

No 9

GENERAL FUND REVENUE ACCOUNT - FINANCIAL PROJECTION (JULY 2007)

	Approved Estimate	Projection 2007/08	Projection 2008/09	Projection 2009/10
	£	£	£	£
Net Committee Spending - Base Budget	11,802,970	11,947,790	12,195,840	12,451,320

Capital Adjustments

Interest Adjustment	-518,000	-544,000	-563,000	-585,000
FRS 17 Pension Adjustment to Cash Paid	251,500	259,000	266,800	274,800
Asset Management Revenue Account	-89,000	-79,000	-70,000	-61,000
Commutation Adjustment	-76,000	-26,000	0	0

Approved/Known Variations to the Base Budget

Termination of Leasing Agreements	0	-46,000	-129,000	-189,000
Ending of Temporary Staff Contracts	0	-20,880	-21,500	-22,100
2005/06 Service Improvements	0	-50,800	-50,800	-51,800
2006/07 Service Improvements - changes in subsequent years	0	-28,350	34,500	35,200
Loss of Rental Income on Industrial Estates (Nov 08)	0	0	55,750	167,500
Cost of Local Elections	0	82,000	0	0
Cost of 4th Edition of "The News" 2006/07	10,000	0	0	0
Recruitment and Retention in Environmental Health	0	21,500	22,100	22,800
Increased Housing Benefit Subsidy	-200,000	-200,000	-200,000	-200,000
Increase in Income from Planning Fees	-60,000	-70,000	-70,000	-70,000
Increase in External Audit Fees	11,200	11,500	11,800	12,200
Review of Policy, Leisure, and Health Staffing	37,500	37,500	37,500	8,500

GENERAL FUND REVENUE ACCOUNT - FINANCIAL PROJECTION (JULY 2007)

	Approved	Projection	Projection	Projection
	Estimate	2007/08	2008/09	2009/10
	£	£	£	£
Increase in interest on Bank Deposits and Cash Flow	-95,000	-71,250	-47,500	-23,750
Commitments brought forward from 2005/06	325,620	0	0	0

Provisions

Bad and Doubtful Debts	40,000	40,000	40,000	40,000
Pay and Grading Review	0	100,000	90,000	80,000
Increase in Pension Contributions	0	0	95,000	97,900
Elections/Electoral Registration - New Burdens	29,000	29,900	30,800	31,700
Equality for Disabled People - New Burdens	5,000	5,200	5,400	5,600
Freedom of Information - New Burdens	5,000	5,200	5,400	5,600
Other - New Burdens	10,000	10,300	10,600	10,900

OVERALL NET REVENUE EXPENDITURE

	11,489,790	11,413,610	11,749,690	12,041,370
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FINANCING

Government's Formula Grant	6,353,952	6,702,568	6,836,619	6,973,352
Council Tax	4,166,063	4,291,961	4,533,840	4,795,054

Total - External Financing

	10,520,015	10,994,529	11,370,459	11,768,406
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GENERAL FUND REVENUE ACCOUNT - FINANCIAL PROJECTION (JULY 2007)

	Approved Estimate	Projection 2007/08	Projection 2008/09	Projection 2009/10
	£	£	£	£
Contributions from/to (-) Earmarked Reserves				
Section 106 - Swadlincote Woodlands	51,500	52,900	54,300	54,300
Section 106 - Open Space Maintenance	17,290	18,090	18,890	18,890
Commitments	325,620	0	0	0
I.T. Reserve	-42,350	-42,350	-42,350	-42,350
TOTAL FINANCING	10,872,075	11,023,169	11,401,299	11,799,246
Amount required from General Reserves	-617,715	-390,441	-348,391	-242,124
GENERAL FUND RESERVE				
Balance as at 1st April	3,465,959	2,848,244	2,457,803	2,109,412
Contributions as above	-617,715	-390,441	-348,391	-242,124
Balance as at 31st March	2,848,244	2,457,803	2,109,412	1,867,288

HOUSING REVENUE ACCOUNT - BASE BUDGET and UPDATED FINANCIAL PROJECTION to 2017 (JULY 2006)

