

**BABERGH DISTRICT COUNCIL**

**FROM:** Strategic and Financial  
Planning Task Group

**REPORT NUMBER:** **H156**

**TO:** Overview and Scrutiny  
Committees

**DATE OF MEETING:** 9 December 2008

**FINANCIAL STRATEGY AND 2009/10 BUDGET**

**1. PURPOSE OF REPORT**

- 1.1 To enable the Committees to scrutinise key aspects of next year's draft budget proposals, in the light of the Council's Medium-Term Financial Strategy and the prevailing economic situation, and report any views on these to the Strategy Committee.
- 1.2 The draft budget proposals are subject to further consideration by the Task Group and the finalisation of specific areas of the detailed revenue budget and capital programme.
- 1.3 The proposals will support the achievement of the Council's Strategic Plan priorities and the achievement of a Council Tax increase of no more than the rate of inflation.

**2. RECOMMENDATIONS**

- 2.1 That the Committees are asked to consider the report and accompanying appendices in relation to the following key areas of the 2009/10 draft Budget:
  - Potential General Fund Revenue Budget Medium-Term Plan Priorities (Appendix 2/2a)
  - Proposed efficiencies, savings & additional income for next year (Appendix 3).
  - The potential General Fund draft Capital Programme (Appendix 4).
- 2.2 That the Committees give their views on the above and the key financial assumptions underpinning the draft budget proposals, including the proposed use of reserves as set out in sections 5.12 to 5.14 of the report.
- 2.3 That, subject to any changes in the underlying financial assumptions that underpin the 2009/10 Draft Budget, the Committees support in principle a Council Tax increase of no more than 3.5% for 2009/10.
- 2.4 That the views of the Housing Panel are sought in relation to the 2009/10 Housing Revenue Account Budget and Capital Programme.

The Committees are asked to make appropriate recommendations on the above to the Strategy Committee.

### 3. **FINANCIAL IMPLICATIONS**

3.1 These proposals form the foundation for the budget for 2009/10.

### 4. **RISK MANAGEMENT**

4.1 The report is most closely linked to the Significant Business Risk No. 7 – Financial, Performance and Risk Management. It also links to a number of other risks such as capacity and our local response to national issues eg the economic downturn.

4.2 The following table summarises the key risks:

| <b>Risk Description</b>   | <b>Likelihood</b> | <b>Seriousness or Impact</b>   | <b>Mitigation Measures</b>   |
|---|-------------------|--|--|
| Changes are required in the key assumptions underpinning the Budget as a result of the continuing economic downturn or other factors. | Significant       | Marginal or Critical, depending on the nature and extent of the variation(s) | Assumptions will be kept under review and updated before the Budget is approved.   |
| Once the Budget is approved, the actual position during 2009/10 varies from the key assumptions.                                      | Significant       | Marginal or Critical, depending on the nature and extent of the variation(s) | A Budget Risk Assessment is produced as part of the overall budget proposals presented to Strategy Committee.<br><br>Budget monitoring on the key risk areas will take place during 2009/10 as part of the O&S Committees quarterly monitoring arrangements. |

### 5. **KEY INFORMATION**

#### **Background**

5.1 The Strategic and Financial Planning Task Group's work programme and aim for this year has been to put forward proposals for the 2009/10 Budget that contribute towards the achievement of the Council's priorities and deliver the outcomes set out in the Strategic Plan and the Financial Strategy.

- 5.2 Specifically, next year's Revenue Budget and the 3-year capital programme will support actions being proposed in Medium-Term Plans (MTP's) that are linked to the 28 outcomes set out in the Strategic Plan.
- 5.3 In terms of the Financial Strategy, the Council has delivered on its aim over the last five years of Council Tax increases of no more than inflation, which is a significant achievement. The Budget for 2009/10 is again being developed to meet that aim.
- 5.4 The current 3-year financial forecasts will need updating to reflect the potential financial prospects in the medium-term, which will not be easy given the economic uncertainties. Even without those increased uncertainties, the Council was aware at the end of last year's SFP process that we were facing a bigger budget gap in the future than in previous years. The Task Group started this year's budget process in the knowledge of a possible 'budget gap' of around £700,000.
- 5.5 This has all been considered in the light of the Local Government Review and the challenges that poses, the availability of reserves and the legacy that Babergh wants to leave should it cease to exist in April 2010. Whilst recognising that this could be Babergh's last Budget, it is being formulated on a 'going concern' or 'business as usual' basis.

