Appendix	Reason for Change in Budget	£000
	• Net revenue expenditure 2007/08	10,391
	• Items from 2006/07	+105
	• Inflation	+400
1	• Commitments	+355
2	• Service priorities/growth	+19
	• Prudential Borrowing	+50
3	• Savings, efficiencies and additional income	-614
	• CAST	-60
	• Net revenue expenditure 2008/09	10,646

5.14 The budget reflects the estimated net revenue costs of the CAST project of £55,000 in 2008/09, which is to be met from reserves. The variation shown above relates the reduction in planned net revenue expenditure (after efficiency savings) in 2008/09 compared to the 2007/08 original budget.

5.15 In addition to CAST, the proposed use of reserves to support the budget generally amounts to £176,000, in line with the amount planned in the Financial Strategy (including the £105,000 referred to in the tables above, this takes the total use of general reserves to £281,000 in 2008/09). This use of reserves is substantially lower than the amount available for use in 2007/08. The overall reserves position is explained more fully later.

5.16 There are no increases in the permanent staffing establishment proposed for next year. Approval is sought, however, to the following temporary amendments to the establishment:

Area	Details
Chilton Woods/Temporary Planning Resources	£50,000 addition to Chilton Woods allocation of £100,000, funded from Business Rates Growth reserve. Head of Natural & Built Environment to determine the use of the £150,000, including for additional temporary staff, in consultation with Corporate Director.
Licensing Administration	0.5 fte temporary post to continue for 2008/09 to deal with further statutory duties including the new Gambling Act - funded by higher fee income.
Homelessness Officer	Temporary post to continue for 2008/09 and subsequent years, subject to Government Funding continuing.
Play Worker	Post for 2 years, which is part of the £200,000 Big Lottery funding that has been received to develop opportunities for play in the District.

5.17 Attention is drawn to concessionary fares, where there are still substantial risks and uncertainties:

- A contingency has been made for potential costs in 2007/08 and 2008/09. Actual costs could be more or less than this.
- Costs beyond 2008/09 will be subject to the same uncertainties although it would be hoped that usage and the new national scheme should have stabilised by then
- The LGA are pressing for a review of the distribution of Government grant following operation of the new scheme in year 1. That could result in Babergh losing some or all of the grant allocation in future years
- Although the LGA's stance is very sound, such a review could have serious financial implications for Babergh and that would need to be factored into future years' budget planning.

5.18 Attention is also drawn to a proposed increase in Audit Commission fees. They are currently consulting on these, with increases of 33% being suggested over the next 3 years. This is to cover increased work on Use of Resources and new accounting/auditing standards. A response has been sent that strongly challenges the need for such increases, especially at a time when District Councils grant settlements are being reduced so markedly.

5.19 On the new Housing & Planning Delivery Grant, the budget assumes a lower amount for the Planning element for next year, but the actual sum won't be known until announcements of the amounts payable are made later in the year. If the amount is higher, this will provide additional money to invest in planning delivery. No provision has been made for the Housing element,

again on the understanding that whatever is received can then be used to further our Affordable Housing plans.

Review of Charges

5.20 Charges have been reviewed in the light of the Council's Strategic Charging Policy. Main areas to note are:

- Proposed increases in taxi and hackney carriage licences of around 10% in accordance with the agreed strategy to gradually recover more of the costs. These are subject to consultation.
- Trade Waste – Introduction of a separate, lower charge to collect recycled as opposed to mixed waste as part of overall waste and recycling strategy. This is proposed on a cost-neutral basis in that waste disposal charges will reduce and an assumption that the numbers subscribing to the service will increase.
- No increases in some charges, notably land charge searches in view of market conditions.

Budget Risk Assessment

5.21 The budgets have been formulated on the basis of a careful assessment of the likely level of expenditure and income required to meet the Council's priorities and Corporate Plan. However, the position can change and there are more risks and uncertainties attached to the Budget than in previous years. These are, however, seen as manageable and a detailed Budget Risk Assessment setting out the issues in more detail is attached at Appendix 4.

Financial Strategy - Position for Future Years

5.22 When deciding on the budget and the level of Council Tax for 2008/09, it is important to do so in the context of the possible financial position in the longer term.

5.23 That position is clearer now that the results of the Government's Comprehensive Spending Review and likely grant settlements for the next 3 years are known.

5.24 The Council has adopted a clear financial strategy over the years of maintaining adequate levels of General Fund reserves and a prudent approach to their use. The intention is that there should be a carefully phased reduction in their use, with a view the level being reduced to no less than £1.2m over a number of years. That level of reserves would not then be reduced any further.

5.25 In addition, there are a number of earmarked reserves for specific purposes, most notably a Capital Reserve of just over £700,000 and a Business Rate Growth Income reserve of approaching £300,000. In addition and pending a decision on the possible introduction of a third bin for recycling kitchen waste, a further £100,000 in relation to recycling credits is also being set aside in an earmarked reserve.

5.26 The position on reserves has improved as a result of lower net revenue expenditure in 2006/07 compared to budget and the revised budget for the current year. The O&S Committees have been carefully monitoring the position during the year.

5.27 It should, however, be noted that (linked to the risk assessment set out at Appendix 4) there could always be unexpected costs that cannot be budgeted for, for example on legal cases. If any such costs arise, consideration will be needed in relation to whether these need to be met from reserves.

5.28 A summary of the revised position on reserves and how they might be used over a number of years is set out below:

	Note	Last year £000	Now £000
Reserves at 31 March 2007	1	2,150	2,785
General use in 2007/08	2	-301	-755
		1,849	2,030
CAST	3	-320	-209
		1,529	1,821
Phased general use of reserves			
2008/09	2	-169	-281
2009/10		-110	-130
2010/11		-50	-100
2011/12		-	-70
2012/13			-40
Minimum level of reserves		1,200	1,200

Notes:

1. After transfers to earmarked reserves of £775,000 for capital projects; £50,000 for efficiency projects on an 'Invest to Save' Business Case basis; and £75,000 for an Insurance claim.
2. Including carry forwards and allocation to priority projects – see Paper G40.
3. Broad assessment based on costs to date. More detailed assessment being undertaken.

Capital Programme

5.29 The proposed 3-year General Fund Capital Programme and its potential financing is summarised below. A provisional non-committed capital sum of £3.6m is included for 2008/09 and future years for Community Facilities in Hadleigh. Clearly, the nature, timing and cost of this project are subject to further consideration and Member decision.

5.30 There is no provision in the capital programme for any capital contribution towards the University Campus Suffolk, although it is accepted that a request for funding towards this is likely to need consideration in the near future:

Service Area	2007/08 £000	2008/09 £000	Following 2 years/reserve £000
Information Management/ICT	936	821	758
Contract and Asset Management	310	432	1,479
Community Development	187	1,453	3,605
Natural & Built Environment	242	-	-
PrivateSector/Affordable Housing	505	859	1,580
	2,180	3,565	7,422
Financing:			
Prudential Borrowing	139	2,559	1,801
Capital Receipts/Reserve	1,354	642	4,786
External grants and contributions	687	364	835
	2,180	3,565	7,422

- 5.31 As regards the financing of these capital investment plans, it can be seen that there will be a need for substantial borrowing to undertake the programme. That was always anticipated as other sources of capital finance ie capital receipts has fallen and the Government has reduced the proportion of those receipts that the Council can spend.
- 5.32 The Programme depends on using capital receipts from Council House sales. It is proposed that this continues but is subject to a review as part of the 2009/10 service and financial planning process.
- 5.33 There will of course be a revenue cost of prudential borrowing in future years, which will put pressure on future years' budgets. But without borrowing the Council will have to reduce capital investment and have a more restricted General Fund Capital Programme.

Longer-Term Financial Projection

- 5.34 An indication of the possible financial picture for the next 3 years is given below. Clearly, even with the increased certainty on Formula Grant, this can only be seen as a general indication of the position.
- 5.35 On the basis of this very general assessment, it can be seen that there is likely to be an ongoing requirement for efficiencies, savings and additional income (a 'budget gap') of around £700,000 - if service improvements and a Council Tax increase at the rate of inflation are to be achieved.

	2009/10 £000	2010/11 £000	2011/12 £000
Base budget from previous year	10,541*	10,710	10,965
Inflation	+400	+410	+425
Commitments	+300	+300	+300
Service Priorities	+200	+150	+100
Prudential borrowing (excl. CAST)	+50	+100	+150
CAST Project	-115#	-	-
Efficiencies, Savings and Additional Income (to achieve Council Tax inflation increase)	-666	-705	-705
	10,710	10,965	11,235
Use of Reserves	-130	-100	-70
Budget Requirement	10,580	10,865	11,165
Formula Grant (approx. +2% per annum)	-6,122	-6,239	-6,364
Council Taxpayers	4,458	4,626	4,801
Council Taxbase	33,000	33,250	33,500
Council Tax for Band D Property (based on 3% inflation increase)	£135.09	£139.15	£143.32

* Excludes the £105,000 non-recurring items funded from 2006/07 savings.

£55,000 use of reserves that are not required once the project is complete and an assumption that ongoing annual efficiency savings of £60,000 (out of the total £114,000 planned CAST efficiency savings) will benefit the General Fund, with the remainder benefiting the HRA. The actual position may vary from this assumption.

- 5.36 The projection makes some allowance for potential service improvements, such as a third recycling bin for kitchen waste. Proposals in relation to this are currently being assessed by a joint Task Group with Mid Suffolk DC. Depending on the outcome, this could require additional potential expenditure in 2009/10. Funding for other service priorities is likely to be minimal, even if the significant budget gap can be addressed.
- 5.37 In addition to continuing with our drive for efficiencies and savings, it is essential that the Council consider the scope for generating additional income. Paper G158 (paras 5.25 to 5.30) sets out the two key issues in relation to this and the Council's financial capacity over the next 3-4 years, namely whether Council Tax increases above inflation and/or additional income, for example, from car parking charges will be required over that period. The joint O&S Committees accept that a strategic review of these two key issues is needed.
- 5.38 This will then feed into a new Medium-Term Financial Strategy for 2009/10 onwards. It is essential that consensus is reached on these issues before the next budget cycle starts. Having a clear Financial Strategy is a key criterion of the Audit Commission's Use of Resources Assessment.

6. **APPENDICES**

- 1 – Commitments
- 2 – Service Priorities
- 3 – Savings, efficiencies and additional income
- 4 – Risk Assessment
- 5 – Prudential Indicators

7. **BACKGROUND INFORMATION**

1. Government Grant Settlement
2. Service and Financial Planning Group agendas and notes of meetings

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APPENDICES TO BUDGET

- 1) General Fund Revenue Budget – Commitments
- 2) General Fund Revenue Budget – New Revenue Service Priorities
- 3) General Fund Revenue Budget – Efficiencies, Savings and Additional Income
- 4) Budget Risk Assessment
- 5) Prudential indicators under the Prudential Code for capital finance

Appendix 1

2008/09 Budget – commitments

Item	Amount £000	Comments
Community Development:		
Leisure Trust Grant	13	Based on 5-year funding agreement (closure for planned maintenance and potential enhancement of facilities)
CEP/Community Partnerships	6.7	Babergh Communities Together. Core funding established in this year's budget, with some funding from other budgets. Part of grants review programme
Gypsy/Traveller Liaison post	0.7	Suffolk-wide agreement. Part year cost – further £2k in following year
Contract & Asset Mgt:		
Canteen	10	Subsidy increase initially but prospects of this reducing in future years (13k x 75% General fund)
Asset Management	30	Statutory valuations (every 5 years)
Natural & Built Environment:		
Waste Performance & Efficiency Grant	36	Being mainstreamed for the LAA from next year
Planning Delivery Grant	46	Possible reduction due to change in basis of grant next year includes affordable housing. This includes removal of current support to budget generally of £20k
Customer Services:		
HB/CTB admin grant reduction	17	3.3% Government reduction
Discretionary Rate Relief	31	May be some savings following review of policy
Corporate Services:		
Land Charges income	38	Lower activity/number of searches
Postage –expected saving not made	7.5	Potential switch to UK mail. Under further consideration
Corporate consultation	3.5	Budget increase required for next year

Item	Amount £000	Comments
Sub-total	239.4	
ICT licences	25.6	Most relates to new capital projects
Other:		
Concessionary Fares	65	Provisional allowance for increased costs, which will vary depending on scheme reimbursement rate, appeals and take-up of the new national scheme
Audit Commission Fees	15	Proposed increases over next 3 years, subject to consultation
Other	10	Minor net variations in other budgets
Total	355	

Appendix 2

2008/09 Budget – Service priorities/growth bids

Item	Amount £000	Comments	Corporate Plan priority?	SSP Community Strategy
Homelessness officer	-	Bid for mainstreaming of post assumed Govt. grant ceases. Now confirmed that grant will continue.	Yes – see Paper G121A	Prosperous and vibrant economy
Be-Active post	9	Continuation of activity. Currently part funded by Suffolk Sport	Yes – Healthy Lifestyles	Safe, healthy and inclusive communities
Additional Planning Control staffing resources	-	See Note 1. £50,000 to be funded from Business Rates Growth Income (LABGI)	N/A	N/A
Licensing – Admin. resource	-	Proposal to continue temporary post (cost of £10k) – offset by higher fee income	N/A	N/A
Home Improvement Agency	10	Additional commitment to funding for one year, subject to grant review arrangements - required to maintain agency as SCC/supporting people funding arrangements reducing.	Yes –Healthy lifestyles	Safe, healthy and inclusive communities
Total	19			

Notes

1. To improve performance and customer satisfaction as set out in the report to HR Panel on 3 September 2007. Could result in additional Planning Delivery grant but basis of this is changing (to include Housing Delivery also). Proposed that the £100,000 previously allocated for Chilton Woods should be topped up to £150,000 by using some of the £300,000 LABGI scheme income that has been received and that this fund is used to pay for additional staffing resources on a temporary contract basis.

