

Hart District Council

Corporate Plan and Medium Term Financial Strategy
2007 - 2011

High Quality, Safe Environment
Affordable Housing for Local People
Efficient Public Services

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Introduction

This Corporate Plan and Medium Term Financial Strategy sets out how the Council intends to play a leading role in the future of Hart District, and how it will manage its financial and other resources to achieve its ends.

The plan sits at the top of a family of Council strategies and plans designed to deliver solutions to help meet the needs of the District. It is not just a document. It shapes and informs everything the Council does and can help it improve its performance. It makes sure that everyone is working towards the same vision - maintaining a clean, healthy and safe community in Hart, where quality of life matters.

To achieve this aim the council will concentrate its efforts over the next five years on conserving the environment, keeping the district clean, healthy and safe, and improving the supply of affordable housing. In setting these priorities the council acknowledges - regretfully - that there are other desirable objectives it will not be able to pursue as vigorously as it would like.

The council will try to ensure that it achieves excellence in the services it provides, insofar as that can be done within the resources it has available. To achieve this it will actively seek out and learn from the views of people who use or benefit from its services. The Council recognises that some of our problems are deep-seated and may require radical action to tackle them, including changing the way we provide services, devolving service provision to town and parish councils, working jointly with our neighbouring councils, changing the way we organise ourselves, and so on.

The Council will also act as an enthusiastic and committed community leader trying to make things happen for the benefit of the communities it serves. A better understanding of the issues facing communities can then be translated into action, either directly by this Council, in partnership with others, or enabling others to act. Its role in the Local Strategic Partnership has helped strengthen existing partnerships and further development of the LSP will contribute towards a better use of resources for the District.

The council is committed to achieving the things set out in this Plan and ensuring it moves closer to excellence in all that it does.

Context

Hart is a small district council serving a beautiful and affluent area of Hampshire. The Council has the duty of providing the full range of district council services, and of meeting the aspirations of its communities and residents for the future.

Unfortunately, this is not easy. The council faces severe financial constraints, which significantly limit its ability to respond to those aspirations, and indeed even to provide its statutory services.

The Council has been doing its best to come to terms with those problems. In December 2005 it published its first Corporate Plan, and also its first Medium Term Financial Strategy. Of necessity, both those documents had an interim nature; they provided a short-term basis for action but also posed a number of questions about what the Council wanted to do, and its ability to do it, over the medium term. They also had the disadvantage that, as separate documents, they did not allow for the proper integration of service planning and resource management which lies at the heart of effective public service provision.

This document replaces and updates both the Corporate Plan and the Medium Term Financial Strategy in a single integrated Plan. As such, it represents a more thorough going and realistic assessment of the Council's priorities, its resources, and its ability to achieve its aspirations.

Financial Overview

The Council finds itself in a very constrained financial position. Representing as it does one of the most affluent areas of the UK, it receives a very low level of Revenue Support Grant from the Government. As a primarily rural area, with no long civic history, it has inherited very few capital assets, has no housing stock of its own, and derives very little property income as a result. It already imposes relatively high charges for its chargeable services. Its balances are low and it therefore receives relatively little interest income. In preparing the current year's budget (2007-8), the Council was forced to identify savings of the order of £1.5M (roughly 15% of its total spend) simply to balance the books. This was achieved by a mixture of efficiency improvements, reductions in contingency funding, deletion of some staffing positions (including some compulsory redundancies), and reductions in service.

The Council Tax levied by the Council is roughly average for shire district councils. Under the local government finance system, the most obvious way for the Council to meet any funding shortfall for its services would be to raise Council Tax. However, the Council is prevented from doing this by the crude and universal capping regime imposed by the Government, based on the setting of an arbitrary annual limit on Council Tax increases.

The Council therefore has very little scope for increasing its income, with the result that it is obliged to meet any shortfall of income over expenditure by cutting services. The Council's expenditure level is already in the lowest quartile band for shire district councils, with the result that one of the most affluent parts of the country is receiving one of the lowest standards of district council service provision.

Without a change of national Government funding regime, the Council has to tailor its aspirations to the limits set by its resources. In particular, the Council has to strongly prioritise its ambitions to make sure that the things which are most important to it can be achieved, even if that means that other lesser priorities have to be dropped.

The essence of the Corporate Plan and Medium Term Financial Strategy is therefore to:-

- prioritise ambitions
- maximise income
- make the most efficient and effective use of resources possible
- allocate resources strictly in accordance with strategic priorities
- reduce or cease lesser priority activities

These themes are expanded upon in the rest of this document.

Ambitions

Our Aim is to be an outward looking, high performing council, working closely with our residents and partners to keep Hart a clean, healthy and safe community, where quality of life matters, by:

- Conserving the environment of the District for the safe and peaceful enjoyment of residents and wildlife;
- Ensuring everyone has access to good quality affordable housing; and
- Providing the highest quality of public service we can afford.

The council is a member of the Hart Strategic Partnership, and this Vision and the following plan fully support the Community Strategy for the district which the Partnership has produced.

Over the next four years (2007 - 2011) we will work to achieve this Vision.

Our **Key Priorities** over this time will be:

- Enhancing our natural and built environment and ensuring clean, green and safe streets and public spaces
- Ensuring an adequate supply of affordable housing to meet the needs of local people

In everything we do we will try to live up to our **Values** of being:-

- Efficient
- Communicative and Consultative
- Honest
- Open

We will improve both the provision of services and our role as a community leader, seeking **Maximum Efficiency and Effectiveness** by:

- Ensuring the best use of resources and assets
- Listening to the needs and views of those who use our services
- Developing effective relationships with our partners
- Being willing to embrace radical change where it benefits those who use our services

Values

Our Values

Most of this Plan talks about what we want to do. This part talks about how we want to do it. We want to be an organisation that cares about the people we serve, and treats them fairly and with respect.

In everything we do we will try to live up to our Values of being:-

Efficient - using the public resources we control as effectively as possible

Communicative and Consultative - keeping people informed about what we are doing and listening to their responses

Honest - telling the truth, admitting our mistakes, and informing people of their rights

Open - welcoming comment and criticism, and constantly looking for opportunities to improve,

Key Priority 1

Enhancing the Environment

To ensure a clean, green and safe environment

We will strive to maintain and enhance our high quality, sustainable environment for the people who live in, work in, or visit the District.

The Natural Environment

Hart has many attractive and unique environments, important for recreation and as habitats for wildlife. The council will protect and enhance these areas, seeking to increase their value to both the human and natural worlds. Where such land is in the council's control, we will ensure it is properly maintained and made available for public recreational use, compatible with wildlife needs.

Environment and Planning

We support policies which aim to restrain development to meet wider regional needs. We want to protect our unique environment and meet local needs. Through the Local Development Framework we will try to channel development towards increased affordable housing for local people and the provision of infrastructure (eg roads, schools, leisure facilities) to mitigate the impact on the community. We will also use our Planning powers to secure high standards, and make sure that new development is sustainable. We will resist inappropriate development. (See Local Development Framework)

Environmental Management

The Council aims to reduce levels of air, land, water, light and noise pollution and the waste of energy and natural resources. It will do this by working with communities and partners in both proactive and reactive ways. The Council will also try to minimise the negative impact that its own practices have on the environment and on the health and well being of communities. (See Air Quality and Contaminated Land Strategies).

The Council supports the Nottingham Declaration on Climate Change and will seek to mitigate the impact of its activities on the climate. (See Climate Change Strategy)

Clean Streets and Public Spaces

The Council will work in partnership with local communities to ensure environmental services are meeting local needs. Street cleansing, grounds maintenance, physical and environmental improvements, car parking (on-street and off-street as required) and the provision, maintenance and security of public conveniences will all be included. In harmony with this councils commitment to community safety we believe people deserve safe and clean streets and well kept facilities.

Waste

The Council is committed to working in partnership with councils in Hampshire to develop the integrated waste/resource management programme, Project Integra. The Council is committed, with partners, to recovering/recycling at least 40% of household waste by 2010 at the same time as seeking a reduction in waste collected.

(See Waste Strategy)

Key Priority 2

Ensuring an Adequate Supply of Affordable Housing

We will strive to ensure that local people have a choice of housing tenures and that there is an adequate supply of housing to meet their needs.

Housing Strategy

The need for affordable homes is one of the major issues facing the District. The Council will work with others, including the Regional Housing Board, to help provide homes, both affordable and in the private sector, to meet the needs of the District. We will involve tenants in housing decisions, and

The Council is committed to developing its strategic leadership role and involving all stakeholders and residents in housing strategy development and review. To this end, the Council will continue its consultation process and maintain close links with its partners, ensuring that the range of needs identified are planned, integrated and sustained as part of its Housing Strategy. The council will continue to work with our neighbouring councils to provide greater choice for those seeking rented accommodation.

(See Housing Strategy)

Meeting diverse needs

The Council recognises that housing needs vary and is dedicated to securing provision of accommodation to meet those needs. For 16-25 year olds, the council will continue to work with local schools and youth groups to give housing advice and develop specific housing options for young people. For older people, the council works with partners on a wide range of schemes to help people to continue to live in their own homes, living independently in the community.

(See Housing Strategy and Older Persons Housing Strategy)

New Housing

The Council will aim to maximise the proportion of affordable housing made available through new housing developments using the policies in the Local Development Framework.

Best Use of Existing Housing

The Council accepts that it cannot depend solely on new housing to meet increasing demand, and will continue to encourage better use of existing housing stock. It will work with its housing partners and private sector landlords to ensure that the Decent Homes Standard is met. The Council will also develop methods to maximise the usage of existing properties.

Rural Housing

Many people have lived in villages all their lives but find it difficult to purchase their own property because the cost is so high. Increasingly people are moving away from the village they were brought up in because of the lack of affordable housing. The Council is committed to continued working with other rural local authorities in Hampshire to increase the provision and quality of rural affordable housing. (See Rural Housing Strategy)

Maximum Efficiency & Effectiveness (1)

An organisation of excellence

To fulfil our aspirations for the people of the district, we need to be capable and efficient. Hart faces difficult financial constraints, which make it vitally important that we use our resources wisely and carefully. To do this we will:

Manage our Finances

We believe that excellence depends upon efficient financial management. We have introduced a new Financial Management System to provide for more flexible and robust planning and monitoring. We will match our corporate priorities to our medium term financial plan, which clearly recognises what resources will be available.

