



## FINANCIAL REPORT – FORECAST FULL YEAR AND ACTUAL FOR THE PERIOD APRIL 2005 TO October 2005

### 1 INTRODUCTION

- 1.1 This report sets out the forecast budget variations of all Portfolios and Committees from the approved original estimates for 2005/06.
- 1.2 Appendix 1 shows the current forecast for the General Fund. Appendix 2 shows the Capital expenditure position. Appendix 3 shows the figures for the Housing Revenue Account. Appendix 4 shows the financial position of Commercial Services for the period April to October 2005. All individual variations shown in the appendices also show the name of the Budget Responsible Officer (BRO), who can be contacted for further information.
- 1.3 Cabinet approval is sought for all variations identified, but in addition, budget increases in excess of £, must also be approved by Council at their next meeting.

### 2 GENERAL FUND (APPENDIX 1)

- 2.1 Total new variations to October show an estimated decrease in expenditure of £34,000, bringing the total reported variations for the year to a net reduction in expenditure of £92,000.
- 2.2 Excluding budget virements, the major variations are listed below, but full details are set out in Appendix 1.

2.3

VARIATIONS	£'000
National Park Authority (Finance & Support)	-65
Balances Unallocated (Finance & Support)	-20
Car Parks (Economy & Planning)	-18
Concessionary Travel (Economy & Planning)	20
Enabling Role/Homeless Assistance (Economy & Planning)	-30
Health & Leisure Centres / Dibden (Leisure)	151
Public Entertainment Licences (General Purposes & Licensing)	-52
Planning Fees (PDC)	-46
Other	26
<b>Total</b>	<b>-34</b>

- 2.4 Appendix 1 shows that actual expenditure at the end of October is £65k below the profiled budget expenditure.

### 3 CAPITAL EXPENDITURE (APPENDIX 2)

#### 3.1 Other Services (Excluding Housing)

3.1.1 New variations show a decrease in 2005/06 expenditure of £629,000, but excluding items of rephasing, virement, developers' contributions and external funding, there is an increased call on the Council's capital resources of £9,000. The decrease is summarised in the table below:

<b>VARIATIONS</b>	<b>£'000</b>
St John's Car Park, Hythe (Economy & Planning)	-65
Fordingbridge Gateway (Economy & Planning)	-144
Ringwood Furlong (Economy & Planning)	-7
New Street, Lymington (Economy & Planning)	28
Cycle Route, Stopples Lane (Economy & Planning)	9
Lymington Flood Protection (Environment)	-50
Regional Monitoring (Environment)	-400
<b>Total</b>	<b><u>-629</u></b>

Full details of the amounts included in the table are shown in Appendix 2.

3.1.2 The following table provides an overview of the funding implications of the variations.

<b>IMPACT ON CAPITAL RESOURCES</b>	<b>£'000</b>
Delayed to 2006/07	-666
Variations matched by movement in external resources	28
Variations falling on Council's Capital Resources	9
<b>Total</b>	<b><u>-629</u></b>

#### 3.2 Housing

3.2.1 New variations show a decrease in 2005/06 expenditure of £235,000

<b>VARIATIONS</b>	<b>£'000</b>
Renovation Grants	<b>-235</b>

3.2.2 The table on the following page provides an overview of the funding implications of the variations.

<b>IMPACT ON CAPITAL RESOURCES</b>	<b>£'000</b>
Variations falling on Council's Capital Resources	-235
Revenue Contributions from HRA	<u>0</u>
<b>Total</b>	<b><u>-235</u></b>

#### **4 HOUSING REVENUE ACCOUNT (APPENDIX 3)**

4.1 Reported variations show a reduction of £5,000 in the overall planned 2005/06 expenditure.

4.2 The variations are listed below. Full details are shown in Appendix 3.

<b>VARIATIONS</b>	<b>£'000</b>
Interest Earnings	-20
Rent Rebates	30
Capital Financing Costs	<u>-15</u>
<b>Total</b>	<b><u>-5</u></b>

4.3 Appendix 3 shows that the actual net surplus at the end of October is £1.054m ahead of the profiled budget surplus, but this principally reflects variations in the timing of repairs and maintenance expenditure, with significant outstanding commitments at the end of October 2005.

