

**Scrutiny Standing  
Panel Agenda**



**Finance and Performance Management Scrutiny Panel  
Monday, 15th January, 2007**

**Place:** Council Chamber, Civic Offices, High Street, Epping

**Time:** 7.00 pm

**Democratic Services Officer:** A Hendry - Democratic Services Officer  
Tel: 01992 564246 Email: ahendryl@eppingforestdc.gov.uk

**Members:**

Councillors J M Whitehouse (Chairman), J Hart (Vice-Chairman), Mrs R Gadsby, R Church, M Colling, Mrs A Cooper, R D'Souza, P House, D Jacobs and R Morgan

**WEBCASTING NOTICE**

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**If you have any queries regarding this, please contact the Senior Democratic Services Officer on 01992 564249.**

**1. WEBCASTING INTRODUCTION (Pages 5 - 8)**

1. This meeting is to be webcast. Members are reminded of the need to activate their microphones before speaking.
2. The Chairman will read the following announcement:

"I would like to remind everyone present that this meeting will be broadcast live to the Internet and will be capable of repeated viewing and copies of the recording could be made available for those that request it.

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**2. APOLOGIES FOR ABSENCE**

**3. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

(Head of Research and Democratic Services) To report the appointment of any substitute members for the meeting.

**4. DECLARATION OF INTERESTS**

(Head of Research and Democratic Services). To declare interests in any items on the agenda.

In considering whether to declare a personal or a prejudicial interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 11 of the Code in addition to the more familiar requirements.

This requires the declaration of a personal and prejudicial interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 11 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

**5. NOTES OF PREVIOUS MEETING - 14 NOVEMBER 2006 (Pages 9 - 16)**

To consider and agree the notes of the meeting the Panel held on 14 November 2006.

**6. TERMS OF REFERENCE / WORK PROGRAMME (Pages 17 - 20)**

(Chairman/Lead Officer) The Overview and Scrutiny Committee has agreed the Terms of Reference of this Panel and associated Work Programme. This is attached. The Panel are asked at each meeting to review both documents.

**7. DRAFT DETAILED PORTFOLIO BUDGETS (Pages 21 - 176)**

(Head of Finance) To consider the attached report.

**8. REVISED FOUR YEAR FORCAST (Pages 177 - 184)**

(Head of Finance) To consider the attached report.

**9. REPORTS TO BE MADE TO THE NEXT MEETING OF THE OVERVIEW AND SCRUTINY COMMITTEE**

To consider which reports are ready to be submitted to the Overview and Scrutiny Committee at its next meeting.

**10. FUTURE MEETINGS**

To consider the forward programme of meeting dates for the Panel, the next and last meeting programmed for this municipal year is scheduled for 12<sup>th</sup> February 2007.

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**EPPING FOREST DISTRICT COUNCIL**

**PROTOCOL FOR WEBCASTING OF  
COUNCIL AND OTHER MEETINGS**



## **Introduction**

The Council has agreed that certain meetings should be the subject of live web transmission ('web casting'), or recorded for subsequent transmission. Fixed cameras are located within the Council Chamber for this purpose and there is a mobile unit for use in other locations

This protocol has been produced to assist the conduct of web cast meetings and to ensure that in doing so the Council is compliant with its obligations under the Data Protection Act 1998 and the Human Rights Act 1998. Accordingly the following will apply to all meetings to be web cast by the Council:-

### **Main provisions:**

1. The Chairman of the meeting has the discretion to request the termination or suspension of the webcast if in the opinion of the Chairman continuing to webcast would prejudice the proceedings of the meeting.

This would include:

- (i) Public disturbance or other suspension of the meeting;
- (ii) Exclusion of public and press being moved and supported;
- (iii) Any other reason moved and seconded and supported by the Council/Committee or Subcommittee.

2. No exempt or confidential agenda items shall be webcast.

3. Subject to paragraph 4 below all archived webcasts will be available to view on the Council's website for a period of six months. Council meetings are recorded onto DVD, which will be stored in accordance with records management procedures.

4. Archived webcasts or parts of webcasts shall only be removed from the Council's website if the Monitoring Officer considers that it is necessary because all or part of the content of the webcast is or is likely to be in breach of any statutory provision or common law doctrine, for example Data Protection and Human Rights legislation or provisions relating to confidential or exempt information.

If the Monitoring Officer has decided to take such action she must notify all elected Members in writing as soon as possible of her decision and the reasons for it via the Bulletin

Council expects the Chair of the Council and the Monitoring Officer to ensure that Council meetings are conducted lawfully. Therefore, Council anticipates that the need to exercise the power set out above will occur only on an exceptional basis.

5. Any elected Member who is concerned about any webcast should raise their concerns with the Head of Research and Democratic Services

## **Agenda Front Sheets and Signage at Meetings**

On the front of each agenda and on signs to be displayed inside and outside the meeting room there will be the following notice:-

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**If you have any queries regarding this, please contact the Senior Democratic Services Officer on 01992 564249.**

## **Meetings of the Area Plans Subcommittees, District Development Control Committee, Licensing Committee and other 'Quasi Judicial' Hearings**

In any correspondence notifying applicants, supporters or objectors of the meeting date on which an application will be heard, the following advice will be included if the particular meeting has been chosen to be web cast:-

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## **Conduct of Meetings**

At the start of each meeting to be filmed, an announcement will be made to the effect that the meeting is being or may be web cast, and that the Chairman may also terminate or suspend the web casting of the meeting, in accordance with this protocol. This will be confirmed by the Chairman making the following statement:-

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**EPPING FOREST DISTRICT COUNCIL**  
**NOTES OF A MEETING OF FINANCE AND PERFORMANCE MANAGEMENT SCRUTINY**  
**PANEL**  
**HELD ON TUESDAY, 14 NOVEMBER 2006**  
**IN COMMITTEE ROOM 1, CIVIC OFFICES, HIGH STREET, EPPING**  
**AT 7.00 - 9.31 PM**

<b>Members Present:</b>	J M Whitehouse (Chairman), Mrs R Gadsby, R Church, R D'Souza, P House, D Jacobs and R Morgan
<b>Other members present:</b>	J Knapman and Mrs M Sartin
<b>Apologies for Absence:</b>	M Colling
<b>Officers Present</b>	T Tidey (Head of Human Resources and Performance Management), S Tautz (Performance Improvement Manager), J Gilbert (Head of Environmental Services), A Hall (Head of Housing Services), D Macnab (Head of Leisure Services), P Maddock (Assistant Head of Finance), J Preston (Head of Planning and Economic Development), A Scott (Head of Information, Communications and Technology), C O'Boyle (Head of Legal, Administration and Estates), C Overend (Policy & Research Officer), Mrs J Tautz (Senior Local Land Charges Officer), A Hendry (Democratic Services Officer) and B Bassington (Senior Auditor)

**Also in attendance:**

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**11. SUBSTITUTE MEMBERS (COUNCIL MINUTE 39 - 23.7.02)**

No Substitute members were reported.

**12. DECLARATION OF INTERESTS**

No declarations of interest were made.

**13. NOTES OF PREVIOUS MEETING - 15 AUGUST 2006**

The notes of the previous meeting were agreed.

**14. TERMS OF REFERENCE / WORK PROGRAMME**

The current work programme was noted.

**15. QUARTERLY KPI MONITORING REPORT - 2ND QUARTER.**

The Panel noted that this was the second quarter when the new performance monitoring system had been used to provide information on KPI's.

On the specific KPI's the following questions were asked:

**KPI 082a (i) Household Waste Management (recycling):** it was noted that there were no accurate figures available for the first quarter because for the first six weeks

the Council was with the old supplier and the next six weeks the Council was with the new supplier. The figures given are based on Essex County Council figures. It was noted that in the district as a whole, recycling is running at the mid 30% mark, in the alternative collection areas it is running at just over 40%.

**KPI 084a Household Waste Collection (kilograms per head):** Noted that the actual figure for Q1/06/7 should read 110 and not 38.01.

**KPI 091a – Kerbside Collection of Recyclables (one recyclable):** Noted that there was a drop in household recycling. Now that about 90% of properties have wheeled bins the Council will next be looking at recycling from flats etc. to increase the percentage.

**KPI 199a – Local Street and Environmental Cleanliness – Litter & Detritus:** Noted that the actual figure for Q1/06/7 should be 6%.

**KPI 199b - Local Street & Environmental Cleanliness – Graffiti:** Noted that the target is 10% and we continue to achieve 0%. This means that the council has not seen any graffiti in the areas identified. The target of 10% will have to be reviewed.

**KPI CEM1c - The number of Penalty Charge Notices issued during the year that were subject to an informal challenge:** Noted that the figures should read as percentages.

**KPI CEM1f – The percentage of challenges allowed against the issue of a Penalty Charge Notice during the year:** To put some comparative figures against this chart.

**KPI CEM1g - The percentage of Penalty Charge Notices issued during the year where collection was obtained:** To put some comparative figures against this chart.

The Portfolio Holder for Finance, Performance Management and Corporate Support Services commented that he would like to see the KPI figures before they come to this Panel so that he could add his comments. He would also like to see more use made of the 'comments' and the 'corrective action' section. Also, perhaps the Panel should only see the KPIs that were going wrong. The Head of Human Resources and Performance Management replied that all KPIs are subject to an improvement plan and are monitored by Management Board.

#### **RESOLVED:**

1. That the Council's performance for the first six months of 2006/07, in relation to those Key Performance Indicators adopted by the Cabinet that are monitored on a quarterly basis be noted;
2. That, in future, performance in relation to Best Value Performance Indicators BV63 (energy efficiency of council dwellings) and BV184 (decent homes) be monitored by the Scrutiny Panel at year-end only; and
3. That, subject to the concurrence of the Cabinet, Best Value Performance Indicator BV164 (race equality in housing) be discontinued as a Key Performance Indicator from 2007/08.

## **16. COMPREHENSIVE PERFORMANCE ASSESSMENT - IMPROVEMENT PLAN**

Councillor Jacobs noted that the affordable housing numbers were lower than the target; the Head of Housing Services said that this was due to a lack of land availability, however there were a number there were a number of potential affordable housing schemes in the pipeline. The Portfolio Holder for Finance, Performance Management and Corporate Support Services commented that the District is very near to being a “negative affordable homes authority” (i.e. that the number of new affordable homes built was less than the number sold under the right to buy).

**RESOLVED:**

That, subject to the concurrence of the Cabinet:

- (a) Those actions contained within the Council’s Comprehensive Performance Assessment (CPA) Improvement Plan that have been achieved, be formally signed-off as having been completed;
- (b) That those outstanding service related actions within the CPA Improvement Plan be transferred to the Best Value Performance Plan, the relevant Business Plan, or identified for action by the appropriate Portfolio Holder(s) for completion; and
- (c) That, with effect from January 2007, progress towards the achievement of those outstanding corporate actions within the CPA Improvement Plan be monitored on a quarterly basis by this Scrutiny Panel.

**17. ESSEX LOCAL AREA AGREEMENT**

The Head of Human Resources and Performance Management introduced the report on the Essex Local Area Agreement. The meeting noted that the Council is not required to subscribe to all the priorities listed, but have agreed to the following:

Priority 3 – Ensure development is designed to promote healthier living in the built environment;  
Priority 8 – Keep vulnerable children and young people safe;  
Priority 10 – Reduce crime, the harm caused by illegal drugs and to reassure the public reducing the fear of crime;  
Priority 11 – Build respect in communities and reduce anti-social behaviour; and  
Priority 12 – Actively manage our environment.

Under target 2 in Priority 3 the Panel were unsure what a Lifetime home was, the Head of Planning and Economic Development explained that it was a house that could be lived in from the cradle to the grave. As the Council is already achieving 3%, it may need to raise its target.

Councillor Jacobs queried the recycling target for March 2008, he thought that the previous Panel agreed a 40% target instead of 36%.

It may be that some targets and actions need to be more precisely defined and more tangible targets need to be devised.

**RESOLVED:**

That the Scrutiny Panel:

(a) Considered and agreed the proposed actions and targets within the priority areas of the Essex Local Area Agreement adopted by the council, subject to some targets and actions being more closely defined; and

(b) Agreed the appropriate performance management arrangements for monitoring the achievement of targets within the priority areas of the Local Area Agreement.

## **18. QUARTERLY FINANCIAL MONITORING**

The Assistant Head of Finance introduced the second quarterly report for 2006/07, covering the period from 1 April to 30 September 2006. The Panel noted that overspends were shown as positive numbers and underspends were shown as negative numbers.

The Portfolio Holder for Finance, Performance Management and Corporate Support Services commented that the figures on waste management made the Council look better than it really was, as the big bills would be coming in during the third and fourth quarters. The Council would need to find about a half million pounds in savings, as money would need to be found for an annual weekly waste collection and the Cabinet would need to say 'no' to further CSB Growth bids.

The Chairman asked about the underspend on the telephony system, the Head of Information and Communication Technology replied that the system had been delayed for 12 months and that this would provide future savings on the cost.

### **RESOLVED:**

That the panel noted the financial monitoring report for the second quarter of 2006/07 including the Capital Monitoring reports.

## **19. FEES AND CHARGES - 2007/08**

The Assistant Head of Finance introduced the report on Fees and Charges for the forthcoming financial year (2007/08). The general premise is that fees and charges would be increased by 3.5% in line with the retail price index. However where it could be justified a higher increase should be considered.

The meeting debated the relative merits of increasing the short stay car parking fees as opposed to raising the long stay fees and concluded that they would rather see the short term fees (for half an hour) kept the same.

The Head of Planning Services and Economic Development commented that a report would be written to detail and justify the increases in Building Control fees and that publicity should be given to this.

The Panel noted that Licensing now came under Environmental Protection and not Community Wellbeing and a new range of charges would be issued on licensing fees.

### **RESOLVED:**

That the Panel considered the policy of increasing fees and charges for 2007/08, and recommended a general increase of 3.5% to the Finance and Performance Management Cabinet Committee.

## **20. CONSULTATION PLAN 2006/07**

The Panel considered the Council's Consultation Plan for 2006/07. It noted that the web-based consultation on Waste Management had received around 70 to 80 responses and that no responses were against the use of wheeled bins. These responses would colour how the Portfolio holder would negotiate the new contract. Councillor Knapman expressed caution about using such a small number of respondents against the overall number in the district, as we currently cannot afford weekly collections. The Head of Environmental Services commented that a more involved form of public consultation would set back the procuring of a new waste management system some time, so this type of consultation was settled upon.

Councillor D'Souza argued that this was not a perfect way to consult with the public and councillors should talk to people in their wards. The Councillors should take more responsibility on themselves to find out the thoughts of their constituents. Councillor Jacobs stressed that if people are not told the financial consequences of any actions they are being consulted on then they could not draw any valid conclusions.

In conclusion, the Chairman summed up the Panel's feeling that they were largely unhappy with the way the consultation was taking place, as it was restricted to people with computers or who read the local papers.

### **RESOLVED:**

That the Panel noted the Consultation report, but were unhappy with the limited type of methods of consultation being undertaken by the Council.

## **21. VALUE FOR MONEY ANALYSIS**

The Head of Housing Services introduced the Value for Money Analysis 2005/06 report. He reported that the Audit Commission undertakes an annual Use of Resources (UoR) Assessment, which evaluates how well councils manage and use their financial resources. The Audit Commission's overall score for EFDC's use of resources in 2005/06 was '2' and had identified a number of actions that needed to be undertaken to improve its use of resources. In response the Management Board had set up a working party to consider how to bring up the Council's score by one level.

The Working Party, Project Team and individual officers had been working through the Work Programme since June 2006 and had made significant progress in completing its tasks. This has included:

- Production and approval of a Value for Money Strategy, Data Quality Strategy and Staff Code of Conduct;
- Formulation of the Council's Value for Money Self-Assessment;
- Introduction of many new approaches and procedures (e.g. procedure note for closure of accounts processes and a proposed consultation on the Medium Term Financial Strategy);

- Production and approval of a Business and Internal Control Assurance Framework;
- Formulation of proposals for the introduction of an independent Audit and Governance Committee from May 2007;
- Approval of the Corporate Risk Register and Risk Management Strategy by members, and the embedding of risk management within the organisation; and
- Improved budgetary information to members and monitoring by officers.

In order to better understand the Council's unit costs for services and how they relate to the Council's performance and compare with other organisations, the Working Party had formulated a Value for Money (VFM) Analysis, which was attached as an appendix to the Head of Housing Services report. He explained the approach adopted with the Analysis.

He explained that the VFM analysis would need refining and updating on an annual basis and that the purpose of the analysis is to provide an indicator; it would therefore be unwise to take any action based solely on this analysis.

The Chairman noted that this was an important and massive piece of work that should be looked at in greater detail. In order to do this the meeting agreed that a sub group from this Panel, comprising of the Chairman, the Vice Chairman and Councillor Jacobs be convened to look at the report in detail and make any comments.

**RESOLVED:**

(1) That a Sub-Group be formed to look in detail the Value for Money Analysis report, including the outstanding information from Housing and Environmental Services. The Sub-Group is to be comprised of the Chairman (Councillor J Whitehouse), the Vice Chairman (Councillor J Hart) and Councillor D Jacobs. The sub group is to be assisted by The Head of Housing Services and the Head of Human Resources and Performance Management.

(2) That the Sub-Group considers whether any of the information provided by the VFM Analysis should be brought to the attention of the Overview and Scrutiny Committee, to help inform the Committee's Work Programme for 2007/08.

**22. EVALUATION OF RECRUITMENT AND RETENTION STRATEGY**

The Head of Human Resources and Performance Management introduced the report on the evaluation of recruitment and retention strategy. Currently the Council was in a better position than it has been in for a while. It is successful in the area of attracting trainees and having them continue on in post once they have been trained up. It would like to extend the health checks currently offered to staff over the age of 40 to staff of all ages.

The Council would now like to concentrate on the managing of absences and bring those figures down.

**RESOLVED:**

- (1) That the progress that has been made with the implementation of the Council's recruitment and retention strategy be noted;
- (2) That further publicity be made available to staff on the existence of subsidised Leisure Centre membership, health checks, the Banked Holiday Scheme and the Busy Bees childcare voucher scheme;
- (3) That the provision of health checks to staff at or over the age of 40 be extended to all staff in the light of the success of the scheme and the age discrimination legislation now in force, and
- (4) That this Scrutiny Standing Panel recommends to Cabinet that the current initiatives continue but that attention is refocused on the issue of the Council's increasing sickness absence levels, in terms of future HR activity and focus.

### **23. LOCAL LAND CHARGES**

The Head of Legal, Administration and Estates updated the Panel on the current performance of the Local Land Charges Section, following the report presented to the Panel at its meeting on 1 June 2006 regarding income generated from Local Land Charge searches and personal searches, the performance in respect of standard searches and actions taken to address the current situation at that time.

The Panel noted that the table in paragraph 2 of the report had a typographical error in it. Under the column headed 2004/05 the first figure should read 458,471 and not 548,471.

The Panel was advised that, since the last report, Local Land Charges had succeeded in improving the turnround time for Searches from fourteen working days to between six and eight days.

It was reported that the Head of Legal, Administration and Estates and the Senior Local Land Charges Officer had recently met with the Acting Area Highways Manager at Essex County Council to discuss the speed of highways search replies. Members noted that, following this meeting, the County Council had provided an additional resource of one FTE to support the Technical Officer that had previously had sole responsibility for the search replies, which had improved turnround time for highways replies to six days. The Senior Local Land Charges Officer reported that the email link to Essex County Council's Area Highways Office was still to be put in place, but that once this was done the turnround time for highways search replies should be reduced by a further two days.

The Head of Legal, Administration and Estates reported that Essex County Council were not at present prepared to enter into a service level agreement to reflect the five day guaranteed turnround time referred to by the County Council's Portfolio Holder for Highways and Transportation, Councillor R. Bass, at a meeting held with the council's Joint Chief Executive (Community) earlier in the year.

The Panel also noted that the new Local Land Charges ICT System which was to be integrated with the Planning and Building Control systems, was due to be implemented within the next few months, and that from 1 April 2007 the current LLC1 fees were to be deregulated and that from then all registering authorities (includes district councils) would set their own fees based on the actual cost of providing the Local Land Charges service. The Senior Local Land Charges Officer advised the

Panel that the Home Information Pack (HIP) was due to be introduced on 1 June 2007 and that, as the Local Land Charge Search would be required to be included in the pack, current processes would have to be reviewed over the next six months.

**RESOLVED:**

That the panel noted the updating report on Local Land Charges.

**24. FUTURE MEETINGS**

Noted that the next meeting would be held on 15 January 2007, at 7pm.



## TERMS OF REFERENCE - STANDING PANEL

**Title:** Finance and Performance Management

**Status:** Standing Panel

### **Terms of Reference:**

#### **Performance Management**

1. To review Best Value Performance Indicator (BVPI) and Local Performance Indicator (LPI) outturns for the previous year at the commencement of each municipal year, and to determine the following on an annual basis:
  - (a) The criteria for deciding which BVPIs and LPIs should be formally monitored by the Panel throughout the remainder of the year, based upon the 'traffic light' system of performance reporting, Comprehensive Performance Assessment improvements, and existing council and member priorities;
  - (b) A 'basket' of priority BVPIs and LPIs, performance against which will be reported to the Panel throughout the year;
  - (c) The monitoring frequency of those priority BVPIs and LPIs identified by the Panel;
  - (d) Arrangements for the wider member reporting and monitoring of performance against those BVPIs and LPIs that are not contained in the Panel's 'basket' of high priority indicators;
2. To consider proposals and make recommendations for corrective action in relation to poorly performing BVPIs and LPIs;

#### **Best Value Performance Plan**

3. To consider and make recommendations as appropriate on the format and content of the Council's annual Best Value Performance Plan;

#### **Council Plan**

4. To undertake a full review of the existing Council Plan and to make recommendations to the Cabinet on the overall strategic vision to be adopted, within the context of how the authority intends to prioritise resources and develop services in the medium term;

#### **Public Consultation**

5. To develop arrangements to directly engage the community in commenting on and shaping the future direction of services to make them more responsive to local needs, including the development of proposals for effective consultation through an annual community conference;

6. To annually review the consultation exercises undertaken by the council over the previous year.

**Finance**

7. To consider the draft budgets for each portfolio and in so doing to evaluate and rank proposals for either enhancing or reducing services. Members will need to ensure consistency between wider policy objectives and financial demands.
8. To consider financial monitoring reports on key areas of income and expenditure for each portfolio.

## Work Programme 2006/07 – Draft as at 15 January 2007

<b>Finance and Performance Management Standing Panel</b>			
<b>Item</b>	<b>Report Deadline/Priority</b>	<b>Progress/Comments</b>	<b>Programme of Future Meetings</b>
(1) Best Value Performance Data	Quarterly	<p><b>Underway:</b></p> <ul style="list-style-type: none"> <li>• Monitoring of BVPP basket was undertaken on 1 June 2006. The Panels recommendations on KPIs went to Cabinet.</li> <li>• Draft Best Value Performance Plan 2006/07 was considered on 25 April 2006.</li> <li>• Ongoing KPI Scrutiny</li> </ul>	<p>1 June, 15 August, 14 November 2006,  15 January, 12 February 2007  14 November 2006</p>
(2) Performance (Services to be scrutinised in Rotation)		<p><b>Underway:</b></p> <ul style="list-style-type: none"> <li>• Land Charges and Legal and Administration Services to be scrutinised at next meeting.</li> <li>• Local Land Charges was considered at the June meeting. A further updating report to come back to the Panel in November.</li> </ul>	
(3) Quarterly Financial Monitoring	2006/07	<p><b>Underway:</b></p> <ul style="list-style-type: none"> <li>• Date for period up to December 2005 last reviewed by Panel on 7 February 2006.</li> <li>• First quarter went to 15 August meeting. – done.</li> <li>• Second quarter went to 14 November meeting – done.</li> <li>• Third quarter to go to 12 Feb 07 meeting.</li> </ul>	

(4) Annual Audit Plan	February 2007	Referred by OSC on 2 March 2006	
(5) Review of Local Land charges		<b>Underway:</b> Report went to 1 <sup>st</sup> June meeting, another (updating) report was presented to the 14 <sup>th</sup> November meeting.	
(6) Local Area Agreements		<b>New item</b> added by OSC on 16 March 2006. Considered in November 2006.	
(7) Draft Council Plan 2006-2010		<b>Underway</b>	
(8) Budget Papers		To be reported at the November, January and February meetings. <b>Nov.</b> meeting to consider growth/savings; <b>Jan.</b> meeting to consider the detailed budget; <b>Feb.</b> meeting for last comments prior to formal tax setting.	
(9) Value for Money Strategy		Reported to Panel on 15 August 06	15 August 2006
(9a) Value for Money analysis		Reported to Panel on 14 November 2006 – agreed that a sub-group be formed to consider in detail.	
(10) Data Quality Audit. Self Assessment		Reported to Panel on 15 August 06	15 August 2006
(11) Fees and Charges	Financial Year 2007/08	Considered at the November 2006 meeting.	
(12) Consultation Plan		Considered at the November 2006 meeting	

## **Report to the Finance & Performance Management Scrutiny Panel**

**Date of meeting: 15 January 2007**

**Portfolio:** Finance & Performance Management

**Subject:** Draft Detailed Portfolio Budgets

**Officer contact for further information:** Bob Palmer (01992 - 56 4279)

**Democratic Services Officer:** Adrian Hendry (01992 56 4246)

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### **Recommendations:**

**That the Panel consider the draft detailed budgets for each Portfolio and recommend them, as amended if necessary, to the Overview and Scrutiny Committee.**

### **Report:**

1. The Panel has within its terms of reference to consider detailed budget proposals. This is the second set of budget proposals to be considered by the Panel, as prior to 2006/07 the detailed proposals were taken to the relevant Overview and Scrutiny Committee.

2. The timetable for the approval of the 2007/08 budgets is as follows:

Finance & Performance Management Scrutiny Panel	15 January 2007
Finance & Performance Management Cabinet Committee	29 January 2007
Overview & Scrutiny Committee	1 February 2007
Cabinet	5 February 2007
Full Council	20 February 2007

3. It is intended that the recommendations from this Panel will go to the Overview and Scrutiny Committee on 1 February. Cabinet will then consider the recommendations of the Overview and Scrutiny Committee and the Finance and Performance Management Cabinet Committee on 5 February. Cabinet will then recommend a budget and Council Tax to Full Council for approval on 20 February.

### **Draft Detailed Portfolio Budgets:**

4. Bids for both Continuing Service Budget (CSB) and District Development Fund (DDF) growth have been made to Cabinet in recent months. The growth bids were grouped together and reported to the Finance and Performance Management Cabinet Committee on 11 December 2006. Here the bids are presented by Portfolio rather than in total.