Appendix 3

2008/09 Budget – Savings, efficiencies and additional income

Item	Amount £000	Comments
Election Costs in 2007	56	Non-recurring.
Car Leasing scheme (75% Gen. Fund)	9	Savings over 3 years following review in 2006
Members Allowances	4.5	Lower take-up of pension scheme than allowed for in the budget
Community Development	19.7	A variety of budget savings/additional income: Dual Use Sports Centres £9.4k Be-Active income £2k East Bergholt Swimming Pool £6k Economic Development £2.3k
	14.5	Arts Development post to reduce to part-time, distributing some work to other staff
Contract & Asset Management	13	Savings/additional income in various minor areas and net saving following closure of Bures Starter Units
	38	Waste Contract – Discount for removal of break-clause and other savings
	10	Architects unit now disbanded – potential net saving to General Fund (most costs are HRA/capital)
Natural & Built Environment	61	MRF gate fees reduction, although risk on material prices reducing (£15k); Historic Buildings and Conservation Area appraisals (£11k); Non-recurring LDF costs; Non-recurring LDF costs in 07/08 (£35k)
	73	Additional income from – Licensing fees (£19,000); Additional Planning & Building Control Fees/Charges (£45,000). Abandoned vehicles/other Environmental Protection services – additional income and various other minor savings (£9,000)

Item	Amount £000	Comments
Finance	15	Insurance premium reductions and joint banking contract savings
Investment Income	100	Depends on interest rates and cashflow – this includes interest on significant capital sums/receipts that will be spent in future
Salary budget	50	Reduction in base budget as a result of vacancies and replacing staff at lower points within approved grades.
Sub-total	463.7	
Other areas:		
Salary budget	50	Further reduction by not replacing vacant posts where possible as part of our efficiencies programme
Overall Budget reduction	100	Some 'Re-basing' of other budgets to take account of net expenditure in the past being below approved budget. This equates to about 3% of total controllable budgets.
Total	613.7	

BUDGET RISK ASSESSMENT

Background

1. This document sets out a risk assessment relating to the formulation and approval of the budget for 2008/09 and the revised budget for 2007/08.
2. Members have a responsibility to ensure, in considering the budget, that:
 - It is realistic and achievable and that appropriate arrangements have been adopted in formulating it.
 - The various elements and specific areas of the budget are based on sound assumptions
 - It links to the delivery of the Corporate Plan and achievement of the council's priorities
 - It includes an appropriate statement on the use of reserves and the adequacy of these

Overall Approach

3. The following points are, therefore, drawn to Members' attention in terms of formulating the budget for 2008/09 and revising the budget for 2007/08 in order to provide a degree of assurance on the overall approach:-
 - The integrated approach to service and financial planning provides a robust framework that ensures that the budget reflects the council's priorities, as set out in the Corporate Plan
 - The Member Service & Financial Planning Group has carefully considered and scrutinised growth proposals, commitments, potential savings, efficiencies and additional income to achieve the council's aim of achieving an inflation-only Council Tax increase
 - Heads of Service and Managers have been involved in formulating and agreeing budgets for their service areas and these have been thoroughly reviewed by Corporate Finance staff and the Head of Finance
 -
 - Known and estimated commitments have been included in the budget, although there will always be uncertainty on actual costs and their timing.

Revenue Budget 2007/08 (revised)

4. In relation to the 2007/08 revised budget, the following key issues are highlighted:
 - Considered assumptions have been made on expenditure in key risk areas such as concessionary fares.

- Allowances have been made for other estimated costs and income in accordance with the Council's normal processes and the best information available
 - Actual net expenditure on normal business activities could, however, be lower than forecast and rigorous budget monitoring will continue for the remainder of the financial year
 - It would not be prudent to make an allowance for overall net expenditure being lower than the revised budget forecast although, based on previous years' experience, an acceptable tolerance would be up to £250,000. This represents only 2.5% of the net General Fund budget
 - If a lower level of net expenditure arises, the Council will determine whether that money should be kept in reserves, used to support corporate priorities or whether it is needed for any other commitments
 - It is also recognised that the timing of some expenditure could fall after the 31 March. The Council has clear arrangements for considering and approving any budget carry forwards.
5. Therefore, based on the above and unless any exceptional costs arise, the revised budget should be more than adequate to meet anticipated costs and income in 2007/08.

Revenue Budget 2008/09

6. Insofar as the 2008/09 Budget is concerned, the same approach and issues as set out above apply.
7. In addition, a number of key assumptions have been made, specifically in relation to savings, efficiencies and additional income. A prudent but realistic view of what can be achieved has been taken but it has to be recognised that some of these are dependent on factors outside the council's control and relate to services that are demand-led.
8. Therefore, although it is considered that a sound and thorough approach has been adopted in formulating the various expenditure and income forecasts included in the budget, there are risks associated with particular areas, which include:
- Housing Benefits – recovery of overpayments and subsidy claims are subject to audit and potential adjustment/variation
 - Income from fees and charges are subject to external demand and/or national economic conditions e.g. land charges, planning and building control and waste collection services. Deregulation of land charge searches will continue to impact on fee income
 - Concessionary Fares Scheme – further increase in take-up or usage as a result of the new national scheme could result in the budget being exceeded
 - Unexpected costs, such as on planning inquiries or other legal cases can arise. There is an allowance in the budget for potential cases, but there is no certainty as to what actual expenditure will be incurred in the coming year

- Uninsured losses and other claims that exceed historic levels or arise unexpectedly would not be covered by the budget
 - Salary savings from staff vacancies and efficiency savings – there is a fairly significant allowance in the budget, which has been increased for 2008/09. Achieving it is dependent on the number of vacancies that arise. Rigorous scrutiny and management arrangements are in place to take advantage of resulting efficiency opportunities
 - Income from the Local Authority Business Growth scheme is dependent on the growth that actually occurs and that will affect the amounts available for spending on council priorities and/or agreed LAA outcomes
 - Grants towards certain activities, such as the Housing & Planning delivery grant and the Crime & Disorder Partnership are not yet known or finalised. Assumptions have been made in relation to these grants
 - Appropriate allowances have been made on pay awards (3.2%), interest rates (5.25%) and general inflation for certain budgets (2.5%). It should be recognised, however, that the actual position could vary from these assumptions.
9. Overall, the 2008/09 Budget has more risks associated with it than in previous years and that formulating the budget has resulted in a ‘tighter’ set of budget assumptions. Despite that, these risks are considered to be manageable and rigorous budget monitoring will focus on key risk areas.
10. Should additional expenditure, over and above the budget, be necessary, either additional savings will have to be found or more reserves used. Reserves, including those earmarked for specific purposes, are sufficient to cover an increase unless that is very exceptional.

Capital Programme

11. Capital spending plans are based on clear assumptions in relation to sources of capital finance, including estimated levels of Council House sales continuing at a lower rate than in previous years. The revenue implications of the capital programme are fully reflected in the budget. The timing of expenditure has been reviewed to provide a realistic and sounder base of estimated spend in 2008/09, particularly in relation to the General Fund
12. Known demands and projects that meet the council’s corporate aims and priorities are included in the capital programme although other requirements may arise such as any financial contribution towards University Campus Suffolk.

Monitoring and control

13. There is a clear framework for monitoring the budget and the achievement of the efficiencies, savings and additional income included in it with regular reports to the Overview & Scrutiny Committees, various Panels and Boards and senior management. These reports will concentrate on identified risk areas.

14. It is recognised that significant new partnerships and implementing new ways of working can carry financial risks. Arrangements to identify and monitor the risks of existing and any new partnerships are already in place and these will be strengthened as necessary.
15. Following the recent announcement by the Government that the Boundary Committee looks at Unitary Authority options, the position on shared services and revised structural/governance arrangements for Local Government in Suffolk is being considered further. Some allowance for spending on this (as part of the Suffolk Pathfinder proposals) is included in the budget. Other issues may, however, arise during 2008/09 that require financial consideration.

Conclusions

16. Based on the various elements of this risk assessment, it is believed that the 2008/09 Budget (and the 2007/08 revised budget) is robust and sufficient to meet known needs and priorities. In the event of variations arising, appropriate action will be taken under the council's established financial management arrangements.
17. Should unforeseen increases in expenditure or shortfalls in income arise that cannot be avoided, steps will be taken to ensure any impact on the Council's financial position is minimised by identifying additional savings in other areas of the overall budget. Following that process, the possibility of using reserves would need consideration although unplanned use of reserves should only be considered in exceptional circumstances.
18. If this were to prove necessary, the council's levels of reserves are sufficiently healthy to accommodate reasonable additional demands.

Barry Hunter,
Head of Finance
January 2008

Appendix 5

Prudential indicators under the Prudential Code for capital finance

1. The purpose of the indicators is to provide a framework for capital expenditure decision making, highlighting through the prudential indicators the level of capital expenditure, the impact on borrowing and investment levels and the overall controls in place to ensure the plans are affordable, prudent and sustainable.
2. The actual capital expenditure that was incurred in 2006/07 (along with the estimate originally set for the year) and the capital investment programme for the current and future years that are recommended for approval are:

Table 1 - Estimates and Actual Capital Expenditure

	2006/07 £'000 Estimate	2006/07 £'000 Actual	2007/08 £'000 Estimate	2008/09 £'000 Estimate	2009/10 £'000 Estimate	2010/11 £'000 Estimate
General Fund	1,795	1,614	2,180	3,565	6,028	1,394
HRA	3,490	3,777	3,056	3,136	3,090	3,145
Total	5,285	5,391	5,236	6,701	9,118	4,539

Note: 2008/09 and 2009/10 includes provisions for Hadleigh Community facilities. The scope and costing of this work will not be decided until later in 2008.

2. This indicator identifies the trend in the cost of capital against the net revenue stream.

Table 2 - Ratio of Net Financing Costs to Net Revenue Stream

	2006/07 Estimate	2006/07 Actual	2007/08 Estimate	2008/09 Estimate	2009/10 Estimate	2010/11 Estimate
General Fund	(6.10)%	(6.42)%	(7.96)%	(6.41)%	(5.22)%	(4.30)%
HRA	23.90%	23.99%	23.75%	21.86%	20.99%	20.20%

The estimates of financing costs include current commitments and the proposals in the budget report.

Note: Babergh has a negative figure for the General Fund due to having low external debt charges, which are more than offset by investment income on surplus funds. There is a positive figure for the HRA as the Council has historically borrowed internal funds to finance Council Housing expenditure and these costs are reimbursed through housing subsidy.

3. Estimates of the end of year capital financing requirement for the authority for the current year and future years and the actual capital financing requirement at 31st March 2007 are:

Table 3 - Estimates and Actual Capital Financing Requirement

	31/03/07 £'000 Estimate	31/03/07 £'000 Actual	31/03/08 £'000 Estimate	31/03/09 £'000 Estimate	31/03/10 £'000 Estimate	31/03/11 £'000 Estimate
General Fund	(426)	(470)	(331)	2,228	3,333	4,030
HRA	4,001	4,001	4,551	5,101	5,651	6,201
Total	3,575	3,531	4,220	7,329	8,984	10,231

4. The Calculation of the Capital Financing Requirement (CFR) represents the Council's **underlying** need to finance its current and historic capital expenditure, which has not yet been charged to revenue. The change year on year will be influenced by the capital expenditure incurred within the year financed by borrowing. The actual borrowing requirements for 2008/9 is 3.12 M (£2.6M General Fund and £0.55 HRA)
5. The treasury management function is an important part of the overall financial management of the Council's affairs. The Council has an integrated treasury management strategy and has adopted the CIPFA *Code of Practice for Treasury Management in the Public Services*. At any point in time, there are a number of cash flows that are positive and negative, and this is monitored and managed in terms of the investments and any overdraft in accordance with its approved treasury management strategy and practices. In day-to-day cash management, no distinction can be made between revenue cash and capital cash. Any debt in the form of overdraft arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. The capital financing requirement reflects the authority's underlying need to borrow for a capital purpose.
6. CIPFA's *Prudential Code for Capital Finance in Local Authorities* includes the following as a key indicator of prudence:

"In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current year and next two financial years."

The Head of Finance reports that the authority had no difficulty meeting this requirement in 2006/07, nor are there any difficulties envisaged for

the current or future years. This view takes into account current commitments, existing plans, and the proposals in the budget report.

7. In respect of external debt, it is recommended that the Council approves the following maximum authorised limits for its total external debt gross of investments for the next three financial years, which takes account of the latest balance sheet values of relevant items. The Council is asked to approve these limits.

Table 4 - Authorised Limits for External Debt

	2006/07 Proposed £'000	2006/07 Actual £'000	2007/08 £'000	2008/09 £'000	2009/10 £'000	2010/11 £'000
Borrowing (Capital Financing Requirement)	3,575	3,531	4,220	7,329	8,984	10,231
Other Long Term Liabilities	1,117	1,099	905	711	534	357
Cash flow deficit/margin	1,308		1,375	1,460	1,482	1,412
Total	6,000	4,630	6,500	9,500	11,000	12,000

8. The Head of Finance reports that these authorised limits are consistent with the Council's current commitments, existing plans and the proposals in the budget report for capital expenditure and financing, and with its approved treasury management policy statement and practices. The Head of Finance also confirms that they are based on an estimate of the most likely, prudent but not worst-case scenario with, in addition, sufficient headroom over and above this to allow for operational management, for example unusual cash movements.
9. Risk analysis and risk management strategies have been taken into account; as have potential plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.
10. The Council is also asked to approve the following operational boundary for external debt for the same time period. This indicator is based on the probable external debt during the course of the year; it is not a limit and actual borrowing could vary around this boundary for short times during the year. It should act as indicator to ensure that the authorised limit is not breached. In keeping with the definitions in CIPFA's *Prudential Code for Capital Finance in Local Authorities*, overdraft limits are not included within figures for debt. The Council is asked to approve these limits.

Table 5 - Operational Boundary for External Debt

	2006/07 Proposed £'000	2006/07 Actual £'000	2007/08 £'000	2008/09 £'000	2009/10 £'000	2010/11 £'000
Borrowing	1,221	1,100	1,789	4,898	6,553	7,799
Other Long Term Liabilities / Cash Flow Deficit	1,779	1,099	1,711	1,602	1,447	1,201
Total	3,000	2,199	3,500	6,500	8,000	9,000

11. The Council's actual external debt at 31st March 2007 remained at £1.1m, which is lower than the original figure proposed for the end of 2006/07 as borrowing requirements were met internally.
12. In taking it's decisions on the budget, the Council is asked to note that the authorised limit determined for 2008/09 (see Table 4) will be the Statutory limit determined under section 3(1) of the Local Government Act 2003.
13. The estimate of the incremental impact of capital investment decisions proposed in this budget report, over and above capital investment decisions that have previously been taken by the Council are:

Table 6 - Incremental Impact on Council Tax and Housing Rents

	2008/09	2009/10	2010/11
	£	£	£
Band D Council Tax	+1.27	+1.53	+2.64
Average Weekly Housing Rent	+0.69	-0.50	+0.02

Note: The above are based on the council's annual capital spending plans outlined in table 1. 2009/10 Band D Council Tax figure includes an estimated LAMP saving of £80 K.

