

COUNCIL – 27TH FEBRUARY 2012

Report of the Cabinet

ITEM 6.3 2012/13 GENERAL FUND AND HRA REVENUE BUDGETS AND COUNCIL TAX BASE 2012/13 AND SPECIAL EXPENSES

Purpose of Report

To consider the recommendations of Cabinet regarding the proposed General Fund and HRA Revenue Budgets for 2012/13. These budgets represent the financial spending plans for all services of the Council and it is a legal requirement to set a balanced budget each financial year. The report also incorporates the proposed Council Tax levy which must be set by Council and the 2012/13 Original Budget for the Housing Revenue Account together with proposals to increase rent and service charges

Recommendations and Reasons

The full Council Tax Recommendations, which the Council must consider in order to set a Council Tax Levy and General Fund and HRA revenue budgets for 2012-13, will be circulated once Leicestershire County Council has set its precept.

Background

At its meeting on 19th January 2012, Cabinet considered a report of the Head of Revenues & Benefits and Customer Services, under the provisions of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, the requirement of a billing authority to calculate its Council Tax Base in accordance with the regulations and the requirement to pass a resolution on the matter of Special Expenses. The calculations set out in that report have been used to develop the report of the Head of Finance and Property Services and will be incorporated into full Council Tax Recommendations.

Following this, a report of the Chief Executive was considered by Cabinet at its meeting on 16th February 2012, which set out the proposed General Fund and HRA Revenue Budgets for 2012/13 and presented the 2012/13 Original Budget for the Housing Revenue Account together with proposals to increase rent and service charges. The report is attached as an Annex.

The Cabinet agreed to recommend to Council that:

1. to approve the Original General Fund Revenue Budget for 2011/12 at £16,947,215;
2. to set a base Council Tax at £102.62 at Band D;
3. to set the Loughborough Special Levy at £73.51;

4. that the Original HRA Budget for 2011/12 as set out in Appendix 5 to the report filed with these minutes, be approved;
5. that increases to weekly rents in line with the Department of Communities and Local Government (CLG) guidance on rent restructuring as based on the final housing subsidy determination be approved;
6. that service charges in accordance with the CLG guidance on rent restructuring regarding the de-pooling of service charges be approved;
7. that increases to shop rents by Retail Price Index (RPI), being the applicable rate of 5.6%, be approved;
8. that garage rents be increased by RPI less 1.0%, so 4.6%;
9. that the Leasehold Management and Administration charge be increased by RPI to £109.35 per annum; and
10. that the report of the Overview Scrutiny Group be noted, that it be acknowledged that the Group supported the recommendations in the report of the Head of Finance and Property Services, filed with these minutes, and that the Group be thanked for their work.

The reasons for Cabinet's decisions were as follows:

1. That the necessary finance is approved to carry out services in 2012/13.
2. That Council Tax can be set in accordance with legal and statutory requirements.
3. That a Loughborough Special Levy can be set in accordance with legal and statutory requirements.
4. To ensure sufficient funding for the Housing Revenue Account in 2012/13.
5. To ensure sufficient resources are available to the Housing Revenue Account in 2012/13.
6. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
7. In order that shop rents are increased in line with inflation, having had no increase since April 2009.
8. In order that garage rents reflect current market conditions.
9. That there is sufficient recovery of the costs associated with operating the leasehold flat and shop services.

10. To acknowledge the views of the Overview Scrutiny Group.

(Cabinet Minute 102).

Council is requested to consider the Cabinet report and the recommendations of Cabinet on 16th February 2012, alongside the full Council Tax Recommendations, which will be circulated once Leicestershire County Council has set its precept, in order to set a Council Tax Levy and General Fund and HRA revenue budgets for 2012-13.

Background Papers: None

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CABINET – 16TH FEBRUARY 2012**Report of the Head of Finance and Property Services****Lead Member: Councillor Tom Barkley****Part A****ITEM 8 2012/13 GENERAL FUND AND HRA REVENUE BUDGETS**Purpose of the Report

This report sets out the proposed General Fund and HRA Revenue Budgets for 2012/13. These budgets represent the financial spending plans for all services of the Council and it is a legal requirement to set a balanced budget each financial year. The report also incorporates the proposed Council Tax levy which must be set by Council at its meeting on 27 February 2012. The indicated Council Tax for Charnwood Borough Council as a whole is based on the budget to be recommended to Council and it is proposed that there is no increase in 2012/13.

In addition, this report presents the 2012/13 Original Budget for the Housing Revenue Account (HRA) together with proposals to increase rent and service charges.

Recommendations

That Council are recommended:

1. To approve the Original General Fund Revenue Budget for 2011/12 at £16,947,215;
2. To set a base Council Tax at £102.62 at Band D;
3. To set the Loughborough Special Levy at £73.51;
4. To approve the Original HRA Budget for 2011/12 as set out in Appendix 5;
5. To approve the increases to weekly rents in line with the Department of Communities and Local Government (CLG) guidance on rent restructuring as based on the final housing subsidy determination;
6. To approve the service charges in accordance with the CLG guidance on rent restructuring regarding the de-pooling of service charges;
7. To approve the increases to shop rents by RPI, being the applicable rate of 5.6%.
8. That garage rents increase by RPI less 1.0% which is 4.6%;
9. That the Leasehold Management and Administration charge is increased by RPI to £109.35 per annum.

