

SUMMARY GENERAL FUND REVENUE ACCOUNT 2002/2003

<u>Detail</u>	<u>Probable Out-turn</u> £	<u>Actual Out-turn</u> £
Total Net Spending of Policy Committees	9,762,110	9,379,646
Less: Capital Financing Adjustment	-2,008,250	-2,234,835
Overall Net Spending	<u>7,753,860</u>	<u>7,144,811</u>
Provision for Bad & Doubtful Debts	60,000	34,703
Print Room Deficit	10,000	1,115
Net Revenue Expenditure	<u>7,823,860</u>	<u>7,180,629</u>
Financing:		
Government Grant	4,727,255	4,727,265
Council Tax	3,235,881	3,235,986
Contributions from Earmarked Reserves	265,320	293,765
Surplus for the Year	404,596	1,076,387
Less: Contributions to Earmarked Reserves	321,000	511,920
Transfer to General Reserves	83,596	564,467
<u>General Reserves</u>		
B/F as at 1/4/02	1,904,468	1,904,468
Add : Transfer (as above)	83,596	564,467
Balance as at 31/3/03	1,988,064	2,468,935

GENERAL FUND - PROPOSED TRANSFERS TO EARMARKED RESERVES 2002/2003

<u>2002/03 Budgets - Now Committed in 2003/04</u>	£
Repairs to Boardman's Industrial Estate	4,500
Repairs to George Holmes Business Park	7,500
Route 63 Cycle Path - Maintenance	1,000
Printing of Conservation Area Histories	1,950
Property Valuations	10,000
Stock Valuation	5,000
Building Regulations - Equipment & Supplies	1,000
Conservation/Historic Buildings Grant	5,350
Installation of Litter Bins	4,370
GIS - Highway Assets	1,000
Tourist Footpath Leaflets	450
External Audit Fees	6,700
Housing Advice Service - Leaflets	500
Etwell Pool - Squash Court Maintenance	3,350
Bellwin Scheme - Increase in Threshold	1,300
Single Status Software	10,000
Oracle/NLPG	To be funded from the IT Reserve
Building Control Software	9,600
Training & Development	23,600
	21,650
	Staff development now identified in corporate and training plans
TOTAL	118,820

Proposed Utilisation of Underspendings

Computerisation of Property Deeds	9,800	Can be funded from various underspends on Econ. Dev. Budgets
Land Charges - computerisation of records to meet NLPG requirements	13,300	Can be funded out of additional income from Land Charges
Risk Management Initiatives	10,000	As reported to Finance & Management Committee (18/2/03)
Appointment of SOLACE consultant for statutory work required on Equal Opps.	10,000	Not specifically earmarked in 02/03, but can be funded from savings made on vacant posts
Appointment of Independent Remuneration Panel	8,000	
Comprehensive Performance Assessment	10,000	Allowance for any costs associated with improvement plan
Etwell Pool - Joint Management Committee	11,000	For maintenance works and to cover potential loss of income due to pool closure in 2003/04
TOTAL	72,100	

GRAND TOTAL 190,920

REVENUE SPENDING BIDS - JULY 2003

<u>Proposal</u>		<u>3 year</u> <u>Estimate</u> <u>(NET)</u> £	<u>One-off</u> £	<u>Score</u>
Part Time Democratic Services Officer	New	58,000		0
Member Conferences	Updated	4,200		0
Development of Footpath Walks & Leaflets	Updated	21,450		0
National Forest Tourism Partnership	Updated	9,300		0
Team Assistant Licensing/Commercial/Pollution	New	28,000		0
Burglary Reduction (Mini Alarm)	New	2,000	Yes	0
Local Crime Reduction Groups	New	4,000	Yes	0
Mediation Service	New	2,250	Yes	0
Abandoned Vehicle Reduction Project	New	2,000	Yes	0
Community Partnership Officer	New	32,000		0
Kerbside collection scheme for dry recyclables	Updated	80,000		0
Refuse collection - change of tipping facility	Updated	890,000		0
Maintenance Standards at Play Areas and Memorials	Updated	65,000		0
Hands Free Kits for Mobile Phones	New	3,000		0
Cleaning Swadlincote Town Centre Bus Station	New	2,800		0
Emergency Tree Work - Maurice Lea Park	New	12,500		0
Maintenance costs - watercourse at Hatton	No Change	5,000		0
Christmas Lights event organisation (wef 04/05)	No Change	18,000		0
Play equipment - repairs to safety surfacing	No Change	17,100		0
Repairs to older memorials at Gresley & Newhall (wef 04/05)	No Change	18,000		0
Improve football pitch drainage at Council sites (wef 04/05)	No Change	4,500		0
Maintenance to land for Gresley Rovers stadium	No Change	3,000		0
Maintenance of new skateboarding area	No Change	5,000		0