Treasury management strategy and annual plan for 2008/09

1. Babergh District Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Services.
2. The full Treasury Management Strategy for 2008/09 will be presented to Strategy Committee in March 2008.
3. It is recommended that, for the purpose of setting prudential indicators, the following upper limits are set on its fixed and variable rate exposures, based upon the debt position, for future financial years as follows:

	2008/09	2009/10	2010/11
Upper Limit of Fixed Rate Exposures	100%	100%	100%
Upper Limit of Variable Rate Exposures	70%	70%	70%

4. It is recommended that for the purpose of setting prudential indicators, the following lower and upper limits are set regarding the maturity structure of the Council's borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.

Maturity Structure of existing fixed borrowing

	2008/09		2009/10		2010/11	
	Lower	Upper	Lower	Upper	Lower	Upper
Under 12 months	0%	0%	0%	0%	0%	0%
12 months to 2 yrs	0%	0%	0%	0%	0%	0%
2 years to 5 years	0%	0%	0%	0%	0%	0%
5 years to 10 years	0%	0%	0%	0%	0%	0%
10 yrs and above	0%	100%	0%	100%	0%	100%

5. It is recommended that the Council approve the following limits on principal sums to be invested for periods greater than 364 days. These limits apply to investments with final maturities beyond the year-end.

	2008/09 £'000	2009/10 £'000	2010/11 £'000
Upper Limit of Principal Sums maturing beyond the year end	3000	3000	3000

Our Vision, Values and Priorities

Our Vision for Babergh

A district where strong and inclusive communities are built on active citizenship and where all citizens have the opportunity to develop to their full potential.

The Council's Priorities

In order to support strong and inclusive communities in the district, the council will concentrate on the following priorities:

- Increase the **supply of housing** that local people can afford to rent or buy
- Maintain a **safe, clean** and **sustainable** environment
- Promote **healthy living** and reduce **health inequalities**
- Give easy, convenient **access to quality public services**
- Raise individual **and community ambitions** and encourage **active citizenship**

The Council's Role

In delivering the priorities, the council's role is to:

- Provide responsible community leadership and influence in building, sustaining and helping to deliver a vision for the district that is shared by Babergh's citizens and the council's partners
- Create, support and sustain the social, economic and environmental conditions in which the shared vision for the district is realistically achievable
- Encourage and contribute to partnerships that help to deliver that vision
- Make decisions that best reflect and balance the diverse needs of individuals and communities in the district
- Maintain a skilled, flexible and motivated workforce to deliver the services that citizens need
- Make it easy for all citizens to access those services as conveniently as possible

Values

43 Councillors run the council. The political composition of the current council is 19 Conservatives; 16 Liberal Democrats; 7 Independent Group and 1 of no description.

The council has never had any form of overall political control and there has never been a Council Leader. This means that decisions about what is best for the district are reached by consensus.

As part of that consensus, we have agreed that we will base all of our actions on the following values:

- Recognition of individual, community and economic diversity within the district
- Treatment of all people with fairness, dignity and respect
- Provision of maximum individual choice within a framework of responsible citizenship
- Open and accountable decision making
- Responsible stewardship of public money and resources on behalf of all Babergh's citizens

The council's Financial Strategy supports this vision, values and priorities and our aim is "to do our best to achieve council tax increases that do not exceed the rate of inflation, whilst at the same time having a phased reduction in the use of reserves".

For the future, this will depend on the level of Government grant and our ability to make further savings and raise additional income. It may prove difficult in some years to provide services at the desired level and keep council tax increases to inflation.

A 3-year Medium-Term Financial Strategy exists and this is updated annually.

Additional expenditure of £40,000 results in a 1% increase in the council tax rate for this council.

The Budget

The following pages contain:

The General Fund Revenue Budget Summary (page 34) – This shows the total net costs of each broad service area. These include all direct and indirect costs of providing the services less any specific grants and income. Other items, including Government Formula Grant and Council Tax are also shown

Total costs for specific services within each area (pages 35-37) – As above, these include all direct and indirect costs of providing the services less any specific grants and income

Further Service Budget details (pages 41-48) – Firstly, these show the direct costs and income of each specific service and the total net direct costs/income for that group of services. To these are added the cost of staff management and administration (Operational and Support Services) and notional capital charges relating to asset use. The latter are removed in the General Fund Summary to ensure there is no impact on Council Tax

GENERAL FUND REVENUE BUDGET SUMMARY

Line	2006/07	2007/08		2008/09	
	Actual £	Original £	Revised £	Budget £	
1	Natural and Built Environment	1,922,037	3,057,550	2,687,110	2,665,340
2	Community Development	1,940,238	1,977,330	2,163,510	2,206,480
3	Contract and Asset Management	3,051,537	3,408,750	3,309,070	3,268,440
4	Customer Services	1,381,137	1,748,980	1,785,010	1,755,730
5	Corporate Services	2,206,933	2,549,100	2,263,940	2,310,360
6	Other / Contingencies	(164,882)	(343,150)	(102,730)	(96,700)
7	Total Direct Service Costs	10,337,000	12,396,560	12,105,910	12,109,650
8	Capital charges / Asset Management & Investment Income	(1,646,940)	(2,659,750)	(2,030,040)	(2,151,490)
9	Pension Adjustments	316,099	555,610	578,090	637,900
10	Transfers to/from Earmarked Reserves	126,993	97,000	232,740	50,000
11	Net Revenue Expenditure	9,133,152	10,389,420	10,886,700	10,646,060
12	Use of Reserves - General	381,857	(301,210)	(755,490)	(281,000)
13	Use of Reserves - Customer Access and Service Transformation	(90,000)	(113,000)	(154,000)	(55,000)
14	Prior year grant adjustments	14,548	0	0	0
15	Budget Requirement - Babergh	9,439,557	9,975,210	9,977,210	10,310,060
16	Deficit / Surplus (-) on Collection fund	11,900	(33,000)	(33,000)	(9,540)
17	Government Support	(5,510,619)	(5,836,310)	(5,836,310)	(6,005,030)
18	Demand on Collection Fund	3,940,838	4,105,900	4,107,900	4,295,490
19	Council Tax Base Resolution	32,123	32,539	32,539	32,750
20	Council Tax for Band D Property	122.68	126.18	126.24	131.16

GENERAL FUND REVENUE SERVICES BUDGET SUMMARY

NATURAL & BUILT ENVIRONMENT

Line		2006/07	2007/08		2008/09
		Actual	Original	Revised	Budget
		£	£	£	£
21	Environmental Health & Health Improvement	515,037	598,160	633,790	620,360
22	Pest and Dog Control	46,647	47,320	49,300	48,690
23	Private Sector Housing Standards	29,261	31,900	33,580	32,620
24	Renovation Grants (Incl. Home Improvement Agency)	271,796	745,880	257,360	437,600
25	Licensing	124,102	202,410	218,240	205,180
26	Planning Policy	369,035	487,190	572,270	488,810
27	Conservation Areas/Historic	92,654	285,560	172,280	66,020
28	Development Control	416,178	536,560	630,410	604,960
29	Planning Delivery Grant	(45,230)	(26,140)	(26,140)	20,000
30	Building Control	102,557	148,710	146,020	141,100
31	Sub Total	1,922,037	3,057,550	2,687,110	2,665,340

COMMUNITY DEVELOPMENT

Line		2006/07	2007/08		2008/09
		Actual	Original	Revised	Budget
		£	£	£	£
32	Hadleigh Swimming Pool	152,408	119,610	209,860	203,340
33	Kingfisher Leisure Centre	481,567	378,460	409,710	415,550
34	Sport & Leisure (including Be Active)	167,267	165,550	151,810	173,700
35	Sports & Recreation Grants	81,889	122,130	132,320	131,820
36	Community Safety & Crime & Disorder Reduction Partnership	127,143	180,770	196,410	197,800
37	The Arts	157,418	131,860	133,350	141,980
38	Tourism	206,258	212,410	214,080	219,710
39	Economic Development	132,898	192,810	216,710	217,610
40	Community Energy Project & Babergh Communities Together	46,598	68,510	83,500	0
41	Housing Strategy	58,536	55,870	63,510	62,040
42	Affordable Housing	233,137	222,610	222,990	317,230
43	Homelessness, Homelessness Initiative & Housing Advice	103,926	125,160	118,440	117,450
44	Contact Care & Other Housing Services	(8,807)	1,580	10,820	8,250
45	Sub Total	1,940,238	1,977,330	2,163,510	2,206,480

GENERAL FUND REVENUE SERVICES BUDGET SUMMARY

CONTRACT & ASSET MANAGEMENT					
Line	2006/07	2007/08		2008/09	
	Actual £	Original £	Revised £	Budget £	
46	Domestic Waste Collection	1,312,867	1,464,630	1,385,700	1,439,910
47	Trade & Green Waste Collection	24,711	32,160	47,220	(5,260)
48	Recycling Strategy	(32,910)	50,500	(63,440)	(54,630)
49	Recycling Consortium	0	0	3,810	4,010
50	Street Cleansing & Abandoned Vehicles	567,644	620,690	619,730	634,740
51	Footpaths	42,274	41,810	42,770	41,650
52	Countryside Management	93,154	91,350	100,860	96,090
53	Amenity Areas	352,147	387,760	420,650	384,160
54	Parks & Open Spaces	237,663	263,650	272,830	272,720
55	Other Services	45,159	63,560	53,790	50,860
56	Car Parking	138,989	131,700	145,880	134,690
57	Public Conveniences	174,976	182,260	186,980	189,690
58	Industrial & Starter Units	(15,576)	(18,840)	(10,760)	(18,620)
59	Other Corporate Assets (East House, Belle Vue House, Hadleigh Market)	11,528	12,450	18,600	(5,140)
60	Asset Management	59,970	48,170	42,400	66,200
61	Other Services	38,941	36,900	42,050	37,370
62	Sub Total	3,051,537	3,408,750	3,309,070	3,268,440
CUSTOMER SERVICES					
Line	2006/07	2007/08		2008/09	
	Actual £	Original £	Revised £	Budget £	
63	Housing/Council Tax Benefits (Incl HRA)	268,771	488,250	451,870	510,870
64	Council Tax & Business Rates Collection	508,327	562,170	538,150	581,130
65	Concessionary Fares & Railcards	604,038	698,560	794,990	663,730
66	Sub Total	1,381,136	1,748,980	1,785,010	1,755,730

GENERAL FUND REVENUE SERVICES BUDGET SUMMARY

CORPORATE SERVICES				
Line	2006/07 Actual £	2007/08		2008/09 Budget £
		Original £	Revised £	
67 Corporate Management (incl. Policy, Performance & Publicity/Comms)	1,030,867	1,076,880	695,530	709,430
68 External Audit & Other Corporate Costs	163,572	169,070	164,810	181,590
69 Democratic Processes	732,337	820,630	875,560	866,390
70 Electoral Registration & Elections	130,613	201,460	194,680	140,650
71 Local Land Charges	(51,652)	(600)	(21,750)	(9,600)
72 Other	2,744	3,190	19,230	6,260
73 Civil Protection & Emergency Planning	30,942	36,870	45,490	42,540
74 Grants and Contributions	127,507	191,350	238,200	326,320
75 Community Achievement Awards	2,394	3,680	5,410	5,080
76 Corporate Subscriptions	37,611	46,570	46,780	41,700
77 Sub Total	2,206,935	2,549,100	2,263,940	2,310,360
78 Other / Contingencies	(164,882)	(343,150)	(102,730)	(96,700)
79 TOTAL	10,337,001	12,398,560	12,105,910	12,109,650

GENERAL FUND RESERVES

General Reserves

	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	(£000)	(£000)	(£000)	(£000)
Opening balances - 1 April	3,393	1,996	2,785	1,876
Use - General	382	(301)	(755)	(281)
- CAST	(90)	(113)	(154)	(55)
Transfers to Earmarked Reserves	(900)	(55)	0	0
Closing reserve - 31 March	2,785	1,527	1,876	1,540

Earmarked Reserves

A number of Earmarked Reserves were established in 2006/07, as approved in the 2007/08 Policy & Budget Framework. Actual and estimated additions or use is indicated: -

	Capital Projects	Insurance Fund	Invest to Save	Business Rates Growth	Recycling Credits	Total
	(£000)	(£000)	(£000)	(£000)	(£000)	(£000)
Opening Balance 31/03/2007	775	27 ⁽¹⁾	50	127	-	979
Addition/Use 2007/08	(45) ⁽²⁾	-	-	233 ⁽³⁾	-	188
Estimated Balance 31/03/2008	730	27	50	360 ⁽³⁾	-	1,167
Addition/Use 2008/09	-	-	-	(50)	100 ⁽⁴⁾	50
Estimated Balance⁽⁵⁾	730	27	50	310	100	1,217

Notes

- (1) Fund of £75,000 created, of which £48,000 was used in 2006/07. Remaining balance to be used for any future uninsured claims.
- (2) For Hadleigh Pool investigations.
- (3) Excludes any further sums to be received in 2007/08. This is the balance of 2005/06 and 2006/07 sums allocated by the Government. Use in 2008/09 for Chilton Woods project & planning resources.
- (4) For potential use on projects including a possible third recycling bin.
- (5) Available for future use on projects - to be determined as and when appropriate.

