

CABINET - 7 NOVEMBER 2001

EXPENDITURE PLAN AND FINANCIAL STRATEGY UPDATE

1. INTRODUCTION

- 1.1 The Council agreed a financial strategy on 2 July of this year, which covered the period 2002/2006. The report also outlined the guidelines to be followed in the construction of the Expenditure Plan bids and savings and the process/timetable that the plans would follow.
- 1.2 The report gave some provisional estimation of the projected financial position of the Council for the financial period covered by the strategy for both revenue and capital. Without any new bids for new items of expenditure it was clear that the next couple of years were, in financial terms, going to be challenging for the Council. At that stage the very earliest projections had identified that a council tax increase of 18% would be required, which was well above the sum at which point the Council would start to lose Council Tax Benefit Subsidy. As mentioned above this was before any new proposals had been received.

2. REVISED ESTIMATE PROCESS

- 2.1 Members will recall that it has been customary practice in past years to present a revised estimate for the year at the same time that the Council sets its council tax and budget for the following financial year. This process is not concluded until the end of February. It therefore begs the question of what benefit is a revised estimate if it only gives approval for the redirection of resources during the last few weeks of the financial year.
- 2.2 The process consumes a lot of resources, of both budget responsible officers and accountancy staff, for little or no added value. This is because the Council frequently considers variations to the base budget throughout the year and therefore officers are not prevented from requesting virements or supplementary estimates at any time during the financial year. I would suggest that from a member perspective greater scrutiny and challenge will exist through this mechanism rather than the revised estimate process. Little attention is given to the revised estimates with the focus being quite rightly placed on the following years expenditure plans.
- 2.3 This change will effectively result in Members approving a revised estimate every time that they consider a financial monitoring report. This is commonly known as a 'rolling budget' process and should assist the scrutiny role of Members whilst ensuring the flexibility that is required to run an organisation of this size.

3. REVIEW PANELS

- # 3.1 This year the review panels and committees have been involved in the formulation of expenditure proposals in a pro-active way. A summary statement showing the General Fund revenue position at the point in time that the Expenditure Plan schedules were considered by the panels and committees is detailed in Appendix 1 to this report. **In order to reduce the cost of printing this agenda the original expenditure plan schedules considered by the panels and committees are not included. Members are requested to bring their own copies of the individual Review Panel/Committee reports with them to the meeting. However if you require any copies of these reports could you please contact Jane Bateman, Democratic Services (Tel: 02380 285461).**
- # 3.2 This report is the first time that the Cabinet have considered the initial proposals as a collective group. When considering the contents of this paper and the appendices they will need to be mindful of the review panel and committee comments that are summarised in Appendix 2. In addition to the comments received a summary of the financial impacts of those issues is included within the appendix.
- 3.3 Much has been said by members over the roles of the panels specifically regarding their lack of teeth and inability to proactively challenge proposals. The Expenditure Plan Process was clearly an opportunity for the panels to undertake the role to which they have aspired. The level to which panels have accepted this challenge has varied.
- 3.4 It is probably worth reminding members of the respective roles that the individual members have in the budget setting process at this juncture. The Council has the overall responsibility for setting the budget. It will do so on the back of information and recommendations it receives from the Cabinet in respect of those services that fall within portfolios and from committees for those services that do not. For ease, the recommendations from Panels and those from committees have been amalgamated in the same Appendix. Members of the Cabinet will receive, and will need to consider, comments from the review panels before making any recommendations to Council.
- 3.5 It is still very early in the budget process and therefore any proposals arising from the Cabinet will be made available to the review panels for their consideration and comment. These proposals will not be formally considered by the Council until February 2002 when it will consider the whole budget.

4. CURRENT FINANCIAL POSITION

- 4.1 Whilst the size of the financial challenge facing the Council may come as a surprise, the fact that there is one should not. The Council has been under growing financial pressure over a number of years. The forecasts produced as part of last year's expenditure plan demonstrated that 2002/2003 would also be a difficult year in financial terms, and clearly there are some new

issues that the Council was unaware of at his time last year which has exacerbated this position.

- 4.2 There are many individual reasons why the Council is in this financial position. Some are as a result of the pressure on local government generally and some are specific to New Forest District Council.
- 4.3 All local authorities have been hit by reducing income generated from investments. Over the last two years this has cost the Council in excess of £500,000. The position is not assisted as most of the Council's borrowing is on a fixed interest basis, and therefore it does not benefit from lower interest payments. Much has been done to reduce this impact by the early repayment of debt but this comes at a significant cost and therefore is only undertaken where the financial benefits are demonstrable.
- 4.4 Single status is another significant cost that the Council has incurred over the last two years. As a good and caring employer the Council is committed to bringing its entire staff on to single terms and conditions and this comes at a cost. Whilst nearly all authorities face this issue, some have either transferred their housing stock or their leisure and DSO staff, which has reduced the overall impact to their revenue budgets. In order to maintain the level of commitment from the staff in these services, who often have to work in difficult weather conditions, the Council's continued implementation of single status agreements is essential.
- 4.5 Insurance costs are something that to a small extent are influenced by the Council itself, through level of claims made, but to a large extent are influenced by macro issues. The Council benefited from substantial reductions a few years ago but was aware that this could possibly be only a short-term gain. This year the premium renewals have led to significant increases, partly due to poor claims history, but also as a result of the hardening of the insurance market. Following the terrorist attacks in September it is expected that further hardening of the international insurance market will take place and our best estimation of what this might lead to in terms of premium increases is reflected within next year's expenditure plan bids.
- 4.6 Like all Councils, the staffing costs of the organisation continue to rise above the rate of inflation. Due to the labour intensive nature of the business this has a significant impact on the net expenditure of the Council.
- 4.7 There are then a plethora of items specific to New Forest, and whilst not wishing to replicate all the items contained in the appendices, it is worth mentioning one or two of them that have a significant on-going revenue impact.
- 4.8 The Council has made a significant commitment to the introduction of CCTV following the successful capital bid to the Home Office. Whilst it is expected that revenue and capital contributions will be forthcoming from local councils there is a substantial revenue consequence resulting from this investment.

4.9 Items previously charged to capital

4.9.1 During last year's budgetary process I had highlighted that I was unhappy in the way that the Council had been treating certain items of expenditure. The Council had a significant reserve, which was effectively earmarked for funding of the capital programme and due to revenue pressures was seen as an easier way to fund expenditure. Unfortunately many of the items funded from this resource were by their nature revenue expenditure and on-going. With any resource that is finite the point would come that either that expenditure would have to cease or would have to be funded from revenue.

4.9.2 Therefore the Council has been using reserves to fund ongoing expenditure for numerous years and a change of approach must now be made. If the Council continued to charge such items to capital, which is contrary to accounting principles, then it would simply have to increase its funding of the capital programme which would need to come from revenue.

4.10 By changing this policy the Council will be improving its house keeping. It also complies with the Council's financial strategy i.e. that the Council should achieve a balanced budget where on-going expenditure is funded from on-going revenue. Furthermore, it will give members greater clarity on the real cost of service provision which was not possible before with significant maintenance costs being hidden within the capital programme.

