

BABERGH DISTRICT COUNCIL

FROM: Strategic Financial Planning Task Group

REPORT NUMBER **K166**

TO: STRATEGY COMMITTEE

DATE OF MEETING 13 January 2011

FINANCIAL STRATEGY AND 2011/12 DRAFT BUDGET PROPOSALS

1. **PURPOSE OF REPORT**

1.1 To highlight key aspects of the Medium-Term Financial picture and outline draft Budget proposals for 2011/12.

1.2 To recommend proposals, which would then be further scrutinised by the Overview and Scrutiny (Stewardship) Committee on 25 January 2011, before final recommendations are made to Council in February.

2. **RECOMMENDATIONS**

2.1 That Members note the provisional Government grant settlement and the key information on this for 2011/12 and 2012/13 set out in section 5.6 and 5.7 of the report and the impact on savings required in those years.

2.2 That the basis of the Draft Budget for 2011/12, as summarised in section 5.15 of the report be approved, based on the following:

- (a) The estimated savings, efficiencies and additional income of £1.749m referred to in section 5.9 of the report and further detailed in Appendix A
- (b) The additional net cost pressures listed in Appendix B, subject to final review, specifically on borrowing costs relating to the capital programme
- (c) The proposed changes in fees and charges effective from April 2011, as outlined in Appendix C
- (d) The 3-year Capital Programme set out in Appendix D and the financing strategy outlined in sections 5.26 and 5.27 of the report
- (e) The further reductions in community grants detailed in Appendix E
- (f) No increase in Council Tax.

2.3 That the Reserves Strategy outlined in paragraph 5.21 to 5.23 of the report be approved, subject to any further consideration that may be required when the final Budget proposals and Medium-Term Financial Strategy are considered by the Committee in February.

The Committee is asked to make its recommendations for scrutiny by the Overview and Scrutiny (Stewardship) Committee on 25 January 2011, with the final budget proposals returning to the Strategy Committee on the 10 February for final recommendations to Council on 22 February 2011.

3. **FINANCIAL IMPLICATIONS**

- 3.1 The Budget for 2011/12 again requires significant savings, efficiencies and additional income of around £1.3m (plus a continuation of PRP staff savings of approaching £0.3m) in order to achieve a balanced budget. The position on Government grants is slightly worse than the very bad cut predicted, with over a £0.8m or 14.8% reduction next year in Formula Grant. Some specific grants have also been cut.
- 3.2 The Medium Term Financial Strategy (MTFS), of course, looks beyond just next year and needs to reflect the further significant reduction in Government Grant of nearly £0.6m (a further 10.4%) in 2012/13.
- 3.3 Therefore, on Government grant over the next 2 years, we are facing a 25% cash cut – this is a very significant amount and is quite a bit more than the worst-case scenario we were planning for in 2012/13. Given that the Government’s own Spending Review indicated that Local Government would face around a 28% cut over the next four years, a 25% reduction in just two years would suggest that we are now looking at more like at least a 35% cut over the next four years.
- 3.4 The Government’s attempt to explain the reductions in terms of ‘spending power’ are unhelpful to say the least. These percentages (around 8.5% reduced spending power for Babergh in 2011/12) take into account Council Tax income and other aspects to try to indicate the net impact on budgets. This, however, just serves to confuse the public and makes no allowance for some of the unavoidable cost pressures that we face – which reduces the ‘real’ spending power.
- 3.5 As indicated above, the 25% reduction is in cash terms and the real terms reduction (in that costs go up due to inflation and other cost pressures) is even more than that.
- 3.6 The Budget proposals for 2011/12 again reflect significant reductions in staffing budgets and staff terms and conditions (on top of the very significant reductions made for 2010/11) as well as changes in the approach to service provision to minimise the impact of further cuts in some discretionary areas.

4. **RISK MANAGEMENT AND EQUALITY IMPACT ASSESSMENT**

- 4.1 The Budget and this report are largely linked to the Council’s Significant Business risk No. 2 – Efficiencies and Savings. Key risks are detailed below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Need to achieve Further significant savings, efficiencies and additional income in 2011/12 and future years.	High (for 2012/13 onwards)	Critical	Integration and Merger with Mid Suffolk approved in principle. Ongoing discussions with Unison/staff on Terms and Conditions, with approval to 2011/12 Collective Agreement at Council on 19 October 2010.

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Further cuts in services and staffing levels	Very High	Critical	The Council's plans need to carefully weigh up the options, issues and impacts, with staff and stakeholders informed and consulted with as appropriate.
The proposed savings, efficiencies and additional income proposed for 2011/12 are not agreed and/or subsequently achieved.	Low	Critical	Proposals fully considered by officers and the SFP Task Group and already shared with Members, including scrutiny by Joint Overview and Scrutiny Committees. Risks identified and mechanisms in place to deliver the savings.
Variations compared to the key assumptions underpinning the Budget arise during the year e.g. uncertainties on cost pressures, income levels, interest rates etc.	Low/ Significant	Marginal or Critical, depending on the nature and extent of the variation(s)	A Budget Risk Assessment is produced as part of the final budget proposals presented to Strategy Committee. Assumptions will be kept under review and updated as necessary before the Budget is finally approved. Once approved, the Budget will be carefully monitored throughout the year by the Overview and Scrutiny (Stewardship) Committee.

4.2 Equality Impact Assessments are part of the legal duties set out in the Race Relations Amendment Act and are also a requirement under the Disability and Gender Equality Duties. An impact assessment is a pro-active way to ensure preventative measures are taken wherever possible to avoid discrimination and unfairness on any grounds before it occurs.

4.3 Equality Impact Assessments are being undertaken on key savings proposals and a summary of these will be presented as part of the final Budget.

5 **KEY INFORMATION**

Background

5.1 The Strategy Committee considered an interim report from the Task Group on 4 November – Paper K129 refers.

5.2 The key messages were as follows:

- The Task Group has been faced with another very difficult and challenging year in terms of considering how to address the Council's future financial position and the savings that are required to achieve a balanced Budget in 2011/12 and beyond
- The existing Medium-Term Financial Strategy (MTFS) indicated potential savings, efficiencies and additional income of £3.2m would be needed over the three year period 2011/12 to 2013/14
- In relation to the 2011/12 Budget, around £1.3m would have to be found
- Average 28% real-terms reduction in Govt. funding to Councils over the next 4 years (or around 7% a year) announced on the Government's Spending Review
- Very limited capital funding available towards the capital programme and a growing impact of borrowing on the revenue budget
- Councils setting a zero Council Tax increase in 2011/12 will receive Government funding equivalent to 2.5% of their taxbase
- Council Housing (HRA) self-financing reforms to proceed.

5.3 Other aspects of the approach and strategic direction were also comprehensively set out in Paper K129 and endorsed by the Committee:

The Financial Picture

5.4 The worst-case scenario set out in the existing Medium-Term Financial Strategy assumed an annual loss of Government of 6% (cash) per annum and an illustrative Council Tax increase of only 1%. This resulted in the following annual forecasts for the next 3 years:

	2010/11 £ 000	2011/12 £ 000	2012/13 £ 000	2013/14 £ 000
Base Budget	11,242	11,067	10,742	10,430
Staff Vacancies*	125	-	-	-
Estimated Cost Pressures	1,084	810	546	576
Total Costs	12,451	11,877	11,288	11,006
Savings (incl. staff vacancies)	-1,509	-1,260 #	-983	-981
Net Total Costs	10,942	10,617	10,305	10,025
Government Grant	-6,240	-5,866 #	-5,514	-5,183
Council Tax	-4,602	-4,671	-4,741	-4,812
Use of Reserves	-100	-80	-50	-30
Total Funding	-10,942	-10,617	-10,305	-10,025

*Annual staff savings assumed in current/future base budget as a result of vacancy management

Allowance included of £100k for 'growth' – removed by Task Group but potential additional reduction of concessionary fares funding that would increase saving requirement considerably (up to £300k)

- 5.5 The above savings forecast excludes annual savings of £260k in relation to staff PRP payments that have now been agreed with Unison as part of the Collective Agreement for the 2011/12 Budget.
- 5.6 The Task Group decided during the year to work on an 8% cash reduction in Government grant from the Spending Review and the £300k concessionary fares grant loss (a further 4.8% loss) in 2011/12. The proposed Government grant settlement is slightly worse than this.
- 5.7 The proposed cut in Government grant for 2012/13 of approaching £0.6m or around 10% is more than the 6% assumed in the existing MTFS. This will lead to the need for increased savings, over and above those previously forecast. Further details for 2012/13 and forecasts for the following 2 years will be set out in the revised and updated MTFS that is presented to the Committee in February.