PARISH COUNCIL TAXES PER BAND D EQUIVALENT PROPERTY 2008/09

PARISH	2008/09 Parish Precept £	Tax Base	2008/09 Parish Precept £	PARISH	2008/09 Parish Precept £	Tax Base	2008/09 Parish Precept £
Acton	44,000.00	647.42	67.96	Kettlebaston	500.00	36.89	13.55
Aldham	950.00	86.99	10.92	Lavenham	45,000.00	875.32	51.41
Alpheton	2,222.00	108.05	20.56	Lawshall	6,000.00	357.96	16.76
Arwarton	0.00	52.99	0.00	Layham	3,700.00	241.16	15.34
Assington	5,500.00	165.85	33.16	Leavenheath	15,250.00	598.36	25.49
Belstead	3,000.00	86.77	34.57	Lindsey	1,675.00	83.05	20.17
Bentley	14,000.00	332.51	42.10	Little Cornard	2,001.00	142.48	14.04
Bildeston	18,000.00	391.00	46.04	Little Waldingfield	2,950.00	146.90	20.08
Boxford	31,000.00	514.43	60.26	Little Wenham	0.00	18.17	0.00
Boxted	400.00	52.31	7.65	Long Melford	63,000.00	1,474.36	42.73
Brantham	37,767.00	901.62	41.89	Milden	750.00	53.47	14.03
Brent Eleigh	1,500.00	81.45	18.42	Monks Eleigh	9,500.00	242.46	39.18
Brettenham	4,150.00	113.56	36.54	Nayland with Wissington	31,000.00	525.82	58.96
Bures St Mary	20,589.00	382.01	53.90	Nedging with Naughton	2,500.00	163.56	15.28
Burstall	2,814.00	94.69	29.72	Newton	7,300.00	213.11	34.25
Capel St Mary	52,716.00	1,132.47	46.55	Pinewood	52,267.00	1,517.25	34.45
Chattisham / Hintlesham	4,500.00	301.09	14.95	Polstead	8,610.00	388.63	22.15
Chelmondiston	22,000.00	416.14	52.87	Preston St Mary	2,200.00	94.36	23.31
Chelsworth	600.00	82.36	7.29	Raydon	7,500.00	211.57	35.45
Chilton	4,000.00	155.05	25.80	Semer	400.00	67.65	5.91
Cockfield	9,000.00	364.84	24.67	Shelley	0.00	30.86	0.00
Copdock & Washbrook	24,000.00	434.18	55.28	Shimpling	3,600.00	178.79	20.14
East Bergholt	82,500.00	1,126.38	73.24	Shotley	37,842.00	775.14	48.82
Edwardstone	4,700.00	172.21	27.29	Somerton	370.00	40.07	9.23
Elmsett	9,500.00	309.70	30.67	Sproughton	44,695.00	541.66	82.51
Freston	800.00	52.60	15.21	Stanstead	5,600.00	151.94	36.86
Glemsford	66,000.00	1,218.08	54.18	Stoke by Nayland	8,750.00	314.09	27.86
Great Cornard	182,088.00	2,511.79	72.49	Stratford St Mary	13,800.00	326.09	42.32
Great Waldingfield	23,888.00	565.21	42.26	Stutton	10,000.00	354.23	28.23
Great Wenham	0.00	63.32	0.00	Sudbury	485,000.00	4,369.19	111.00
Groton	3,500.00	124.55	28.10	Tattingstone	7,755.00	224.98	34.47
Hadleigh	285,090.00	2,868.89	99.37	Thorpe Morieux	1,500.00	108.96	13.77
Harkstead	2,500.00	113.64	22.00	Wattisham	1,500.00	44.13	33.99
Hartest	9,000.00	213.94	42.07	Whatfield	3,000.00	126.33	23.75
Higham	0.00	78.59	0.00	Wherstead	2,786.00	119.85	23.25
Hitcham	7,000.00	289.00	24.22	Woolverstone	1,700.00	92.53	18.37
Holbrook	16,500.00	618.65	26.67				
Holton St Mary	3,500.00	93.21	37.55				
Kersey	5,250.00	181.16	28.98				
				TOTAL PRECEPT	1,894,525.00		
				TOTAL TAX BASE		32,750.07	

COUNCIL TAXES 2008/09

APPROVED COUNCIL TAX FOR EACH DWELLING CATEGORY 2008/09

Dwelling Category	Babergh District Council £	Suffolk County Council £	Suffolk Police Authority £	Proportion of Band D
BAND A	87.44	715.92	96.12	6/9ths
BAND B	102.01	835.24	112.14	7/9ths
BAND C	116.59	954.56	128.16	8/9ths
BAND D	131.16	1,073.88	144.18	
BAND E	160.31	1,312.52	176.22	11/9ths
BAND F	189.45	1,551.16	208.26	13/9ths
BAND G	218.60	1,789.80	240.30	15/9ths
BAND H	262.32	2,147.76	288.36	18/9ths

AVERAGE COUNCIL TAX - BAND D PROPERTY

	2007/08 £	2008/09 £
Suffolk County Council	1,035.18	1,073.88
Suffolk Police Authority	137.34	144.18
Babergh District Council	126.24	131.16
Town / Parish Councils (Average) *	54.85	57.85
Average Council Tax	1,353.61	1,407.07

* Total Precepts £1,894,525 Divided By Tax Base (32,750.07)

COUNCIL TAX - INDIVIDUAL PARISHES / PROPERTIES

The actual Council Tax applicable to individual properties in different parishes is arrived at by adding together the appropriate amounts set by Babergh District Council, Suffolk County Council and the Suffolk Police Authority for the band of the property (see above table) and the amount in respect of the Town/Parish Council Precept.

**NATURAL & BUILT ENVIRONMENT
HEAD OF SERVICE - M FIRTH**

Environmental Protection

Lead Manager(s) - J Kilgannon & J Rainer

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
80 Environmental Health & Health Improvement	5,690	17,890	40,650	18,360
81 Pest and Dog Control	16,053	14,910	12,910	13,090
82 Private Sector Housing Standards	5,000	5,000	5,000	5,000
83 Renovation Grants (Incl. Home Improvement Agency)	20,172	19,980	25,290	30,340
84 Licensing	(115,356)	(90,830)	(114,790)	(126,230)
85 Direct Costs / Income	(68,441)	(33,050)	(30,940)	(59,440)
86 Operational and Support Services	891,514	1,045,290	1,108,890	1,112,670
87 Capital Costs	163,771	613,430	114,320	291,220
88 Total Cost of Service	986,844	1,625,670	1,192,270	1,344,450

Planning Policy and Control

Lead Manager(s) - R Cooke , N Ward, G Starling

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
89 Planning Policy	21,639	66,630	130,110	22,120
90 Conservation Areas/Historic Buildings	19,711	16,000	24,820	5,000
91 Development Control	(442,873)	(379,060)	(265,860)	(328,680)
92 Planning Delivery Grant	(81,536)	(75,710)	(76,230)	(32,600)
93 Building Control	(388,672)	(389,600)	(392,780)	(422,940)
94 Direct Costs / Income	(871,731)	(761,740)	(579,940)	(757,100)
95 Operational and Support Services	1,777,870	1,937,420	1,968,420	2,052,640
96 Capital Costs	29,054	256,200	106,360	25,350
97 Total Cost of Service	935,193	1,431,880	1,494,840	1,320,890
98 Total Cost - Natural & Built Environment	1,922,037	3,057,550	2,687,110	2,665,340

**COMMUNITY DEVELOPMENT
HEAD OF SERVICE - C FOTI**

Leisure & Community Safety

Lead Manager(s) - P Little

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
99 Hadleigh Swimming Pool	97,001	74,380	110,130	104,890
100 Kingfisher Leisure Centre	227,275	158,580	171,910	175,530
101 Sport & Leisure (including Be Active)	62,881	58,810	19,460	30,260
102 Sports & Recreation Grants	56,044	96,650	91,450	90,500
103 Community Safety & Crime & Disorder Reduction Partnership	61,313	74,420	81,960	77,270
104 Direct Costs / Income	504,514	462,840	474,910	478,450
105 Operational and Support Services	272,454	293,070	381,000	400,790
106 Capital Costs	233,306	210,610	244,200	242,970
107 Total Cost of Service	1,010,274	966,520	1,100,110	1,122,210

Arts & Tourism

Lead Manager(s) - K Coghlin

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
108 The Arts	69,587	74,420	74,290	78,430
109 Tourism	132,918	134,400	137,020	140,890
110 Direct Costs / Income	202,505	208,820	211,310	219,320
111 Operational and Support Services	124,209	133,500	138,410	144,660
112 Capital Costs	36,962	1,950	(2,290)	(2,290)
113 Total Cost of Service	363,676	344,270	347,430	361,690

**COMMUNITY DEVELOPMENT
HEAD OF SERVICE - C FOTI**

Lead Manager(s) - N Henry

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
114 Economic Development	44,308	73,920	72,520	71,880
115 Community Energy Project & Babergh Communities Together	(3,997)	28,770	38,080	0
116 Direct Costs / Income	40,311	102,690	110,600	71,880
117 Operational and Support Services	123,993	143,440	173,210	129,330
118 Capital Costs	15,192	15,190	16,400	16,400
119 Total Cost of Service	179,496	261,320	300,210	217,610

Housing Services (Excl. Council Housing)

Lead Manager(s) - I Tippett & D Clarke

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
120 Housing Strategy	(5,712)	(4,090)	(4,090)	(4,090)
121 Affordable Housing	3,789	(5,240)	2,760	(5,240)
122 Homelessness, Homelessness Initiative & Housing Advice	11,791	22,450	4,090	4,860
123 Contact Care & Other Housing Services	(81,669)	(81,870)	(81,870)	(85,040)
124 Direct Costs / Income	(71,801)	(68,750)	(79,110)	(89,510)
125 Operational and Support Services	419,058	398,050	417,370	420,480
126 Capital Costs	39,534	75,920	77,500	174,000
127 Total Cost of Service	386,791	405,220	415,760	504,970
128 Total Cost - Community Development	1,940,237	1,977,330	2,163,510	2,206,480

**CONTRACT & ASSET MANAGEMENT
HEAD OF SERVICE - R JONES**

Waste Collection

Lead Manager(s) - P Garnett

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
129 Domestic Waste Collection	1,143,396	1,286,710	1,242,260	1,299,270
130 Trade & Green Waste Collection	(62,143)	(83,870)	(46,570)	(99,080)
131 Recycling Strategy	(107,200)	(72,200)	(186,620)	(176,160)
132 Recycling Consortium	(6,623)	(7,130)	(6,600)	(5,090)
133 Direct Costs / Income	967,430	1,123,510	1,002,470	1,018,940
134 Operational and Support Services	301,347	313,650	317,800	313,570
135 Capital Costs	35,891	110,130	53,020	51,520
136 Total Cost of Service	1,304,668	1,547,290	1,373,290	1,384,030

Other Services

Lead Manager(s) - R Jones & M Tavernor

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
137 Street Cleansing & Abandoned Vehicles	466,231	512,280	508,070	526,910
138 Footpaths	(2,271)	(4,100)	(4,100)	(4,100)
139 Countryside Management	61,516	64,940	70,380	66,450
140 Amenity Areas	274,760	320,730	351,100	315,570
141 Parks & Open Spaces	178,922	201,390	203,420	204,430
140 Other Services	5,319	5,780	4,490	3,560
141 Direct Costs / Income	984,477	1,101,020	1,133,360	1,112,820
142 Operational and Support Services	334,260	333,380	360,220	350,350
143 Capital Costs	19,303	34,420	17,050	17,050
144 Total Cost of Service	1,338,040	1,468,820	1,510,630	1,480,220

**CONTRACT & ASSET MANAGEMENT
HEAD OF SERVICE - R JONES**

Other Services.

Lead Manager(s) -

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
145 Car Parking	78,646	74,850	89,110	78,640
146 Public Conveniences	123,296	131,570	133,910	136,980
147 Industrial & Starter Units	(36,952)	(36,980)	(36,060)	(43,320)
148 Other Corporate Assets (East House, Belle Vue House, Hadleigh Market)	(1,921)	(12,730)	(1,560)	(13,990)
149 Asset Management	8,226	3,500	3,500	33,500
150 Other Services	11,315	16,990	17,990	12,990
151 Direct Costs / Income	182,610	177,200	206,890	204,800
152 Operational and Support Services	179,899	154,770	166,730	158,290
153 Capital Costs	46,318	60,670	51,530	41,100
154 Total Cost of Service	408,827	392,640	425,150	404,190
155 Total Cost - Contract & Asset Management	3,051,535	3,408,750	3,309,070	3,268,440

**CUSTOMER SERVICES
HEAD OF SERVICE - B SOUTHGATE**

Customer Services

Lead Manager(s) - A Wilcock & D Williams

Line		2006/07	2007/08		2008/09
		Actual £	Original £	Revised £	Budget £
156	Housing/Council Tax Benefits (Incl HRA)	(638,661)	(526,440)	(535,520)	(522,860)
157	Council Tax & Business Rates Collection	(103,566)	(115,580)	(86,070)	(87,290)
158	Concessionary Fares & Railcards	569,981	624,340	713,450	581,480
159	Direct Costs / Income	(172,246)	(17,680)	91,860	(28,670)
160	Operational and Support Services	1,656,269	1,766,660	1,807,640	1,874,180
161	Capital Costs	(102,886)	0	(114,490)	(89,780)
162	Total Cost - Customer Services	1,381,137	1,748,980	1,785,010	1,755,730

**CORPORATE SERVICES
HEAD OF SERVICE - A HUNKIN**

Corporate Management & Democratic Services

Lead Manager(s) - H Javadi, J Rees, P Simon & R Amesbury

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
163 Corporate Management (incl. Policy, Performance & Publicity/Comms)	82,107	51,400	81,240	57,870
164 External Audit & Other Corporate Costs	165,850	171,170	167,240	183,480
165 Democratic Processes	(4,735)	22,290	121,820	106,990
166 Electoral Registration & Elections	43,363	94,550	96,670	39,280
167 Local Land Charges	(275,312)	(269,850)	(235,900)	(241,080)
168 Other	2,012	2,380	13,520	1,270
169 Direct Costs / Income	13,285	71,940	244,590	147,810
170 Operational and Support Services	2,052,358	2,198,690	1,747,070	1,796,790
171 Capital Costs	(57,163)	0	(63,600)	(49,880)
172 Total Cost of Service	2,008,480	2,270,630	1,928,060	1,894,720

Other Corporate Services

Lead Manager(s) - J Rees & N Henry

Line	2006/07	2007/08		2008/09
	Actual	Original	Revised	Budget
	£	£	£	£
173 Civil Protection & Emergency Planning	24,962	31,060	35,130	32,720
174 Grants and Contributions	77,051	85,060	119,800	122,870
175 Community Achievement Awards	761	1,960	2,070	2,100
177 Corporate Subscriptions	37,611	46,570	46,780	41,700
178 Direct Costs / Income	140,385	164,650	203,780	199,390
179 Operational and Support Services	29,398	33,320	57,800	102,750
180 Capital Costs	28,671	80,500	74,300	113,500
181 Total Cost of Service	198,454	278,470	335,880	415,640
182 Total Cost - Corporate Services	2,206,934	2,549,100	2,263,940	2,310,360