5. GEARING EFFECT

5.1 The funding of local government generally is clearly an issue that affects all authorities. The position is exacerbated because of the gearing effect of local government finance. This is demonstrated by a very simplistic model as follows:

Net Expenditure	£ 100	Net Expenditure	£ 110
Financed by:		Financed by:	
Government Grant	50	Government Grant	50
Council Tax	50	Council Tax	60

5.2 As can be seen, a 10% increase in net expenditure leads to a 20% increase in the council tax. This is very difficult to explain to members of the community whose income levels have only increased in line with inflation. The larger the base of tax that is locally generated the less impact that this effect will have. This is why local government has repeatedly made requests for business rates to be returned to local authority control. These requests

have been unsuccessful and it is a position that is unlikely to change in the foreseeable future.

6. FINANCIAL STRATEGY

- 6.1 It is clear that due to the scale of the challenge facing the Council, a more structured approach is needed than the normal budget setting process. Decisions could be taken now in haste that the Council could regret with the passage of time. However, some action must be taken and some unpalatable decisions will need to be made as part of this budget process in order that the Council does not leave itself financially vulnerable to unforeseen circumstances. The issue is getting the balance right between identifying reductions in net expenditure and drawing from reserves to balance next year's budget, with the prospect of identifying ways of generating additional income or reduced expenditure in a more structured and prioritised manner.
- 6.2 The Council needs to step outside of the normal annual cycle of budgets in order that the challenge is not simply put back for one financial year and we end up being in the same position this time next year, but without the safety net of the same level of reserves. In essence officers will need to continue to work with members on a number of issues that will lead to step changes in the Council's financial position.
- 6.3 The Council should seek in the lifetime of this financial strategy to have:-
- a) Achieved a balance revenue budget (i.e. that no resources are taken from reserves to fund on-going revenue expenditure)
 - b) Made provision within the revenue budget for a reasonable capital programme
 - c) Ensured that the revenue balances of the Council are equal to 10% of the net revenue budget
 - d) Identified where income through fees and charges is not being maximised except as a conscious decision of the Council for strategic reasons
 - e) Reviewed all land and property holdings to ensure that they are being efficiently used and needed or held for other strategic purposes
 - f) Ensured that there is greater integration of the budget setting process and best value reviews
 - g) Developed a process that results in closer links being achieved between the budget setting process and the setting of corporate objectives/targets

- h) Developed a priority based budgeting system which will add clarity to the linking of corporate priorities to the allocation of resources

7. FURTHER PROPOSALS TO CONSIDER

- 7.1 Review panels and Committees have received expenditure plan reports over the last month but throughout this period work has continued to identify further proposals for the Cabinet to consider. This work will continue throughout the next three or four months until February when the Council will set the budget and council tax for next year.
- # 7.2 Attached as Appendix 3 to this report are the latest items for Members of the Cabinet to consider. These suggestions have not been considered by any of the review panels but will be fed back through them with any other deliberations of the Cabinet on this issue. Even if all the items for reductions in expenditure/increased income are acceptable the Council is facing a significant tax increase to achieve a balanced General Fund revenue budget for next year or a significant draw from reserves or a combination of both.
- # 7.3 Attached at Appendix 4 to this report is the latest projection of the General Fund revenue over the lifetime of the financial strategy. These projections have included all the proposals as considered by the review panels and the items for consideration by the Cabinet at the meeting.
- 7.4 Even with the suggested proposals for revenue savings the Council is a long way from having a balanced revenue budget. The amount to which there is a shortfall will be determined by the level of changes to the existing proposals that are being considered by the Cabinet, the level of acceptable council tax for next year, the level of revenue balances that are to be used to offset next year's expenditure, and the level of external financial support received from the Government.

8. PRUDENT USE OF BALANCES

- 8.1 Any use of revenue balances to fund on-going expenditure has to be a short-term approach. Revenue balances are held to safeguard the Council against any significant unforeseen items of expenditure or reduction in income. The Council has held significant levels of revenue balances in the past, which have been used to underpin a significant capital programme.
- 8.2 The appropriate level of revenue balances is not a precise science and therefore there is no right or wrong answer. However, the Council is advised to hold revenue reserves at a level that is 10% of net expenditure. This would include all revenue reserves and not just the General Fund Balance i.e. it would include all those reserves, which are currently held as DSO reserves.

- 8.3 With the demise of CCT contracts and the removal of client contractor relationships within the organisation, it is recommended that all revenue reserves should be amalgamated in to the General Fund Balance. There is much confusion over the reserve that has been called the 'General Reserve' as it has primarily been used for funding the capital programme. It is therefore recommended that this reserve should be renamed the Capital Reserve and that any year end revenue under-spends (or overspends) should be credited (debited) to the General Fund Balance rather than the General Reserve as was previously the case. The Council should then make strategic decisions over the use of the General Fund Balance in light of all corporate priorities be they revenue or capital.
- 8.4 In light of the financial projections contained in this report it is inevitable that some use of these revenue balances will be required to balance next year's budget. As mentioned elsewhere in this report the Council would not wish to cut services unnecessarily to achieve a balanced budget if taking a longer-term perspective could lead to more strategic decisions being taken, and resources allocated in accordance with corporate priorities. Clearly the Council cannot delay all decisions and therefore some unpalatable decisions will need to be considered as part of this budget process.
- 8.5 The list of reserves as at 31 March 2001 were as follows:-

	£000
General Reserve	4.473
General Fund Balance	1.308
Repair and Renewal Reserve	383
DSO's – Housing	351
- Commercial Services	773
- Catering	351
- Revenue and Benefits	170

- 8.6 Whilst some use of reserves is available for Members, the Repairs and Renewals Reserve is effectively fully committed. Furthermore, the use of the Revenues and Benefits Reserve can only be undertaken if the quasi contractual arrangement is removed and the service be absorbed in to the General Fund, like most other front line services, rather than as the current trading activity. Members also need to be mindful of the fact that an annual contribution is already being made from the DSO to the General Fund of £250,000 per year.
- 8.7 The level of draw on these reserves that the Council will need to make will be determined by a number of factors.
- a) The level of acceptable council tax increase
 - b) The level of local government finance settlement
 - c) The amount of adjustments that are made to the expenditure plan proposals
 - d) Macro economic factors such as interest rates
 - e) The results of the detailed budget compilation

8.8 It is still very early in the budget cycle, and therefore there are many issues left to be resolved before members can consider the total budget package. Officers and members of the Cabinet will continue to work on proposals throughout the coming months in order to minimise the use of balances in the funding of next year's General Fund services.

9. EMPLOYEE SIDE COMMENTS

9.1 Although a briefing was held with all the Council's union representatives at an early stage of the expenditure plan process no formal dialogue has been entered in to with the representatives on the detailed proposals contained in this report.