Savings, Efficiencies and Additional Income

- 5.8 The Task Group has considered a wide range of savings and efficiency proposals from officers. These were reported to the Committee as part of Paper K129 and that position has been reviewed and updated by officers and the Task Group, having regard to the issues raised by the Joint Overview and Scrutiny Committees on 7 December 2010. The Task Group's views on these issues are summarised in the table below:

Item	Joint Overview and Scrutiny Comments	Task Group views
Economic Development and Tourism	Give further consideration to any detrimental impact which might arise from the proposed saving of £5,000 for Economic Development and Tourism in relation to 'Choose Suffolk.'	This is a 25% reduction and it is felt this will not have a significant impact on activities. Ipswich and Waveney have withdrawn funding. The Suffolk Tourism Partnership is seen as the main vehicle for delivering tourism services.
Substance Misuse Officer	Make every effort to find a means of funding the 0.5 FTE for this post.	Revised staffing arrangement, combining activities of existing staff with vacant community safety and leisure posts to still achieve saving but ensure that substance misuse activities continue.
Babergh Matters	Give further consideration to future communications and the use of Babergh Matters! for this. Specifically, limit this to one edition per annum and/or reduce size.	The SFP Task Group remains of the opinion that the budget for publications will be required in 2011/12 either for <i>Babergh Matters</i> in one form or another, or for other publicity matters.

Item	Joint Overview and Scrutiny Comments	Task Group views
Public conveniences - rural sites	Some concerns and issues in relation to specific sites. Officers to make every effort to identify alternative means of provision to avoid closure.	Ongoing discussions with Parish Councils. Saving reduced from £75k to £50k to reflect uncertainty whilst accepting that, if alternative provision cannot be secured, then the toilet(s) would close.

- 5.9 Overall, therefore, the Task Group has given further careful consideration to these matters but has concluded that, taking into account the changes on protecting substance misuse activities and amending the saving on public conveniences, the original proposals submitted to the Joint O&S Committees should broadly stand. The latest summary of all proposed savings, efficiencies and additional income is set out below with further details provided in Appendix A:

	£000	Comments
Appendix A (definite/pursue only)	1,144	£1,195k reported to Joint Overview and Scrutiny Committees adjusted for final changes made by officers and the Task Group.
Savings/more income already agreed last year	230	Voluntary redundancy, long-stay car parking charges
Council Tax freeze	1,374	Funded by the Government
	115	
Staff PRP savings	1,489	Collective Agreement
	250	
	1,739	

- 5.10 In terms of staffing, Appendix A includes proposals that would reduce General Fund staffing levels by nearly 14 fte's, which equates to about a further 5% cut on top of this year's reduction. The reduced staffing levels will be realised largely through vacancy management and natural wastage and, where appropriate, though voluntary or compulsory redundancies.

The 2011/12 Revenue Budget and Council Tax

- 5.11 The Task Group has, therefore, very carefully considered the Budget for 2011/12 in the context of a 3-year Financial Strategy and is recommending a balanced Draft Budget that incorporates an estimated £0.6m for net cost pressures and reflects £1.5m of new savings, efficiencies and additional income (including vacancy management savings and the Government's grant for the Council Tax 'freeze'). With the staff PRP savings, the total savings increase to over £1.7m
- 5.12 The cost pressures reflect the latest actuarial valuation of the Pension Fund as at 31 March 2010. A more detailed report on this is being submitted to the next meeting of the Overview and Scrutiny (Stewardship) Committee, which will then be reported to Strategy Committee and Council as appropriate.

5.13 A balanced Budget can, however, only be achieved by reflecting the following significant savings:

- Those detailed in Appendix A, including staffing costs and further reductions in staffing levels which, when combined with the voluntary redundancy and other staff savings from the Collective Agreement with Unison, result in the total saving from staffing budgets amounting to £899k (55% of the total savings)
- Efficiencies and other Budget reductions totalling £384k
- Savings of £170k by reducing or changing the approach to some areas of discretionary service provision
- Additional income of £171k including the full-year effect of long-stay car parking charges.

5.14 The Budget proposals continue to support the Council's Strategic Plan priorities and outcomes. The Medium-Term Action Plans and the One Year Delivery Plan for 2011/12 will reflect the overall Budget proposals (including the capital programme) and the proposed savings & efficiencies.

5.15 A summary of the potential final overall Budget for 2011/12 and how this compares to the 2010/11 Budget position is set out below:

	2010/11 Budget £000	2011/12 Draft Budget £000
• Previous year's Net Revenue Expenditure/Base Budget (before use of reserves)	11,242	10,938
• Inflation and other Cost Pressures (Appendix B)	+1,080	+ 500
• Concessionary Fares spending transferred to SCC	-	- 772
• Efficiencies, savings and additional income	-1,384	-1,249 *
• Allowance for uncertainties on cost pressures, savings and income	-	+ 96 #
Budget Requirement	10,938	9,513
• Use of reserves	-100	-80
• Government Formula Grant	-6,240	-4,659
• Council Tax Freeze Grant	-	-115
• Collection Fund Deficit/Surplus	+4	-20
Council Taxpayers	4,602	4,639
• Council Taxbase	33,106	33,373
Council Tax for Band D property	£139.01 (+3%)	£139.01 (no change)

* This is the £1,374k shown in the table in section 5.9 of the report less the annual allowance of £125k for vacancy management savings, which is already reflected in the base budget.

Cost pressures are uncertain as some of these, for example, depend on RPI levels, interest rates and capital receipts. There are also still risks associated with some of the savings and income items. If any of these risks increase before the final Budget is approved, further savings may have to be identified.

Mid Suffolk Integration/Merger

- 5.16 The above does not include the initial net costs relating to the Mid Suffolk Integration/Merger, for which provision will need to be made in this and next year's Budget. These were set out in the Business Case and the best estimate is that these revenue costs, after savings from senior management restructuring and initial service integration savings, could amount to around £150k for each Council up to 31 March 2012. Members are reminded that this amount excludes £386k relating to potential maximum redundancy/pension costs, which will be capitalised - providing Government approval is forthcoming.
- 5.17 Further details will be provided and reflected in the final Budget presented to Council in February, with those initial costs being funded from reserves (see also section 5.21 of the report).

Review of Charges

- 5.18 Discretionary charges have been reviewed in the light of the Council's Strategic Charging Policy and details of changes to current charges for 2011/12 are attached at Appendix C. Main points to note are:
- Some charges are not being increased to ensure they remain affordable and, where necessary, competitive
 - Where there are increases, these have generally been limited to no more than 2% unless there are good reasons for a different level of increase e.g. landfill tax increases that affect trade waste charges
 - Some charges need larger increases such as trade waste charges, to recover the latest increase in landfill tax costs
 - Some charges are being amended to achieve further alignment with Mid Suffolk.
- 5.19 Changes to statutory charges will be implemented as and when these are notified to the Council.
- 5.20 The Government is proposing, subject to consultation, to give Councils the power to set local Planning Fees from October 2011. Proposals on these will be brought to Members in due course.