#### **5 COMMERCIAL SERVICES (APPENDIX 4)**

5.1 Appendix 4 shows a net surplus of £1k for the period April to September 2005. The estimated allocation of this is a £8k surplus to the General Fund and a £7k deficit to the Housing Revenue Account.

5.2 The current Commercial Services Budget Surplus target on General Fund Activities is £49k.

#### **6 CRIME AND DISORDER IMPLICATIONS**

6.1 There are no crime and disorder implications arising directly from this report.

#### **7 ENVIRONMENTAL IMPLICATIONS**

7.1 There are no environmental implications arising directly from this report.

## 8 RECOMMENDATIONS

8.1 It is recommended that Members:-

- a) approve the items set out in the revised General Fund budget in Appendix 1 and recommend Council to approve a supplementary estimate of:
  - £20k in respect of Concessionary Travel
  - £151k in respect of Health and Leisure Centres and Dibden (see separate report attached as Appendix 5.1 and 5.2)
- b) approve the revised capital expenditure as set out in Appendix 2 and recommend Council to approve a supplementary estimate of:
  - £28k in respect of New Street, Lymington
- c) approve the revised Housing Revenue Account as set out in Appendix 3.
- d) note the financial position of Commercial Services as set out in Appendix 4.
- e) note the actual expenditure to profiled budget positions of the General Fund, Capital Programme and Housing Revenue Account as set out in Appendices 1 to 3.

### **For Further Information Contact**

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**FORECAST GENERAL FUND FULL YEAR REVENUE  
EXPENDITURE 2005/06  
AND ACTUAL FOR THE PERIOD APRIL 2005 TO OCTOBER 2005**

	FULL YEAR FORECAST					PERFORMANCE TO OCTOBER				Outst. Commitment £000
	Original Budget £000s	Previous Variations £000s	New Variations £000s	Forecast Outturn £000s	Notes	Profiled Budget £000s	Actual to Date £000s	Actual to Profile £000s	% of Profile Spent	
Finance & Support – Direct	5305	-172	-174	4959	1	2792	2999	207	107	41
Finance & Support – Holding	0	-99	99	0	2	0	0	0	0	0
Crime & Disorder	586	0	7	593	3	344	323	-21	94	42
Economy & Planning	1695	374	-3	2066	4	824	737	-87	89	105
Environment	5793	81	-8	5866	5	3426	3351	-75	98	117
Housing	1447	-30	-32	1385	6	737	678	-59	92	1
Health & Social Inclusion	1605	3	-5	1603	7	878	840	-38	96	13
Leisure	2606	66	184	2856	8	1959	2126	167	109	173
General Purposes & Licensing	568	-10	-55	503	9	293	206	-87	70	0
Planning Development Control	957	-48	-47	862	10	318	246	-72	77	1
Business Unit Asset Rentals	-520	0	0	-520						
<b>Service Expenditure</b>	<b>20042</b>	<b>165</b>	<b>-34</b>	<b>20173</b>		<b>11571</b>	<b>11506</b>	<b>-65</b>	<b>99</b>	<b>493</b>
Capital Financing Provision	769	0	0	769						
Interest Earnings	-1110	-125	0	-1235	11					
<b>Net Expenditure</b>	<b>19701</b>	<b>40</b>	<b>-34</b>	<b>19707</b>		<b>11571</b>	<b>11506</b>	<b>-65</b>	<b>99</b>	<b>493</b>
Transfer to (from) Comm. Servs	-116	67	0	-49	12					
Transfer to (from) Rev. Res.	0	-165	0	-165	13					
Transfer to (from) Cap. Fin. Res.	-141	0	0	-141						
Transfer to (from) Cap. Reserve	0	58	34	92						
<b>TOTAL REVENUE</b>	<b>19444</b>	<b>0</b>	<b>0</b>	<b>19444</b>		<b>11571</b>	<b>11506</b>	<b>-65</b>	<b>99</b>	<b>493</b>