APPENDIX 4

SUMMARY HOUSING REVENUE ACCOUNT 2002/2003

	<u>Probable</u> <u>Out-turn</u> £	<u>Actual</u> <u>Out-turn</u> £	<u>Variance</u> £
Expenditure			
Housing Repairs	2,707,160	2,451,495	-255,665
Supervision and Management	1,142,060	1,088,012	-54,048
Sheltered and Other Services	825,200	798,342	-26,858
Rates, Service Charges & Leasing	27,150	33,327	6,177
Rent Rebates Paid	4,644,900	4,644,107	-793
Provision for Bad Debts	60,000	59,928	-72
Capital Financing Charges	3,046,860	2,812,448	-234,412
Total Expenditure	12,453,330	11,887,659	-565,671
Income			
Rent from Dwellings	8,582,090	8,560,451	-21,639
Other Rents	98,450	99,051	601
Other Charges and Services	74,850	75,515	665
Transfers from Other Funds	48,700	81,494	32,794
Housing Subsidy	3,170,830	3,165,565	-5,265
Interest Received	73,700	58,261	-15,439
Total Income	12,048,620	12,040,337	-8,283
Deficit/Surplus(-) for the Year	404,710	-152,678	-557,388
HRA Reserves			
B/F as at 1/4/03	1,262,565	1,262,565	0
Less Deficit/Surplus(-) as above	404,710	-152,678	-557,388
Balance as at 31/3/03	857,855	1,415,243	-557,388

ANALYSIS OF CAPITAL EXPENDITURE 2002/2003

	<u>Budget</u> £	<u>Actual</u> £	<u>Variance</u> £	<u>Comments</u>
Housing Investment Programme (HIP)				
Disabled Facilities Grants	254,000	258,779	4,779	
Home Repair Assistance	169,000	172,245	3,245	
Renovation Grants	264,000	263,320	-680	
Improvements to Council Housing Stock (funded via Major Repairs Allowance)	2,470,000	2,119,682	-350,318	85% of planned programmes completed. Balance to be c/f in Major Repairs Reserve.
Total - HIP	3,157,000	2,814,026	-342,974	
General Schemes				
Road Improvements	0	98,461	98,461	Funded by Section 106 Agreements
Heritage Economic Regeneration Scheme	50,000	67,388	17,388	Funded by contributions from English Heritage
Sharpe's Pottery Trust	70,000	70,000	0	
Land Drainage & Flood Alleviation	22,850	23,654	804	
Covenant Repayments	197,000	197,040	40	
I.T. Systems	234,000	126,924	-107,076	Delay in implementation of Financial System
Greenbank Leisure Centre	20,000	0	-20,000	Work to be completed in 2003/2004
Improvements to Sheltered Accommodation	85,000	0	-85,000	As above
Parks and Recreational Facilities	121,816	121,184	-632	
Rosliston Forestry Centre	77,000	53,701	-23,299	Work on log cabins planned for 2003/04
Community Partnership Schemes	50,000	0	-50,000	Projects commencing in 2003/04
Other (minor) Schemes	16,500	15,300	-1,200	
Total - General Schemes	944,166	773,652	-170,514	
Total Capital Spending 2002/2003	4,101,166	3,587,678	-513,488	