OTHER ITEMS

Contingencies & Savings Adjustments, and Business Rate Growth & PSA Reward Grant

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
183 Contingencies & Savings Adjustments	0	(38,900)	140,000	154,210
184 Business Rate Growth & PSA Reward	(164,882)	(97,000)	(242,730)	0
185 Net Cost of Service	(164,882)	(135,900)	(102,730)	154,210
186 Operational and Support Services	0	(207,250)	0	(250,910)
187 Total Other Services	(164,882)	(343,150)	(102,730)	(96,700)

Capital Programme

General Fund - 3 Year Capital Programme 2008/09 -2010/11 - Summary

	2007/08 £		2008/09 £	Future Years/ Reserve £	Total Cost £	Net Cost to Babergh £
1	936,020	ICT Schemes	820,700	758,400	1,579,100	1,579,100
2	310,200	Contract & Asset Management	431,800	1,479,000	1,910,800	1,890,100
3	186,700	Community Services	1,453,500	3,605,000	5,058,500	4,940,500
4	241,700	Natural & Built Environment	-	-	-	-
5	505,100	Private Sector Housing	859,000	1,580,000	2,439,000	1,378,800
6	2,179,720	TOTAL	3,565,000	7,422,400	10,987,400	9,788,500

Total General Fund Capital Programme - Proposed Financing

	2007/08 £		2008/09 £	Future Years/ Reserve £	Total £
7	139,420	Borrowing - non-supported	2,558,900	1,801,000	4,359,900
8	1,308,500	Capital Receipts	642,000	4,786,600	5,428,600
9	45,000	Earmarked Capital Reserve			
10	686,800	Grants/External Contributions- Other	364,100	834,800	1,198,900
11	2,179,720	TOTAL	3,565,000	7,422,400	10,987,400

General Fund - 3 Year Capital Programme 2008/09 - 2010/11

	2007/08 £		2008/09 £	Future Years/ Reserve £	Total Cost £	Net Cost to Babergh £
		ICT/ Information Management				
		Significant Major Projects				
1	217,800	CAST Project	162,000	123,000	285,000	285,000
2	299,300	LAMP Phase 2	380,000	306,300	686,300	686,300
		Infrastructure				
3	28,500	N Disaster recovery plan / Business Continuity	18,000	20,900	38,900	38,900
4	100,700	N Hardware / Software refresh	79,500	96,500	176,000	176,000
5	20,000	N Web site maintenance	18,000	39,800	57,800	57,800
		Applications				
6	20,000	MVM Proactive Upgrade	15,000	4,600	19,600	19,600
7	24,500	IBS - HB LHA software				
8	4,220	E. Procurement				
9	14,000	Plantime replacement				
10	19,000	Epayments (Other)				
11	20,000	Suffolk-wide Land Charges Software				
12		N Replacement of HR system	37,500	11,300	48,800	48,800
		Service transformation				
13	23,000	Positional Accuracy Improvement Software				
14	10,000	Misc. land & property project support				
15	5,000	N Upgrade of Electoral Registration system	22,500	6,700	29,200	29,200
16	30,000	N IBS Essential Application Enhancements	9,000	2,800	11,800	11,800
17	21,300	N Unspecified e.planning (PDG funded)				
18	10,000	Intranet redevelopment				
19		N onesuffolk Projects	20,000	46,300	66,300	66,300
20	43,700	N Mobile / Home working	21,600	5,000	26,600	26,600
21	25,000	N Small Project development fund	18,800	43,100	61,900	61,900
22		N Information Strategy outcomes	18,800	52,100	70,900	70,900
23	936,020	Total	820,700	758,400	1,579,100	1,579,100

General Fund - 3 Year Capital Programme 2008/09 - 2010/11

	2007/08 £		2008/09 £	Future Years/ Reserve £	Total Cost £	Net Cost to Babergh £
Contract & Asset Management						
24	1,000	Anglia Estate Improvements/Drainage- Gt. Cornard				
25	28,500	N Street Parking Improvements	24,400	71,700	96,100	96,100
26	90,000	N Adaptations to H.Q.	22,950	84,050	107,000	107,000
27	43,400	N Car Parks - Planned maintenance	72,250	186,150	258,400	258,400
28	37,800	N Planned maintenance - Corporate Buildings	61,200	150,800	212,000	212,000
29	4,500	N Pin Mill - Miscellaneous works	17,000	3,000	20,000	16,600
30		N Calais Street Pavilion - Demolition etc.	31,700	5,600	37,300	20,000
31	79,000	N Planned Maintenance at Kingfisher Leisure Centre	202,300	177,700	380,000	380,000
32	26,000	N Hadleigh Pool Major repairs				
33		N Joint Refuse Depot *		800,000	800,000	800,000
34	310,200	Total ICT / Information Management	431,800	1,479,000	1,910,800	1,890,100
Community Development						
35	1,500	Farthing Rd. Sproughton - Industrial Estate Imps.				
36	1,600	Anglia Estates Arts Project				
37	61,800	Hadleigh Pool Feasibility study				
38	23,700	East LSP grants				
39	23,800	Crime and Disorder Reduction Partnership payments				
40	74,300	N Community grants	113,500	227,000	340,500	340,500
41		N Enhancement of Kingfisher Facilities	1,000,000		1,000,000	1,000,000
42		N Hadleigh Community Facilities *	250,000	3,350,000	3,600,000	3,600,000
43		N Children's Play Programme - Big Lottery funded	90,000	28,000	118,000	
44	186,700	Total Community Development	1,453,500	3,605,000	5,058,500	4,940,500

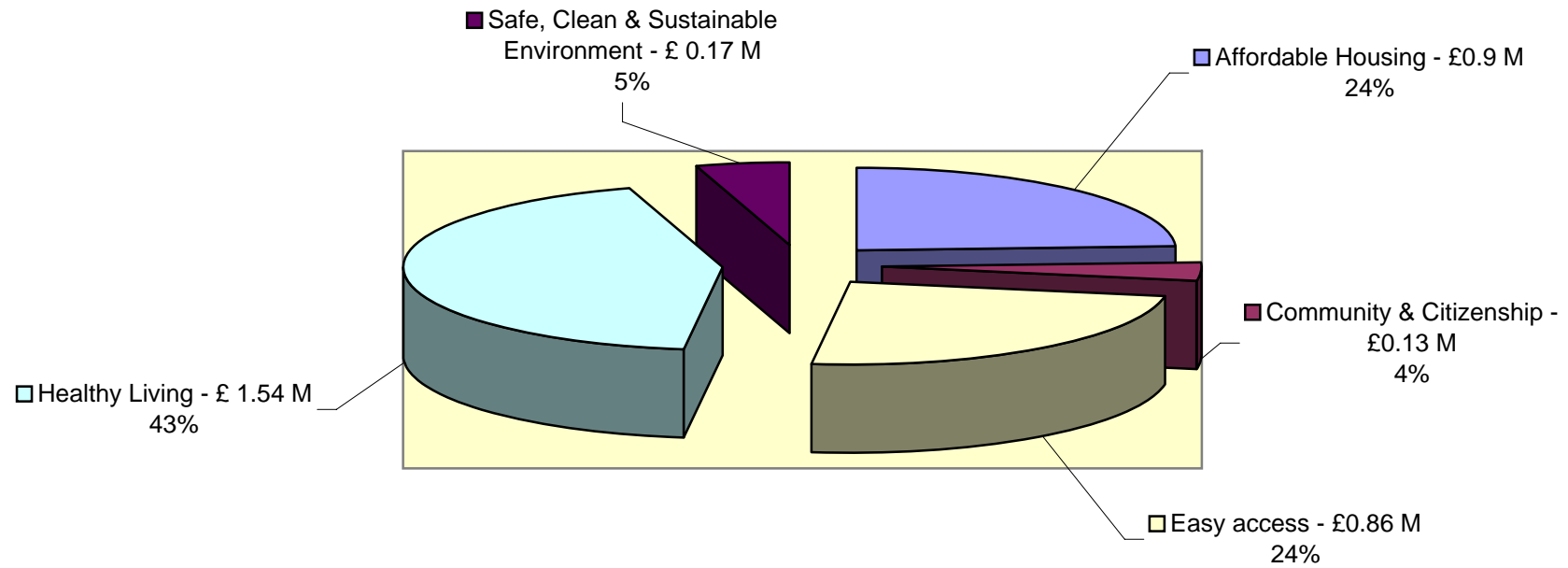
General Fund - 3 Year Capital Programme 2008/09 - 2010/11

	2007/08 £		2008/09 £	Future Years/ Reserve £	Total Cost £	Net Cost to Babergh £
		Natural & Built Environment				
45	214,400					
46	27,300					
		Sudbury HERS - Buildings Repair/Enhancement works				
		Waste & Recycling Initiatives				
47	241,700	Total Natural & Built Environment	-	-	-	-
		Private Sector Housing				
48	264,600	N Disabled Facilities Grants	340,000	600,000	940,000	526,000
49	167,000	N Other Private Sector Renewal Grants/Loans	199,000	480,000	679,000	332,800
50		N Compulsory Purchasing Order (CPO)	150,000	300,000	450,000	150,000
51	431,600	N Affordable Housing Grants	689,000	1,380,000	2,069,000	1,008,800
	73,500		170,000	200,000	370,000	370,000
52	505,100	Total Private Sector Housing	859,000	1,580,000	2,439,000	1,378,800

Notes

- 1 The 3 year capital programme (2008-09 to 2010-2011) has been reprofiled to reflect a more realistic and flexible delivery plan.
- 2 Financial regulations allow for 10% bring forward from future years/ reserves only.
- 3 Funding relating to schemes marked with an asterisk can be also brought forward subject to Member approval on these specific projects.
- 4 2008-09 includes carry forwards from 2007-08
- 5 The provision of £3.6m for Hadleigh Community Facilities swimming pool is an indicative potential- the decision and timing of any project is subject to further Member consideration.
- 6 Schemes with a letter "N" against them are non-committed schemes. Non-committed schemes are subject to approval by Strategy committee, where this is deemed appropriate.
- 7 A number of rolling programmes are indicated as non-committed but the budget for 2007/08 has already been committed.

How do we deliver the Council's current corporate priorities through our Capital Programme in 2008/09



In addition to our General Fund programme we also spend £3.1 M in delivering the Council's Housing capital programme.

Capital Programme – Additional revenue Implications in 2008/09

General Fund

ICT and Information Management

		Borrowing Costs £000s	Other Costs £000s	Savings £000s	Total £000s
CAST project	Note 1,2,3	15.0	-9.0	-52.0	-46.0
LAMP project		8.1	7.2		15.3
Other projects	Note 4	5.9	4.6		10.5

A proportion of these costs/savings feed through to the HRA

- Note 1. The savings shown relate to BPR and efficiency savings that only in part stem from capital investment.
- Note 2. There are elements of the approved business case, which relate to the overall project but not specifically to the capital investment plans.
- Note 3. These are compared to the 2007/08 original budget / business case. These revenue implications do not impact on the 2008/09 revenue budget or council tax, as the net cost of the project is being funded from reserves.
- Note 4. This relates to additional licence fees and running costs

Contract & Asset Management

The potential annual savings of £167k will not be delivered in 2008/09 due to the delay in finding a suitable site for the Joint Refuse Depot.

Community Development

The estimated £1M costs in relation to Enhancement of Kingfisher Facilities will have no impact on council's 2008/09 revenue budget. Any financing costs will be offset by a reduction in management fees payable to the Leisure Trust.

Natural & Built Environment

No capital expenditure planned for 2008/09.

Private Sector Housing

The capital programme for 2008/11 includes provisions for Compulsory Purchasing Order (CPO).

The overall impact of the capital programme in 2008/09 is £1.27 in Council Tax terms.

HRA

The supported borrowing costs in relation to Housing Revenue capital programme are recovered through government subsidy. The overall impact for 2008/09 on average weekly rents is £0.69.

Charging for Council Services

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Discretionary Charges				
Licences (see note 1)				
Dog Breeding Establishments				
- Annual		78.00		80.00
Pet Shops				
- Annual		103.00		106.00
Riding Establishments				
- Annual		119.00		123.00
		+ Vets' Fees		+ Vets' Fees
Dangerous Wild Animals				
- Annual		155.00		160.00
		+ Vets' Fees		+ Vets' Fees
Late Night Refreshment Houses				
- Annual				
Game Dealers				
- Annual		26.00		Discontinued
Dermal Treatment Establishments				
- Annual		78.00		80.00
Pleasure Boats				
- Annual		42.00		43.00
		+ surveyors' fees		+ surveyors' fees
Boatmen				
- Annual		21.00		22.00
Hypnotists				
- Annual		237.00		244.00
Animal Boarding Establishments				
- Annual		109.00		112.00
Street Trading (see note 2)				
- Band A (5 or more days a week)		2,260.00		2,260.00
- Band B (3 or 4 days a week)		1,510.00		1,510.00
- Band C (1 or 2 days a week)		755.00		755.00
Processing Export Certifications				
- Annual		67.00		69.00
Motor Salvage Operators				
- Three-year licence		88.00		91.00

note 1

See further details under 'Statutory Charges'

note 2

Fixed fee for 3 years. The next review date is 01 April 2009

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Environmental Services				
Pest Control (see note 3)				
- Insect Pests (per non-refundable call out charge)	34.04	40.00	35.06	41.20
- Eradication of mice / rats	34.04	40.00	35.06	41.20
Trade Waste (see note 4)				
- 240 litre bin	342.13	402.00	352.34	414.00
- 360 litre bin	360.00	423.00	371.06	436.00
- 660 litre bin	438.30	515.00	460.43	541.00
- 1100 litre bin	486.81	572.00	554.89	652.00
Recyclable Trade Waste (new service)				
- 240 litre bin			254.47	299.00
- 360 litre bin			285.96	336.00
- 660 litre bin			306.38	360.00
- 1100 litre bin			316.60	372.00
Bulky Refuse Collections				
- Per visit for up to 5 items		20.00		22.00
- Per additional item thereafter		5.00		5.00
Garden Waste Collection				
Brown Bin Scheme				
- For those on Benefit		15.00		15.00
- For those not on Benefit		30.00		30.00
- Charge for the delivery of the bin:				
- For those on Benefit		5.00		5.00
- For those not on Benefit		10.00		10.00
Bulky Bag: for each collection				
- For those on Benefit		14.00		15.00
- For those not on Benefit		28.00		30.00
Special Refuse Collections				
- Contractors Rates + Council's admin Charge	Actual Cost	+ VAT	Actual Cost	+ VAT
Public Conveniences				
- Shotley Gate (use of WC)	0.085	0.10	0.17	0.20
- Gaol Lane, Sudbury (per visit)	0.17	0.20	0.17	0.20
Street Cleansing				
- Sale of Litter/Dog Dirt Bins	Actual Cost	+ VAT	Actual Cost	+ VAT
	+15% Admin		+15% Admin	
- Emptying of all bins installed after the 1st January 2001	50% of Actual Cost	+ VAT	50% of Actual Cost	+ VAT
Food Hygiene Courses				
- Basic Course (Per Candidate) (group discounts negotiable)		50.00		60.00
Surrendered Food Certification				
- Inspection	57.02	67.00	58.72	69.00
			Hrly rate for Food Safety Officer	
- Special Removal (Hourly)	Actual Cost	+VAT		+VAT
Water Sampling				
- Collection & Analysis of Water Samples	28.09	33.00	28.94	34.00
Env. Protection Act - general enquiries/register info with an hourly rate then charged for time spent in excess of one half hour		plus £52 per hour		minimum, plus hrly rate £31
Other Registers				
- Per Photocopy Sheet	2.98	3.50	3.40	4.00
Food Register				
- Copy of a Single Entry	2.98	3.50	3.40	4.00
- Copy of Whole Register	348.94	410.00	359.15	422.00

note 3

Those on income related benefits pay one third of the charge currently.

note 4

These are standard rates. Trade waste charges vary according to the service provided. Price on application.