Improve our Performance

Whilst some of our services are efficient and effective, we recognise that this is not true of everything we do, and in any case there is always room for improvement. Councillors and employees are continually involved in planning and reviewing services in the Council's new approach to performance management. Services will improve as they work towards the Corporate Plan and deliver against important community priorities.

(See Performance Management System)

Foster Innovation in Service Delivery

We are not dogmatic about who delivers services. What matters is what works. Many of our services have proved through competition that they are best delivered inhouse, but we will look at outsourcing others. We are exploring ways the Council can maximise its purchasing power.

(See Procurement Strategy)

Make Best Use of New Technology

We want to use information and communications technology in the drive to provide high quality and cost effective services that can be accessed where and when it is convenient for our citizens and visitors.

(See Medium Term IT Strategy)

Promote Equal Opportunity and Diversity

We are introducing robust equal opportunity policies and will ensure they are properly monitored. We aim to avoid discrimination either in recruitment or service delivery. We will celebrate the benefits of diversity and do all we can to remove barriers to access. We will work with people with disabilities to understand and respond to their needs.

(See Disability, Gender and Race Equality Schemes)

Manage our Physical Assets

We will continue to review our assets to make sure we get the most out of them. We will not hold property or land unnecessarily or wastefully. We will manage our services in an environmentally sustainable way in areas such as water conservation, energy efficiency and recycling.

(See Asset Management Plan)

Develop our Employees

Our staff are vital to our success. We intend to build on our excellent track record for training and development and have worked with employees to produce a People Strategy. We are committed to maintaining and improving the practices which are recognised in Investors in People status, and the values which underpin all we do.

(See People Strategy)

Maximum Efficiency & Effectiveness (2)

An Organisation that Listens

One of the strengths of local government is that it is close to the people it serves. We understand however that we need to constantly strive to keep in touch with the people of the district. To this end we will:

Involve the Public

Our local Councillors and the democratic process are our primary link with the public. The constitution of the District Council allows open access to all meetings and encourages public participation, not least at Cabinet meetings.
(See Communication & Consultation Strategy)

Consult the Public

Individual non-executive Councillors of all parties are our front line members - they play a vital role in representing their communities by feeding residents' views into the decision-making process. The Citizens' Panel, surveys and public meetings also help us to consult the public. We will strive to ensure that we use public feedback to help us manage our services better.
(See Communication & Consultation Strategy)

Communicate with the Public

Research shows that those councils which communicate most effectively with their public are also the most effective in providing services. We will strive to ensure open, honest and transparent communication between the council and the people it serves.
(See Communication & Consultation Strategy)

Maximum Efficiency & Effectiveness (3)

An Organisation in Partnership

We cannot serve all the needs of the public of Hart - we need to work with our partner organisations for the benefit of the community at large. Communities are more important than organisational structures and geographical boundaries, so we and our partners will need to be flexible to achieve better results. The Council is committed to this approach and through its community leadership role will encourage others to share the same view.

Work with Partners to Deliver a Community Strategy

The Council is working through the Hart Strategic Partnership to identify what the issues are for the District and how agencies can work together to resolve them. For the Community Strategy to work effectively, we must all focus on communities and the people who live in them. The Hart Strategic Partnership is bringing new ways of joint working, for example in providing initiatives in the provision of community safety. This will improve awareness of who is doing what and improve communication between the Partnership agencies and communities. The Council will play a leading role in making this happen.
(Community Strategy)

Working in Harmony with Town and Parish Councils

The council is committed to helping local communities achieve what they think is best for themselves. To this end it is willing to delegate the provision of some of its services to town and parish councils (where they wish to take on this responsibility) subject to there being no adverse effects on other parts of the district.

The council supports in principle the creation of one or more parish councils in the unparished area of the district (Fleet & Church Crookham), subject to the results of consultation.

Establishing Area Working

Hart is a district of many communities, and the council wishes to take account of the differing needs of local areas in its own decision-making systems. It therefore plans to introduce forms of area working to allow those decisions which only affect a specific area of the district to be taken by councillors local to that area and in consultation with members of the public in that area.

Maximum Efficiency & Effectiveness (4)

Embracing Radical Change

The council's financial problems are deep-seated and will not be easily solved. The council is willing to embrace radical change in the way it provides and manages services where this will lead to improved service provision to those we serve.

Sharing Service Provision with Neighbouring Councils

As a small council, Hart is close to its communities and has a good understanding of their needs. However, its small size makes it difficult to achieve economies of scale. Working in partnership with other councils offers opportunities to share methods for providing services (eg joint teams of staff, shared contracts, shared support services), making it possible to retain local awareness and sensitivity while improving efficiency and service resilience.

The council will actively seek ways of sharing service provision with its neighbours where this offers efficiency gains.

Embracing Partnership with the Private Sector

An alternative means of gaining economies of scale is to contract work out to large private sector service providers. The council will actively seek opportunities to do this where service efficiencies can be achieved.

Devolving Service Provision to Community Organisations

While economies of scale are important, there are also times when efficiency gains or service improvements can be made by devolving service provision to community organisations. The council will be interested in exploring these opportunities with relevant bodies.

Rationalising our Accommodation Needs

The council occupies substantial office and depot accommodation. With changes in service provision, there are likely to be opportunities to relocate to smaller, more efficient and more cost-effective premises. The council will actively review its accommodation needs with a view to realising financial and other resource savings wherever possible.

Managing Our Resources - Revenue

(for detailed strategy see page 19)

The Medium Term Financial Strategy assumes that Hart's Formula Grant will remain static in each of the three years 2008/9 to 2010/11, that non-wage inflation will be 2% per year, that wage inflation will be 3% per year, and that the current central government capping regime will continue. Balances are assumed as being at their April 2008 projected level of £2.35million The Council will seek to maintain its policy on the use of balances, and will keep working revenue balances no lower than £950,000.

The council will actively seek to maximise its financial resources, by a combination of increasing council tax (consistent with capping limits), increasing charges, seeking efficiencies and cutting waste. Where it can, it will seek partnerships with other organisations, particularly other local authorities and parish councils, and with its partners in the Hart Strategic Partnership, to achieve economies of scale, improve co-ordination and make resources go further. The council will seek to devolve appropriate responsibilities to parish councils that are willing to take them on. The council will also regularly review whether alternative methods of service provision (such as outsourcing) offer efficiency and/or effectiveness benefits.

The council believes there is significant scope to improve its own efficiency and effectiveness, and will work more closely with residents and service users to this end. It will consult more frequently, and across a wider range of services, than it has in the past. The Citizens' Panel (Hart to Hart) will be an important element in this work. The council will continue to review its priorities and services, and will continue to improve its performance management and monitoring systems, to this end

Establishing clearer priorities offers the opportunity to switch resources from lower priority to higher priority work. The council believes it is better to do the highest priority work well, even if this means lower priority work has to cease, than to try to do too much and fail across a wide range of activity. The council will use the service review and budget processes to further this work. In 2007/8, for example, resources were increased for environmental priorities such as countryside management and street cleaning, notwithstanding the overall savings of around £1.5million (approx 15%) that were being sought. Future work in developing budgets will continue this thrust.

The council will also seek to divert resources away from its internal support services towards frontline service provision. It has set itself a target of reducing the proportion of its expenditure taken by support costs by 10% (in real terms) over the life of the strategy.

Managing Our Resources - Capital

(for detailed strategy see page 19)

The Council's Capital resources are even more stretched than its Revenue. The Council has committed itself to £8.7million over the period of the strategy, and has no anticipated resources currently uncommitted. However, in addition to the committed sum is a provisional programme totalling some £4million of projects. These projects will not go ahead unless new resources can be found, existing commitments are abandoned, or an Invest-to-Save opportunity can be created.

There is the option of using unsupported borrowing (in accordance with CIPFA's Prudential Code). Such debt would have to be funded through the Revenue account and, as a consequence, could probably only be used as a substitute for any current methods of funding that may be more expensive. Given the state of the council's revenue, this option will therefore only be used on an Invest-to-Save basis, or to meet some unforeseen unavoidable need.

Apart from its cash resources, the council owns only limited capital assets, primarily for its own operational use (eg the Civic Offices, leisure centres and the depot) and for service provision (eg car parking, public open space). These properties need further ongoing investment to maintain their value, and the council has a planned maintenance programme to that end. However, that programme is currently largely unfunded.

For the immediate future the council will use a limited amount of its Revenue reserves to fund essential work under the planned maintenance programme. In the longer run, the council will seek to reduce its accommodation needs, with a view to reducing the need for maintenance expenditure and possibly also generating a capital receipt, which could then be used to fund the necessary ongoing investment in its remaining properties.

Given its limited resources, the council will actively seek ways of generating additional capital sums to support the development of necessary community facilities. In particular, it will seek the maximum possible community gain from Section 106 agreements on new development, in order to help it sustain the affordable housing and recreation/leisure development which the district needs.

Appendix

DETAILED MEDIUM TERM FINANCIAL STRATEGY **2008-11**

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1 INTRODUCTION

1.1 Financial Planning is of crucial importance in local government as it:-

- Enables elected Members to determine Council priorities and timing
- Promotes consideration of potential changes in demand for services and community needs
- Facilitates financial assessment of any legislative changes
- Enables policy alternatives to be financially evaluated and ensures the Council's key priorities and objectives are adequately resourced
- Ensures that Service demands are matched to likely resource availability.

The purpose of the Medium Term Financial Strategy (MTFS) is to provide the overall framework for the financial investment in services from 2008-2011. Updated and reviewed at least annually, the MTFS helps to ensure that the Council's financial resources are targeted to achieve the strategic priorities and values contained within the Council's Corporate Plan.

The MTFS also provides a link to other financially related strategies including the Capital Strategy, Asset Management Plan, Treasury Management Strategy and People Strategy as well as the budget itself.