Reserves

- 5.21 The Council has adopted a clear financial strategy over the years of maintaining adequate levels of General reserves and a prudent approach to their use. The intention has previously been that there should be a carefully phased reduction in their use, with a view to reaching a minimum level of reserves of no less than £1.2m over a number of years. The current forecast position on general reserves is set out below. This will depend on the revised budget position for 2010/11 and further work on updating the business case for integration/merger costs and savings, which is still being finalised:

	£000	Comments
Estimated General Reserves 1 April 2011	1,600	Approx. £230k more than previously estimated due to additional savings in 2009/10 and 2010/11 – could be higher.
New Homes Bonus	+250	Initial assessment.
General use in 2011/12	- 80	
Redundancy and other integration costs, net of estimated savings	- 150	Some of these costs will fall in 2010/11 - depends on timing of appointing a single CE. Assumes £386k is capitalised.
Balance 31 March 2012	1,620	

5.22 Depending on the outcome of the significant legal case that Members have been made aware of, the above could still leave some scope to use reserves in future years to support the Budget. If the case has a negative outcome, however, reserves would potentially fall to around the previously agreed minimum level of £1.2m. There is also the possibility that the capitalisation direction relating to Mid Suffolk integration redundancy/pension costs may not be received either in part or full, which would result in these extra costs having to be met from reserves.

5.23 Providing reserves do not fall below £1m, it is felt that would still be an acceptable and sufficient minimum level.

Capital Programme

5.24 The proposed 3-year General Fund Capital Programme is summarised in Appendix D. This has been thoroughly reviewed to ensure only essential/high priority schemes are included.

5.25 Members will see from this that there will be a need for more prudential borrowing to undertake the programme. That was always anticipated as sources of capital finance from capital receipts has fallen.

5.26 The programme is still, however, dependent on some significant capital receipts and there are risks relating to whether and when these will be received. This would increase pressure on the estimated borrowing costs. Key aspects of the potential approach to financing the programme are summarised below:

- Estimated borrowing requirement of £4.2m for the period 2010/11 to 2013/14
- This results in additional borrowing costs of £103k that will have to be met by the Revenue Budget in 2011/12, as indicated in Appendix B, with further estimated increases of £91k in 2012/13 and £55k in 2013/14. These estimates are being reviewed by officers to reflect different funding approaches indicated below
- Using existing earmarked reserves and capital receipts instead of borrowing to finance expenditure in the current year to achieve the most affordable overall approach

- Funding for the Hadleigh Community Facilities will then have to be met partly by anticipated capital receipts from the sale of East House and likely borrowing of over £1.3m
- The possible temporary use of capital receipts that were previously earmarked for affordable housing in Tattingstone or the surrounding villages to meet the capitalisation of the Mid Suffolk integration and other redundancy costs.

5.27 In relation to the capital receipts that were previously earmarked for affordable housing in Tattingstone or the surrounding villages, this would not cause a problem in that any use would be on the basis of a reciprocal arrangement whereby those receipts will be 'refunded' for that purpose as and when there any affordable housing scheme is ready to proceed or alternatively additional prudential borrowing can be undertaken (this was allowed for in the detailed integration/merger business case).

5.28 The Kingfisher enhancement is fully dependent on a clear business case being approved that will generate net income, both for South Suffolk Leisure and the Council.

5.29 Insofar as reducing the borrowing requirement, this could only be achieved if projects/schemes are either removed or reduced and a more restricted General Fund Capital Programme is approved.

6. **APPENDICES**

- A. Efficiencies, Savings and Additional Income proposals
- B. Additional Net Cost Pressures
- C. Proposed changes in General Fund Charges 2011/12
- D. 3 year Draft Capital Programme
- E. Reductions in the Community Grants Scheme Budget

7. **BACKGROUND INFORMATION**

Strategic and Financial Planning Group agendas, reports and notes of meetings

CONTACT: Barry Hunter

E-MAIL: barry.hunter@babergh.gov.uk

SFP Task Group:

Nick Ridley (Chairman)
 Nigel Bennett
 John Brand
 Richard Cave
 Jennie Jenkins
 Dr. Michael Miller

Efficiencies, Savings and Additional Income proposals

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Waste and Recycling Contract – introduce new customer access arrangements by embedding staff at the joint depot, thus reducing the number of staff by the equivalent of 1.5 FTEs. Introduce round changes to improve the efficiency of collection.	40
Countryside and health & safety work - staff shared as part of shared services with MSDC - 1.0 FTE staff reduction.	22
Planning Policy - Senior Planning Policy Officer post – part time replacement of full-time post - Staff Reduction of 0.4 FTE. Ensures adequate resource to delivery on LDF programme and related planning policy work on revised timetable. Adoption of Core Strategy by 2012. Already implemented.	15
Housing Standards – Revision of work practices and priorities. Further efficiencies to be made by potential integration with other posts using common skills. Staff reduction of 0.6 FTE.	18
Sudbury Tourist Information Centre - a management transfer to Sudbury Town Council ensures service continues at slightly reduced level, but at less cost. Redundancy payments in 2010/11. Equivalent of 2.5 FTE staff reductions.	24
Legal Services - integration of the Legal Services function with MSDC, including the Monitoring Officer. Already approved. BDC staffing establishment reduced by 0.4 FTE. Across both Councils, the shared saving equates to more than this.	25
<p>The Policy and Performance Team has seen a reduction in its workload of approximately 0.4 FTE due to a reduction in external inspection and the abolition of the Place Survey, and the potential reduction to performance indicators and other performance management measures.</p> <p>The HR function is currently a priority area within the Division and for the Council, especially with regard to supporting the merger / integration project and developing and delivering the corporate training and development programme for staff and members. There is currently a vacant 0.8 FTE HR Officer post. Within the Information Mgt Team, resources are now switching from the implementation of LAMP to work required on the Information Management Strategy. This will result in a reduction of 0.6 FTE. There is currently a vacant Senior Information Officer post.</p> <p>Policy and Performance staff will be required to work flexibly across Policy and Performance, Information Management and HR, with HR work being the priority area. The resource required for HR work and Information Management work is likely to be in the region of 0.8 FTE, so the Policy and Performance work will need to be reduced by 0.4 FTE. This is achievable by making changes to the performance management framework and working more closely with MSDC Policy staff. This will be a reduction in service, but will provide resource in a priority area.</p>	40

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
The HR Officer post will remain unfilled and it is proposed that the establishment is reduced by a Senior Information Management Officer.	
ICT - review of how ICT staff resources were deployed. Amendments to the establishment have been agreed, including the absorption of some procurement and purchasing work by the Contract and Asset Management Division.	37.5
Information Management - the LAMP project has also streamlined the land charges process, which will allow a reduction in the Land Charges Officer establishment of 0.5 FTE.	8
Democratic Services - a review of the Section has been carried out. Because of improved working methods and a reduction in word processing volumes, it has been agreed that the Office Services establishment will be reduced by 0.5 FTE.	8
Corporate Support - a review has been conducted on the administrative support required for the division. It is proposed that the establishment is reduced by 0.5 FTE, but replaced by a 0.4 FTE bank of hours that can be used flexibly across the division.	1.6
Corporate Finance - salary/external support budget provision for current/future pressures. Maximum – this would leave no scope for meeting IFRS and other requirements. Will need to scale down current activities to release capacity, which could have implications – 0.5 FTE reduction (75% GF share).	13.5
Corporate Finance - reshaping of Corporate Finance Team focusing on core/statutory activities and eliminating or revising unnecessary activities. More detailed work needed on scope and implications. Potential redundancy and 0.5 FTE reduction.	15
Internal Audit - reduce audit coverage to mainly 'Priority 1' and other essential work only, including reduction in audit work due to creation of SRP. This is based on renegotiating the current arrangement with SCC and/or appointing staff directly in conjunction with MSDC - equivalent to 1.0 FTE reduction.	18.5
Revs and Bens Shared Services Partnership - £4m savings over 10 years as a result of the revised Business Case for 3 Councils but these won't start to arise until 2012/13. Staff reductions in 2011/12 but implementation costs offset savings in year 1. Potential redundancies.	0 (in 2011/12)
Caretaking – 1.0 FTE Staff Reduction in the provision at the HQ through a voluntary redundancy package. Already approved. Redundancy costs in 2010/11.	18
	304.1
Other Service Efficiency/Budget Reductions	
Public Conveniences - closure of rural sites. Investigations to reduce impact by consideration of other means of service delivery, including local management by Parish Councils or use of other service sectors. Although it is estimated that at least £75k could be saved in 2011/12, the Task Group has taken a more cautious view than this.	50

