

BABERGH DISTRICT COUNCIL

To: Strategy Committee	Report Number: M127
From: Strategic and Financial Planning Task Group	Date of meeting: 17 January 2013

FINANCIAL OUTLOOK AND 2013/14 DRAFT BUDGET

1. Purpose of Report

- 1.1 To advise Strategy Committee on the medium term financial outlook and the SFP Task Group's views on this along with their proposals relating to the 2013/14 General Fund Draft Revenue Budget and Capital Programme, which will be a 'Transitional Budget'.
- 1.2 To provide key information on the above including the position on New Homes Bonus and how it is proposed this should be used.

2. Recommendations

- 2.1 That Members note the information in the report on the Financial Outlook and the indicative further additional significant reductions in Government funding in 2014/15 and beyond.
- 2.2 That the draft Budget for 2013/14 is based on:
 - A further freeze in council tax
 - Subject to further review of the overall Budget position, using the New Homes Bonus as indicated in sections 8.13 and 8.26 of the report (and as also summarised in Appendix E)
 - The potential cost pressures, savings and income referred to in the report.
- 2.3 That the current position on the draft General Fund Revenue Budget as set out in the report and the draft General Fund Capital Programme attached at Appendix D to this report be noted.
- 2.4 That it be noted that the Budget continues to include the net cost of car parking in the District of around £200k per annum and that a clear proposition to remove or reduce this cost in relation to future Budgets remains under review, with a view to this being resolved in 2013 and in time for setting the 2014/15 Budget.

The above recommendations are subject to final determination by the Committee and Council in February 2013.

3. Financial Implications

- 3.1 Detailed in the report.

4. Risk Management

4.1 This report is most closely linked with a number of the Council's Significant Business risks. Key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
O3. Failure to act upon the requirements of the Welfare reform Act 2012 and Funding Reforms could lead to unpreparedness for changes due to come into effect in April 2013 and beyond.	Unlikely	Bad	Devise and consult on a scheme to respond to the proposed Council Tax benefit changes. Consider opportunities and risks relating to the Government's new Business Rate Retention proposals, including adopting a countywide approach.
SIT6. Failure to plan early and identify options to meet the medium term (3 year) and 2013-14 budget gap of both councils to minimise or avoid reductions in service provision.	Unlikely	Bad	Early and rigorous discussions to agree how savings and additional income are to be achieved for the next 3 years and the draft budget proposals for 2013-14.
SIT10. BMI Financial milestones are not achieved leading to savings not being realised.	Unlikely	Bad	Set and Review project budget and financial targets alongside the Councils' normal financial governance mechanisms.

4.2 A full risk assessment on the Budget will be included in the February report that will set out key risk areas of expenditure and income.

5. Consultations

5.1 The Council has undertaken a wide ranging Community Engagement exercise to inform its strategic priorities going forward.

5.2 These will inform future resource allocation and Budget re-alignment in terms of achieving agreed outcomes linked to these strategic priorities.

6. Equality and Diversity Impact

6.1 Equality Analyses will be undertaken for any service areas where significant changes are being proposed. The outcomes will be reported to Executive Committee as part of the Budget report on 14 February 2013.

7. Shared Service / Partnership Implications

- 7.1 Babergh and Mid Suffolk continue to work closely together on integrating staff and services. The draft Budget for 2013/14 reflects this in terms of sharing the costs and savings relating to integration and aligning Budgets and charges for services where appropriate.