1.2 **The Council's Vision**

The MTFS will provide a key role in helping achieve the Council's vision of being '*An outward looking, high performing council, working closely with our residents and partners to keep Hart a clean, healthy and safe community, where quality of life matters*' by helping achieve an efficient, effective and robust financial framework which will enable the Council to focus resources on its stated priorities.

1.3 **Objectives of the Strategy**

The main objectives of the Medium Term Financial Strategy are:-

To help ensure that the Council's financial resources are sufficient to achieve its stated objectives within the Corporate Plan including strategic priorities and objectives;

To seek to minimise net debt and maximise income in order to provide investment in economic and efficient services keeping Council Tax increases within reasonable levels;

To ensure that the Council maintains a realistic level of General Reserves to both meet unforeseen events and help reduce vulnerability to significant fluctuations in Council Tax levels;

To provide both a link and framework to other financially related strategies;

To provide a single document to communicate the financial aims and objectives to staff and stakeholders alike;

To provide a projection of resource requirements over a 3 year period;

1.4 **Status of the Strategy**

This strategy provides a series of indications of the Council's future income and expenditure projections based on current knowledge of grant levels, estimates of future changes in funding levels and demands on services and assumptions about events that are likely to impact on the Council's finances.

Accordingly, it provides a medium term indication of the level of growth available or savings that need to be identified for the Council to continue to maintain the provision of services while keeping Council Tax increases within reasonable levels. Clearly the further forward the projections are into the future, the greater the level of uncertainty there is surrounding those projections.

2. **LINKS WITH STRATEGIC AND SERVICE OBJECTIVES AND COUNCIL PRIORITIES**

- 2.1 In times of financial stringency it is important to have a sustained focus on what matters i.e. identifying corporate priorities and aligning resource allocation with such priorities.
- 2.2 The identification of clear service priorities is fundamental to ensuring resources are aligned to those priorities. Affordable Housing and The Environment have been identified as the Councils current priorities and these themes need to be addressed as the budget cycle progresses.
- 2.3 The financial position of the Council is now clear following the compilation of several years audited statement of accounts. Unearmarked Revenue reserves now stand at well over £2m following the close of the 2006/07 accounts although there are no unearmarked capital reserves remaining.

3 **COMPREHENSIVE SPENDING REVIEW**

- 3.1 The 2006/07 Local Government Finance Settlement was the first to cover two years and paved the way for three-year Settlements to assist local authorities with their medium-term financial planning.
- 3.2 The Government's Comprehensive Spending Review (CSR) has traditionally been conducted every two years and its purpose is to set out, for the forthcoming three-year period, how much the Government is going to spend in cash terms and in which policy areas.
- 3.3 The CSR 2007 has been delayed until the autumn creating an uncertain planning horizon for the Councils finances. Further information will be given to Members when the details become known but until then this strategy assumes 0% Revenue Support grant increases and 1% NNDR (Business Rates) grant increases.
- 3.4 Hart's Central Government Grant for 2007/08 comprises:

| | £million |
|------|--------------|
| NNDR | 3.179 |
| RSG | <u>0.534</u> |
| | <u>3.713</u> |

- 3.5 Currently the Government award many specific grants through various means and different mechanisms. This years discussions suggest that a great deal of these funding streams will be consolidated into the main Central (RSG) Grant. Some Heads of Service have signalled some concern that the level of grant funding they can expect in the future will diminish. Until the grant details are announced it is difficult to assess the impact of any changes.

4 **WORKING BALANCES / LEVEL OF RESERVES**

- 4.1 When calculating Budget requirements, relevant authorities are required (by the Local Government Act 1992) to have regard to the level of reserves needed for meeting estimated future expenditure. Reserves can be held for working balances, for contingency purposes (e.g. for emergencies), or as specific (i.e. earmarked) funds. A clear policy covering purpose, utilisation, management, and review, should exist for each reserve held.
- 4.2 The Council decided in February 2007 to utilise one-off funding of £327k from balances in 2007/08 and that the minimum level of working [Revenue] balances should be £950,000 a figure confirmed by Cabinet in July 2007.
- 4.3 The table below shows the forecast level of General fund Unearmarked balances available at the start of the period covered by this MTFS:

| UNEARMARKED WORKING BALANCES | General Fund £'000 | Note |
|------------------------------------|-----------------------|------|
| Actual Balances at 1 April 2007 | 2,532 | 1 |
| Budgeted withdrawal 2007/08 | - 327 | 2 |
| Approved supplementary estimates | 133 | 3 |
| Estimated balance at 31 March 2008 | 2,338 | |

1 subject to audit of 2006/07 accounts

2 as agreed at Council February 2007

3 as agreed at Cabinet on 2 August 2007 - to reflect the results of the 2007/08 first quarters budget monitoring.

- 4.4 In addition to the working balances, the amounts shown below are held in specific earmarked revenue reserves:-

| EARMARKED REVENUE RESERVES | General Fund £'000 |
|----------------------------------|-----------------------|
| Balance at 1 April 2007 | 2,004 |
| Budgeted increase/decrease 07/08 | -125 |
| Estimated balance at 31/3/08 | 1,879 |

- 4.5 The policy approved by Cabinet in respect of the Working balances is explained at Appendix A. The proposed policy in respect of the earmarked reserves is to accept commuted sums to contribute to Open Spaces maintenance. £184k was contributed to revenue support in 2006/07; receipts from developers totalled £266k. However, the level of such withdrawals needs to be reviewed with the objective of achieving a more even use year on year for the future.
- 4.6 The draft Statement of Accounts for 2006/07 indicate that unearmarked General Fund revenue balances stand at £2.5m at 31st March 2007; some £1.5m in excess of the recommended minimum level of reserves. This is mainly due to some unexpected underspends in 2006/07. If Members wish to make use of this excess they will need to consider a range of options which include:
- Supporting one-off revenue expenditure/projects
 - Boosting capital reserves (see para 8.5)
 - Addressing Property maintenance issues
 - Retaining balances in excess of the recommended minimum for the future. It is envisaged that the benefit that the 2006/07 'windfall' can bring may be spread out over several years
 - A combination of the above
- 4.7 In recent years, there have been several cases where the Council has refused planning permission for major developments, which have subsequently been granted on appeal to the Secretary of State. These cases usually lead to very high levels of expenditure by the council both in defending the appeal itself, and in paying costs to the appellants when the appeal is lost. These appeals have cost the council substantial sums of money, and in such cases the council needs to consider carefully whether the likelihood of winning an appeal is reasonable bearing in mind the costs involved.

5 CAPITAL PROGRAMME

- 5.1 The current Capital Programme is attached at Appendix B.
- 5.2 Cabinet was asked, in July 2007, to approve an Interim Capital Strategy which would be reviewed as part of this MTF5. A revised Capital Strategy is attached as Appendix C.
- 5.3 The information on Capital reserves on page 18 of the 2007/08 Budget Book indicated that, subject to a series of assumptions regarding the level of future capital receipts generated and the approved level of capital expenditure, unearmarked capital receipts would fall to £117,000 by the end of the 2009/2010 financial year. This implies that the Council has very little in the way of unearmarked reserves to fund future capital spending plans and that the appropriate funding would need to be identified whenever new items of capital expenditure of any kind were considered in future.
- 5.4 The revenue implications of the Council's Capital Programme for 2007/08 are reflected in the 2007/08 Revenue Budget. However, there could be further revenue implications arising in 2008/09 e.g. full year effect of additional staffing, software maintenance agreements, running costs arising from the development of a new facility, reduced interest earnings consequent on funds being utilised, etc. The 2007/08 Programme (as approved by Council in February 2007) is summarised at Appendix B. Officers have reviewed the Approved schemes detailed therein to determine their impact on the 2007/08 and 2008/09 Revenue Budget.
- 5.5 The ongoing revenue consequences of any Capital schemes commencing in 2008/09 and beyond will also need to be considered and assessed before approval to ensure that the necessary financial resources are available to support such expenditure. With regard to the nature of the schemes in future capital programmes, they should give significant emphasis to:-
- (a) commitments from earlier years
 - (b) new, unavoidable statutory obligations
 - (c) preservation of the Council's operational asset base (i.e. properly maintaining property, not allowing it to fall into disrepair) and/or
 - (d) Invest to save schemes i.e. capital expenditure that will actually reduce the Council's future revenue costs and provide a pay-back over a relatively short period.
- 5.6 The current Capital Programme shows approved expenditure of £8.7m which allows for the refurbishment of the Leisure Centres but does not include any provision for any other major new schemes (e.g. Depot).
- 5.7 The major, but diminishing source of future capital resources has been capital receipts and while the Council could be pro-active in generating asset sales over the three-year period the asset base is not vast enough to realise significant future resources.
- 5.8 There is the option of using unsupported borrowing (in accordance with CIPFA's Prudential Code). Such debt would have to be funded through the Revenue account and would require an equivalent level of savings to be identified. As there is already existing pressure in achieving a balanced revenue budget each year, this option must be viewed as a last resort.
- 5.9 The policy of seeking to maximise external funding from Government and through Partnership working should continue. Further opportunities for obtaining support through the various forms of European funding should also be explored.