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Natural and Built Environment - OS data mapping costs. New route of funding for service through Govt procurement. However uncertain whether or not funding will be diverted from elsewhere.	10
Building Control – funding for partnership work that is no longer needed.	12.5
Waste Strategy - maintenance of recycling performance through re-negotiated gate fee at MRF. Subject to confirmation, £25 per tonne is a realistic estimate.	145
Joint Waste and Recycling Contract - Variation Order regarding the joint depot provision – due to the proposed 'energy from waste' facility there may not be such a need for a joint depot as originally planned. There is a possibility therefore that a contract reduction can be secured if we do not proceed with a new joint depot. A further £50k is being sought for 2011/12 (making the total saving £100k) but that does not affect the 2011/12 budget as £50k is already allowed for in 2010/11 Base Budget.	0
East House – no further requirement for revenue costs in maintaining the property if it is sold.	5
Quay Theatre – reduce level of grant based on agreement for transitional funding in future years and a long term plan for Theatre.	17.5
South Suffolk Leisure Trust (SSL). The management fee payable to SSL is to be reduced through the mechanism of suspending RPI increases, which are contractually payable per annum. For 2011/12 this will deliver an estimated saving of at least £5k and the agreement to suspend RPI increases would continue for the next five years, delivering total estimated savings (depending on RPI levels) of £25k over that period. In addition further savings are expected from improvements to carbon efficiency at the facilities managed by SSL. The exact amount of savings that this may generate will need to be assessed when the work is delivered but it is estimated that this could be up to £4k in 2011/12.	9
Contract and Asset Management - reduce the Asset Management budget for costs incurred in managing the Council's General Fund assets	12.5
Natural and Built Environment – further reduction to all controllable budgets including training. Risk that professional officers are unable to maintain competency. Could be challenged in event of prosecution in Court. Low risk. Seek efficiencies to maintain services or minimise impact on service provision.	20.7
Planning Control - appeal decisions statements brought in-house – use of existing resources. May need reconsideration in event of a significant increase in planning applications.	10
Planning Control – a reduction is possible in the budget for qualification/other training. Represents unspent funds as professional training courses are completed so no effect on team performance.	3

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Emergency Planning - a review of the emergency planning budgets, other than the JEPU contract has been carried out. The Council has all the necessary emergency planning equipment at the moment. If there was an emergency to deal with, some of this may need to be replaced - but this is an area of minimum risk. The removal of the budget for emergency planning tools and equipment is therefore proposed. All internal emergency planning training is covered by the JEPU agreement; however external training is funded by the local authority. A 50% reduction in the emergency planning training budget is proposed.	2
ICT - a review of the ICT Capital Programme has been carried out, removing certain non-committed projects and shifting work between years. The results are reflected in the Capital Programme table.	N/A (reflected in cost of capital programme)
The ICT revenue budgets include the salary budget, which has been dealt with separately. The remainder of the budgets primarily deal with software licenses (approx £260k) and contract maintenance (approx £70k) where there is little if any scope for manoeuvre. The remaining budgets, including training, total approx £50k. However, a review has been undertaken and a saving made.	7.7
Consultation - the corporate consultation budget will be reduced following the abolition of the Place Survey, leaving a core corporate consultation budget of £4,200.	7
Fairness and Equal Access - the next assessment level with regard to this includes an IDeA Peer Review as the final step. The Fairness and Equal Access Group supports the development of all the criteria necessary to achieve the next assessment level without the expense of the Peer Review.	3
Emergency Planning - discussions with the Joint Unit (JEPU) have identified a savings option that will be proposed to SCEG.	3.6
Cost of Democracy - a review of the budgets has been carried out. These include: the Special Responsibility Allowances budget; Members' subsistence allowances; meeting refreshments; and phone rental allowances.	13
Cost of Democracy - it is proposed that three out of the four Member Seminars are held in the Council Chamber.	2
HR and OD – the corporate training programme and budget have been reviewed and it is proposed that the budget is reduced by 10% - achieved by having an even more focused corporate training programme.	2.6
Corporate Services - a review of various budgets has been carried out. These include budgets for professional and consultancy services which, for example would be used for Counsel and employment law advice. By using the budgets in a more integrated way, it is felt that they can be reduced.	5.6

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Corporate Services - a greater focused approach to training would see a 10% reduction in the Corporate Services Division's training budgets. It is also proposed that the division's office equipment budget is reduced by 50%.	2.1
Recruitment – estimated reduction in budget requirement due to not filling vacancies.	11.3
Audit & Inspection fees – estimated reduced from abolition of CAA and Use of Resources assessments.	20
Insurance premiums – reduction in some areas of low risk cover	8
Collective agreement with Unison– ongoing savings on Leased cars (£11.1k) as part of 2010/11 collective agreement and other staff terms and conditions as part of 2011/12 collective agreement (£10k)	20.1
Vacancy Management – annual allowance for savings as a result of not filling vacant posts	125
	529.2
Service/Staff Reductions	
Affording Housing - reduce staffing by 0.5 FTE by filling full-time vacancy with a part-time staffing resource. Some reduction in scheme development feasibility work.	17.5
Babergh has a vacant full-time Community Safety Officer post, a vacant part-time Sport/Leisure Development post and a part-time Substance Misuse Officer post (a total of 1.9 FTEs). Babergh 'buys in' 0.5 FTE of the work of the Substance Misuse Officer post from Suffolk Coastal DC. These posts deliver Community Safety work and BeActive developments. The savings proposal is to reduce the overall staffing resource by 0.5 FTE by deleting the current posts and creating 1.4 new FTE posts instead. This requires prioritising the work of all three posts and losing some tasks and ending the agreement with Suffolk Coastal DC.	17
Food and Safety Regulation - revise statutory inspection programmes for H&S – critical impact if fatality occurred that would impact on Council reputation. 0.3 FTE saving potentially through shared post with MSDC.	10
Cash Office - reduce the opening hours initially (in May 2011) and close completely (by October 2011) – 0.5 FTE reduction from partial and 1.0 FTE from complete closure. (75% GF share). Alternative payment arrangements to be put in place.	15
	59.5
Service Reductions (no staff reductions)	
Free swimming – end of programme/Babergh subsidy.	37
Grounds Maintenance and Street Cleansing - negotiations will be undertaken with the contractor to further reduce the spending provision in the contract on grounds maintenance and reduce the spending provision in the contract on street cleansing. Reductions in specification will be such that they minimise the impact on residents.	50