APPENDIX 6

CAPITAL SPENDING BIDS - JULY 2003

PROPOSED SCHEMES		<u>5-Year</u>	<u>Score</u>
		<u>Estimate</u> <u>(NET)</u> £	
Improvement of Watercourses - Hatton	2004/05 Bid	100,000	
Improvement of Watercourses - Woodland Road, Stanton	No Change	50,000	
Renovation of Urban Parks	2004/05 Bid	150,000	
Pitch Drainage, Oversetts Road Recreation Ground	2004/05 Bid	8,000	
Youth Facility Provision	Updated	15,000	
Town Centre CCTV Project	New	75,000	
Neighbourhood Community Safety Project	New	10,000	
Rosliston Foresrty Centre - Brown Tourist Signs	New	3,500	
Street Lighting Project	New	10,000	
Detailed Plans - Swadlincote Town Centre Strategy	Updated	90,000	
Changing Facilities for Sport - Avon Way, Hilton	New	40,000	
New Changing Room Partitions - Etwall Leisure Centre	New	16,000	
Repairs to Corporate Buildings	New	100,000	
Repairs to Village Halls	New	75,000	
Additional Resources - Mandatory Disbaled Facility Grants		120,000	
Additional Resources - Energy Efficiency		20,000	
Additional Resources - Home Repair Assistance		50,000	

GENERAL FUND REVENUE ACCOUNT
3-Year Financial Forecast @ July 2003

	<u>Probable</u>	<u>Actual</u>	<u>Revised</u>	<u>Projection</u>	<u>Projection</u>
	<u>Out-turn</u>	<u>Out-turn</u>	<u>Estimate</u>	<u>2004/05</u>	<u>2005/06</u>
	£	£	£	£	£
DETAIL					
Net Committee Spending	9,694,110	9,379,646	9,715,710	9,983,160	10,259,820
Less: Capital Adjustments					
Capital Financing Adjustment	-738,780	-744,159	-589,030	-489,000	-422,000
Adjustment for Deferred Charges	-826,000	-1,047,206	0	0	0
Commutation Adjustment	-443,470	-443,470	-265,565	-175,973	-133,000
Overall Net Spending	7,685,860	7,144,811	8,861,115	9,318,187	9,704,820
Contingencies					
Bad and Doubtful Debts	60,000	34,703	40,000	40,000	40,000
Increase in Insurance Premiums	0	0	45,600	41,400	41,400
Print Room Deficit	10,000	1,115	5,000	5,000	5,000
Known Variations to Base Budget					
Car Leasing Scheme/Cash Alternative	0	0	0	22,000	3,360
Local Plan	0	0	0	-89,500	0
Local Elections	0	0	0	-40,000	-40,000
Loss of Markets Income	0	0	47,000	47,000	47,000
Leasing of Assets (Currently Planned)	0	0	0	15,600	15,600
Backfunded Pensions falling out	0	0	0	-69,000	-55,000
Legal Fees	15,000	0	30,000	0	0
One -off Spending falling out	0	0	0	-74,960	-83,310
Purchase of PC's (Funded from IT Reserve)	35,000	0	0	0	0
On-going Costs of Capital spending re: Parks	10,000	0	0	0	0

GENERAL FUND REVENUE ACCOUNT
3-Year Financial Forecast @ July 2003

<u>DETAIL</u>	<u>Probable</u>		<u>Actual</u>		<u>Revised</u>				
	<u>Out-turn</u>	<u>2002/03</u>	<u>Out-turn</u>	<u>2002/03</u>	<u>Estimate</u>	<u>2003/04</u>	<u>Projection</u>	<u>2004/05</u>	<u>Projection</u>
	£		£		£		£		£
Community Safety Officer - Continuation Funding	0		0		0		8,500		8,500
Approved alterations to Darklands Depot	5,000		0		0		0		0
Financial Management System - Running Costs	0		0		25,000		25,000		25,000
Maurice Lee Park - Running Costs	0		0		0		24,000		24,000
Trident Housing Association - Financing Complete	0		0		-10,000		-10,000		-10,000
Capitalisation of Legal Fees	0		0		-30,000		-30,000		-30,000
Increase in Audit & Inspection Fees	0		0		19,900		4,100		4,100
NET REVENUE EXPENDITURE	7,820,860		7,180,629		9,033,615		9,237,327		9,700,470