6 **STAFFING COSTS**

- 6.1 The current years pay negotiations are ongoing with little apparent likelihood of an early settlement. For the duration of this strategy pay awards of 3% have been assumed.
- 6.2 As Staffing costs represent approximately 65% of total expenditure (excluding Housing and Council Tax benefit payments) and the total salary bill is higher than overall net expenditure, this item will clearly have a major impact on the Councils overall financial position. For example a pay award of 3% would equate to an increase of £320k and if the level of increase in the Council grant income is not comparable, then the difference would need to be met from either identifying savings, increasing discretionary income or increasing council tax by a higher percentage.
- 6.3 The Pay and Grading review is presently awaiting comments from unison and has yet to be implemented. A provision of £63,000 in 2006/07 was not used and has been returned to balances pending the outcome of the consultation with Unison and the implementation of this review. An amount of £115,800 has been included within the 2007/08 base budget.
- 6.4 The application of the Single Status provisions for Leisure Services has also yet to be finalised and implemented. A provision of £50,000 in 2006/07 was not used and has also been returned to balances. The 2007/08 budget provides for the full year cost of implementing Single Status within leisure. An application will need to be made for any amounts backdated beyond 1st April 2007 when these provisions are implemented.
- 6.5 The estimated impact of Incremental progression is roughly £100k p.a.
- 6.6 The triennial revaluation of the Councils Pension Fund is due to be announced in the autumn. This will assess the assets and liabilities of the pension fund as at 31st March 2007 and will determine the employers superannuation contribution rates for the next 3 financial years, i.e. the period covered by this MTFS.
- 6.7 Although there is some likelihood that the deficit on the fund may have reduced as a result of improved investment conditions, the Hampshire Chief Financial Officers group have considered their approach to this aspect of their MTFS's and, due to the need to steadily reduce the level of deficit, are minded to provide for increases of 10% p.a. on current employer contribution rates. (These are based on the employee contribution rate of 6% and for 2007/08 this stands at 295%. So future stepped increases would take this to 305%, 315% and 325% for 2008/09, 2009/10 and 2010/2011 respectively). This equates to an existing level of 17.7% of salary, potentially rising to 18.3%, 18.9%, 19.5% over the next three financial years.

7 **INFLATION**

- 7.1 The latest inflation indicators show current inflation running at 1.9% p.a (July 2007 CPI) and 2.7% (July 2007 RPI). However, these are fluid indicators and fairly unreliable for the purposes of forecasting several years in advance as this MTFS does.
- 7.2 In recent years, Hart DC has tended to absorb inflation within Supplies and Services Budgets and this practice is deemed to continue with the exception of services where contracts are in existence that contain inflationary increase clauses. These will be assessed and provided for as necessary when individual budgets are set. For the purposes of this MTFS, an overall provision of 0.5% has been applied to allow for these increases.

8 **PROPERTY MAINTENANCE**

- 8.1 A firm of property consultants have been engaged to conduct a full condition survey of the Councils property. The report produced indicates that approximately £2.75m (at current prices) needs to be spent on property maintenance over the next 5 years although some challenge is required to test the robustness of these figures. An analysis by year and property is attached at Appendix E. These figures make no allowance for the depot.
- 8.2 The works identified in the condition survey have been analysed between Revenue and Capital expenditure and the revenue aspects have been included within the appropriate appendices

attached to this report.

- 8.3 However, as there is little in the way of spare capital resources to meet the capital element the impact will be felt on revenue, either immediately or over a longer term if borrowing is used.
- 8.4 In the initial years, the capital elements are fairly small in capital terms i.e. around £300k - 350k p.a. However, year 3 of the programme indicates costs in excess of £1.2m. Cabinet will need to determine to most appropriate means of financing this level of expenditure.
- 8.5 The Council could agree to use £350k of the 2006/07 underspend to fund the first year of this programme thereby giving time to undertake a full assessment of our future property requirements.

9 **OTHER REVENUE CHANGES**

- 9.1 In recent years authorities have been given efficiency targets known as Gershon savings which required authorities to review methods of operating and identify a combination of cashable and non-cashable savings that would then be available for re-investment in alternative services.
- 9.2 There is a degree of speculation that the current Gershon savings targets may be replaced by a direct reduction in the level of Central Government grant support. A figure of 3% of net revenue expenditure has been suggested. Further clarification is expected with the CSR in the autumn. Although this may be a pessimistic position to take at this stage a reduction of 3% of the Council's net revenue expenditure has been assumed for the purposes of preparing this MTFS.
- 9.3 The Council has reflected staff turnover in recent years through a vacancy management factor. In 2007/08 this was set at £300,000 (roughly 3% of net revenue spending) which may prove to be a challenging target. This MTFS reduces this target saving by £50,000 p.a. in each of the next 2 years to a more manageable target of £200,000.
- 9.4 As the Capital Programme is spent and the reserves set aside to meet this expenditure are used the level of interest on reserves will fall accordingly. This MTFS allows for reductions in interest of £93,000 in 2008/09, a further £85,000 in 2009/2010 and a further £80,000 in 2010/2011 to reflect these reductions.
- 9.5 The current working party reviewing Fleet and Church Crookham Special expenses is considering the eligibility of items contained within the special expenses to ensure they meet the legal definition of a special expense. If this group should decide that some expenses do not meet the eligibility criteria and their conclusions are accepted by Cabinet, this will reduce the amount charged to Fleet and Church Crookham taxpayers and place an additional burden on the District as a whole. No allowance has been made for any adjustment arising from these discussions at this point.

10 **REVENUE BUDGET**

2007/08

- 10.1 The main plank of the Council's recent Budget strategy has been to set a balanced budget, with the exception of one-off items of expenditure where specific provision is made. Although earlier policy was to set council tax increases in line with inflation, this policy was reviewed in 2007/08 and an increase of 4.8% Council Tax was applied.
- 10.2 The Revenue budget for 2007/08, as approved by Council in February 2007, is summarised as follows:-

| | General Exps (£) | Special Exps (£) | Total (£) |
|--|------------------|------------------|-----------|
| Base Budget | 9,107 | 672 | 9,774 |
| Met by | | | |
| External support | 3,713 | | 3,713 |
| Council tax | 4,986 | 672 | 5,659 |
| Collection Fund Surplus | 76 | | 76 |
| Deficit for 2007/08 | 327 | 0 | 327 |
| Balance b/fwd 1 April 2007 | 2,532 | | 2,532 |
| Less: use of Revenue balances | -327 | | -327 |
| 1 st Qtrs 2007-08 Budget Monitoring | 133 | | 133 |
| Est. Balance at 31 March 2008 | 2,338 | | 2,338 |

The Collection Fund surplus is estimated at £134k for 2008/09, and £100,000 is assumed for the remaining financial years.

2008/09

- 10.3 Using information currently to hand, a first draft Budget forecast has been prepared - see Appendix D. This forecast incorporates both known and potential changes to the budget in the coming years, based on a series of projections and assumptions of issues that are likely to impact on the Councils finances. The main issues currently include:-
- Pay Award and Pension costs
 - Provision for Planned maintenance
 - Reduced Interest on Balances in line with spending on the Capital Programme and use of other reserves including the high level of unearmarked reserves
 - Reduced grant in relation to efficiency savings of 3% of net revenue spending
- 10.4 It is assumed that all income heads over which the Council has control will be increased broadly in line with non-pay inflation (2%). Consideration needs to be given as to whether above-inflation increases might be applicable for some services. The Council could benefit from Government Performance Reward Grant (LPSA2) which requires that the challenging targets for service delivery that Hart and the other Hampshire District Councils have been set are achieved. An estimated grant of £120k has been included as a one-off in 2008/09.
- 10.5 Heads of Service have been consulted on the preparation of this Strategy and have identified pressures and have also considered possible savings arising in future years. These service items require further discussion, clarification and challenge before being included within the base budget for 2008/09 and beyond. For the purposes of this strategy the assumption is made that these changes will even out or that savings will be identified if necessary to bring these changes back to nil cost overall. It is proposed that more information is provided to Cabinet later in the budget process to clarify progress on these issues.
- 10.6 Appendix D indicates the level of savings that will need to be identified over and above any savings needed to balance out the service pressures identified by Heads of Service in order to enable the council to approve a balanced budget for 2008/09. It is suggested that the Budget Review Panel be charged with identifying where these savings may be found taking service priorities into account.

11 COUNCIL TAX BASE & COUNCIL TAX

- 11.1 The Council Tax Base (the total number of Band D equivalent properties in the area) has to be approved each year by the Council and is a critical element of the Council Tax calculation. The Tax Base figure for Hart for 2007/08 is 36,953 band D equivalent properties. This MTFS assumes annual increases in the tax base of 1% p.a. to reflect new development, modifications to existing dwellings and changes in the levels of discounts and exemptions.
- 11.2 The savings required to enable Council Tax increases to be set (for illustrative purposes only) at 3%, 4% and 5% are shown at Appendix D and are summarised in the Table below.

| Estimated savings (in £000's) to be achieved for a Council Tax increase for 2008/09 and beyond to be limited to an indicative 3%, 4% and 5%. | | | |
|--|-----|-----|-----|
| Year | 3% | 4% | 5% |
| 2008/09 | 687 | 637 | 587 |
| 2009/10 | 697 | 592 | 486 |
| 2010/11 | 941 | 776 | 608 |

(Note: figures in 2009/10 and 2010/11 assume none of the savings identified in 2008/09 are ongoing. If the savings identified in 2008/09 are ongoing this will reduce the amount of savings required in future years.)

- 11.3 These indicative savings targets may seem large at first sight and they may be a worse case scenario but they still represent a realistic picture of the financial future, not only for Hart District Council, but for local authorities throughout England and Wales.
- 11.4 It comes about mainly because although staffing costs, the largest item in the budget, are expected to increase by 3%, Government support towards revenue spending is expected to at best remain static and may actually reduce.
- 11.5 It must be stressed that the example Council Tax increases used in this report are for illustrative purposes only and do not reflect any stated intention from any political group of the Council. An increase of 5% is regarded as the absolute maximum the Council could adopt before the Secretary of State would consider exercising his capping powers.
- 11.6 A 1% increase in Council Tax is estimated to raise approximately £50k income in 2008/09.

12 THE EMERGING STRATEGY

- 12.1 The Council is preparing its Budget for the future in ways that will more clearly link its priorities to the level of available funding. As this strategy is clearly in the early stages of the overall budget process its findings must be regarded as provisional at this stage and will inevitably change as work continues to identify priorities and objectives.
- 12.2 Cabinet will continue working to prioritise service priorities into clear and measurable objectives.
- 12.3 The Council will continue the policy of approving a balanced budget subject to specific one-off approvals where funding from reserves has been clearly identified.
- 12.4 The minimum level of Revenue balances should be maintained at £950k (Section 4 and Appendix A).
- 12.5 Officers will keep under review the current Capital programme to identify any revenue commitments arising in 2008/09 over and above those already identified.
- 12.6 The criteria for determining priorities for future years capital programme are contained in the Capital Strategy attached at Appendix C.
- 12.7 It is proposed that the Capital elements of the Planned Maintenance programme be funded in 2008/09 by a one-off contribution from balances pending a longer term review of the Councils use

of operational assets.