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Concessionary Fares Scheme - remove Countywide discretion. This will depend on Countywide discussions with SCC following the transfer of responsibilities in April 2011.	0
Community Grants revenue budget – reducing this budget (in addition to the Quay Theatre grant cut) is achievable by spreading a mean average of 11% reduction across a wide range of existing grant recipients; it is still subject to further assessment of individual impacts, which may produce some variations. CAB and some service commissioning partners can be protected.	27
Sudbury Citizen Advice Bureau – not core funding but additional support for local surgeries and outreach work. Previously agreed budget not taken up; further discussions with CAB needed to clarify need in future years.	35
Economic Development - remove two small schemes designed to support new businesses (loans and new initiatives).	5.6
Arts Development - reduce budget by 40% (will mean a reduction on the number of arts projects being delivered).	5
Economic Development and Tourism - reduce our contribution towards inward investment and tourism support services provided by 'Choose Suffolk' (also known as the Suffolk Development Agency) by 25% in 2011/12. This may slightly reduce general economic and tourism developmental promotion and could have a negative impact on 'Choose Suffolk'. BDC's tourism budget still in place for district based initiatives.	5
Affordable Housing - reduce budget for research work. Minimal impact.	2
Environmental Protection - discontinue Air Quality monitoring. Day to day knowledge of pollutants along A12 will be lost but no critical impact.	4
	170.6
Income Generation	
Building Control and Development Control fees – Building Control business plan to grow commercial income through provision of chargeable services to architects and agents and a return to pre 08/09 income for Building Control could arise next year. However, little sign of economic growth and increase in activity means increased income from planning applications unlikely but Government consultation proposals to enable local setting of fees from October 2011, which could result in additional income.	50
Chairman's reception - A review has been carried out to determine if savings can be made from Members and partners contributing towards the cost.	1.6
Car Parking - increase fines on Excess Charge Notices by £10. No increase for last 3 years.	23.8

CATEGORY – DEFINITE/PURSUE FURTHER	Amount £000
Car Parking at Pin Mill - increase parking charges from 30p to 50p, and the annual residents parking fee by 50%, in order to compensate for the contribution of £5,000 pa to the new Community Interest Company at Pin Mill. In return the company will carry out the management of the car park.	0
Dedham Vale AONB – rent income from this group moving into the Hadleigh HQ building (75% General Fund)	5.6
	81
TOTAL – DEFINITE/PURSUE FURTHER	1,144.4

CATEGORY – UNCERTAIN	Amount £000
Service Efficiency/Staff reductions	
Finance: Internal Audit - further savings could be possible of around 0.6 FTE as a result of integration with MSDC and further prioritisation of essential/priority 1 audit work but these could be limited in 2011/12.	15
Other Service Efficiency/Budget Reductions	
Corporate subscriptions – review with Mid Suffolk DC to see if any savings can be achieved through a ‘joint’ approach. This work is ongoing and no saving should be assumed at this moment in time.	0
Income Generation	
Licensing - increase in applications and growth in licensing activity may provide additional income. Needs to be seen in light of 2010/11 projections	5
Capital Financing – generate a receipt of £300,000 through the sale of a ‘ransom strip’ at Bures, thus generating a reduction in borrowing requirements. First installment of £50,000 anticipated in 2011/12. (saving reflected in cost of capital programme).	N/A
TOTAL- UNCERTAIN	20

CATEGORY – LAST RESORT (all service reductions)	Amount £000
Discretionary Rate Relief (Option 1) - reducing level granted so that only 80% relief is awarded (excluding Post Offices). Option 2 - Stop discretionary relief for those ratepayers whose rateable value is above the limit set by the Government for small business rate relief (£12,000) except for Pubs/Petrol stations £12,500 and leave Post Offices at 100%.	14.8 - 18
Canteen – if a further reduction in subsidy cannot be negotiated with the contractor then there is an option not to extend the contract beyond 31 March 2011, and close the facility.	10
Corporate Finance – further 0.5 FTE reduction to Corporate Finance establishment. Currently seen as too much of a reduction but further review of staffing/resource levels being undertaken to see what saving may be possible.	10

CATEGORY – LAST RESORT (all service reductions)	Amount £000
Contract & Asset Mgt - terminate the Village of the Year competition.	0.9
LGA Conference - do not attend or reduce attendance.	2
Democratic Services - withdraw from the Rural Services Partnership. Would remove Babergh's voice and also not give us access to the SPARSE services such as benchmarking.	3.7
TOTAL – LAST RESORT	41.4 – 44.6

CATEGORY - UNACCEPTABLE	Amount £000
Income Generation	
Car parking - short stay charging.	200 - 400
Service/further staff reductions	
CABs - Debt Priority Advice service - Withdraw support. This service gives BDC debtors priority to see the CAB debt advisor.	5.2
Benefits - reduce or stop disregarding the 10% discretionary element of war widows and war disablement pension.	8
Environmental Protection - staff reduction of 0.6 FTE on nuisance response/investigations – reduce to minimal standards and close cases. Prioritise planning enforcement and only undertake essential investigations. No natural wastage so potential redundancy, which would offset savings.	20
Food & Safety Regulation – by agreement with regulatory body (FSA) reduce inspection programmes of food premises by 50% -0.6 FTE staff saving possible but no natural wastage so potential redundancy costs that would have to be offset against the savings. High risk if not meeting statutory minimum requirements and reputational damage in event of Food poisoning outbreak.	20
Community Safety - removal of CCTV services.	43
Community Achievement Awards - change to being a bi-annual event.	2
Business Evening - change to a bi-annual event.	2.7
Withdraw from JEPU completely - this would necessitate emergency planning arrangements being carried out in-house, so would negate any proposed saving to the Policy establishment. If there was an emergency, we could be in the embarrassing situation of having to call on JEPU resources, which just would not be acceptable.	20
Policy and Communications - a review of the comms. unit has been carried out. A reduction in the establishment (practically this would be the 0.6 FTE Communications and PR Officer post) would significantly reduce the resource available during a crucial period. In addition the team has an important role in supporting and leading project based work (i.e. editor role for Babergh Matters and department specific publications).	12.8

CATEGORY - UNACCEPTABLE	Amount £000
<p>The following options are being looked at:</p> <ul style="list-style-type: none"> • Review work scheduling and range of functions provided (i.e. concentrate on core functions i.e. press/PR and corporate communication). • Revise Communications plan to fit reduced resources • Consider integration of communications function with MSDC (linked to BMI project) <p>Consider joint working with SCC and other public sector organisations for the communications function, (management buy out/JEPU model).</p>	
<p>Reduce <i>Babergh Matters</i> from 2 to 1 per year or stop completely. This is the only communication medium which reaches every Babergh household; reducing frequency by one edition will significantly reduce the ability to provide detailed information for residents at this key period of change. Cutting Babergh Matters completely will have the result of removing any means of communication with all Babergh residents. This would hamper the work of the merger/integration project and remove the single vehicle for communicating with all Babergh residents at this challenging time of change.</p> <p>An alternative means of communication could be to issue topic specific publications as required to support particular initiatives (i.e. merger referendum etc). This would however still incur significant distribution costs. Alternative options could be joint communications with MSDC and SCC and use of other media to provide information to residents (i.e. through press contacts, electronic social media etc).</p> <p>The meeting of the joint O&S committees asked for this issue to be reviewed. The SFP Task Group remains of the opinion that the budget for publications will be required in 2011/12 either for <i>Babergh Matters</i> in one form or another, or for other publicity matters.</p>	16.8 – 33.6
<p>Members training - a 10% reduction in Members' courses and conferences - Could affect Members' knowledge and skills and, as there will be a new Council next year, this is not appropriate.</p>	0.9
<p>LGA – withdraw.</p>	11
<p>Regional Employers' Group – withdraw.</p>	8.7
<p>TOTAL - UNACCEPTABLE</p>	<p>171.1 – 187.9</p> <p>371.1 – 587.9</p>

Additional Net Cost Pressures

	Increase/ (Decrease) £000	Assumption/comments
Staffing		
Annual increases	69	Incremental progression under PRP scheme.
Annual pay award	-9	Based on 0.5% budget saving in 2010 and pay 'freeze' in 2011 (cost of £250 increase only for those earning less than £21k a year). Would be a further £21.5k or £43k cost if allowance were made for either a 0.5% or 1% increase but cost could be met from reserves or increased savings from vacancy management if it arose.
Other Staff-related costs	18.5	Govt. NI increase.
Other Staff-related costs	35	Pension Fund increases following March 2010 actuarial valuation.
Service Pressures		
Indexation increases on Major/other Contracts	80	Open Spaces = estimated 2% increase, £19k. (MTFS 2.5% 24k); Waste Contract = allow 2% to be prudent, £36k. (MTFS 2.5% 45k).Some unavoidable inflation on other smaller contracts, premises and transport costs increases. Overall, £75k less than in MTFS.
Fees and Charges	-20	The current MTFS reflects an overall 2% increase in fees and charges and potential income of £54,000. Some of this could result from charges that are currently set by the Government e.g. planning fees. Other increases are at the Council's discretion.
Active Sport / Sports & Leisure Promotion	6	Budget was removed for 10/11 but may still be required.
SSL Management Fee	9.5	Effect of last year's decision reducing discretionary rate relief. The existing arrangements to provide 100% rate relief for SSL will continue but will be subject to annual review and will take account of the financial performance of SSL.