**New Variations – General Fund Revenue Expenditure**

£000

**1. Finance & Support – Direct**

- a) **Replacement & Renewals (BRO K Green)** – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £84k -84
- b) **Balances Unallocated (BRO K Green)** – Savings of £20k are forecast within the Property Services business unit, mainly due to an increased proportion of staff time charged to capital budgets. -20
- c) **National Park Authority (BRO K Green)** – Additional income from services provided for the National Park Authority in the first 6 months of 2005/06 amounts to £65k. -65
- d) **District Audit Fees (BRO K Green)** – Reduced costs of £5k are expected in 2005/06. -5

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**-174****2. Finance & Support – Holding**

- a) **Replacement & Renewals (BRO K Green)** – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios. 99

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**99**

	£000
<b><u>3. Crime &amp; Disorder</u></b>	
a) <b>CCTV (BRO M Powell)</b> – £7k has been vired from the pay and reward strategy funding to cover additional increments given to 8 CCTV employees.	7
	<u>7</u>
<b><u>4. Economy &amp; Planning</u></b>	
a) <b>Car Parks (BRO J Bull)</b> – A net saving of £18k is forecast based on additional income due principally to the revised parking clocks scheme (-£33k), delays in the employment of decrim staff (-£10k), partly offset by some negative variances (principally a shortfall of £18k income from Hythe market)	-18
b) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £5k	-5
c) <b>Concessionary Travel (BRO G Miles)</b> – Based on revised forecasts relating to the farepass scheme, including pass take-up, additional costs of £20k are likely for 2005/06.	20
	<u>-3</u>
<b><u>5. Environment</u></b>	
a) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £3k.	-3
b) <b>Cemetries (BRO P Jordan)</b> – Additional income of £5k is anticipated from internment fees, based on the level of income received to date.	-5
	<u>-8</u>
<b><u>6. Housing</u></b>	
a) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £2k.	-2
b) <b>Enabling Role (BRO D Brown) / Homeless Assistance (BRO G Spawton)</b> – Due to staff vacancies and delays in recruitment, savings of £15k can be reported for each of these business units.	-30
	<u>-32</u>
<b><u>7. Health &amp; Social Inclusion</u></b>	
a) <b>Pest Control (BRO C Gallagher)</b> – £5k has been vired from this Portfolio to the General Purpose & Licensing Committee to cover temporary staff needed for inputting applications for Liquor Licences.	-5
b) <b>Food Safety (BRO D Jordan)</b> – As a result of the termination in the butchers' licensing scheme, income of £2k will be lost.	2
c) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £2k.	-2
	<u>-5</u>
<b><u>8. Leisure</u></b>	
a) <b>All Centres &amp; Dibden (BRO – Various)</b> – Variations reported separately as appendix 5 within this report.	151
b) <b>Cash Processing (BRO – Various)</b> – The Securicor and credit card budgets have been understated for a number of years, resulting in costs exceeding budgets by £16k in this year.	16
c) <b>Dibden Golf Centre (BRO B Millard)</b> – CCTV security at the club house has in the past been insufficient, resulting in a loss from theft to a customer and the Council. It can now be upgraded by purchasing a 6 channel colour multiplexer to better manage security and to complete the modernisation of the system.	3
d) <b>Sports Development (BRO M Devine)</b> – Due to a change in the nature of service delivery there is no longer scope for fees and charges income.	2
e) <b>Leasing Buy-Out (BRO J Bailey / J Rickard)</b> – A major lease has been bought out resulting in additional cost of £8k at Applemore and £6k at New Milton. This short term loss is however balanced by long term benefits in terms of allowing the deferral of equipment purchases by 2 years.	14