#### **General Fund Revenue Budget**

- 5.6 As work has progressed, it has become clear that:
- There would be a number of significant new cost pressures as a result of the economic downturn and general financial climate that would affect the Budget
  - The Budget gap could, therefore, be higher than the original forecast and there would, as in previous years, be a need for a high level of efficiencies, savings and additional income to achieve the desired outcomes
  - Notwithstanding these challenges, it should still be possible, through the use of savings in past years and those estimated for next year, to make additional budget provision to support the Medium-Term Plans and address some of the issues arising out of the economic downturn.
- 5.7 A summary of the current projected 2009/10 Budget position, based on the information in this report, is set out below. This year, it is more likely than ever that the final Budget proposals could vary from those indicated, due to the possibility of changes being need to reflect latest economic forecasts. It is emphasised, therefore, that this is not the final detailed budget that will be prepared for consideration by the Strategy Committee in January, but a picture of the likely key changes from last year's budget and the implications for Council Tax. It is compared with the current year's budget:

|  | <b>Budget<br/>2008/09<br/>£000</b> | <b>Projection<br/>2009/10<br/>£000</b> |
|--|------------------------------------|--|
| • Base budget (Net Revenue Expenditure)                                    | 10,391                             | 10,646                                 |
| • Inflation  | +400                               | +460                                   |
| • Other Cost Pressures   | +460                               | +632                                   |
| • MTP Priorities (incl. £50K Prudential Borrowing and £150K capital items) | +69                                | +400                                   |
| • Efficiencies, savings and additional income                              | -674                               | -892                                   |
| <b>Net Revenue Expenditure</b>   | <b>10,646</b>                      | <b>11,246</b>                          |
| • Use of Reserves  | -336                               | -685                                   |
| • Surplus/Deficit on Collection Fund                                       | -10                                | +27                                    |
| • Government Formula Grant   | -6,005                             | -6,122                                 |
| • Council Taxpayers  | 4,295                              | 4,466                                  |
| • Council Taxbase  | 32,750                             | 32,900                                 |
| <b>Council Tax for Band D property</b>                                     | <b>£131.16<br/>(+3.9%)</b>         | <b>£135.75<br/>(+3.5%)</b>             |

5.8 Detailed information on the main areas is provided in Appendices 1 to 3. The following additional comments are also made:

- Inflation – This allows for anticipated increase on major contracts (Waste Collection and Open Spaces) well above the published RPI rate, largely as a result of higher fuel prices
- Other cost pressures (see Appendix 1) – this includes the impact of the economic downturn on investment income and fees from planning and land charges totalling around £450K
- Medium-Term Plan (MTP) priorities (see Appendix 2/2a) – This also includes the estimated revenue impact of prudential borrowing requirements and direct funding to support MTP bids put forward for inclusion in the capital programme. The allowance shown and level of prudential borrowing costs are dependent on other aspects of the revenue budget, the capital programme and the risks associated with significant potential capital receipts. However, based on the above table, there could be £200K available for new revenue budget priorities
- Efficiencies, savings and additional income (see Appendix 3) – these are best forecasts based on agreed areas that have been identified. Some are potential at this stage and further work is needed on these. This includes non-recurring items included in this year's budget and CAST savings
- Use of Reserves – see sections 5.12 to 5.14
- Government Grant – fixed for 3 years; increase for 2009/10 of only 2%
- Council Tax – see sections 5.15 to 5.19.

- 5.9 It should be emphasised that the details shown in the appendices will undoubtedly change before the final budget proposals are considered in February 2009. For example, changes to reflect the latest assumptions on MRF gate fees in relation to falls in material prices and up to date information on various other elements of the budget will have to be reflected. In terms of additional funding for Medium-Term Plan priorities, the Task Group will be giving further consideration to these proposals at their meeting on the 16 December.
- 5.10 It is important to recognise that we will aim to work closely with the two LSP's to ensure that money that they have available and that is allocated in the Council's Budget is best aligned to achieve agreed priorities for the District. A joint co-ordinated approach, linked to LAA targets and that looks to maximise funding for those key priorities will lead to the most beneficial outcomes.
- 5.11 Finally and specifically on concessionary fares, it appears that current budget levels will be more than sufficient to meet scheme costs in 2009/10, with potentially significant contingency savings likely this year. This will be clearer later this month when there is an up to date assessment of the Countywide funding position. It has been confirmed that Government Grant towards the scheme of over £200K will continue next year.

#### **Reserves**

- 5.12 In terms of reserves, there is a clear approved strategy for the phasing out of their use over the next 4 years to leave a minimum balance of £1.2M by 2013.
- 5.13 This would result in a balance of £1.4M at the end of 2009/10 and the Task Group believes that the Council should adhere to this strategy. Amending the strategy and taking a further £200K from reserves in 2009/10 could be seen as inappropriate given the potential demise of the Council as a result of LGR.
- 5.14 Details of potential reserves availability and their use is set out below:

|                                      | Amount<br>£000 | Comments   |
|--------------------------------------|----------------|------------|
| Actual as at 31/03/08                | 2,838          |            |
| Estimated use in 2008/09             | -606           | See note 1 |
| Estimated Balance 31.03.09           | 2,232          |            |
| Proposed use in 2009/10:             |                |            |
| - Revenue Budget                     | -535           | See note 2 |
| - Capital Programme                  | -150           | See note 3 |
| Potential need for other items/risks | -150           | See note 4 |
| Estimated Balance 31.03.10           | 1,397          |            |

Note 1 - Planned use of £336K approved plus budget carry forwards of £670K less a forecast saving of £400K, which is based on September budget monitoring report.