- 12.8 Service Plans for 2007/08 will be subject to more detailed progress reviews later in the year and any further commitments arising there-from should be taken into account.
- 12.9 The Budget Review Panel will assess growth and savings against Council priorities (para 10.6)
- 12.10 The provision for Pay Awards has been set at 3% for each of the three years subject to more information being received (para 6.1).
- 12.11 Inflation of 2% has been allowed for Premises and Transport budgets but inflation on Supplies and Services budgets should be absorbed unless there are contractual arrangements in place that make specific provision for inflationary increases for some services (para 10.4)
- 12.12 Income heads should be increased by 2% (para 10.4) although Cabinet may wish to give their views as to whether and where charges might selectively be increased above this figure.
- 12.13 Cabinet may wish to give an early view on the use of balances for 2008/09. It may also wish to confirm that Council Tax increases will be assessed at the time of setting the budget, balancing the need to ensure any increase is affordable to tax payers and the impact on Council services.

13 **CONSULTATION ARRANGEMENTS**

- 13.1 There is a statutory obligation on the Council to consult with representatives of the Business community (Business ratepayers). It is commonplace for authorities to also consult with focus groups, etc, representing the Council Tax payers e.g. Town and Parish Councils. It is intended that this will take place towards the end of November/early December.

14 **TIMETABLE**

- 14.1 A draft timetable for undertaking the complete 2008/09 Budget process is attached at Appendix F and comments are invited on it.

Dec Mooney
Head of Finance & S151 Officer

APPENDIX A

| LEVEL OF REVENUE BALANCES - A RISK BASED ASSESSMENT | For 2007/08 (£'000) | For 2008/09 (£'000) |
|--|------------------------|------------------------|
| Adequacy of inflation or interest rate provisions in budgets - nationally agreed and outside the control of the Council <i>1.5% on gross expenditure</i> | 300-400 | 300 - 400 |
| Effects of Capital Finance Capital cash flow can be difficult to predict and, if the Council were not able to finance it, it would have to be met from revenue. However, as there are no unear-marked capital resources the financing of future additional capital schemes will need to be identified as each scheme is considered. | Nil | Nil |
| Debt collection and uncertainty of Income If there were to be a significant surge in bad debts or a sudden reduction in income, this would impact on Revenue balances. <i>2% downturn in income</i> | 300-350 | 300 - 350 |
| Unpredictable and demand-led expenditure. This is being managed through a robust budgetary control system although as budgets become tighter, flexibility to accommodate the unexpected recedes, and mandatory demand-lead items represent unavoidable expenditure that has to be financed. | 100-150 | 100 - 150 |
| Emergency Expenditure This expenditure results from unforeseen events e.g. flooding which may not be insured and/or for which Government assistance is only partial. In the event of such an incident, significant costs can have to be met from Revenue reserves | 50-100 | 50 - 100 |
| Management of change Local authorities need to have available resources to manage change (redundancy and retraining). The lack of such resources can stifle effective management and/or result in other important services being adversely affected. | 50-100 | 50 - 100 |
| Overall range | 800-1100 | 800 – 1100 |
| RECOMMENDED MINIMUM REVENUE BALANCES | 950 | 950 |

HART DISTRICT COUNCIL

Capital Programme to 31 MARCH 2011 (Cabinet 6th September 2007)

| Scheme | Approved Programme 2006/07 | | 2007/08 | | 2007/08 Additions & Brought Forward | | 2008/09 | | 2008/10 | | 2010/11 | |
|-------------------------------------|----------------------------|--------------|--------------|--------------|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Actual | £'000 | March 07 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| APPROVED PROGRAMME | | | | | | | | | | | | |
| Community and Partnerships | | 75 | 20 | 339 | 20 | 339 | 20 | 20 | 20 | 20 | 0 | 0 |
| Concise Management | | 1,225 | 50 | 250 | 50 | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Environmental Maintenance | | 888 | 151 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Finance | | 355 | 0 | 108 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Housing and Customer Services | | 567 | 1,000 | 0 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Leisure & Environmental Promotion | | 14 | 651 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Planning & Environmental Regulation | | 380 | 400 | 107 | 350 | 350 | 350 | 350 | 350 | 350 | 350 | 350 |
| Technical Services | | 134 | 478 | 627 | 60 | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| GRAND TOTAL | | 3,520 | 2,788 | 1,503 | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 | 1,430 |

2007/08 to 2010/11 Cumulative Total (Approved Capital Programme ONLY) 8,888

Community and Partnerships

| Scheme | No. | Code | RP | Project | Approved Programme 2006/07 | | 2007/08 | | 2007/08 Additions & Brought Forward | | 2008/09 | | 2008/10 | | 2010/11 | |
|--|-----|------|----|---------|----------------------------|--------------|----------|-------|-------------------------------------|-------|---------|-------|---------|-------|---------|-------|
| | | | | | Actual | £'000 | March 07 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Provision to support Parish Schemes | | | | | 75 | 20 | 20 | 6 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 0 |
| Hook Parish Council-Elizabeth Hall Rebuild | | YA01 | | EC | | | | 333 | 333 | | | | | | | |
| Notes | | | | | 2006/07 | £'000 | | | | | | | | | | |
| Parish: | | | | | 7 | | | | | | | | | | | |
| Hook Parish Council | | | | | 3 | | | | | | | | | | | |
| Elizabeth Hall | | | | | 1 | | | | | | | | | | | |
| Concise Village Hall | | | | | 20 | | | | | | | | | | | |
| Community Orchard | | | | | 40 | | | | | | | | | | | |
| Facilities at Jubilee Playing Fields | | | | | | | | | | | | | | | | |
| Project | | | | | 76 | | | | | | | | | | | |
| Parish: | | | | | | | | | | | | | | | | |
| Hook Parish Council | | | | | | | | | | | | | | | | |
| Elizabeth Hall | | | | | | | | | | | | | | | | |
| Concise Village Hall | | | | | | | | | | | | | | | | |
| Community Orchard | | | | | | | | | | | | | | | | |
| Facilities at Jubilee Playing Fields | | | | | | | | | | | | | | | | |
| Project | | | | | | | | | | | | | | | | |

HART DISTRICT COUNCIL

Corporate Management

| Scheme | No. | Code | RP | Project | Approved Programme | | 2007/08 Additions & Brought Forwards £'000 | 2008/09 £'000 | 2009/10 £'000 | 2010/11 £'000 |
|--|-----|------|----|---------|----------------------------|----------|--|------------------|------------------|------------------|
| | | | | | 2007/08 Actual £'000 | March 07 | | | | |
| WEC Implementation/Waste Management Strategy | | YC01 | DC | Mgr | CP | 77 | 5 | | | |
| CRM (inc IT -£150k) | | YC02 | CP | | CP | 144 | 53 | | | |
| Ground Floor | | YC03 | CP | | CP | 57 | | | | |
| Contact Centre | | YC04 | CP | | CP | 76 | | | | |
| Telephony | | YC06 | GS | | GS | 18 | 0 | | | |
| Web Redevelopment | | YC12 | GS | | GS | 9 | 40 | | | |
| Depot Link | | YC15 | GS | | GS | 25 | 3 | | | |
| CDPS and Workflow | | YC18 | GS | | GS | 55 | 77 | | | |
| Increase Network & Server Capacity | | YC17 | GS | | GS | 55 | 6 | | | |
| Stakeholder Consultation (Corporate Approach) | | YC19 | GS | | GS | 13 | 90 | | | |
| IT Equipment Replacement | | | GS | | GS | | 50 | | | |
| Further Services/Business Process Implementation | | | CP | | CP | | 250 | | | |
| | | | | | | 1,228 | 50 | 50 | 50 | 50 |

Environmental Maintenance

| Scheme | No. | Code | RP | Project | Approved Programme | | 2007/08 Actual £'000 | 2007/08 Additions & Brought Forwards £'000 | 2008/09 £'000 | 2009/10 £'000 | 2010/11 £'000 |
|---|-----|------|----|---------|---------------------|-------|----------------------------|--|------------------|------------------|------------------|
| | | | | | 2007/08 March 07 | £'000 | | | | | |
| Outside Workshop | | VT02 | DC | PW | PW | 868 | 16 | | | | |
| Replacement Refuse Vehicles | | | CP | | CP | | 77 | | | | |
| Small Truck for Glass Waste | | | CP | | CP | | 74 | | | | |
| Purchase of 4 vehicles (January 2007 cabinet) | | | | | | 868 | 161 | | | | |
| | | | | | | | | 0 | 0 | 0 | 0 |

Notes

- (1) Small Truck for Glass Waste-Teniers' out at 1 000/07
- (2) Purchase of 4 vehicles (January 2007 cabinet); 2 refuse vehicles quoted cost of £45k - 2 Countryside vehicles quoted cost of £34k

HART DISTRICT COUNCIL

Finance

| Scheme | No. | Code | RP | Project | Approved Programmes | | | | | | | |
|--------------------------------------|-----|------|----|---------|---------------------|----------|-------------------------------|---------|---------|-------|-------|-------|
| | | | | | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | | |
| | | | DC | Mgr | Actual | March 07 | Additional & Brought Forwards | £'000 | £'000 | £'000 | £'000 | £'000 |
| Financials Upgrade | | YF01 | | DM | 37 | | 108 | | | | | |
| IT Hardware Upgrade | | YF02 | | DM | 28 | | | | | | | |
| Replacement News and Benefits System | | | | | 355 | 0 | 108 | 0 | 0 | 0 | 0 | 0 |

Housing and Customer Services

| Scheme | No. | Code | RP | Project | Approved Programmes | | | | | | | |
|--------------------------------|-----|------|----|---------|---------------------|----------|-------------------------------|---------|---------|-------|-------|-------|
| | | | | | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | | |
| | | | DC | Mgr | Actual | March 07 | Additional & Brought Forwards | £'000 | £'000 | £'000 | £'000 | £'000 |
| Bringing Homelessness in House | | YH01 | | NP | 5 | | | | | | | |
| Social Housing Initiatives | | YH02 | | NP | 495 | 1,000 | | | | | | |
| Housing Solutions | | YH03 | | NP | 67 | | | | | | | |
| | | | | | 567 | 1,000 | 0 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |

