

EXECUTIVE

MONDAY

6TH DECEMBER 2010 AT

1000 HOURS IN

COMMITTEE ROOM

ONE

PROVIDING ACCESS FOR ALL

If you need help understanding any of our documents or require a larger print, audio tape copy or a translator to help you, we can arrange this for you. Please contact us on the telephone numbers provided:



01246 242407 or 01246 242323.

Other Equalities information is available on our web site.
www.bolsover.gov.uk or by e-mail from equalities.officer@bolsover.gov.uk

Minicom: 01246 242450 Fax: 01246 242423

Sherwood Lodge
Bolsover
Derbyshire
S44 6NF

Date: 26th November 2010

Dear Sir or Madam,

You are hereby summoned to attend a meeting of the Executive of the Bolsover District Council to be held in Committee Room 1, Sherwood Lodge, Bolsover, on Monday 6th December 2010 at 1000 hours.

Members are reminded that under Section 51 of the Local Government Act 2000 the Bolsover Code of Conduct was adopted by the Council on 16th May 2007. It is a Councillor's duty to familiarise him or herself with the rules of personal conduct by which Councillors must conduct themselves in public life. In addition, Members should review their personal circumstances on a regular basis with these rules in mind and bearing in mind the matters listed on the Agenda for discussion at this meeting.

Copies of the Bolsover Code of Conduct for Members will be available for inspection by any Member at the meeting.

Register of Members' Interest - Members are reminded that a Member must within 28 days of becoming aware of any changes to their interests under paragraph 14 or 15 of the Code of Conduct provide written notification to the Authority's Monitoring Officer.

Members are reminded of the provisions of Section 106 of the Local Government Finance Act 1992 and the responsibility of Members to make a declaration at this meeting if affected by the Section and not to vote on any matter before this meeting which would have an affect on the Council's budget.

You will find the contents of the agenda itemised on page 36 and 37.

Yours faithfully,



Chief Executive Officer
To: Chairman & Members of the Executive

Tel 01246 242424 **Fax** 01246 242423 **Minicom** 01246 242450 **Text** 07729 421737

Email enquiries@bolsover.gov.uk **Web** www.bolsover.gov.uk

Chief Executive Officer: Wes Lumley, B.Sc., F.C.C.A.

EXECUTIVE

Minutes of a meeting of the Executive of Bolsover District Council held in Committee Room One, Sherwood Lodge, Bolsover, on Monday 1st November 2010 at 1000 hours.

PRESENT:-

Members:-

Councillor E. Watts - Chair

Councillors J.E. Bennett, K. Bowman, A.J. Hodkin, D. Kelly, D. McGregor, B.R. Murray-Carr, A.M. Syrett and A.F. Tomlinson.

Officers:-

W. Lumley (Chief Executive Officer), J. Brooks (Director of Resources), K. Hopkinson (Director of Development), S. Tomlinson (Director of Neighbourhoods), A. Wylie (Principal Solicitor), D. Eccles (Head of Regeneration), S. Coleman (Economic Development and Investment Manager) (to minute no. 492), (N. Etches (Projects Officer (Policy and Research)) (to minute no. 492), G. Galloway (Building and Contracts Manager), J. Foley (Head of Customer Service and Performance (from minute no. 492 to minute no. 494), K. Drury (Customer Service and Access Officer) (to minute no. 491) and R. Leadbeater (Democratic Services Officer).

483. APOLOGIES

An apology for absence was received on behalf of Councillor D. Kelly.

484. URGENT ITEMS OF BUSINESS

There were no urgent items of business to consider.

485. DECLARATIONS OF INTEREST

Min No.	Member	Personal or Prejudicial
490	Councillor E. Watts	Personal
501	Councillor E. Watts	Personal and Prejudicial

EXECUTIVE

486. MINUTES – 4TH OCTOBER 2010

Moved by Councillor A.F. Tomlinson, seconded by Councillor B.R. Murray-Carr
RESOLVED that the minutes of a meeting of the Executive held on 4th October 2010 be approved as a true record.

487. LOCAL INVESTMENT PLAN (LIP)

The Head of Regeneration presented the report to request Members' approval of the final version of the Local Investment Plan (LIP). Members had been briefed at various stages of the drafting of the Local Investment Plan which set out the investment required for the Housing Market Area (HMA) to deliver the agreed vision and economic purpose for the North Derbyshire, Bassetlaw, Chesterfield and Bolsover areas over the next three years.