Note 2 - Approved strategy £130K plus £205K savings in 2006/07 plus £200K of the forecast savings in 2008/09.

Note 3 - Part of the predicted 2008/09 savings – put towards capital programme, including MTP capital bids.

Note 4 – There are some potential/known legal costs that are likely (but not certain) to arise by the 31 March 2010. there are also potential additional risks relating to the economic downturn that could arise.

### **Council Tax**

- 5.15 The Task Group have considered this very carefully in terms of the economic downturn, the financial pressures and the varying challenges facing the Council.
- 5.16 Members are reminded that the Council has in the past used the headline RPI rate for September in determining Council Tax increases and the Government uses this for Pensions and setting the Business Rates multiplier.
- 5.17 The Task Group is currently minded to recommend a Council Tax increase for next year of no more than 3.5%, which is well below the September headline RPI increase of 5%, although this fell to 4.2% in October. (The CPI or Consumer Price Index stood at 5.2% in September and 4.5% in October).
- 5.18 Members are also reminded that a 1% Council Tax increase amounts to £43,000. It will be for the Strategy Committee to recommend to Council what increase should be approved. However, it seems extremely unlikely that, for the reasons set out in this report, that an increase for next year of much below 3.5% will be possible.
- 5.19 Any indications that are available on the possible increases that are likely to be considered by other Councils in Suffolk will be reported to the meeting.

### **General Fund Capital Programme**

- 5.20 The potential capital programme for the General Fund for the next 3 years is summarised in Appendix 4. It reflects current rolling programmes, strategic priority projects and additional MTP items that the Council would potentially wish to consider.
- 5.21 The Task Group will be making final recommendations on these at their meeting on the 16 December.
- 5.22 Key aspects of the programme are highlighted below on the understanding that there is no absolute commitment to projects other than those that have already been approved by the Council:

- Joint Refuse Depot – Allowing for an assumed capital receipt of £750K from land adjacent to the current Chilton Depot, there is a net estimated capital cost of around £0.9M. Due to savings on the refuse contract of £167K a year, there should still, however, be an ongoing revenue budget saving of around £80K a year
- Refuse fleet replacement – Through prudential borrowing, this will result in a lower annual revenue cost than if the vehicles were purchased and financed by the contractor
- Haven Gateway Projects – These are fully paid for by the ‘New Growth points’ Funding. Further clarification is needed on which projects are likely to proceed and over what timescale
- Kingfisher Leisure Centre – It is now proposed that the Business Case should be assessed and a decision made on this in 2009/10
- UCS – Any provision would be non-committed. There would be a clear intent to provide support, subject to a clearly based business case being received. The extent of any support will also have to take into account other financial pressures facing the Council
- ICT/Asset Management –. These proposals are supported by the Information Management and Technology Group (IMTG) The Task Group feels, however, that some adjustments may be appropriate in terms of spend levels in the light of LGR ie deferral of PC replacements and planned maintenance where this not essential.

5.23 In relation the overall potential financing of the capital programme, this is shown on the final page of Appendix 4. As Members are aware, borrowing will be required to support the programme due to the limited availability of capital receipts. The annual estimated borrowing costs are likely to be affordable in 2009/10 although there are risks of higher costs should the forecast capital receipts not arise as envisaged.

### **Other Issues**

5.24 Issues arising out of the State of The District Debate in relation to the impact of the economic downturn on Babergh residents have been considered by the Task Group in terms of the MTP proposals.

5.25 Further consideration will be given by the Task Group as to whether any further measures might be appropriate. This could include, for example, whether abating charges for any services or activities and/or limiting increases in certain charges for next year would be helpful.

5.26 In terms of other actions that should be considered in relation to the economic downturn generally, it is suggested that the Overview & Scrutiny Committees should consider this in more detail at their next cycle of meetings.

5.27 The Task Group's remit does not include consideration of the Council Housing Revenue Budget and Capital Programme. This will be considered by the Housing Panel and the Overview and Scrutiny (Community Services) Committee before final consideration by Strategy Committee and the Council in February.

6. **APPENDICES**

- General Fund Revenue Budget:
  - Commitments/Cost pressures (Appendix 1)
  - Potential Medium-Term Plan priorities (Appendix 2/2a)
  - Efficiencies, savings and additional Income (Appendix 3)
- General Fund Capital Programme (Appendix 4)

7. **BACKGROUND PAPERS**

Agendas and notes of the SFP Group meetings held between June and November.