	Increase/ (Decrease) £000	Assumption/comments
Hadleigh Business Centre / Economic Dev.	15	Business Centre is not fully occupied, deficit in 11/12 is expected to be approx. £20k. There is a contractual obligation to pay for 50% of the losses. There still remains approximately 3.5 years to run on the lease and this may be an ongoing issue. Officers are investigating the possibilities of another organisation taking responsibility of the lease. Efforts continue to let the vacant units. As part of this process an open day will be held on the 18th November.
ASBO Officer – CDRP	8.5	Potential cost if Govt. funding of ASBO / CDRP work ceases (as seems likely). Some costs to be charged to HRA in future and Community Safety Partnership to determine priorities for funding.
NNDR	8	Increased business rates due to revaluation/inflation. Although large increases due to revaluation are offset by Transitional Relief, this relief is reduced year on year. Quotations being sought from specialist consultants on a no fee/no win basis to review our business rates assessments and appeal if necessary. Assume 50% success rate.
HQ Painting	17.5	Requirement of £30-35k split between 2011/12 and 2012/13.
Photocopying Costs	2.5	Estimated savings from rationalisation not fully achieved but increased efforts to minimise any cost pressures to be put in place.
HB/CTB Admin Grant	27	Likely reduction of 26% over 4 years – assumed 8% reduction for first year.
Revs & Bens shared service set up costs	-15	£50k base budget in 2010/11. Reflects estimated net initial set up cost of £35k in business case.
Investment income	10.5	Base rate is not predicted to rise until the third quarter of 2011/12, therefore, a small increase to income has been included against the original budget for 2010/11. However, £10k will again need to be transferred to S106 monies and £1m of earmarked/other reserves are now likely to be used in 2010/11.

	Increase/ (Decrease) £000	Assumption/comments
Housing and Planning Delivery Grant	44.1	HPDG has been scrapped by the Government. This is the revenue element (also capital implications). The 'New Homes Bonus' could more than offset this in future years though.
Planning Inspectorate - Examination of core strategy	15	Estimated cost in region of £30k - timing not certain but could commence late 2011/early 2012. So may be split between 2011/12 and 2012/13.
May 2011 District Elections	75	Council elections due in May 2011. Statutory requirement to hold these elections.
Capital Programme – Borrowing costs	103	MTFS allowance only £54k but delayed capital receipts and additional borrowing costs will result in a significant increase over and above this unless projects are removed from the capital programme and/or delayed. The increase shown is subject to further review depending on the final proposed financing strategy.
Overall Total Net Cost Pressures	500.1	Excludes initial estimated net costs of integration/merger with Mid Suffolk.

Proposed changes in General Fund Charges 2011/12

Charges & Fees	2010/11 Charge		2011/12 Charge		% Change in Charge to Public	Notes
	Charge Less VAT (20%)	Charge to the Public	Charge Less VAT (20%)	Charge to the Public		
<u>Footpath Diversions</u>						
Administration charge for order covering one footpath		1,500.00		1,650.00	10%	Adjusted to harmonise the charge with Mid-Suffolk DC
<u>Car Parking</u>						
Excess Parking Charge		45.00		55.00	22%	This charge has not been increased for three years. The increase is expected to generate £23,800 a year
Pin Mill Car Parking Charge between 0800 and 1700 (per hour)	0.25	0.30	0.42	0.50	68%	Charge increased to compensate for £5,000 a year contribution to the Community Interest Company, who will manage the car park.
Pin Mill Residents Licence	90.83	109.00	136.25	163.50	50%	
<u>Hire of Friars Meadow / East House Meadow</u>						
- Caravans - per weekend (2 nights) (FM Only)		14.00		15.00	7%	Increased slightly above inflation and keeping to a round figure for each charge.
- Caravans - per additional night (FM Only)		7.00		7.50	7%	
- Small Circus - per operating day		110.00		120.00	9%	
- Small Circus - per non operating day		55.00		60.00	9%	
- Small Circus - deposit (for damage)		325.00		350.00	8%	
- Large Circus/Fair - per operating day		275.00		300.00	9%	
- Large Circus - per non operating day		125.00		135.00	8%	
- Non-Charity Fund Raising Events						
- deposit (for damage)		375.00		350.00	-7%	Reduction to encourage usage

Proposed changes in General Fund Charges 2011/12

Charges & Fees	2010/11 Charge		2011/12 Charge		% Change in Charge to Public	Notes
	Charge Less VAT (20%)	Charge to the Public	Charge Less VAT (20%)	Charge to the Public		
<u>Local Land Charges</u>						
- Official Certificate of Search (LLC1) & Replies to Part 1 (CON29) Enquiries.		137.00		140.00	2%	There has been significant IT investment in improving this service, therefore it is permissible to increase charges. BDC charges were the highest in Suffolk during 2010/11. However it is not expected that a 2% increase would lead to a major diversion to Personal Search Companies.
Enquiries made via the National Land & Information Service: - Part 1 CON29 Enquiries only (less Statutory fee for Certificate of Search) (Note 5)		112.00		115.00	3%	These is a constituent element of the charge outlined above.
Enquiries made via Suffolk Searches: - Part 1 CON29 Enquiries only (less Statutory fee for Certificate of Search)		107.00		115.00	7%	These is a constituent element of the charge outlined above.

Proposed changes in General Fund Charges 2011/12

Charges & Fees	2010/11 Charge		2011/12 Charge		% Change in Charge to Public	Notes
	Charge Less VAT (20%)	Charge to the Public	Charge Less VAT (20%)	Charge to the Public		
<u>Council Tax / Business Rates</u>						
- Summons Costs		53.00		53.00	0%	These will be the subject of a report to the Shared Service Joint Committee. Once the SRP is in operation it would be difficult to justify to the court different costs for different SRP participants. No increase assumed at this stage.
- Liability order		11.00		11.00	0%	
<u>Trade Waste</u>						
- 240 litre bin	391.00	469.20	422.79	507.35	8%	Increases needed to recoup £8 per tonne landfill tax rise April 2011. These are still considered to be competitive charges compared to commercial providers.
- 360 litre bin	434.00	520.80	473.61	568.33	9%	
- 660 litre bin	547.00	656.40	608.80	730.56	11%	
- 1100 litre bin	698.00	837.60	791.05	949.26	13%	
<u>Recyclable Trade Waste</u>						
- 240 litre bin	362.00	434.40	342.12	410.54	-5%	No landfill tax payable. Gate fees has fallen compared to 2010/11. Mixed recyclables now accepted saving on contract cost. Decreased costs passed on to the customer to maintain the discount on ordinary trade waste and hence encourage recycling. Charges are a small element of overall trade waste income as recycling take-up very low.
- 360 litre bin	389.00	466.80	353.54	424.25	-9%	
- 660 litre bin	466.00	559.20	387.81	465.37	-17%	
- 1100 litre bin	564.00	676.80	422.92	507.50	-25%	
<u>Bulky Refuse Collections</u>						
- Per visit for up to 5 items		25.00		22.00	-12%	Harmonisation with MSDC
- Per additional item thereafter		5.00		5.00	0%	