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Leisure and Recreation Services				
Sudbury - Tennis (per court, per hour)				
- Adults	3.40	4.00	3.40	4.00
- Children	1.70	2.00	1.70	2.00
- Advance block booking, minimum of 10 occasions (35% discount)		26.00		26.00
Sudbury - Putting				
- Adults	1.19	1.40	1.28	1.50
- Children	0.60	0.70	0.64	0.75
Hire of Friars Meadow				
- Caravans - per weekend (2 nights)		12.50		13.00
- Caravans - per additional night		6.25		6.50
- Small Circus - per operating day		100.00		100.00
- Small Circus - per non operating day		50.00		50.00
- Small Circus - deposit (for damage)		300.00		300.00
- Large Circus/Fair - per operating day		250.00		250.00
- Large Circus - per non operating day		100.00		100.00
- Large Circus - deposit (for damage)		650.00		650.00
- Non-Charity Fund Raising Events				
- per operating day		65.00		75.00
- per non operating day		25.00		30.00
- deposit (for damage)		350.00		350.00
Hire of East House Meadow				
- Small Circus - per operating day		100.00		100.00
- Small Circus - per non operating day		50.00		50.00
- Small Circus - deposit (for damage)		300.00		300.00
- Large Circus/Fair - per operating day		250.00		250.00
- Large Circus - per non operating day		100.00		100.00
- Large Circus - deposit (for damage)		650.00		650.00
Tourism				
- Commission on Accommodation Bookings.		10% of the value of the first night.		10% of the value of the first night.
- Commission on National Express Bookings.		11% of the ticket value		11% of the ticket value
		£1.50 - 1yr Coach Card		£1.50 - 1yr Coach Card
	2.00	Family card 2+2	2.00	Family card 2+2
	1.50	Family card 1+1	1.50	Family card 1+1
Advertising Charges - Accommodation Section:				
- 1/8 page, with photo and 30 words	125.00	146.88	131.00	153.93
- 1/4 page, with up to 2 photos and 50 words	250.00	293.75	262.00	307.85
- 1/2 page, with up to 4 photos and 100 words	495.00	581.63	520.00	611.00
What to See and Do guide				
- 1/6 page			79.00	92.83
Sports & Leisure Promotion				
- Holiday Clubs/Courses		Various		Various
		Depending on the course and current market rates		Depending on the course and current market rates

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Other Discretionary Charges				
Council Tax / Business Rates				
- Summons Costs		49.00		50.00
- Liability order		11.00		11.00
Senior Citizen Railcards				
- Cost of Railcard		Actual Cost		Actual Cost
Local Land Charges				
Searches in respect of a single parcel of land (see note 5).				
Paper/printed requests:				
- Official Certificate of Search (LLC1) & Replies to Part 1 (CON29) Enquiries.		139.00		139.00
- Part 1 CON29 Enquiries only (less Statutory fee for Certificate of Search)		114.00		114.00
- Search of the Land Charges register only (LLC1)		25.00		25.00
Enquiries made via the National Land and Information Service:				
- Official Certificate of Search (LLC1) & Replies to Part 1 (CON29) Enquiries.		139.00		139.00
- Part 1 CON29 Enquiries only (less Statutory fee for Certificate of Search)		114.00		114.00
- Search of the Land Charges register only (LLC1)		25.00		25.00
- Part II Enquiries - per printed enquiry (note 5)		12.00		12.00
- Additional Enquiries		40.00		40.00
- Personal Search		11.00		11.00
Search for additional parcels of Land				
- Part 1 Enquiries only		16.00		16.00
Hackney Carriage & Private Hire Vehicles (note 6)				
- Operator's licence (add CRB fee if required)		120.00		
- (1-3 vehicles)				125.00
- (4-6 vehicles)				150.00
- (7 plus vehicles)				175.00
- Vehicle Licence renewal (valid for 1 year, inc test (A) and free plates(B)&(C))		190.00		210.00
& (C))		220.00		240.00
plates)		165.00		185.00
- Change of vehicle mid licence (Full Year Licence, inc test (A) & plates (B) & (C))		190.00		210.00
HC/PHV VEHICLE TEST (A)		40.00		45.00
- Plate (exterior) deposit or replacement (B)		22.00		22.00
- Plate (interior) deposit or replacement (C)		8.00		8.00
MOGO PLATE BRACKET (optional purchase)		N/A		20.00
- Driver's Licence NEW (inc CRB (E), DVLA checks (F) & Badge (D))		96.00		101.00
- Driver's Licence RENEWAL		55.00		60.00
- Driver's Licence REPLACEMENT		15.00		15.00
- Driver's Badge deposit or replacement (D)		10.00		10.00
- CRB Check (E)		36.00		36.00
DVLA SUBJECT ACCESS SEARCH (DRIVER HISTORY & ENTITLEMENT) (subject to periodic amendment) (F)		5.00		5.00
ADMIN FEE FOR MINOR LICENCE AMENDMENTS & REVISIONS		15.00		15.00
Footpath Diversions				
- Legal Notices & Adverts				
- To Developers/Public				
- To Parish Councils				
- Administration Charges				
- Estimated average cost per application				
- Additional Paths				
	Actual Cost	+ VAT	Actual Cost	+ VAT
	50% of Actual Cost	+ VAT	50% of Actual Cost	+ VAT
	842.55	990.00	868.09	1,020.00
	111.49	131.00	114.89	135.00
Technical advice (relating to land drainage and flooding)		actual cost		actual cost

note 5

Includes charge made by Suffolk County Council. Any increase above inflation will be added as necessary. Certificate of search fee not statutory from 2007/08.

note 6

Proposed fees - subject to consultation

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Other Discretionary Charges (cont'd)				
Contact Care (see note 7)				
- Private Sector (3000's per annum)	155.25	182.41	159.84	187.81
- Private Sector (400's per annum)	132.01	155.11	135.84	159.61
- External bodies (monitoring & maintenance per annum)		106.30		109.50
- One-off Installation Charge (free for those on Housing Benefits)	19.15	22.50	19.74	23.20
Car Parking				
- Excess Parking Charge		45.00		45.00
- Excess Parking Charge (if paid within 10 days)		15.00		15.00
- Pin Mill Car Parking Charge				
Per hour between 8am & 5pm	0.26	0.30	0.26	0.30
- Pin Mill Residents Licence		109.00		109.00
Building Control (see note 8)				
- Fees (BRFE)				
		Charge varies in relation to size & type of development		Charge varies in relation to size & type of development
		Charges are applied for disbursements (e.g. photocopying, postage etc) therefore vary on a case-by-case basis. Please also see note 7		Charges are applied for disbursements (e.g. photocopying, postage etc) therefore vary on a case-by-case basis. Please also see note 7
Requests under the Freedom of Information Act (see note 9)				
Planning				
Copies of :-				
- Tree Preservation Orders	8.72	10.25	8.98	10.55
- Section 106 Agreements	8.72	10.25	8.98	10.55
- Dyeline Copying on Plans (A1 size)	8.51	10.00	8.77	10.30
- Decision Notices	4.47	5.25	4.60	5.40
- Complete copy of the Local Plan	47.66	56.00		50.00
- CD Version of the Local Plan			40.00	47.00
NOTE: Local Plan charges to be confirmed				
- OS Map Charges & Admin Fee				
Admin Fee (for 4 copies)	21.28	25.00	21.28	25.00
- Charge for A4 Photocopies	0.43	0.50	0.43	0.50
- Charge for A3 Photocopies	0.21	0.25	0.21	0.25
- Charge for A4 Listing copies	4.47	5.25	4.60	5.40
Complaints regarding high hedges		300.00		309.00
Planning Agreements and legal advice to public bodies		actual cost		actual cost

note 7

Those who cannot afford to pay the full annual charge pay a reduced amount.

note 8

Full details can be provided on request.

note 9

If the cost of complying with a request for information will be below £450, we will only charge for disbursements. If the cost of assembling the information will be more than £450 (on the basis of at least 18 hours of admin time collating the information at the rate of £25 per hour, being the rate set out in the fees guidelines issued by the Department of Constitutional Affairs), the Council is not obliged to provide that information.

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Statutory Charges (see note 10)				
Sale of Electoral Register (note 11)				
- Complete copy of whole register (Paper Copy & Posted)		370.00		370.00
- Complete copy of whole register (Paper Copy & Collected)		360.00		360.00
- Complete copy of whole register (on disc)		211.00		211.00
- Edited copy (Paper & Posted)		230.00		230.00
- Edited copy (Paper & Collected)		220.00		220.00
- Edited copy (on disc)		175.00		175.00
- Copy of 1 Parish - Depends on Number of Electors.		15.00		15.00
		to £30.00		to £30.00
- e-mail full register	206.00	206.00	206.00	206.00
- e-mail edited register	170.00	170.00	170.00	170.00
- e-mail monthly updates	193.50	193.50	193.50	193.50
- Overseas electors' list - data		21.50		21.50
- Overseas electors' list - paper		15.00		15.00
Licensing:				
Applications relating to premises' licences and club premises' certificates (including new applications, conversions and variations)				
- Premises (initial fee), based on:				
- Rateable value nil - £4,300		100.00		100.00
- Rateable value £4,301 - £33,000		190.00		190.00
- Rateable value £33,001 - £87,000		315.00		315.00
- Rateable value £87,001 - £125,000		450.00		450.00
- Rateable value over £125,000		635.00		635.00
- Premises (annual payment), based on:				
- Rateable value nil - £4,300		70.00		70.00
- Rateable value £4,301 - £33,000		180.00		180.00
- Rateable value £33,001 - £87,000		295.00		295.00
- Rateable value £87,001 - £125,000		320.00		320.00
- Rateable value over £125,000		350.00		350.00
- Application for a personal licence		37.00		37.00
Additional fee for exceptionally large events of a temporary nature requiring a premises' licence:				
- Attendance 5,000 - 9,999		1,000.00		1,000.00
- Attendance 10,000 - 14,999		2,000.00		2,000.00
- Attendance 15,000 - 19,999		4,000.00		4,000.00
- Attendance 20,000 - 29,999		8,000.00		8,000.00
- Attendance 30,000 - 39,999		16,000.00		16,000.00
- Attendance 40,000 - 49,999		24,000.00		24,000.00
- Attendance 50,000 - 59,999		32,000.00		32,000.00
- Attendance 60,000 - 69,999		40,000.00		40,000.00
- Attendance 70,000 - 79,999		48,000.00		48,000.00
- Attendance 80,000 - 89,999		56,000.00		56,000.00
- Attendance 90,000 and over		64,000.00		64,000.00
- Application for making a provisional statement		195.00		195.00
- Application for a copy of a licence or summary		10.50		10.50
- Notification of change of name or address		10.50		10.50
- Temporary event notice		21.00		21.00
- Notice of interest in any premises		21.00		21.00
- Application to vary or specify individual as premises supervisor		23.00		23.00
- Interim authority notice		23.00		23.00
- Application to transfer premises' licence		23.00		23.00
Betting, Gaming & Lotteries				
- Lottery Initial Registration Fee		35.00		35.00
- Lottery Annual Renewal		17.50		17.50
- Gaming Machine Licence (for 3 years)		32.00		32.00

note 10

All of these charges are set by the Government. The Independent Advisory Panel have recommended fee increases for 2008/09 and these will be implemented automatically from the effective date, along with any new statutory charges that come into being.

note 11

Charges liable to change for 2008/9 - not yet confirmed

PROPOSED GENERAL FUND CHARGES FOR 2008/09

Charges & Fees	2007/08 Charge		2008/09 Charge	
	Charge Less VAT	Charge to the Public	Charge Less VAT	Charge to the Public
Statutory Charges (Continued)				
Development Control (see note 12)				
- Planning Application & Other Fees		Various		Various
Env. Protection Act Authorisation (note 13)				
- Initial Registration Fee		1,409.00		1,514.00
- Small waste oil burners		132.00		142.00
- Unloading of petrol into storage tanks at service stations		132.00		142.00
- Scheduled dry cleaning establishment		132.00		142.00
- Substantial Changes		899.00		964.00
- Small waste oil burners		88.00		94.00
- Unloading of petrol into storage tanks at service stations		88.00		94.00
- Scheduled dry cleaning establishment		88.00		94.00
- Implementation of an upgrading plan		132.00		
- Annual Subsistence				
Standard process, LOW risk				706.00
Standard process, MEDIUM risk				1,060.00
Standard process, HIGH risk				1,581.00
Standard process, LOW risk (If paid in quarterly instalments)				741.00
Standard process, MEDIUM risk (If paid in quarterly instalments)				1,095.00
Standard process, HIGH risk (If paid in quarterly instalments)				1,616.00
- Small waste oil burners		134.00		141.00
- Unloading of petrol into storage tanks at service stations		134.00		141.00
- Scheduled dry cleaning establishment		134.00		141.00
- Odourising of natural gas		324.00		353.00
Mobile Crushing and Screening Plant				
(Where the process comprises mobile crushing and screening plant, the application fee and subsistence charge payable will be dependent upon the number of				
- 1-2 Authorisations				
- Application Fee		1,409.00		1,514.00
- Subsistence Charge		879.00		949.00
- 3-7 Authorisations				
- Application Fee		843.00		904.00
- Subsistence Charge		524.00		565.00
- 8+ Authorisations				
- Application Fee (per additional authorisation)		426.00		458.00
- Subsistence Charge (per additional authorisation)		265.00		290.00
note: The above are only provisional charges and will be confirmed by Government by April 2008				
Dog Control (see note 14)				
- First Offence (dog with Identification)		15.00		15.00
- First Offence (dog without Identification)		25.00		25.00
- Second & Subsequent Offences		25.00		25.00
- Transportation fee (up to a maximum of)	38.30	45.00	38.30	45.00
Abandoned Vehicles (where enforcement action taken)				
- Removal costs		105.00		108.00
- Disposal costs		50.00		51.50
- Storage		12.00		12.50
Abandoned Vehicles (Discretionary Charge)				
- Voluntary surrender of vehicle	29.79	35.00	30.64	36.00

note 12

Increases are proposed for April 2008. Full details can be provided on request.

note 13

Provisional charges - to be confirmed by Government by April 2008

note 14

Transportation fee is a non-statutory charge.