Reasons

1. That the necessary finance is approved to carry out services in 2012/13.
2. That a Council Tax can be set in accordance with legal and statutory requirements.
3. That a Loughborough Special Levy can be set in accordance with legal and statutory requirements.
4. To ensure sufficient funding for the Housing Revenue Account in 2012/13.
5. To ensure sufficient resources are available to the Housing Revenue Account in 2012/13.
6. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
7. In order that shop rents are increased in line with inflation, having had no increase since April 2009.
8. In order that garage rents reflect current market conditions.
9. That there is sufficient recovery of the costs associated with operating the leasehold flat and shop services.

Policy Justification

The budget is essential to all policies of the Council and the setting of a Council Tax levy is a legal requirement of the Council and the rents need to be within specified parameters set by the CLG.

Implementation Timetable including Future Decisions and Scrutiny

This report will be considered by the Overview Scrutiny Group on 13 February 2012 and, if approved by Cabinet, will be tabled for agreement by full council on 27 February 2012. The actual budgets will then come into effect on 1 April 2012.

Report Implications

Financial Implications

The effects of the adoption of these budgets are explained in Part B of this report.

Equality and Diversity

There are no specific Equalities and Diversity issues affecting the recommendations in this report, though any such issues affecting particular budgets or service pressures or savings will have been considered when those proposals were submitted. In addition, no significant reductions in services are envisaged as a result of this budget and therefore overall there should be no general equality or diversity impacts.

Risk Management

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
One off expenditure that is dependent, to a greater or lesser extent, on specific external funding is susceptible to that funding either not being forthcoming or being reduced.	Unlikely	Minor	Expenditure will either be curtailed or scaled back and/or or alternative funding sought.
Failure to take account of the spending plans of the Council	Unlikely	Minor	Robust budget planning and control processes
Exceptional spending being required during the financial year	Unlikely	Major	The Working Balance is sufficient to manage normal events.
Continued shortfall of income due to the length/severity of the recession being worse than anticipated.	Unlikely	Minor	Revenue monitoring will identify such a trend and remedial action will be put forward.
Interest rates for the HRA borrowing being materially higher than the budget level.	Possible	Major	Any adverse change in interest rates would be managed by reducing the level of revenue contribution to capital and would not directly impact on service provision. A 'safety' margin is included in the budget in respect of the interest rates.

Key Decision: Yes

Background Papers: Detailed working papers in Accountancy/Service Directorates
CLG Subsidy Determination
22 December 2011 Cabinet Reports on Draft 2011/12 General Fund and HRA Budgets

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Part B

General Fund Revenue Budget 2012/13

1. Appendix I shows the summary position of the General Fund and includes a comparison column comparing the Original budget being recommended to Council with the draft one reported to Cabinet on 22 December 2011. The primary changes are:
 - Increase in Net Service Expenditure of £35k – this is primarily in respect of £30k extra Homelessness expenditure following confirmation of the amount of grant that will be received in 2012/13.
 - Net Service Pressures have increased by £3k, with £10k in respect of alteration to the terms of some staff plus additional valuation costs of £5k, partially offset by a £12k saving on payments for staff broadband.
 - Contribution to Working Balance – this has increased by £93k to balance the various changes. Primarily, it is a Homelessness Grant of £105k which was not confirmed before the draft Budget was prepared. Under accounting rules this has to be treated as a general grant and taken to the Working Balance. £75k of expenditure had originally been included for this aspect of Homelessness and this has now been increased by £30k as mentioned above.
 - Council Tax Receipts and Loughborough Special Levy increase of £30k – whilst there is no proposed increase in the actual rate this change reflects the rise in the number of homes in the borough that will pay council tax in 2012/13.
 - Collection Fund – the surplus is now expected to be £5k less.

Consultation on the Budget

2. A programme of consultation commenced following the consideration of the draft budget by Cabinet in December. This involved partner organisations, scrutiny committees, staff and businesses. The following points and requests for changes to the budget were made, and the Council's responses are in italics:
3. Loughborough University commented that as a key stakeholder in the area they had the following general comments:
 - We recognise the need for prudent financial planning in a time of considerable economic uncertainty, and note that the plans appear to have been developed on such a basis.
 - Achieving a nil increase in Council Tax is an important objective, given the pressures on household finances and the low or zero pay increases received by many people, provided possible impact on essential services can be managed.