9.2 Following this meeting further reports will be prepared for the review panels and Committees, which will summarise the deliberations of the Cabinet. These will also be discussed with the employee side representatives and any comments will be fed back to the Cabinet in December.

10. RECOMMENDATIONS

It is recommended that-

10.1 Members of the Cabinet consider all the items contained in the Expenditure Plan proposals as contained in the Appendices and in light of the comments received from the review panels and Committees, which are contained in Appendix 2.

10.2 The approach to the rationalisation of the number of revenue reserves outlined in this paper be approved.

10.3 When the Council agree the budget in February 2002, they be recommended to agree:

- a) the Financial Strategy as set out in paragraph 6 of this report; and
- b) the proposed changes to the use of the General Reserve Fund as set out in paragraph 8.3 of this report.

10.4 The approach to the prudent use of reserves for the financial year 2002/2003 be noted

10.5 Further work continues in order to identify further reductions within net expenditure in order to minimise that use of reserves.

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Background information

NEW FOREST DISTRICT COUNCIL
DRAFT GENERAL FUND FORECAST 2002/03 TO 2005/06 BASED ON 2001/02 BUDGET

<u>05/11/01</u>	2001/02	2002/03	2003/04	2004/05	2005/06
	£000	£000	£000	£000	£000
Net Portfolio Requirements	19040	19040	19040	19040	19040
Transfer To Provisions					
Est. Inflation (salary related)		595	1135	1695	2275
Other Inflation		170	340	520	700
Sub Total (A)	19040	19805	20515	21255	22015
Capital Financing Provision	250	250	250	250	250
Sub Total (B)	19290	20055	20765	21505	22265
Transfer from DSO reserve	-250	-250	-250	-250	-250
Sub Total (C)	19040	19805	20515	21255	22015
Less Interest on Balances(net)	-1300	-1000	-1000	-1000	-1000
Sub Total (D)	17740	18805	19515	20255	21015
Transfer From Capital Financing Reserve	-293				
Transfer To/From(-) General Reserve	-79				
Budget Requirements Total (E)	17368	18805	19515	20255	21015
Add Expenditure Plan Bids					
Corporate & Finance		882	690	830	852
Crime & Disorder		273	273	283	273
Economy & Planning		166	291	266	210
Environment		149	219	215	215
Health & Social Exclusion		22	22	22	22
Housing		102	104	106	108
Leisure		379	386	400	407
General Purposes & Licensing Committee		0	80	20	20
Planning Development Control Committee		0	0	0	0
Standards Committee		19	19	19	19
Sub Total Bids	0	1992	2084	2160	2126
Deduct Expenditure Plan Savings					
Corporate & Finance		-687	-755	-815	-889
Crime & Disorder		0	0	0	0
Economy & Planning		-140	-148	-183	-183
Environment		-183	-183	-183	-183
Health & Social Exclusion		-22	-22	-22	-22
Housing		-30	-38	-46	-54
Leisure		-454	-631	-678	-683
General Purposes & Licensing Committee		0	0	0	0
Planning Development Control Committee		-9	-9	-9	-9
Standards Committee		0	0	0	0
Sub Total Savings	0	-1526	-1785	-1935	-2022
Other Items	388	0	0	0	0
Transfer To/From(-) General Reserve	-388	0	-75	-50	0
Forecast Budget Requirements Total (F)	17368	19271	19739	20430	21119
Forecast Council Tax for Total (F) in £	110.24	133.75	135.44	140.27	144.89

**NEW FOREST DISTRICT COUNCIL
OTHER SERVICES CAPITAL EXPENDITURE
SUMMARY AND RESOURCES 2001/02 TO 2005/06**

APPENDIX 1

Date Prepared :-

05-Nov-01

ESTIMATED EXPENDITURE

	2001/02	2002/03	2003/04	2004/05	2005/06	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporate & Finance	906	897	70	25	10	1,002
Crime & Disorder	1,157	-	-	-	-	1,157
Environment	773	1,358	1,202	3,772	1,002	8,107
Economy & Planning	303	229	-	200	-	732
Leisure	2,361	1,278	299	190	12	4,140
TOTALS	5,500	3,762	1,571	4,187	1,024	15,138

PROPOSED FINANCING

BCA/SCA (Loan)	337	480	372	947	324	2,460
Grants & Other Contributions	1,384	898	800	2,995	698	6,775
Developers' Contributions	741	214	-	-	-	955
Revenue Provision (Gen. Fund.)	250	-	250	250	250	1,000
Usable Capital Receipts	-	-	-	-	-	-
General Reserve	2,788	2,170	149	5	248	3,948
TOTALS	5,500	3,762	1,571	4,187	1,024	15,138

ESTIMATED BALANCES

	01/04/01	01/04/02	01/04/03	01/04/04	01/04/05	01/04/06
	£000	£000	£000	£000	£000	£000
GENERAL RESERVE	4,473	1,297	873	1,097	1,142	894
DEV. CONTRIBS.	6,315	5,824	5,760	5,760	5,760	5,760

REVIEW PANEL/COMMITTEE COMMENTS

GENERAL PURPOSES AND LICENSING COMMITTEE – 25 OCTOBER 2001

The Committee had no proposals for the Cabinet to consider.

PLANNING & DEVELOPMENT CONTROL COMMITTEE – 17 OCTOBER 2001

In supporting the expenditure plan proposals set out in the report, the Committee noted that the planning application fee system was vulnerable to abuse where an applicant exercised their right for a free application following refusal of a similar application for the site. It was agreed that this issue should be pursued through the local government organisations.

STANDARDS COMMITTEE – 5 OCTOBER 2001

The Committee considered the Expenditure Plan proposals relating to this committee at some length but resolved that they were happy with the proposals as contained in the report and therefore have nothing additional for the Cabinet to consider.

CORPORATE AND FINANCE REVIEW PANEL - 25 OCTOBER 2001

77. EXPENDITURE PLANS 2002/03 TO 2005/06 (REPORT A).

The Panel considered savings and bids for the Corporate and Finance Portfolio Expenditure Plans for 2002/03 to 2005/06.

The Panel noted detailed presentations from Officers concerning the vehicles and plant programme, and the ICT Work Programme, which were both major budget items.

Members had a general discussion on the Expenditure Plan report itself, and a number of members commented on the difficulty of prioritising bids and savings based on the information available. Members asked for future reports to include more sophisticated information to better illustrate the potential effects of budget decisions.

Officers circulated revised appendices 1 and 3 to the report which had been updated since the agenda had been despatched.

Officers reported on the section under "Unavoidable Bids" in appendix 1, specifically the Supporting People Scheme - Housing Benefit, it was reported that the initial estimate of the increase in Housing Benefit costs for this and the next financial year may be smaller than was initially anticipated and therefore Officers advised members that the bid for 2002/03 only could be reduced from £250,000 to £125,000.