5. The following detailed information is provided for each Portfolio:

- (i) Estimate Summary – containing actual figures for 2005/06, original and revised estimates for 2006/07 and gross and net figures for 2007/08.

- (ii) Development Fund & Growth Items – containing development fund and growth proposals, original and revised for 2006/07 and original 2007/08.
- (iii) Detailed Estimates – containing figures and comments on each distinct area of the Portfolio.

**LEADERS PORTFOLIO**

**ESTIMATES 2007/08**

## Leaders

### Revenue Budget 2007/08

#### Introduction

The Portfolio is responsible for the following services.

Elections and Electoral Registration  
Corporate Activities  
Civic and Members Activities  
Local Council Liaison  
Democratic Services  
Large scale Property Transactions

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2006. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.



## Leaders

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
Actual £000	Original Estimate £000	Revised Estimate £000		Gross Expend £000	Gross Income £000	Net Expend £000
<b>Direct Services</b>						
210	285	307	Elections	344	25	319
1,360	1,605	1,506	Corporate Activities	1,524	0	1,524
867	996	912	Member Activities	894	0	894
90	117	105	Other Activities	449	400	49
<b>2,527</b>	<b>3,003</b>	<b>2,830</b>	<b>Total (Transferred to GF Summary)</b>	<b>3,211</b>	<b>425</b>	<b>2,786</b>
<b>Support and Trading Services</b>						
232	300	290	Democratic Services	300	0	300
(68)	(88)	(85)	Recharged to this Portfolio	(88)	0	(88)
(164)	(212)	(205)	Recharged to other Portfolios	(212)	0	(212)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2,527</b>	<b>3,003</b>	<b>2,830</b>	<b>Portfolio Total</b>	<b>3,211</b>	<b>425</b>	<b>2,786</b>
2,575	2,906	2,718	Continuing Services Budget			2,776
42	72	91	Continuing Services Budget - Growth			10
(79)	(15)	(30)	Continuing Services Budget - Savings			(12)
<b>2,538</b>	<b>2,963</b>	<b>2,779</b>	<b>Total Continuing Services Budget</b>			<b>2,774</b>
25	40	51	District Development Fund - Expenditure			12
(36)	0	0	District Development Fund - Savings			0
<b>(11)</b>	<b>40</b>	<b>51</b>	<b>Total District Development Fund</b>			<b>12</b>
<b>2,527</b>	<b>3,003</b>	<b>2,830</b>	<b>Portfolio Total</b>			<b>2,786</b>

**Leaders**  
**Development Fund & Growth Items**

		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
<b>CSB Growth Items</b>				
Civic and Member	Members Allowances- Basic	18	18	
Civic and Member	Members Allowances- SRA Chair Scrutiny Panels	4	4	
Civic and Member	Member Electronic Services	9	9	(12)
Civic and Member	Member Electronic Services Training	5	5	
Civic Ceremonial	Civic Awards	2	2	
Civic Ceremonial	Additional Officer Support for Chairman			5
Civic Ceremonial	Civic Transport			2
Electoral Registration	Changes in arrangements	11	17	
Elections	Changes in arrangements	9	21	
Elections	Running costs for new software			3
Democratic Services	Scrutiny Support Officer- new post	14	15	
Democratic Services	Savings resulting from new Cttee minute/report system	(15)	(15)	
Local Land Charges	Additional Income from increase in searches		(15)	
		<b>57</b>	<b>61</b>	<b>(2)</b>

		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
<b>Development Fund Items</b>				
Corporate Policy Making	Dev of Community Strategy-consulting & printing	10	10	10
Corporate Policy Making	Top Man Structure Salary Increases	30	30	
Local Land Charges	New IT System		11	
Civic and Member	Audit & Governance Cttee Training			2
		<b>40</b>	<b>51</b>	<b>12</b>

## **Leaders**

## **Elections**

### **Electoral Registration**

The CSB Growth items include £17,000 in the current year relating to the cost of changes in legal requirements for electoral registration and postal voting.

Other increases relate to a reallocation of overhead costs and inflationary increases on running costs including postages.

### **Elections**

The future funding of elections is a matter currently being considered by Central Government and it is possible that future funding will be controlled centrally rather than locally. The current year budget includes CSB Growth of £21,000 relating to the additional costs brought about by the new legislative requirements.

CSB Growth of £3,000 is included for 2006/07 for the running costs relating to the postal vote identifier software.

## Leaders

### Elections

<i>2005/06</i>		<i>2006/07</i>		<i>2007/08</i>		
<i>Actual</i>	<i>Original Estimate</i>	<i>Revised Estimate</i>		<i>Gross Expend</i>	<i>Gross Income</i>	<i>Net Expend</i>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
122	139	145	Electoral Registration	152	2	150
88	146	162	Elections	192	23	169
<b>210</b>	<b>285</b>	<b>307</b>	<b>Total (Transferred to Summary)</b>	<b>344</b>	<b>25</b>	<b>319</b>
236	265	269	Continuing Services Budget			316
10	20	38	Continuing Services Budget - Growth			3
0	0	0	Continuing Services Budget - Savings			0
<b>246</b>	<b>285</b>	<b>307</b>	<b>Total Continuing Services Budget</b>			<b>319</b>
0	0	0	District Development Fund - Expenditure			0
(36)	0	0	District Development Fund - Savings			0
<b>(36)</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>210</b>	<b>285</b>	<b>307</b>	<b>Portfolio Total</b>			<b>319</b>

## **Leaders**

### **Corporate Activities**

#### **Corporate Policy Making**

The current year includes a DDF item of £10,000 relating to the development of the Community Strategy, and £30,000 for the second phase of the Top management restructuring. The budget for 2007/08 includes a further DDF item of £10,000 for continuation of the development of Community Strategy.

#### **Corporate Public Accountability**

There are no significant variations other than inflation.

#### **Subscriptions**

This heading relates to the Council subscriptions that are paid to various organisations including the Local Government Association, Association of Essex Councils, CIPFA Best Value advisory service and East of England Regional Assembly.

## Leaders

### Corporate Activities

2005/06 Actual £000	2006/07			2007/08		
	Original Estimate £000	Revised Estimate £000		Gross Expend £000	Gross Income £000	Net Expend £000
1,114	1,370	1,268	Corporate Policy Making	1,288	0	1,288
215	202	206	Corporate Public Accountability	203	0	203
31	33	32	Subscriptions	33	0	33
<b>1,360</b>	<b>1,605</b>	<b>1,506</b>	<b>Total (Transferred to Summary)</b>	<b>1,524</b>	<b>0</b>	<b>1,524</b>

1,414	1,565	1,466	Continuing Services Budget			1,514
0	0	0	Continuing Services Budget - Growth			0
(79)	0	0	Continuing Services Budget - Savings			0
<b>1,335</b>	<b>1,565</b>	<b>1,466</b>	<b>Total Continuing Services Budget</b>			<b>1,514</b>
25	40	40	District Development Fund - Expenditure			10
0	0	0	District Development Fund - Savings			0
<b>25</b>	<b>40</b>	<b>40</b>	<b>Total District Development Fund</b>			<b>10</b>
<b>1,360</b>	<b>1,605</b>	<b>1,506</b>	<b>Portfolio Total</b>			<b>1,524</b>

## **Leaders**

### **Member Activities**

#### **Civic Ceremonial**

The budget for 2006/07 includes CSB Growth of £2,000 for the increased cost of holding the Civic Awards evening. CSB Growth of £5,000 is also included in 2007/08 for additional officer support for the Chairman of Council, and £2,500 for the hire of civic transport.

#### **Civic and Member**

CSB Growth of £9,000 is included in the current year for Member's electronic services. CSB Growth of £5,000 is also included in the current year for member's training relating to electronic services. Other changes relate to a reduction in the recharged cost of office accommodation resulting from the changes in accounting for capital, explained in the introduction. A CSB saving of £12,000 is included in 2007/08 relating to a reduction in allowances paid to Member's for electronic services support. A DDF item of £2,000 is included in 2007/08 for member training relating to the new Audit and Governance Committee.

#### **Members Allowances**

CSB Growth is included in the current year for an increase in Basic Allowances of £18,000 for 90% implementation, and Special Responsibility Allowances for the Chairmen of Scrutiny Panels of £4,000. Allowances for 2007/08 are retained at the current year level.

#### **Overview and Scrutiny Committee Operations**

The reduction in the current year and 2007/08 budgets reflects the removal from this budget of the CSB Growth item for the salary cost of the new post of Scrutiny Support Officer. This budget is now included in Democratic Services in readiness for a review of the service.

#### **Standards Committee Operations**

There is no change to this budget which was approved to meet any costs incurred in respect of local adjudication on complaints against councillors by the Standards Committee.

## Leaders

### Member Activities

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
76	82	80	Civic Ceremonial	86	0	86
623	699	630	Civic & Member	603	0	603
147	187	188	Members Allowances	191	0	191
15	21	7	O & S Cttee Operational Budget	7	0	7
6	7	7	Standards Cttee Operational Budget	7	0	7
<b>867</b>	<b>996</b>	<b>912</b>	<b>Total (Transferred to Summary)</b>	<b>894</b>	<b>0</b>	<b>894</b>
835	958	874	Continuing Services Budget			897
32	38	38	Continuing Services Budget - Growth			7
0	0	0	Continuing Services Budget - Savings			(12)
<b>867</b>	<b>996</b>	<b>912</b>	<b>Total Continuing Services Budget</b>			<b>892</b>
0	0	0	District Development Fund - Expenditure			2
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>2</b>
<b>867</b>	<b>996</b>	<b>912</b>	<b>Portfolio Total</b>			<b>894</b>



## **Leaders**

### **Other Activities**

#### **Local Council Liaison**

The reduction in this budget relates to lower overhead charges from Legal Services for advice and liaison in respect of the transfer of functions to the South of the District Parishes and Town Councils. A Legal Services post was unfilled and was originally identified to work relating to the Roding Valley area (Loughton Town Council), and various Waltham Abbey land and building matters (Waltham Abbey Town Council).

#### **Local Land Charges**

The increase in the current year between Original and Revised relates to additional costs arising from the recharges from Planning Services for the new computer system, and associated support. A CSB saving of £15,000 is included in the current year for additional income arising from searches, which have been at a higher level than 2005/06.

## Leaders

### Other Activities

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
83	94	30	Local Council Liaison	34	0	34
7	23	75	Local Land Charges	415	400	15
<b>90</b>	<b>117</b>	<b>105</b>	<b>Total (Transferred to Summary)</b>	<b>449</b>	<b>400</b>	<b>49</b>
90	117	109	Continuing Services Budget			49
0	0	0	Continuing Services Budget - Growth			0
0	0	(15)	Continuing Services Budget - Savings			0
<b>90</b>	<b>117</b>	<b>94</b>	<b>Total Continuing Services Budget</b>			<b>49</b>
0	0	11	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>11</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>90</b>	<b>117</b>	<b>105</b>	<b>Portfolio Total</b>			<b>49</b>

## **Leaders**

### **Support Services**

#### **Democratic Services**

A CSB saving for 2006/07 of £15,000 is included relating to a reduction in costs resulting from the new committee minute and report system.

## Leaders

### Support Services

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
232	300	290	Democratic Services	300	0	300
<b>232</b>	<b>300</b>	<b>290</b>	<b>Total (Transferred to Summary)</b>	<b>300</b>	<b>0</b>	<b>300</b>
232	301	290	Continuing Services Budget			300
0	14	15	Continuing Services Budget - Growth			0
0	(15)	(15)	Continuing Services Budget - Savings			0
<b>232</b>	<b>300</b>	<b>290</b>	<b>Total Continuing Services Budget</b>			<b>300</b>
0	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>232</b>	<b>300</b>	<b>290</b>	<b>Portfolio Total</b>			<b>300</b>

**LEADERS PORTFOLIO  
SUBJECTIVE ANALYSIS 2007/08**

Cost Centre	Employees	Premises Related Expenses	Transport	Supplies Related Expenses	Third Party	Support Services	Depreciation Charges	(Internally Recharged)	Gross Expenditure	Fees & Charges	Other Income	Gross Income	Net Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£
Electoral Registration	49,300		1,510	65,940		34,860			151,610	2,070		2,070	149,540
Elections	35,100		1,580	105,140		49,920			191,740		22,500	22,500	169,240
Corporate Policy Making	388,150		11,970	36,470		1,185,990	58,880	(393,100)	1,288,360				1,288,360
Corporate Public Accountability	82,190		2,850	2,930		165,490		(50,700)	202,760				202,760
Subscriptions				30,520		2,040			32,560				32,560
Civic Ceremonial	5,000		3,630	31,500		65,710		(19,530)	86,310				86,310
Civic and Member	55,070		1,630	50,900		649,040		(153,310)	603,330				603,330
Members Allowances	2,540			231,630		11,250		(53,980)	191,440				191,440
O & S Ctte Operational Budget				5,130		1,550			6,680				6,680
Standards Cttee Operational Budget				5,130		2,040			7,170				7,170
Local Council Liaison	11,900		750	310		21,250			34,210				34,210
Local Land Charges	222,800		1,890	87,550		101,130	1,490		414,860	400,000		400,000	14,860
<b>Total</b>	<b>852,050</b>	<b>-</b>	<b>25,810</b>	<b>653,150</b>	<b>-</b>	<b>2,290,270</b>	<b>60,370</b>	<b>(670,620)</b>	<b>3,211,030</b>	<b>402,070</b>	<b>22,500</b>	<b>424,570</b>	<b>2,786,460</b>
<b>Support Services</b>													
Democratic Services	282,410	1,260	4,990	65,710		109,710		(463,980)	100	100		100	-
<b>Total</b>	<b>1,134,460</b>	<b>1,260</b>	<b>30,800</b>	<b>718,860</b>	<b>-</b>	<b>2,399,980</b>	<b>60,370</b>	<b>(1,134,600)</b>	<b>3,211,130</b>	<b>402,170</b>	<b>22,500</b>	<b>424,670</b>	<b>2,786,460</b>

<b>Third Party Payments</b>													
Corporate Services	402,620		12,010	5,560		97,140		(517,330)					

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**COMMUNITY WELLBEING PORTFOLIO**

**ESTIMATES 2007/08**

# Community Wellbeing

## Revenue Budget 2007/08

### **Introduction**

The portfolio is responsible for the following services

Emergency Planning  
Grants to Voluntary Organisations and Voluntary Sector Support  
Safer Communities and Crime and Disorder Initiatives  
Welfare Transport and Concessionary Fares  
Hackney Carriages and Licensing and Registrations

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

### **Capital Charges**

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

### **Compliance with CIPFA Standards**

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2006. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

### **Budget format**

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** –The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.

The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.



## Community Wellbeing

### General Fund Estimate Summary

2005/06	2006/07		2007/08			
<i>Actual</i>	<i>Original</i>	<i>Revised</i>	<b>Gross</b>	<b>Gross</b>	<b>Net</b>	
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>	<b>Expend</b>	<b>Income</b>	<b>Expend</b>	
<i>£000</i>	<i>£000</i>	<i>£000</i>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
<b>Direct Services</b>						
123	151	148	Emergency Planning	150	0	150
341	377	379	Voluntary Sector	405	10	395
265	345	326	Safer Communities	337	0	337
371	941	741	Travel Schemes	850	14	836
<b>1,100</b>	<b>1,814</b>	<b>1,594</b>	<b>Total Direct</b>	<b>1,742</b>	<b>24</b>	<b>1,718</b>
<b>Regulatory Services</b>						
(23)	43	61	Licensing and Registrations	127	69	58
6	15	15	Hackney Carriages Licensing	126	112	14
<b>(17)</b>	<b>58</b>	<b>76</b>	<b>Total Regulatory</b>	<b>253</b>	<b>181</b>	<b>72</b>
<b>1,083</b>	<b>1,872</b>	<b>1,670</b>	<b>Total (Transferred to GF Summary)</b>	<b>1,995</b>	<b>205</b>	<b>1,790</b>
1,021	1,245	1,243	Continuing Services Budget			1,790
177	634	534	Continuing Services Budget - Growth			0
(99)	(7)	(7)	Continuing Services Budget - Savings			0
<b>1,099</b>	<b>1,872</b>	<b>1,770</b>	<b>Total Continuing Services Budget</b>			<b>1,790</b>
68	0	0	District Development Fund - Expenditure			0
(84)	0	(100)	District Development Fund - Savings			0
<b>(16)</b>	<b>0</b>	<b>(100)</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>1,083</b>	<b>1,872</b>	<b>1,670</b>	<b>Portfolio Total</b>			<b>1,790</b>

## Community Wellbeing

### Development Fund & Growth Items

<b>CSB Growth Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Concessionary Fares	Free local travel for over 60s	582	482	
Grants to Voluntary Organisations	Homestart rent	3	3	
Welfare Transport	Transfer of Mini Buses to Donors	(7)	(7)	
Safer Communities	Community Support Officers	20	20	
Safer Communities	Crime Reduction Assistant- Permanent F/T	17	17	
Safer Communities	Graffiti Removal	12	12	
		<b>627</b>	<b>527</b>	<b>0</b>
		<b>627</b>	<b>527</b>	<b>0</b>

<b>Development Fund Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Concessionary Fares	County wide scheme		(100)	
		<b>0</b>	<b>(100)</b>	<b>0</b>
		<b>0</b>	<b>(100)</b>	<b>0</b>

## **Community Wellbeing**

### **Emergency Planning**

#### **Emergency Planning**

The budget relates to the cost of providing for emergency response services in the event of a local or national civil disaster, and emergency response in the event of war. The Civil Contingencies Act now places a statutory responsibility on the Council to carry out risk based contingency planning and incident response.

The budgets include additional funding which was previously approved for the Council's statutory duties under the Civil Contingencies Act 2004. Joint arrangements are in place with the Essex County Council in partnership with other authorities to provide a co-ordinated emergency planning service. The District contributes 50% of the costs of a joint Emergency Planning Officer, provided by the County Council.

## Community Wellbeing

### Emergency Planning

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original Estimate</i>	<i>Revised Estimate</i>		Gross Expend	Gross Income	Net Expend
£000	£000	£000		£000	£000	£000
123	151	148	Emergency Planning	150	0	150
<b>123</b>	<b>151</b>	<b>148</b>	<b>Total (Transferred to Summary)</b>	<b>150</b>	<b>0</b>	<b>150</b>
107	151	148	Continuing Services Budget			150
16	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>123</b>	<b>151</b>	<b>148</b>	<b>Total Continuing Services Budget</b>			<b>150</b>
0	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>123</b>	<b>151</b>	<b>148</b>	<b>Portfolio Total</b>			<b>150</b>

## **Community Wellbeing**

### **Voluntary Sector**

**The following budgets represent the Council's support to outside voluntary and charitable bodies working in the community.**

#### **Grants to Voluntary Organisations**

The general sum available for grants in the current year Revised Budget is £102,820, and for 2007/08 £105,550. Also included is £7,750 relating to HomeStart who have a re- approved grant to offset gross rent for 8 years relating to unit 36 Oakwood Hill Industrial Estate. A CSB Growth item of £3,000 is included in the current year for the additional rent payable by Epping Forest Homestart, which will be offset by grant aid to them. This relates to a market rental review on their unit number 36 at the Oakwood Hill Industrial Estate.

The budget also now includes £16,000 in respect of the Furniture Exchange Scheme which is similar to Homestart where a grant is being given to offset the gross rent for units at Town Mead Depot at Waltham Abbey.

#### **Voluntary Sector Support**

##### **Voluntary Action Epping Forest**

The budget relates to the support given by the Council towards the running costs of the Voluntary Action Epping Forest (VAEF) previously known as Council for Voluntary Services (CVS) located in Homefield

The grant for the current year is £31,520, with £32,360 earmarked for 2007/08.

The running costs of Homefield House, which is leased to VAEF, are included in this budget along with the costs of central computers and telephones, which directly benefit VAEF. Total gross cost of the budget for 2006/07 Revised including the grant is £50,590, and £52,650 for 2007/08 which is reduced by rent paid by VAEF of £10,100. Costs for 2007/08 comprise grant of £32,360, telephone systems £12,620, accommodation (Homefield House) £13,520 and Computers £4,250.

##### **Essex Women's Refuge**

The budget relates to a contribution towards the cost of the work of the Association of Essex Women's Refuges, which allows referrals to be made from this Authority to the Essex Refuge Network.

The Council has agreed previously that the authority should continue with an annual financial contribution to meet its full share of costs. The Estimate for the current year is £16,050 and £16,530 for 2007/08, and is based on all other local authorities continuing to contribute their full pro-rata share.

##### **Citizens' Advice Bureaux**

The budget relates to the contribution that the Council makes to its partnership with the Citizens' Advice Bureaux.

The Council's contribution to the CAB for the current year is £105,060 and £107,840 for 2007/08.

## Community Wellbeing

### Voluntary Sector

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
169	201	205	Grants to Voluntary Organisations	215	0	215
172	176	174	Voluntary Sector Support	190	10	180
<b>341</b>	<b>377</b>	<b>379</b>	<b>Total (Transferred to Summary)</b>	<b>405</b>	<b>10</b>	<b>395</b>
335	374	376	Continuing Services Budget			395
6	3	3	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>341</b>	<b>377</b>	<b>379</b>	<b>Total Continuing Services Budget</b>			<b>395</b>
0	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>341</b>	<b>377</b>	<b>379</b>	<b>Portfolio Total</b>			<b>395</b>

## **Community Wellbeing**

### **Safer Communities and Crime and Disorder Initiatives**

The budget relates to the Council's involvement in the improvement to community safety within the District by working in partnership with the public services, the private sector, and voluntary groups to reduce crime, the fear of crime, offending and criminality in the local community.

### **Crime and Disorder Initiatives**

CSB funding of £25,630 is included for the current year and for 2007/08 for the continuation of initiatives relating to Crime and Disorder. The budget now includes provision of £30,250 for graffiti removal.

### **Safer Communities Programme**

A sum of £6,000 is included in this budget for the current year and for 2007/08 for ongoing general project work. The other costs in this budget relate to Policy Unit central overhead charges for running the various initiatives and programmes.

The budget now includes a contribution of £90,000 towards the provision of six Community Police Support Officers to work within the Epping Forest District adding to the current operating police strength.

The budget also includes the costs of an Anti Social Behaviour Coordinator.

## Community Wellbeing

### Safer Communities

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
55	65	66	Crime & Disorder Initiatives	65	0	65
210	280	260	Safer Communities Programme	272	0	272
<b>265</b>	<b>345</b>	<b>326</b>	<b>Total (Transferred to Summary)</b>	<b>337</b>	<b>0</b>	<b>337</b>

164	296	277	Continuing Services Budget			337
81	49	49	Continuing Services Budget - Growth			0
0	0		Continuing Services Budget - Savings			0
<b>245</b>	<b>345</b>	<b>326</b>	<b>Total Continuing Services Budget</b>			<b>337</b>
45	0	0	District Development Fund - Expenditure			0
(25)	0	0	District Development Fund - Savings			0
<b>20</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>265</b>	<b>345</b>	<b>326</b>	<b>Portfolio Total</b>			<b>337</b>



## **Community Wellbeing**

### **Travel Schemes**

#### **Welfare Transport**

This budget originally related to the provision of a mini bus service, comprising five vehicles, available for hire by voluntary groups within the District. In June 2005 the minibuses reverted to their respective owners, namely the Rotary Club of Waltham Abbey and Ongar Parish Council. The decision was taken following a consultation exercise with user groups about the future of the vehicles.

It was agreed on transfer that the remaining budget would be used to meet the annual cost of funding a Community Transport driver costing £15,000. This action resulted in a CSB saving of £7,000, with the residual budget now earmarked for the annual contribution to VAEF for funding the Community Transport

#### **Concessionary Fares**

This budget includes the costs of the Essex Countywide scheme and the scheme run in conjunction with Transport for London. CSB growth of £582,000 was originally included in the current year relating to the new scheme of free travel for all over sixties, and those with disabilities. This has been revised down to £482,000 as a result of a lower than anticipated take up of passes. A DDF saving of £100,000 is also included in the current year.

The new system of formula grant incorporates the original estimated costs of implementing the new concessionary fares scheme, thus the saving achieved accrues to the Council.

## Community Wellbeing

### Travel Schemes

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
27	18	17	Welfare Transport	18	0	18
344	923	724	Concessionary Fares	832	14	818
<b>371</b>	<b>941</b>	<b>741</b>	<b>Total (Transferred to Summary)</b>	<b>850</b>	<b>14</b>	<b>836</b>

336	366	366	Continuing Services Budget	836
59	582	482	Continuing Services Budget - Growth	0
(47)	(7)	(7)	Continuing Services Budget - Savings	0
<b>348</b>	<b>941</b>	<b>841</b>	<b>Total Continuing Services Budget</b>	<b>836</b>
23	0	0	District Development Fund - Expenditure	0
0	0	(100)	District Development Fund - Savings	0
<b>23</b>	<b>0</b>	<b>(100)</b>	<b>Total District Development Fund</b>	<b>0</b>
<b>371</b>	<b>941</b>	<b>741</b>	<b>Portfolio Total</b>	<b>836</b>

## **Community Wellbeing**

### **Regulatory Services**

#### **Licensing Policy**

The service for Hackney Carriages relates to the various aspects of regulatory licensing for public hire vehicles, and drivers, including taxi and hire cars (mini cabs).

The Council have adopted powers to enable it to undertake this responsibility and as such there is now a statutory requirement. Fees are set by the Council, but Home Office guidance directs that the Council should not make a surplus.

The service for Licensing and Registration relates to a range of premises Licensing applications (including renewal, variation, cancellation, transfer or imposition of conditions) are for public entertainment including music and dancing, sporting entertainment, theatres and cinemas, pet shops, animal breeding and boarding establishments, and riding establishments. Fees are set by the Council, but Home Office guidance suggests that they should be set at a level which covers the Council's costs of enforcement and administration. These responsibilities are statutory.

The Licensing Act 2003 modernises the legislation governing the sale and supply of alcohol and control of public entertainment. Responsibility for licensing personnel and premises transferred on 7 January 2005 from Magistrates and became the sole responsibility of District Councils who are now the designated Licensing Authorities for the purposes of the Act.

The Gambling Act 2005 modernises the legislation governing gambling by creating a single regulatory body, the Gambling Commission, and giving responsibility for licensing premises where gambling takes place to local authorities. The responsibilities will be effective from January 2007.

#### **Licensing and Registration**

The licences granted under the Gambling Act 2005 are currently administered by other bodies and the fees are set by statute. The resource implications of the Act are still unclear and therefore have not been taken into account in this budget.

#### **Hackney Carriages**

Fees have been increased by 3.5%.