**STRATEGIC AND FINANCIAL PLANNING TASK GROUP:**

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**SFP - Commitments and cost pressures**

| <b>Item</b>                             | <b>Amount<br/>£000</b> | <b>Comments</b>   |
|---|------------------------|---|
| <b>Community Development:</b>           |                        |   |
| Gypsy / Traveller Liaison post          | 1.3                    | As per 2008-09 Suffolk-wide agreement.  |
|   | <b>1.3</b>             |   |
| <b>Contract &amp; Asset Management:</b> |                        |   |
| Open Spaces Contract                    | 43                     | Adjustment between HRA & GF   |
| Parks & Open Spaces                     | 34                     | Additional horticultural purchases. Further consideration needed.                       |
| Hadliegh Pool                           | -                      | £25k in capital MTP Bids  |
| Increased utility costs                 | 35                     | HQ and Depots £47k x 75% GF   |
| Asset Management                        | -                      | £30K Corporate Asset Valuation work but covered by existing base budget                 |
|   | <b>112</b>             |   |
| <b>Natural Built Environment:</b>       |                        |   |
| Planning fees                           | 110                    | Reduction due to economic downturn.   |
| Building control                        | 11                     | Work connected to SWISS Centre and some structural checks.                              |
|   | <b>121</b>             |   |
| <b>Customer Services:</b>               |                        |   |
| Travel vouchers                         | 8                      | Increased demand  |
| Reduction of Gov. grant                 | 14                     | Reduction in training grant   |
| HB/CTB admin grant                      | 22                     | A reduction of 4% in the grant.   |
|   | <b>44</b>              |   |
| <b>Other items:</b>                     |                        |   |
| Investment Income                       | 230                    | Significant reduction as a result of interest rate cuts and use of capital/S.106 monies |
| Land Charge fees                        | 115                    | Reduction due to economic downturn.   |
| ICT                                     | 9                      | Software licensing costs.   |
|   | <b>354</b>             |   |
|   |                        |   |
| <b>Grand Total</b>                      | <b>632.3</b>           |   |

| <b>Appendix 2 - Bids arising from Medium Term Plans following SFP Group on 29th October, grouped and proritised (2009/10 only)</b> |  |                |                |  |
|--|--|----------------|----------------|--|
|  |  | <b>Revenue</b> | <b>Capital</b> | <b>Task Group Comments</b>                 |
| <b>Bid</b>   | <b>Priority 1</b>                              | <b>£</b>       | <b>£</b>       |  |
| <b>Quality homes people can afford</b>   |  |                |                |  |
| 1  | Toolkit  | 7500           |                |  |
| 2  | Part time enabler post                         | 20500          |                | What has been achieved so far?             |
| 3  | Choice based lettings (HRA -£16000)            | -              |                | No impact on General Fund Budget           |
| <b>Cleaner/ greener</b>  |  |                |                |  |
| 6  | CRED funding                                   | 13000          |                |  |
| 9  | Trade waste recycling                          | 10000          | 80000          | If DIF bid fails probably wouldn't support |
| 10   | Green waste                                    | -8000          | 130000         | If DIF bid fails probably wouldn't support |
| <b>Safer/ healthier</b>  |  |                |                |  |
| 12   | Substance misuse officer                       | 20000          |                |  |
| 14   | Enhanced ASB action:                           |                |                |  |
|  | a) CCTV camera                                 |                | 14000          |  |
|  | b) graffiti removal kit                        | 5000           |                | Saving from previous hiring arrangement?   |
| 16   | Free swimming                                  | 45000          |                |  |
| 17   | Hadleigh facilities                            |                |                |  |
| 18   | Hadleigh Pool repairs                          |                | 25000          | Potentially covered by capital bid         |
| <b>Vibrant places and strong communities</b>   |  |                |                |  |
| 22   | Increased community grants                     | 25000          | 25000          | £100K bid - happy with £50k overall        |
| 23   | Increase in grants officer hours               | 5000           |                | Fund from existing budgets?                |
| 25   | CAB surgeries - debt advice                    | 50000          |                | Does Lavenham need one? Lower sum?         |
| 27   | Fuel poverty survey                            | 3500           |                |  |
|  |  | <b>196500</b>  | <b>274000</b>  |  |
| <b>Priority 2</b>  |  |                |                |  |
| <b>Quality homes people can afford</b>   |  |                |                |  |
| 4  | Nightstop - additional places for the homeless | 7000           |                |  |
| 13   | Sanctuary scheme - domestic violence           | 10000          |                | Fund some through HRA                      |
| <b>Safer/ healthier</b>  |  |                |                |  |
| 14   | Media campaigns                                | 5000           |                |  |
| 19   | Subsidised use of leisure facilities           | 10000          |                |  |
| 20   | Teenage conceptions                            | 5000           |                | Want more info. Could LSPs contribute?     |
| <b>Vibrant places and strong communities</b>   |  |                |                |  |
| 24   | Payment of council bills at PO's etc.          | 10000          |                | How many people would use it?              |
| 29   | Equality Standard - level 3                    | 18000          |                |  |
|  |  | <b>65000</b>   | <b>0</b>       |  |
| <b>Priority 2-3</b>  |  |                |                |  |
| <b>Cleaner/ greener</b>  |  |                |                |  |
| 7  | Review of local plan policies                  | 10000          |                |  |
| 11   | Air quality management                         |                | 44000          | More info needed                           |
|  |  | <b>10000</b>   | <b>44000</b>   |  |
| <b>Priority 3</b>  |  |                |                |  |
| <b>Quality homes people can afford</b>   |  |                |                |  |
| 1  | affordable housing research                    | 17000          |                |  |
| <b>Cleaner/ greener</b>  |  |                |                |  |
| 5  | Additional staff resource - climate change     | 30000          |                |  |
| 8  | Targetting fly tipping hotspots                | 8000           |                | Might be interested in a lesser number     |
| 30   | Assessment of open space                       | 2000           |                |  |
| <b>Safer/ healthier</b>  |  |                |                |  |
| 15   | Diversions work and ASB survey                 | 40000          |                | May consider a lesser sum                  |
| <b>Vibrant places and strong communities</b>   |  |                |                |  |
| 21   | Electronic bus timetable                       | 7000           |                |  |
| 26   | Publicity for an access network                |                | 5000           |  |
| 28   | Translation services                           | 10000          |                | Wanted more information                    |
|  |  | <b>114000</b>  | <b>5000</b>    |  |
| <b>No priority allocated yet</b>   |  |                |                |  |
|  | Dedham Vale Project                            | 3800           |                | Lottery Bid - significant matched funding  |
|  | Replacement programme - play equipment         |                | 50000          | Annual provision                           |