- We note the proposal to add to reserves. Whilst we recognise that it is important to have sufficient reserves for operational requirements and periodic investment costs, this is a step that could be open to misinterpretation, and there may be case for increasing investment instead.
- *The University's comments are welcome and we are pleased to have no Council Tax increase this year and, as this is being funded from a grant from central government, there should be no impact on services. Whilst this year's grant will not continue into 2013/14 this has been identified in the Medium Term Financial Strategy (MTFS) and steps will be taken to mitigate this. In respect of reserves, £400k will be transferred from the Working Balance either before or during 2012/13 and this will be used for investment in Capital Expenditure and other activities that will improve services or provide a pay-back to the Council.*

4. The local branch of the trade union, Unison, commented that:

- It is difficult to see if the proposed budget and the savings required will lead to job losses or redundancies, though there are £140k of savings in respect of service amalgamations and salary savings. While the position on jobs is obscured it is impossible for anyone to consider the likely impact of future staffing levels on service delivery and the Council's capacity to meet its performance objectives. It would be helpful for the Budget to clearly state if staffing resources are being or might be lost or gained, and even more useful if the information was placed within the context of changes in staffing levels over the last five years or so.
- *The budget does assume a small potential number of redundancies. However, many of the savings are through realigning posts after retirements or other natural wastage. Due to major changes to the council's operations over the last five years, such as the establishment of Charnwood Neighbourhood Housing Ltd (CNH) and the transfer of staff to Capita Plc, a straight forward comparison would not be meaningful.*
- The budget also states that there is no provision for any salary increase though the Government has announced that it expects increases over the next two years not to exceed 1% per annum. This is probably a realistic figure to include in the 2012/13 budget.
- *The Local Authorities' stance last year was that increases recommended by central government did not apply to local government employees and we are not aware that that position has changed.*
- The freeze in Council Tax is illusory as failing to increase Council Tax next year is simply storing up problems for the future since, when the grant is no longer paid, there will have to be a substantial council tax rise or substantial cuts at that point. Many Councils are aware of this and have taken prudent

steps to propose a modest increase in the Council Tax next year to at least offset some of the consequences of inflation in the economy.

- *This point was referred to above and the vast majority of local councils are implementing a freeze of Council Tax in 2012/13.*
 - At a time when jobs and services are at risk, how does the Council justify adding to its Reserves, which will stand at 4.5 times the recommended minimum by the end of next financial year?
 - *This point is addressed in the response to the Loughborough University query above. In addition, as set out in the current MTFS it is not sustainable for the Council to use its reserves to cover ongoing revenue expenditure.*
5. The Loughborough Industrial & Commercial Ratepayers considered the contents of the Budget and did not raise any particular issues.
6. Ward members for Loughborough met in November 2011 and January 2012 to discuss the Loughborough Special Expenses elements of the draft budget. The following points were raised and the Council's responses are show in italics:
- It was requested that consideration be given to including the three Loughborough toilets in the Loughborough Special Expenses and that entrance to them should be made free. It was proposed that this could be paid for by making savings in services covered by the Loughborough Special Expenses as well as increasing fees for the Cemetery and use of Sports Grounds.
 - *The cost of this proposal would be £59k and £10k could be met by cutting out the Loughborough General Community Grant. To raise the additional £49k, fees for the Cemetery and use of the Sports Grounds would have to increase by over 26% and this is not deemed to be feasible, especially as fees have already been increased for 2012/13. There would also be write-off and decommissioning costs if the toilet charging equipment was removed.*
 - An explanation of what is provided within the £91k cost for Town Centre Management was requested.
 - *A summary of the Town Centre Management's activities is:*
 - *The service is leading on the Olympic Celebrations for 2012*
 - *Delivery of year long events and special markets programme in partnership with a wide range of communities including the Town Centre Partnership and Loughborough Business Improvement District (BID)*
 - *The management of Street Trading consents, the premises licences for both Parks and Open Spaces, and Town Centre activities.*

- *The delivery of Crime Out of Loughborough (COOL) through partnership with the police, community safety, retail radio and the BID.*
 - *The promotion and marketing of the Town Centre to the public including websites, banners, street dressing, literature, and seasonal support to Festive lights and Loughborough in Bloom.*
 - *Support to a wide range of organisations which impact on the Town Centre including the BID.*
 - *Reports on repairs and maintenance of the town centre*
 - *Undertake research and maintain data bases*
7. We would like to take this opportunity to thank all those who responded to the consultation.

Service Pressures and Savings

8. The main alterations to these are explained in the second bullet point on section I above. Appendix 6 shows final summaries of recommended service pressures and savings by services for the General Fund. Included in the General Fund Service Expenditure figure of £18,382k in 2012/13 are savings of £46k which are not included in Appendix 6 as they do not result in any potential changes to service levels.

Loughborough Special Expenses (Appendix 3)

9. There have been only minor changes to these expenses since December's draft budget with the main one being to amend the 'Adjustment from Year 2010/11' by £5k to £43k in order to balance the effect of the change in the Council Tax base without increasing the level of Council Tax.
10. We are pleased to confirm that the proposed levy of £73.51 is the same as last year's rate and this has been achieved through the use of the government's Council Tax freeze grant.

Council Tax Base

11. The approved tax base has been used in the relevant calculations.

Precept Amount

12. The final grant settlement has been received from the CLG and has been used in these calculations. Appendix 2 shows a nil increase on the Base Council Tax. The amount therefore stays at £102.62 for the base precept, which is the second year running that there has been no increase.