Approved Estimate	Projection											Projection 2016/17	
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17		
£	£	£	£	£	£	£	£	£	£	£	£	£	
Expenditure													
Housing Repairs	2,932,730	3,028,040	3,126,450	3,228,060	3,332,970	3,441,290	3,553,130	3,668,610	3,787,840	3,910,940	4,038,050		
Capitalisation of Planned Maintenance	-335,000	-335,000	-335,000	0	0	0	0	0	0	0	0	0	
General Management	757,400	780,120	803,520	827,630	852,460	878,030	904,370	931,500	959,450	988,230	1,017,880		
Sheltered and Other Services	878,010	904,350	931,480	959,420	988,200	1,017,850	1,048,390	1,079,840	1,112,240	1,145,610	1,179,980		
Council Tax on Void Properties	5,110	5,260	5,420	5,580	5,750	5,920	6,100	6,280	6,470	6,660	6,860		
Provision for Bad Debts	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500		
Capital Charges	277,500	230,400	210,600	185,300	158,200	127,500	111,700	111,400	111,200	110,900	110,700		
Payment to Government Pool	4,157,200	4,177,200	4,203,100	4,246,300	4,290,000	4,342,400	4,339,300	4,353,600	4,366,200	4,376,600	4,384,700		
Cost of Rebates Remaining in HRA	60,000	50,000	40,000	30,000	20,000	10,000	0	0	0	0	0		
Provision for Increase in Pensions	0	0	22,000	22,660	23,340	24,040	24,760	25,500	26,270	27,060	27,870		
Total Expenditure	8,740,450	8,847,870	9,015,070	9,512,450	9,678,420	9,854,530	9,995,250	10,184,230	10,377,170	10,573,500	10,773,540		

Income												
Rent from Dwellings	8,454,700	8,542,300	8,645,200	8,762,800	8,897,900	9,051,800	9,181,500	9,332,000	9,484,600	9,659,600	9,858,500	
Other Rents	97,910	99,870	101,870	103,910	105,990	108,110	110,270	112,480	114,730	117,020	119,360	
Interest - Sale of Council Houses	3,100	2,750	2,400	2,050	1,700	1,350	1,000	650	300	150	100	
Other Fees & Charges	70,720	72,130	73,570	75,040	76,540	78,070	79,630	81,220	82,840	84,500	86,190	
Other Recharges	10,270	10,480	10,690	10,900	11,120	11,340	11,570	11,800	12,040	12,280	12,530	
Interest Received from General Fund	76,500	63,516	58,057	51,083	43,612	35,149	30,793	30,710	30,655	30,572	30,517	
Supporting People Grant	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	
Total Income	9,063,200	9,141,046	9,241,787	9,355,783	9,486,862	9,635,819	9,764,763	9,918,860	10,075,165	10,254,122	10,457,197	

Projected Deficit / Surplus (-)	-322,750	-293,176	-226,717	156,667	191,558	218,711	230,487	265,370	302,005	319,378	316,343	
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HRA General Reserves												
Balance b/f	1,477,751	1,800,501	2,093,677	2,320,394	2,163,727	1,972,169	1,753,457	1,522,970	1,257,600	955,596	636,218	
Deficit / Surplus (-) as above	-322,750	-293,176	-226,717	156,667	191,558	218,711	230,487	265,370	302,005	319,378	316,343	

Balance c/f	1,800,501	2,093,677	2,320,394	2,163,727	1,972,169	1,753,457	1,522,970	1,257,600	955,596	636,218	319,875	
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CAPITAL INVESTMENT and FINANCING TO 2012

	Approved		-----Planned Expenditure-----				TOTAL
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
	£	£	£	£	£	£	£
COUNCIL HOUSE IMPROVEMENTS							
Capital Improvements	1,851,850	1,762,850	1,765,700	1,774,600	1,750,000	1,700,000	10,605,000
Other Disabled Adaptations/Garage Sites	130,000	130,000					
HRA - Planned Maintenance	337,550	337,550	337,500				1,012,600
Total Expenditure	2,319,400	2,230,400	2,103,200	1,774,600	1,750,000	1,700,000	11,617,600

Financed From							
Major Repairs Allowance (Government Grant)	1,809,150	1,762,850	1,765,700	1,774,600	1,750,000	1,700,000	10,562,300
Major Repairs Reserve	42,700						42,700
Capital Receipts - Windfall Element	467,550	467,550	337,500				1,272,600
Total Financing	2,319,400	2,230,400	2,103,200	1,774,600	1,750,000	1,700,000	11,877,600

DISABLED FACILITY GRANTS (DFG's)							
Allocation	527,900	266,000	166,000	166,000	166,000	166,000	1,457,900