**Medium Term Plan Bids – Short descriptions**

**Quality homes people can afford**

| Bid no. | Outcome            | Short title                                      | Description  |
|---------|--------------------|--|--|
| 1       | Affordable housing | Affordable Housing Economic Viability Assessment | <p>Purpose: to improve the council's ability to negotiate robustly with developers and maximise affordable housing development:</p> <p>Bid is for :</p> <p>a) Affordable housing toolkit for internal use</p> <p>b) research work undertaken by external consultants to establish and update viability</p> |
| 2       | Affordable housing | Affordable housing part time enabler post        | <p>Purpose: To bring forward more affordable housing sites especially rural exception sites</p> <p>Bid is for:</p> <p>a) continuing to fund half time post ( current funding ends March 09)</p>  |
| 3       | Affordable housing | Choice based lettings                            | <p>Purpose: improved choice and simpler application processes for applicants for social housing</p> <p>Bid is for:</p> <p>a) Contribution to ICT support, hosting changes and shared development costs within the partnership</p>  |
| 4       | Homelessness       | 'Nightstop' 'service                             | <p>Purpose: emergency accommodation for young homeless people</p> <p>Bid is for:</p> <p>a) A contribution towards a service in Sudbury run by YMCA providing 12 spaces</p>   |

**Cleaner/ greener**

| Bid no. | Outcome                  | Short title                                     | Description  |
|---------|--------------------------|---|--|
| 5       | Smaller carbon footprint | Additional resource - climate change            | Purpose; To undertake additional work to meet the council's increasing obligations under the Climate change Bill<br>Bid is for:<br>a) Funding of one FTE up to end of 10/11. Officer will undertake risk assessments, promotion and publicity campaigns, collation and monitoring of new performance information, key role in internal council improvement on climate change as well as external community leadership. |
| 6       | Smaller carbon footprint | Funding for CRED                                | Purpose: to ensure Cred can continue to provide a Suffolk framework for responding to climate change. Funding ceases March 09.<br>Bid is for:<br>a) A contribution to the project manager, admin support , CRed helpline, publicity and campaigns on climate change  |
| 7       | Smaller carbon footprint | Review of local plan policies on climate change | Purpose :Development of new policies design and building standards re climate change<br>Bid is for:<br>a) Consultancy support  |
| 8       | Clean environment        | Targeting fly tipping hotspots                  | Purpose : To work with landowners and Environment Agency to tackle fly tipping hotspots<br>Bid is for:<br>a) Funding to match landowner contributions for securing sites, signage, CCTV observation  |
| 9       | Less waste to landfill   | Trade waste recycling                           | Purpose: to increase recycling from commercial and trade waste outlets<br>Bid is for:<br>a) One refuse collection vehicle plus operating costs<br>This bid may be altered depending on the results of the DIF bid (Oct /Nov 08)  |