Parish and Town Councils and Other Precepts

13. All Parish and Town precepts have been received and are detailed in Appendix 4. Approved precept information has still to be received from the County Council, Police and Fire Authorities and the figures shown for them on Appendix 2 are provisional and will be updated in time for the main Council meeting on 27 February 2012.

Revenue Balances and Reserves

14. The General Fund Balances are included in Appendix I and the budget shows that £338k will be transferred to the Working Balance. This is a £93k difference to the draft budget figure issued in December 2011 and the reasons for it are explained in section I above.
15. There is a planned transfer of £400k from the Working Balance to the Reinvestment Reserve in order to maintain the latter reserve above its minimum balance level of £500k. This transfer is scheduled for 2012/13 but may be made before the end of 2011/12 if required. After this transfer, the Working Balance is predicted to be £3,212k at the end of March 2013 which is above the minimum target level of £1m.

Robustness and Level of Reserves

16. The Local Government Act 2003, section 25, has a requirement for the Chief Financial Officer to report on the robustness of the budget, and the level of balances, to the members that take the decisions on the setting of the annual budget.
17. The Finance Act 1992 already required the authority to take due consideration before setting the budget as there is no recourse to setting a further levy during the year, and any unexpected financial event would have to be met from reserves, or by cutting expenditure on services.
18. This budget has been drawn up using the best estimates of the officers delivering the services, under the overall management of the Chief Financial Officer and the Finance staff. This has taken due account of the anticipated costs of delivering a set level of service together with new or amended services that have been approved by members. All known costs have been taken into account, as has the income level on these services that generate revenue to the Council.
19. However, during a period of eighteen months, from the start of the budget process until the end of that financial year, there are likely to be budgets that have pressures on spending; equally there are budgets that will under spend. The key is to ensure that the position is under control at any time and that effective action can be taken where budgets have particular problems. It is also

necessary to have financial procedures in place to ensure that all decisions that affect spending are fully considered before committing the authority, and that effective monitoring is in place.

20. All spending plans are based on the service planning process that has been examined during the budget cycle and the use of reserves and balances used conforms to the specification as laid down and published in the Financial Strategy.
21. Therefore the Chief Financial Officer confirms that this budget, as set out above and on the attached appendices, is robust and meets the requirements of the Council for its current spending plans and conforms with the procedures agreed for the use of balances and the Revenue Contribution to Capital.

Medium Term Financial Strategy

22. The MTFS will be reviewed in September/October 2012 and act as a basis for the 2013/14 budget.

Housing Revenue Account (Appendix 5)

23. The Chief Financial Officer has set a target balance for the HRA of £110 per property which is approximately £643k. The balances at the end of March 2013 are estimated at £789k which is £135 per property. From 1 April 2012 the current Housing Subsidy system for funding the Housing Revenue Account will be replaced with self-financing which will introduce a significant housing debt that will need to be serviced, alongside the closure of the centralised housing subsidy system. In view of this, the reserves will be kept higher than the target level in 2012/13 in order to provide resilience should there be unforeseen costs arising from this major change. During 2013/14 it is anticipated that the reserves will be reduced to the target level.
24. An effect of the change in the HRA's financing is that the Council will take on debt of £79.19m in late March 2012. In addition, further borrowings of £2.073m will be undertaken in order to expedite the investment in the housing stock. If there are no material changes to current interest rates before the end of March 2012 then the budgeted level of interest will be adequate. However, should interest rates on government stocks increase by more than 0.5% in that time then the interest budget will be insufficient. In this eventuality either the transfer from the HRA reserve will be increased or the level of Revenue Contribution to Capital reduced or some combination thereof. It is intended at this time for all the £79.19m to be borrowed on a fixed rate basis so there will not be this potential volatility in future years. The £2.073m will probably be funded through the General Fund and this will be at a variable rate linked to the interest rates charged by the government operated Public Works Loan Board, which is where the £79.19m will be borrowed from.

25. Dwelling rents have increased by an average of 7.6% in line with the national formula for rents. There is a limit to individual rent accounts of RPI + 0.5% + £2.00. The increase reflects the RPI rate of 5.6% whilst the equivalent figure for 2011/12 was 4.6%. The level of voids (empty properties for which rent cannot be collected as a proportion of all properties) has been budgeted at 2.2%, a reduction of 0.3% from 2011/12 due to the continued improved performance in this area.
26. Service Charges are levied on a 'de-pooled' basis, which means that for someone living in a sheltered scheme the identified costs for their additional services are recharged. There have been some minor changes on service charges between the December 2011 draft budget and these are due to adjustments in respect actual heating costs and warden charges.
27. The bulk of Housing Revenue Account costs are now within the management fee payable to CNH of £9,120k. CNH have been granted an additional £32k to contribute to an increase in employer contributions to the Pension Fund as part of the management agreement. There is an options review regarding the future provision of services to the HRA by CNH Ltd and it is expected that the outcome of this review will be known in the first half of 2012/13. For budgeting purposes we have assumed a neutral financial effect for this review.
28. In order to augment the HRA capital programme £2,331k has been set aside to be used for additional capital expenditure on items such as Decent Homes and Disabled Adaptations. This is over a six fold increase on the 2011/12 amount.
29. Appendix 7 sets out the pressures and savings for the HRA in detail.