## Community Wellbeing

### Regulatory Services

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
£000	£000	£000		£000	£000	£000
(23)	43	61	Licensing and Registration	127	69	58
6	15	15	Hackney Carriages Licensing	126	112	14
<b>(17)</b>	<b>58</b>	<b>76</b>	<b>Total (Transferred to Summary)</b>	<b>253</b>	<b>181</b>	<b>72</b>

79	58	76	Continuing Services Budget	72
15	0	0	Continuing Services Budget - Growth	0
(52)	0	0	Continuing Services Budget - Savings	0
<b>42</b>	<b>58</b>	<b>76</b>	<b>Total Continuing Services Budget</b>	<b>72</b>
0	0	0	District Development Fund - Expenditure	0
(59)	0	0	District Development Fund - Savings	0
<b>(59)</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>	<b>0</b>
<b>(17)</b>	<b>58</b>	<b>76</b>	<b>Portfolio Total</b>	<b>72</b>

**COMMUNITY WELLBEING PORTFOLIO  
SUBJECTIVE ANALYSIS 2007/08 Original**

BUDGET	Employees	Premises	Transport	Supplies	Support Services	Depreciation Charges	(Internally Recharged)	Gross Expenditure	Gross Expenditure Direct	Fees & Charges	Other Income	Gross Income	Net Expenditure
	£	£	£	£	£	£	£	£		£	£	£	£
Emergency Planning	43,850		5,840	51,900	46,470	1,960		150,020	-		20	20	150,000
Emergency Expenditure													
Grants to Voluntary Organisations	50,660		2,580	133,050	28,540			214,830	-				-
Voluntary Sector Support	-			169,860	19,800			189,660	-		10,100	10,100	179,560
Crime & Disorder Initiatives				55,880	9,570			65,450	-				65,450
Safer Communities Programme	114,670		5,110	106,420	45,490			271,690	-				271,690
Welfare Transport				15,250	2,610			17,860	-				17,860
Concessionary Fares	5,130			790,990	36,160			832,280	-	13,590		13,590	818,690
Licensing and Registration	67,400		4,010	5,290	50,470			127,170	-	69,200		69,200	57,970
Blackney Carriage Licensing	84,040		4,710	8,320	29,010			126,080	-	111,780		111,780	14,300
<b>Total</b>	<b>365,750</b>	<b>-</b>	<b>22,250</b>	<b>1,336,960</b>	<b>268,120</b>	<b>1,960</b>	<b>-</b>	<b>1,995,040</b>	<b>-</b>	<b>194,570</b>	<b>10,120</b>	<b>204,690</b>	<b>1,790,350</b>

<b>Third Party Payment</b>													
Policy Unit	312,450		13,940	10,640	83,590		(420,620)		420,620				

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**FINANCE, PERFORMANCE MANAGEMENT & CORPORATE SUPPORT  
SERVICES PORTFOLIO**

**ESTIMATES 2007/08**

# Finance, Performance Management & Corporate Support Services

## Revenue Budget 2007/08

### Introduction

The Portfolio is responsible for the following services.

Housing Benefits and Fraud Investigation  
Local Taxation  
Industrial Estates and Land and Property  
Finance Support Services  
Other Support Services

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2006. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio

The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.



## Finance and Performance Management

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
	£000	£000		£000	£000	£000
<b>Direct Services</b>						
579	616	875	Housing Benefits	33,920	33,166	754
910	1,019	1,086	Local Taxation	1,651	560	1,091
(824)	(805)	(804)	Land & Property	257	1,086	(829)
(320)	77	(176)	Other Activities	(201)	0	(201)
<b>345</b>	<b>907</b>	<b>981</b>	<b>Total (Transferred to GF Summary)</b>	<b>35,627</b>	<b>34,812</b>	<b>815</b>
<b>Support and Trading Services</b>						
1,286	1,382	1,368	Finance Support Services	1,530	103	1,427
1,019	1,180	1,103	Legal & Administration Services	1,252	56	1,196
1,402	1,466	1,629	Accommodation Services	1,619	17	1,602
1,843	1,901	1,790	Other Support Services	1,880	17	1,863
(1,789)	(1,912)	(1,899)	Recharged to this Portfolio	(2,025)	(62)	(1,963)
(3,761)	(4,017)	(3,991)	Recharged to other Portfolios	(4,256)	(131)	(4,125)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>345</b>	<b>907</b>	<b>981</b>	<b>Portfolio Total</b>	<b>35,627</b>	<b>34,812</b>	<b>815</b>
682	833	1,008	Continuing Services Budget			739
113	105	98	Continuing Services Budget - Growth			61
(393)	(214)	(281)	Continuing Services Budget - Savings			(100)
<b>402</b>	<b>724</b>	<b>825</b>	<b>Total Continuing Services Budget</b>			<b>700</b>
333	395	443	District Development Fund - Expenditure			282
(390)	(212)	(287)	District Development Fund - Savings			(167)
<b>(57)</b>	<b>183</b>	<b>156</b>	<b>Total District Development Fund</b>			<b>115</b>
<b>345</b>	<b>907</b>	<b>981</b>	<b>Portfolio Total</b>			<b>815</b>

## Finance and Performance Management

### Development Fund & Growth Items

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>CSB Growth Items</b>				
Car Leasing	Amendments to scheme*	(10)	(32)	(10)
Investment Income	Lost Interest Income**	15		
Energy Sites	Energy costs	38	46	44
Finance & General Admin	Staff savings re HB Scanning & Indexing	(15)	(15)	
Finance Miscellaneous	Savings on Office Computer Equipment			(38)
Finance Miscellaneous	Saving on photocopier contract			(4)
Finance Miscellaneous	Saving on Mobile phone contract			(35)
Housing Benefits	Electronic Document management	15	15	
Local Taxation	NDR Increase in Court Cost Fees			(2)
Local Taxation	Council Tax Increase in Court Costs	(50)	(50)	(21)
Local Taxation	Additional Staffing	20	20	
Housing Benefits/Local Taxation	New Revenues and Benefits system			16
Brooker Road Industrial Estate	Rent Income	(8)	(3)	
Oakwood Hill Industrial Estate	Rent Income	(17)	(17)	
Office Accommodation	Refuse Collection/Disposal & Recycling	4		
Office Accommodation	Additional Cleaning Materials	2	2	
Office Accommodation	Additional costs of reletting office cleaning contra	11	15	7
Human Resources	Recruitment & Retention		(50)	
Other Support Services	Building Maintenance			4
Other Support Services	Potential Central Support Savings	(114)	(114)	
		<b>(109)</b>	<b>(183)</b>	<b>(39)</b>
		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
<b>Development Fund Items</b>				
Estates Management	Property Management System			
Estates Management	Langston Road Industrial Estate- Development P	50	50	
Unappropriated Land	Consultants fees Dev potential CI Car parks		5	
Finance Miscellaneous	Finance System Outstanding Commitments	37	17	20
Finance Miscellaneous	Performance Reward Grant	(52)	(52)	
Finance Miscellaneous	Extra Interest Income		(100)	
Housing Benefits	Housing Benefit Admin Grant (New Formula)	30	(18)	(44)
Housing Benefits	Grant - Verification Framework	(119)	(117)	(123)
Housing Benefits	Grant-Admin- Welfare Reforms	(39)		
Housing Benefits	Welfare Reform Start up costs		42	
Housing Benefits	Electronic Document management		15	
Housing Benefits	Rent Allowances	(2)		
Housing Benefits	Cover for Maternity Leave		40	40
Housing Benefits/Local Taxation	New Revenues and Benefits system		26	
Housing Benefits/Local Taxation	Replacement Revenues & Benefits ICT system			80
Insurance/Risk Management	Implementation of Risk Management Strategy		2	9
Legal Services	Data capture re Land Terrier	7	2	9
Legal Services	Computerisation of Land Terrier Records	11		17
Legal Services	Registration of Unregistered Titles		2	41
Legal Services	Planning Delivery Grant re Legal Officer	24		
Legal Services	Office Equipment		5	
Local Taxation	Introduce E Billing	10		
Office Accommodation	Civic Offices Atrium Works	8	23	
Office Accommodation	Potential Accommodation Changes		14	
Office Accommodation	Off-site Storage Facility		1	
Office Accommodation	Essential Works to Civic Offices	112	88	66
Office Accommodation	Comfort Cooling	50	50	
Office Accommodation	Works to Committee Rooms for Scrutiny meetings		4	
Payroll/HR	New ICT System		2	
Other Support Services	Potential Central Support Savings	56	55	
		<b>183</b>	<b>156</b>	<b>115</b>

\* This item relates to an overhead account, and as such does not appear as a separate item on any individual sheet.

\*\* This item does not appear as a separate item on any individual sheet as it does not relate to a specific Portfolio budget.

## **Finance, Performance Management & Corporate Support Services**

### **Housing Benefits**

#### **Rent Rebates**

The estimate for Rent Rebates granted in the current year has increased by nearly 4%, and for 2007/08 this figure has been increased for inflation of 5%. This increase in volume is a result of rent increases resulting from rent restructuring as per social rent reform guidelines with the related grant entitlement reassessed on the basis of the mid year estimate provided to DWP. There is no significant net change to the budget.

#### **Council Tax Benefits**

The estimate for Council Tax Benefits granted in the current year and 2007/08 has increased by around 17% in volume with the related grant entitlement reassessed on the basis of the mid year estimate provided to DWP. This figure has been increased for inflation by 5%. The increase relates to the general increase in Council Tax, and an increase in case load. There is no significant net change to the budget.

#### **Rent Allowances**

The estimate for Rent Allowances granted in the current year and 2007/08 has increased by around 8% in volume with the related grant entitlement reassessed on the basis of the mid year estimate provided to DWP. This figure has been increased for inflation by 5%, which is in line with general increases in the private rented sector.

#### **Non HRA Rent Rebates**

These relate to homeless people in Bed and Breakfast accommodation, which is provided in hotels. The estimates for the current year Revised and 2007/08 show an increase of 34% in volume, which is due to the longer stays necessary prior to establishing placements in permanent accommodation such as Housing Associations.

#### **Benefits Administration**

From 2006/07 administration subsidy has been distributed as a single figure and will include Verification Framework funding. The combined funding gives Local Authorities flexibility to fund their administration and security of benefits in accordance with local circumstances. A CSB Growth item of £15,000 is included in the current year for the costs of Electronic Document Management. A DDF item of £42,000 for Welfare Reform Start up costs, is included having been brought forward from 2005/06. DDF is also included for £40,000 in 2006/07 and 2007/08 for staff cover for maternity leave. A DDF item is included in 2007/08 relating to a replacement ICT system. CSB Growth is also included for the new system.

#### **Verification Framework**

The increased costs on current year Revised and 2007/08 relate to a reapportionment of overhead costs relating to the Housing Benefit Group.

#### **Fraud Investigation**

The increased costs on current year Revised and 2007/08 relate to a reapportionment of overhead costs relating to the Housing Benefit Group, which has been necessary due to a change in legislation.

## Finance, Performance Management and Corporate Support Services

### Housing Benefits

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
(94)	(94)	(91)	Rent Rebates	12,312	12,408	(96)
(108)	(76)	(80)	Council Tax Benefit	8,085	8,169	(84)
(129)	(127)	(154)	Rent Allowances	11,415	11,576	(161)
112	139	186	Non-HRA Rent Rebates	379	184	195
<b>(219)</b>	<b>(158)</b>	<b>(139)</b>	<b>Total Benefits</b>	<b>32,191</b>	<b>32,337</b>	<b>(146)</b>
427	447	530	Benefit Administration	1,060	600	460
170	188	288	Verification Framework	387	123	264
201	139	196	Fraud Investigation	282	106	176
<b>798</b>	<b>774</b>	<b>1,014</b>	<b>Total Administration</b>	<b>1,729</b>	<b>829</b>	<b>900</b>
<b>579</b>	<b>616</b>	<b>875</b>	<b>Total (Transferred to Summary)</b>	<b>33,920</b>	<b>33,166</b>	<b>754</b>
561	731	885	Continuing Services Budget			833
22	15	15	Continuing Services Budget - Growth			8
0	0	0	Continuing Services Budget - Savings			0
<b>583</b>	<b>746</b>	<b>900</b>	<b>Total Continuing Services Budget</b>			<b>841</b>
160	30	110	District Development Fund - Expenditure			80
(164)	(160)	(135)	District Development Fund - Savings			(167)
<b>(4)</b>	<b>(130)</b>	<b>(25)</b>	<b>Total District Development Fund</b>			<b>(87)</b>
<b>579</b>	<b>616</b>	<b>875</b>	<b>Portfolio Total</b>			<b>754</b>

## **Finance, Performance Management & Corporate Support Services**

### **Local Taxation**

#### **Council Tax & NNDR Collection**

The budget comprises the administration costs relating to the collection of Council Tax, and Non-Domestic Rates.

A CSB saving of £50,000 is included in the current year for an increase in court costs. A further saving of £21,000 is included for 2007/08. CSB Growth of £20,000 is included in the current year for the costs of two additional staff. The Revenues Division has experienced a large increase in workload during the previous and current financial years, due to recovery action and the additional telephone calls and correspondence generated.

The additional income and improved cash flow benefits have more than offset the additional costs related to the new staff required.

A DDF item is included in 2007/08 relating to a replacement Local Taxation and Benefits ICT system. CSB Growth is also included for the new system.

## Finance, Performance Management and Corporate Support Services

### Local Taxation

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
889	982	1,047	Council Tax Collection	1,414	362	1,052
21	37	39	NNDR Collection	237	198	39
<b>910</b>	<b>1,019</b>	<b>1,086</b>	<b>Total (Transferred to Summary)</b>	<b>1,651</b>	<b>560</b>	<b>1,091</b>
1,029	1,039	1,103	Continuing Services Budget			1,066
0	20	20	Continuing Services Budget - Growth			8
(122)	(50)	(50)	Continuing Services Budget - Savings			(23)
<b>907</b>	<b>1,009</b>	<b>1,073</b>	<b>Total Continuing Services Budget</b>			<b>1,051</b>
3	10	13	District Development Fund - Expenditure			40
0	0	0	District Development Fund - Savings			0
<b>3</b>	<b>10</b>	<b>13</b>	<b>Total District Development Fund</b>			<b>40</b>
<b>910</b>	<b>1,019</b>	<b>1,086</b>	<b>Portfolio Total</b>			<b>1,091</b>

## **Finance, Performance Management & Corporate Support Services**

### **Land and Property**

#### **Industrial Estates**

The budget comprises commercial property at Oakwood Hill, Brooker Road, North Weald, and Langston Road industrial estates.

Revised CSB savings are included in the current year of £20,000, relating to additional rent income at Brooker Road Industrial Estate, and Oakwood Hill Industrial Estate. This is down from the original estimate of £25,000.

Income of £26,000 continues to be included in the current year and 2007/08 relating to temporary car parking on the T11 site. A DDF item of £50,000 is included in the current year for initial costs relating to development proposals for Langston Road Industrial Estate.

#### **Unallocated Land and Buildings Management**

The budget contains the cost of unallocated land, depot and office space, This is land that is no longer required by the Service and will be considered for alternative use, or sale.

External letting Income from Waltham Abbey Town Council, Essex County Libraries, Gristwood and Toms, and WRVS, is included in respect of external charges for use of depot space at various locations.

There is a reduction in budgets relating to the change in accounting for capital, explained in the introduction, and for 2007/08 there is an increase in unallocated Civic Office space resulting from the transfer of Highways to the County.

#### **David Lloyd Centre**

This budget relates to the Council's share of income and expenditure relating to the David Lloyd Centre. The agreement entitles the Council to receive a basic rent and 1.5% commission on turnover.

#### **Other Land and Property**

This budget relates to general way-leaves receivable, the property at Greenyard, Waltham Abbey and Service dwellings.

## Finance, Performance Management and Corporate Support Services

### Land and Property

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
(176)	(180)	(171)	Brooker Road	28	200	(172)
(155)	(99)	(94)	Langston Road	11	156	(145)
(325)	(342)	(342)	Oakwood Hill	17	359	(342)
(143)	(142)	(139)	Oakwood Hill Workshops	27	167	(140)
11	12	0	North Weald	0	0	0
<b>(788)</b>	<b>(751)</b>	<b>(746)</b>	<b>Total Industrial Estates</b>	<b>83</b>	<b>882</b>	<b>(799)</b>
71	59	49	Unappropriated Land & Buildings	162	85	77
(102)	(102)	(98)	David Lloyd Centre	5	103	(98)
(5)	(11)	(9)	Other Land & Property	7	16	(9)
<b>(36)</b>	<b>(54)</b>	<b>(58)</b>	<b>Total Land &amp; Property</b>	<b>174</b>	<b>204</b>	<b>(30)</b>
<b>(824)</b>	<b>(805)</b>	<b>(804)</b>	<b>Total (Transferred to Summary)</b>	<b>257</b>	<b>1,086</b>	<b>(829)</b>
(803)	(830)	(839)	Continuing Services Budget			(829)
17	0	0	Continuing Services Budget - Growth			0
(61)	(25)	(20)	Continuing Services Budget - Savings			0
<b>(847)</b>	<b>(855)</b>	<b>(859)</b>	<b>Total Continuing Services Budget</b>			<b>(829)</b>
23	50	55	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>23</b>	<b>50</b>	<b>55</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>(824)</b>	<b>(805)</b>	<b>(804)</b>	<b>Portfolio Total</b>			<b>(829)</b>



## **Finance, Performance Management & Corporate Support Services**

### **Other Activities**

#### **Outdoor Youth Facilities**

This budget relates to the write off of Grants expenditure from the Capital Programme provision of £100,000 per annum for three years (2005/06 to 2007/08) for grants to Town and Parish Councils in the Epping Forest District to assist in the provision of outdoor facilities. This expenditure is properly included as capital but as no asset arises from the transaction it should be written off to revenue in the year of spend.

#### **NNDR Discretionary Relief**

This budget relates to the National Non Domestic Rate relief for charities and organisations not established or conducted for profit. The relief under section 47 of the LG Finance Act gives the Council power to grant up to a further 20% discretionary relief to those receiving mandatory relief. There is no change in the level of relief.

#### **Finance Miscellaneous**

This budget comprises various miscellaneous finance activities, provisions and contingencies which are identified independently within this Portfolio for information.

The main change to Finance Miscellaneous in the current year and for 2007/08 relates to a reduction in the surplus on the Insurance Fund, as a result of a general reduction in the premium costs charged. The CSB saving originally included in the current year of £114,000 relating to the Central Support savings arising from the transfer of Highways to Essex County Council from 1 April 2005, and the change in management of Leisure Centres to SLM on 4 January 2006, is now accounted for within the services. A DDF item in the current year of £55,000 is also included for restructuring costs linked to the loss of these services, and this is now accounted for within the relevant services.

A DDF saving of £52,000 is included for the current year relating to the Performance Reward Grant earned by this Council as a result of achieving predetermined performance targets.

#### **Vacancy Allowance**

The Revised Estimate for the current year includes a credit for a vacancy allowance of £140,000. The Estimate for 2007/08 includes a vacancy allowance of £420,000, which is equivalent to 3% of gross non HRA salaries

#### **Provision for Bad and Doubtful Debts**

Due to the significant improvement in the collection of Sundry Debtors, the provision has been reduced.

## Finance, Performance Management and Corporate Support Services

### Other Activities

2005/06	2006/07			2007/08		
Actual £000	Original Estimate £000	Revised Estimate £000		Gross Expend £000	Gross Income £000	Net Expend £000
55	100	129	Outdoor Youth Facilities	126	0	126
32	30	32	NNDR Discretionary Relief	32	0	32
(433)	(11)	(197)	Finance Miscellaneous	41	0	41
<b>(346)</b>	<b>119</b>	<b>(36)</b>	<b>Total Other Activities</b>	<b>199</b>	<b>0</b>	<b>199</b>
0	(165)	(140)	Vacancy Allowance	(420)	0	(420)
26	123	0	Provision for Bad & Doubtful Debts	20	0	20
<b>26</b>	<b>(42)</b>	<b>(140)</b>	<b>Total Contingency Items</b>	<b>(400)</b>	<b>0</b>	<b>(400)</b>
<b>(320)</b>	<b>77</b>	<b>(176)</b>	<b>Total (Transferred to Summary)</b>	<b>(201)</b>	<b>0</b>	<b>(201)</b>
(278)	150	(141)	Continuing Services Budget			(144)
0	0	0	Continuing Services Budget - Growth			0
0	(114)	0	Continuing Services Budget - Savings			(77)
<b>(278)</b>	<b>36</b>	<b>(141)</b>	<b>Total Continuing Services Budget</b>			<b>(221)</b>
10	93	17	District Development Fund - Expenditure			20
(52)	(52)	(52)	District Development Fund - Savings			0
<b>(42)</b>	<b>41</b>	<b>(35)</b>	<b>Total District Development Fund</b>			<b>20</b>
<b>(320)</b>	<b>77</b>	<b>(176)</b>	<b>Portfolio Total</b>			<b>(201)</b>

## **Finance, Performance Management & Corporate Support Services**

### **Finance Support Services**

The Support Services for the portfolio are now shown independently in order to give a fair view of all directly related resources for the Portfolio.

#### **Financial Policy Group**

There are no significant variations, other than inflation.

#### **Accountancy**

There are no significant variations, other than inflation.

#### **Accounts Payable**

There are no significant variations, other than inflation.

#### **Insurance and Credit control**

A DDF item of £2,000 is included in the current year Revised Estimate for the implementation of the Risk Management Strategy, and a further £9,000 for 2007/08.

#### **Treasury Management**

There are no significant variations, other than inflation.

#### **Cashiers**

There are no significant variations, other than inflation.

#### **District Audit and Bank Charges**

The Audit Commission District Audit Fees have been revised and are now geared to the CPA process. There are no significant variations, other than inflation

## Finance, Performance Management and Corporate Support Services

### Finance Support Services

2005/06 Actual £000	2006/07			2007/08		
	Original Estimate £000	Revised Estimate £000		Gross Expend £000	Gross Income £000	Net Expend £000
297	304	315	Financial Policy Group	325	0	325
462	529	497	Accountancy	522	0	522
75	79	79	Accounts Payable	85	0	85
55	49	53	Insurance and Financial Control	168	103	65
9	9	9	Treasury Management	9	0	9
195	209	210	Cashiers	216	0	216
193	203	205	District Audit / Bank Charges	205	0	205
<b>1,286</b>	<b>1,382</b>	<b>1,368</b>	<b>Total (Transferred to Summary)</b>	<b>1,530</b>	<b>103</b>	<b>1,427</b>
1,455	1,382	1,366	Continuing Services Budget			1,418
16	0	0	Continuing Services Budget - Growth			0
(190)	0	0	Continuing Services Budget - Savings			0
<b>1,281</b>	<b>1,382</b>	<b>1,366</b>	<b>Total Continuing Services Budget</b>			<b>1,418</b>
5	0	2	District Development Fund - Expenditure			9
0	0	0	District Development Fund - Savings			0
<b>5</b>	<b>0</b>	<b>2</b>	<b>Total District Development Fund</b>			<b>9</b>
<b>1,286</b>	<b>1,382</b>	<b>1,368</b>	<b>Portfolio Total</b>			<b>1,427</b>

## **Finance, Performance Management & Corporate Support Services**

### **Legal and Administration Services**

#### **Legal Services**

DDF items for the current year relate to £2,000 for data capture for the land terrier system, £2,000 for the registration of unregistered titles relating to Council property, and £5,000 for office equipment. DDF items for 2007/08 relate to a further £9,000 for data capture for the land terrier system, £17,000 for the computerisation of Land Terrier records, and £41,000 for the registration of unregistered titles relating to Council property.

#### **Legal General Administration**

There are no significant variations, other than inflation.

#### **Secretarial Services**

There are no significant variations, other than inflation.

#### **Reprographics**

There are no significant variations, other than inflation.

## Finance, Performance Management and Corporate Support Services

### Legal and Administration Services

2005/06 <i>Actual</i> £000	2006/07			2007/08		
	<i>Original Estimate</i> £000	<i>Revised Estimate</i> £000		Gross Expend £000	Gross Income £000	Net Expend £000
456	536	496	Legal Services	612	45	567
200	212	183	Legal General Administration	211	10	201
134	190	186	Secretarial Services	187	0	187
229	242	238	Reprographics	242	1	241
<b>1,019</b>	<b>1,180</b>	<b>1,103</b>	<b>Total (Transferred to Summary)</b>	<b>1,252</b>	<b>56</b>	<b>1,196</b>
961	1,138	1,094	Continuing Services Budget			1,129
22	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>983</b>	<b>1,138</b>	<b>1,094</b>	<b>Total Continuing Services Budget</b>			<b>1,129</b>
36	42	9	District Development Fund - Expenditure			67
0	0	0	District Development Fund - Savings			0
<b>36</b>	<b>42</b>	<b>9</b>	<b>Total District Development Fund</b>			<b>67</b>
<b>1,019</b>	<b>1,180</b>	<b>1,103</b>	<b>Portfolio Total</b>			<b>1,196</b>

## **Finance, Performance Management & Corporate Support Services**

### **Accommodation Services**

#### **Office Accommodation**

CSB Growth originally included in the current year relating to Civic Office refuse collection disposal and recycling, is now contained within the existing budget. The current year includes CSB Growth of £2,000 for additional office cleaning materials, and £15,000 for the additional costs of re-letting the office cleaning contract, with a further £7,000 in 2007/08. Growth is also included in both years for the significant increases in gas and electricity prices.

DDF items are included in the current year for £1,000 relating to off-site storage facilities, £14,000 for various potential accommodation changes, and £138,000 for Civic Offices essential works and comfort cooling, £4,000 for works to committee rooms for scrutiny meetings, and £23,000 for Civic Office Atrium

DDF items for 2007/08 relate to £66,000 for the programme of essential work to Civic Offices.

#### **Superintendents/Duty Officers**

The increase in the budget for the current year relates to additional overtime worked as a result of long term staff sickness for a Superintendent and a Duty Officer.

#### **Catering**

There are no variations.

#### **Depots**

Growth is included in both years for the significant increases in gas and electricity prices.