**Appendix 2a**

|    |  |                          |  |
|----|--|--------------------------|--|
| 10 | Less waste to landfill                       | Green waste              | <p>Purpose: To increase green waste recycling. Further customers cannot be taken on unless additional capacity generated</p> <p>Bid is for:</p> <p>a) One refuse collection vehicle plus operating costs</p> <p>This bid may be altered depending on the results of the DIF bid (Oct/ Nov 08)</p>  |
| 11 | Better traffic management etc.               | Air quality management   | <p>Purpose: To extend the range and standard of planned air monitoring in the district.</p> <p>Bid is for:</p> <p>a) equipment and consultancy support to extend monitoring to include particulates as well as improved modelling to produce options for solutions.</p> <p>Note a bid for DEFRA funding will be submitted but this cannot be done until Spring 2009.</p> |
| 30 | Balance of natural and developed environment | Assessment of open space | <p>Purpose: To acquire information about the usage of green and open spaces and allow for benchmarking and better targeting of resources</p> <p>Bid is for</p> <p>a) purchase of a Greenspace monitoring system</p>  |

**Safer and healthier**

| Bid no. | Outcome  | Short title   | Description  |
|---------|--|---|--|
| 12      | People are safer and feel safer                    | Substance Misuse Offer  | Purpose : To continue to deliver work in Babergh area on specific aspects of drug and alcohol abuse. Current funding ends March 2009<br>Bid is for:<br>a) Continuation of funding to 1FTE? Substance Misuse Officer to undertake eg work in schools, delivering crime reduction initiatives, training for licencees, supporting pub watch. |
| 13      | People are safer and feel safer                    | Sanctuary scheme  | Purpose : To offer greater safety to victims of domestic violence through the provision of physical improvements to their homes<br>Bid is for:<br>a) providing and fitting safety improvements such as changing and improving locks, window locks.   |
| 14      | People are safer and feel safer                    | Enhanced enforcement and action on Anti Social behaviour                            | Purpose: To increase our capacity for preventing, detecting and dealing with specific consequences of ASB<br>Bid is for:<br>a) providing a mobile CCTV camera to gather evidence of perpetrators of ASB<br>b) Buying a graffiti removal kit<br>c) An annual budget for local campaigns in respect of responsible drinking                  |
| 15      | People are safer and feel safer                    | Diversionary work with young people and measures of ASB perceptions in young people | Purpose: To ascertain levels of concern locally among young people about ASB and extending the range, location and length of time of some diversionary activities.<br>Bid is for:<br>a) Survey amongst young local people on ASB<br>b) extending diversionary activities   |
| 16      | A more active population with healthier lifestyles | Free swimming   | Purpose: to encourage more children and young people and older people to take up swimming<br>Bid is for:<br>a) Contribution to subsidise free swimming   |

**Appendix 2a**

|    |  |   |  |
|----|--|---|--|
| 17 | A more active population with healthier lifestyles | Hadleigh facilities                               | Purpose: to provide increased dry sports and leisure facilities in Hadleigh<br>Bid is for:<br>a) A new leisure facility  |
| 18 | A more active population with healthier lifestyles | Essential component replacement for Hadleigh Pool | Purpose: to keep Hadleigh Pool running<br>Bid is for:<br>a) replacement of essential components  |
| 19 | A more active population with healthier lifestyles | Subsidised use of leisure                         | Purpose: to encourage low income families to participate in sports and leisure activities<br>Bid is for:<br>a) Subsidies for leisure centres targeted at low income families especially in Great Cornard   |
| 20 | A more active population with healthier lifestyles | Teenage conceptions                               | Purpose: To try to reduce teenage conception rates in targeted areas in Babergh in which rate of teenage conceptions is amongst the highest in Suffolk<br>Bid is for:<br>a) Funding to other agencies to undertake work with young people on this issue especially in the target wards |

**Vibrant Places and Strong Communities**

| Bid no. | Outcome                         | Short title                                 | Description  |
|---------|---------------------------------|---|--|
| 21      | Rural isolation                 | Electronic bus timetables                   | Purpose: To encourage more people to use buses and improve the information to those who do<br>Bid is for:<br>a) subsidising the provision and installation of real time information at bus stops in Babergh. Hadleigh and Sudbury completed in 12 months   |
| 22      | Active villages and communities | Increased community grants funding          | Purpose : To strengthen voluntary and community activity by being able to fund more applications, increase the funding given to applications and support new areas of activity. 08/09 saw the pot overbid by £185000.<br>Bid is for:<br>a) Increased capital and revenue funding                                   |
| 23      | Active villages and communities | Permanent increase in grants officer hours  | Purpose: To ensure the continued efficient and timely running of the new grants scheme where all bids are now dealt with through one point leading to quicker and more effective processing<br>Bid is for:<br>a) Making permanent a temporary extension of grants officer time from 2 days a week to 3 days a week |
| 24      | Access to public services       | Payment of council bills at other locations | Purpose: to make it easier for people who still wish to pay bills in cash or face to face to do so.<br>Bid is for:<br>a) set up costs, payment cards and transaction costs   |
| 25      | Active villages and communities | Access to debt advice                       | Purpose: To increase Babergh citizens ability to access face to face debt advice by providing CAB outreach in Babergh.<br>Bid is for :<br>a) Subsidising CAB debt outreach surgeries in Hadleigh ,Lavenham and potentially other locations costs is essentially 1 Full time advisor                                |