In considering the proposed savings, members discussed the suggestion of removing provision of uniforms for Cashier/Information Officer/Courier employees which could produce a saving of £6,000. Members noted that initial discussions with the Employee Side representatives had indicated that the staff effected would oppose such a move and would prefer uniforms to continue to be provided by the Council. Members felt that provision of uniforms was an important part of projecting the Council's image to the public as a recognised presence in the community. For these reasons, the Panel agreed to recommend deletion of this proposal from the list of savings and indicate their wish for provision of uniforms to continue. No other savings were deleted from the proposed list.

Members noted that the Lymington Recreation Centre Phase II Scheme for the catering area had been deferred to 2003/04.

On the Dibden kitchen enlargement, members empathised the need for a proper cost benefit analysis to be undertaken before the Scheme was implemented, and also felt that a high payback on the cost of the Scheme should be able to be demonstrated before the progressed.

On the bid for Citizens Panel Surveys to be increased from 4 to 8 per year, members felt this was a low priority but approved it on the condition that Officers investigate the possibility of generating income through joint surveys with other organisations.

On the bid for additional budget provision of £5,000 for members postage, members asked the Head of Legal and Democratic Services to investigate ways and means of reducing costs of members post and report back.

Members considered each bid in appendix 1 individually and indicated the Panel's view of their relative priority in terms of High, Medium or Low. The prioritisation of bids agreed by the Panel was as follows:

High Priority

- Voice and Data System (HPSN);
- Digitiser - Full Time Post;
- Vehicles and Plant - Replacement Programme;
- ICT;
- Franking Machine Leasing Cost - Appletree Court;
- Legal Services - Law Society Accreditation;
- Marsh Lane Workshop Lift (Lease Cost and Installation);
- Additional Securicor Collection Costs;
- Salaries/Wages - New Democratic Structure; and
- Advice to Panels.

Medium Priority

- Offices and Depots Maintenance;
- Offices and Depots - Energy Management - Staffing;
- Offices and Depots - Energy Management - Other Costs;
- Additional Health and Safety Corporate Training; and
- Reprographics - Leasing and Maintenance.

Low Priority

- Citizens Panel - Surveys;
- Catering Equipment Replacement; and
- Members Postage.

Members also prioritised the projects set out in appendix 3 as follows:

High Priority

- Appletree Court Refurbishment of Heating System;
- New Milton Offices - Provision of New Offices;
- Offices and Depots - Disability Discrimination Act; and
- Information Technology.

Medium Priority

- Appletree Court Resurfacing of Lower Car Park; and
- Refurbishment of Information Offices.

Low Priority

- Ringwood Recreation Centre Bar Refurbishment;
- Applemore Recreation Centre Bar Refurbishment; and
- Dibden Kitchen Enlargement.

The proposed scale of fees and charges for the Corporate and Finance Portfolio as set out in appendix 2 were endorsed by the Panel.

RESOLVED:

That the comments and recommended priorities for bids and savings as set out above be recommended to Cabinet as the Panel's preferred proposals.

CRIME AND DISORDER REVIEW PANEL - 23 OCTOBER 2001

32. EXPENDITURE PLANS 2002/03 TO 2005/06 (REPORT D).

The Panel considered the Expenditure Plan proposals which had been developed for the Crime and Disorder Portfolio. In addition to the information set out in the report the Panel was advised that the tenders had now been received for the installation of the proposed closed circuit television (CCTV) system. The Panel was delighted to note that the tender figures allowed the installation of a fully digital system within the approved budget. Not only with such a system have better functionality than an equivalent analogue installation, but the technology would remain current for a longer period of time. There was a further advantage in that the costs of running a digital system was lower than an equivalent analogue. For this reason it was possible to offer revenue savings of £53,000 for 2002/03 and £34,000 per annum thereafter.

The Panel was advised that negotiations had also continued with respect to the costs of transmitting the information from the cameras to the Control Centre. Very satisfactory rates, fixed for a five year term, had now been agreed with British Telecom, which would allow additional savings to be identified.

Contributions towards the revenue costs of the CCTV system had been agreed, in principle, by a number of parties. Each of the Town Council's had committed themselves to paying 50% of the transmission costs. The level of contribution would accordingly be reduced.

Additional factors were still being evaluated following the decision to install a digital system. It was possible that some of the initial costs, which had been earmarked as revenue expenditure, could be reallocated into the capital costs of establishing the scheme. The Panel was advised that all options were being explored to maximise the external contributions towards the cost of both installing and running the system. Further work would continue on the figures before it was possible to determine the final level of savings that could be offered from this Portfolio.

With respect to the allocation of funds towards the cost of a domestic violence co-ordinator, based at Lyndhurst Police Station, the Panel was advised that contributions had now been confirmed from Hampshire County Council, the Primary Care Trust and Hampshire Police. This means that the bid for funding could be reduced to £6,500. for 2002/03.

With respect to the funding for the Community Safety Strategy Group, the Panel was advised that the £10,000 contribution from this Council should be regarded as pump priming to encourage contributions from the other partner organisations.

RESOLVED:

That the expenditure plan proposal set out in appendix 1 to the report, amended as described above, be supported for submission to Cabinet for the Crime and Disorder Portfolio.

ECONOMY AND PLANNING – 17 OCTOBER 2001

59. EXPENDITURE PLANS 2002/03 TO 2005/06 (REPORT A).

The Panel reviewed the proposed Expenditure Plan for the Economy and Planning Portfolio, and made recommendations to Cabinet on their prioritisation of bids and savings for Revenue and Capital Expenditure.

Officers circulated a revised appendix 3 to the report which included revised figures, and also reported changes to the figures set out in appendix 1. The public lighting/column replacement programme figure for 2002/03-2005/06 was now £25,000 per year instead of the £40,000 shown on the report, and the figure for the bid on public lighting – footway lighting improvements was amended to read £25,000 for each year from 2002/03 to 2005/06, instead of the £32,000 as shown on the report.

A change was also reported in appendix 2, specifically the proposed charge of £102.00 for the Local Land Charge Form CO129(1991), instead of the figure of £97.00 set out in the appendix. Members debated the proposals in detail.

Members noted that the balance of the Council's Dibden Bay Fund as at 31 March 2001 was £388,785.00, but that no additional budget provision or contingency sum had been set aside at that stage. The County Council had been advised that there was a limit to the amount of financial support the District Council could provide for fighting the Dibden Bay proposals. Members noted the position in respect of the Economic Development Unit and asked for an Interim Position Statement to be brought to the January 2002 meeting of the Panel, to include progress on the Town Centre Management Initiative.

Members also requested an update from the Economy and Planning Portfolio Holder on the current position in respect of the Lyndhurst by-pass. The Panel requested that the Portfolio Holder set out the position in a letter to the Chairman of the Panel, and that a report on the matter be brought to the March 2002 meeting of the Panel.

Members considered the bids and savings and their relative priorities as set out in appendix 1 to the report. The Panel endorsed the bids and savings as amended by the Officers (as detailed above) and no adjustments were made. Members considered the proposed scale of fees and charges for 2002/03 for the Economy and Planning Portfolio, as set out in appendix 2 to the report. The Panel could not reach a consensus on the fees for car parks and highways set out on page 12. The fees for Local Land Charges and planning copying charges as set out in page 12 of appendix 2 were agreed by the Panel as amended by the Officers detailed above. The Panel endorsed the Capital Expenditure Estimates for 2001 and Expenditure Plans 2002/03 to 2005/06 as set out in the revised appendix 3 circulated by Officers.