8. Key Information

Financial Outlook and Strategic Context

- 8.1 Achieving financial sustainability must be one of the Council's key priorities given that the current austerity measures and public sector funding reductions are likely to continue up to 2018.
- 8.2 It has been recognised and accepted that, in order to achieve the outcomes that we want to achieve and rise to the challenge of continued reductions in resources over the next 5 years, 2013/14 is very much a year of Budget transition. Significant changes from integration and transformation will shape and inform future Budgets from 2014/15 onwards.
- 8.3 It is crucial that Members and officers grasp and understand what the Council's future medium term financial picture may look like. Previous forecasts suggested that both Babergh and Mid Suffolk would need to save £3.5m each over the next 3 years. This will be reviewed and updated further before the final Budget report is submitted to Strategy Committee and Council in February. The aim is then for an updated Medium Term Financial Strategy (MTFS) to be produced in the first half of 2013.
- 8.4 It is clear that further 'salami slicing' of Budgets will not deliver what is required and that detailed budgets will look very different in future due to the changes in funding arrangements that are taking place. The new integrated management and staffing structure and future service delivery outcomes will be based on the new strategic priorities and be reflected in future Budgets.
- 8.5 The 2013/14 Budget will, therefore, provide the starting point for both Babergh and Mid Suffolk to realign future resources to the new strategic priorities and undertake specific projects to achieve agreed outcomes related to these. So, although a balanced Budget can be achieved for 2013/14, there will clearly be further spending reductions over the next 5 years.

Future Funding arrangements

- 8.6 These are changing significantly with less general Formula Grant in future and more income expected to come from the retention of 50% of Business Rates. Business rates growth will be a significant factor in maintaining the council's level of income in future years. There is also the significant change in funding on Local Council Tax Support, which also impacts on Town & Parish Councils.
- 8.7 Members are reminded that Babergh has already seen a 25% cut in Formula Grant over the last 2 years. Future funding from the Government is being targeted and incentivised e.g. based on economic growth, supporting local infrastructure projects and more radical service transformation. Further information on the funding position, based on the Government's spending announcements in late December 2012 is set out below:

- Overall reduction in Formula Funding for England of 1.6%
- Shire Districts reduction 6.8%, continuing previous trends of this sector taking the biggest hit (Shire Counties -5.2%)
- The settlement figures have produced a further increase in the funding gap between rural and urban authorities and the settlement is very bad news for rural areas – see note below
- Babergh's headline Formula Funding in 2013/14 is reduced by £248k or 6.1%
- The 'Start Up Funding Assessment' for Babergh (which is the new description of the combined previous RSG element of Formula Grant plus the new business Rates element) is 5% less than the equivalent 2012/13 figure
- Looking ahead to 2014/15, the government's indication is that this will **reduce by a further 12.8% in 2014/15** (national reduction 8.5%).

Note: The July 2012 consultation implied a (post damping) circa 2.5% closure of the gap in grant funding per head of population between urban and rural areas. SPARSE, supported by rural councils, made strident representations about the fact that some 75% of the gain they proposed in acknowledging (after years of chronic underfunding) the extra costs of serving rural communities was shown to be lost to damping.

However there looked to be a slight closure of the funding gap. Rather than the implied slight closure, a comparison of formula funding between 2012/13 and 2013/14 reveals larger year on year reductions in predominantly rural and significant rural areas than in urban areas. Even before these reductions urban areas received about half as much more funding per head as rural areas and this settlement further widens the gap. The figures show overall:

Predominantly Rural Councils - 3.81% reduction in formula funding compared to an Urban - 2.04% reduction

Significant Rural Councils - 5.21% reduction in formula funding compared to an Urban - 2.04% reduction.

8.8 It must be emphasised that the Start Up Funding Assessment is not a fixed guaranteed amount as it is now dependant on variations in business rates income. This will have to be carefully monitored in future as a key KPI.

8.9 In relation to Business Rates, the Council has signed up to a Countywide Pooling arrangement. In summary, the terms of the pool are as follows:

- No authority will be worse off as a result of the pooling. £1m will be retained in the pool to establish a future safety net
- The second £1m will be split 50-50 between the Borough/Districts and a Suffolk Public Sector Leaders fund
- The remainder of the pooled rates income will be split 40% to the Borough/Districts, 40% to the Public Sector Leaders Fund and 20% to SCC
- Suffolk Leaders will recommend how the Leaders fund is spent and each Council will delegate responsibility for taking decisions on behalf of each Council to enable that to happen

- The Leaders fund will be used to support projects coming forward as a result of an agreed county wide economic growth strategy – i.e. On projects of strategic importance to growth across the county
- If agreement cannot be reached on the spending of the Leaders fund it will be distributed 60% to the Borough/Districts and 40% to SCC
- The distribution of the Borough/District share will be split between the 7 councils according to the following formula - 50% on the basis of each council's spending baseline and 50% on basis of growth in each District – so each District still incentivised to deliver growth in their district.