## Finance, Performance Management and Corporate Support Services

### Accommodation Services

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
945	1,012	1,155	Office Accommodation	1,132	17	1,115
92	94	99	Superintendents	99	0	99
112	110	117	Duty Officers	113	0	113
10	14	14	Catering (Civic Offices)	14	0	14
<b>1,159</b>	<b>1,230</b>	<b>1,385</b>	<b>Total Office Accommodation</b>	<b>1,358</b>	<b>17</b>	<b>1,341</b>
243	236	244	Depot Accommodation	261	0	261
<b>1,402</b>	<b>1,466</b>	<b>1,629</b>	<b>Total (Transferred to Summary)</b>	<b>1,619</b>	<b>17</b>	<b>1,602</b>
1,297	1,241	1,386	Continuing Services Budget			1,485
36	55	63	Continuing Services Budget - Growth			51
(20)	0	0	Continuing Services Budget - Savings			0
<b>1,313</b>	<b>1,296</b>	<b>1,449</b>	<b>Total Continuing Services Budget</b>			<b>1,536</b>
89	170	180	District Development Fund - Expenditure			66
0	0	0	District Development Fund - Savings			0
<b>89</b>	<b>170</b>	<b>180</b>	<b>Total District Development Fund</b>			<b>66</b>
<b>1,402</b>	<b>1,466</b>	<b>1,629</b>	<b>Portfolio Total</b>			<b>1,602</b>



## **Finance, Performance Management & Corporate Support Services**

### **Other Support Services**

The non Finance Support Services for the portfolio are now shown and include Estates and Valuation, Building Maintenance, Performance Management Unit and Internal Audit.

#### **Finance General Administration**

A CSB saving of £15,000 is included in the current year for the deletion of a post which has been held vacant pending the introduction of the approved Scanning and Indexing system for Housing Benefits.

#### **Payroll**

A DDF item of £2,000 is included in the current year for the residual costs relating to the implementation of a new HR/Payroll IT package. The reduction in the budgets for the current year and 2007/08 is due to the reduction in establishment resulting from a redundancy brought about by the transfer of Leisure Centre Management to SLM and Highways agency to the Essex County Council.

#### **Human Resources**

A CSB saving of £50,000 is included in the current year relating to staff recruitment and retention. A saving is also now included arising from the reduction in establishment, brought about by the transfer of Leisure Centre Management to SLM and Highways agency to the Essex County Council.

#### **Estates and Valuation**

There are no significant variations, other than inflation.

#### **Building Maintenance**

A CSB Growth item of £4,000 relating to inflation, is included in the planned maintenance programme.

#### **Performance Management**

The actual for 2005/06 reflects the significant savings resulting from staff vacancies and consultants fees. The current year Revised Estimate reflects the savings arising from the vacant posts of Corporate Support Officer, and a trainee Performance Improvement Officer post, which have now been filled.

#### **Internal Audit**

The reduced costs relate to salary savings.

## Finance, Performance Management and Corporate Support Services

### Other Support Services

<i>2005/06</i>		<i>2006/07</i>		<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
108	103	105	Finance General Admin	110	1	109
110	108	93	Payroll	83	1	82
445	612	529	Human Resources	553	0	553
355	359	369	Estates & Valuation	390	15	375
404	256	256	Building Maintenance	260	0	260
185	221	206	Performance Management	247	0	247
236	242	232	Internal Audit	237	0	237
<b>1,843</b>	<b>1,901</b>	<b>1,790</b>	<b>Total (Transferred to Summary)</b>	<b>1,880</b>	<b>17</b>	<b>1,863</b>
2,010	1,916	1,912	Continuing Services Budget			1,859
0	0	0	Continuing Services Budget - Growth			4
0	(15)	(179)	Continuing Services Budget - Savings			0
<b>2,010</b>	<b>1,901</b>	<b>1,733</b>	<b>Total Continuing Services Budget</b>			<b>1,863</b>
7	0	57	District Development Fund - Expenditure			0
(174)	0	0	District Development Fund - Savings			0
<b>(167)</b>	<b>0</b>	<b>57</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>1,843</b>	<b>1,901</b>	<b>1,790</b>	<b>Portfolio Total</b>			<b>1,863</b>

**FINANCE, PERFORMANCE MANAGEMENT AND CORPORATE SUPPORT SERVICES PORTFOLIO  
SUBJECTIVE ANALYSIS 2007/08**

Cost Centre	Employees	Premises Related Expenses	Transport	Supplies Related Expenses	Transfer Payments	Support Services	Depreciation Charges	(Internally Recharged)	Gross Revenue Expenditure	Fees & Charges	Rental Income	Government Grant	Other Income	Gross Income	Net Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Rent Rebates									12,312,300			12,407,850		12,407,850	(95,550)
Council Tax Benefit					8,085,000	-			8,085,000			8,169,000		8,169,000	(84,000)
Rent Allowances					11,414,550				11,414,550			11,576,410		11,576,410	(161,860)
Non-HRA Rent Rebates					379,050				379,050			183,750		183,750	195,300
Benefit Administration	577,620	770	16,470	127,980		336,710			1,059,550			600,040		600,040	459,510
Verification Framework	277,150		7,900	20,920		81,100			387,070			123,000		123,000	264,070
Fraud Investigation	172,310		4,910	22,200		82,480			281,900			106,000		106,000	175,900
Council Tax Collection	671,760	210	14,800	216,000		511,120			1,413,890	362,000		166,000		362,000	1,051,890
NINDR Collection	129,740		2,910	13,620		91,170			237,440	32,000				198,000	39,440
Brooker Road Industrial Estate		5,820				22,330			28,150		200,000			200,000	(171,850)
Langston Road Industrial Estate						11,434			11,434		156,000			156,000	(144,566)
Oakwood Hill Industrial Estate		770				16,490			17,260		359,000			359,000	(341,740)
Oakwood Hill Workshops Units		15,920				10,950			26,870		167,000			167,000	(140,130)
North Weald Industrial Estate									-					-	-
Unappropriated Land & Building		122,760		58,380		4,460		(23,320)	162,280		85,400			85,400	76,880
David Lloyd Centre						4,720			4,720		102,990			102,990	(98,270)
Other Land & Property						6,930			6,930		16,000			16,000	(9,070)
North Weald Airfield Strategy									-					-	-
Outdoor Youth Facilities	4,050		190	130		1,080			126,450					-	126,450
NINDR Discretionary Relief		32,000		(46,690)					32,000					-	32,000
Finance Miscellaneous						87,370			40,680					-	40,680
Job Evaluation									-					-	-
Pension Costs	2,504,000								-					-	-
Vacancy Allowance	(420,000)								(420,000)					-	(420,000)
Provision for Bad Debts				20,000					20,000					-	20,000
<b>Total</b>	<b>3,916,630</b>	<b>178,250</b>	<b>47,180</b>	<b>432,540</b>	<b>32,190,900</b>	<b>1,268,344</b>	<b>121,000</b>	<b>(2,527,320)</b>	<b>35,627,524</b>	<b>394,000</b>	<b>1,086,390</b>	<b>33,332,050</b>	<b>-</b>	<b>34,812,440</b>	<b>815,084</b>

**FINANCE, PERFORMANCE MANAGEMENT AND CORPORATE SUPPORT SERVICES PORTFOLIO  
SUBJECTIVE ANALYSIS 2007/08**

Cost Centre	Employees	Premises Related Expenses	Transport	Supplies Related Expenses	Transfer Payments	Support Services	Depreciation Charges	(Internally Recharged)	Gross Revenue Expenditure	Fees & Charges	Rental Income	Government Grant	Other Income	Gross Income	Net Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Finance Services</b>															
Financial Policy Group	301,250		22,940	3,080		46,210		(373,480)	-					-	-
Accountancy	471,420		11,470	45,760		156,690		(685,340)	-					-	-
Accounts Payable	77,860		-	10,010		76,850		(164,720)	-					-	-
Insurance and Financial Control	146,130		1,910	23,420		56,910		(125,100)	103,270	103,270				103,270	-
Treasury Management						50,190		(58,880)	-					-	-
Cashiers	179,410		1,130	41,920		93,710		(316,170)	-					-	-
District Audit / Bank Charges				204,690		7,170		(211,860)	-					-	-
Finance General Admin	73,080		900	36,430		55,030		(164,920)	520	520				520	-
Payroll	81,420		100	4,340		39,120		(123,810)	1,170	1,170				1,170	-
<b>Other Support Services</b>															
Estates & Valuation	343,690		16,850	35,690		107,320		(488,620)	14,930	14,930				14,930	-
Building Maintenance		259,860				161,480		(421,340)	-					-	-
Performance Management Unit	168,690		650	81,140		108,830		(359,310)	-					-	-
Internal Audit	227,170		4,790	8,030		42,070		(282,060)	-					-	-
Human Resources	506,160		10,180	51,220		122,510		(690,000)	70	70				70	-
<b>Legal &amp; Admin</b>															
Estate Services	461,510		1,630	162,160		213,480		(793,910)	44,870	44,870				44,870	-
Legal General Admin	136,380		15,000	65,250		69,900		(276,790)	9,740	9,740				9,740	-
Secretarial Services	178,410		10	9,590		46,310		(234,320)	-					-	-
Reprographics	127,390		60	116,150		56,020		(298,940)	680	680				680	-
Corporate Filing Facility						1,870		(1,870)	-					-	-
Office Accommodation	34,390		210	78,260		275,010		(1,391,210)	17,310	17,310				17,310	-
Superintendents	98,140		10	2,140		17,340		(117,630)	-					-	-
Duty Officers	113,010		10	2,050		9,060		(124,130)	-					-	-
Catering	590			13,870		9,680		(24,140)	-					-	-
Depot Accommodation	20,990		960	6,860		35,820		(368,820)	210	210				210	-
	<b>3,747,090</b>	<b>1,374,720</b>	<b>88,810</b>	<b>1,010,750</b>	<b>-</b>	<b>1,858,580</b>	<b>210,190</b>	<b>(8,097,370)</b>	<b>192,770</b>	<b>192,770</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192,770</b>	<b>-</b>

**Note: The costs shown above represent total actual costs whereas the costs identified on the summary sheets represent the directly controllable expenses.**

Cost Centre	Employees	Premises Related Expenses	Transport	Supplies Related Expenses	Transfer Payments	Support Services	Depreciation Charges	(Internally Recharged)	Gross Revenue Expenditure	Fees & Charges	Rental Income	Government Grant	Other Income	Gross Income	Net Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Third Party Payments</b>															
Legal & Administration	385,010		2,320	7,440		63,230		(458,000)	-					-	-
Corporate Training	57,630	8,510		320		108,920		(175,380)	-					-	-
Car Leasing	25,660		350,760	7,520		60,740		(345,680)	99,000				99,000	99,000	-
Revenue & Benefit New IT System															
Revenue Group	789,990		17,480	27,730		204,480		(1,039,680)	-					-	-
Housing Benefit Group	1,025,220		28,960	76,670		298,450		(1,429,300)	-					-	-
	<b>2,283,510</b>	<b>8,510</b>	<b>399,520</b>	<b>119,680</b>	<b>-</b>	<b>735,820</b>	<b>-</b>	<b>-3,448,040</b>	<b>99,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,000</b>	<b>99,000</b>	<b>-</b>

**CUSTOMER SERVICES, MEDIA COMMUNICATIONS & ICT PORTFOLIO**  
**ESTIMATES 2007/08**

## Customer Services, Media Communications & ICT

### Revenue Budget 2007/08

#### Introduction

The Portfolio is responsible for the following services.

Customer Services  
Compliments & Complaints  
Public Relations & Information  
Information Communications Technology & E-Government

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2006. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.

The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Customer Services, Media Communications & ICT

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Direct Services</b>						
111	90	112	Customer Services	105	0	105
51	61	63	Compliments & Complaints	63	0	63
<b>162</b>	<b>151</b>	<b>175</b>	<b>Total (Transferred to GF Summary)</b>	<b>168</b>	<b>0</b>	<b>168</b>
<b>Support and Trading Services</b>						
1,749	2,313	2,392	Information Technology	2,065	0	2,065
295	352	331	Public Relations & Information	368	0	368
(47)	(61)	(62)	Recharged to this Portfolio	(55)	0	(55)
(1,997)	(2,604)	(2,661)	Recharged to other Portfolios	(2,378)	0	(2,378)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>162</b>	<b>151</b>	<b>175</b>	<b>Portfolio Total</b>	<b>168</b>	<b>0</b>	<b>168</b>
(12)	14	69	Continuing Services Budget			137
70	106	106	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>58</b>	<b>120</b>	<b>175</b>	<b>Total Continuing Services Budget</b>			<b>137</b>
104	31	0	District Development Fund - Expenditure			31
0	0	0	District Development Fund - Savings			0
<b>104</b>	<b>31</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>31</b>
<b>162</b>	<b>151</b>	<b>175</b>	<b>Total</b>			<b>168</b>

**Customer Services, Media, Communications & ICT  
Development Fund & Growth Items**

<b>Original</b>	<b>Revised</b>	<b>Original</b>
<b>2006/07</b>	<b>2006/07</b>	<b>2007/08</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>

**CSB Growth Items**

ICT	Service restructure - Corporate ICT Strategy	60	60
ICT	Revenue Growth arising from IEG Initiatives	18	18
ICT	Training - Staff Restructuring	10	10
ICT	Essex eMarket Place Subscription	18	18

<b>106</b>	<b>106</b>	<b>0</b>
------------	------------	----------

<b>Original</b>	<b>Revised</b>	<b>Original</b>
<b>2006/07</b>	<b>2006/07</b>	<b>2007/08</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>

**Development Fund Items**

Public Relations	Improvements to Main Reception Area	31	31
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<b>31</b>	<b>0</b>	<b>31</b>
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## **Customer Services, Media Communications & ICT**

### **Direct Services**

#### **Customer Services**

The budget relates to general liaison with the public.

The increases in the budget relate to a reallocation of overhead charges for computers and the web site.

#### **Compliments & Complaints**

The budget relates to the operation of the compliments and complaints procedure.

The increases relate only to inflation.

## Customer Services, Media Communications & ICT

### Direct Services

2005/06	2006/07			2007/08		
<i>Actual</i> £000	<i>Original</i> <i>Estimate</i> £000	<i>Revised</i> <i>Estimate</i> £000		Gross Expend £000	Gross Income £000	Net Expend £000
111	90	112	Customer Services	105	0	105
51	61	63	Compliments & Complaints	63	0	63
<b>162</b>	<b>151</b>	<b>175</b>	<b>Total (Transferred to Summary)</b>	<b>168</b>	<b>0</b>	<b>168</b>
148	151	175	Continuing Services Budget			168
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>148</b>	<b>151</b>	<b>175</b>	<b>Total Continuing Services Budget</b>			<b>168</b>
14	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>14</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>162</b>	<b>151</b>	<b>175</b>	<b>Portfolio Total</b>			<b>168</b>

## **Customer Services, Media Communications & ICT**

### **Information Communications Technology & E-Govt**

#### **Information Technology**

The current year budget includes CSB Growth of £60,000 for the service restructuring as part of the Corporate ICT Strategy. CSB Growth is also included for IEG initiatives, with £18,000 included for the current year. Growth of £10,000 is also included in the current year for training relating to the restructuring and £18,000 for the Essex eMarket Place subscription.

Other significant changes relate to a high level of charges in the current year Revised Estimate arising from the funding of IT software from capital resources. This expenditure is written off to the revenue account in the year of spend.

#### **Telephones**

The reduction in this budget from the Original current year estimate relates to an internal accounting change only. Direct salaries costs are now included centrally within the main IT account and then recharged out to specific cost centres, appearing in those budgets as support services.

#### **Website**

The reduction in this budget from the Original current year estimate relates to an internal accounting change only. Direct salaries costs are now included centrally within the main IT account and then recharged out to specific cost centres, appearing in those budgets as support services.

## Customer Services, Media Communications & ICT

### Information Communications Technology & E- Govt

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
1,365	1,888	2,175	Information Technology	1,843	0	1,843
328	366	200	Telephones	205	0	205
56	59	17	Website	17	0	17
<b><u>1,749</u></b>	<b><u>2,313</u></b>	<b><u>2,392</u></b>	<b>Total (Transferred to Summary)</b>	<b><u>2,065</u></b>	<b><u>0</u></b>	<b><u>2,065</u></b>
1,589	2,207	2,286	Continuing Services Budget			2,065
70	106	106	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b><u>1,659</u></b>	<b><u>2,313</u></b>	<b><u>2,392</u></b>	<b>Total Continuing Services Budget</b>			<b><u>2,065</u></b>
90	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b><u>90</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b>Total District Development Fund</b>			<b><u>0</u></b>
<b><u>1,749</u></b>	<b><u>2,313</u></b>	<b><u>2,392</u></b>	<b>Portfolio Total</b>			<b><u>2,065</u></b>

## **Customer Services, Media Communications & ICT**

### **Support Services**

#### **Public Relations & Information**

A DDF item of £31,000 was included in the current year relating to improvements to the main reception area in the Civic Offices. This item has now been re-phased to 2007/08. There are no other significant changes to this budget, other than inflation .

## Customer Services, Media Communications & ICT

### Support Services

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
295	352	331	Public Relations & Information	368	0	368
<b>295</b>	<b>352</b>	<b>331</b>	<b>Total (Transferred to Summary)</b>	<b>368</b>	<b>0</b>	<b>368</b>
295	321	331	Continuing Services Budget			337
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>295</b>	<b>321</b>	<b>331</b>	<b>Total Continuing Services Budget</b>			<b>337</b>
0	31	0	District Development Fund - Expenditure			31
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>31</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>31</b>
<b>295</b>	<b>352</b>	<b>331</b>	<b>Portfolio Total</b>			<b>368</b>

**CUSTOMER SERVICES, MEDIA COMMUNICATIONS & ICT PORTFOLIO  
SUBJECTIVE ANALYSIS 2007/08**

Cost Centre	Employees	Premises Related Expenses	Transport	Supplies Related Expenses	Third Party	Support Services	Depreciation Charges	(Internally Recharged)	Gross Expenditure	Fees & Charges	Other Income	Gross Income	Net Expenditure
Customer Services	17,650		530	8,760		78,400			105,340			-	105,340
Compliments & Complaints	44,470		1,350	4,250		12,690			62,760			-	62,760
Information Technology	1,106,280		13,750	601,910		161,490	142,160	(2,025,590)	-			-	-
Telephones	6,670		-	198,710	-	214,190	-	(419,570)	-			-	-
Website				16,590		95,950		(112,540)	-			-	-
Public Relations & Information	230,340		8,100	129,090		99,860		(467,280)	110	110		110	-
<b>Total</b>	<b>1,175,070</b>	<b>-</b>	<b>15,630</b>	<b>830,220</b>	<b>-</b>	<b>562,720</b>	<b>142,160</b>	<b>(2,557,700)</b>	<b>168,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>168,100</b>

Note: The costs shown above represent total actual costs whereas the costs identified on the summary sheets represent the directly controllable expenses.

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**HOUSING PORTFOLIO  
GENERAL FUND  
ESTIMATES 2007/08**

# Housing

## Revenue Budget 2007/08

### Introduction

The Housing (General) Portfolio is responsible for the following services;

Homelessness  
Bed and Breakfast Accommodation  
Social Housing Grants  
Housing Strategy  
Private Sector Housing

Further details of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2005. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – These are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** –The Cabinet has no part to play in the exercise of regulatory functions such as planning and licencing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the relevant portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. To avoid double counting, these costs are reversed out, in order to show the net cost of the portfolio.

The summary page includes the traditional re-analysis of the budget in terms of its opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Housing

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
	£000	£000		£000	£000	£000
<b>Direct Services</b>						
113	223	583	Private Sector Housing	1,668	967	701
262	251	238	Homeless	673	451	222
43	47	48	Housing Strategy	45	0	45
16	726	1,012	Affordable Housing Grants	722	0	722
0	0	0	Leasehold Services Administration	150	150	0
<b>Portfolio Total</b>						
<b>(Transferred to GF Summary)</b>						
<b>434</b>	<b>1,247</b>	<b>1,881</b>		<b>3,258</b>	<b>1,568</b>	<b>1,690</b>
362	1,197	1,783	Continuing Services Budget			1,486
31	41	59	Continuing Services Budget - Growth			178
0	0	0	Continuing Services Budget - Savings			0
<b>Total Continuing Services Budget</b>				<b>1,664</b>		
41	9	39	District Development Fund - Expenditure			26
0	0	0	District Development Fund - Savings			0
<b>Total District Development Fund</b>				<b>26</b>		
<b>Portfolio Total</b>				<b>1,690</b>		

## Housing General Fund

### Development Fund and Growth Items

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>CSB Growth Items</b>				
Private Sector Housing	Additional Resources for CARE and Private Sector Grants	25	22	
Housing Strategy	Contribution re Regional Hsg Co-ordinator		2	
Private Sector Housing	Additional Staffing	13	13	
Handyman Scheme	Additional Resources	3	3	
Private Sector Housing	Env.Health Practitioner for HMO's		19	19
Reinstatement Grants	End of Subsidy			113
Private Sector Housing	Env.Health Practitioner New Post			41
Private Sector Housing	Finders Fee			5
		<u>41</u>	<u>59</u>	<u>178</u>
<b>Development Fund Items</b>				
<b>Direct</b>				
Homelessness	Homeless Prevention Officers (net)	9	9	9
Private Sector Housing	Stock Condition Survey		30	4
Private Sector Housing	Handyperson Scheme			3
Private Sector Housing	Consultancy			10
		<u>9</u>	<u>39</u>	<u>26</u>

## **Housing General Fund**

### **Private Sector Housing**

#### **Private Sector Grants**

The revised and original estimates include the writing off of the additional grants expenditure on Disabled Facility and other private sector grants included in the capital programme. There will be some extra central government funding but overall net expenditure will increase in both 2006/07 and 2007/08. Having said that these charges are reversed out of the Revenue Account and therefore do not affect the level of the Council Tax.

#### **Reinstatement Grants**

The budget consists mainly of the central government subsidy due in respect of reinstatement grants given under section 541 of the 1985 Housing Act between 1987 and 1991. The subsidy was for loan charges on those grants and lasts for 20 years from the inception of each grant. This subsidy is due to end over the next few years.

#### **Other Private Sector Housing Work**

This budget contains the costs related to Private sector housing that do not fall elsewhere. There is an increased emphasis being placed by central government on the issue of bringing empty homes back into use, as a result staff allocations from elsewhere have increased as well as the inclusion of a CSB growth item for an additional practitioner.

#### **Care and Repair**

There is expected to be an increase in fee income to this budget in both 2006/07 and 2007/08. This is due to the aforementioned expenditure increases on all private sector grants.

#### **House Condition Survey**

The survey was completed early in 2006/07. The remainder of the budget is for the follow on Housing Private Sector Policy work some of which will occur in 2007/08.

#### **Housing Act Advances**

There are only a few remaining Housing Act Advances. The remaining costs relate to a small amount of residual admin work.

#### **Handyperson Scheme**

The budget for the Handyperson scheme has been transferred from the Community Wellbeing Portfolio for 2006/07. Costs relate to recharges from Environmental Health Service group for dedicated administrative support. Income of £10,250 is received from Essex County Council to assist in funding the scheme. A slight reduction in staff allocations has occurred.

## Housing General Fund

### Private Sector Housing

2005/06 Actual £000	2006/07 Original Estimate Revised Estimate £000    £000			2007/08 Gross Expend £000	2007/08 Gross Income £000	Net Expend £000
443	456	745	Private Sector Grants	1,241	545	696
(516)	(443)	(444)	Reinstatement Grants	2	331	(329)
81	109	168	Other Private Sector Housing	247	0	247
10	12	11	General Improvement Areas	12	0	12
26	52	46	Care & Repair	125	81	44
41	0	30	House Condition Survey	4	0	4
13	13	6	Housing Act Advances	5	0	5
15	24	21	Handyperson Scheme	32	10	22
<b>113</b>	<b>223</b>	<b>583</b>	<b>Total (Transferred to Summary)</b>	<b>1,668</b>	<b>967</b>	<b>701</b>
54	182	494	Continuing Services Budget			506
18	41	59	Continuing Services Budget - Growth			178
0	0	0	Continuing Services Budget - Savings			0
<b>72</b>	<b>223</b>	<b>553</b>	<b>Total Continuing Services Budget</b>			<b>684</b>
41	0	30	District Development Fund - Expenditure			17
0	0	0	District Development Fund - Savings			0
<b>41</b>	<b>0</b>	<b>30</b>	<b>Total District Development Fund</b>			<b>17</b>
<b>113</b>	<b>223</b>	<b>583</b>	<b>Portfolio Total</b>			<b>701</b>

## **Housing General Fund**

### **Homelessness**

#### **Homelessness**

The DCLG have confirmed that funding of £60,000 is available in 2007/08 for the homeless prevention service. This is the same as in 2006/07 which in turn was slightly better than expected. Both the 2006/07 revised and the 2007/08 original reflect this position.

#### **Bed and Breakfast Accommodation**

The Charges are set based on the average cost of hotels used and the expected management cost of arranging for homeless people to be placed in accommodation.

#### **Fresh Start Scheme**

This budget relates to payments made to the Registered Social Landlord that runs the scheme.

#### **Short Term Leased Accommodation**

This relates to four properties in Ongar let to former homeless families. As these properties are not owned by the Council these should be accounted for within the general fund.

## Housing General Fund

### Homelessness

2005/06 Actual £000	2006/07 Original Estimate Revised Estimate £000			2007/08 Gross Expend £000	2007/08 Gross Income £000	Net Expend £000
179	187	195	Homelessness	239	60	179
74	41	16	Bed & Breakfast Accommodation	391	374	17
10	23	26	Fresh Start Scheme	26	0	26
(1)	0	1	Housing Needs Survey	0	0	0
0	0	0	Short Term Leased Accomodation	17	17	0
<b>262</b>	<b>251</b>	<b>238</b>	<b>Total (Transferred to Summary)</b>	<b>673</b>	<b>451</b>	<b>222</b>
252	242	229	Continuing Services Budget			213
10	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>262</b>	<b>242</b>	<b>229</b>	<b>Total Continuing Services Budget</b>			<b>213</b>
0	9	9	District Development Fund - Expenditure			9
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>9</b>	<b>9</b>	<b>Total District Development Fund</b>			<b>9</b>
<b>262</b>	<b>251</b>	<b>238</b>	<b>Portfolio Total</b>			<b>222</b>



## **Housing General Fund**

### **Other Activities**

#### **Housing Investment Programme**

The variation on this budget relates to staff allocations from Housing Services.

#### **Affordable Housing Grants**

The Capital Programme includes the providing of Capital Grants to Housing Associations to enable the provision of some affordable housing on small areas of surplus HRA land. This transaction does not result in the creation of a Council asset and therefore is written off to the revenue account in the year that the grant is given. This has no affect on the council tax as like Disabled Facilities Grants the entry is reversed out below the 'net cost of services' line.

#### **Leasehold Services Administration**

This budget relates to the management costs and administration of the leaseholders accounts.

Former HRA flats that have been sold on long leases still present liabilities to this council in respect of maintenance costs. Whilst the income from these sources is credited to the HRA, the administration element is charged back to leaseholders. The net expenditure to this council will therefore always be nil.