<b><u>8. Leisure (continued)</u></b>	£000
f) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £2k.	-2
	<u>184</u>
<b><u>9. General Purposes and Licensing</u></b>	
a) <b>Public Entertainment Licences (BRO M Powell)</b> – A positive variation of £52k can be reported, due principally to liquor licensing income in excess of the initial forecast, partly offset by a virement of £5k from the Health and Social Inclusion Portfolio to cover temporary staff costs required for the processing of applications.	-52
b) <b>Animal Welfare (BRO D Jordan)</b> – At General Purposes and Licensing Committee on 16 <sup>th</sup> September 2005 the veterinary fees charged to riding establishments were reviewed and as a result fees will no longer be charged a year in arrears. This will effectively result in 2 years income showing in 2005/06.	-3
	<u>-55</u>
<b><u>10. Planning Development Control</u></b>	
a) <b>Planning Fees (BRO C Elliott)</b> – There has been further additional planning fee income, which is predicted to amount to an additional £46k by the end of 2005/06. This is largely due to a small number of very high fee income applications relating to residential and commercial developments.	-46
b) <b>Replacement &amp; Renewals (BRO K Green)</b> – The last report highlighted £99k of cost reductions in 2005/06 due to rephasings in the purchase of ICT and other equipment. These have now been allocated to individual Portfolios and the effect on this Portfolio is a cost reduction of £1k.	-1
	<u>-47</u>
<b><u>11. Interest Earnings</u></b>	
a) No new variations to report	
<b><u>12. Commercial Services</u></b>	
a) No new variations to report	
<b><u>13. Transfers to/from(-) Revenue Reserves</u></b>	
a) No new variations to report	
<b>TOTAL ALL NEW VARIATIONS (REVENUE)</b>	<u><u>-34</u></u>

**FORECAST FULL YEAR CAPITAL EXPENDITURE 2005/06  
AND ACTUAL FOR THE PERIOD APRIL 2005 TO OCTOBER 2005**

	FULL YEAR FORECAST					PERFORMANCE TO OCTOBER				Outst. Commitment £000
	Original Budget £000s	Previous Variations £000s	New Variations £000s	Forecast Outturn £000s	Notes	Profiled Budget £000s	Actual to Date £000s	Actual to Profile £000s	% of Profile Spent	
Finance & Support – Direct	198	216	1435	1849	1	1082	893	-189	83	584
Crime & Disorder	0	22	0	22	2	0	1	1	0	0
Economy & Planning	581	61	-166	476	3	168	4	-164	2	46
Environment	569	18	0	587	4	309	193	-116	62	1
Env (Coastal Protection)	1320	-168	-450	702	5	589	309	-280	52	7
Leisure	502	586	183	1271	6	524	-194	-718	-37	36
Leisure – Developers Contrib.	9	522	0	531	7	240	216	-24	90	0
Vehicles & Equipment	1376	255	-1631	0	8	0	0	0	0	0
Subtotal Other Services	4555	1512	-629	5438		2912	1422	-1490	49	674
Housing – Private Sector	4128	0	-235	3893	9	1862	907	-955	49	0
Housing – Public Sector	4800	-250	0	4550	10	1590	914	-676	57	446
Subtotal Housing	8928	-250	-235	8443		3452	1821	-1631	53	446
TOTAL CAPITAL	13483	1262	-864	13881		6364	3243	-3121	51	1120

**New Variations – Capital Expenditure**

**1. Finance & Support**

- a) **Vehicles and Equipment (BRO – Various)** – Capital budgets of £1.631m have now been allocated to specific Portfolios. £1.435m of the total has been allocated to this Portfolio.

**2. Crime & Disorder**

- a) No new variations to report.