Capital Plan

30. A new Capital Plan for 2012/13 to 2014/15 will be tabled at Cabinet on 16 February 2012 and then, if approved, at council on 27 February 2012. All revenue implications of that new Plan are included in this budget.

Appendices

- Appendix 1 – Budget Summary 2012-13
- Appendix 2 – Council Tax Analysis 2012-13
- Appendix 3 – Loughborough Special Expenses
- Appendix 4 – Parish Precepts
- Appendix 5 – Housing Revenue Account Original Budget 2012-13
- Appendix 6 – Budget 2012-13: Savings and Pressures Summary
- Appendix 7 – Pressures and Savings for the Housing Revenue Account

BUDGET SUMMARY 2012-13					
Actual 2010/11 £000	General Fund	Original Budget 2011/12 £000	Cabinet Version 22/12/11 £000	Original Budget 2012/13 £000	Variance 22/12/11 to 16/2/12 £000
21,855	General Fund Service Expenditure	22,953	18,347	18,382	(35)
(1,385)	Less: Capital Charges & Impairment of Assets	(4,804)	(1,744)	(1,745)	1
0	Net Pressures/(Savings)	(1,058)	35	38	(3)
20,470	Net Service Expenditure	17,091	16,638	16,675	(37)
645	Revenue Contributions to Capital	116	252	252	0
(23)	Heritable Bank Impairment of Investment	0	0	0	0
(6)	Item 8 Debit	0	0	0	0
235	Interest Paid	235	235	235	0
(299)	Less: Interest on Balances	(200)	(230)	(230)	0
21,022	Total Borough Expenditure	17,242	16,895	16,932	(37)
3	Contribution (from) Reinvestment Reserve	0	(81)	(81)	0
(556)	Contribution (from)/ to General Fund Balance	184	245	338	(93)
(50)	Contribution (from) LABGI Reserve	0	0	0	0
0	Council Tax Freeze Grant	(171)	(344)	(344)	0
0	Contribution to Growth Support Fund	0	150	150	0
(350)	Contribution (from)/to Other General Reserves	0	(48)	(48)	0
20,069	Precept Requirement	17,255	16,817	16,947	(130)
1,590	Revenue Support Grant	2,299	167	167	0
10,927	Redistributed NNDR	7,437	8,426	8,426	0
560	RSG - Concessionary Travel	0	0	0	0
5,534	Council Tax Receipts	5,618	5,641	5,666	25
1,219	Loughborough Special Levy	1,237	1,242	1,247	5
(21)	Collection Fund	20	25	20	(5)
260	General Government Grants	0	0	105	105
0	New Homes Bonus	644	1,316	1,316	0
20,069	Precept Income	17,255	16,817	16,947	130
	Council Tax for Band D	£p	£p	£p	£p
102.62	Base Borough Council Tax	102.62	102.62	102.62	0.00
73.84	Loughborough Special Levy	73.51	73.51	73.51	0.00
£000	REVENUE BALANCES	£000	£000	£000	£000
	Working Balance				
3,830	Balance at 1 April	3,326	3,274	3,274	0
544	Transfer (to)/ from General Fund	184	245	338	93
(1,100)	Transfer (to) Reinvestment Reserve	(500)	(400)	(400)	0
3,274	Balance at 31 March	3,010	3,119	3,212	93
	Reinvestment Reserve				
632	Balance at 1 April	183	505	505	0
(1,097)	Transfers (to) General Fund	0	(81)	(81)	0
1,100	Transfers From General Fund	500	400	400	0
635	Balance at 31 March	683	824	824	0
	LABGI Reserve				
302	Balance at 1 April	84	84	84	0
(50)	Transferred (to) General Fund	0	0	0	0
252	Balance at 31 March	84	84	84	0
	Growth Support Fund				
0	Transferred from General Fund	0	150	150	0
0	Balance at 31 March	0	150	150	0
	Earmarked Revenue Reserves				
807	Balance at 1 April	314	465	465	0
(350)	Transferred (to)/from General Fund	0	(48)	(48)	0
457	Balance at 31 March	314	417	417	0
4,618	TOTAL BALANCES	4,091	4,594	4,687	93