## Housing General Fund

### Other Activities

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
£000	£000	£000		Expend	Income	Expend
				£000	£000	£000
43	47	48	Housing Investment Programme	45	0	45
16	726	1,012	Affordable Housing Grants	722	0	722
0	0	0	Leasehold Service Administration	150	150	0
<b>59</b>	<b>773</b>	<b>1,060</b>	<b>Total (Transferred to Summary)</b>	<b>917</b>	<b>150</b>	<b>767</b>
56	773	1,060	Continuing Services Budget			767
3	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>59</b>	<b>773</b>	<b>1,060</b>	<b>Total Continuing Services Budget</b>			<b>767</b>
0	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>59</b>	<b>773</b>	<b>1,060</b>	<b>Portfolio Total</b>			<b>767</b>

**HOUSING GENERAL FUND 2007/08  
SUBJECTIVE ANALYSIS**

<b>BUDGET</b>	<b>Employee Expenses</b>	<b>Premises Related Expenses</b>	<b>Transport Related Expenses</b>	<b>Supplies and Services</b>	<b>Support Services</b>	<b>Capital Deletions</b>	<b>Gross Revenue Expenditure</b>	<b>Fees and Charges</b>	<b>Rental Income</b>	<b>Gov Grants</b>	<b>Other Income</b>	<b>Net Revenue Expenditure</b>
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Private Sector Housing</b>												
Renovation Grants	77,740		4,630	4,760	34,130	1,120,000	1,241,260			545,000		696,260
Reinstatement Grants					1,710		1,710			331,720		(330,010)
Repairs to Private Dwellings	171,540		7,780	23,090	44,790		247,200					247,200
General Improvement Areas		7,850			4,180		12,030					12,030
Care & Repair	59,890		3,570	37,450	24,660		125,570	36,000		30,830	13,860	44,880
House Purchase Advances					5,530		5,530					5,530
House Condition Survey				4,000			4,000					4,000
Handyperson Scheme	12,280		730	14,000	4,710		31,720				10,250	21,470
<b>Homelessness</b>												
Homelessness	159,440		5,070	25,870	48,150		238,530			60,000		178,530
Bed & Breakfast Accommodation	25,670	344,400	1,160	5,990	14,230		391,450				373,640	17,810
New Start Scheme				26,000			26,000					26,000
Short Term Leased Accommodation		17,330					17,330		17,330			0
<b>Other Activities</b>												
Housing Investment Programme	26,660		1,000	6,030	11,160		44,850					44,850
Affordable Housing Grants	5,630		300	200	5,490	710,000	721,620	149,660				721,620
Leasehold Services Administration	82,410		2,560	6,940	57,750		149,660					0
<b>TOTAL</b>	<b>621,260</b>	<b>369,580</b>	<b>26,800</b>	<b>154,330</b>	<b>256,490</b>	<b>1,830,000</b>	<b>3,258,460</b>	<b>185,660</b>	<b>17,330</b>	<b>967,550</b>	<b>397,750</b>	<b>1,690,170</b>

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**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
ESTIMATES 2007/08**

## **HOUSING REVENUE ACCOUNT ESTIMATES 2007/08**

### **Introduction**

The Housing Revenue Account (HRA) has been prepared in accordance with the Local Government and Housing Act 1989, as amended by the Leasehold Reform, Housing and Urban Development Act 1993 and the Local Government Act 2003. Under this legislation the Secretary of State and the DCLG has the power to issue directives in respect of appropriate income and expenditure items and the calculation of central government subsidy entitlement. The 2007/08 budget conforms to the final Housing Subsidy Determination, which was issued on 20 December 2006.

The balance at 31 March 2008 is expected to be £5.4m, after a deficit of £399,000 in 2006/07 and a surplus of £179,000 in 2007/08. Two major influences on the size of the surplus are a decrease in Revenue Contribution to Capital Outlay (RCCO), from £2.388m in 2006/07 to £1.985m in 2007/08 and an increase in negative Housing Subsidy, from £8,230,000 to £8,868,000. The 2006/07 Housing Subsidy settlement included the Rental Constraint Allowance, a compensatory allowance from the DCLG of £199,000, relating to the 5% cap on restructured rents in 2006/07. The 2007/08 Rental Constraint Allowance has been set at £577,000.

### **Five Year Forecast**

An updated five year forecast to the year 2011/12 is to be produced in March 2007.

### **Supervision, Management and Maintenance**

Overall expenditure in 2006/07 has increased by 3.4% in the revised compared to the original estimate. In 2007/08 management and maintenance has increased by 4.1% over original estimates, compared to the October 2006 headline rate of inflation of 3.7%. While costs have been kept down as much as possible, the continuing rise in gas and electricity prices have meant that contract renewals for heating and lighting have seen rises considerably higher than inflation. An element of this is to be recovered from charges for services and facilities, although it is not possible to recover the entire cost.

### **Supporting People (Housing Counselling and Support)**

The Supporting People grant is paid by Essex County Council to fund the cost of support to tenants in sheltered housing who are in receipt of benefit. After two years of inflationary increases, last year's settlement was forecast to be restricted by efficiency savings; however, Epping's performance (placed in the lower quartile for cost of both sheltered housing and homelessness services) ensured a small inflationary increase, which has been reflected in the revised estimates. The settlements from 2007/08 onwards are set at 2006/07 levels.

### **Housing Repairs Fund**

The Housing Repairs Fund contribution was set at £4,980,000 for 2005/06. For 2006/07 the contribution will be £5,500,000, rising to £5,700,000 in 2007/08.

**Capital Expenditure**

The capital expenditure charged to revenue is based on the latest predictions of availability of funds to finance the capital programme. The capital programme was approved by the Cabinet in October 2006.

## **Works Unit**

The housing works unit carries out a significant proportion of the repairs required to the Council's stock. The total cost of the unit is recharged to either the Housing Repairs Fund or (for more significant works) to the HRA Capital Programme.

## **Housing Subsidy**

In 2006/07 and for the foreseeable future Housing Subsidy is negative. Under the current rules, this sum has to be paid over to the DCLG. The estimates for 2007/08 have been drawn up in accordance with the Housing Subsidy Final Determination for 2007/08, received on 20 December 2006.

## **Proposed Rent Increase**

From 2003/04 rents were set with reference to a new formula based on property values, number of bedrooms and local earnings. The scheme is referred to as rent restructuring, and its intention is to ensure that rents for broadly similar properties should be the same, regardless of whether the landlord is the local authority or a registered social landlord.

The rent for each property moves in equal steps towards its target rent up to 2011/12. This progression is limited by a maximum increase or decrease of £2 per week over inflation plus 0.5% per cent, and subject also to a predetermined maximum rent for each size of property. Some rents will not reach their target rent by 2012 because of the £2 limit but none will be constrained by the cap. Any rent not reaching the target by 2012 will therefore continue to move until such time as they do reach their target.

A central government review of rent restructuring in 2006/07 adjusted the original formula with effect from 2003/04 and raised the target rents to a level that cannot be reached by the target date of 2012. The rent adjustments will therefore have to continue beyond that date. In 2006/07 the average rent increase was capped at 5%, although the DCLG gave an allowance subtracted from Housing Subsidy to compensate authorities for the gap between their formula rent and their capped rent. This was originally estimated to be around £84,000 when the consultation paper on the proposals was first issued, but was finally set at £199,000 for 2006/07. The average rent increase will be capped at 5% for 2007/08; the 2007/08 allowance against Housing Subsidy for lost rental income has been set at £577,000.



**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT SUMMARY**

<b>2005/06</b>	<b>2006/07</b>			<b>2007/08</b>
<b>Actual</b>	<b>Original</b>	<b>Revised</b>		<b>Original</b>
<b>£000's</b>	<b>Estimate</b>	<b>Estimate</b>		<b>Estimate</b>
<b>£000's</b>	<b>£000's</b>	<b>£000's</b>		<b>£000's</b>
			<b>EXPENDITURE</b>	
3,476	3,994	4,083	Supervision & Management General	3,997
2,848	3,037	3,178	Supervision & Management Special	3,404
380	358	392	Rents,Rates Taxes & Insurances	335
4,980	5,500	5,500	Contribution to Repairs Fund	5,700
<b>11,684</b>	<b>12,889</b>	<b>13,153</b>	<b>MANAGEMENT &amp; MAINTENANCE</b>	<b>13,436</b>
7,321	8,381	7,638	Depreciation	7,667
39	46	48	Debt Management Expenses	46
7,749	8,345	8,230	HRA Subsidy Payable	8,868
64	95	75	Provision for Bad/Doubtful Debts	75
<b>26,857</b>	<b>29,756</b>	<b>29,144</b>		<b>30,092</b>
			<b>INCOME</b>	
21,201	22,157	22,094	Gross Rent of Dwellings	23,004
2,364	2,409	2,365	Non Dwellings Rent	2,476
1,637	1,598	1,592	Charges for Services & Facilities	1,711
236	285	283	Contribution from General Fund	293
<b>25,438</b>	<b>26,449</b>	<b>26,334</b>		<b>27,484</b>
<b>1,419</b>	<b>3,307</b>	<b>2,810</b>	<b>NET COST OF SERVICES</b>	<b>2,608</b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT SUMMARY**

<b>2005/06</b>		<b>2006/07</b>			<b>2007/08</b>
<b>Actual</b>	<b>Original</b>	<b>Revised</b>			<b>Original</b>
<b>£000's</b>	<b>Estimate</b>	<b>Estimate</b>			<b>Estimate</b>
	<b>£000's</b>	<b>£000's</b>			<b>£000's</b>
1,419	3,307	2,810	NET COST OF SERVICES		2,608
(1,560)	(1,374)	(1,726)	Interest on Receipts and Balances		(1,740)
(2,747)	(3,869)	(3,126)	Depreciation		(3,077)
(75)	369	299	Pensions Interest Payable/Return on Assets		299
<u>(2,963)</u>	<u>(1,567)</u>	<u>(1,743)</u>	<b>NET OPERATING INCOME</b>		<u>(1,910)</u>
			APPROPRIATIONS		
2,000	2,150	2,388	Capital Exp. Charged to Revenue		1,985
128	(181)	(261)	FRS 17 Adjustment		(269)
15	15	15	Transfer to Capital Reserves		15
55	0	0	Transfer to General Fund		0
<u>2,198</u>	<u>1,984</u>	<u>2,142</u>			<u>1,731</u>
<u>(765)</u>	<u>417</u>	<u>399</u>	<b>(SURPLUS)/DEFICIT FOR YEAR</b>		<u>(179)</u>
4,834	5,599	5,599	BALANCE BROUGHT FORWARD		5,200
(765)	417	399	(SURPLUS)/DEFICIT FOR YEAR		(179)
<u><b>5,599</b></u>	<u><b>5,182</b></u>	<u><b>5,200</b></u>	<b>BALANCE CARRIED FORWARD</b>		<u><b>5,379</b></u>

**HOUSING PORTFOLIO  
HOUSING REPAIRS FUND SUMMARY**

<b>2005/06</b>		<b>2006/07</b>			<b>2007/08</b>
<i>Actual</i>	<i>Original</i>	<i>Revised</i>			<i>Original</i>
<i>£000's</i>	<i>Estimate</i>	<i>Estimate</i>	<i>£000's</i>		<i>Estimate</i>
	<i>£000's</i>		<i>£000's</i>		<i>£000's</i>
				<b>EXPENDITURE</b>	
3,121	3,532	3,278		Responsive and Void Repairs	3,444
1,793	1,803	1,977		Planned & Cyclical Maintenance	2,032
39	227	229		Other items	183
<b>4,953</b>	<b>5,562</b>	<b>5,484</b>		<b>TOTAL EXPENDITURE</b>	<b>5,659</b>
<b>(4,980)</b>	<b>(5,500)</b>	<b>(5,500)</b>		<b>CONTRIBUTION FROM HRA</b>	<b>(5,700)</b>
<b>(27)</b>	<b>62</b>	<b>(16)</b>		<b>(SURPLUS)/DEFICIT FOR YEAR</b>	<b>(41)</b>
3,048	3,075	3,075		BALANCE BROUGHT FORWARD	3,091
(27)	62	(16)		(SURPLUS)/DEFICIT FOR YEAR	(41)
<b>3,075</b>	<b>3,013</b>	<b>3,091</b>		<b>BALANCE CARRIED FORWARD</b>	<b>3,132</b>



**HOUSING PORTFOLIO  
MAJOR REPAIRS RESERVE SUMMARY**

<b>2005/06</b>		<b>2006/07</b>			<b>2007/08</b>
<i>Actual</i>	<i>Original</i>	<i>Revised</i>			<i>Original</i>
<i>£000's</i>	<i>Estimate</i>	<i>Estimate</i>			<i>Estimate</i>
<i>£000's</i>	<i>£000's</i>	<i>£000's</i>			<i>£000's</i>
			<b>EXPENDITURE</b>		
2,692	5,313	4,889	CAPITAL EXPENDITURE		4,179
2,747	3,854	3,111	TRANSFERRED TO HRA		3,062
<b>5,439</b>	<b>9,167</b>	<b>8,000</b>	<b>TOTAL EXPENDITURE</b>		<b>7,241</b>
<b>(7,321)</b>	<b>(8,381)</b>	<b>(7,638)</b>	<b>DEPRECIATION</b>		<b>(7,667)</b>
<b>(1,882)</b>	<b>786</b>	<b>362</b>	<b>(SURPLUS)/DEFICIT FOR YEAR</b>		<b>(426)</b>
1,415	3,312	3,297	BALANCE BROUGHT FORWARD		2,935
(1,882)	786	362	(SURPLUS)/DEFICIT FOR YEAR		(426)
<b>3,297</b>	<b>2,526</b>	<b>2,935</b>	<b>BALANCE CARRIED FORWARD</b>		<b>3,361</b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPERVISION AND MANAGEMENT GENERAL**

**Managing Tenancies**

The revised budget for 2006/07 shows an increase in the cost of professional fees and staffing costs.

**Business Premises**

Building maintenance costs have decreased between 2006/07 and 2007/08.

**Rent Accounting**

The budget increase in both years over the original 2006/07 costs is due to staff time allocation changes.

**Waiting Lists and Allocations**

The increase in the revised 2006/07 budget relates to the reprint of the tenants' handbooks and to staff related costs. The budget in 2007/08 shows a decrease, mainly due to a reallocation of staffing cost recharges from other areas.

**Council House Sales**

The decrease between the original and revised 2006/07 budgets is due to a decrease in staff costs and an increase in costs recharged to capital receipts as part of the capital pooling regulations.

**Policy and Management**

The budget in 2006/07 shows an increase in expenditure on housing initiatives such as housing surveys and consultation exercises.

**Capital Monitoring**

The increase in the 2006/07 and 2007/08 budgets relates to the reallocation of staff costs, recharged on a time basis.

**Housing Integrated System**

Installation of the leasehold module of the Housing computer system has been delayed: the 2006/07 budget is unlikely to be spent during the year, and has been carried forward to 2007/08.

**Tenants Participation Compacts**

There is a small increase in grant payments in 2006/07.

**Contribution to General Fund**

The increase in budget for 2006/07 and decrease in budget for 2007/08 relates to the allowance made for predicted staff vacancies - 1% in the current financial year, but increased to 3% in 2007/08.

**Repairs and Maintenance Management**

The revised budget for 2006/07 reflects a decrease in staffing costs, due to staff vacancies. These costs increase to reflect a fully staffed position in the 2007/08 budget, slightly offset by the decrease due to the Codeman system upgrade finishing in 2006/07.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPERVISION & MANAGEMENT GENERAL**

<b>2005/06</b>		<b>2006/07</b>			<b>2007/08</b>		
<b>Actual</b>	<b>Original</b>	<b>Revised</b>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>	
<b>£000's</b>	<b>Estimate</b>	<b>Estimate</b>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>	
	<b>£000's</b>	<b>£000's</b>		<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	
602	754	851	Managing Tenancies	851	0	851	
291	270	246	Housing Management Support Services	240	0	240	
223	225	226	Business Premises Admin.	212	0	212	
428	468	498	Rent Determination & Collection	496	0	496	
275	331	349	Waiting Lists & Allocations	334	0	334	
88	83	52	Sale of Council Houses	48	0	48	
236	270	285	Policy and Management	284	0	284	
58	67	78	Capital Monitoring	77	0	77	
0	7	0	New Housing Computer System	7	0	7	
70	79	75	Tenant Participation	76	0	76	
434	519	525	Contribution to General Fund	462	0	462	
771	921	898	Repairs Management	910	0	910	
<b>3,476</b>	<b>3,994</b>	<b>4,083</b>		<b>3,997</b>	<b>0</b>	<b>3,997</b>	

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPERVISION AND MANAGEMENT SPECIAL**

**Aged Persons Management**

Contracts for gas and electricity have been renegotiated in 2006; despite using a local authority procurement route which promises the best available rates, the cost of both fuels have increased. This accounts for most of the increase in budgets between 2006/07 and 2007/08.

**Aged Persons Support**

The variations in these budgets relate to changes in salary allocations.

**Special Items**

In 2006/07, a non-recurring budget to fund the costs of clearing the backlog of tree maintenance has been included. Additional expenditure has been agreed in this area for future years to prevent the occurrence of future backlogs. Cost increases in the gas and electricity industry have also had an effect in this area, although a proportion is recoverable from tenants via the heating charge element of charges for services and facilities. In 2007/08 there has been an increase in the budget for the distributed alarm system to allow for phased renewals of the alarms and their base system.

**Homelessness**

Most of the increase relates to heating and lighting costs.



**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPERVISION & MANAGEMENT SPECIAL**

2005/06			2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>				<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000's</i>	<i>Estimate</i>	<i>Estimate</i>				<b>Expend</b>	<b>Income</b>	<b>Expend</b>
	<i>£000's</i>	<i>£000's</i>				<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
647	719	761	Aged Persons Management			792	0	792
358	393	398	Aged Persons Support Servs.			423	0	423
1,597	1,653	1,738	Special Items			1,898	0	1,898
220	245	257	Homelessness Management			264	0	264
26	27	24	Homelessness Support Servs.			27	0	27
<b>2,848</b>	<b>3,037</b>	<b>3,178</b>				<b>3,404</b>	<b>0</b>	<b>3,404</b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
RENTS, RATES, TAXES & INSURANCES**

**Dwelling Insurance**

This entry comprises buildings insurance on the Council's properties

**NDR and Council Tax**

These are business rates payable on the Council's commercial premises and Council tax payable in respect of Norway House.

**Other Insurances**

These are insurances other than buildings insurance - mainly public liability insurance.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
RENTS, RATES, TAXES & INSURANCE**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual</i> £000's	<i>Original</i> <i>Estimate</i> £000's	<i>Revised</i> <i>Estimate</i> £000's		<i>Net</i> <i>Expend</i> £000's
243	255	268	Dwelling Insurances	226
38	26	38	NDR and Council Tax	34
14	15	15	Water Charges	15
85	62	71	Other Insurances and Recharges	60
<b>380</b>	<b>358</b>	<b>392</b>		<b>335</b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
OTHER EXPENDITURE**

**Capital Expenditure Charged to Revenue**

Revenue Contribution to Capital Outlay (RCCO) has been set at £2.388m in 2006/07 and £1.985m in 2007/08. The updated five year forecast is to be produced in March 2007 which, amongst other matters, will examine the affordability of RCCO figures for future years.

**Capital Financing Costs**

This relates to a proportion of the costs of the Council's Treasury Management function. As a substantial amount of the interest income received is passed on to the HRA, most of the cost is borne by the HRA.

**Bad Debts**

The contribution to the bad debts provision is based on an assessment of the likelihood of a particular debt category being paid. The assessment takes into account the level of arrears, the size of individual debts and whether those debts relate to current or former tenants.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
OTHER EXPENDITURE**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual</i> £000's	<i>Original</i> <i>Estimate</i> £000's	<i>Revised</i> <i>Estimate</i> £000's		<i>Net</i> <i>Expend</i> £000's
2,000	2,150	2,388	Capital Expenditure Charged to Revenue	1,985
39	46	48	Debt Management Expenses	46
64	95	75	Provision for Bad/Doubtful Debts	75
<b><u>2,103</u></b>	<b><u>2,291</u></b>	<b><u>2,511</u></b>		<b><u>2,106</u></b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
CAPITAL CHARGES**

**Depreciation**

The depreciation charge of £7.638 m (£7.667 m in 2007/08) is based on the average age of council dwellings. However £3.111m (£3.062m in 2007/08) is reversed out again below the “net costs of services” line. This is done so that an amount equivalent to the major repairs allowance is credited to the major repairs reserve, thus making the reserve available for re-investment in stock.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
CAPITAL CHARGES**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual</i> £000's	<i>Original</i> <i>Estimate</i> £000's	<i>Revised</i> <i>Estimate</i> £000's		<i>Net</i> <i>Expend</i> £000's
7,321	8,381	7,638	Depreciation	7,667
<b><u>7,321</u></b>	<b><u>8,381</u></b>	<b><u>7,638</u></b>		<b><u>7,667</u></b>

## **HOUSING PORTFOLIO HOUSING REVENUE ACCOUNT PROPERTY RELATED INCOME**

### **Gross Rent of Dwellings**

Rental income likely to be received in 2006/07 is lower than the original estimate, due to a greater than predicted number of council house sales during the year. The rental income estimate for 2007/08 is based on a slightly reduced stock of houses (with an estimate of 30 council houses sold) and an expected increase in actual rents of about 5.0%. This is in response to a central government review of rent restructuring, which has raised the guideline rent by a substantial amount. The Department of Communities and Local Government capped the 2006/07 rent increase to an average of 5%; it is believed that the 2007/08 rent rise will be capped at the same level.

### **Business Premises**

Rental income from shops has been fairly static in recent years, and indications are that this is likely to remain the case.

### **Garages**

Garage rents will increase from £6.40 per week in 2006/07 to £6.60 in 2007/08, an increase of 3.1%. The stock of garages is decreasing; as some garages are difficult to let, some blocks of garages are being demolished and the land is being considered for alternative uses.

### **Charges for Services and Facilities**

Charges for services and facilities have decreased from the original to the revised 2006/07 estimates, but are expected to increase above the rate of inflation for 2007/08. Most of the increase relates to the expected rise in costs of heating and lighting recovered from tenants.

### **Contribution from General Fund**

A contribution is made towards grounds maintenance costs of housing land for those properties that have been sold under the housing Right to Buy legislation. Savings on staff related costs within the Grounds Maintenance section have reduced this charge in the revised estimates for 2006/07; however, the figure will increase in 2007/08.



**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
PROPERTY RELATED INCOME**

<b>2005/06</b>	<b>2006/07</b>			<b>2007/08</b>
<b>Actual £000's</b>	<b>Original Estimate £000's</b>	<b>Revised Estimate £000's</b>		<b>Net Expend £000's</b>
21,201	22,157	22,094	Gross Rent of Dwellings	23,004
1,563	1,573	1,562	Business Premises	1,617
793	828	795	Garages	851
8	8	8	Ground Rents	8
1,637	1,598	1,592	Charges for Service & Facilities	1,711
236	285	283	Contribution from General Fund	293
<b><u>25,438</u></b>	<b><u>26,449</u></b>	<b><u>26,334</u></b>	<b>Property Related Income</b>	<b><u>27,484</u></b>

## **HOUSING PORTFOLIO HOUSING REVENUE ACCOUNT SUBSIDY**

Housing revenue account subsidy payable was originally estimated to be £8.429m for 2006/07. The original estimate of £84,000 for rental constraint allowance, the transitional relief for the cost of the Government's change in rent restructuring, was based on draft proposals; the final calculation awards us relief of £199,000 for 2006/07. An amount of £8.868m payable is expected for 2007/08, based on the final subsidy determination, including a rental constraint allowance of £577,000.

The subsidy determinations have increased the total Management Allowance by about 0.3% and the total Maintenance Allowance by 6.3%. The increase in the Maintenance Allowance was expected to be a little above inflation; as in previous years, it has exceeded expectations.

The fall in stock levels has had the effect of reducing the total Management and Maintenance allowance by £62,000 i.e. from £9.935m to £9.873m. However, the increase in the allowances have resulted in an increase of £480,000 bringing the total Management and Maintenance allowance to £10.353m for 2007/08.

The major repairs allowance has been increased by 2.3%. This is slightly below inflation, but is an improvement on the decrease experienced last year.

The year 2007/08 sees the continuation of the Government's rent restructuring regime. The intention of the change is to bring the levels of local authority and registered social landlord rents into line by 2012. In order to achieve this, the government has calculated three rent figures; the formula rent, the guideline rent and the limit rent.

The formula rent is the average rent that needs to be charged within the restructuring period to bring local authority rents into line with registered social landlords. The 2007/08 formula rent stands at £76.79. The guideline rent stands at £71.87 - an increase of 7.06% from 2006/07. This is used to calculate the notional rent income within housing subsidy. The limit rent stands at £70.61 - an increase of 5.6% on 2006/07. This is the maximum average rent that can be charged before incurring subsidy limitation.

The actual rents will be set with reference to the formula rent on an individual property basis, and will be subject to the various constraints mentioned earlier. In addition, the Government's rent restructuring review last year imposed a retrospective rise in the guideline rent calculations, taking effect from April 2006. The average increase for 2006/07 was capped at 5%, with a compensating allowance (Rental Constraint Allowance) included in the Housing Subsidy calculation for authorities whose actual rent rise would have been higher than 5%. The Department for Communities and Local Government has agreed to an allowance of £199,000 against Epping Forest's negative Housing Subsidy for 2006/07. The Rental Constraint Allowance for 2007/08 has been set at £577,000, and the average rent rise will again be capped at 5%.

The interest element, known as the Item 8 Credit, consists of a mortgage interest allowance.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
HOUSING REVENUE ACCOUNT SUBSIDY**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual £000's</i>	<i>Original Estimate £000's</i>	<i>Revised Estimate £000's</i>		<i>Net Income £000's</i>
9,330	9,934	9,934	Management and Maintenance	10,353
4,589	4,527	4,527	Major Repairs Allowance	4,603
(20,849)	(22,146)	(22,146)	Notional Rent Income	(23,583)
(819)	(744)	(744)	Interest on Receipts	(818)
0	84	199	Rent cap compensation	577
<u>(7,749)</u>	<u>(8,345)</u>	<u>(8,230)</u>	<b>HRA Subsidy</b>	<u><b>(8,868)</b></u>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
INTEREST INCOME**

**Revenue Balances**

Interest on revenue balances at 31 March 2007 is expected to be higher than originally anticipated due to the increase in the final balances. During 2006/07, the interest on HRA revenue balances are expected to fall slightly to £341,000, as the end of year balances decrease.

**Capital Balances**

The interest on capital balances is based on the mid year HRA Capital Financing requirement (CFR). The CFR represents the authority's underlying need to borrow for capital purposes. The CFR is negative, which means that this need does not exist. In 2006/07, interest receipts will increase, due to rising interest rates; the current forecast for 2007/08 rates predicts a slight rise followed by a period of stable rates.