Financed From							
Government Grant (Ring-fenced)	175,700	100,000	100,000	100,000	100,000	100,000	675,700
Capital Receipts - General 25% Set-aside Element	0	66,000	66,000	66,000	66,000	66,000	330,000
Capital Receipts - Windfall Element	352,200	100,000					452,200
Total Financing - DFG's	527,900	266,000	166,000	166,000	166,000	166,000	1,457,900

CAPITAL INVESTMENT and FINANCING TO 2012

	-----Planned Expenditure-----						TOTAL
	Approved 2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
	£	£	£	£	£	£	£
OTHER HOUSING INVESTMENT							
Housing Management System - Repairs Module	32,500						32,500
Private Sector - Decent Homes	450,000						450,000
Private Sector - Improvement and Renewal Grants, etc.	351,000	384,000	384,000	384,000			1,503,000
Private Sector - Energy Efficiency, Fuel Poverty	150,000						150,000
Private Sector - Housing Needs Survey			40,000				40,000
Contribution to Housing Needs and Market Assessment	28,000						28,000
Resurfacing Alma Road	40,000						40,000
Repayment of Covenants (Council House Improvements)	244,200	264,900	289,700	306,250	331,080	390,800	1,826,930
TOTAL EXPENDITURE	1,295,700	648,900	713,700	690,250	331,080	390,800	4,070,430

Financed From

Government Grant	515,000						515,000
Capital Receipts - Windfall Element	752,700						752,700
Capital Receipts - General 25% Set-aside Element	28,000	648,900	713,700	690,250	331,080	390,800	2,802,730
TOTAL INCOME	1,295,700	648,900	713,700	690,250	331,080	390,800	4,070,430

GENERAL FUND INVESTMENT PROGRAMME

COMMUNITY SERVICES

Green Bank Leisure Centre - Refurbishment of Plant	5,000						5,000
Swadincote Woodlands Forest Park - Improvements	82,200						82,200
Maurice Lea Park - Renovation	116,650						116,650
Mount Pleasant Football Pitches - Drainage	12,400						12,400
Other Pitch Improvements	20,000						20,000

CAPITAL INVESTMENT and FINANCING TO 2012

	Approved					-----Planned Expenditure-----					TOTAL
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	TOTAL				
	£	£	£	£	£	£	£				
Modernisation of Play Areas and Safety Surfacing	100,000						100,000				
Provision of Youth and Play Facilities	200,000	250,000	250,000				700,000				
Crime Prevention	100,000	60,000	60,000	60,000			280,000				
Community Partnership Scheme	343,200	100,000	100,000	100,000			643,200				
Etwell Leisure Centre - Provision set-aside	0	250,000					250,000				
Renovation of Cemeteries (rolling programme)	47,300						47,300				
Contribution to Artificial Sports Pitch	99,000						99,000				
Rosliston - Get Active in the Forest	-35,200						-35,200				
Replacement of Christmas Lights	25,000						25,000				
Improvement Works at Midway Fishponds	10,000						10,000				
ENVIRONMENTAL AND DEVELOPMENT SERVICES											
Hatton Flood Alleviation Works	10,000						10,000				
Provision of Information Kiosks	11,100						11,100				
Recycling - Extending the Green Box Scheme	52,000						52,000				
PROPERTY and OTHER ASSETS											
Repairs to Village Halls and General Properties	95,400						95,400				
Improvements to Civic Offices	94,000						94,000				
Disability Access Improvements	215,600	100,000	100,000				415,600				
Planned Maintenance Programme	200,000						200,000				
Corporate Lone Worker System	13,000						13,000				
Vehicles - Contribution to Renewals Fund	225,000	225,000	225,000	225,000	225,000	225,000	1,350,000				
Civic Car				20,000			20,000				
Repayment of Covenants	170,800	185,100	200,300	223,750	68,920	81,345	930,215				
TOTAL EXPENDITURE - GENERAL FUND											
	2,212,450	1,170,100	935,300	628,750	293,920	306,345	5,546,865				

CAPITAL INVESTMENT and FINANCING TO 2012

	Approved					Planned Expenditure					TOTAL
	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12					
	£	£	£	£	£	£					
Financed From											
Waste Efficiency and Performance Grant	52,000					52,000					
Specific Grant - Flood Alleviation	24,000					24,000					
External Contributions (SEE BELOW)	277,800	150,000	150,000			577,800					
Section 106 Planning Agreements (SEE BELOW)	58,450					58,450					
Capital Receipts - General 25% Set-aside Element	1,800,200	1,020,100	785,300	628,750	293,920	4,834,615					
TOTAL INCOME - GENERAL FUND	2,212,450	1,170,100	935,300	628,750	293,920	5,546,865					