FINANCING (Income)

Revenue Support Grant	1,267,699		1,267,699		2,347,067		2,405,744		2,453,859
Redistributed Business Rates	3,459,556		3,459,566		2,852,258		2,923,564		2,996,654
Council Tax	3,235,881		3,235,986		3,432,209		3,648,558		3,886,625
Total - External Income	7,963,136		7,963,251		8,631,534		8,977,866		9,337,137
Contributions from Earmarked Reserves									
I.T.	186,780		208,052		21,000		21,000		0
Section 106 - Swadlincote Woodlands	18,000		25,173		23,000		23,000		23,000
Commitments	60,540		60,540		0		0		0
TOTAL FINANCING	8,228,456		8,257,016		8,675,534		9,021,866		9,360,137

GENERAL FUND REVENUE ACCOUNT
3-Year Financial Forecast @ July 2003

<u>DETAIL</u>	<u>Probable</u>	<u>Actual</u>	<u>Revised</u>	<u>Projection</u>	<u>Projection</u>
	<u>Out-turn</u>	<u>Out-turn</u>	<u>Estimate</u>	<u>2004/05</u>	<u>2005/06</u>
	2002/03	2002/03	2003/04	2004/05	2005/06
	£	£	£	£	£

Surplus/Deficit(-) for the Year

	407,596	1,076,387	-358,081	-215,461	-340,333
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Less : Contributions to Earmarked Reserves

Commutation Adjustment	321,000	321,000	265,565	175,973	133,000
I.T.	0	0	70,000	70,000	0
Commitments	0	190,920	0	0	0

Transfer to/from (-) General Reserves

	86,596	564,467	-693,646	-461,434	-473,333
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GENERAL RESERVES

Balance as at 1st April	1,904,468	1,904,468	2,468,935	1,775,289	1,313,855
Transfer (as above)	86,596	564,467	-693,646	-461,434	-473,333

Balance as at 31st March

	1,991,064	2,468,935	1,775,289	1,313,855	840,522
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UPDATED 3-YEAR GENERAL FUND FINANCIAL FORECAST
(@JULY 2003)

Main Assumptions & Sensitivity

1. Inflation

Projections for 2004/05 & 2005/06 have been reviewed in line with recent increase in general inflation indices, and analysed between 14 categories of income and expenditure. The overall (weighted) increases are 2.75% and 2.77% respectively (2.5% built into February projection based on Government target).

2. Pay

This accounts for approximately 70% of spending on General Fund services. Provision for increases of 3.5% in both 2004/05 and 2005/06 has been included in the forecast. A 1% variation on this figure equates to around £70,000 per year.

3. Income

Overall price increases for sales, fees and charges have been more prudent – 2.5% is included for both 2004/05 and 2005/06. A 1% variation on this figure equates to around £20,000 per year.

4. Interest Rates – Borrowing & Lending

At the moment, the Council is not really exposed to changes in interest rates on its long-term borrowings, as this debt is fixed. This makes the budget fairly predictable. In addition, as the Council has benefited recently from large capital receipts, this has meant that there has been no requirement to borrow on a short-term basis.

The Council currently holds a certain amount of money on deposit with its bankers and in the Government's Deposit Facility. Although only earning relatively small returns at around 3.5%, a ½% fluctuation either way equates to over £20,000 in a full year.

5. Council Tax Increases

In line with Government guidelines, increases of 4.5% for 2004/05 and 2005/06 have been built into the forecast, with an increase in the tax base of 2%. A 1% variation equates to around £35,000 per year.

6. Government Grant

It has been assumed that this will increase by 2.5% in 2004/05 and 2005/06. A 1% variation equates to approximately £50,000 per year.