**Mortgage Interest**

The legislation states that the mortgage interest rate charged must be the higher of the local average rate (calculated as the average rate payable on its external debt) or the standard national rate. As the Council has repaid all of its external debt, there is no local rate. The charge on all mortgages has therefore had to revert to the national rate, and is subject to variations of external interest rates. The current standard national rate is 6.28%.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
INTEREST INCOME**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual</i> £000's	<i>Original</i> <i>Estimate</i> £000's	<i>Revised</i> <i>Estimate</i> £000's		<b>Net Income £000's</b>
457	390	566	Revenue Balances	545
1,076	969	1,138	Capital Balances	1,177
27	15	22	Mortgages	18
<b>1,560</b>	<b>1,374</b>	<b>1,726</b>		<b>1,740</b>

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPPORT & TRADING SERVICES**

**Housing Services Administration**

Costs have risen on this budget in 2006/07 due to an increase on the training budget. In addition, salary costs are higher because of inflation.

**HOUSING PORTFOLIO  
HOUSING REVENUE ACCOUNT  
SUPPORT & TRADING SERVICES**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>
<i>Actual</i> <i>£000's</i>	<i>Original</i> <i>Estimate</i> <i>£000's</i>	<i>Revised</i> <i>Estimate</i> <i>£000's</i>		<i>Net</i> <i>Expend</i> <i>£000's</i>
293	359	364	Housing Services Administration	366
<b>293</b>	<b>359</b>	<b>364</b>		<b>366</b>

HOUSING COMMITTEE

HOUSING REPAIRS FUND FIVE YEAR PROGRAMME

ACTUAL 2005/06	DETAIL	ORIGINAL ESTIMATE 2006/07	PROBABLE OUTTURN 2006/07	ORIGINAL ESTIMATE 2007/08	FORECAST SPENDING			
					2008/09	2009/10	2010/11	2011/12
000'S		000'S	000'S	000'S	000'S	000'S	000'S	000'S
2,514	Responsive Repairs	2,888	2,629	2,762	2,900	3,045	3,197	3,357
607	Voids Refurbishment	644	650	683	717	752	790	829
1,793	Planned Maintenance/ Improvements	1,803	1,977	2,032	2,134	2,240	2,353	2,470
0	Structural Repairs	0	0	0	0	0	0	0
144	Miscellaneous Projects	203	208	169	178	187	196	206
14	Feasibilities	10	27	27	28	30	31	33
0	Contingencies	0	0	0	0	0	0	0
42	Business Premises	64	64	59	62	65	68	72
(161)	Less Income	(50)	(71)	(73)	(77)	(80)	(84)	(89)
4,953	<b>TOTAL EXPENDITURE</b>	5,562	5,484	5,659	5,942	6,239	6,551	6,878
(3,048)	Balance B/Fwd	(3,075)	(3,075)	(3,091)	(3,132)	(2,890)	(2,351)	(1,500)
(4,980)	Contribution from H.R.A.	(5,500)	(5,500)	(5,700)	(5,700)	(5,700)	(5,700)	(5,700)
4,953	Less Expenditure above	5,562	5,484	5,659	5,942	6,239	6,551	6,878
(3,075)	<b>BALANCE C/FWD (SURPLUS)/ DEFICIT</b>	(3,013)	(3,091)	(3,132)	(2,890)	(2,351)	(1,500)	(322)



**HOUSING REVENUE ACCOUNT 2006/07  
SUBJECTIVE ANALYSIS**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	Third Party Payments	Internally Recharged	Contracted Services	Support Services	Capital Financing Costs	Gross Revenue Expenditure
		£	£	£	£	£	£	£	£	£
<b>SUPERVISION &amp; MANAGEMENT GENERAL</b>										
Business Premises Admin	0	37,560	0	5,220	0	0	0	183,320	0	226,100
Rent Accounting & Collection	222,260	0	8,280	40,570	0	0	0	227,350	0	498,460
Waiting Lists & Allocations	190,950	0	6,100	69,680	0	0	0	82,050	0	348,780
Sale of Council Houses	36,130	0	590	7,800	0	0	0	127,250	(120,240)	51,530
Policy & Management	144,360	0	4,820	64,490	0	0	0	71,330	0	285,000
Capital Monitoring	28,520	0	1,810	2,050	0	0	0	45,930	0	78,310
Managing Tenancies	456,200	0	20,570	86,650	0	0	0	287,900	0	851,320
Hsg. Man. Support Servs.	107,140	0	6,640	23,010	0	0	0	108,970	0	245,760
Comp.Costs New Hsg.System	0	0	0	0	0	0	0	0	0	0
Tenants Compacts	43,910	0	1,650	13,430	0	0	0	15,640	0	74,630
Contribution to General Fund	0	0	0	0	0	0	0	524,750	0	524,750
Repairs Management	513,400	0	55,210	72,550	0	0	0	256,450	0	897,610
<b>SUPERVISION &amp; MANAGEMENT SPECIAL</b>										
Aged Persons Management	310,844	228,770	6,850	123,280	0	0	0	91,150	0	760,894
Aged Persons Support	322,630	0	9,000	9,560	0	0	0	57,030	0	398,220
Special Items	181,200	525,720	12,150	208,180	0	0	685,850	181,170	0	1,794,270
Homelessness Management	131,150	45,210	3,240	26,880	0	0	0	50,700	0	257,180
Homelessness Support	16,530	0	520	1,010	0	0	0	5,650	0	23,710
<b>RENTS, RATES TAXES AND INSURANCE</b>										
Rents, Rates, Taxed and Insurance	18,700	321,220	0	52,290	0	0	0	0	0	392,210
<b>SUPPORT &amp; TRADING SERVICES</b>										
Housing Services Administration	211,670	0	5,550	150,490	0	0	(437,930)	66,300	0	(3,920)
<b>HOUSING REPAIRS FUND</b>										
Housing Services Administration	0	5,500,000	0	0	0	0	0	0	0	5,500,000
<b>CHARGES FOR CAPITAL/RCCO</b>										
Housing Services Administration	0	0	0	0	0	0	0	0	2,403,000	2,403,000
<b>HRA Subsidy Payable</b>										
Housing Services Administration	0	0	0	0	8,229,580	0	0	0	0	8,229,580
<b>DEPRECIATION</b>										
Housing Services Administration	0	0	0	0	0	0	0	0	7,638,280	7,638,280
<b>DEBT MANAGEMENT</b>										
Housing Services Administration	0	0	0	0	0	0	0	0	47,920	47,920
<b>PROV. FOR BAD &amp; DOUBTFUL DEBTS</b>										
Housing Services Administration	0	75,000	0	0	0	0	0	0	0	75,000
<b>TOTAL</b>	<b>2,935,594</b>	<b>6,733,480</b>	<b>142,980</b>	<b>957,140</b>	<b>8,229,580</b>	<b>0</b>	<b>247,920</b>	<b>2,382,940</b>	<b>9,968,960</b>	<b>31,598,594</b>

**HOUSING REVENUE ACCOUNT 2007/08  
SUBJECTIVE ANALYSIS**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	Third Party Payments	Internally Recharged	Contracted Services	Support Services	Capital Financing Costs	Gross Revenue Expenditure
	£	£	£	£	£	£	£	£	£	£
<b>SUPERVISION &amp; MANAGEMENT GENERAL</b>										
Business Premises Admin	0	26,450	0	5,350	0	0	0	180,340	0	212,140
Rent Accounting & Collection	229,650	0	8,480	40,610	0	0	0	217,420	0	496,160
Waiting Lists & Allocations	191,340	0	6,110	64,210	0	0	0	72,270	0	333,930
Sale of Council Houses	35,830	0	490	7,550	0	0	0	117,330	(112,840)	48,360
Policy & Management	147,150	0	4,940	64,590	0	0	0	66,950	0	283,630
Capital Monitoring	30,040	0	1,790	1,970	0	0	0	42,980	0	76,780
Managing Tenancies	468,720	0	20,980	86,590	0	0	0	274,620	0	850,910
Hsg. Man. Support Servs.	124,330	0	7,290	7,260	0	0	0	100,820	0	239,700
Comp.Costs New Hsg.System	0	0	0	7,180	0	0	0	0	0	7,180
Tenants Compacts	44,270	0	1,670	14,860	0	0	0	15,040	0	75,840
Contribution to General Fund	0	0	0	0	0	0	0	456,500	0	456,500
Repairs Management	561,980	0	58,040	51,650	0	0	0	238,180	0	909,850
<b>SUPERVISION &amp; MANAGEMENT SPECIAL</b>										
Aged Persons Management	295,650	272,770	6,420	122,300	0	0	0	95,140	0	792,280
Aged Persons Support	346,900	0	9,570	9,020	0	0	0	57,470	0	422,960
Special Items	190,270	609,410	12,100	166,330	0	0	692,340	185,160	0	1,855,610
Homelessness Management	134,900	53,050	3,390	27,060	0	0	0	45,930	0	264,330
Homelessness Support	19,470	0	620	1,150	0	0	0	5,670	0	26,910
<b>RENTS, RATES TAXES AND INSURANCE</b>										
Rents, Rates, Taxed and Insurance	15,736	274,670	0	44,031	0	0	0	0	0	334,437
<b>SUPPORT &amp; TRADING SERVICES</b>										
Housing Services Administration	213,680	0	5,620	151,120	0	0	(435,250)	61,540	0	(3,290)
<b>HOUSING REPAIRS FUND</b>										
	0	5,700,000	0	0	0	0	0	0	0	5,700,000
<b>CHARGES FOR CAPITAL/RCCO</b>										
	0	0	0	0	0	0	0	0	2,000,000	2,000,000
<b>HRA Subsidy Payable</b>										
	0	0	0	0	8,867,690	0	0	0	0	8,867,690
<b>DEPRECIATION</b>										
	0	0	0	0	0	0	0	0	7,667,360	7,667,360
<b>DEBT MANAGEMENT</b>										
	0	0	0	0	0	0	0	0	47,100	47,100
<b>PROV. FOR BAD &amp; DOUBTFUL DEBTS</b>										
	0	75,000	0	0	0	0	0	0	0	75,000
<b>TOTAL</b>	<b>3,049,916</b>	<b>7,011,350</b>	<b>147,510</b>	<b>872,831</b>	<b>8,867,690</b>	<b>0</b>	<b>257,090</b>	<b>2,233,360</b>	<b>9,601,620</b>	<b>32,041,367</b>

**LEISURE & YOUNG PEOPLE  
PORTFOLIO  
ESTIMATES 2007/08**

## Leisure & Young People

### Revenue Budget 2007/08

#### Introduction

The Leisure Portfolio is responsible for the following services;

Leisure Facilities (sports centres and swimming pools)  
Community Arts Events, Museum and Libraries  
Parks and Grounds  
North Weald Centre  
Sports Development Activities

Further details of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2005. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – These are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** –The Cabinet has no part to play in the exercise of regulatory functions such as planning and licencing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the relevant portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. To avoid double counting, these costs are reversed out, in order to show the net cost of the portfolio.

The summary page includes the traditional re-analysis of the budget in terms of its opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Leisure & Young People

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
£000	£000	£000		Expend	Income	Expend
				£000	£000	£000
<b>Direct Services</b>						
3,036	2,298	2,247	Leisure Facilities	2,036	183	1,853
685	746	741	Arts, Museum & Library	794	21	773
604	668	672	Parks & Grounds	697	2	695
(597)	(493)	(415)	North Weald Centre	850	1,308	(458)
528	665	629	Sports Development & Other Miscellaneous Amenities	780	83	697
<b>4,256</b>	<b>3,884</b>	<b>3,874</b>	<b>Total (Transferred to GF Summary)</b>	<b>5,157</b>	<b>1,597</b>	<b>3,560</b>
<b>Support and Trading Services</b>						
366	366	405	Leisure Services Administration	416	0	416
216	206	179	Leisure Contracts	183	0	183
(392)	(385)	(416)	Recharged to this Portfolio	(423)	0	(423)
(190)	(187)	(168)	Recharged to other Portfolio's	(176)	0	(176)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4,256</b>	<b>3,884</b>	<b>3,874</b>	<b>Portfolio Total</b>	<b>5,157</b>	<b>1,597</b>	<b>3,560</b>
3,907	3,579	3,545	Continuing Services Budget			3,502
279	0	0	Continuing Services Budget - Growth			10
(108)	(218)	(218)	Continuing Services Budget - Savings			(60)
<b>4,078</b>	<b>3,361</b>	<b>3,327</b>	<b>Total Continuing Services Budget</b>			<b>3,452</b>
344	617	592	District Development Fund - Expenditure			138
(166)	(94)	(45)	District Development Fund - Savings			(30)
<b>178</b>	<b>523</b>	<b>547</b>	<b>Total District Development Fund</b>			<b>108</b>
<b>4,256</b>	<b>3,884</b>	<b>3,874</b>	<b>Portfolio Total</b>			<b>3,560</b>

## Leisure & Young People

### Development Fund and Growth Items

<b>CSB Growth Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Leisure Facilities	Alternative Management	(152)	(152)	
Leisure Facilities	Leisure Support Service Savings	(66)	(66)	
Leisure Services	Increased energy costs			10
Leisure Facilities	SLM income share			(50)
Leisure Facilities	Revision of Joint Use Waltham Abbey Sportscentre			(10)
		<b><u>(218)</u></b>	<b><u>(218)</u></b>	<b><u>(50)</u></b>

<b>Development Fund Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Leisure Facilities	Alternative Management	513	507	151
Community Development	Provision of Portakabin at Limes Farm		8	7
Museum	Community Venues Outreach Pilot Project	10	10	
North Weald Airfield	High Voltage Distribution Network 5yr Prog		5	
North Weald Airfield	Scouts Jamboree			(50)
Sports Development	Active for Life Programme	18		
Sports Development	Active for Life Programme	(18)		
Sports Development	Beyond Surburbia		25	
Sports Development	Beyond Surburbia		(25)	
Sports Development	Additional Projects	30		30
Sports Development	Additional Projects	(30)		(30)
Arts Programme	Additional Projects	20	20	20
Arts Programme	Additional Projects	(20)	(20)	(20)
Roding Valley Development	Remedial Works to Fisherman's Car Park		7	
Waltham Abbey Sportscentre	Installation disabled toilet		10	
		<b><u>523</u></b>	<b><u>547</u></b>	<b><u>108</u></b>

## **Leisure & Young People**

### **Leisure Facilities**

#### **Loughton Leisure Centre**

Under the terms of the contract with SLM Ltd there is a reduction of £92,000 in the Management Fee due in the second year of the contract. This is partly offset by an increase in support service allocations.

#### **Waltham Abbey Swimming Pool**

Under the terms of the contract with SLM Ltd there is a reduction of £41,000 in the Management Fee due in the second year on the contract, this is partly offset by an increase in support service allocations.

#### **Epping Sports Centre**

Central Telephone recharges have increased by £8,000

#### **Waltham Abbey Sports Centre**

The increase in net expenditure between the original and revised 2006/07 is due to a slight increase in staff costs. In addition a DDF item of £10,000 has been included for the provision of a disabled toilet. CSB Savings is included in 2007/08 for revision of the joint use contract.

#### **Ongar Sports Centre**

Under the terms of the contract with SLM Ltd there is a reduction of £231,000 in the Management Fee due in the second year on the contract, the increase building maintenance costs totals £18,000

#### **All Leisure Centres**

obliged to pay a percentage of income received to the Council. This has been estimated at £50,000 in 2007/08.

#### **Alternative Leisure Management**

This budget was created to cover the expenditure for the set-up costs for alternative management for Leisure Services. The £3,000 budget provided under the revised estimate for 2006/07 is for a few residual

#### **All Weather Pitch**

The revised 2006/07 budget includes an increase in support service allocations for leisure administration and community & culture, this has occurred due to revised staff allocations. The 2007/08 budget has decreased as Epping Forest District Council has agreed a 10 year service agreement with the school.

## Leisure & Young People

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
£000	£000	£000		£000	£000	£000
711	420	370	Loughton Leisure Centre	289	30	259
677	610	596	Waltham Abbey Swimming Pool	568	10	558
612	226	227	Epping Sports Centre	235	5	230
337	346	360	Waltham Abbey Sports Centre	473	133	340
571	677	660	Ongar Sports Centre	451	5	446
57	0	0	Loughton Leisure Centre Development	0	0	0
15	0	2	Alternative Leisure Management	0	0	0
56	19	32	All Weather Pitch	20	0	20
<b>3,036</b>	<b>2,298</b>	<b>2,247</b>	<b>Total (Transferred to Summary)</b>	<b>2,036</b>	<b>183</b>	<b>1,853</b>
2,664	2,003	1,948	Continuing Services Budget			1,762
273	0	0	Continuing Services Budget - Growth			0
(49)	(218)	(218)	Continuing Services Budget - Savings			(60)
<b>2,888</b>	<b>1,785</b>	<b>1,730</b>	<b>Total Continuing Services Budget</b>			<b>1,702</b>
257	513	517	District Development Fund - Expenditure			151
(109)	0	0	District Development Fund - Savings			0
<b>148</b>	<b>513</b>	<b>517</b>	<b>Total District Development Fund</b>			<b>151</b>
<b>3,036</b>	<b>2,298</b>	<b>2,247</b>	<b>Portfolio Total</b>			<b>1,853</b>



## **Leisure & Young People**

### **Arts, Museum and Library**

#### **Community Arts**

The major variation on this budget is due to an increase of £15,000 in support service salary allocations.

#### **Arts Projects**

There are no variations to report on this budget.

#### **Museum**

The major variance on this budget relates to an increase of £10,000 depreciation in 2007/08, following the completion of the new redisplay programme.

## Leisure & Young People

### Arts, Museum & Library

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
303	322	319	Community Arts	340	0	340
35	31	32	Arts Programme	44	12	32
347	393	390	Museum	410	9	401
<b>685</b>	<b>746</b>	<b>741</b>	<b>Total (Transferred to Summary)</b>	<b>794</b>	<b>21</b>	<b>773</b>
685	736	731	Continuing Services Budget			771
0	0	0	Continuing Services Budget - Growth			2
0	0	0	Continuing Services Budget - Savings			0
<b>685</b>	<b>736</b>	<b>731</b>	<b>Total Continuing Services Budget</b>			<b>773</b>
0	56	30	District Development Fund - Expenditure			0
0	(46)	(20)	District Development Fund - Savings			0
<b>0</b>	<b>10</b>	<b>10</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>685</b>	<b>746</b>	<b>741</b>	<b>Portfolio Total</b>			<b>773</b>

## **Leisure & Young People**

### **Parks and Grounds**

#### **Open Spaces Maintenance**

The increase in Open Spaces costs in 2007/08 relate to increases in nursery and support service recharges.

#### **Contribution to HRA**

The contribution to the HRA is made to offset the cost of maintenance of the grassed areas within council estates, this increases in 2007/08 by £8,000.

#### **Tree Maintenance**

There are no significant variances to report.

#### **Roding Valley Development**

The increase in budget from original 2006/07 to revised 2006/07 is due to a DDF item of £7,000 for resurfacing and maintenance at the Fishermans car park. There is a slight increase overall in support services of £1,000 from original 2006/07 to 2007/08.

#### **Charity Accounts**

This relates to open space at Chigwell Row and Lindisfield; these are owned by charities, of which this Council is the trustee. The only financial transaction between the General Fund and the charities is a grant to finance ongoing expenditure. Overall, expenditure has increased slightly due to inflation increases only.

## Leisure & Young People

### Parks & Grounds

2005/06 Actual £000	2006/07 Original Estimate £000	2006/07 Revised Estimate £000		2007/08 Gross Expend £000	2007/08 Gross Income £000	Net Expend £000
186	203	206	Open Spaces Maintenance	220	1	219
235	285	283	Contribution to HRA	293	0	293
75	65	61	Tree Maintenance	65	0	65
63	60	68	Roding Valley Development	63	1	62
45	55	54	Charity Accounts	56	0	56
<b>604</b>	<b>668</b>	<b>672</b>	<b>Total (Transferred to Summary)</b>	<b>697</b>	<b>2</b>	<b>695</b>
604	668	665	Continuing Services Budget			695
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>604</b>	<b>668</b>	<b>665</b>	<b>Total Continuing Services Budget</b>			<b>695</b>
0	0	7	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>7</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>604</b>	<b>668</b>	<b>672</b>	<b>Portfolio Total</b>			<b>695</b>

## **Leisure & Young People**

### **North Weald Centre**

#### **North Weald Airfield**

There is an increase in electricity, salaries and support service allocations within this budget. 2007/08 includes the DDF item for income relating to the Scouts Jamboree.

#### **North Weald Gymnasium**

The main variation to report in this area is that the depreciation charges have increased.

## Leisure & Young People

### North Weald Centre

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<b>£000</b>	<b>Estimate</b>	<b>Estimate</b>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
<b>£000</b>	<b>£000</b>	<b>£000</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>
(612)	(502)	(429)	North Weald Airfield	837	1,308	(471)
15	9	14	North Weald Gymnasium	13	0	13
<b>(597)</b>	<b>(493)</b>	<b>(415)</b>	<b>Total (Transferred to Summary)</b>	<b>850</b>	<b>1,308</b>	<b>(458)</b>
(566)	(493)	(420)	Continuing Services Budget			(416)
6	0	0	Continuing Services Budget - Growth			8
(59)	0	0	Continuing Services Budget - Savings			0
<b>(619)</b>	<b>(493)</b>	<b>(420)</b>	<b>Total Continuing Services Budget</b>			<b>(408)</b>
52	0	5	District Development Fund - Expenditure			(50)
(30)	0		District Development Fund - Savings			0
<b>22</b>	<b>0</b>	<b>5</b>	<b>Total District Development Fund</b>			<b>(50)</b>
<b>(597)</b>	<b>(493)</b>	<b>(415)</b>	<b>Portfolio Total</b>			<b>(458)</b>

## **Leisure & Young People**

### **Sports Development and Other Miscellaneous Amenities**

#### **Leisure Marketing & Promotion**

Salary Allocations have reduced slightly in both 2006/07 and 2007/08.

#### **Lifewalks**

Salary Allocations have increased slightly in both 2006/07 and 2007/08.

#### **New Horizons**

The main variance for the budget is a decrease in income, this results in an overall increase in the budget from original 2006/07 to revised 2006/07. There are no significant changes from the original 2006/07 to original 2007/08 budgets.

#### **Sports Development**

Staff costs and recharges have increased due to the restructure of Leisure Services. The expected income generated has decreased in 2007/08 by £4,000.

#### **Community Development**

The main variation between the original and revised 2006/07 and between the 2006/07 and 2007/08 budgets are due to premises costs. The original 2006/07 cost of the refurbishment works at the Community Portacabin at Limes Farm was reduced from £24,000 to £15,000, then the £15,000 was split over revised 2006/07 of £8,000 and original 2007/08 of £7,000.

#### **Youth Strategy**

In 2006/07 vacant posts have resulted in a revised budget significantly lower than the original. In 2007/08 the vacancies are assumed to be filled and it is expected that Youth Activities will resume to the level budgeted for.

## Leisure & Young People

### Sports Development & Other Miscellaneous Amenities

2005/06 Actual £000	2006/07 Original Estimate £000	2006/07 Revised Estimate £000		2007/08 Gross Expend £000	2007/08 Gross Income £000	Net Expend £000
83	99	95	Leisure Marketing & Promotion	96	0	96
28	30	33	Lifewalks	45	5	39
46	50	54	New Horizons	85	38	48
126	147	142	Sports Development	175	16	159
219	265	245	Community Development	285	24	261
26	74	60	Youth Strategy	94	0	94
<b>528</b>	<b>665</b>	<b>629</b>	<b>Total (Transferred to Summary)</b>	<b>780</b>	<b>83</b>	<b>697</b>
520	665	621	Continuing Services Budget			690
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>520</b>	<b>665</b>	<b>621</b>	<b>Total Continuing Services Budget</b>			<b>690</b>
35	48	33	District Development Fund - Expenditure			37
(27)	(48)	(25)	District Development Fund - Savings			(30)
<b>8</b>	<b>0</b>	<b>8</b>	<b>Total District Development Fund</b>			<b>7</b>
<b>528</b>	<b>665</b>	<b>629</b>	<b>Portfolio Total</b>			<b>697</b>



## **Leisure & Young People**

### **Support and Trading Services**

#### **Leisure Services Administration**

The variation between the original and revised estimates is due primarily to the changes in Leisure Services as a result of the SLM Ltd contract. Some administrative staff originally accounted for under Leisure Contracts are now accounted for here.

#### **Leisure Contracts**

The changes to Leisure Services has resulted in a reduction of costs here however an increase is shown above under Swervice Administration.