**3. Economy & Planning**

- a) **St John's Car Park Hythe (BRO J Bull)** – This scheme has been rephased due to planning delays.
- b) **Fordingbridge Gateway A338 (BRO J Bull)** – This scheme has been rephased due to delays in reaching agreement with the car park lease and as work cannot commence, whilst resurfacing work is ongoing.
- c) **Ringwood Furlong (BRO J Bull)** – This scheme has been rephased due to delays in arranging an alternative taxi rank.
- d) **Vehicles and Equipment (BRO – Various)** – Capital budgets of £1.631m have now been allocated to specific Portfolios. £13k of the total has been allocated to this Portfolio.
- e) **New Street Lymington (BRO P Freeman)** – A £28k contribution for widening the footways is proposed to be made to HCC from developers' contributions.
- f) **Cycle Route Stopples Lane, Hordle (BRO D Wright)** – Due to a change in the location of the power supply for path lighting additional works are necessary.

£000 NFDC	£000 RE – PHASING	£000 OTHER	£000 TOTAL
1435			1435
<b>1435</b>	<b>0</b>	<b>0</b>	<b>1435</b>
	-65		-65
	-144		-144
	-7		-7
13			13
		28	28
9			9
<b>22</b>	<b>-216</b>	<b>28</b>	<b>-166</b>



**4. Environment**

- a) No new variations to report.

**5. Environment – Coastal Protection**

- a) **Lymington Flood Protection (BRO A Bradbury)** – This scheme is dependant upon the Western Solent Strategy Study. As a result of delays to this it has been rephased.
- b) **Regional Monitoring (BRO A Bradbury)** – Repahsing of £400k has been necessary due to late approval of the scheme from DEFRA.

**6. Leisure**

- a) **Vehicles and Equipment (BRO – Various)** – Capital budgets of £1.631m have now been allocated to specific Portfolios. £183k of the total has been allocated to this Portfolio.

**7. Leisure – Developers Contributions**

- a) No new variations to report.

**8. Vehicles and Equipment – (BRO: Various)**

- a) **Vehicles and Equipment (BRO – Various)** – Capital budgets of £1.631m have now been allocated to specific Portfolios.

**TOTAL VARIATION (CAPITAL – OTHER SERVICES)****9. Housing – Private Sector**

- a) **Renovation Grants (BRO S Gardener)** – The new financial assistance policy to provide loans and grants to help vulnerable residents (with repairs, disabled adaptations etc) was introduced on 1 September 2005. This has generated much interest, but actual expenditure resulting from this is likely to be in the financial year 06/07 as applicants have one year within which to complete the assisted works. For this reason there is likely to be an underspend in the renovation budget for 05/06.

**10. Housing – Public Sector**

- a) No new variations to report

**TOTAL VARIATION (CAPITAL – HOUSING)****TOTAL CAPITAL EXPENDITURE VARIATION**

£000 NFDC	£000 RE – PHASING	£000 OTHER	£000 TOTAL
	-50		-50
	-400		-400
<b>0</b>	<b>-450</b>	<b>0</b>	<b>-450</b>
183	0	0	183
<b>183</b>	<b>0</b>	<b>0</b>	<b>183</b>
-1631	0	0	-1631
<b>-1631</b>	<b>0</b>	<b>0</b>	<b>-1631</b>
<b>9</b>	<b>-666</b>	<b>28</b>	<b>-629</b>
-235	0	0	-235
<b>-235</b>	<b>0</b>	<b>0</b>	<b>-235</b>
<b>-235</b>	<b>0</b>	<b>0</b>	<b>-235</b>
<b>-226</b>	<b>-666</b>	<b>28</b>	<b>-864</b>

**FORECAST FULL YEAR HOUSING REVENUE ACCOUNT**  
**EXPENDITURE 2005/06**  
**AND ACTUAL FOR THE PERIOD APRIL 2005 TO OCTOBER 2005**