Leisure & Environmental Promotion

| Scheme | No. | Code | RP | Project | Approved Programmes | | | | | | | |
|---|-----|------|----|---------|---------------------|----------|-------------------------------|---------|---------|-------|-------|-------|
| | | | | | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | | | |
| | | | DC | Mgr | Actual | March 07 | Additional & Brought Forwards | £'000 | £'000 | £'000 | £'000 | £'000 |
| Velindre | | YL01 | | JE | 3 | | 5 | | | | | |
| Frogmore Gym Extension | | YL02 | | | 1 | | | | | | | |
| Refurbish Frogmore Hall, LC | | YL05 | | DC | | 500 | | | | | | |
| Revised layout to Leisure Centres | | | | DC | | | | | | | | |
| Frogmore Leisure Centre - Replace changing room car | | | | DC | | 21 | | | | | | |
| RLC Café & Fitness Room/Air Conditioning | | | | DC | | 30 | | | | | | |
| RLC Café and Seating | | YT02 | | | 10 | | | | | | | |
| H.C. Telephone Exchange | | | | | 14 | 651 | 68 | 0 | 0 | 0 | 0 | 0 |

HART DISTRICT COUNCIL

Planning & Environmental Regulation

| Scheme | No. | Code | RP DC | Project Mgr | Approved Programme | | | | | |
|--|------|------|----------|----------------|----------------------------|------------------------------|-------------------------------|------------------|------------------|------------------|
| | | | | | 2006/07 Actual £'000 | 2007/08 March 07 £'000 | 2007/08 Additions £'000 | 2008/09 £'000 | 2008/10 £'000 | 2010/11 £'000 |
| Planning Licence Software (PDG) | YR01 | | | ME | 34 | | | | | |
| IT equipment in the Council Chamber (PDG) | YR03 | | | ME | 40 | | | | | |
| Landscaping scheme at Cullinam | YR01 | | | RH | 2 | 100 | 90 | | | |
| Development of Land for Burels at Flier Cemetery | YR03 | | | RH | 38 | 100 | | 100 | 100 | 100 |
| Replacement Peat Control Van | YR05 | | | RH | 200 | 230 | 12 | 250 | 250 | 250 |
| Private Sector Renewal | | | | RH | | | | | | |
| Home Repairs Assistance - Energy Assistance | | | | RH | | | | | | |
| Disabled Fuelnet Grants | | | | RH | | | | | | |
| | | | | | 380 | 450 | 112 | 350 | 350 | 350 |

Technical Services

| Scheme | No. | Code | RP DC | Project Mgr | Approved Programme | | | | | |
|---|------|------|----------|----------------|----------------------------|------------------------------|--|------------------|------------------|------------------|
| | | | | | 2006/07 Actual £'000 | 2007/08 March 07 £'000 | 2007/08 Additions & Drought Forwards £'000 | 2008/09 £'000 | 2008/10 £'000 | 2010/11 £'000 |
| Land Drainage Cuesbury Place 5'Water Finished) | YE02 | | | DG | 0 | | | | | |
| Adoption of Private Sewers | YE03 | | | DG | 0 | | | | | |
| Feet Town Centre - Victoria Rd Car Park inc Skatpark | YE04 | | | JE | 74 | | | | | |
| Springwell Lane HSS & Assesment of Minley Road | Y'02 | | | JE | 14 | 286 | | | | |
| Springwell Lane - Works to tender stage (Dec 06 Cabinet) | | | | JE | | 30 | | | | |
| Victoria Road Toleis: Shopability | | | | NM | | | | | | |
| CO - Roof Repairs | | | | NM | | | | | | |
| Civic Offices - Boilers | | | | GH | 28 | | | | | |
| Car Parking | | | | NM | | | | | | |
| HLC - Sports Hall No 1 Floor | | | | DC | | | | | | |
| Call Lane 80 Tarmac Scheme - | | | | JE | 7 | 280 | 60 | 60 | 60 | |
| Disability Discrimination Act | | | | NM | 5 | 50 | 128 | | | |
| Harrington C - Lift Refurbish/Replace | | | | NM | 8 | 168 | 80 | | | |
| Introduction to Chireel Parking Charges | | | | GH | | | | | | |
| Car Parking (previously included within the Provisional budget) | | | | GH | | | | | | |
| | | | | | 134 | 476 | 627 | 60 | 60 | 60 |

CAPITAL STRATEGY

1 INTRODUCTION

- 1.1 This Capital Strategy summarises Hart District Council's approach to capital investment. It outlines how the Council decides what Capital Projects are supported and the process that is undertaken to make sure that these are in line with the Council's priorities and objectives.
- 1.2 The funding options and constraints relating to the funding of the programme are outlined for the Capital Programme 2007-11.

2 BACKGROUND

- 2.1 Hart District Council is a small, semi-rural shire District Council, one of eleven districts in Hampshire. It is an affluent area; one of the least deprived in the Country and has high per capita levels of income and car ownership. This apparent affluence and low deprivation does not mean that it does not have problems, there are pockets of deprivation, particularly in relation to homelessness, but the Council's standing in such indices usually means it is not eligible for any specific grants or funding.
- 2.2 The area is subject to intense development pressures, and the rising number of people choosing to live in the area has put increasing pressure on the existing infrastructure including roads and schools.
- 2.3 The Council is currently operating under an approved capital programme of £8.7m covering the period to March 2011. As the Council presently has no unearmarked capital reserves it is essential that the Council both ensures sound financial management over current projects and also considers alternative avenues for future funding.

3 FINANCIAL AND ASSET INFORMATION

Revenue Budget

- 3.1 The Council's gross revenue budget 2007/08 totals £26.8 Million, which after deducting gross income of £17.1 leaves £9.7 million to be financed from a combination of government grants £3.7m; Council Tax £5m; Fleet and Church Crookham Special Expenses £672k and £327k from balances.

Assets

- 3.2 The Council has a small fixed asset base of £31.5m that is dominated by land and buildings, which, at £26.6m accounts for over 84% of the Council's assets.

Council Assets 31.3.07

| | £ m | % |
|------------------------------|-------------|------|
| Council Dwellings | 0.4 | 1.3 |
| Other Land and Buildings | 26.6 | 84.4 |
| Vehicles Plant and Equipment | 2.6 | 8.3 |
| Community Assets | 0.1 | 0.3 |
| Non Operational assets | 0.4 | 1.3 |
| Intangible Assets | 1.4 | 4.4 |
| Total | <u>31.5</u> | |

- 3.3 The main assets held under land and buildings are the main Civic Offices £7.8m, The Harlington Centre £3.7m, the Leisure Centres at Hart £5.2m and Frogmore £2.8, numerous car parking facilities totalling £2m, Elvetham Community Centre £1m, the depot at Hartley Wintney £0.8m and numerous playing field facilities £2m.

3.4 It should be noted that land and buildings are subject to a five-year rolling revaluation programme.

4 THE COUNCIL'S OBJECTIVES

4.1 The Corporate Plan indicates that the Council's vision is to be:

An outward looking, high performing council, working closely with our residents and partners to keep Hart a healthy and happy community

4.2 The Council's objectives are highlighted in the Corporate Plan as follows:

- Affordable Housing
- The Environment

4.3 These objectives and priorities form the backbone of Hart District Council and each of the Services within the Council is expected to consider these when determining their own plans and strategies.

4.4 The Capital Strategy seeks to ensure that the Council's limited Capital Resources are prioritised in line with these overall objectives.

5 THE SELECTION AND PRIORITISATION OF CAPITAL PROJECTS

5.1 In order to ensure that the Council's Capital expenditure is targeted at achieving the Council's Priorities capital projects must be evaluated and prioritised before they are recommended for inclusion in the Supported Capital Programme which is considered by Members as part of the budget process.

5.2 In order to achieve this proposed schemes are assessed using the Council's *Capital Scheme Proposal Form* which covers a number of key areas of information including examining how the scheme will contribute to the Council's Strategic Priorities, partnership priorities and the outputs/outcomes that will be achieved. The form also requires other important information to be detailed including that relating to the cost (both capital and associated revenue implications), funding, programming and the risks associated with the project including assessing the impact on future levels of Council Tax by reference to Prudential Indicators.

5.3 The projects are then considered by the Council's Capital Board who pay particular attention to their contribution to the priorities detailed within the Council's key strategic documents including the Corporate Plan and the Facing the Future documents. The Capital Board will make recommendations to Members on the schemes to consider and pursue as part of the Council's Capital Programme.

6 FINANCING THE CAPITAL PROGRAMME

6.1 Capital schemes commencing in 2007/08 have been determined by the scale of the financial resources available to support such expenditure and, more importantly, the estimated impact on the Revenue Budget.

6.2 The Medium Term Financial Strategy indicates that the total expenditure for each year should be limited to avoid, as far as practicable, peaks and troughs which can have a similar impact on the Revenue Budget (and potential Council Tax implications).

6.3 Recently the major, but diminishing source of future capital resources has been capital receipts. It is important therefore that the Council is pro-active in replenishing those receipts by generating asset sales over the three-year period.

6.4 The Capital Board is charged with identifying surplus property to sell and generate capital receipts for investing in new developments. This work should continue; a realistic annual sales target be established and a pro-active approach be developed to asset disposals. (Note: The Capital Board is an officer group that considers the merits of each application for capital funding against the Council's priorities and objectives prior to seeking Cabinet approval, acting as a filter and ensuring the appropriate funding methods are being proposed).

6.5 There is the option of using unsupported borrowing (in accordance with CIPFA's Prudential Code). Such debt would have to be funded through the Revenue account and would therefore need to be assessed against other pressures on the Revenue Budget. However as there are already existing pres-

asures on balancing the Revenue budget, this option must be seen as a last resort.

- 6.6 An emerging source of future funds for Capital expenditure arises from S106 agreements with property developers. These contributions, although normally tied into specific locations and types of expenditure e.g. leisure facilities, will play an increasing role in financing future capital spending as development within the area continues.
- 6.7 The policy of seeking external funding from Government and through Partnership working should continue. Any opportunities for European funding should also be explored.