Financial Planning and the 2013/14 Budget

8.10 Specific details of the overall approach to this year's financial planning and Budget setting process are set out below:

- Medium Term savings forecasts have been reviewed and updated throughout the year based on an evolving picture, more recently with the focus on 2013/14.
- Further updates for years 2 and 3 will be undertaken once the details of the Government's spending announcement and settlement have been fully digested
- This will update the previous forecast of savings for the next 3 years of £3.5m
- In relation to the 2013/14 Budget, identifying and critically reviewing cost pressures and potential savings or additional income
- Reviewing existing capital programmes - where appropriate reflecting any immediate issues in relation the new strategic priorities.

8.11 If the various proposals and details contained within this report are supported then a balanced budget will be achieved for 2013/14, albeit with some continued temporary use of the New Homes Bonus (NHB), other one-off income items and further significant savings from integration and transformational reviews.

8.12 The draft Budget is based on taking the Government's grant for a further Council Tax freeze, (equivalent to 1% of Council Tax and which will be received for 2 years only).

Assumptions

8.13 A number of key assumptions have been made in formulating the draft Budget proposals and these are seen as the most reasonable that can be made at this point in time. The overall picture is set out in Appendix A and some of the key aspects are outlined below:

- Integration – additional staff savings of £350k in 2013/14 as a result of voluntary redundancies and implementing the Operational Delivery Teams (ODT's). Provision for a further £100k saving on non-staffing costs
- Additional savings in 2013/14 (to be reflected in the final Budget report in February) from transformational reviews and a Zero Based Budgeting approach, which will need to continue into subsequent years
- Joint procurement and commissioning reviews – £100k saving target in 2013/14 with further opportunities in 2014/15 when the grounds maintenance service is up for review, the CSD contract ends and in relation to the Future Back Office Services Review (FBOR)

- A range of other savings and additional income totalling over £800k. Appendix B provides further details
- New Homes Bonus – potential continued use of £134k (as in 2012/13) to support the Budget generally. Further use of £243k to temporarily support the realignment of staff resources in the ODT's. Remainder of around £1.3m available for strategic priorities - see further details in Appendix E
- Fairly significant sums of income (of around £360k) are included in the draft Budget that are one-off and that will largely not be available, subject to Member decisions, in 2014/15.
- Given the potential further reduction in Government funding in 2014/15, this creates a big financial challenge that will need to be addressed. The SFP Task Group fully recognise the challenge and will ensure an early start to financial planning in 2013 to arrive at a clear position for 2014/15 onwards.

8.14 Members are asked to note that the Budget still includes the net cost of car parking as no firm proposition or conclusion has yet emerged from the discussions with Sudbury Town Council and local businesses on an arrangement to manage car parks and reduce costs. If this does not produce a way forward by the summer of 2013, the Council will have to consider other alternatives as part of the strategic and financial planning process for the 2014/15 Budget.

8.15 Further work on reviewing cost pressures (see Appendix C) is being undertaken to reduce these (or increase savings/income) in order to achieve a balanced Budget and/or further improve the Budget position for next year.

Note: The overall position on the Local Council Tax Support Scheme including grants to Town & Parish Councils is also still under review - overall, the reduced Council Tax income should be offset by Government grant but that still needs to be confirmed.

Local Government Finance Settlement

8.16 This is covered earlier in the report. Officers are still examining and digesting the provisional settlement figures and supporting information. Further analysis and assessment of this is required, therefore, particularly on the Council Tax Support Scheme funding. Members will be updated accordingly and any adjustments to the 2013/14 Draft Budget incorporated in the report to Strategy Committee and Council in February.

8.17 It should be emphasised that the new 'baseline' funding is part fixed (the old RSG element) but is also part dependent on business rates income - growth would be anticipated but there could be reductions also. Also, the provisional grant settlement is subject to consultation, confirmation and final determination by Parliament in January 2013 and it is possible that the final figures may vary slightly from those mentioned above.