SFP REPORT – GENERAL FUND CAPITAL PROGRAMME AND BORROWING REQUIREMENTS 2010/11 – 2013/14

The Council has a Capital Programme of Investment relating to new, and improved community assets and facilities, maintaining existing asset and information technology. A summary of the current and revised programme along with the anticipated sources of finance are shown in the table below:

Line	2010/11 £m		2011/12 £m		2012/13 £m		2013/14 £m	Total 2011/14 £m		
	(1) MTFS	(2) Draft Revised	(3) MTFS	(4) Draft Revised	(5) MTFS	(6) Draft Revised	(7) Proposed Original	(8) MTFS	(9) Draft Revised	
1	ICT / Information Management	0.324	0.237	0.202	0.302	0.130	0.150	0.050	0.382	0.502
2	Contract & Asset Management	1.317	0.727	2.948	2.913	0.607	1.511	0.516	4.071	4.940
3	Community Development	0.549	0.657	0.130	0.179	0.129	0.129	0.129	0.388	0.437
4	Private Sector Housing	0.536	0.586	0.570	0.514	0.500	0.571	0.485	1.555	1.570
5	Natural & Built Environment	0.225	0.247	0.100	-	-	-	-	0.100	-
6	Mid Suffolk Merger Costs	-	0.286	-	0.212	-	0.060	0.444	0.444	0.716
7	TOTAL	2.951	2.740	3.950	4.120	1.366	2.421	1.624	6.940	8.165
	Funded By:									
8	Borrowing- non supported	0.768	0.058	1.398	1.856	0.800	1.539	0.845	3.043	4.240
9	Capital Receipts	1.125	0.395	0.981	1.881	0.254	0.517	0.500	1.735	2.898
10	Earmarked Reserves	-	0.602	0.602	-	-	-	-	0.602	-
11	LABGI	-	0.518	0.486	-	-	-	-	0.486	-
12	Grants/ External Contributions	1.058	1.167	0.483	0.383	0.312	0.365	0.279	1.074	1.027
13	TOTAL	2.951	2.740	3.950	4.120	1.366	2.421	1.624	6.940	8.165

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
Line	PROJECTS	(1) 2010/11 £	(2) 2010/11 Rev £	(3) 2011/12 £	(4) 2012/13 £	(5) 2013/14 £	(6) Total 2011/14 £
	ICT / Information Management						
	Significant Major Projects						
15	LAMP Phase 2		61,190				
	Infrastructure						
16	Rationalisation of Servers			20,000			20,000
17	E-mail Archiving	10,000		10,000			10,000
18	Ongoing Govt Connect Costs	20,000	10,000	20,000			20,000
19	Committed schemes	70,100	65,100	78,000	70,000	50,000	198,000
	Applications						
20	Health & Safety Audits	10,000					
21	Shared Services Integration	80,000	10,000	25,000	25,000		50,000
	Service transformation						
22	Broadband Development			50,000			50,000
23	MapRite	10,000	10,000	10,000			10,000
24	Land Terrier			16,000			16,000
25	Shared Service Working	55,000	12,960	30,000	25,000		55,000
26	Committed Schemes	68,800	68,240	43,000	30,000		73,000
27	Total Expenditure	323,900	237,490	302,000	150,000	50,000	502,000
	Financing						
28	Borrowing- non supported	5,000					
29	Capital Receipts	312,100	109,000	302,000	150,000	50,000	502,000
30	Earmarked Reserves		118,940				
31	Grants/ External Contributions- other	6,800	9,550				
32	Total ICT / Information Management	323,900	237,490	302,000	150,000	50,000	502,000

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
Line	PROJECTS	(1) 2010/11 £	(2) 2010/11 Rev £	(3) 2011/12 £	(4) 2012/13 £	(5) 2013/14 £	(6) Total 2011/14 £
	Contract & Asset Management						
33	Street Parking Improvements	15,000	21,000	8,000	8,000	8,000	24,000
34	Planned Maintenance to H.Q.	40,000	36,350	35,000	35,000	35,000	105,000
35	Car Parks - Ticket Machines / Network Rail / Other Planned Maintenance	140,000	156,700	40,000	40,000	40,000	120,000
36	Planned maintenance - Corporate Buildings	25,000	18,500	43,200	40,000	40,000	123,200
37	Pin Mill - Regeneration (Haven Gateway)	156,000	266,800				
38	Calais Street Pavilion - Demolition & Improvements		28,300				
39	Planned Maintenance at Kingfisher Leisure Centre	89,000	39,350	35,500	111,300	112,000	258,800
40	Enhancement of Kingfisher Facilities (see note 1)	500,000	35,000	570,000			570,000
41	Hadleigh Pool Repairs			25,000	25,000	25,000	75,000
42	Hadleigh Community Facilities		8,010	2,031,040	167,030		2,198,070
43	Play Equipment	25,000	25,000	25,000	25,000	25,000	75,000
44	Waste Transfer Station (see note 1)		18,900		600,000		600,000
45	Refuse Fleet replacement (see note 1)	137,000			360,000	131,400	491,400
46	Bridge House Replacement Storage Facility	100,000					
47	Carbon Reduction (see note 2)	90,000	73,000	100,000	100,000	100,000	300,000
48	Total Expenditure	1,317,000	726,910	2,912,740	1,511,330	516,400	4,940,470
	Financing						
49	Borrowing- non supported	371,800	35,505	1,751,040	1,204,330	510,400	3,465,770
50	Capital Receipts	639,200		1,161,700	307,000	6,000	1,474,700
51	Earmarked Reserves		430,095				
52	LABGI		25,405				
53	Grants/ External Contributions- other	306,000	235,905				
54	Total Contract & Asset Management	1,317,000	726,910	2,912,740	1,511,330	516,400	4,940,470
	Note 1 - Dependent on clear business case and generation of annual income or savings.						
	Note 2 - Invest to save - also results in annual savings.						

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
Line	PROJECTS	(1) 2010/11 £	(2) 2010/11 Rev £	(3) 2011/12 £	(4) 2012/13 £	(5) 2013/14 £	(6) Total 2011/14 £
	Community Development						
55	East LSP grants (see note 3)	58,300	82,750	33,110			33,110
56	Community Grants	128,500	142,320	145,200	128,500	128,500	402,200
57	Hadleigh Swimming Pool Enhancement work	140,800	399,400				
58	University Campus Suffolk	187,000					
59	Children's Play Builder Scheme	2,500					
60	Children's' Play Programme - Big Lottery funded	31,700	31,500	1,200			1,200
61	Total Expenditure	548,800	655,970	179,510	128,500	128,500	436,510
	Financing						
62	Borrowing- non supported	320,200		19,800	128,500	128,500	276,800
63	Capital Receipts	136,100		125,400			125,400
64	Earmarked Reserves						
65	LABGI		424,620				
66	Grants/ External Contributions- other	92,500	231,350	34,310			34,310
67	Total Community Development	548,800	655,970	179,510	128,500	128,500	436,510
	Note 3 - Babergh just acting as banker - External Money Received to pay for this.						