	FULL YEAR FORECAST					PERFORMANCE TO OCTOBER				Outst.
	Original Budget £000s	Previous Variations £000s	New Variations £000s	Forecast Outturn £000s	Notes	Profiled Budget £000s	Actual to Date £000s	Actual to Profile £000s	% of Profile Spent	Commitment £000
Dwelling Rent Income	-17509			-17509		-10102	-10110	-8	100	0
Other Rent Income	-525			-525		-303	-295	8	97	0
Service Charge Income	-1202			-1202		-693	-684	9	99	0
Other Subsidy	5272			5272		3163	3135	-28	99	0
Other Income	-688		-20	-708	1	-415	-424	-9	102	0
<b>Total Income</b>	<b>-14652</b>		<b>-20</b>	<b>-14672</b>		<b>-8350</b>	<b>-8378</b>	<b>-28</b>	<b>100</b>	<b>0</b>
Reactive Maintenance	2355			2355		1177	935	-242	79	269
Cyclical Maintenance/DFG	1371	250		1621		1081	1010	-71	93	209
Supervision & Management	4761			4761		2732	2588	-144	95	19
Rent Rebates	407		30	437	2	237	277	40	117	0
Revenue Cont. to Major Repairs	1453	-250		1203		425	0	-425	0	0
Capital Financing Costs	564		-15	549	3	85	140	55	164	
Depreciation	3297			3297		1165	914	-251	78	446
Other Expenditure	56			56		44	56	12	128	0
Capital Expenditure charged To Revenue	0			0		0	0	0	0	0
<b>Total Expenditure</b>	<b>14264</b>	<b>0</b>	<b>15</b>	<b>14279</b>		<b>6946</b>	<b>5920</b>	<b>-1026</b>	<b>85</b>	<b>943</b>
<b>Deficit/Surplus (-)</b>	<b>-388</b>	<b>0</b>	<b>-5</b>	<b>-393</b>		<b>-1404</b>	<b>-2458</b>	<b>-1054</b>	<b>-</b>	<b>943</b>

**New Variations – Housing Revenue Account**

	£000
1. <b>Interest on Revenue Balances (BRO Dave Brown)</b> – Interest earnings are expected to exceed the budget by £20k, due principally to a higher HRA balance, partly offset by a reduced interest rate.	-20
2. <b>Rent Rebates (BRO Dave Brown)</b> – The amount transferable from the HRA to the General Fund in lieu of rent rebates is based on the ration of guideline rents to actual rents. This ratio has been reassessed and is expected to lead to additional costs of £30k.	30
3. <b>Capital Financing Costs (BRO Dave Brown)</b> – Lower interest rates than originally estimated are expected to lead to a reduction in capital financing costs of £15k	-15
	<u><u>-5</u></u>

**NEW FOREST COMMERCIAL SERVICES**

**SUMMARY REVENUE ACCOUNTS FOR THE FINANCIAL PERIOD: 1 APRIL - 30 SEPTEMBER 2005**

	Engineering	Building Works	Grounds Maintenance	Refuse Coll. & Street Clsng.	Building Cleaning	Fleet Management	Veh. & Plant Maintenance	CPU & Stores	TOTAL
	£	£	£	£	£	£	£	£	£
<b>INCOME</b>	(404,342)	(504,318)	(455,342)	(1,460,397)	(419,152)	(876,243)	(386,400)	(737,509)	<b>(5,243,703)</b>
<b>EXPENDITURE</b>	388,114	514,924	450,776	1,475,822	434,394	876,243	371,982	730,136	<b>5,242,391</b>
<b>(SURPLUS) / DEFICIT</b>	<b>(16,228)</b>	<b>10,606</b>	<b>(4,566)</b>	<b>15,425</b>	<b>15,242</b>	-	<b>(14,418)</b>	<b>(7,373)</b>	<b>(1,312)</b>