Council Tax, the Taxbase and Council Tax Support Scheme

8.18 The Council tax base, expressed in "Band D equivalents", to be used when setting the 2013/14 Council Tax is likely to show a reduction of around 9% on the 2012/13 figure, which is a combination of growth and the new Local Council Tax Support Scheme, offset by the reduction in discounts for second and empty homes.

- 8.19 The reduction in taxbase is because the new Local Council Tax Support (Reductions) Scheme is now part of the Taxbase calculation. The reduced Council Tax income that results from this is made good, in principle, by a specific Government Grant towards the cost of the Local Council Tax Support scheme. These changes will be built into the proposed final Budget.
- 8.20 The impacts on Town & Parish Council taxbases for 2013/14 taking into account the new arrangements for Local Council Tax Support (Reduction) Schemes, and the level of grant we will pass onto them under the Government's new funding arrangements is being finalised. This has been a huge exercise that has had to be dealt with unexpectedly at the same time as producing the draft Budget.
- 8.21 It currently appears that a number of Councils nationally may not be accepting the Government's Council Tax freeze grant. However, it appears that all of the other Suffolk Councils other than perhaps Ipswich will not have an increase in Council Tax, although the Police Authority's position is unclear.
- 8.22 Having a Council Tax increase next year could result in potentially negative publicity and would only raise around an extra £50k a year - based on a maximum 2% increase, which is the Government's new trigger for a referendum.

New Homes Bonus

- 8.23 Based on notification from the Government, the Council will receive £856k New Homes Bonus in 2013/14, Further details of the cumulative sums received and the forecast use up to and including 2013/14 are set out in Appendix E. Members will note that some use is proposed in 2013/14 to realign staff resources as part of the ODT proposals.
- 8.24 Assuming similar future growth, an estimate of the NHB allocations that might be received in the next few years is provided in the table below. After 2016/17, the Government's current intention is that this will reduce gradually over the six years that follow:

Year of growth	14/15 £000	15/16 £000	16/17 £000
2011/12	295	295	295
2012/13	335	335	335
2013/14	226	226	226
2014/15	300	300	300
2015/16		300	300
2016/17			300
Total	1,156	1,456	1,756

- 8.25 In terms of temporary use of NHB to support the Council's Budget and ODT's to deliver its strategic plans, it should be noted that this should only be done if it is clear that this funding can and will be replaced by savings/additional income in future years. This further emphasises the scale of the challenge from 2014/15 onwards and the need to drive out further savings and/or generate additional revenue/income streams.

8.26 In terms of using the remaining funding to support projects and activity that will produce clear outcomes in relation to the Council's strategic priorities and plans, Executive Committee are asked to consider and endorse the following broad principles and strategy for 2013/14 in terms of financing the Council's strategic plans and priorities:

- Use some NHB to temporarily fund the realignment of resources and develop the capacity of the ODT's to deliver the Council's strategic priorities i.e. a Transition Fund
- Use the remainder to support the overall Growth and Economic Generation Strategy and generate future revenue/income
- Allocate and spend most of the remaining £1.3m on specific projects or activities that are linked to the above and the new strategic priorities – with an appropriate capital/revenue split, linked to specified outcomes and, where appropriate, the capital strategy
- Ensure that most of this (say 80%) is aimed at schemes that generate income and the remainder (20%) is spent on other projects.

8.26 Allocation of NHB to specific priorities and projects will take place in the first half of 2013 as part of the next phase of the Strategic and Financial Planning process. Future NHB sums i.e. from 2014/15 onwards will be allocated as part of future annual strategic and financial planning processes. As part of this, a clear view will be needed on removing the £134k annual amount of NHB that is currently being used to support the Council's Base Budget.

Summary - Funding Available and the 2013/14 Draft Budget

8.27 A summary of the potential available funding (subject to further review) is shown below.

	£000
Provisional finance settlement from Government	3,842
Council Tax Support Grants	424
One off Council Tax Freeze Grant 2013/14	49
Collection Fund Surplus	6
Council Tax (no increase)	4,370
Total	8,691

8.28 Based on the above, detailed work on drawing up a draft Budget for 2013/14 is substantially complete and will be summarised in the final Budget report in February. Allocations to service areas will be amended to reflect the new integrated structure although this will require further review when the ODT's have been finalised.