COUNCIL TAX ANALYSIS 2012/13							
2011/12			2012/13		%	Per	
54,746.6		TAX BASE (at CBC collection rate)	55,212.6		Change	Head	
16,831.0		LOUGHBOROUGH TAX BASE	16,967.6		Per Band D	Population:	
					0.85	169,292	
£	£ p		£	£ p	%	£ p	
17,255,387	315.19	TOTAL BUDGET REQUIREMENT	16,947,215	306.94	-2.61	100.11	
(1,237,326)	(22.60)	Less: Loughborough Special Levy	(1,247,368)	-22.59	-0.04	-7.37	
16,018,061	292.59		15,699,847	284.35	-2.81	92.74	
(2,298,892)	(41.99)	Less: Revenue Support Grant	(166,657)	(3.02)	-92.81	-0.98	
(644,387)	(11.77)	New Homes Bonus	(1,316,393)	(23.84)	102.56	-7.78	
(7,437,305)	(135.86)	NNDR Redistribution	(8,425,940)	(152.61)	12.33	-49.77	
0	0.00	Other Government Grants	(105,070)	(1.90)	100.00	-0.62	
5,637,477	102.97		5,685,787	102.98	0.01	33.59	
(19,356)	(0.35)	Collection Fund	(19,922)	(0.36)	2.06	-0.12	
5,618,121	102.62	BASIC BOROUGH PRECEPT	5,665,865	102.62	0.00	33.47	
		<u>OTHER PRECEPTS</u>					
2,641,497	48.25	Parishes	2,730,332	49.45	2.49	16.13	
58,195,462	1,063.00	Leicestershire County Council	58,690,925	1,063.00	0.00	346.68	
2,922,171	53.38	Combined Fire Authority	2,922,171	52.93	-0.84	17.26	
9,286,873	169.63	Leicestershire Police Authority	9,286,873	168.20	-0.84	54.86	
73,046,003	1,334.26		73,630,301	1,333.58	-0.05	434.93	
1,237,326	73.51	SPECIAL LEVY (LOUGHBOROUGH)	1,247,368	73.51	0.00		
79,901,450	1,459.48	TOTAL REQUIREMENT	80,543,534	1,458.79	0.00	475.77	
78,664,124	1,436.88	AVERAGE PARISH PRECEPT	79,296,166	1,436.20	-0.05		
77,259,953	1,462.15	LOUGHBOROUGH PRECEPT	77,813,202	1,460.26	-0.13		

NOT FINAL AMOUNTS

LOUGHBOROUGH SPECIAL EXPENSES		
2011/12		2012/13
Original Budget	Service	Original Budget
£		£
57,000	Loughborough CCTV	65,600
59,800	Community Grants - General/ Fearon Hall / Gorse Covert	56,900
22,000	Marios Tinetti Centre	22,000
9,800	Charnwood Water Toilets	7,700
-14,200	November Fair	-15,700
	<u>Parks:</u>	
561,800	Loughborough - including Loughborough in Bloom	546,000
6,200	Gorse Covert and Booth Wood	4,100
	<u>Sports Grounds:</u>	
93,300	Derby Road	90,000
30,900	Lodge Farm	27,500
78,700	Nanpantan	71,800
25,900	Park Road	26,100
60,500	Shelthorpe Golf Course	61,700
113,300	Loughborough Cemetery	114,300
32,000	Allotments - Loughborough	36,300
11,200	Carillon Tower	9,900
64,700	Festive Decorations and Illuminations	51,600
94,400	Town Centre Management	91,000
1,307,300		1,266,800
-39,190	Adjustments from Year 2009/10	0
0	Adjustments from Year 2010/11	42,536
-30,784	Council Tax Freeze Grant - 4 Years from 1 April 2011	-30,784
0	Council Tax Freeze Grant - 2012/13 only	-31,184
1,237,326	AMENDED TOTAL	1,247,368
Divided by 16,831.00	Council Tax Base	Divided by 16,967.60
<u>73.51</u>	Special Council Tax	<u>73.51</u>

2012/13 Council Tax - Parish Precepts

Parish/Meeting/Town Council	Precept Requirement	Council Tax Base	Parish/ Special Requirement at Band D
	£		£
Anstey	203,000	2275.5	89.21
Barkby / Barkby Thorpe	7,750	161.8	47.90
Barrow-upon-Soar	152,440	2263.0	67.36
Beeby	0	34.8	0.00
Birstall	376,953	4255.3	88.58
Burton-on-the-Wolds, Cotes, & Prestwold	26,500	538.0	49.26
Cossington	11,000	220.7	49.84
East Goscote	55,300	914.8	60.45
Hathern	36,750	749.9	49.01
Hoton	5,750	145.8	39.44
Mountsorrel	175,868	2811.3	62.56
Newtown Linford	38,000	511.9	74.23
Queniborough	36,000	963.0	37.38
Quorndon	167,250	2208.6	75.73
Ratcliffe-on-the-Wreake	2,500	86.0	29.07
Rearsby	18,008	452.1	39.83
Rothley	95,000	1754.5	54.15
Seagrave	15,600	261.2	59.72
Shepshed	312,859	4557.9	68.64
Sileby	162,225	2506.4	64.72
South Croxton	8,780	128.5	68.33
Swithland	2,500	148.5	16.84
Syston	392,500	4320.8	90.84
Thrussington	4,500	260.2	17.29
Thurcaston & Cropston	32,000	949.0	33.72
Thurmaston	306,580	2956.9	103.68
Ulverscroft	0	61.2	0.00
Walton-on-the-Wolds	3,000	127.2	23.58
Wanlip	2,000	81.5	24.54
Woodhouse	61,019	964.3	63.28
Wymeswold	18,700	574.4	32.56
	2,730,332	38,245	71.39
Loughborough (Special Expenses)	1,247,368	16967.6	73.51
Total	3,977,700	55212.60	
Average			72.04