External Contributions						
Youth and Play Facilities	100,000	150,000	150,000			400,000
Maurice Lea Park	177,800					177,800

Section 106 Funding						
Swadlincote Woodlands - Access Improvements	58,450					58,450

CAPITAL INVESTMENT and FINANCING TO 2012

Approved	-----Planned Expenditure-----					TOTAL
2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	
£	£	£	£	£	£	£

OVERALL ANALYSIS OF CAPITAL RECEIPTS

ANALYSIS OF GENERAL CAPITAL RECEIPTS

Balance b/fwd	3,319,952	2,447,752	1,545,752	673,952	-1,048	-192,048
Add: Projected New Receipts (mainly RTB's)	762,000	783,000	643,200	660,000	450,000	450,000
Add: Rights of Way Granted	44,000					
Add: Inward Investment	100,000					
Add: Land Sales (underwritten by Commutation Reserve)	50,000	50,000	50,000	50,000	50,000	50,000
Less - Amount required to Fund GFund Programme	1,800,200	1,020,100	785,300	628,750	293,920	306,345
Less - Amount required to Fund DFG's	0	66,000	66,000	66,000	66,000	66,000
Less - Amount required to Fund Other Housing	28,000	648,900	713,700	690,250	331,080	390,800
Balance c/fwd	2,447,752	1,545,752	673,952	-1,048	-192,048	-455,193

ANALYSIS OF WINDFALL RECEIPTS

Balance b/fwd	2,034,517	1,033,567	466,017	128,517	128,517	128,517
Add: Projected New Receipts (RTB's)	571,500					
Less - Amount required to Fund HRA	467,550	467,550	337,500			
Less - Amount required to Fund DFG's	352,200	100,000				
Less - Amount required to Fund Other Housing	752,700					
Balance c/fwd	1,033,567	466,017	128,517	128,517	128,517	128,517

SHELTERED HOUSING CAPITAL RECEIPTS - Balance

772,253

These receipts are currently ring-fenced to help deliver the Strategic Housing Vision for Sheltered Accommodation

APPENDIX 4

CALCULATION OF A MINIMUM LEVEL OF GENERAL RESERVES

GENERAL FUND

Variable	Risk	Sensitivity - Allowance	Provision £
Inflation	Rises above economic forecasts	1% point above forecast	124,500
Planning, Building Regs and Land Charges	Reduction in market share or demand	10% of annual income	80,000
General Government (Fourmula) Grant	Adverse formula and data changes	1.5% of annual grant	105,000
Targetted Government Grants	Phased out/not mainstreamed	10% of annual grant	35,000
Partnership Contributions	Cut/do not materialise	50% of annual contributions	112,500
Bank Deposits and Temporary Borrowings	Adverse interest rates/negative cash flow	50% of net interest received	37,500
Council Tax Collection	Tax base is lower/collection rate dips	1% of estimated income collected	48,000
Housing Benefits	Government contribution reduced	1% of total benefits paid in year	135,000
Professional Legal Fees	Need to engage professional advice	Nominal amount allowed	50,000
Insurance Premiums (80% Gfund)	Volatile market	Additional 10% over base budget	24,000
Emergency Assistance	Statutory provision is required	0.2% of net revenue expenditure	24,000
Gross Revenue Expenditure (excl benefits)	Unforeseen variations - capacity/service issues	1% of total expenditure	187,000
Capital Projects (excl MRA)	Unforeseen variations or external finances reduced	1% of capital programme	45,000

1,007,500

HOUSING REVENUE ACCOUNT

Variable	Risk	Sensitivity - Allowance	Provision £
Inflation on Management Costs	Rises above economic forecasts	1% point above forecast	16,000
Inflation on Repairs and Maintenance	Rises above economic forecasts (Building Industry)	2% point above forecast	58,000
Payment to the Government Pool	Adverse formula and data changes	2% of annual payment	83,000
Supporting People Grant	Cut	10% of annual grant	35,000
Empty Properties	Void increase reducing rent	1% of rent income	85,000
Right to Buy Sales	Increase which reduces rent	10% increase	26,000
Professional Legal Fees	Need to engage professional advice	Nominal amount allowed	50,000
Insurance Premiums (20% HRA)	Volatile market	Additional 10% over base budget	6,000
Revenue Expenditure (excl subsidy)	Unforeseen variations - capacity/service issues	1% of total expenditure	46,000
Capital Spend	Unforeseen variations or external finances reduced	1% of capital programme	22,000

427,000