

**GENERAL FUND REVENUE ACCOUNT  
DRAFT BUDGET SUMMARY 2015/16**

	<b>Net Direct Costs Budget 2014/15 £</b>	<b>Budget Changes £</b>	<b>Draft Net Direct Costs Budget 2015/16 £</b>
Managing the Environment	3,384,230	(172,710)	3,211,520
Decent & Affordable Homes	420,360	(16,210)	404,150
Community Well Being	2,755,730	(77,130)	2,678,600
Cabinet	3,743,760	121,410	3,865,170
<b>TOTAL NET DIRECT COST OF SERVICES</b>	<b>10,304,080</b>	<b>(144,640)</b>	<b>10,159,440</b>
Net recharge to HRA	(1,211,320)	(12,120)	(1,223,440)
<b>NET COST OF SERVICES</b>	<b>9,092,760</b>	<b>(156,760)</b>	<b>8,936,000</b>
Provision for the financing of capital spending	122,520	28,440	150,960
Finance Lease interest	8,110	(8,110)	0
Interest from Funding provided for HRA	(110,000)	40,910	(69,090)
Interest Received on Investments	(65,000)	0	(65,000)
Revenue contribution to capital programme	125,000	(125,000)	0
<b>TOTAL BUDGETED EXPENDITURE</b>	<b>9,173,390</b>	<b>(220,520)</b>	<b>8,952,870</b>
<b>Funded by:-</b>			
Formula Grant (FG)	(4,230,060)	516,580	(3,713,480)
NNDR revenue based on last year budget + 54K		(54,000)	(54,000)
Council Tax freeze - for 2014/15(Now included in 15/16 FG)	(49,000)	49,000	0
Council Tax freeze - for 2015/16		(49,710)	(49,710)
CTS Funding Parishes	98,000	(33,000)	65,000
Collection Fund Surplus	(75,000)	31,670	(43,330)
Council Tax - 27,289.76 x £182.15	(4,917,330)	(53,500)	(4,970,830)
Net transfers to or from earmarked reserves		(186,520)	(186,520)
<b>TOTAL FUNDING</b>	<b>(9,173,390)</b>	<b>220,520</b>	<b>(8,952,870)</b>
<b>REQUIREMENT TO BALANCE THE BUDGET</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Current Assumptions :**

- 1 Council Tax has been frozen for 5th successive year and remains at £182.15.
- 2 Nil transfer from the General Fund Balance .
- 3 Most of the savings and cost pressures proposed in the budget review meetings have been included.
- 4 2015/16 salary budgets include an increase of 1%.
- 5 All earmarked reserves have been reviewed and adjustment made based upon existing need.
- 6 All income flows have been reviewed and adjusted for changes in demand and unit price.
- 7 Investment income has been based upon the existing lending criteria now in force.
- 8 Support services have been inflated in accordance with the pay award.
- 9 Formula grant in 2014/15 excluded a £56k grant for homelessness that was allocated directly to the service area. So the reduction in the Formula Grant from 2014/15 to 2015/16 was £573k.

**15/16 Budget Changes (since PDG's)**£  
650,178

Budget gap estimated at November/December PDGs and Cabinet

Cost Centre	Description	
Housing Benefit	HB Admin Grant - Circa £10k reduction - awaiting confirmation	10,000 Revised figure from DWP
Corporate Fees/Charges	Sector fees overbudgeted in first draft	-9,050
Collection Fund	Projected C/Fund surplus (at 05/12/14) lower than budgeted	6,670
Community Development - Grants	Reduction in group 1 and 2 grants as agreed	-6,475
Community Development - Grants	Reduction in seed fund to offset savings not achieve on grants	-13,825
Car parks	Updated with current income levels	-10,000
RCCO reduce - as NHB funding capital shortfall		-125,000 ENTERED ALREADY
Waste/recycling - new scheme savings	Agreed to set a global figure of £200k	-200,000 1/2 year savings + set up costs
Revised Formula Grant		-83,000 ENTERED ALREADY
Rev'd leisure income/costs		-25,000
E/Health Riams Webbase Software	Web base software for Health	2,000
Feed in tariff (Leisure sites)	Note - JC recommended £40k further increase	-30,000
Dev Control Fees	Budget set too high in 14/15	-70,000
Pollution Licenses Income		2,500 £13.5 - Reduced to £11k
	<b>Total changes to be agreed</b>	<b>-551,180</b>
		<b>98,998</b>