**Appendix 2a**

|    |   |  |   |
|----|---|--|---|
| 26 | Active villages and communities                   | Publicising an access network.                     | <p>Purpose: To improve people's access to public services by working with partners to give information about each other's services at access points</p> <p>Bid is for:</p> <p>a) publicity for the access network</p>   |
| 27 | Supporting vulnerable people                      | Ascertaining the extent of fuel poverty in Babergh | <p>Purpose: To obtain annual figures in respect of fuel poverty in Babergh which will supply the new national indicator requirements</p> <p>Bid is for:</p> <p>a) Annual survey work</p>  |
| 28 | Access to public services                         | Increased translation services                     | <p>Purpose: To improve communication with groups/ individuals who do not read/ speak English well</p> <p>Bid is for: translation services</p>   |
| 29 | Public services reflect needs of different groups | Meeting Equality Standard level 3                  | <p>Purpose: To improve Babergh's effectiveness in formulation of policies and delivery of services that meet the needs of different groups of people</p> <p>Bid is for:</p> <p>a) Peer assessment for Equality Standard</p> <p>b) 12 month contract for project manager for equalities</p> <p>If Members approve this, further work will need to be done to quantify the bid.</p> |

### Appendix 3

#### SFP – Forecast additional income, efficiencies and other savings (1)

| Item                                    | Amount<br>£'000 | Comments   |
|---|-----------------|--|
| <b>Community Development:</b>           |                 |  |
| Leisure Trust                           | 40              | Reduced Management fee as per Funding Agreement. No increase for utility costs requested by SSL.   |
| Flatford VIC                            | 25              | Potential efficiency saving through joint arrangements with NT.  |
|   | <b>65</b>       |  |
| <b>Corporate Services:</b>              |                 |  |
| Licensing fees                          | 10              | Reassessment of income levels.   |
|   | <b>10</b>       |  |
| <b>Contract &amp; Asset Management:</b> |                 |  |
| Domestic Refuse                         | 14              | Bulky income charges, net of costs.  |
| Green Waste/<br>Recycling Strategy      | 161             | Increased fees/income from higher customer base and recycling payments – net of additional costs. (note – this is subject to reduction as a result of material prices falling and is dependant on MTP bids). |
| Other income                            | 20              | Potential net additional income.   |
|   | <b>195</b>      |  |
| <b>Natural Built Environment:</b>       |                 |  |
| Building Control                        | -               | Reduction in general fees is expected but SWISS Centre fees should bring additional £53 k split between 2008/09 & 2009/10.   |
| <b>Customer Services:</b>               |                 |  |
| Discretionary Rate Relief               | 14              | Expected savings under current policy. Increases possible though due to economic downturn.   |
| Concessionary Fares scheme              | 92              | Estimated potential saving compared to contingency provision. There are also significant savings in the 2008/09 Budget.  |
|   | <b>106</b>      |  |

**Appendix 3****SFP – Forecast additional income, efficiencies and other savings (2)**

| <b>Item</b>                         | <b>Amount<br/>£'000</b> | <b>Comments</b>  |
|-------------------------------------|-------------------------|--|
| <b>Finance:</b>                     |                         |  |
| Contracts                           | 30                      | Procurement savings from new joint insurance & banking contracts exercises - £40K x 75% GF   |
| Audit & Fraud Team                  | 8                       | Revised staffing establishment and review of IT audit requirements.  |
|                                     | <b>38</b>               |  |
| <b>Other Savings/income:</b>        |                         |  |
| Staffing/other efficiencies         | 125                     | Target for Directors/Heads of Service. Additional provision for savings from not filling vacant posts and temporary posts ceasing. |
| CAST Project                        | 115                     | Reduction in net expenditure and ongoing efficiency savings  |
| Audit Commission Fees               | 12                      | Proposed national annual increases withdrawn.  |
| Recruitment costs                   | 15                      | Current base budget more than is needed currently.   |
| Postages and printing               | 15                      | Savings following efficiency reviews.  |
| Non-recurring items                 | 105                     | One-off items in 2008/09 Base Budget.  |
| Business Rates Growth Income        | -                       | Additional £50k could be available in 2009/10. Further consideration needed re. use for revenue or capital purposes.               |
| General allowance for other savings | 91                      | Similar allowance as was made in 2008/09 budget.   |
|                                     | <b>478</b>              |  |
|                                     |                         |  |
| <b>Overall Total</b>                | <b>892</b>              |  |