7 THE CAPITAL PROGRAMME 2007/08-2009/11

- 7.1 A summary of the Council's Capital Programme and proposed funding for the period covered by the 2008-2011 MTFS is set out in the Table below. A more detailed breakdown of the programme and financing arrangements are available in the Council's Budget Book.

Capital Programme 2007/08- 2009/10

| | 2007/ 08 £,000 | 2008/ 09 £,000 | 2009/ 10 £,000 | 2010/ 11 £,000 |
|---|----------------------|----------------------|----------------------|----------------------|
| Community and Partnerships | 359 | 20 | 20 | 0 |
| Corporate Management | 300 | 50 | 50 | 50 |
| Environmental Maintenance | 166 | 0 | 0 | 0 |
| Finance | 108 | 0 | 0 | 0 |
| Housing and Customer Services | 1,000 | 1,000 | 1,000 | 1,000 |
| Leisure & Environmental Promotion | 717 | 0 | 0 | 0 |
| Planning & Environmental Regulation | 552 | 350 | 350 | 350 |
| Technical Services | 1103 | 60 | 82 | 0 |
| Total Approved Capital Programme | 4,306 | 1,480 | 1,502 | 1,400 |
| Useable Capital Receipts | 2,745 | 330 | 352 | 250 |
| RTB Receipts – Housing | 900 | 900 | 900 | 900 |
| Developer Contributions for Social Housing (S106) | 100 | 100 | 100 | 100 |
| Developer Contributions for Leisure Facilities (S106) | 404 | 0 | 0 | 0 |
| Capital Grants (towards DFGs) | 157 | 150 | 150 | 150 |
| Total Capital Funding | 4,306 | 1,480 | 1,502 | 1,400 |

Note that in addition to the approved capital programme a further £5.2m of projects have been identified on a 'supported list' that is currently not funded.

Projection of Reserves available to finance the Capital Programme 2007/08 to 2010/2011

| 2007/08 | Opening Balances | Additions | Resources Used | Closing Balances |
|---------------------------|------------------|-----------|----------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| | Capital Receipts | 2965 | 200 | 2745 |
| Housing RTB Receipts | 1842 | 500 | 900 | 1442 |
| S106 Housing | 32 | 500 | 100 | 432 |
| Capital Grant/IEG Monies | 77 | 0 | 0 | 77 |
| Capital Grant/DFG Monies | 7 | 150 | 157 | 0 |
| Capital Grant/PDG Monies | 0 | 0 | 0 | 0 |
| Capital Grant/DWP Monies | 0 | 0 | 0 | 0 |
| S106 Leisure and Highways | 2594 | 0 | 404 | 2190 |
| | 7517 | 1350 | 4306 | 4561 |

| 2008/09 | Opening Balances | Additions | Resources Used | Closing Balances |
|---------------------------|------------------|-----------|----------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| | Capital Receipts | 420 | 150 | 330 |
| Housing RTB Receipts | 1442 | 500 | 900 | 1042 |
| S106 Housing | 432 | 500 | 100 | 832 |
| Capital Grant/IEG Monies | 77 | 0 | 0 | 77 |
| Capital Grant/DFG Monies | 0 | 150 | 150 | 0 |
| Capital Grant/PDG Monies | 0 | 0 | 0 | 0 |
| Capital Grant/DWP Monies | 0 | 0 | 0 | 0 |
| S106 Leisure and Highways | 2190 | 0 | 0 | 2190 |
| | 4561 | 1300 | 1480 | 4381 |

| 2009/10 | Opening Balances | Additions | Resources Used | Closing Balances |
|---------------------------|------------------|-----------|----------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| | Capital Receipts | 240 | 162 | 352 |
| Housing RTB Receipts | 1042 | 500 | 900 | 642 |
| S106 Housing | 832 | 500 | 100 | 1232 |
| Capital Grant/IEG Monies | 77 | 0 | 0 | 77 |
| Capital Grant/DFG Monies | 0 | 150 | 150 | 0 |
| Capital Grant/PDG Monies | 0 | 0 | 0 | 0 |
| Capital Grant/DWP Monies | 0 | 0 | 0 | 0 |
| S106 Leisure and Highways | 2190 | 0 | 0 | 2190 |
| | 4381 | 1312 | 1502 | 4191 |

| 2010/11 | Opening Balances | Additions | Resources Used | Closing Balances |
|---------------------------|------------------|-----------|----------------|------------------|
| | £'000 | £'000 | £'000 | £'000 |
| | Capital Receipts | 50 | 200 | 250 |
| Housing RTB Receipts | 642 | 500 | 900 | 242 |
| S106 Housing | 1232 | 500 | 100 | 1632 |
| Capital Grant/IEG Monies | 77 | 0 | 0 | 77 |
| Capital Grant/DFG Monies | 0 | 150 | 150 | 0 |
| Capital Grant/PDG Monies | 0 | 0 | 0 | 0 |
| Capital Grant/DWP Monies | 0 | 0 | 0 | 0 |
| S106 Leisure and Highways | 2190 | 0 | 0 | 2190 |
| | 4191 | 1350 | 1400 | 4141 |

8 CAPITAL PROGRAMME AND PROJECT MONITORING

- 8.1 Once approved it is important that the Capital Programme is delivered on time and within budget therefore a robust monitoring process is in operation, the Capital Programme is closely monitored and any variation is reported in the quarterly Budget Monitoring process.
- 8.2 The Capital Board has been established to evaluate new bids for Capital funding, challenge assumptions made in those bids and to monitor the progress of the schemes included within the capital programme.
- 8.3 Following its review the Capital Board arrange for the distribution of capital reports to both Cabinet and Council (as required in accordance with Financial Regulations).

9 POST IMPLEMENTATION REVIEW

- 9.1 The lead officer for each Capital Project will notify the Capital Accountant when the project is completed and a Post Implementation Review form will be completed. These form the basis for the detailed review that will be performed by the Capital Board.
- 9.2 The form provides details on how successfully the project has been delivered specifically in relation to the following:-
 - Timing-was the project started/completed by the anticipated dates?
 - Cost-was the Scheme completed in accordance with the allocated budget?
 - Objectives-did the scheme achieve the anticipated outputs/outcomes?

10 PARTNERSHIP WORKING

- 10.1 Working in partnership with other organisations from both the private and public sector is an important way of ensuring the limited Capital Resources available are used efficiently to help maximise their contribution towards achieving the Council's Corporate Objectives and Priorities. Partnership working may range from key overarching Partnerships such as those arising from the Local Strategic Partnership, preferred partners in specific Service areas such as the Key Housing Association Partners or 'one off' schemes where the organisation's and the Council's priorities coincide.
- 10.2 The Capital Scheme Proposal Form specifically requests information on how the scheme will develop partnership working, financial and non financial input from other partners and asks how the scheme will contribute to the partners' strategies and priorities. This information is taken into account in the appraisal and prioritisation of the proposed scheme.

11 MEDIUM TERM FINANCIAL STRATEGY

- 11.1 The Medium Term Financial Strategy provides an overall framework for the financial investment in services for a three year period. It is therefore closely linked with the Capital Strategy and includes the revenue effect of schemes within the Capital Programme and any impact on associated Council Tax levels.
- 11.2 It is important therefore that any significant alterations in the Capital Strategy are promptly fed into The Medium Term Financial Strategy to account for the impact of such changes on the Council's Finances as a whole.

12 ASSET MANAGEMENT PLAN

- 12.1 The Council's Asset Management Plan helps develop a process to achieve efficient, effective and economical management of its assets. The linkages to the Capital Strategy and Programme are strong with expenditure on Council Assets being a significant element of the Programme.

All figures in £000's

| | para ref | 2007/08 Adjusted Base | Forecast Increase % | 2008/09 Base Budget | Forecast Increase % | 2009/10 Base Budget | Forecast Increase % | 2010/11 Base Budget |
|---|----------|-----------------------|---------------------|---------------------|---|---------------------|---------------------|---------------------|
| Expenditure | | | | | | | | |
| Previous Years Base Budget Brought forward | | | | 9,447 | | 10,162 | | 10,097 |
| | | | | | (Less ongoing savings identified as part of 2008/09 and 2009/2010 budget setting) | | | |
| Assumed savings from previous year (taken from 5% C Tax Increase line) | | | | | | | | |
| Staffing Costs | 6.1 | 10,702 | 3 | 321 | 3 | 334 | 3 | 347 |
| Increments | 6.1 | | | 100 | | 100 | | 100 |
| Employers Pension Contributions | 6.7 | | | 34 | | 35 | | 37 |
| Benefit Payments | | 10,437 | 4 | 417 | 4 | 434 | 4 | 452 |
| Promises | 10.4 | 1,994 | 2 | 40 | 2 | 41 | 2 | 42 |
| Property Maintenance | 8 | | | 185 | | 13 | | 21 |
| Transport | 10.4 | 476 | 2 | 10 | 2 | 10 | 2 | 10 |
| Supplies and Services | 7.2 | 3,478 | 0.5 | 17 | 0.5 | 17 | 0.5 | 18 |
| Service Expenditure (from Service Summary) | | | | Assume nil | | Assume nil | | Assume nil |
| Other Corporate Budgets | | -459 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reduction in Vacancy Management? | 9.3 | | | 50 | | 50 | | 50 |
| Reduced Interest on Balances | 9.4 | | | 93 | | 85 | | 80 |
| Income | | | | | | | | |
| Grant on Benefits | | -10,437 | 4 | -417 | 4 | -434 | 4 | -452 |
| Other Income | 10.4 | -8,744 | 2 | -135 | 2 | -139 | 2 | -149 |
| Service Income (from Service Summary) | | | | Assume nil | | Assume nil | | Assume nil |
| Net | | 9,447 | | 10,162 | | 10,097 | | 10,408 |
| Funding | | | | | | | | |
| RSC | 3.3 | -534 | 0 | 534 | 0 | 534 | 0 | 534 |
| MNDR | 3.3 | -3,179 | 1 | 3,211 | 1 | 3,243 | 1 | 3,275 |
| Less Efficiency Savings @3% of Net Expenditure | 9.2 | | | 283 | | 305 | | 303 |
| Collection Fund Surplus | 10.2 | -76 | 0 | 134 | 0 | 100 | 0 | 100 |
| SPLX F&CCII | 9.5 | -672 | 3 | -652 | 3 | -713 | 3 | -734 |
| Savings required to limit Council Tax Increases to 3% | | | | -687 | | -415 | | -453 |
| Savings required to limit Council Tax Increases to 4% | | | | -637 | | -311 | | -289 |
| Savings required to limit Council Tax Increases to 5% | | | | -587 | | -204 | | -120 |
| Total Funding: | | -4,461 | | | | | | |
| applying a Council Tax increase of 3% | | | | -4,975 | | -4,700 | | -4,793 |
| applying a Council Tax increase of 4% | | | | -4,925 | | -4,596 | | -4,629 |
| applying a Council Tax increase of 5% | | | | -4,874 | | -4,489 | | -4,460 |
| Amount to be funded by Council Tax | | 4,986 | | | | | | |
| @ 3% | | | | 5,188 | | 5,397 | | 5,614 |
| @ 4% | | | | 6,238 | | 5,601 | | 5,778 |
| @ 5% | | | | 6,288 | | 5,608 | | 5,947 |
| Tax Base | | 36,963 | 1 | 37,323 | 1 | 37,696 | 1 | 38,073 |
| Band D Council Tax @ 3% | | | | 138.88 | | 143.17 | | 147.46 |
| Band D Council Tax @ 4% | | | | 140.33 | | 145.94 | | 151.77 |
| Band D Council Tax @ 5% | | | | 141.68 | | 148.77 | | 156.21 |