APPENDIX 9

HOUSING REVENUE ACCOUNT : 3-YEAR FINANCIAL PROJECTION

	<u>Revised</u> <u>Estimate</u> <u>2003/04</u> £	<u>Projection</u> <u>2004/05</u> £	<u>Projection</u> <u>2005/06</u> £
Expenditure			
Housing Repairs	2,540,000	2,240,000	2,240,000
Supervision and Management	960,100	1,034,900	985,800
Sheltered and Other Services	840,550	873,700	864,500
Rates, Service Charges & Leasing	32,300	32,300	32,300
Rent Rebates Paid	4,667,300	4,690,700	4,714,100
Provision for Bad Debts	60,000	60,000	60,000
Capital Financing Charges	2,671,100	2,328,500	2,239,700
Total Expenditure	11,771,350	11,260,100	11,136,400
Income			
Rent from Dwellings	8,476,400	8,290,200	8,174,500
Other Rents	98,000	102,200	106,500
Other Charges and Services	76,510	79,800	83,200
Transfers from Other Funds	48,000	48,000	48,000
Housing Subsidy	2,538,400	2,480,400	2,415,400
Interest Received	58,250	58,250	58,250
Total Income	11,295,560	11,058,850	10,885,850
Projected Deficit	475,790	201,250	250,550
HRA General Reserves			
Balance b/f	1,415,243	939,453	738,203
Less Deficit (as above)	475,790	201,250	250,550
Balance c/f	939,453	738,203	487,653

OVERVIEW OF EARMARKED RESERVES

1. Housing DSO

This had been built up during the years of compulsory competitive tendering from surpluses earned on the DSO's housing maintenance trading account. Some of this surplus has been recycled directly back to the Housing Revenue Account on an annual basis (£30,000 in 2002/03). Its main purpose now is to meet any deficit in recharges that may occur on the DSO's trading account (£16,000 in 2002/03). At this stage, there is no planned usage for 2004/05.

2. "Soft Split" DSO

As the Housing DSO – although with the ending of the client/contractor split in Technical Services, there is effectively no surplus or deficit to be accounted for. This reserve is currently earmarked to fund one-off expenditure associated with transport and technical works.

Approximately £15,000 will be used in 2003/04 to fund alterations to Darklands Road Depot as part of the Division's restructure. It is anticipated that the balance (around £43,000) will be used in the future to meet vehicle leasing associated with early termination or non-recoverable insurance costs.

3. Commutation Adjustment

This reserve is being built up on annual basis to meet the negative effect of the commutation adjustment, which will require the Council to repay more debt from 2008/2009. This is being provided for due to the large amount involved, where effectively, lower debt repayments now, are being set-aside in this reserve to meet future commitments.

As at 31st March 2003, approximately £960,000 has been transferred into this reserve since 1994/95, with a further £677,000 due to be transferred over the next 5 years. These contributions are to be made from savings currently being made in the Council's base budget for debt repayment.

4. HRA – Housing IT System

This reserve has been set-aside as a contribution to the procurement of a new housing management/maintenance system, planned for 2003 to 2005. This project has been included in the Council's capital programme for 2003/04, and this reserve has been earmarked as a contribution to the overall costs.

5. IT/IEG Reserve

This reserve is to fund the replacement of computer hardware and software to generally upgrade I.T. and to help meet the requirements as set out in the Council's IEG Statement. It has been funded by Government contributions

(£200,000 in both 2002/03 and 2003/04) and from savings on current computer leases (£70,000 in both 2003/04 and 2004/05). At present, approximately £150,000 is planned to be spent over the next 2 years.

6. Woodlands Section 106 Agreement

This reserve is to fund the costs of staffing, equipment upgrades and other running costs, associated with Swadlincote Woodlands. On current costs, upto £25,000 will be used each year, until the reserve is fully utilised, a further 14 years, unless any "one-off expenditure" is funded. In accordance with the Section 106 agreement, this money must be spent on the Woodlands.

7. Commitment Reserve

This is to meet various commitments mainly stemming from budget underspends in previous years. The proposed contributions for 2002/03 are detailed in Appendix 2 to this report, and are planned to be spent in 2003/04.

In addition, an amount of £17,000 remains in this reserve. This is based on a Government threshold to meet costs associated with emergencies (typically used for dealing with Flooding in the District) which are not recoverable from Government (known as the Bellwin Scheme).

8. Repton Parish Contributions

An amount remaining from the sale proceeds of Repton Depot which is earmarked to be spent on projects in Repton Parish.

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