The final version of Local Investment Plan had been agreed by all 4 authorities at a meeting of the Executive Sounding Board on 14th October 2010 and would be signed off by the HCA on 1st November 2010. Members were advised that it had been agreed by the Chair of Council that due to the urgency of the item, this would be exempt from the Council's call in procedure.

Area priorities were set out in the report which for Bolsover included increased provision of affordable housing and regeneration of the Shirebrook area. Over the next three years, Shirebrook Town Centre had been identified to receive £6.9 million of investment, subject to completion of the Tesco site sale and in Shirebrook South, regeneration of the coalfields. Public realm works had been identified to enhance the South Normanton and Pinxton areas and funding had been requested for a remediation strategy for the former Coalite site in Bolsover.

The proposed schemes for an increase in the provision of affordable housing were included in the LIP. Due to the economic downturn a number of sites had been put on hold, however 212 plots had been identified for commencement in 2011/12 subject to grant funding being made available. Schemes for improvements to the quality of existing housing stock were also included.

Members raised questions with regard to the impact on each Authority's individual share of funding for the improvement of housing stock. It was added that not all of the partner authorities were as advanced in their progress towards the achievement of the Decent Homes Standard. The Head of Regeneration advised that this issue had already been identified by the Housing and Enabling Manager. The HCA had recommended that funding for improvements to existing housing stock be included in the LIP as current progress should have no detrimental effect to the level of funding received.

EXECUTIVE

Moved by Councillor A. F. Tomlinson, seconded by Councillor J.E. Bennett
RESOLVED that (1) the final version of the Local Investment Plan be approved and Members note the next steps in relation to the development of the Local Investment Agreements;

(2) the Chairman of the Council has agreed that the call-in procedure as set out in 4.5.16 of the Council's constitution shall not apply.

Reason for Decision: To approve the Local Investment Plan for onward submission to the Homes and Communities Agency.

(Head of Regeneration)

488. RECORD OF DECISION NOTICES FROM THE JOINT BOARD MEETING HELD ON 14TH SEPTEMBER 2010

Moved by Councillor D. McGregor, seconded by Councillor S. Tomlinson
RESOLVED that the record of decision notices from the joint board meeting held on 14th September 2010 be noted.

489. RECOMMENDED ITEM FROM SUSTAINABLE COMMUNITIES SCRUTINY COMMITTEE – ENERGY MANAGEMENT POLICY

The Director of Neighbourhoods presented the report to seek Members' approval of the Energy Management Policy. Members were advised that this was a brief policy which had been put together by the Building and Contracts Manager to outline the Council's approach to managing energy and identifying renewable energy opportunities.

Moved by Councillor D. McGregor, seconded by Councillor B. R. Murray-Carr
RESOLVED that the Energy Management Policy be approved.

Reason for Decision: To establish a policy to manage the Council's approach to the impacts of climate change.

(Building and Contracts Manager)

EXECUTIVE

Councillor E. Watts declared a personal interest in the following item.

490. COMPLIMENTS, COMMENTS, COMPLAINTS AND FREEDOM OF INFORMATION REQUESTS

The Portfolio Holder for Customer Services introduced the report to update Members on the compliments, comments, complaints and freedom of information requests received for the period 1st July 2010 to 30th September 2010. Members were advised that almost 7,500 service requests had been dealt with by the Contact Centres. A target of 98% had been set to respond to stage 2 complaints and 100% had been achieved within the period.

The Customer Service and Access Officer provided further updates to the information contained in the report. All stage 2 complaints had been concluded within the standard time, all stage 3 complaints were closed, with 5 responded to within standard and 1 out of time

Moved by Councillor D. McGregor, seconded by Councillor B.R. Murray-Carr **RESOLVED** that the report be received.

Reason for Decision: To keep Members informed of the volumes and trends regarding compliments, comments, complaints and freedom of information requests.

The Customer Service and Access Officer left the meeting.

491. SHIREBROOK ENTERPRISE CENTRE

The Portfolio Holder for Regeneration introduced the report and extended thanks to the Regeneration team for their excellent work and achievement in obtaining EDRF funding for the Shirebrook Enterprise Centre. This had been a two year project to develop proposals for the construction of a new build enterprise centre which would provide workshop and office accommodation.