APPENDIX E

HART DISTRICT COUNCIL - CONDITION SURVEY/PLANNED MAINTENANCE Summary Sheet - All Properties

Revenue

| Ref | Property Name | Year 1 (2007) /£ | Year 2 (2008) /£ | Year 3 (2009) /£ | Year 4 (2010) /£ | Year 5 (2011) /£ |
|---|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| WORKS COSTS - INCL. VAT AND FEES | | | | | | |
| PHASE 1 | | | | | | |
| 2 | Civic Offices, Fleet | 5,414 | 763 | 108,733 | 763 | 27,450 |
| 3 | Harlington Centre, Fleet | 3,125 | 10,500 | 1,400 | 37,350 | 400 |
| 4 | Velmead Community Centre, Church Crookham | 15,250 | 2,821 | 2,440 | 18,681 | 2,440 |
| 5 | Elvetham Heath Sports Pavilion, Fleet | 1,983 | 1,144 | 1,144 | 1,144 | 686 |
| 6 | Southwood Sprts Ground, Southwood | 1,632 | 7,473 | 26,154 | 2,288 | 763 |
| 7 | Velmead Sportsground, Church Crookham | 9,951 | 2,364 | 1,220 | 8,464 | 1,220 |
| 8 | Oakley Park Pavilion and Sportsground, Fleet | 10,751 | 0 | 0 | 7,640 | 0 |
| 10 | Peter Driver Sportsground, Fleet | 19,024 | 1,830 | 915 | 2,328 | 915 |
| 11 | Calthorpe Park Sportsground and Pavillion, Fleet | 4,118 | 458 | 915 | 458 | 4,514 |
| 12 | Frogmore Leisure Centre, Yateley | 7,778 | 10,065 | 8,998 | 991 | 36,219 |
| 13 | Hart Leisure Centre, Fleet | 33,733 | 129,488 | 24,705 | 18,834 | 3,355 |
| PHASE 2 | | | | | | |
| 1 | Frogmore Day Care Centre | 3,050 | 1,678 | 0 | 9,913 | 0 |
| 9 | Basingbourne Pavilion and Sportsground, Fleet | 16,623 | 0 | 0 | 0 | 0 |
| 17 | Public WCs, Victoria Road, Fleet | 3,126 | 1,373 | 458 | 4,423 | 0 |
| 18 | Public WCs, Church Road, Fleet | 1,296 | 229 | 1,525 | 0 | 0 |
| 14 | 1 Green Lane, Blackwater | 5,948 | 0 | 1,830 | 0 | 0 |
| 15 | Public WCs, Reading Road, Hook | 1,678 | 381 | 0 | 839 | 0 |
| 16 | Public WCs High Street, Hartley Wintney | 1,373 | 0 | 2,974 | 0 | 0 |
| 19 | Public WCs, King Street, Odiham | 2,288 | 0 | 0 | 0 | 0 |
| 24 | Crossbar, Palace Gate, Odiham | to follow | | | | |
| 20 | Shelter, Fleet Cemetery, Fleet | 4,270 | 0 | 610 | 0 | 0 |
| 21 | The Workshop, Old Pumphouse Lane, Fleet | 12,764 | 305 | 1,983 | 686 | 458 |
| 22 | Citizens Advice Bureau, Yateley | 5,795 | 0 | 381 | 0 | 1,678 |
| 23 | Community Centre, Elvetham Heath, Fleet | 7,930 | 763 | 0 | 763 | 21,045 |
| | Lions Store at Basingbourne Park | 534 | 0 | 6,100 | 0 | 4,118 |
| | Toilets at Fleet Cemetery (see Shelter report) | 4,270 | 0 | 610 | 0 | 0 |
| | Youth Centre at The Harlington Centre | 991 | 763 | 381 | 458 | 305 |
| | WRVS at The Harlington Centre | to follow | | | | |
| | SUBTOTAL | 184,692 | 172,394 | 193,474 | 116,017 | 105,564 |

5 Year Planned Revenue

£772,140

Capital

| Ref | Property Name | Year 1 (2007) /£ | Year 2 (2008) /£ | Year 3 (2009) /£ | Year 4 (2010) /£ | Year 5 (2011) /£ |
|---|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| WORKS COSTS - INCL. VAT AND FEES | | | | | | |
| PHASE 1 | | | | | | |
| 2 | Civic Offices, Fleet | 76,403 | 0 | 1,179,893 | 0 | 29,738 |
| 3 | Harlington Centre, Fleet | 0 | 84,000 | 0 | 28,250 | 0 |
| 4 | Velmead Community Centre, Church Crookham | 381 | 686 | 381 | 3,508 | 11,666 |
| 5 | Elvetham Heath Sports Pavilion, Fleet | 1,983 | 1,144 | 1,144 | 1,144 | 686 |
| 6 | Southwood Sprts Ground, Southwood | 0 | 0 | 17,705 | 0 | 0 |
| 7 | Velmead Sportsground, Church Crookham | 458 | 458 | 153 | 6,558 | 7,625 |
| 8 | Oakley Park Pavilion and Sportsground, Fleet | 7,625 | 0 | 0 | 23,638 | 0 |
| 10 | Peter Driver Sportsground, Fleet | 3,050 | 0 | 7,244 | 7,625 | 0 |
| 11 | Calthorpe Park Sportsground and Pavillion, Fleet | 14,106 | 0 | 0 | 0 | 0 |
| 12 | Frogmore Leisure Centre, Yateley | 229 | 34,313 | 0 | 0 | 7,625 |
| 13 | Hart Leisure Centre, Fleet | 83,036 | 166,683 | 6,100 | 38,583 | 0 |
| PHASE 2 | | | | | | |
| 1 | Frogmore Day Care Centre | 3,050 | 1,678 | 0 | 9,913 | 0 |
| 9 | Basingbourne Pavilion and Sportsground, Fleet | 83,113 | 0 | 0 | 0 | 0 |
| 17 | Public WCs, Victoria Road, Fleet | 3,813 | 0 | 2,288 | 0 | 0 |
| 18 | Public WCs, Church Road, Fleet | 0 | 7,625 | 0 | 0 | 0 |
| 14 | 1 Green Lane, Blackwater | 5,948 | 0 | 1,830 | 0 | 0 |
| 15 | Public WCs, Reading Road, Hook | 9,150 | 0 | 0 | 0 | 0 |
| 16 | Public WCs High Street, Hartley Wintney | 1,373 | 0 | 2,974 | 0 | 0 |
| 19 | Public WCs, King Street, Odiham | 21,808 | 0 | 0 | 0 | 0 |
| 24 | Crossbar, Palace Gate, Odiham | to follow | | | | |
| 20 | Shelter, Fleet Cemetery, Fleet | 7,625 | 0 | 0 | 0 | 0 |
| 21 | The Workshop, Old Pumphouse Lane, Fleet | 12,764 | 305 | 1,983 | 686 | 458 |
| 22 | Citizens Advice Bureau, Yateley | 0 | 305 | 0 | 0 | 18,300 |
| 23 | Community Centre, Elvetham Heath, Fleet | 7,930 | 763 | 0 | 763 | 21,045 |
| | Lions Store at Basingbourne Park | 534 | 0 | 6,100 | 0 | 4,118 |
| | Toilets at Fleet Cemetery (see Shelter report) | 7,625 | 0 | 0 | 0 | 0 |
| | Youth Centre at The Harlington Centre | 991 | 763 | 381 | 458 | 305 |
| | WRVS at The Harlington Centre | to follow | | | | |
| | SUBTOTAL | 352,992 | 298,720 | 1,228,174 | 121,123 | 101,565 |

5 Year Capital Plan

£2,102,573

Draft 2008/09 Budget Timetable

| | |
|---|--|
| MTFS to Cabinet | September 2007 |
| Budget Review Panels | September 2007 |
| Consultation with Partners including Parish Councils and the Business Community | November 2007 |
| Overview and Scrutiny | November 2007 |
| Cabinet | Dec 2007 – evaluate growth, savings, capital programme, prioritisation of services |
| Cabinet | Jan 2008 – draft budget |
| Overview and Scrutiny | Jan 2008 – draft budget |
| Council | Jan 2008 – Tax Base setting |
| Cabinet | Feb 2008 – final budget |
| Council | Feb 2008 – final budget |

Other items to consider:

Input from Service reviews

Service Plans

Fleet & Church Crookham Special Expenses working party

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It can also be viewed on the Council's website www.hart.gov.uk