## General Fund - Capital Programme

| PROJECTS  | 2008/09          | 2008/09 Rev      | 2009/10          | 2010/11          | 2011/12          | Total 2009/12    |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Existing Programme:</b>                                    | £                | £                | £                | £                | £                | £                |
| ICT ( including CAST & LAMP)                                  | 820,700          | 911,544          | 480,000          | 124,100          | 130,000          | <b>734,100</b>   |
| Private Sector Renewal  | 689,000          | 560,000          | 560,000          | 560,000          | 560,000          | <b>1,680,000</b> |
| Community Development Projects/ Grants                        | 203,500          | 179,170          | 166,500          | 118,500          | 123,500          | <b>408,500</b>   |
| Affordable Housing  | 170,000          | 203,500          | 100,000          | 100,000          | 100,000          | <b>300,000</b>   |
| Planned Maintenance - Asset Management                        | 431,800          | 462,900          | 346,600          | 276,100          | 228,500          | <b>851,200</b>   |
| <b>Existing Programme -Total</b>                              | <b>2,315,000</b> | <b>2,317,114</b> | <b>1,653,100</b> | <b>1,178,700</b> | <b>1,142,000</b> | <b>3,973,800</b> |
| <b>Strategic Priorities:</b>                                  |                  |                  |                  |                  |                  |                  |
| Hadleigh Community Facilities                                 | 250,000          | 250,000          | 1,750,000        |                  |                  | <b>1,750,000</b> |
| Joint Refuse Depot  | -                | 46,000           | 1,601,000        |                  |                  | <b>1,601,000</b> |
| Refuse Fleet replacement                                      |                  |                  | 1,900,000        |                  |                  | <b>1,900,000</b> |
| <b>Haven Gateways New Growth Point Funds:</b>                 |                  |                  |                  |                  |                  |                  |
| Pin Mill - Regeneration (Haven Gateway)                       |                  | 120,000          |                  |                  |                  |                  |
| Redevelopment of Sudbury Town Centre bus station              |                  |                  | 315,000          |                  |                  | <b>315,000</b>   |
| Preparation for development of British sugar site, Sproughton |                  |                  | 1,000,000        |                  |                  | <b>1,000,000</b> |
| Shotley- Felixstowe- Harwich Foot Ferry                       |                  |                  | 90,000           |                  |                  | <b>90,000</b>    |
| <b>Medium Term Plans (MTP):</b>                               |                  |                  |                  |                  |                  |                  |
| Hadleigh Pool Repairs   |                  |                  | 25,000           | 25,000           | 25,000           | <b>75,000</b>    |
| Play Equipment  |                  |                  | 50,000           | 50,000           | 50,000           | <b>150,000</b>   |
| Trade & Green Waste Enhancement                               |                  |                  | 210,000          |                  |                  | <b>210,000</b>   |
| CCTV Camera   |                  |                  | 14,000           |                  |                  | <b>14,000</b>    |
| Increased Community Grants                                    |                  |                  | 25,000           |                  |                  | <b>25,000</b>    |
| Air Quality Management  |                  |                  | 44,000           |                  |                  | <b>44,000</b>    |
| Council Tax Bills at Post Offices                             |                  | 15,000           |                  |                  |                  | -                |

### General Fund - Capital Programme

| PROJECTS                                    | 2008/09          | 2008/09 Rev      | 2009/10          | 2010/11          | 2011/12          | Total 2009/12     |
|---|------------------|------------------|------------------|------------------|------------------|-------------------|
| <b>Potential Other Projects:</b>            |                  |                  |                  |                  |                  | -                 |
| Enhancement of Kingfisher Facilities        | 1,000,000        |                  |                  | 1,000,000        |                  | 1,000,000         |
| UCS   |                  |                  | 250,000          |                  |                  | 250,000           |
| <b>TOTAL GENERAL FUND CAPITAL PROGRAMME</b> | <b>3,565,000</b> | <b>2,748,114</b> | <b>8,927,100</b> | <b>2,253,700</b> | <b>1,217,000</b> | <b>12,397,800</b> |

| CAPITAL FINANCING                     | 2008/09          | 2008/09 Rev      | 2009/10          | 2010/11          | 2011/12          | Total             |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
|                                       | £                | £                | £                | £                | £                | £                 |
| Borrowing- non supported              | 2,558,900        | 1,694,014        | 2,582,100        | 953,700          | 667,000          | 4,202,800         |
| Borrowing- supported                  |                  |                  |                  |                  |                  |                   |
| Revenue                               |                  |                  | 150,000          |                  |                  | 150,000           |
| Capital Receipts                      | 642,000          | 320,000          | 3,225,000        | 850,000          | 100,000          | 4,175,000         |
| Earmarked Reserves                    |                  | 250,000          | 480,000          |                  |                  | 480,000           |
| LABGI                                 |                  |                  | 400,000          |                  |                  | 400,000           |
| Grants/ External Contributions- other | 364,100          | 484,100          | 2,090,000        | 450,000          | 450,000          | 2,990,000         |
| <b>TOTAL</b>                          | <b>3,565,000</b> | <b>2,748,114</b> | <b>8,927,100</b> | <b>2,253,700</b> | <b>1,217,000</b> | <b>12,397,800</b> |