<b>ALLOCATION OF (SURPLUS) / DEFICIT</b>									
INTERNAL - GENERAL FUND	(42)	(457)	(770)	15,425	17,993	-	(14,418)	(6,900)	<b>10,831</b>
EXTERNAL - GENERAL FUND	(15,988)	-	-	-	(2,769)	-	-	(473)	<b>(19,230)</b>
<b>GENERAL FUND (SURPLUS) / DEFICIT</b>	<b>(16,030)</b>	<b>(457)</b>	<b>(770)</b>	<b>15,425</b>	<b>15,224</b>	-	<b>(14,418)</b>	<b>(7,373)</b>	<b>(8,399)</b>
INTERNAL - HSG REV. ACC'NT	(198)	11,063	(3,796)	-	18	-	-	-	<b>7,087</b>
<b>TOTAL (SURPLUS) / DEFICIT</b>	<b>(16,228)</b>	<b>10,606</b>	<b>(4,566)</b>	<b>15,425</b>	<b>15,242</b>	-	<b>(14,418)</b>	<b>(7,373)</b>	<b>(1,312)</b>

£

<b>2005/06 Latest Surplus Target (General Fund)</b>	<b>(49,090)</b>
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**2005/06 SURPLUSES ALREADY ALLOCATED BACK TO SERVICES :**

GENERAL FUND:									£
GROUND'S MAINTENANCE (ENVIRONMENT PORTFOLIO)			40,000						<b>40,000</b>
ENGINEERING & BUILDING WORKS (VARIOUS)	12,000	2,000							<b>14,000</b>
<b>TOTAL SURPLUSES BACK TO SERVICES</b>	<b>12,000</b>	<b>2,000</b>	<b>40,000</b>	-	-	-	-	-	<b>54,000</b>

APPENDIX 4

## CABINET – 7 DECEMBER 2005

## DIBDEN GOLF AND HEALTH &amp; LEISURE CENTRES SUPPLEMENTARY ESTIMATE REQUEST

**1 INTRODUCTION**

- 1.1 There is a requirement for supplementary funding at the golf centre and across the Health and Leisure centres in this financial year.
- 1.2 This follows on from supplementary requests and outturn variations reported during 2004/05 and has also resulted in an expenditure plan bid for 2006/07 onwards.

**2 BACKGROUND**

- 2.1 The bids last year were reported to Cabinet on 3 November 2004 (Report A; Health and Leisure Centres Operating Deficit - Supplementary Estimate), 6 April 2005 (as part of Report E; Financial Report - Forecast Full Year and Actual for the period April 2004 to February 2005) and 4 July 2005 (as part of Report C; Provisional Final Accounts - 2004/05).
- 2.2 The bids totalled £262,000 and were made up of:
  - 2.2.1 Non-recurring items such as the loss of income from the prolonged closure of Ringwood.
  - 2.2.2 Other items of Expenditure which were likely to re-occur but the full effects of which were not known. These were not built into the base budget for 2005/06 and members were informed that any ongoing effects would be reported when they were known.
  - 2.3.3 With the exception of some employee related items which are due to maternity leave and sickness cover this supplementary estimate request reflects the ongoing effects of those bids.

**3 FINANCIAL IMPLICATIONS**

- 3.1 Supplementary funding of £151,000 is requested in 2005/06 to cover the income shortfall and increased operating costs.
- # 3.2 Appendix 5.2 provides a summary of the funding requested. The items shown on a black background are a continuation of those items within the reports mentioned in paragraph 2.1.
- 3.3 The items which have not been previously reported are:
  - 3.3.1 Employees (£14,000) – Mainly made up of maternity and sickness cover this also includes an element for employee advertising for which no budget currently exists.
  - 3.3.2 Sports Hall Floors (£27,000) – This is the knock-on effect on income of the Sports Hall closure which occurred earlier in the year.