Appendix 5

2010/11 Actual	Summary of Housing Revenue Account Original Budget 2012/13	2011/12 Original Budget	2012/13 Cabinet Version 22/12/2011	2012/13 Original Budget	Variance 22/12/2010 to 16/02/2011
£000		£000	£000	£000	£000
	Expenditure				
1,128	Supervision and Management	1,344	1,168	1,168	0
9,209	Charnwood Neighbourhood Housing Management Fee	9,092	9,120	9,120	0
38	Rents, Rates and Other Charges	51	38	38	0
6	Rent Rebates	10	6	6	0
43	Provision of Bad or Doubtful Debts	112	112	112	0
87,305	Depreciation	4,169	5,509	5,513	(4)
6	Debt Management Expenses	7	33	33	0
97,735	Expenditure sub-total	14,785	15,986	15,990	(4)
	Income				
17,094	Dwellings Rent Income	18,308	19,818	19,825	7
327	Rent of Income from Shops, Land and Garages	343	324	337	13
646	Warden Service Charges	651	651	644	(7)
288	Central Heating and Communal Charges	261	274	256	(18)
67	Leasehold Flat and Shop Service Charges	66	66	66	0
77	Hostel Service Charges	18	22	22	0
14	Other Charges	15	15	15	0
1,084	HRA Capital Grants	0	0	0	0
(7,379)	HRA Subsidy - Current Year	(8,048)	0	0	0
3,731	Major Repairs Allowance	3,782	0	0	0
15,949	Income Sub-total	15,396	21,170	21,165	(5)
81,786	Net (Income)/Cost of Services	(611)	(5,184)	(5,175)	(9)
(68)	Transfer from General Fund - Grounds Maintenance	(79)	(74)	(74)	0
427	Amortised Premiums	420	412	412	0
0	Interest Payable	0	3,291	3,050	241
(20)	Investment Income and Mortgage Interest	(40)	(5)	(5)	0
82,125	Net Operating Expenditure/(Income)	(310)	(1,560)	(1,792)	232
1,084	HRA Capital Grants	0	0	0	0
2	Revenue Contributions to Capital	362	2,099	2,331	(232)
(9)	Pension Adjustment	0	0	0	0
(83,179)	Impairment of Fixed Asset Adjustment	0	0	0	0
(395)	Appropriations: Transfer from Major Repairs Reserve	(387)	(395)	(395)	0
(82,497)	Appropriations	(25)	1,704	1,936	(232)
(226)	HRA Balance at Beginning of Year	(598)	(933)	(933)	0
(372)	(Surplus)/Deficit for the Year	(335)	144	144	0
(598)	HRA Balance at end of Year	(933)	(789)	(789)	0

Head of Housing Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Following a resignation in October 2010 the Senior Homelessness Officer post has been covered by the Homelessness Resources Officer. Following a review, it has been agreed to merge the post and delete the Homelessness Resources Officer post. This is considered to present a low risk to the Private Sector Housing Team's objectives due to other changes in the activities of the service.	(34)	0	(34)
Additional Houses in Multiple Occupation Licencing Renewals.	0	(60)	(60)
Total of proposed savings	(34)	(60)	(94)
Proposed pressures			
A 'top-up' provision for bad debts based on Bed & Breakfast arrears together with write-offs for the Tenant Finder scheme.	0	40	40
Total of proposed pressures	0	40	40
NET PROPOSED (SAVINGS) / PRESSURES	(34)	(20)	(54)

Head of Planning & Regeneration Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Charging for Street Naming and Numbering	(3)	0	(3)
Charging for pre-application advice	(15)	0	(15)
New income stream from commercial activities for consultancy services provided	(20)	0	(20)
Total of proposed savings	(38)	0	(38)
Proposed pressures			
Local Development Framework production costs	0	130	130
Cessation of charges, due to rule changes, for certain Planning and Building Control information.	14	0	14
Reduction in fee income as a result of wider economic situation.	18	0	18
Total of proposed pressures	32	130	162
NET PROPOSED (SAVINGS) / PRESSURES	(6)	130	124

Head of Regulatory Services Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Dog contract savings	(5)	0	(5)
Extra Car Park Income Due to New Hotel in Southfields Road.	(18)	0	(18)
Increased Fees for all paying Car Parks	(30)	0	(30)
Total of proposed savings	(53)	0	(53)
Proposed pressures			
Overall Reduction of Income on All Car Parks, increased fees for 2012-13 will cover this	20	0	20
Loss of Income due to approval and construction of inner relief road. Implementation commences late 2012	20	0	20
Net cost of amendment to terms of Street Wardens.	10	0	10
Total of proposed pressures	50	0	50
NET PROPOSED (SAVINGS) / PRESSURES	(3)	0	(3)