8.29 The net budget requirement will reduce between 2012/13 and 2013/14 with the main reason for this being the reduction in grant funding from the Government.

8.30 Planned transfers to and from reserves that are likely to form part of the draft Budget (other than those relating to New Homes Bonus) for 2013/14 will be reflected in the final Budget report.

- 8.31 There was £1.6m in earmarked reserves as at April 2012. Most of this relates to the Integration reserve, New Homes Bonus and legal costs for the MMI case. Some will be used in this year and next year. In addition to this there will be around £1.3m in the General Fund general reserve/ working balance.
- 8.32 Budget monitoring for 2012/13 shows that it may be possible to make a further contribution to reserves at the end of this financial year, but as this will not be certain until after March 2013, this has not been built into the figures indicated above.
- 8.33 Further consideration will be given to reserve levels in producing the final Budget report, linked to the recent Audit Commission publication on improving decision making on reserves.

Integration and Transformation

- 8.34 The Budget for 2013/14 will need to allow for the estimated costs and savings relating to integration and transformation. These amounts have not been incorporated in the tables shown earlier in the report, but will be included in the report to Strategy Committee and Council in February. Transitional costs, including those relating to redundancies, will be capitalised (if possible) or met from either general or earmarked reserves that the Council has agreed to set aside.
- 8.35 The draft 2013/14 Budget proposals are based on the following assumptions on staffing budgets, including assumed savings from the ODT proposals. A realistic but cautious view has been taken pending the outcome of further work on pay and gradings, as follows:

	Joint Savings £000
Total estimated integration/staff savings to date (Tiers 1-4 and VR's) compared to 2012/13 Budget	1,550
Less: assumed proportion to the HRA	-200
Less: assumed integration savings in 2012/13 General Fund Budgets (staff and non-staff)	-1,100
Additional annual saving	250
Assumed ODT savings in 2013/14 (£560k x 80% to allow for part-year or reduced savings)	450
Total	700
	(£350k per Council in 2013/14)

- 8.36 The final Budget will also reflect further savings (and costs) in 2013/14 relating to next year's transformational reviews.
- 8.37 In terms of integration costs, there is approximately £0.8m in earmarked reserves that is available for further redundancy and other transitional costs in the current and future years. No announcement on further capitalisation directions in 2012/13 or future years has been made by the Government, although the LGA is pressing for one.

- 8.38 Allowing for redundancy costs that were paid out in 2012/13 but accounted for in 2011/12, it is estimated that there will be no further call on the earmarked reserves this year in relation to these, but that £200k to £300k per council could be needed in 2013/14 in relation to the ODT proposals, which could be accounted for in 2012/13 as a 'provision'.
- 8.39 Other joint transitional costs of £100k for each council, as per the business case, are anticipated this year (+ a further £50k estimated for pay protection costs). In addition, an appropriate allowance will be needed in 2013/14 for both of these also, as well as providing for any costs relating to the planned transformational reviews.
- 8.40 Any costs relating to transformational reviews will have to be met from the remaining balance of around £250k that will be left in earmarked reserves, unless this can be increased as a result of the 2012/13 financial outturn and any additional financial capacity in the draft Budget for 2013/14.

9. Summary

- 9.1 The draft Budget for 2013/14 includes the potential cost pressures and the various proposals for savings and additional income, as outlined in Appendices B and C of this report. If these proposals are supported, it is anticipated that a balanced budget can be achieved for 2013/14.

10. Capital Strategy and General Fund Capital Programme

- 10.1 Officers are reviewing the capital strategy and, subject to the outcome of this review, have only made one major change/addition to the current capital programme, which is to include an annual provision for opportunity land/asset purchases/regeneration projects of £300k a year to support the Council's strategic priorities.
- 10.2 Based on this, indicative additional borrowing levels for the next 4 years for each Council (depending on capital receipts/asset disposal levels) are as follows:

Year	£000
2013/14	1,243
2014/15	1,868
2015/16	915
2016/17	1,964

- 10.3 These are significant amounts and annual costs of these levels of borrowing will have to be funded from future revenue budgets - depending on interest rates and the nature/level of additional external borrowing each year.
- 10.4 The draft programme is attached at Appendix D. Approval is sought to the items in 2013/14, with the future items being included for illustrative purposes. The council housing programme, including the plans for the first four years will be agreed as part of the HRA Business Plan.