- 3.3.3 Premises (£8,000) – The costs of cleaning the new Phase II development were underestimated.
- 3.3.4 Fees and Charges Surplus (£-76,000) – This is made up of an over performance in swim and other courses at Applemore and Health and Fitness at Ringwood and Lymington.
- 3.3.5 Uniforms (£6,000) – A change in Leisure Attendant uniform is required following a recommendation from the Health and Safety Executive.
- 3.4 Overall the improvement in performance has helped contribute to a reduction of £111,000 in the amount of the Supplementary Estimate request.

**4 ENVIRONMENTAL IMPLICATIONS**

- 4.1 There are no environmental implications arising from this report.

**5 CRIME AND DISORDER IMPLICATIONS**

- 5.1 There are no crime and disorder implications arising from this report.

**6 RECOMMENDATIONS**

- 6.1 It is recommended that Members approve the supplementary request of £151,000 to cover;
  - 6.6.1 £30,000 income shortfall at Dibden Golf Centre.
  - 6.6.2 £121,000 increased operating costs at the Health and Leisure Centres.

**FURTHER INFORMATION**

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**BACKGROUND PAPERS**

Cabinet – 3 November 2004  
Report A; Health and Leisure Centres  
Operating Deficit - Supplementary  
Estimate

Cabinet – 6 April 2005  
Report E; Financial Report - Forecast  
Full Year and Actual for the period April  
2004 to February 2005

Cabinet – 4 July 2005  
Report C; Provisional Final Accounts -  
2004/05

Cabinet – 2 November 2005  
Report C; Expenditure Plan Proposals

**DIBDEN GOLF CENTRE AND HEALTH & LEISURE CENTRES  
BREAKDOWN OF 2005/06 SUPPLEMENTARY FUNDING REQUEST**

	Dibden Golf	All Centres	Applemore	New Milton	Ringwood	Lymington	Totton	TOTAL
<b>Employees</b>								
Maternity Leave Cover				9,000				9,000
Sick Leave Cover							2,000	2,000
Recruitment Costs				1,000	1,000	1,000	2,000	5,000
Turnover Savings Not Achieved			6,000	6,000	4,000	6,000	7,000	29,000
Other							3,000	3,000
<b>Total Employees</b>	<b>0</b>	<b>0</b>	<b>6,000</b>	<b>16,000</b>	<b>5,000</b>	<b>7,000</b>	<b>14,000</b>	<b>48,000</b>
<b>Supplies &amp; Services</b>								
Fitness Suite Keys			5,000		5,000	5,000		15,000
Other					3,000		5,000	8,000
Uniforms		6,000						6,000
<b>Total Supplies and Services</b>	<b>0</b>	<b>6,000</b>	<b>5,000</b>	<b>0</b>	<b>8,000</b>	<b>5,000</b>	<b>5,000</b>	<b>29,000</b>
<b>Premises</b>								
Cleaning						8,000		8,000
<b>Total Premises</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,000</b>	<b>0</b>	<b>8,000</b>
<b>Income</b>								
Fees & Charges Shortfall	30,000		40,000				21,000	91,000
Sports Hall Floors(closure)			10,000		9,000		5,000	24,000
Sports Hall Floors (ongoing)			23,000				4,000	27,000
Fees & Charges Surplus			-12,000	-5,000	-22,000	-37,000		-76,000
<b>Total Income</b>	<b>30,000</b>	<b>0</b>	<b>61,000</b>	<b>-5,000</b>	<b>-13,000</b>	<b>-37,000</b>	<b>30,000</b>	<b>66,000</b>
<b>Total Funding Required</b>	<b>30,000</b>	<b>6,000</b>	<b>72,000</b>	<b>11,000</b>	<b>0</b>	<b>-17,000</b>	<b>49,000</b>	<b>151,000</b>

**NOTE:** Items shown thus were previously noted within those reports mentioned in paragraph 2.1.