**Leisure & Young People  
Support & Trading Services**

<i>2005/06</i>	<i>2006/07</i>			<i>2007/08</i>		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<i>Gross</i>	<i>Gross</i>	<i>Net</i>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<i>Expend</i>	<i>Income</i>	<i>Expend</i>
	<i>£000</i>	<i>£000</i>		<i>£000</i>	<i>£000</i>	<i>£000</i>
366	366	405	Leisure Services Administration	416	0	416
216	206	179	Leisure Contracts	183	0	183
<b>582</b>	<b>572</b>	<b>584</b>	<b>Total (Transferred to Summary)</b>	<b>599</b>	<b>0</b>	<b>599</b>

582	638	584	Continuing Services Budget			599
0	0	0	Continuing Services Budget - Growth			0
0	(66)	0	Continuing Services Budget - Savings			0
<b>582</b>	<b>572</b>	<b>584</b>	<b>Total Continuing Services Budget</b>			<b>599</b>
0	0	0	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>582</b>	<b>572</b>	<b>584</b>	<b>Portfolio Total</b>			<b>599</b>

**LEISURE & YOUNG PEOPLE PORTFOLIO 2007/08**  
**SUBJECTIVE ANALYSIS**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	Contracted Services	Support Services	Depreciation Charges	Internally Recharged	Gross Revenue Expenditure	Fees and Charges	Rental Income	Grants & Reimb Other	Net Revenue Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>Leisure Facilities</b>													
Loughton Leisure Centre Development	990	39,510	60	17,350	53,820	39,230	138,310		289,270	30,000			259,270
Waltham Abbey Swimming Pool	980	15,750	60	3,370	446,160	32,600	68,530		567,450	10,000			557,450
Epping Sports Centre	980	17,990	60	9,060	138,320	35,330	33,350		235,090	5,000			230,090
Waltham Abbey Sports Centre	261,500	43,330	4,480	80,200		83,570			473,080	133,050			340,030
Ongar Sports Centre	990	19,160	60	2,940	347,360	32,170	47,720		450,400	5,000			445,400
LLC - Development									0				0
Alternative Management									0				0
All Weather Pitch	5,100		320	180		3,900	10,800		20,300				20,300
<b>Arts, Museum &amp; Library</b>													
Community Arts	206,690		13,000	15,580		104,280			339,550				339,550
Arts Programme	2,180	1,030	920	40,100					44,230			12,420	31,810
Arts Additional Projects									0				0
Museum	206,780	60,990	7,670	43,330		74,520	16,560		409,850			8,660	401,190
Museum - Oral History Project									0				0
Broadband Pilot Project									0				0
<b>Parks &amp; Grounds</b>													
Playgrounds & Open Spaces		199,810		1,480		18,650			219,940			1,440	218,500
Contribution to HRA		292,610							292,610				292,610
Tree Service		43,610		310		21,420			65,340			200	65,140
Roding Valley Development	9,540	7,630	1,010	29,450		15,270			62,900		650		62,250
Charity Accounts		0		56,800		0			56,800			0	56,800
<b>North Weald Centre</b>													
North Weald Centre	331,430	256,380	21,390	65,910		156,250	5,990		837,350	1,307,470		1,300	(471,420)
North Weald Gymnasium						2,910	9,780		12,690				12,690
<b>Sports Development &amp; Other Miscellaneous Amenities</b>													
Leisure Marketing & Promotion	9,180		580	25,080		61,150			95,990				95,990
Lifewalks	25,890		1,000	6,650		11,890			45,430	4,900			40,530
New Horizons	37,790	6,300	1,000	16,350		24,210			85,650	38,190			47,460
Community Development	143,390	20,670	6,780	22,450		90,890	580		284,760	22,770		1,000	260,990
Sports Development	82,400		4,690	24,090		63,470			174,650	15,530			159,120
Youth Strategy	41,360		2,610	12,430		37,690			94,090				94,090
Youth Strategy Summer Programme									0				0
Beyond Suburbia									0				0
<b>Support and Trading Services</b>													
Leisure Administration									0				0
Leisure Contracts									0				0
<b>TOTAL</b>	<b>1,367,170</b>	<b>1,024,770</b>	<b>65,690</b>	<b>473,110</b>	<b>985,660</b>	<b>909,400</b>	<b>331,620</b>	<b>0</b>	<b>5,157,420</b>	<b>1,571,910</b>	<b>650</b>	<b>25,020</b>	<b>3,559,840</b>

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**CIVIL ENGINEERING AND MAINTENANCE  
PORTFOLIO**

**ESTIMATES 2007/08**

## Civil Engineering & Maintenance

### Revenue Budget 2007/08

#### Introduction

The Portfolio is responsible for the following services.

- Highways
- Car & Lorry Parking
- Land Drainage & Sewerage
- Support & Trading Services

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax.

The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2005. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – These are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – Under the constitution, the Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - The arrangements have led to a situation where responsibility for support services and DSO type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.

The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

**Civil Engineering & Maintenance**  
**General Fund Estimate Summary**

2005/06 Actual £000's	2006/07 Original Estimate £000's	2006/07 Revised Estimate £000's		2007/08 Gross Expend £000's	2007/08 Gross Income £000's	Net Expend £000's
<b>Direct Services</b>						
546	450	503	Highways	687	143	544
(492)	(375)	(413)	Car & Lorry Parking	1,062	1,502	(440)
614	737	602	Land Drainage & Sewerage	907	50	857
<b>668</b>	<b>812</b>	<b>692</b>	<b>Total (Transferred to GF Summary)</b>	<b>2,656</b>	<b>1,695</b>	<b>961</b>
<b>Support and Trading Services</b>						
335	343	299	Building Services	346	0	346
815	938	872	Grounds Maintenance	1,083	145	938
240	264	245	Civil Engineering	307	23	284
228	260	196	Fleet Operations	372	165	207
(384)	(442)	(448)	Recharged To This Portfolio	(615)	(91)	(524)
(1,234)	(1,363)	(1,164)	Recharged To Other Portfolio's	0	1,251	(1,251)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>1,493</b>	<b>1,493</b>	<b>0</b>
<b>668</b>	<b>812</b>	<b>692</b>	<b>Portfolio Total</b>	<b>4,149</b>	<b>3,188</b>	<b>961</b>
509	643	597	Continuing Services Budget			691
30	27	31	Continuing Services Budget - Growth			80
(28)	0	0	Continuing Services Budget - Savings			(45)
<b>511</b>	<b>670</b>	<b>628</b>	<b>Total Continuing Services Budget</b>			<b>726</b>
166	192	117	Development Fund - Expenditure			285
(9)	(50)	(53)	Development Fund - Savings			(50)
<b>157</b>	<b>142</b>	<b>64</b>	<b>Total District Development Fund</b>			<b>235</b>
<b>668</b>	<b>812</b>	<b>692</b>	<b>Portfolio Total</b>			<b>961</b>



## Civil Engineering & Maintenance

<b>CSB Growth Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Off Street Car Parking	Free Car Parking Waltham Abbey	20	20	
Off Street Car Parking	Free Saturday Parking			75
Off Street Car Parking	Increased Income			(45)
Civil Engineering	Land Drainage QA Maintenance	7	7	
Grounds Maint./Parking	Energy cost increase		4	5
		<b>27</b>	<b>31</b>	<b>35</b>

<b>Development Fund Items</b>		<b>Original 2006/07 £000's</b>	<b>Revised 2006/07 £000's</b>	<b>Original 2007/08 £000's</b>
Grounds Maintenance	New IT System		10	
Grounds Maintenance	New IT System (part funding from HRA)		(3)	
Land Drainage	Senior Engineer (2 years)	50	50	50
Land Drainage	Reimburse'm't from Environment Agency	(50)	(50)	(50)
Land Drainage	Remedial Works to Water Courses	100	1	199
Off Street Car Parking	Signage re Free Saturday Parking		10	
Highways	Residual Costs	42	46	36
		<b>142</b>	<b>64</b>	<b>235</b>

## **Civil Engineering and Maintenance**

### **Highways**

#### **Highways Residual Costs**

The Agency arrangements with Essex County Council (ECC) ceased on 31 March 2005. The costs are for office accommodation and support services from the transfer of staff to the Harlow regional office.

#### **Highways - General Fund**

The increases mainly relate to increased depreciation charges as a result of the completion of various Town Centre Enhancement schemes.

## Civil Engineering & Maintenance

### Highways

2005/06 Actual £000's	2006/07 Original Estimate Revised Estimate £000's			2007/08 Gross Expend £000's	2007/08 Gross Income £000's	2007/08 Net Expend £000's
124	42	46	Highways Agency Residual Cost	36	0	36
422	408	457	Highways General Fund	651	143	508
<b>546</b>			<b>Portfolio Total</b>	<b>687</b>		<b>143</b>
421	408	457	Continuing Services Budget			508
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>421</b>			<b>Total Continuing Services Budget</b>	<b>508</b>		
125	42	46	Development Fund - Expenditure			36
0	0	0	Development Fund - Savings			0
<b>125</b>			<b>Total District Development Fund</b>	<b>36</b>		
<b>546</b>			<b>Portfolio Total</b>	<b>544</b>		

## **Civil Engineering And Maintenance**

### **Car and Lorry Parking**

#### **Car and Lorry Parking**

In 2007/08 there is CSB growth of £75,000 in respect of introducing free Saturday parking at selected car parks within the District. However this is offset by a CSB saving of £45,000 extra parking income, from the revised tariff scheme. Included in the 2006/07 estimates is a DDF item of £10,000 in respect of signage regarding the free Saturday parking.

## Civil Engineering & Maintenance

### Car & Lorry Parking

2005/06 Actual £000's	2006/07 Original Estimate Revised Estimate £000's			2007/08 Gross Expend £000's	2007/08 Gross Income £000's	2007/08 Net Expend £000's
(492)	(375)	(413)	Car & Lorry Parking Off Street	622	1,062	(440)
0	0	0	Car & Lorry Parking On Street	440	440	0
<hr/>			<b>Portfolio Total</b>	<hr/>		
<b>(492)</b>	<b>(375)</b>	<b>(413)</b>		<b>1,062</b>	<b>1,502</b>	<b>(440)</b>
<hr/>						
(499)	(395)	(444)	Continuing Services Budget			(471)
29	20	21	Continuing Services Budget - Growth			76
(28)	0	0	Continuing Services Budget - Savings			(45)
<hr/>			<b>Total Continuing Services Budget</b>			<b>(440)</b>
<b>(498)</b>	<b>(375)</b>	<b>(423)</b>				
<hr/>						
6	0	10	Development Fund - Expenditure			0
0	0	0	Development Fund - Savings			0
<hr/>			<b>Total District Development Fund</b>			<b>0</b>
<b>6</b>	<b>0</b>	<b>10</b>				
<hr/>						
<b>(492)</b>	<b>(375)</b>	<b>(413)</b>	<b>Portfolio Total</b>			<b>(440)</b>

## **Civil Engineering & Maintenance**

### **Land Drainage & Sewerage**

#### **Flood Defence & Land Drainage**

Due to a programme of remedial works to watercourses being delayed to 2007/08, the time allocation of Design Division staff has been adjusted, resulting in lower costs in the revised 2006/07 estimates. The works involved are now scheduled to begin in 2007/08, resulting in an increase in costs between 2006/07 and 2007/08.

## Civil Engineering & Maintenance

### Land Drainage & Sewerage

2005/06 Actual £000's	2006/07 Original Estimate Revised Estimate £000's			2007/08 Gross Expend £000's	2007/08 Gross Income £000's	Net Expend £000's
447	569	429	Flood Defence & Land Drainage	733	50	683
27	25	28	Sewerage	28	0	28
140	143	145	Drainage Clearance Enforcement	146	0	146
<b>614</b>	<b>737</b>	<b>602</b>	<b>Portfolio Total</b>	<b>907</b>	<b>50</b>	<b>857</b>
614	637	601	Continuing Services Budget			658
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>614</b>	<b>637</b>	<b>601</b>	<b>Total Continuing Services Budget</b>			<b>658</b>
0	150	51	Development Fund - Expenditure			249
0	(50)	(50)	Development Fund - Savings			(50)
<b>0</b>	<b>100</b>	<b>1</b>	<b>Total District Development Fund</b>			<b>199</b>
<b>614</b>	<b>737</b>	<b>602</b>	<b>Portfolio Total</b>			<b>857</b>

## **Civil Engineering And Maintenance**

### **Support and Trading Services**

#### **Building Services**

Fluctuations in estimates relate to staff turnover within this group.

#### **Grounds Maintenance**

The revised estimate for 2006/07 contains a DDF item of £10,000 for a new IT system.

This amount formed part of the carry over from 2005/06; however part of the costs will be met by the HRA. Delays in recruitment have generated savings on staff-related costs of £93,000 in 2006/07.

#### **Civil Engineering**

Fluctuations in estimates relate to staff turnover within this group.

#### **Fleet Operations**

Insurance premiums have reduced considerably due to a revision in the contract and lower amount of claims since the refuse freighters were returned to the finance companies at the end of their leases.



## Civil Engineering & Maintenance

### Support and Trading Services

2005/06 Actual £000's	2006/07 Original Estimate £000's	2006/07 Revised Estimate £000's		2007/08 Gross Expend £000's	2007/08 Gross Income £000's	2007/08 Net Expend £000's
335	343	299	Building Services	346	0	346
815	938	872	Grounds Maintenance	1,083	145	938
240	264	245	Civil Engineering	307	23	284
228	260	196	Fleet Operations	372	165	207
<b>1,618</b>	<b>1,805</b>	<b>1,612</b>	<b>Portfolio Total</b>	<b>2,108</b>	<b>333</b>	<b>1,775</b>
1,591	1,798	1,595	Continuing Services Budget			1,771
1	7	10	Continuing Services Budget - Growth			4
0	0	0	Continuing Services Budget - Savings			0
<b>1,592</b>	<b>1,805</b>	<b>1,605</b>	<b>Total Continuing Services Budget</b>			<b>1,775</b>
35	0	10	Development Fund - Expenditure			0
(9)	0	(3)	Development Fund - Savings			0
<b>26</b>	<b>0</b>	<b>7</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>1,618</b>	<b>1,805</b>	<b>1,612</b>	<b>Portfolio Total</b>			<b>1,775</b>

**CIVIL ENGINEERING & MAINTENANCE  
SUBJECTIVE ANALYSIS 2007/08**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	External Contracted Services	Support Services	Dep'n Charges	Internally Recharged	Gross Revenue Expenditure	Reimburse from Agency	Fees and Charges	Rents	Net Revenue Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>HIGHWAYS</b>													
Highways Agency Residual Cost	0	0	0	210	0	35,660	0	0	35,870	0	0	0	35,870
Highways General Fund	19,310	309,420	3,480	15,840	0	104,290	199,130	0	651,470	0	142,930	0	508,540
<b>CAR &amp; LORRY PARKING</b>													
Off Street	40,680	187,120	7,350	22,660	309,110	54,790	0	0	621,710	0	1,039,850	22,000	(440,140)
On Street	54,020	1,000	9,780	32,730	412,760	65,570	0	(135,630)	440,230	0	440,230	0	0
<b>LAND DRAINAGE &amp; SEWERAGE</b>													
Flood Defence & Land Drainage	0	380	0	4,720	284,590	347,950	95,400	0	733,040	50,000	0	0	683,040
Sewerage	0	0	0	0	0	27,840	0	0	27,840	0	0	0	27,840
Drainage Clearance Enforcement	101,960	0	6,080	6,240	0	31,580	0	0	145,860	0	0	0	145,860
<b>SUPPORT &amp; TRADING SERVICES</b>													
Building Services	320,900	0	6,670	18,690	0	0	0	(346,100)	160	0	160	0	0
Grounds Maintenance	824,200	9,500	150,540	76,010	0	0	23,420	(938,190)	145,480	0	145,480	0	0
Civil Engineering	276,080	0	17,600	12,800	0	0	0	(283,560)	22,920	0	22,920	0	0
Fleet Operations	222,140	0	116,980	29,030	0	0	3,760	(206,910)	165,000	0	165,000	0	0
<b>TOTAL</b>	<b>1,859,290</b>	<b>507,420</b>	<b>318,480</b>	<b>218,930</b>	<b>1,006,460</b>	<b>667,680</b>	<b>321,710</b>	<b>(1,910,390)</b>	<b>2,989,580</b>	<b>50,000</b>	<b>1,956,570</b>	<b>22,000</b>	<b>961,010</b>

**PLANNING AND ECONOMIC  
DEVELOPMENT PORTFOLIO  
ESTIMATES 2007/08**

## Planning & Economic Development

### Revenue Budget 2007/08

#### Introduction

The Planning & Economic Development Portfolio is responsible for the following services:

Economic Development & Tourism

Bus Shelters

Countrycare

Conservation Policy

Forward Planning

Planning Appeals

Development Control

Building Control

Support & Trading Services

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax. The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance; in particular the Best Value Accounting Code of Practice 2006. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – these are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – The Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - Responsibility for support services and trading type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.

The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Planning and Economic Development

### General Fund Estimate Summary

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
	£000	£000		£000	£000	£000
<b>Direct Services</b>						
110	130	90	Economic Development	101	0	101
17	18	20	Public Transport Support	20	0	20
194	214	202	Countrycare	220	20	200
186	217	195	Conservation Policy	224	0	224
4	0	0	Waltham Abbey Hers Scheme	0	0	0
365	718	511	Forward Planning	630	3	627
<b>876</b>	<b>1,297</b>	<b>1,018</b>	<b>Total Direct Services</b>	<b>1,195</b>	<b>23</b>	<b>1,172</b>
<b>Regulatory Services</b>						
290	255	248	Planning Appeals	252	0	252
390	596	529	Development Control Enforcement	615	2	613
620	654	620	Development Control	994	582	412
0	0	0	Building Control Fee Earning	625	625	0
130	140	158	Building Control Non Fee Earning	162	0	162
<b>1,430</b>	<b>1,645</b>	<b>1,555</b>	<b>Total Regulatory Services</b>	<b>2,648</b>	<b>1,209</b>	<b>1,439</b>
<b>2,306</b>	<b>2,942</b>	<b>2,573</b>	<b>Total (Transferred to GF Summary)</b>	<b>3,843</b>	<b>1,232</b>	<b>2,611</b>
<b>Support and Trading Services</b>						
209	214	441	Planning Administration	522	1	521
(173)	(177)	(414)	Recharged to this Portfolio	(493)	(1)	(492)
(36)	(37)	(27)	Recharged to other Portfolios	(28)		(28)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>0</b>	<b>0</b>	<b>(0)</b>
<b>2,306</b>	<b>2,942</b>	<b>2,573</b>	<b>Portfolio Total</b>	<b>3,843</b>	<b>1,232</b>	<b>2,611</b>
2,152	2,339	2,139	Continuing Services Budget			2,257
27	76	117	Continuing Services Budget - Growth			14
(65)	(18)	(45)	Continuing Services Budget - Savings			(9)
<b>2,114</b>	<b>2,397</b>	<b>2,211</b>	<b>Total Continuing Services Budget</b>			<b>2,262</b>
419	617	515	District Development Fund - Expenditure			364
(227)	(72)	(153)	District Development Fund - Savings			(15)
<b>192</b>	<b>545</b>	<b>362</b>	<b>Total District Development Fund</b>			<b>349</b>
<b>2,306</b>	<b>2,942</b>	<b>2,573</b>	<b>Portfolio Total</b>			<b>2,611</b>

## Planning and Economic Development

### Development Fund & Growth Items

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>CSB Growth Items</b>				
Planning Services	Restructure	76	90	
Planning Services	Building Control Ring Fence	(18)	(18)	
Building Control	Additional Income		(27)	(9)
Building Control	Building Control Ring Fence Account		27	9
Tourism Promotion	End of Section 106			5
		<u>58</u>	<u>72</u>	<u>5</u>

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>Development Fund Items</b>				
Forward Planning	Alteration to Local Plan plus Temporary Local Plan Officer	237	103	160
Forward Planning	High Hedges Legislation - Staffing	25	10	18
Development Control	New IT System		53	
Development Control	Agency Staff		24	
Building Control	New IT System		25	
Building Control	New IT System		(25)	
Planning Services	Planning Delivery Grant 1	19	24	15
Planning Services	Planning Delivery Grant 2	119	121	24
Planning Services	Planning Delivery Grant 2	(33)	(33)	
Planning Services	Planning Delivery Grant 3	39	73	10
Planning Services	Planning Delivery Grant 3	(39)	(39)	
Planning Services	Planning Delivery Grant 4		56	
Planning Services	Planning Delivery Grant 4		(56)	
Planning Services	Planning Delivery Grant 5			15
Planning Services	Planning Delivery Grant 5			(15)
Planning Services	Scanning DDF	32	26	
Enforcement	Paynes Lane Traveller Incursion	122		122
Enforcement	Temporary Staffing	24		
		<u>545</u>	<u>362</u>	<u>349</u>

**Planning Delivery Grant Income is allocated to the year when it is originally intended to be spent in order to match the income to the expenditure. If the expenditure is delayed or rephased the income relating to the delayed expenditure is credited to the DDF at the end of the year concerned. When the expenditure is actually incurred it can then be funded from the DDF like any other DDF item.**

## **Planning and Economic Development**

### **Direct Services**

#### **Economic Development**

The variance between the original and revised estimates for 2006/07 relates to reduced salary costs as a result of the planning restructure and vacant posts. The 2007/08 budget takes into account the restructure and assumes that the vacancies will be filled.

The budget for Waltham Abbey Tourist Information centre increases from revised 2006/07 to original 2007/08 by £5,000. This is due to the section 106 contribution ending in 2006/07, CSB growth has therefore been included for 2007/08.

#### **Bus Shelters**

The increase in costs for 2006/07 relates to reallocated charges from the Parking Control Group. These costs will continue into 2007/08.

#### **Countrycare**

The 2006/07 revised estimates show a slight decrease on running expenses. There is no significant change in the budget for 2007/08.

#### **Conservation Policy**

The variance between the original and revised estimates for 2006/07 relates to reduced salary costs as a result of the planning restructure and vacant posts. The 2007/08 budget takes into account the restructure and assumes that the vacancies will be filled.

#### **Forward Planning**

The variation on this budget is mainly due to the re-phasing of DDF monies for work on the Local Plan amendment. Between the 2006/07 original and revised estimate a reduction of £270,000 to £103,000 has occurred. The variance also relates to reduced salary costs as a result of the planning restructure and vacant posts. The 2007/08 budget reflects the reduction in DDF from original 2006/07 to original 2007/08 from £270,000 to £160,000.



## Planning and Economic Development

### Direct Services

2005/06	2006/07			2007/08		
Actual	Original	Revised		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
	£000	£000		£000	£000	£000
99	119	79	Economic Development - General	85	0	85
11	11	11	Economic Development - Tourism	16	0	16
<b>110</b>	<b>130</b>	<b>90</b>	<b>Total Economic Development</b>	<b>101</b>	<b>0</b>	<b>101</b>
17	18	20	Bus Shelters	20	0	20
194	214	202	Countrycare	220	20	200
186	217	195	Conservation Policy	224	0	224
4	0	0	Waltham Abbey Hers Scheme	0	0	0
365	718	511	Forward Planning	630	3	627
<b>876</b>	<b>1,297</b>	<b>1,018</b>	<b>Total (Transferred to Summary)</b>	<b>1,195</b>	<b>23</b>	<b>1,172</b>
852	898	902	Continuing Services Budget			940
20	0	0	Continuing Services Budget - Growth			5
0	0	0	Continuing Services Budget - Savings			0
<b>872</b>	<b>898</b>	<b>902</b>	<b>Total Continuing Services Budget</b>			<b>945</b>
192	471	149	District Development Fund - Expenditure			242
(188)	(72)	(33)	District Development Fund - Savings			(15)
<b>4</b>	<b>399</b>	<b>116</b>	<b>Total District Development Fund</b>			<b>227</b>
<b>876</b>	<b>1,297</b>	<b>1,018</b>	<b>Portfolio Total</b>			<b>1,172</b>

## **Planning and Economic Development**

### **Regulatory Services**

#### **Planning Appeals**

The revised 2006/07 budget shows a slight decrease in staff and support service costs. This trend continues into 2007/08.

#### **Enforcement**

The main variance relates to the transfer to 2007/08 of £122,000 relating to Paynes Lane from 2006/07. The other major variance is due to an increase in staff related costs.

#### **Development Control**

The main variance relates to staff related costs which have decreased due to revised staffing allocations for Development Control Group. The 2007/08 budget has decreased due to the new planning system set up costs falling out of the budget.

#### **Building Control**

An increase in IT system recharges in 2006/07 is offset by an increase in income. Fees and charges were increased from 1st July 2006, a further inflationary increase is planned from 1st April 2007.

## Planning and Economic Development

### Regulatory Services

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		<b>Gross</b>	<b>Gross</b>	<b>Net</b>
<i>£000</i>	<i>Estimate</i>	<i>Estimate</i>		<b>Expend</b>	<b>Income</b>	<b>Expend</b>
<i>£000</i>	<i>£000</i>	<i>£000</i>		<b>£000</b>	<b>£000</b>	<b>£000</b>
290	255	248	Planning Appeals	252	0	252
390	596	529	Development Control Enforcement	615	2	613
620	654	620	Development Control	994	582	412
0	0	0	Building Control Fee Earning	625	625	0
130	140	158	Building Control Non Fee Earning	162	0	162
<b>1,430</b>	<b>1,645</b>	<b>1,555</b>	<b>Total (Transferred to Summary)</b>	<b>2,648</b>	<b>1,209</b>	<b>1,439</b>
1,300	1,441	1,319	Continuing Services Budget			1,317
7	76	27	Continuing Services Budget - Growth			9
(65)	(18)	(27)	Continuing Services Budget - Savings			(9)
<b>1,242</b>	<b>1,499</b>	<b>1,319</b>	<b>Total Continuing Services Budget</b>			<b>1,317</b>
227	146	356	District Development Fund - Expenditure			122
(39)	0	(120)	District Development Fund - Savings			0
<b>188</b>	<b>146</b>	<b>236</b>	<b>Total District Development Fund</b>			<b>122</b>
<b>1,430</b>	<b>1,645</b>	<b>1,555</b>	<b>Portfolio Total</b>			<b>1,439</b>

## **Planning and Economic Development**

### **Support & Trading Services**

#### **Planning Administration**

Salary costs have increased from the Original to Revised 2006/07 estimates due to the planning restructure. Administration staff originally accounted for within Development Control and Forward Planning Groups have been centralised in the admin section as part of the restructure, therefore a large increase is shown here. The overall increase due to the restructure is £90,000.

## Planning and Economic Development

### Support & Trading Services

2005/06	2006/07			2007/08		
<i>Actual</i>	<i>Original</i>	<i>Revised</i>		Gross	Gross	Net
£000	Estimate	Estimate		Expend	Income	Expend
£000	£000	£000		£000	£000	£000
209	214	441	Planning Administration	522	1	521
<b>209</b>	<b>214</b>	<b>441</b>	<b>Total (Transferred to Summary)</b>	<b>522</b>	<b>1</b>	<b>521</b>
209	214	359	Continuing Services Budget			521
0	0	90	Continuing Services Budget - Growth			0
0	0	(18)	Continuing Services Budget - Savings			0
<b>209</b>	<b>214</b>	<b>431</b>	<b>Total Continuing Services Budget</b>			<b>521</b>
0	0	10	District Development Fund - Expenditure			0
0	0	0	District Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>10</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>209</b>	<b>214</b>	<b>441</b>	<b>Portfolio Total</b>			<b>521</b>

**PLANNING & ECONOMIC  
DEVELOPMENT PORTFOLIO 2007/08  
SUBJECTIVE ANALYSIS**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	Contracted Services	Support Services	Asset Rentals	Internally Recharged	Gross Revenue Expenditure	Fees and Charges	Grants & Reimb Other	Net Revenue Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£
<b>Direct Services</b>												
Economic Development	41,880		1,620	20,180		21,420			85,100			85,100
Tourism				15,000		860			15,860			15,860
Bus Shelters	4,960		11,530	870		2,850			20,210	130		20,080
Countrycare	130,310	9,790	13,120	28,870		37,530			219,620		19,540	200,080
Conservation Policy	117,270		4,540	56,570		45,590			223,970			223,970
Forward Planning	301,290		11,670	180,980		135,740			629,680		2,700	626,980
<b>Regulatory Services</b>												
Planning Appeals	106,290		5,180	40,530		100,590			252,590			252,590
Enforcement	252,410		12,360	137,290		212,620			614,680		2,000	612,680
Development Control	436,560		20,850	97,360	10	428,040	11,310		994,130	579,600	2,700	411,830
Building Control Fee Earning	330,070		15,040	37,090	280	239,870	2,260		624,610	624,610		0
Building Control Non Fee Earning	91,230		4,300	6,170		60,510			162,210			162,210
<b>Support Services</b>												
Planning Administration									0			0
<b>TOTAL</b>	<b>1,812,270</b>	<b>9,790</b>	<b>100,210</b>	<b>620,910</b>	<b>290</b>	<b>1,285,620</b>	<b>13,570</b>	<b>0</b>	<b>3,842,660</b>	<b>1,204,340</b>	<b>26,940</b>	<b>2,611,380</b>

**ENVIRONMENTAL PROTECTION  
PORTFOLIO**

**ESTIMATES 2007/08**

## Environmental Protection

### Revenue Budget 2007/08

#### Introduction

The Portfolio is responsible for the following services.