11. Appendices

Title	Location
APPENDIX A – MTFS Savings Forecast, Cost Pressures and Savings 2013/14	Attached
APPENDIX B – Savings and Income - 2013/14 budget	Attached
APPENDIX C – Potential Cost Pressures - 2013/14 budget	Attached
APPENDIX D – Draft Capital Programme for 2013/14 – 2016/17	Attached
APPENDIX E - New Homes Bonus	Attached

12. Background Documents

Local Government Finance Settlement.

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Appendix A

MTFS Savings Forecast, Cost Pressures and Savings 2013/14

	£000
Current Budget Gap	1,496
Savings/ additional income identified to date and other income forecast in ODT proposals - still to be finalised	-897
Staff/Integration savings	-350
Non-staffing integration savings (new)	-100
Transformation Reviews and Zero Based Budgeting	TBC
Commissioning and Procurement savings	-100
Council Tax Freeze grant (1%)	-49
Shortfall	0

Notes:

1. Impact of Local Council Tax Support scheme, reduced taxbase and grant still to be finalised and reflected.
2. Further consideration on allowance for Transformation Reviews and Zero Based Budgeting before final Budget report in February.
3. Position on land charges claims for repayment of past charges/income received not reflected - being reviewed in terms of likely cost and whether this exceeds Govt. grant that has been received.
4. Any costs relating to dealing with Ash Dieback disease to be met from reserves.
5. Current Budget (2012/13) assumes £100k general savings/underspend for the year. Assumed this will continue in 2013/14 but further consideration needed.
6. The Budget gap would increase by up to £134k if some or all of the temporary use of New Homes Bonus in 2012/13 did not continue again in 2013/14.

SAVINGS AND INCOME - 2013/14 BUDGET

	Amount £000
<u>Corporate Resources</u>	
Integration and transformation including Zero Based Budgeting	350*
Joint commissioning and procurement savings	100
Integration and transformation - non-staff costs	100
Shared Revenues Partnership	77
Savings on IBS Licences and realignment of Software licence costs (resulting from SRP)	51
Reduction in contribution to Welfare Reform Reserve	40
Misc Items under £10k	48
<u>Economy</u>	
Additional income from 15% increase to planning fees	57
Potential fees from Chilton Woods Planning application	125
Pre Application (Planning) charges/S.106/TIC add'l income	30
Misc Items under £10k	4
<u>Environment</u>	
Additional recycling credits	122
Increase in Garden Waste customers	66
Increase in rebate from MRF recycling facility due to improved selling prices	19
Saving on CSD Public Access Charge (Joint Waste Contract)	20
Additional licensing income from self-set fees	13
Misc Items under £10k	36
<u>Housing</u>	
Additional Homelessness Grant	10
Misc Items under £10k	5
<u>Corporate Organisation</u>	
Misc Items under £10k	14
<u>Central Items</u>	
MMI Claim	125
Council Taxbase increase and Collection Fund surplus	10
Council Tax Freeze Grant – one off in 2013/14	49
2% inflationary increase on fees and charges	25
Sub Total	1,496
Council Tax Support and Transition Grant	469
TOTAL	1,965

* Subject to review and potential increase in final Budget report.