***Service Provision and Budget
For
Council Housing***

BABERGH DISTRICT COUNCIL

FROM: Strategy Committee

REPORT NUMBER

TO: Council

DATE OF MEETING 22 February 2008

COUNCIL HOUSING – REVENUE BUDGET AND CAPITAL PROGRAMME

1. PURPOSE OF REPORT

The Revenue Budget for 2008/09 and the 3-year Capital Programme for Council Housing are presented for approval. Rent increases next year will be 6.6%, on average, based on the Government's rent restructuring arrangements. This is to ensure that rents are brought into line with the Registered Social Landlord sector by 2017 (previously 2012).

2. RECOMMENDATIONS

- 2.1 That the Council Housing Revenue Budget and revised charges for services for 2008/09, the revised budget for 2007/08 and the draft Council Housing 3-year Capital Programme be approved.
- 2.2 That the weekly rents for Council dwellings and compulsory let garages be increased on average by 6.6% in accordance with the Government's rent restructuring requirements and be implemented, along with the other revised charges, with effect from Monday, 14 April 2008.

3. FINANCIAL IMPLICATIONS

- 3.1 The revised budget for 2007/08 reflects changes in income and expenditure that have arisen since the original budget was approved, which results in less money being available for capital work. That position is repeated in 2008/09.
- 3.2 The reduction in support to the capital programme is necessary in order to keep the HRA deficit manageable at around £50,000 in both this and next year. Members are reminded that there was an unexpectedly high deficit in 2006/07, which has depleted reserves. At the end of 2008/09, HRA reserves will still be £250,000 above the agreed minimum level of £500,000.
- 3.3 The Government's Housing Subsidy arrangements for next year reflect lower Maintenance Allowance increases than expected and a reduction in the Major Repairs Allowance. This puts extra pressure on the HRA and means that some reductions in the capital programme for the next 3 years are necessary.
- 3.4 Assumptions have been built into the budget for efficiency and other savings and the need for these is becoming a higher priority for the HRA.
- 3.5 The overall position raises the issue of the use of capital receipts from Council House sales to help fund the capital programme. In recent years, support from these has not been necessary as the HRA capital programme has been fully

funded and those receipts have been used for the General Fund capital programme. That assumption is continuing.

- 3.6 In terms of rent levels for next year, tenants will pay an average increase of 6.6%, which is higher than in previous years. This is because rents are not reaching the levels set by Registered Social Landlords and the higher increase is required to meet the Government's rent restructuring requirements. Approximately 70% of tenants receive Housing Benefit.

4. **RISK MANAGEMENT**

- 4.1 This report is most closely associated with Significant Business Risk No.8 – Comprehensive Spending Review. Key risks are set out in the table below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Actual income and expenditure does not match budget expectations	Low	Marginal	The proposed revenue budget and capital programme have been revised to reflect current and future plans and the potential finances available. The Housing Panel is now monitoring the budget on a regular basis.
Future Govt. subsidy determinations could be poorer than expected	Significant	Marginal	Consideration to be given to non-supported borrowing and use of capital receipts, although the latter would have an impact on the General Fund capital programme.

5. **KEY INFORMATION**

- 5.1 The overall budget is influenced by the following key aspects: -

- Annual rent increases under the Government's rent restructuring arrangements whereby Council house rents are to increase above inflation over a number of years to bring them into line with Housing Association rents
- The Government's Housing Subsidy determinations, which include allowances towards management and maintenance costs and major repairs.
- Capital resources and borrowing requirements
- Changes in other areas of expenditure and income

- 5.2 The Housing Panel and the Tenants Forum has considered the budget and the issues referred to in this report. They support the proposals.

2007/08 Revised Budget

- 5.3 The following key variations are reflected in the draft revised budget compared to the original budget:
- The increased repairs and maintenance expenditure compared to budget in 2006/07 of £300,000 has been recovered to some extent this year, although costs are still predicted to be £190,000 higher than the approved budget.
 - The main increases relate to the increasingly high costs of void properties of nearly £100,000 and special items of around £70,000 (mainly electrical work, tidying gardens and fences/gates)
 - Rental income is down by £60,000 due to empty (void) properties as a result of the improvement work being undertaken on flats at Sandringham Court and the closure of Clibbon House. Void losses generally are also running at a higher level than in the past.
 - Due to these factors, the revenue contribution available towards the capital programme has been reduced by £160,000
- 5.4 As a result of the above and the unexpected 2006/07 deficit on the HRA, this will mean that reserves as at the 31 March 2007 will be £250,000 less than previously envisaged.
- 5.5 The budget includes the HRA's share (25%) of the net projected costs of the CAST project, amounting to around £50,000. These costs will reduce in subsequent years, with potential efficiency savings as a result of the BPR voids review that is currently taking place.

2008/09 Budget

- 5.6 The budget for next year incorporates the revenue impact of new service priorities and commitments considered and agreed by the Service and Financial Planning Member Group and the O&S Committees. It also reflects the HRA's share of savings, efficiencies and additional income identified during the service and financial planning process.
- 5.7 Average rents will increase by 6.6% next year, which is higher than in 2007/08 and recent years. This arises from the Government's Rent Restructuring policy in order to ensure that rents are harmonised with the Registered Social Landlord (RSL) sector by 2017.
- 5.8 The factors that are affecting the 2007/08 budget also affect the budget for 2008/09 although there are additional issues also, which are explained further below:
- A poor level of Government maintenance and major repairs allowances (see capital programme section of the report), with an overall reduction in subsidy towards maintenance costs

- An assumed improvement in the loss of rent income from void/empty properties of £60,000 as a result of the Voids BPR review
- An assumption that repairs and maintenance costs can be cash-limited at the same level as in 2007/08, again, partly as a result of the Voids BPR review

5.9 In overall terms, these and other estimated variations in income and expenditure will result in a small estimated deficit on the HRA of approximately £50,000, similar to the position in 2007/08. Despite this, reserves will still be at an adequate level but are much closer to the minimum level of £500,000 that is considered appropriate for the HRA.

Charges

5.10 The charges being proposed for 2008/09 are supported by the Housing Panel and the Tenants Forum.

Capital Programme

5.11 Spending for the next 3 years is planned at around £3m a year. This is around £150,000 less than previously envisaged for 2008/09 and £250,000 per annum lower in the following 2 years (for the reasons set out in the report). This programme can be funded by supported borrowing, the Government's Major Repairs Allowance and revenue contributions from the HRA.

5.12 A general explanation of the reductions in annual financing available is given below:

Reason	Amount		
	2007/08 £000	2008/09 £000	2009/10 £000
Previous forecast	3,335	3,311	3,317
Lower revenue contribution	-160#	-75	-175*
Lower Major Repairs Allowance	-119#	-100	-52
This draft budget	3,056	3,136	3,090

Brought forward to 2006/07

*This depends on future HRA revenue budgets and Govt. subsidy determinations.

5.13 The main changes to the capital programme in 2008/09 are summarised in the table below. Similar changes have been reflected in subsequent years. The factors that have been taken into account in proposing these changes are:

- The need to ensure delivery of the Decent Homes Standard and maintain delivery of the Babergh Standard e.g. insulation
- The ability to extend certain programmes because work identified in the Stock Condition Survey is not materialising at the time and to the extent indicated e.g. rewiring and roofing

- The need to meet the increased demand for disabled adaptations, electrical upgrades, internal plumbing, improvements to sheltered units and major refurbishments

Work	Impact on programme
Contingent Major Repairs	Reduced by £105K per annum
Rewiring	Reduced by £50K per annum
Roofing	Reduced by £155K per annum
Kitchens & bathrooms	Reduced by £115K per annum
Disabled adaptations	Increased by £20K per annum
Electrical upgrades	Increased by £10K per annum
Internal plumbing	Increased by £10K per annum
Dampness & condensation	Increased by £20K per annum
Sheltered units general improvements	Increased by £50K per annum
Major refurbishments	Increased by £40K per annum

In 2008/09 the reductions are £100k lower than indicated above. The impact of these changes is not critical to the overall delivery of the HRA capital programme, with the main issue being the deferral of some programmes to later years balanced by the ability to address current areas where expenditure demands are increasing.

5.14 In terms of the Council's Redevelopment and Regeneration Programme, it should also be recognised that, in the past, there have been sufficient HRA capital resources to help finance these. Good examples have been the Anglia Estate Regeneration Project and the major renewal work at Sandringham Court. However, there will be very limited, if any, opportunities to fund such schemes from the projected HRA capital programme in the short to medium term.

5.15 Other ways have always, of course, been explored of securing funding. This has meant the transfer of ownership of council assets to Housing Associations, as they have access to funding that Babergh does not. Examples of this have been the demolition and redevelopment of the Clibbon House sheltered scheme site and the wholesale redevelopment of the shops and adjoining land at Poplar Road, Great Cornard. Stour House is about to be transferred in order for essential improvements to be done.

5.16 As the financial position on the HRA tightens this trend will continue in order to continue with these programmes. Currently a feasibility study into the future of the sheltered housing scheme at Tenterpiece in Lavenham is looking at a Housing Association transfer as the only viable option for securing the necessary improvements and redevelopment.

5.17 Appendix A reflects all of the above and reflects a comprehensive review of spending needs in relation to each specific area. This will provide a firmer basis for planning and programming future work, although there will still be the need from time to time to amend programmes and move budgets between financial years to react to changing circumstances. The Housing Panel will monitor the position.

5.18 In relation to financing the programme, the revenue costs of supported borrowing are met by Government subsidy. Non-supported borrowing could be undertaken over the 3 years in order to increase the programme but that could be difficult to sustain in the long-term

5.19 On a final issue, Members are reminded that there have been sufficient HRA capital resources in recent years to finance the Council Housing capital programme without the need to use any capital receipts from Right to Buy Council House sales. That is no longer the case but the draft budgets before the Committee today assume continued use to support the General Fund Capital Programme. The amounts in question are:

2007/08	£440,000
2008/09	£390,000
2009/10	£340,000
2010/11	£290,000

5.24 Any future consideration to using any of the above for the HRA would impact on the General Fund capital programme.

6. **APPENDICES**

None.

7. **BACKGROUND PAPERS**

Government Housing Subsidy determinations.

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COUNCIL HOUSING REVENUE BUDGET SUMMARY

Line	2006/07	2007/08		2008/09	
	Actual £	Original £	Revised £	Budget £	
Income:					
1	Gross Rents - Dwellings	(11,046,666)	(11,539,380)	(11,481,860)	(12,182,870)
2	Rents - Other	(215,953)	(214,070)	(211,940)	(206,810)
3	Service Charges and Other Income	(1,076,370)	(1,111,480)	(1,112,360)	(1,140,350)
4	Total Income	<u>(12,338,989)</u>	<u>(12,864,930)</u>	<u>(12,806,160)</u>	<u>(13,530,030)</u>
Expenditure:					
5	HRA Subsidy Payable to Government	3,670,895	3,973,930	3,924,900	4,613,520
6	Repairs & Maintenance - Planned and Responsive	2,195,007	1,870,370	2,059,190	2,054,190
7	Supervision & Management - General	1,662,941	1,861,860	1,807,780	1,803,540
8	Supervision & Management - Special	1,497,526	1,493,050	1,545,590	1,527,280
9	Other Costs	135,237	141,580	119,130	109,080
10	Capital financing costs	615,693	584,230	675,950	640,260
11	Depreciation and impairments of fixed assets	3,142,645	3,160,190	3,391,040	3,395,940
12	Total Expenditure	<u>12,919,944</u>	<u>13,085,210</u>	<u>13,523,580</u>	<u>14,143,810</u>
13	Net operating expenditure	580,955	220,280	717,420	613,780
Appropriations:					
14	Revenue contribution to capital	531,550	563,000	403,000	475,000
15	Transfer to/from Major Repairs Reserve	(963,040)	(957,790)	(1,187,740)	(1,235,090)
16	Movement on Pensions Reserve	152,144	212,620	124,290	195,790
17	Deficit/surplus (-)	<u>301,609</u>	<u>38,110</u>	<u>56,970</u>	<u>49,480</u>
HRA Reserve					
18	Balance at 1 April	1,158,863	1,089,133	857,254	800,284
19	Surplus / Deficit (-) for the year	<u>(301,609)</u>	<u>(38,110)</u>	<u>(56,970)</u>	<u>(49,480)</u>
20	Balance at 31 March	<u>857,254</u>	<u>1,051,023</u>	<u>800,284</u>	<u>750,804</u>

**Council Housing -
Service Charges and Other Income**

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
21 Heating Charges	(137,908)	(142,740)	(143,020)	(153,050)
22 Leaseholders Service & Facility Charges	(19,977)	(20,750)	(15,750)	(20,750)
23 Other Service & Facility Charges	(774,991)	(790,750)	(792,400)	(807,790)
24 Service & Facility Charges	(794,968)	(811,500)	(808,150)	(828,540)
25 Contribution Towards Expenditure	(137,999)	(154,390)	(155,760)	(154,810)
26 Other Income	(5,496)	(2,850)	(5,430)	(3,950)
Total Service Charges and Other Income	(1,076,371)	(1,111,480)	(1,112,360)	(1,140,350)