- Environmental Health
- Waste Management
- Environmental Initiatives
- Support & Trading Services

Further detail of the services and the related CSB growth and DDF items are shown on the appropriate budget page.

#### Capital Charges

In previous years accounting standards have required that a notional charge be made to service revenue accounts to reflect the cost of fixed assets used in the provision of services. These charges were then reversed through the asset management revenue account so that they had no effect on the Council Tax.

The latest version of the Statement of Recommended Practice (SORP) that local authorities are required to follow in producing their budgets and accounts has removed the requirement for capital charges and the asset management revenue account.

#### Compliance with CIPFA Standards

The budget has been prepared in accordance with the latest CIPFA guidance, in particular the Best Value Accounting Code of Practice 2005. The code of practice has the status of statutory "proper practice". It is also expected that members of CIPFA will comply with all the requirements of the Code as it defines best professional practice in terms of financial reporting. The only divergence from the code in these budget papers occurs where the portfolio service groupings differ from those required by the Code of Practice. The portfolio groupings are given precedence in these papers.

#### Budget format

The format of the attached budget papers is the same as that adopted last year. The summary page is split into three groups: Direct Services, Regulatory Services and Support & Trading Services. Not all portfolios will have all three types of service grouping.

**Direct Services** – These are self-explanatory and reflect the headline services provided by the portfolio.

**Regulatory Services** – Under the constitution, the Cabinet has no part to play in the exercise of regulatory functions such as planning and licensing. However the Cabinet is responsible for the totality of the Council's budget. The costs of the regulatory functions therefore have been included in the appropriate portfolio budgets.

**Support and Trading Services** - The arrangements have led to a situation where responsibility for support services and DSO type arrangements has been split across a number of portfolios. In order to be transparent about the costs associated with these areas, they have been included in the relevant portfolios. However the net cost of these services is recharged to the direct and regulatory functions, either within the same portfolio or across a number of portfolios. Therefore to avoid double counting the costs are reversed out so as to arrive back at the true net cost of the portfolio.



The summary page then includes the traditional re-analysis of the budget in terms of its' opening Continuing Services Budget, CSB growth and savings, and District Development Fund expenditure and savings.

## Environmental Protection

### General Fund Estimate Summary

2005/06 Actual £000's	2006/07 Original Estimate £000's	2006/07 Revised Estimate £000's		2007/08 Gross Expend £000's	2007/08 Gross Income £000's	Net Expend £000's
			<b>Direct Services</b>			
1,220	1,337	1,420	Environmental Health	1,432	47	1,385
3,521	4,172	6,245	Waste Management	6,114	758	5,356
48	96	92	Environmental Initiatives	99	0	99
<hr/>			<b>Total (Transferred to GF Summary)</b>	<hr/>		
<b>4,789</b>	<b>5,605</b>	<b>7,757</b>		<b>7,645</b>	<b>805</b>	<b>6,840</b>
<hr/>						
			<b>Support and Trading Services</b>			
533	542	550	Environmental Administration	558	0	558
(299)	(349)	(358)	Recharged To This Portfolio	(362)	0	(362)
(234)	(193)	(192)	Recharged To Other Portfolio's		196	(196)
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total</b>	<b>196</b>	<b>196</b>	<b>0</b>
<hr/>			<hr/>			
<b>4,789</b>	<b>5,605</b>	<b>7,757</b>	<b>Portfolio Total</b>	<b>7,841</b>	<b>1,001</b>	<b>6,840</b>
<hr/>			<hr/>			
4,666	5,239	5,420	Continuing Services Budget			6,829
110	184	1,545	Continuing Services Budget - Growth			11
0	0	(262)	Continuing Services Budget - Savings			0
<b>4,776</b>	<b>5,423</b>	<b>6,703</b>	<b>Total Continuing Services Budget</b>			<b>6,840</b>
<hr/>			<hr/>			
181	235	1,132	Development Fund - Expenditure			56
(168)	(53)	(78)	Development Fund - Savings			(56)
<b>13</b>	<b>182</b>	<b>1,054</b>	<b>Total District Development Fund</b>			<b>0</b>
<hr/>			<hr/>			
<b>4,789</b>	<b>5,605</b>	<b>7,757</b>	<b>Portfolio Total</b>			<b>6,840</b>
<hr/>			<hr/>			

## Environmental Protection

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>CSB Growth Items</b>				
Waste Management	Revised Refuse/Recycling Contract	139		
Waste Management	New Waste Contract		1,500	
Waste Management	Recycling Credits		(262)	
Street Cleansing	Paternoster Ward	3	3	
Pollution Control	Bobbingworth Tip Maintenance	17	17	11
Pollution Control	Contaminated Land Strategy	25	25	
		<u>184</u>	<u>1,283</u>	<u>11</u>

		Original 2006/07 £000's	Revised 2006/07 £000's	Original 2007/08 £000's
<b>Development Fund Items</b>				
Waste Management	Revised Refuse/Recycling Contract	159		
Waste Management	Maintaining waste service whilst procurement undertaken		300	
Waste Management	Government Grant	(53)	(53)	(56)
Waste Management	Clear Sacks	16	16	
Waste Management	Recycling Measures	33	33	56
Waste Management	Countywide Waste Disposal Contract	7	7	
Waste Management	Contract termination and new contract set up		496	
Waste Management	Trade Waste Account		(25)	
Waste Management	Increase in Green Waste Contract	20	20	
Waste Management	Weekly Collection of Residuals (Summer)		195	
Environmental Health	Birchfield Survey and Clearance		65	
		<u>182</u>	<u>1,054</u>	<u>0</u>

## **Environmental Protection**

### **Environmental Health**

#### **Animal Welfare Service**

Dog Waste collections costs have risen due to South Herts Waste Management going into administration.

#### **Food Safety; Inspection of Workplaces and Pollution Control & Monitoring**

Re-allocations of staff related costs have increased the estimates for 2006/07 and 2007/08.

#### **Pest Control**

Re-allocations of staff related costs and a fall in income are factors for the increase in estimates.

#### **Public Conveniences**

Disposals of old public convenience blocks, replaced by Universal Super Loos (USL's) has reduced the amount of depreciation.

#### **Clear Birchfield Site**

This is a one off cost of clearance of the traveller site at Birchfield.

## Environmental Protection

### Environmental Health

2005/06 Actual £000's	2006/07 Original Estimate Revised Estimate £000's			2007/08 Gross Expend £000's	2007/08 Gross Income £000's	Net Expend £000's
159	163	174	Animal Welfare Service	182	9	173
84	94	98	Inspection of Workplaces	99	0	99
150	173	179	Food Safety	184	3	181
121	122	126	Pest Control	142	15	127
447	503	509	Pollution Control & Monitoring	528	0	528
8	12	8	Part B Processes	28	18	10
2	2	2	Home & Water Safety	2	0	2
63	67	68	Gypsy Matters	69	0	69
19	19	17	National Assistance Burials	19	1	18
167	182	174	Public Conveniences	179	1	178
0	0	65	Clear Birchfield Site	0	0	0
<b>1,220</b>			<b>Portfolio Total</b>	<b>1,432</b>		<b>47</b>
<b>1,420</b>			<b>1,385</b>			<b>1,385</b>
1,190	1,295	1,313	Continuing Services Budget			1,374
27	42	42	Continuing Services Budget - Growth			11
0	0	0	Continuing Services Budget - Savings			0
<b>1,217</b>			<b>Total Continuing Services Budget</b>	<b>1,385</b>		<b>1,385</b>
3	0	65	Development Fund - Expenditure			0
0	0	0	Development Fund - Savings			0
<b>3</b>			<b>Total District Development Fund</b>	<b>0</b>		<b>0</b>
<b>1,220</b>			<b>Portfolio Total</b>	<b>1,385</b>		<b>1,385</b>

## **Environmental Protection**

### **Waste Management**

#### **General**

South Herts. Waste Management Ltd entered administration in April 2006. Cory Environmental took over the running of the contract on a temporary basis which, due to the short term nature, has incurred a premium on costs. A supplementary estimate of £1.8 million was agreed by Council on 25 July 2006 whilst the procurement exercise was being carried out.

The re-tendering of the contract is hoped to bring back some of the economies of scale gained by the original contract. This exercise is to be completed during 2007/08.

#### **Refuse Collection**

Further supplementary estimates - £300,000 contract termination costs and £230,000 additional summer collections - were agreed by Council on 24 April 2006 and 25 July 2006 respectively. The cost of the additional summer collections was £195,000: the £35,000 saving on the original budget was added to the DDF item for the new contract set-up costs.

#### **Recycling**

Budget increases in respect of the £1.8 million mentioned above have been mitigated by the increased recycling from the implementation of the wheeled bin service.

## Environmental Protection

### Waste Management

2005/06 Actual £000's	2006/07 Original Estimate £000's	2006/07 Revised Estimate £000's		2007/08 Gross Expend £000's	2007/08 Gross Income £000's	2007/08 Net Expend £000's
1,436	1,622	3,011	Refuse Collection	2,226	73	2,153
1,291	1,308	1,961	Street Cleansing	1,980	10	1,970
792	1,001	1,028	Recycling	1,535	535	1,000
(37)	178	194	Glass Collection	305	115	190
39	63	51	Abandoned Vehicles	68	25	43
<b>3,521</b>	<b>4,172</b>	<b>6,245</b>	<b>Portfolio Total</b>	<b>6,114</b>	<b>758</b>	<b>5,356</b>
3,428	3,848	4,015	Continuing Services Budget			5,356
83	142	1,503	Continuing Services Budget - Growth			0
0	0	(262)	Continuing Services Budget - Savings			0
<b>3,511</b>	<b>3,990</b>	<b>5,256</b>	<b>Total Continuing Services Budget</b>			<b>5,356</b>
178	235	1,067	Development Fund - Expenditure			56
(168)	(53)	(78)	Development Fund - Savings			(56)
<b>10</b>	<b>182</b>	<b>989</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>3,521</b>	<b>4,172</b>	<b>6,245</b>	<b>Portfolio Total</b>			<b>5,356</b>

## **Environmental Protection**

### **Environmental Initiatives**

#### **Environmental Co-ordination**

Changes in support staff time allocations have generated a small saving at revised estimate for 2006/07.



## Environmental Protection

### Environmental Initiatives

2005/06 Actual £000's	2006/07 Original Estimate Revised Estimate £000's			2007/08 Gross Expend £000's	2007/08 Gross Income £000's	2007/08 Net Expend £000's
48	96	92	Environmental Co-ordination	99	0	99
<b>48</b>	<b>96</b>	<b>92</b>	<b>Portfolio Total</b>	<b>99</b>	<b>0</b>	<b>99</b>
48	96	92	Continuing Services Budget			99
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>48</b>	<b>96</b>	<b>92</b>	<b>Total Continuing Services Budget</b>			<b>99</b>
0	0	0	Development Fund - Expenditure			0
0	0	0	Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>48</b>	<b>96</b>	<b>92</b>	<b>Portfolio Total</b>			<b>99</b>

## **Environmental Protection**

### **Support and Trading Services**

#### **Environmental Administration**

The increased cost from Original 2006/07 to Revised 2006/07 is due to an increase in staff costs to deal with calls relating to the poor performance of the original contractor. This was offset by a reduction in the supplies and services element of this cost centre.

The increase in 2007/08 is due mainly to inflation.

**Environmental Protection**  
**Support and Trading Services**

<i>2005/06</i> <i>Actual</i> <i>£000's</i>	<i>2006/07</i> <i>Original Estimate</i> <i>Revised Estimate</i> <i>£000's</i>			<i>2007/08</i> <i>Gross Expend</i> <i>£000's</i>	<i>Gross Income</i> <i>£000's</i>	<i>Net Expend</i> <i>£000's</i>
533	542	550	Environmental Administration	558	0	558
<b>533</b>	<b>542</b>	<b>550</b>	<b>Portfolio Total</b>	<b>558</b>	<b>0</b>	<b>558</b>
533	542	550	Continuing Services Budget			558
0	0	0	Continuing Services Budget - Growth			0
0	0	0	Continuing Services Budget - Savings			0
<b>533</b>	<b>542</b>	<b>550</b>	<b>Total Continuing Services Budget</b>			<b>558</b>
0	0	0	Development Fund - Expenditure			0
0	0	0	Development Fund - Savings			0
<b>0</b>	<b>0</b>	<b>0</b>	<b>Total District Development Fund</b>			<b>0</b>
<b>533</b>	<b>542</b>	<b>550</b>	<b>Portfolio Total</b>			<b>558</b>

**ENVIRONMENTAL PROTECTION  
SUBJECTIVE ANALYSIS 2007/08**

BUDGET	Employee Expenses	Premises Related Expenses	Transport Related Expenses	Supplies and Services	External Contracted Services	Support Services	Dep'n Charges	Internally Recharged	Gross Revenue Expenditure	Government Grant	Fees and Charges	Rents	Net Revenue Expenditure
	£	£	£	£	£	£	£	£	£	£	£	£	£
<b>ENVIRONMENTAL HEALTH</b>													
Animal Welfare Service	71,860	530	15,230	11,400	50,450	32,450	0	0	181,920	0	8,700	0	173,220
Inspection of Workplaces	69,120	0	4,120	4,230	0	22,000	0	0	99,470	0	0	0	99,470
Food Safety	118,110	0	7,040	16,440	0	42,580	0	0	184,170	0	3,000	0	181,170
Pest Control	56,630	0	3,380	3,470	58,070	20,100	0	0	141,650	0	14,750	0	126,900
Pollution Control & Monitoring	278,070	28,000	16,580	88,140	0	117,130	0	0	527,920	0	0	0	527,920
Part B Processes	19,470	0	1,160	1,190	0	6,750	0	0	28,570	0	18,450	0	10,120
Home & Water Safety	0	0	0	540	0	1,260	0	0	1,800	0	0	0	1,800
Gypsy Matters	35,040	0	2,090	2,150	0	29,530	0	0	68,810	0	0	0	68,810
National Assistance Burials	0	0	0	1,000	0	17,510	0	0	18,510	0	1,000	0	17,510
Public Conveniences	0	155,070	0	4,480	0	10,020	10,030	0	179,600	0	1,200	0	178,400
<b>WASTE MANAGEMENT</b>													
Refuse Collection	89,290	18,650	11,770	106,040	1,734,690	165,705	99,950	0	2,226,095	0	73,000	0	2,153,095
Street Cleansing	57,020	17,740	7,520	6,070	1,822,410	69,805	0	0	1,980,565	0	10,230	0	1,970,335
Recycling	87,100	11,880	11,480	364,030	920,380	139,720	0	0	1,534,590	56,290	478,800	0	999,500
Glass Collection	0	0	0	0	305,000	0	0	0	305,000	0	114,960	0	190,040
Abandoned Vehicles	14,810	0	1,950	2,600	30,000	18,290	0	0	67,650	0	25,000	0	42,650
<b>ENVIRONMENTAL INITIATIVES</b>													
Environmental Co-ordination	47,210	0	2,650	24,150	0	24,570	0	0	98,580	0	0	0	98,580
<b>SUPPORT &amp; TRADING SERVICES</b>													
Environmental Administration	490,720	0	7,440	59,840	0	0	0	(557,950)	50	0	50	0	0
<b>TOTAL</b>	<b>1,434,450</b>	<b>231,870</b>	<b>92,410</b>	<b>695,770</b>	<b>4,921,000</b>	<b>717,420</b>	<b>109,980</b>	<b>(557,950)</b>	<b>7,644,950</b>	<b>56,290</b>	<b>749,140</b>	<b>0</b>	<b>6,839,520</b>

## **Report to the Finance and Performance Management Scrutiny Panel**



**Date of meeting: 15 January 2007**

**Portfolio:** Finance and Performance Management

**Subject:** Revised Four-Year Forecast

**Officer contact for further information:** Bob Palmer – (01992 - 56 4279)

**Democratic Services Officer:** Adrian Hendry (01992 56 4246)

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### **Recommendation:**

Members are asked to consider the revised four year forecast and the level of Council Tax increase for 2007/08 and subsequent years.

### **Introduction**

1. On 11 December 2006 the Finance and Performance Management Cabinet Committee considered a report setting out the current position on the draft General Fund budget. The Committee confirmed that the budget guidelines previously set down should be adhered to:

- a) that the ceiling for CSB net expenditure be no more than £17M including net growth.
- b) that balances continue to be aligned to the Council's net budget requirement and that balances be allowed to fall no lower than 25% of the net budget requirement.
- c) that the District Council Tax be increased by no more than the rate of increase in the Retail Price Index.

2. As the first of the guidelines represents an additional constraint on the previous four-year forecast, an update of the four-year forecast should be considered prior to making any recommendations to the Overview and Scrutiny Committee or the Cabinet on the level of the Council Tax increase for 2007/08.

### **Previous Four-Year Forecast**

3. On 25 September 2006 the Finance and Performance Management Cabinet Committee considered the annual Financial Issues Paper and an updated four-year financial forecast. At that time Members attention was drawn to the impact on the budget of the waste management contractor being placed in administration earlier in the year. Some £2.33m of supplementary estimates have been approved to deal with the costs incurred during the administration, the higher level of charges from the interim contractor and enhancements to the service for weekly summertime collections. In formulating an updated four-year forecast it was necessary to consider how much of the supplementary estimates would ultimately be CSB growth. Given the assertions from the previous contractor that they had underbid, the higher costs of the interim contractor and the Council decision to retain summertime collections as part of the ongoing service, it was felt appropriate to include £1.5m as CSB growth.

4. At that time the predicted General Fund balance at 1 April 2007 of £5.328m represented just over 32% of the anticipated NBR for 2007/08 and was therefore somewhat higher than the guideline of 25%. However, the additional costs that are now likely to be incurred on waste management meant that by 1 April 2009 the predicted balance had reduced to £2.65m. This represented only 15% of the net budget requirement for 2009/10 and so highlighted the clear need for a review of services and expenditure.

5. The report also detailed the significant uncertainties that still existed, in particular the capitalisation of pension fund deficit payments. Following concerns at the Treasury about excessive capitalisations creating pressure on the Chancellor's "Golden Rule" the regulations for issuing capitalisation directions were changed. A new "Two Gate" system has been introduced, whereby applications must satisfy the previous criteria to clear gate 1 but applications will not pass gate 2 until the national economic impact has been considered in total. Confirmation has been received that the applications to capitalise the additional pension deficit payments for 2006/07 have cleared gate 1. The Department for Communities and Local Government (DCLG) will not inform authorities if they have cleared gate 2 for 2006/07 applications until 31 January 2007. If capitalisation directions are not obtained then the additional charges to revenue will be £629,000 General Fund and £295,000 HRA for 2006/07 and £680,000 General Fund and £319,000 HRA for 2007/08.

6. The other key areas of uncertainty highlighted included changes to the statutory Concessionary fares scheme and the outcome of the Lyons Review and the impact that this may have on the future financing of Local Government.

#### **Draft Local Government Finance Settlement**

7. Last year as part of replacing the system of Assumed National Council Tax (ANCT) and Formula Spending Shares (FSS) with Relative Needs Formulae (RNF), the Government provided a two-year settlement. On November 28 draft figures for 2007/08 were issued and these were open to consultation until 5 January 2007. Initially it appeared that there was an increase of some £22,000 in the figures that the Council had previously been advised of. Unfortunately the DCLG later issued a correction and an apology that confirmed the draft settlement was as advised last year. The table below is repeated from last years budget papers to remind Members of the settlement:

	Original 2005/06 £m	Adjusted 2005/06 £m	2006/07 £m	2007/08 £m
Formula Grant	7.299	7.918	8.627	9.161
Increase £	n/a	0.619	0.709	0.534
Increase %	n/a	8.48%	9.0%	6.2%

8. It is also worth repeating that the increase of 6.2% is more than double the minimum floor increase of 2.7%. The restrictions on growth above the floor have been eased from 2006/07 as the Council can now retain 60.8% of the increase above the floor as opposed to the figure of 49.1% in 2006/07. This means the amount of grant lost to support the floor for other local authorities will reduce from £490,000 in 2006/07 to £189,000 for 2007/08.

#### **Updated Four-Year Forecast**

9. A revised four-year forecast has been prepared and is attached as Annexes 1 a and b. In constructing the forecast it has been necessary to make certain assumptions, these are set out below and follow the discussions held between the Finance and Performance Management Portfolio Holder, other Cabinet Members and Heads of Service:

- a. CSB Growth – growth items for 2007/08 have been included at a total of £138,000. For 2008/09 growth items of £354,000 have currently been identified. The growth of £1.5m previously mentioned for waste management has been included in the revised estimates for 2006/07, but is partly offset by an increase in income from recycling credits of £262,000.
- b. DDF – all of the known items for the four-year period have been included and at the end of the period a balance of £809,000 is still available. This is after revising the estimates for LABGI income from £200K to £500K for 2006/07 and from £0 to £200K in 2007/08. The exact amounts to be received are still uncertain as the formula has changed, but a national ceiling will be applied to cap total income from the scheme, which will lead to some authorities receiving less than the amount suggested by the pure application of the formula.
- c. Grant Funding – the provisional settlement figures have been included for 2007/08. It has been assumed that for 2008/09 and subsequent years the gross grant entitlement will increase by 2%. It has also been assumed that the amount lost to support the floor for other authorities will reduce over the period to give net grant increases of 3.5% in 2008/09, 2.5% in 2009/10 and 2.1% in 2010/11.
- d. Council Tax Increase – Members have confirmed they wish to keep rises in line with inflation and so an increase of 3.5% has been included for 2007/08. It is anticipated that growth in the retail prices index will reduce from the current level of 3.9% to 2.5% in subsequent years and so 2.5% has been used for future increases.

10. The inclusion of significant growth in CSB needs to be considered in terms of the level of revenue balances. Even allowing for the higher Council Tax increase in 2007/08 of 3.5% the table below illustrates that reserves as a percentage of NBR will fall to the guideline level by 2009/10 and will have significantly breached the guideline by 2010/11.

	2006/07	2007/08	2008/09	2009/10	2010/11
Net Budget Requirement	£15.792M	£16.659M	£17.166M	£17.596M	£18.001M
Opening Reserves	£6.456M	£5.954M	£5.633M	£4.708M	£3.439M
Reserves as % of NBR	40.9%	35.7%	32.8%	26.8%	19.1%

## Conclusion

11. The financial position is such that Members must now carefully prioritise the allocation of scarce resources. With the general fund revenue balance just short of £6.5m there is no need for short-term panic measures. However, before the end of the current forecast period a thorough review of the entire authority will be needed to ensure that priority services are provided at a sustainable level. If such a review is not conducted and substantial savings are not identified then the authority will be in breach of the current guideline on reserves by 2010/11.

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## REVISED GENERAL FUND FOUR YEAR FORECAST 2006/07 - 2009/11

ORIGINAL 2006/07		REVISED FORECAST 2006/07	FORECAST 2007/08	FORECAST 2008/09	FORECAST 2009/10	FORECAST 2010/11
£'000	<b>NET REVENUE EXPENDITURE</b>	£'000	£'000	£'000	£'000	£'000
14,480	Continuing Services Budget	14,406	16,842	17,737	18,860	19,450
773	CSB - Growth Items	1,738	138	354	5	0
15,253	Total C.S.B	16,144	16,980	18,091	18,865	19,450
1,655	One - off Expenditure	2,173	876	186	13	0
150	Contribution to/from Insurance reserve	150	0	0	0	0
17,058	Total Net Operating Expenditure	18,467	17,856	18,277	18,878	19,450
-1,655	Contribution to/from (-) DDF Balances	-2,173	-876	-186	-13	0
389	Contribution to/from (-) Balances	-502	-321	-925	-1,269	-1,449
15,792	Net Budget Requirement	15,792	16,659	17,166	17,596	18,001
<b>FINANCING</b>						
9,117	Government Support (NNDR+RSG)	9,117	9,350	9,537	9,728	9,922
-490	RSG Floor Gains/(-Losses)	-490	-189	-58	-12	0
8,627	Total External Funding	8,627	9,161	9,479	9,716	9,922
7,160	District Precept	7,160	7,498	7,687	7,880	8,078
5	Collection Fund Adjustment	5	0	0	0	0
15,792	To be met from Government Grants and Local Tax Payers	15,792	16,659	17,166	17,596	18,001
	Band D Council Tax	134.73	139.50	143.01	146.61	150.30
	<b>Percentage Increase %</b>		3.5	2.5	2.5	2.5

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**REVISED GENERAL FUND FOUR YEAR FORECAST 2006/07 - 2010/11**

	<b>REVISED FORECAST 2006/07</b>	<b>FORECAST 2007/08</b>	<b>FORECAST 2008/09</b>	<b>FORECAST 2009/10</b>	<b>FORECAST 2010/11</b>
	£'000	£'000	£'000	£'000	£'000
<b>REVENUE BALANCES</b>					
Balance B/forward	6,456	5,954	5,633	4,708	3,439
Surplus/Deficit(-) for year	-502	-321	-925	-1,269	-1,449
<b>Balance C/Forward</b>	<b>5,954</b>	<b>5,633</b>	<b>4,708</b>	<b>3,439</b>	<b>1,990</b>
<b>DISTRICT DEVELOPMENT FUND</b>					
Balance B/forward	3,007	1,567	1,008	822	809
Income	733	317	0	0	0
Transfer Out	-2,173	-876	-186	-13	0
<b>Balance C/Forward</b>	<b>1,567</b>	<b>1,008</b>	<b>822</b>	<b>809</b>	<b>809</b>
<b>CAPITAL FUND (inc Cap Receipts)</b>					
Balance B/forward	20,073	22,318	17,920	16,667	16,055
New Usable Receipts	10,565	914	831	819	817
CR Used to Fund Capital Expenditure					
- Transitional Relief Receipts	-1,722	0	0	0	0
- Other Capital Receipts	-6,598	-5,312	-2,084	-1,431	-1,137
<b>Balance C/Forward</b>	<b>22,318</b>	<b>17,920</b>	<b>16,667</b>	<b>16,055</b>	<b>15,735</b>
<b>TOTAL BALANCES</b>	<b>29,839</b>	<b>24,561</b>	<b>22,197</b>	<b>20,303</b>	<b>18,534</b>

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