POTENTIAL COST PRESSURES - 2013/14 BUDGET

	Amount £000
<u>General Service Items</u>	
Housing Benefit/Council Tax Benefit costs	TBC
Reduction in vacancy management target	75
Pension Contributions	39
<u>Inflation</u>	
Pay/Major/other contracts	140
Other supplies/services	11
Premises/transport	7
Utilities	10
<u>Corporate Resources & Corporate Organisation</u>	
Land Charges income reduction	18
Various software costs	17
Reduced income from CTax summons costs	12
Reduced Transitional relief from NNDR revaluation	11
Misc Items under £10k	46
<u>Communities</u>	
Misc Items under £10k	5
<u>Housing</u>	
Babergh Response service being run down	29
Misc Items under £10k	26
<u>Economy</u>	
Building control income reduction	135
Planning fees income reduction	57
Planning costs (Chilton Woods)	100
Misc Items under £10k	9
<u>Environment</u>	
Trade Waste Income – reduced customers	45
Waste Gate Fees	36
Recycling Banks – net change in expenditure & Income	30
Parking Excess Charge Notices	15
Misc Items under £10k	29
<u>Central Items</u>	
Reduction in the use of general reserves	60
Council Tax – reduced collection rates	12
Reduced Investment income	10
Estimated increase in General Fund borrowing costs	182
<u>Reduction in Government Grants etc.</u>	
Formula Grant	248
HB/CTB Admin Grant	91
Allowance for reduction in overall cost pressures	-9
Sub Total	1,496
Council Tax Base reduction (net of reduction in discounts)	474
TOTAL	1,970

DRAFT CAPITAL PROGRAMME FOR 2013/14 TO 2017/18

	2013/14 Budget £'000	2014/15 Budget £'000	2015/16 Budget £'000	2016/17 Budget £'000
General Fund				
Private Sector Housing				
Mandatory Disabled Facilities Grant	248	335	335	335
Discretionary Housing Grants	90	100	100	100
Grants for Affordable Housing	166	50	50	50
Total Private Sector Housing	504	485	485	485
Waste and Environmental Services				
Replacement Refuse Freighters - Joint Scheme	150	150	-	1,050
Waste Transfer Station	619	-	-	-
Air Quality Management	2	-	-	-
Total Waste and Environmental Services	771	150	-	1,050
Cultural and Community Services				
Planned Maintenance / Enhancements - Car Parks	40	40	40	40
Street Parking Improvements	8	8	8	8
Planned Maintenance / Enhancements - Kingfisher	112	114	65	65
Planned Maint / Enhancements - Hadleigh Pool	25	25	25	25
Play Equipment	25	25	25	25
Broadband Development	50	-	-	-
Community Development Grants	198	129	129	129
Total Cultural and Community Services	458	341	292	292
Contracts and Property				
Planned Maint / Enhancements - Hadleigh HQ	45	35	35	35
Planned Maint / Enhancements - Other Corp Buildings	60	40	40	40
Carbon Reduction	150	100	-	-
Belle Vue Refurbishment / Replacement	400	400	-	-
Total Contracts and Property	655	575	75	75
Corporate Services				
ICT - Web Site Enhancements	25	-	-	-
ICT - E-Mail Archiving	10	-	-	-
ICT - Hardware / Software Refresh	40	40	40	40
ICT - Disaster Recovery Plan	10	10	10	10
ICT - Information Strategy Outcomes	15	-	-	-
ICT - Shared Service Working	40	-	-	-
ICT costs related to joint working with Mid Suffolk	517	252	-	-
Regeneration Fund	300	300	300	300
Total Corporate Services	957	602	350	350
Total General Fund Capital Spend	3,345	2,153	1,202	2,252
General Fund Financing				
External grants and contributions	346	222	222	222
Capital Receipts	1,756	63	65	66
Borrowing - unsupported	1,243	1,868	915	1,964
Total General Fund Financing	3,345	2,153	1,202	2,252

New Homes Bonus

(Annual sums received are year-on-year cumulative, including allocations for previous years)

	£000
Amounts Received:	
2011/12	295
2012/13	630
Agreed Use:	
2011/12	-
2012/13	-134
Current Balance	791
2013/14 Allocation	856
Proposed Use:	
2013/14 Base Budget	-134
For re-alignment of staff resources	-243
Available for Strategic Priorities	1,270

Notes

1. 2013/14 cumulative amount includes provisional allocation of £226k.
2. The Council is using £134k as general support to the overall Budget in 2012/13, which is likely to have to be repeated in 2013/14.
3. Some of the £1,270k available for strategic priorities to be used to progress work on the CIL and other projects that will generate additional income and/or future savings.