**Council Housing -
Repairs, Supervision and Management**

	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
Repairs & Maintenance - Planned & Responsive				
27 Responsive Repairs	524,784	382,790	437,790	439,290
28 Other Maintenance & Servicing for tenants - responsive	20,879	34,390	21,640	24,540
29 Tenancy Changes (voids)-responsive	381,169	295,500	390,300	348,300
30 Special Items - responsive	263,966	185,230	256,250	257,060
31 Other Maintenance & Servicing for tenants - planned	374,842	399,300	367,300	389,200
32 Pre-paint & External Painting - planned	317,035	313,500	315,500	328,500
Direct Cost	1,882,675	1,610,710	1,788,780	1,786,890
33 Operational & Support Services	312,332	259,660	270,410	267,300
Total Cost	2,195,007	1,870,370	2,059,190	2,054,190
Supervision & Management - General				
34 Supervision & Management	(33,712)	21,480	(46,510)	(35,080)
35 Rent Collection	(13,499)	(19,220)	(14,900)	(15,690)
36 HRA Contribution to Corporate Core	(55,955)	(79,540)	(30,940)	(78,650)
Direct Cost	(103,166)	(77,280)	(92,350)	(129,420)
37 Operational & Support Services	1,766,107	1,939,140	1,900,130	1,932,960
Total Cost	1,662,941	1,861,860	1,807,780	1,803,540

Council Housing - Repairs, Supervision and Management
--

	2006/07 Actual £	2007/08 Original £	2007/08 Revised £	2008/09 Budget £
Supervision & Management - Special Services				
38 Sheltered Units	674,431	676,760	719,820	714,170
39 Homeless Units	173,567	159,040	166,640	158,860
40 Communal Services	16,900	21,160	15,500	18,660
41 Estate Sewage Disposal	16,273	17,480	17,660	18,220
42 Amenity Areas	255,092	280,850	292,720	286,990
43 Estate Roads & Footpaths	5,350	6,660	6,660	6,780
44 Community Alarms - Supporting People	8,820	0	0	0
Direct Cost	1,150,433	1,161,950	1,219,000	1,203,680
45 Operational & Support Services	347,093	331,100	326,590	323,600
Total Cost	1,497,526	1,493,050	1,545,590	1,527,280
Total Repairs, Supervision & Management	5,355,474	5,225,280	5,412,560	5,385,010

**Council Housing -
Other Costs**

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
46 Rent, Rates, Taxes & Other Charges	40,872	46,830	42,850	43,900
47 Operating Lease Payments	26,587	22,340	4,240	4,240
48 Provision for Bad & Doubtful Debts	22,086	11,550	11,550	11,550
49 Transfer to General Fund re Housing Benefit Costs	45,693	60,860	60,490	49,390
Total Other Costs	135,238	141,580	119,130	109,080

**Council Housing -
Capital Financing**

	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
50 Debt Management	39,580	42,230	42,980	44,880
Amortised Premiums & Interest on				
51 Loan Premium	349,378	336,740	347,700	326,550
52 Investment Income	(47,160)	(44,160)	(49,210)	(43,110)
53 Loan Charges & Lease Interest	221,687	249,420	275,270	263,710
54 Appropriations	52,208	0	59,210	48,230
Total Capital Financing	615,693	584,230	675,950	640,260

Council Housing - Capital Programme

	2007/08	COUNCIL HOUSING SCHEMES	2008/09	Future Years / Reserve	Total Cost of Schemes
	£	Planned Maintenance Programmes	£	£	£
1	150,030	Rewiring	169,700	369,700	689,430
2	140,790	Roofing	212,910	413,820	767,520
3	291,160	Doors and Windows	235,660	444,340	971,160
4	414,170	Central Heating	328,070	559,320	1,301,560
5	545,780	Kitchens/bathrooms	705,180	1,435,180	2,686,140
6	46,300	Garage doors	45,150	90,300	181,750
7	110,460	Fences/Gates	169,360	358,360	638,180
8	50,630	Paths/Walls	176,130	352,260	579,020
9	41,840	Common Areas	41,840	83,680	167,360
10	223,720	Disabled Adaptations	243,300	489,940	956,960
11	20,000	Electrical Works	10,000	20,000	50,000
12	10,000	Internal Plumbing	10,000	20,000	40,000
13	20,000	Dampness and Condensation	30,000	40,000	90,000
14	108,900	Decent Homes - Improvements	100,000	40,000	248,900
15		Contingent Major Repairs		245,000	245,000
16	<u>2,173,780</u>	Total Planned Maintenance	<u>2,477,300</u>	<u>4,961,900</u>	<u>9,612,980</u>

	2007/08	COUNCIL HOUSING SCHEMES	2008/09	Future Years	Total
	£	Other Programmes	£	/ Reserve	Cost of
				£	Schemes
					£
17	1,000	Stour House			1,000
18	73,880	* Conversions/Adaptations	55,580	71,160	200,620
19	126,030	* Sheltered Units - General Imps.	79,340	133,360	338,730
20	68,060	* Smoke Alarms (Babergh Standard)	60,000	120,000	248,060
21	2,000	* Insulation Improvements (Babergh Standard)	52,000	129,000	183,000
22	70,510	* Street parking improvements	38,680	67,480	176,670
23	2,200	Anglia Estate Imps. and Drainage Gt. Cornard			2,200
24	75,000	* Major Refurbishments	60,000	120,000	255,000
25	74,440	* Parking areas/Estate impms./Estate maintenance	71,430	116,430	262,300
26	180,670	* Structural Works	180,670	434,670	796,010
27	6,500	* Sewage Treatment works			6,500
28	89,300	* Software/Surveys	19,000	41,000	149,300
29	84,000	* Additional ICT Projects	22,000		106,000
30	28,630	* Regeneration Schemes	20,000	40,000	88,630
31	3,056,000	TOTAL COUNCIL HOUSING SCHEMES	3,136,000	6,235,000	12,427,000
Total Investment Programme - Proposed Financing					

	2007/08	PROPOSED FINANCING	2008/09	Future Years
	£		£	/ Reserve
				£
32	550,000	Borrowing - supported	550,000	1,100,000
33	403,000	Revenue	475,000	750,000
34	953,000	TOTAL CAPITAL EXPENDITURE	1,025,000	1,850,000
35	2,103,000	Major Repairs Allowance	2,111,000	4,385,000
36	3,056,000	TOTAL INVESTMENT	3,136,000	6,235,000

Schemes marked " * " to be subject to a detailed report before implementation except where already fully approved in the 3 year Housing Strategy or as provided under financial regulations or delegation arrangements.

PROPOSED HOUSING REVENUE ACCOUNT CHARGES FOR 2008/09

**Service charges - incorporating
Accommodation and Supporting People
charges**

New charges in 2007/08 only apply to new tenants since 1st April 2004, existing tenants are protected to inflation linked increases only.

Sheltered Accommodation

Very Sheltered Accommodation - Level One

William Wood House

40.10

28.80

**2007/08 Total
Service Charge**

Supporting
People

41.66

29.92

**2008/09 Total
Service Charge**

71.58

Sydney Brown Court

38.94

67.74

40.46

70.38

Other Sheltered Accommodation

- Level Two

Steeds Meadow

27.18

9.66

27.18

28.24

28.24

Elizabeth Court

27.67

27.67

28.75

28.75

Playford Court

24.69

24.69

25.65

25.65

Clibbon House

-

-

-

-

- Levels Three and Four

Springlands

24.76

7.21

31.97

25.73

33.22

Tenterpiece

24.92

32.13

25.89

33.38

Parkers Way

19.29

26.50

20.04

27.53

Hill House

32.70

39.91

33.98

41.47

Grimwood Corner

19.71

26.92

20.48

27.97

Newell Court

20.41

27.62

21.21

28.70

Clover Court

39.83

47.04

41.38

48.87

Gayford Court

20.26

27.47

21.05

28.54

Taylor Close

18.62

25.83

19.35

26.84

Samford Close

30.73

37.94

31.93

39.42

Angel Street

16.02

23.23

16.64

24.13

Ash Street

31.16

38.37

32.38

39.87

Spring Street

22.63

29.84

23.51

31.00

Inkerman Terrace

22.41

29.62

23.28

30.77

Bradfield Avenue

15.29

22.50

15.89

23.38

Homeless Units

Stour House, Sudbury:

- 1 person unit

-

53.69

53.69

-

55.78

55.78

- 2 person unit

-

60.45

60.45

-

62.81

62.81

Old School House, Hadleigh:

- 1 person unit

-

40.37

40.37

-

41.94

41.94

- 2 person unit

-

45.29

45.29

-

47.06

47.06

**Light & Heat (Private Rooms and
Communal Areas)**

- Level One Bedsits (Very Sheltered Accommodation)

6.36

2.18

**2007/08 Total Light
& Heat Charge**

Private
Rooms

6.81

Communal
Areas

2.33

**2008/09 Total Light &
Heat Charge**

9.14

- Level One Non-Bedsits (Very Sheltered
Accommodation)

12.72

4.38

17.10

13.61

4.69

18.30

- Level Two Bedsits (Sheltered Accommodation)

4.62

1.44

6.07

4.94

1.54

6.48

- Level Two Non-Bedsits (Sheltered Accommodation)

9.25

2.89

12.14

9.90

3.09

12.99

- Level Three, where applicable, Bedsits (Sheltered
Accommodation)

5.12

0.46

5.58

5.48

0.49

5.97

- Level Three, where applicable, Non-Bedsits
(Sheltered Accommodation)

10.23

0.94

11.17

10.95

1.01

11.96

- Homeless Units Bedsits

3.43

1.14

4.56

3.67

1.22

4.89

- Homeless Units Non-Bedsits

6.87

2.29

9.16

7.35

2.45

9.80

Furnishing Charges

Homeless Units

- 1 Person Unit

2007/08

4.63

2008/09

4.81

- 2 Person Unit

5.54

5.76

Garage Rents

Garages casually let to council tenants

5.39

5.75

Garages casually let to private tenants

6.77

7.22

***Staffing Levels and
Budgets for Corporate
Directorates and Other
Central Activities***

STAFFING LEVELS AND BUDGETS

The Council's budget allows for the following numbers of staff and employees. These are expressed as Full-Time Equivalent (FTE) numbers although there are a mixture of full-time, part-time and temporary staff employed. Changes do not necessarily result in additional costs as some variations arise from staffing reviews involving the appointment of lower-paid staff. Also some of the temporary and permanent staff are paid for by specific Government Grants or from other sources and these do not, therefore, impact on Council Tax or Council House Rents.

	2008/09 Full-Time Equivalents
Administrative, Professional & Technical Staff	
Chief Executive & Corporate Directors (including Secretarial Support & Project Executives)	7.0
Natural & Built Environment	65.8
Community Development	40.0
Customer Services	44.2
Finance	25.7
Corporate Services	48.0
Contract & Asset Management	42.5
	273.2
Less: Allowance for CAST project efficiency savings (see note 3)	(1.7)
	271.5
Other Employees	
Scheme Managers - Housing Accommodation	12.8
Manual staff - Cleaners	3.6
	16.4
	287.9

Notes:

1) The total FTE levels indicated in the 2007/08 budget book were 289.8. The revised figure for 2007/08 is 292.1 FTEs. Therefore, the 2008/09 budget reflects an overall decrease of 4.2 FTEs. Some of these staffing levels are funded through specific grants and additional income.

2) The figures for 2008/09 are based on the approved establishment and the staff numbers estimated as at 1 April. In practice, there will be variations during the year and reductions where temporary staff leave.

3) An allowance is made in the budget for reductions in staffing costs that arise as a result of efficiency savings and vacancies. All vacancies are thoroughly scrutinised and, where possible, reductions in staffing requirements achieved or resources redirected to the Council's current priorities. Further efficiency savings and staff reductions that arise in 2008/09 will reduce the total number of FTE's employed accordingly.

CORPORATE DIRECTORATES AND OTHER CENTRAL ACTIVITIES

Chief Executive & Corporate Directorates

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
1 Salaries & Wages (inc. NI & Pensions)	7,864,429	8,597,090	8,230,160	8,914,640
2 Other Employee Costs	298,429	370,120	425,870	375,830
3 Supplies and Services	946,325	974,110	1,030,140	1,010,930
4 Transport Expenses	336,916	301,350	301,620	288,970
5 Capital Charges	425,102	561,740	549,930	593,670
6 Miscellaneous Income	(80,851)	(69,640)	(84,000)	(102,390)
7 Total Costs	9,790,350	10,734,770	10,453,720	11,081,650

Administrative Buildings & Canteen

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
8 Administrative Buildings	358,200	342,260	360,180	354,540
9 Canteen	21,526	21,020	34,360	34,170
10 Customer Care	20,751	21,410	21,410	21,410
11 Direct Costs / Income	400,477	384,690	415,950	410,120
12 Operational and Support Services	60,690	62,900	64,510	66,940
13 Capital Charges	40,984	40,980	45,160	45,160
14 Total Cost of Service	502,151	488,570	525,620	522,220

Central & Office Services

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
15 Cent. Reception & Telephones	37,591	34,430	39,150	34,430
16 Central Printing, Stationery, Supplies & Postage	100,448	97,020	123,050	123,050
17 Direct Costs / Income	138,039	131,450	162,200	157,480
18 Operational and Support Services	245,379	232,960	228,810	252,810
Capital Charges	0	0	0	0
19 Total Cost of Service	383,418	364,410	391,010	410,290

CORPORATE DIRECTORATES AND OTHER CENTRAL ACTIVITIES

Depots, Vehicles & Plant

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
20 Depots	14,732	18,280	15,460	17,220
21 Vehicles and Plant	3,306	5,770	5,770	5,820
22 Direct Costs / Income	18,038	24,050	21,230	23,040
23 Operational and Support Services	14,414	9,420	9,360	9,700
24 Capital Charges	11,796	11,800	14,940	14,940
25 Total Cost of Service	44,248	45,270	45,530	47,680

Customer Access & Service Transformation - CAST

Line	2006/07	2007/08		2008/09
	Actual £	Original £	Revised £	Budget £
26 Implementation Costs	151,683	162,000	181,600	179,000
27 Operational Costs	0	19,000	28,600	43,000
28 Other Costs	1,728	105,000	130,000	56,000
29	153,411	286,000	340,200	278,000
30 BPR & DIP Savings	(27,000)	(76,000)	(76,000)	(78,000)
31 Efficiency Programme Savings	0	(38,000)	(38,000)	(88,000)
32 Total Cost of Service	126,411	172,000	226,200	112,000
33 Recharge to HRA	(36,411)	(59,000)	(72,200)	(57,000)
34 Net Cost to General Fund	90,000	113,000	154,000	55,000

Further Information

Further information on any of these matters can be obtained from:

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