**New budget gap after the above changes/revisions****Notes**

Formula grant agreed on 18/12/14 - confirming a grant cut of £574k - which was £83k better than the provisional sum announced 12 months earlier  
 Council tax freeze grant offered for 2015/16 @ 1% - so circa = £50k. Note - if Ctax freeze grant accepted budget gap increases by £25k  
 Referendum limit agreed at 2% for 2015/16  
 Nothing included at the moment for: shared ICT work, Mkt Walk or Fore St properties

## Housing Revenue Account Budget

Code	Description	Current Year Budget	Movement	Proposed Budget 2015/16
BHO01	Dwelling Rents	(12,466,560)	(344,040)	(12,810,600)
BHO02	Non Dwelling Rents	(525,060)	(2,930)	(519,780)
BHO03	Warden Income	(329,080)	298,100	(30,980)
BHO04	Leaseholders' Service Charges	(13,500)	(6,340)	(19,840)
BHO05	Contributions Towards Expenditure	(35,300)	330	(34,970)
BHO06	Community Alarms Income	(133,930)	(4,240)	(138,170)
BHO06B	Miscellaneous & Solar Panel Income	(19,000)	(150,000)	(169,000)
BHO07	H.R.A. Investment Income	(41,000)	1,000	(40,000)
BHO09	Repairs And Maintenance	2,647,920	(22,970)	2,624,950
BHO10	Supervision & Management	1,800,000	208,610	2,008,610
BHO11	Special Services	382,970	(204,270)	178,700
BHO17	Bad Debt Provision Movement	25,000	0	25,000
BHO18	Share Of Corporate And Democratic	181,600	21,290	202,890
BHO20	Interest Payable	2,812,000	(1,344,080)	1,467,920
BHO22	H.R.A. Transfers between earmarked reserves	0	125,000	2,445,400
BHO23	Revenue Contribution to Capital	145,580	1,977,180	2,109,990
	<b>TOTAL</b>	<b>(5,568,360)</b>	<b>552,640</b>	<b>(2,699,880)</b>

Recharges	1,205,890	17,550	1,223,440
Capital charges	4,362,470	(2,886,030)	1,476,440
<b>TOTAL</b>	<b>0</b>		<b>0</b>

**Assumptions**

Social Rents to increase by an average of 3.4% to give an average of £81.20 per week (over 52 weeks)

Formula Rent to increase by 2.8%

Six further properties sold during 2014/15

Fourteen properties sold during 2015/16

Average of twelve properties void at any one time

Eight properties are excluded from rent setting as they are not available for re-let

Affordable Rents to increase by 2.8%

Garage rents to freeze at £11.00

95% occupancy in HRA retail units

The Warden Service to cease operation

Community alarm customer numbers to remain high + 50 customers from within the tenant population

HRA cash balances to remain high in the short term

Debt repayments of £2,645k to PWLB and £125k to GF

£2,320k contribution to the Housing Maintenance Fund to be made

Recharges to grow with assumed salary inflation

Line BHO20 shows loan interest and loan principal in 2014/15, but only loan interest in 2015/16

Line BHO22 shows the contribution to the Housing Maintenance Fund

Line BHO23 includes the contribution to the MRA (£1,987k) in 2015/16

The three changes above have the effect of capital charges reducing by £2,886k

# HRA: Proposed Fees and Charges 2015/16

	<u>2015/16</u>	<u>Increase</u>	<u>Increase %</u>	<u>2014/15</u>
<u>Community Alarm Charges per week per property</u> (48 week basis)				
Sheltered & Bronze Scheme Alarm Charge	£2.50	£0.00	0.0%	£2.50
Lifeline Base Unit	£3.76	£0.00	0.0%	£3.76
Premiers – Lifeline plus telephone	£3.90	£0.00	0.0%	£3.90
Garage rents per week (48 week basis) <i>It should be noted that council tenants receive a discount of £2.00 per week on any garage rent.</i>	£11.00	£0.00	0.0%	£11.00
Garage ground rents (Annual charge)	£200	£35	21.2%	£165
<u>N.B.</u> September 2014 RPI: 2.3% MDDC Formula Rent on average				
	2015/16: <b>£81.27</b>	2014/15: <b>£78.98</b>		