RECOMMENDED:

That the expenditure plans attached as appendices 1-4 to Report A to the Panel be approved (as amended by officers), with the exception of the proposed fees

for car parks and highways as set out on page 12 of Appendix 2, where the Panel were unable to reach a consensus.

ENVIRONMENT REVIEW PANEL – 18 OCTOBER 2001

At the above meeting, all recommendations were approved with the exception of those listed below. Any additional actions, which were agreed, are also set out in the list following:-

5. - The Effects of Charging for Rat and Mice Control (Report B)

Members have requested a further report on this issue, to include the experience of other local authorities on the effect of introducing charging on the elasticity of demand for the rat and mouse control service; and whether there were any related increases in the use, and therefore cost, of enforcement powers to remedy infestations on domestic premises.

6. - Public Conveniences - Closure Options (Report C)

The Panel agreed, in principle, that the closure of the following public conveniences should be explored further for a recommendation to be made to the Environment Portfolio Holder:

- ◆ Blackfield
- ◆ Holbury
- ◆ Barton Beach, Barton on Sea
- ◆ Eling Recreation Ground and Salisbury Road Recreation Ground, Totton
- ◆ Ringwood Market Place
- ◆ Calshot Car Park
- ◆ Lyndhurst Car Park - Old Block
- ◆ Main Road, Brockenhurst.

In each case the evaluation to include a cost benefit analysis, any information available on public demand, options for alternative provision, and possible uses for the site.

7. - Charging for Bulky Waste Collections (Report D)

The Panel decided to recommend a charge of £14 (including VAT) for each collection of up to 5 items of bulky household waste.

8. - Expenditure Plan 2002/03 to 2005/06 (Report E)

The Panel did not support the following revenue bids:

- ◆ Additional dog waste bins (£10,000),

- ◆ Summer Attendant for Lymington Quay Convenience - subject to Cabinet being mindful that there may need to be an urgent review of the need for the service should experience suggest that the attendant is necessary to protect the quality of the premises (£16,000)

They agreed that all the identified budget savings should be put forward except the introduction of charging for rat and mouse control (see note 5 above), and the closure of public conveniences (see note 6 above) where further work was necessary before a view could be put forward. With respect to the removal of the out of hours service from Environmental Health Officers (£7,500) the Cabinet was to be advised that, in offering the saving, it must be recognised that the public expected this service to be provided, but because of safety issues, either the service must be deleted, or considerably more spent on it, to improve staffing cover and security.

It was also agreed that a recommendation should be made to Council that this authority should make representations, at a national level, that all dog owners should be subject to some form of nationally based taxation to fund local control measures to combat the problems caused by those dog owners who allow their pets to foul public areas.

HOUSING & HEALTH AND SOCIAL EXCLUSION – 24 OCTOBER 2001

35. EXPENDITURE PLANS 2002/2003 TO 2005/06 (REPORT A).

The Panel considered the Expenditure Plan proposals for the Housing, Health and Social Exclusion Portfolio for 2002/03 to 2005/06.

Members noted that a Best Value Review of Meals on Wheels Catering (community meals) was being undertaken and was examining alternative methods of service delivery. Pilot schemes were being initiated and various options being examined. It was anticipated that some of the alternatives being considered could lead to a saving. The results of the Best Value Review and preferred options would be known in June 2002. Members referred to paragraph 3.3.3 of the report which suggested a reduction in the District Council's subsidy for meals on wheels. Members emphasised the importance of provision of community meals and the way in which their provision contributed to the ability of older people to continue to live in their own homes. A reduce in subsidy could jeopardise this position, which as well as being undesirable in social terms, could result in an extra financial burden being placed on Councils were higher numbers of elderly people might resort to seeking places in residential homes. Members agreed that there was a need to look at a long term financial strategy for meals on wheels provision and a proper funding system needed to be established. In view of these points and in anticipation of the potential for savings to be identified as a result of the Best Value Review, the majority of members opposed the suggested reduction in subsidy.

Members noted the position on the possible sale of Stillwater Park and asked that the Cabinet be reminded of the Panel's previous comments on this issue. Officers undertook to ensure that the next report to Cabinet included the Panels comments.

Members considered the relative priorities between two expenditure bids – the first was for £7,000 for the employment of a part time Participatory Needs Assessment Worker, and the second bid was for £13,000 for a Health for All Initiative, members had considerable difficulty in choosing between the two projects as they felt that both were very worthy causes. After a debate, the Panel agreed that the Health for All Initiative was the preferred option.

RESOLVED:

That the Cabinet be advised:

- (i) That the Revenue Expenditure Bids for the Housing Portfolio as set out in the report be agreed;
- (ii) That, with the exception of the suggested reduction of subsidy for meals on wheels as set out in paragraph 3.3.3 of the report, the Revenue Expenditure savings suggested in the report be agreed; and
- (iii) That, of the two Expenditure Bids for the Health and Social Exclusion Portfolio, the Health for All Initiative be identified as the Panel's preferred priority.

LEISURE REVIEW PANEL – 16 OCTOBER 2001

No recommendations have been made to the Cabinet

APPENDIX 2

ADDITIONAL ITEMS IDENTIFIED AT PANEL MEETINGS

Description	2002/2003 £	2003/2004 £	2004/2005 £	2005/2006 £
Remove uniforms saving	6000	6000	6000	6000
Reduce supporting people bid	-125000			
Delete Members Postage Bid	-5000	-5000	-5000	-5000
Corporate & Finance Total	-124000	1000	1000	1000
CCTV reduction in anticipated running costs	-53000	-34000	-34000	-34000
CCTV annual contributions	-25000	-25000	-25000	-25000
Contribution to Domestic Violence Co-ordinator	-6500			
Crime & Disorder Total	-84500	-59000	-59000	-59000
Reduced Footway Lighting Imp.	-10000			
Reduced Column Replace Prog.	-12000			
Economy & Planning Total	-22000	0	0	0
Remove dog waste bins bid	-10000	-5000	-5000	-5000
Remove Lymington Quay Convenience Attendant	-16000	-16000	-16000	-16000
Remove Rats and Mice charging	36000	36000	36000	36000
Remove public convenience closures	26500	26500	26500	26500
Environment Total	36500	41500	41500	41500
Remove meals on wheels saving	22400	22400	22400	22400
Health & Social Exclusion Total	22400	22400	22400	22400
TOTAL ALL PORTFOLIOS	-171600	5900	5900	5900

APPENDIX 3

REVENUE

CORPORATE AND FINANCE

Catering Best Value Review

Provision has been made for an expected outcome from the best value review that is currently being undertaken in respect of the catering service. Whilst it is not ideal to set financial targets for a best value review the new process does expect Members to indicate expected outcomes. This financial target should therefore be seen in this context and not as a specific sum that is a required outcome i.e. it should not be seen as a limit to potential savings that could accrue from the review.