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
		(1)	(2)	(3)	(4)	(5)	(6)
Line	PROJECTS	2010/11 £	2010/11 Rev £	2011/12 £	2012/13 £	2013/14 £	Total 2011/14 £
	Private Sector Housing						
68	Private Sector Renewal - Mandatory	343,000	334,670	273,000	335,000	335,000	943,000
69	Private Sector Renewal - Discretionary	107,000	65,470	97,500	100,000	100,000	297,500
70	Affordable Housing Grants (see note 4)	86,000	186,000	143,000	136,472	50,000	329,472
71	Total Expenditure	536,000	586,140	513,500	571,472	485,000	1,569,972
	Financing						
72	Borrowing- non supported	71,000	21,000	85,000	206,000	206,000	497,000
73	Earmarked Reserves		53,165				
74	LABGI		67,975				
75	Capital Receipts	37,398		79,500			79,500
76	Grants/ External Contributions- other	427,602	444,000	349,000	365,472	279,000	993,472
77	Total Private Sector Housing	536,000	586,140	513,500	571,472	485,000	1,569,972
	Note 4 - Includes use of S106 Monies.						

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
		(1)	(2)	(3)	(4)	(5)	(6)
Line	PROJECTS	2010/11 £	2010/11 Rev £	2011/12 £	2012/13 £	2013/14 £	Total 2011/14 £
	Natural & Built Environment						
78	Green Waste Scheme Enhancement		135,000				
79	Air Quality Management	16,000	27,860				
80	Sudbury Town Centre Enhancement (HERS)		20,000				
81	Redevelopment of Sudbury Town Centre bus station	209,000	63,586				
82	Total Expenditure	225,000	246,446				
	Financing						
83	Grants/ External Contributions- other	225,000	246,446				
84	Total Natural & Built Environment	225,000	246,446				

Appendix D

General Fund - 4 Year Capital Programme 2010/11-2013/14 - Detail							
Line	PROJECTS	(1) 2010/11 £	(2) 2010/11 Rev £	(3) 2011/12 £	(4) 2012/13 £	(5) 2013/14 £	(6) Total 2011/14 £
	Mid Suffolk Intergration & Merger						
85	Capitalised Redundancy Costs (see note 5)		186,000	200,000			200,000
86	ICT Integration Costs			12,000	60,000	444,000	516,000
87	Total Expenditure		186,000	212,000	60,000	444,000	716,000
	Financing						
88	Borrowing- non supported						
89	Capital Receipts		186,000	212,000	60,000	444,000	716,000
90	Total Mid Suffolk Merger & Intergration		186,000	212,000	60,000	444,000	716,000
	Other Restructuring (BDC Only)						
91	Capitalised Redundancy Costs (see note 6)		100,000				
92	Total Expenditure		100,000				
	Financing						
93	Capital Receipts		100,000				
94	Other Restructuring		100,000				
	Note 5 - Based on business case approved in September 2010. Currently being revised to reflect timing of CE and Senior Management Structure.						
	Note 6 - These result from savings as a result of reviews of service provision. E.g. Sudbury TIC, HQ Caretaker.						
95	TOTAL GENERAL FUND CAPITAL PROGRAMME	2,950,700	2,738,956	4,119,750	2,421,302	1,623,900	8,164,952

Reduction in the Community Grants Scheme Budget

Name of grant recipient	Brief description of purpose of grant	2010/11 Grant Budget (£)	2011/12 allocations (subject to budget) (£)	Reduction
Sports & Leisure				
East Bergholt Leisure Centre	Deficit funding	11,330	11,330	0%
Hadleigh High Leisure Centre	Deficit funding	11,330	11,330	0%
Gt Cornard Sports Centre - Swimming Pool	Deficit funding	2,275	2,275	0%
East Bergholt Leisure Centre	Project funding - each Centre bids for specific projects; examples include GP referral schemes, training, equipment, projects aimed at improving health of less able and those recovering from illness	33,000	30,000	9%
Gt Cornard Leisure Centre				
Hadleigh High Leisure Centre				
Sudbury Sports Centre				
Theatre				
Quay Theatre	Core funding to enable local community theatre to develop in new direction (2010/11 includes £1k for consultant's report)	52,500	35,000	33%
Citizen Advice Bureau				
Ipswich CAB	Core funding- help ensures that service will continue to meet growing need	7,673	7,673	0%
Sudbury & District CAB		51,900	51,900	0%
Countryside & AONB				
Dedham Vale AONB & Stour Valley Project	Management of projects in Area of Outstanding Natural Beauty	23,452	22,280	5%
Greenways Countryside Project	Continuation of tree planting and project works on land around border between Ipswich BC and Babergh	6,470	5,500	15%

Suffolk Coast & Heaths AONB	Management of projects in Area of Outstanding Natural Beauty	18,251	17,335	5%
Suffolk Wildlife Trust	Provides BDC with biodiversity information and advice on planning control related work	1,500	1,250	17%
Local Authority Partners				
Harwich Foot Ferry	Contribution towards partnership running costs	2,500	2,000	20%
Haven Gateway Partnership	Annual contribution	6,000	6,000	0%
Ipswich & Suffolk Council for Racial Equality	Offers advice/support on equality and race issues to individuals and organisations	1,500	1,250	17%
Rural Development Managers, SCC	Contribution towards partnership that gives external funding advice to the community and voluntary sector	6,000	5,300	12%
Suffolk Hate Crime	Community Safety initiative centred on hate crime, anti social behaviour, awareness and prevention	3,500	3,000	14%
Suffolk Safeguarding Children Board	Core funding towards county wide partnership	10,000	8,800	12%
Suffolk Biological Records Centre	Annual grant ensures BDC receives essential services relating to planning.	7,877	7,000	11%
Voluntary Sector Support				
Ipswich Council for Voluntary Services & West Suffolk Consortium for Voluntary Organisations	Transitional support pending replacement arrangements for `Babergh Communities Together`. Offers support for community and voluntary groups, funding surgeries, assistance with form filling and community development	20,000	9,000	55%
Suffolk ACRE	Support for community and voluntary groups particularly aimed at supporting village halls with fundraising, advice on insurance, parish plans.	2,000	1,700	15%

Community Projects				
Hadleigh Community Transport Group	Recruitment & training additional drivers for increasing use of vehicles during evenings and weekends	500	450	10%
Bridge Project, Sudbury	Provision of Stour Valley Lunch Club and activities for the elderly provided by supervised adults with learning disabilities	4,500	4,000	11%
DanceEast	Contribution towards the 'Boys in Babergh' programme	4,500	3,500	22%
Eastern Angles	Contribution towards project funding for local arts delivery in the Babergh district	400	400	0%
Edens Project, Sudbury	Core funding for youth project; which provides evening activities, music and recording facilities, health education and advice work	10,000	8,800	12%
Hadleigh Elderly Peoples Welfare Committee	Club for Older People	678	680	0%
Home Start Babergh	Core funding towards scheme that supports disadvantaged families with young children - home visiting by volunteers, group meetings with activities for families as a unit	10,000	8,800	12%
Ipswich Womens Aid	Refuge and sanctuary for female victims of domestic abuse	1,500	1,250	17%
Kernos Centre, Sudbury	Core funding for low cost Counselling Centre for adults and young people	3,000	2,650	12%
Managing a Masterpiece	Project in Dedham Vale & Stour Valley includes restoration of Stour Lighter, community based learning around conserving valley's historic buildings. Use of Hopper bus to encourage car free visits.	3,800	3,700	3%
Orchestras Live	Support for project aiming to involve young people in large scale musical productions and activities	2,760	2,400	13%
Solo Housing	Support for single homeless people within Babergh	3,570	3,100	13%
Sudbury Town Area Rural Transport	Core funding support for community transport project used by older people and disabled people	1,500	1,250	17%
Suffolk Artlink	Delivery of Music Workshops, Intergenerational Digital Photo Project and dance performance and workshops for older people and other disadvantaged groups	1,500	1,250	17%
Suffolk Chamber of Commerce	Annual subscription	920	920	0%
Suffolk Digital Cinema Network	Annual contribution allows Babergh residents to hire in cinema equipment to various village hall venues	300	300	0%
Suffolk Museums Partnership	Contribution towards museums and Heritage Learning Officer post	500	500	0%
TOTALS		328,986	283,873	14%