Head of Cleansing & Open Spaces Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Environmental Services Contract - Renegotiation of Contract for Sports Ground Cleaning - Derby Road Playing	(37)	0	(37)
Increase in Crematorium Turnover Commission	(10)	0	(10)
Revenue Implication of Capital Plan Application Scheme for Bus Shelter Replacement and Advertising. Net saving	(58)	0	(58)
Total of proposed savings	(105)	0	(105)
Proposed pressures			
Revenue Implication of Capital Plan Application Scheme for Bus Shelter Replacement and Advertising. Net saving	30	0	30
Total of proposed pressures	30	0	30
NET PROPOSED (SAVINGS) / PRESSURES	(75)	0	(75)

Head of Leisure & Culture Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Loughborough Markets and Fair - new income streams	(9)	0	(9)
Various Savings on Public Conveniences costs	(11)	0	(11)
Various cost savings on Town Hall	(28)	0	(28)
Introduction of suggested donation to Museum and increase in Carillon charge	(3)	0	(3)
Total of proposed savings	(51)	0	(51)
Proposed pressures			
Additional expenditure linked to Olympics - Torch Relay and other events	0	20	20
Total of proposed pressures	0	20	20
NET PROPOSED (SAVINGS) / PRESSURES	(51)	20	(31)

Head of Neighbourhood Services Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
CCTV - Various Savings on Consumables	(11)	0	(11)
Communities & Partnerships - saving on vacant hours	(14)	0	(14)
Sport & Active Recreation - Various savings	(15)	0	(15)
Total of proposed savings	(40)	0	(40)
Proposed pressures			
CCTV - staffing costs to run CCTV control room 24/7	174	0	174
Gypsies & Travellers - Sign up to LCC Multi Agency Travellers Unit (MATU)	13	0	13
Ongoing rent and running costs and staffing costs for Marios Tinenti Centre & Altogether Place	22	0	22
Crime prevention schemes - contributions to LCC research Team ; funding for Inter Agency Community Safety Bureau ; ongoing Sentinel maintenance MARAC funding and domestic homicide reviews County wide contribution	27	0	27
Community Grants - VAL / VAC Contribution. £50K required in total to meet requirements of SLA - only £25K currently in budget	25	0	25
Total of proposed pressures	261	0	261
NET PROPOSED (SAVINGS) / PRESSURES	221	0	221

Head of Finance and Property Services Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Corporate Savings - £5k mobiles, £10k post, £15k printing, £10k desk phones, £10k Corporate advertising	(50)	0	(50)
Corporate Saving - Review of Staff Broadband Allowances	(12)	0	(12)
Reduction - Procurement saving on Treasury Management	(5)	0	(5)
Property - Various savings and new recharges/rents	(60)	0	(60)
Total of proposed savings	(127)	0	(127)
Proposed pressures			
Annual property valuation fees for final accounts	5	0	5
Property - Various new costs and allowances for voids	36	10	46
Total of proposed pressures	41	10	51
NET PROPOSED (SAVINGS) / PRESSURES	(86)	10	(76)

**Head of Revenues, Benefits and Customer Services Section
Budget 2012/13: Savings and pressures summary**

Appendix 6

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
ICS Vacant post saving	0	(20)	(20)
Savings to be identified from direct Planning, Housing, Environmental Health, Leisure services based on the contact centre/customer services amalgamation.	(18)	0	(18)
Contact Centre/Customer Services Centre amalgamation - based on a requirement of a physical relocation of the Contact Centre into the Southfields building	(80)	0	(80)
Total of proposed savings	(98)	(20)	(118)
Proposed pressures			
Additional requirement for NNDR relief expenditure based on 2010/11 outturn.	13	0	13
Potential Costs for preparation for new regulations on Business Rates effective 1 April 2013	0	25	25
Potential Costs for preparation for new regulations on Council Tax Benefits effective 1 April 2013	0	25	25
Contribution to the County Council for Video Conferencing equipment and software.	4	0	4
Revenue Implication of Capital Plan Application Scheme for LAGAN	9	0	9
Total of proposed pressures	25	50	75
NET PROPOSED (SAVINGS) / PRESSURES	(73)	30	(43)

Head of Strategic Support Service

Appendix 6

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	Oneoff	Total
Proposed savings			
Cessation of shared Communications Service with NWLDC	(21)	0	(21)
Anticipated tender savings for Insurance Premiums	(20)	0	(20)
Total of proposed savings	(41)	0	(41)
Proposed pressures			
Part-time Equality & Diversity Officer (2.5 days per week). In light of the agreement by SMT (14th July) to continue with the work plan to gain the Achieving level of the Equality Framework (assessment date to be determined).	0	18	18
Total of proposed pressures	0	18	18
NET PROPOSED (SAVINGS) / PRESSURES	(41)	18	(24)

Budget 2012/13: Savings and pressures summary

	£000	£000	£000
	Ongoing	One-off	Total
Proposed savings			
Various savings on consultants, legal costs, benchmarking, printing and hardware maintenance.	(39)	0	(39)
Total of proposed savings	(39)	0	(39)
Proposed pressures			
Total of proposed pressures	0	0	0
NET PROPOSED (SAVINGS) / PRESSURES	(39)	0	(39)