Reduced office maintenance

Although this would reduce the overall sum available for repairs and maintenance to the Town Hall and Appletree Court budgetary provision exists for a level of essential planned maintenance. The total budget remaining after reducing sum available by £50k is £119,600.

Members Training

If this bid is removed ICT staff will undertake Member training. This will however limit the amount of training that can be provided to Members and will therefore create delays in the speed in which requests are dealt with.

Personnel Consultancy

This will reduce the amount of resources available for consultancy work but should not significantly impact on the ability of the Council to respond to the personnel issues.

Reduced support Chairman's Travel

The additional budgetary provision made for the current year has proved to be more than required. It is recommended that the provision be reduced in line with current expenditure levels.

No contribution to capital

Although the Council has significant pressure on the resources available for funding the capital programme it is possible to cancel the revenue contribution to

the capital programme for 2002/2003. This can only be sustained for one year and must be seen as such. Whilst this obviously creates pressure on the capital programme the proposal needs to be taken into the context of the charge of items in excess of £500k, which had previously been charged to capital. Effectively this change in policy is being phased over two financial years.

Additional superannuation costs

Due to a number of factors relating to the current investment markets the County Council are reviewing the long term implications for the county's pension fund. Initial views suggest that an increase of contributions of around 10% will be required. Further details will be provided to Members as soon as they are available.

Additional ICT costs

A detailed assessment has been undertaken, for the first time that fully evaluates the replacement cost of all the Council's hardware and software and builds on the ICT programme including electronic governance. Further work has been undertaken since the figures that were presented to the Review Panel that will reduce the annual financial burden of this programme by increasing the replacement period of hardware from three years to four years.

Reduced Health & Safety training

The Council does have a corporate training budget but it is felt that this needs to be supplemented in order to cater with the growing demands of health and safety legislation. Reducing or removing this bid will reduce the amount of training that can be undertaken in this area.

Defer Catering Equipment

Much of the equipment currently suffering regular faults can be replaced in the current year and a small revenue budget will suffice for 2002/03. This budget can be deferred for 1 year only, any more than that will result in higher repair costs, reduced levels of service and hygiene and substantial operational problems

ECONOMY AND PLANNING

Concessionary Travel

Original proposals considered by the review panel allowed for a saving created by reduction in take up and a reduction in the value of tokens by £1. This further saving reduces the value of tokens by a further £2. The rationale behind this is to

encourage greater take-up of the bus pass. Members may wish to consider retaining the value of tokens for certain categories of individual but this would reduce the level of saving generated and would be difficult to administer

Support for the Economic Development function

Information on the rationalisation of how the Council supports this activity will be the subject of a full report in the near future

Reduced car park maintenance

This will reduce the level of maintenance within the Council's car parks for one financial year. In light of the commitment the Council has made within the CCTV bid it is recommended that this be seen as a one-off saving.

ENVIRONMENT

Environment Services

This saving is made up of 3 different areas:

- i. £10,000 savings on fuel costs for the Refuse Collection & Street Cleansing and Waste Management & Recycling budgets.
- ii. £5,000 savings on mobile phones due to a new supplier contract.
- iii. £4,000 savings on diesel costs across the Business Unit codes due to the stability of fuel costs (i.e. inflation was expected to be higher than it was).

Environmental Health System Post

The original bid for a full time has been revised to allow for some specialist work to be undertaken in order for staff within the service to maximise the potential of the system. Once fully functional there is an expectation that the service would maintain it in the future.

Translation Service

A reduction in this bid will mean the quantity of information/leaflets translated will be reduced

Increase charge for rats and mice

The review panel considered this issue and decided to recommend that a charge of £14 should not be introduced. The Cabinet should consider this issue against the backdrop of the Council's Corporate Charging Policy and may therefore be minded to introduce a fee that more closely aligns itself with market rates. The figure included within this appendix is using a fee of £30. If Members are minded

to accept this proposal it is recommended that a concessionary rate be considered for those individuals on low incomes.

Special collections

Dog-waste bins

At the request of the portfolio holder this bid has been re-instated, for further information please refer to the original papers considered by the Environment Review Panel.

Defer Public Convenience Refurbishments

This can be achieved as a one-year only proposal.

HOUSING, HEALTH AND SOCIAL EXCLUSION

Stillwater Park Asset Rentals

As the Council has now received a revised revaluation of the site the Council is required to revise the asset rental charge that is made to the rental account. As this is a ring-fenced account a financial benefit will accrue to the General Fund.

Remove shared amenities contribution

The current transfer from the General Fund to the Housing Revenue Account is intended to represent the associated costs for providing such services as grass cutting and removal of abandoned vehicles to properties on council estates that are no longer in the ownership of the Council. There is no statutory requirement for this transfer to take place, as the total costs of estate management are a legitimate charge to the HRA in their entirety. In fact that the Council used to charge the total cost of such services to the HRA but changed this policy a few years ago. The recommended change would be reverting the policy back to its original position.

LEISURE

Reduce coastal amenities PPM

It would be unwise to delete the whole budget, as there would be no funds to respond to Health and Safety issues and progress with safety signage. A 50% reduction would yield a saving but still allow for effective management.

Removal of VAT on Leisure courses

The proposal considered by the Leisure panel was to treat a number of the sessions put on at leisure centres as educational. Whilst a perfectly good proposal this move would place the Council in danger of exceeding certain VAT limits that could result in a loss of potential VAT reclaim of £140k. In light of this risk it is suggested that this proposal be suspended pending further evaluation of the Council's likely VAT position for next year.

Lymington Phase 2 Income

Due to slippage in the capital programme the expected additional income that will be generated from the new facilities will also have to slip a financial year.

Defer purchase of Golf Range Dispenser

The range dispenser is 11 years old and problems have increasingly occurred with its operation. It is key to maintaining levels of income from the Driving Range and replacement would increase flexibility in pricing and marketing. Could be deferred for 1 year only
Remove Totton Recreation Centre reception refurbishment

Remove Lymington Recreation Centre CCTV

Following internal security problems the proposal is to install CCTV to improve customer safety and security. Problems will continue should the scheme be deleted.

Reduce Youth Project Worker funding

This is a highly successful partnership scheme involving the Police, Town and Parish Council's and the Hampshire Youth Service, which provides activities for groups of youngsters in an attempt to reduce vandalism and petty crime in the Town Centres. Results so far have been excellent in Ringwood and Hythe and will be extended to Lymington later this year. This bid is to underwrite likely partnership funding for the scheme. Hampshire Police Authority has already awarded £2,500 and indications are that a further £15,000 will be funded via the GOSE Communities Against Drugs Fund. A further £1,000 is likely to be available from the Crime and Community Safety Action Group. If funding were not available the scheme would cease. Therefore reduce the bid to £3,500 at this point in time and review when final position on funding is known.

Defer Additional Receptionist at Totton Recreation Centre Defer Totton Recreation Centre reception refurbishment

The scheme is to create a customer services point in reception following a successful pilot at Applemore. Benefits have included improved customer throughput, increased security, more opportunity to sell to customers and more time to deal with lengthy enquiries.

The additional reception hours are required to ensure that the proposed customer services point works effectively. A payback of less than 1 year makes this a good investment.

Defer Golf Course driving range refurbishment

The Driving Range generates some £55,000 per year and operates in a highly competitive market. Standards need to be maintained if income levels are to be sustained. Could be deferred for 1 year only.

Defer Golf Course Driving Range carpet

The carpet to the driving range is showing signs of advancing wear and tear and further rapid deterioration could become a health and safety issue. The carpet needs to be replaced as part of the range refurbishment. Could be deferred for 1 year only.

Defer Golf Course tee renovation

The condition of the tees has been the subject of adverse customer comment and an ongoing programme of tee renovation is important in maintaining existing levels of income. Could be deferred for 1 year only.

Remove Totton Recreation Centre sports hall door scheme

Since the bid was proposed there have recently been some questions as to the future use of the college hall by the Recreation Centre and this scheme needs to be deferred until that use has been clarified.

Remove Tourism Remote Area's bid

The budget supports the work of the Hampshire Paths partnership and the Forestry Commission in promoting local access to rights of way in target parts of the District and assists the management of tranquil areas and the Heritage area. It is however early in the development for both projects and the budgets are modest. The impact of deleting this budget can be managed perhaps more easily than others.

Delete Golf Course seats/shelters bid

A recent customer survey identified the lack of bins, seats and shelters as an issue for customers. Could be deferred for 1 year only.

Remove Golf Course temporary green construction

This was the final phase of a programme of temporary green construction and in this particular case there is an area of the fairway, which could be developed for winter use as a temporary green. Delete.

Remove Golf Course bunker refurbishment

The ongoing programme of bunker refurbishment has substantially improved the condition of the course in the winter when income levels are at their most vulnerable. A subject of ongoing customer comment. Could defer for 1 year only.

Reduce Tourism Information & Interpretation Points

This budget keeps tourist information points in good order without the budget they will fall in to disrepair and will not be functional. It is also intended that they will raise income and become self-funding. A reduction in the budget to £2,500 would allow for a modest programme to be maintained.

Remove Lymington Recreation Centre accommodation changes for computers

The computer system at the Recreation Centres is to be upgraded and the installation of new touch screen technology means the computers will be repositioned and modifications to reception will be required. If the scheme does not proceed it will create operational difficulties.

Reduce Energy Management costs

The programme is overstated by £10,000. The programme increases resource efficiency and reduces revenue costs overall. The whole programme pays back within 4 years. Also a major contributor towards corporate objectives on sustainability and climate change impact.

Defer Ringwood Recreation Centre squash court refurbishment

The scheme has already been deferred twice and the courts are now in need of major repair works if they are to continue to be used for club and league activities. However use of the fitness room increases daily and a possible

expansion into one of the courts may be considered in the future. Proposal is to do 2 courts only. It is possible to defer the scheme for one year only but there will be some adverse comments from squash players and usage could decline as a result.

Remove Lymington Recreation solar hot water scheme

Although the scheme has a long payback (in lifetime costing terms the scheme costs £8,000 and saves £16,000). It is a renewable energy scheme, which reduces gas costs and impacts positively on sustainability. If the scheme is deleted these benefits will be lost.

Remove open space tree works

Currently there is no tree budget and any works are paid for out of Open Space Maintenance or planned preventative maintenance resulting in the postponement as such things as grass cutting and related amenity maintenance. NFDC has a duty to deal with tree issues, which often have immediate safety implications. Without this budget it is inevitable that other forms of ground maintenance would begin to suffer.

All Centre plant and maintenance

A budget of £70,000 has been allocated in each of the next 4 years for the replacement of large and essential items of plant and equipment. The actual amount required in 2002/03 will be £46,000. However, an adjustment will need to be made in 2003/04 up to £100,000.

Reduce Equipment Leasing Provision

A review of the equipment replacement programme has shown that the majority of equipment, which needs to be replaced next year, directly affects the income the Centres generate (or has Health & Safety implications). However, some items could be deferred 1 year.

REVIEW PANEL RECOMMENDATIONS

Members of the Cabinet will need to consider the issues raised by the Review Panels as summarised in Appendix 2. In light of the financial position of the Council the Cabinet are recommended to take the following course of action in relation to those proposals:

Meals on Wheels

A saving of £12,400 can be achieved by increasing the charge to £2.15 rather than by implementing the full charge levied by the County Council. Members should also be mindful of the fact that any additional increase levied by the County Council with effect from 1 April 2002 will need to be passed on to the recipients of the service.

Rats and Mice Charging

This is dealt with elsewhere in this Appendix

Public Conveniences

Cabinet are recommended to continue with a closure programme and make an estimate of the potential saving although the comments of the Panel should be taken in to account when determining this programme.

Other proposals

It is recommended that all other proposals raised by the Review Panels should be accepted.

ADDITIONAL RECOMMENDED VARIATIONS - REVENUE

Description	2002/2003	2003/2004	2004/2005	2005/2006
	£	£	£	£
Catering Best Value Review	-30000	-30000	-30000	-30000
Reduced office maintenance	-50000			
Members training	-5000	-5000	-5000	-5000
Personnel Consultancy	-15000	-15000	-15000	-15000
Reduced support for Chairman's travel	-5000	-5000	-5000	-5000
No Contribution to Capital	-250000			
Additional Superannuation	70000	70000	70000	70000
Additional ICT Costs	25000	78000	33000	45000
Reduced Health & Safety training	-5000	-5000	-5000	-5000
Defer catering equipment purchase	-25000			
Corporate & Finance Total	-290000	88000	43000	55000
Concessionary Travel	-20000	-20000	-20000	-20000
Economic Development	-40000	-20000	-20000	-20000
Reduced Car Park maintenance	-10000			
Economy & Planning Total	-70000	-40000	-40000	-40000
Environment Services	-19000	-19000	-19000	-19000
Environmental Health System post	-10000	-20000	-20000	-20000
Translation Service	-4000	-4000		
Introduce charge for Rats and Mice service	-75000	-75000	-75000	-75000
Reduction in Special Collection Costs	-20000	-20000	-20000	-20000
Reinstate Dog Waste Bins	10000	5000	5000	5000
Defer Public Convenience refurbishments	-25000			
Public Convenience Closures	-26500	-26500	-26500	-26500
Environment Total	-169500	-159500	-155500	-155500
Reduce Meals on Wheels Subsidy	-12800	-12800	-12800	-12800
Health & Social Exclusion Total	-12800	-12800	-12800	-12800
Stillwater Park Asset Rental	-24000	-24000	-24000	-24000
Remove Shared Amenities Cont	-86000	-88000	-90000	-92000
Housing Total	-110000	-112000	-114000	-116000
Reduced Coast Amenities PPM	-12500	-12500	-12500	-12500
Removal of Leisure VAT saving	42500	42500	42500	42500
Deferral of Lymington Phase 2		60000		
Defer purchase of Golf Range Dispenser	-1700			
Defer TRC reception refurbishment	-2000	2000		
Remove LRC CCTV	-4500			
Reduce Youth Project Bid	-18500	-18500	-18500	-18500
Defer additional TRC receptionist	-1500			
Defer DGC Driving Range Refurbishment	-10000	10000		
Defer DGC Driving Range Carpet	-6000		6000	
Defer DGC tee renovation	-3000			

ADDITIONAL RECOMMENDED VARIATIONS - REVENUE

Description	2002/2003 £	2003/2004 £	2004/2005 £	2005/2006 £
Defer TRC Sports Hall door scheme	-4500	4500		
Remove Tourism Remote Areas	-8000	-9000	-10000	-10000
Remove DGC seats/shelters	-3000	-2000		
Remove DGC temporary green construction	-4000	-4000	-4000	-4000
Reduce DGC bunker refurbishment	-1000	-1000	-1000	-1000
Reduce/Remove Tourism Information & Interpretation Strategy	-3500	-7000	-8000	-8000
Remove LRC accommodation changes for new computers	-3000			
Reduce energy management	-10000	-10000	-10000	-10000
Defer RRC squash refurbishment	-10000	10000		
Remove LRC solar hot water scheme	-8000	1000	1000	1000
Remove open space tree works	-5000	-5000	-5000	-5000
All Centres Plant Maintenance	-24000	24000		
Reduced Equipment Leasing	-6600			
Leisure Total	-107800	85000	-19500	-25500
TOTAL ALL PORTFOLIOS	-760100	-151300	-298800	-294800

ADDITIONAL RECOMMENDED VARIATIONS - CAPITAL

Description	2002/2003 £	2003/2004 £	2004/2005 £	2005/2006 £
ARC - Pool Water Recycling	-12000			
ARC - UV Pool Disinfectant Installation	-22000	22000		
NMRC - Installation of CCTV	-8000			
NMRC - Pool Hall Ceiling				-12000
NMRC - UV Pool Disinfectant Installation	-11000			
NMRC - Reception Refurbishment	-15000			
RRC - Ventilation to Changing Rooms	-17000			
RRC - Refurbishment of Main Reception	-30000	30000		
LRC - Rephasing of Phase II	-200000	-20000	220000	
LEISURE TOTAL	-315000	32000	220000	-12000
TRC - Air Conditioning to Bar, Café & P.Arts		-12000		
Catering - ARC Centre Bar Refurbishment	-17000			
Catering - RRC Centre Bar Refurbishment	-24000			
Catering - LRC Phase II Catering Area	-35000	25000	35000	
ICT	-24000	-20000	-15000	
CORPORATE & FINANCE TOTAL	-100000	-7000	20000	0
TOTAL ALL PORTFOLIOS	-415000	25000	240000	-12000

NEW FOREST DISTRICT COUNCIL
DRAFT GENERAL FUND FORECAST 2002/03 TO 2005/06 BASED ON 2001/02 BUDGET

<u>05/11/01</u>	2001/02	2002/03	2003/04	2004/05	2005/06
	£000	£000	£000	£000	£000
Net Portfolio Requirements	19040	19040	19040	19040	19040
Transfer To Provisions					
Est. Inflation (salary related)		595	1135	1695	2275
Other Inflation		170	340	520	700
Sub Total (A)	19040	19805	20515	21255	22015
Capital Financing Provision	250		250	250	250
Sub Total (B)	19290	19805	20765	21505	22265
Transfer from DSO reserve	-250	-250	-250	-250	-250
Sub Total (C)	19040	19555	20515	21255	22015
Less Interest on Balances(net)	-1300	-1000	-1000	-1000	-1000
Sub Total (D)	17740	18555	19515	20255	21015
Transfer From Capital Financing Reserve	-293				
Transfer To/From(-) General Reserve	-79				
Budget Requirements Total (E)	17368	18555	19515	20255	21015
Add Expenditure Plan Bids					
Corporate & Finance		767	828	923	957
Crime & Disorder		189	214	224	214
Economy & Planning		134	291	266	210
Environment		94	179	179	179
Health & Social Exclusion		22	22	22	22
Housing		102	104	106	108
Leisure		229	368	337	338
General Purposes & Licensing Committee		0	80	20	20
Planning Development Control Committee		0	0	0	0
Standards Committee		19	19	19	19
Sub Total Bids	0	1555	2104	2095	2067
Deduct Expenditure Plan Savings					
Corporate & Finance		-755	-823	-883	-957
Crime & Disorder		0	0	0	0
Economy & Planning		-200	-188	-223	-223
Environment		-242	-242	-242	-242
Health & Social Exclusion		-13	-13	-13	-13
Housing		-140	-150	-160	-170
Leisure		-412	-528	-635	-640
General Purposes & Licensing Committee		0	0	0	0
Planning Development Control Committee		-9	-9	-9	-9
Standards Committee		0	0	0	0
Sub Total Savings	0	-1770	-1951	-2163	-2252
Other Items	388	0	0	0	0
Transfer To/From(-) General Reserve	-388	0	-75	-50	0
Forecast Budget Requirements Total (F)	17368	18339	19593	20137	20830
Forecast Council Tax for Total (F) in £	110.24	120.16	133.33	136.04	140.74

**NEW FOREST DISTRICT COUNCIL
OTHER SERVICES CAPITAL EXPENDITURE
SUMMARY AND RESOURCES 2001/02 TO 2005/06**

APPENDIX 4

Date Prepared :-

05-Nov-01

ESTIMATED EXPENDITURE

	2001/02	2002/03	2003/04	2004/05	2005/06	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Corporate & Finance	881	797	75	45	10	927
Crime & Disorder	1,157	-	-	-	-	1,157
Environment	773	1,358	1,202	3,772	1,002	8,107
Economy & Planning	303	229	-	200	-	732
Leisure	2,361	963	319	410	-	4,053
TOTALS	5,475	3,347	1,596	4,427	1,012	14,976

PROPOSED FINANCING

BCA/SCA (Loan)	337	480	372	947	324	2,460
Grants & Other Contributions	1,384	898	800	2,995	698	6,775
Developers' Contributions	741	214	-	-	-	955
Revenue Provision (Gen. Fund.)	250	-	250	250	250	1,000
Usable Capital Receipts	-	-	-	-	-	-
General Reserve	2,763	1,755	174	235	260	3,786
TOTALS	5,475	3,347	1,596	4,427	1,012	14,976

ESTIMATED BALANCES

	01/04/01	01/04/02	01/04/03	01/04/04	01/04/05	01/04/06
	£000	£000	£000	£000	£000	£000
GENERAL RESERVE	4,473	1,322	- 433	- 682	- 967	- 707
DEV. CONTRIBS.	6,315	5,824	5,760	5,760	5,760	5,760