Members were asked to note a 3rd recommendation which was tabled at the meeting. This requested Members' approval for delegated authority for the Chief Executive Officer to sign required documents which would prevent delays that may jeopardise receipt of the funding.

The Projects Officer (Policy and Research) presented the report and advised Members that a draft contract had now been received to enable terms and conditions to be checked and approved before the final contract was signed. The Chair extended his thanks and congratulations to the Regeneration team.

EXECUTIVE

Moved by Councillor A.F. Tomlinson, seconded by Councillor A. M Syrett
RESOLVED that (1) the Council enters into a funding agreement with East Midlands Development Agency for the receipt of ERDF monies for Shirebrook Enterprise Centre;

(2) the Chairman of the Council has agreed that the call-in procedure as set out in 4.5.16 of the Council's Constitution shall not apply;

(3) the Chief Executive Officer be given delegated authority to sign the contract on behalf of the Council and to agree to the terms and conditions of the contract, following the recommendation for the approval from Legal.

Reason for Decision: To enable financial investment supporting the growth of the local economy and local entrepreneurial culture to maximise sustainable employment opportunities.

(Projects Officer (Policy and Research))

The Projects Officer (Policy and Research) and Economic Development and Investment Manager left the meeting.

The Head of Customer Service and Performance joined the meeting.

492. RENEWAL OF INSURANCE POLICIES 2010

The Portfolio Holder for Resources introduced the report to inform Members of the outcome of the recent insurance renewal process carried out under the Director of Resources' delegated powers.

The outcome of the renewal process was summarised in the report. An overall saving of £17,860 (5%) had been achieved on the previous years' premiums.

Moved by Councillor A. J. Hodkin, seconded by Councillor E. Watts
RESOLVED that the action of the Director of Resources under delegated powers be noted.

Reason for Decision: The Council has assessed value for money, quality and service issues and selected the option financially beneficial to the Council.

EXECUTIVE

493. CORPORATE PLAN TARGETS PERFORMANCE REPORT

The Head of Customer Service and Performance presented the report to advise Members on Corporate Plan Target performance for the 1st half of 2010/11. Senior Management Team had considered the report as had the 3 Scrutiny Committees and no exception reports had been received. However in respect to the Area Based reports, a Scrutiny Committee had requested that it be noted that Housing Services had shown excellent performance in respect of the Decent Homes Standard corporate plan target. The Head of Customer Service and Performance felt that this was worthy of noting by the Executive.

The Portfolio Holder for Customer Service raised concerns in respect of the delay in the opening of the new South Normanton Joint Service Centre (The Hub). It was added that this was the second time a delay in the opening time had occurred and concerns were also raised that the arrangements that had been put in place for the move would need to be cancelled and may result in additional costs to the Council.

The Head of Customer Service and Performance advised that the news of the delay had been received at lunchtime on Friday 29th October. This had been due to problems identified by the developer which had resulted in the handover of the building not taking place as planned. This would cause significant difficulties as arrangements for the move had to be cancelled and rearranged. The Board Meeting due to take place on 1st November 2010 had been cancelled and a Building Management meeting had been called for 3rd November 2010. Members would be provided with updated information once known.

The Portfolio Holder for Regeneration stated that care should be taken not to apportion blame for the delays in the opening of the Joint Service Centre and that it was right that the Council should not move into a building where any liability existed. It was added that the building would be a significant asset once in operation. Members were advised that an e-mail had been received from Derbyshire County Council requesting details of any additional costs incurred by Bolsover as a result of the delay, which would be forwarded to the developers for reimbursement.

The Portfolio Holder for Customer Service requested that a report be provided to the Executive when more detail is known.

Moved by Councillor D. McGregor, seconded by Councillor E. Watts
RESOLVED that a report on the reasons for the delay in the opening of the Joint Service Centre (Hub) be provided to Executive,

Moved by Councillor J. E. Bennett, seconded by Councillor D. McGregor
RESOLVED that the report be received.

EXECUTIVE

Reason for Decision: To update Members on performance against Corporate Plan Targets.

(Head of Customer Service and Performance)

The Head of Customer Service and Performance left the meeting.

494. FINANCIAL MANAGEMENT PERFORMANCE – QUARTER 2 2010/11

The Director of Resources presented the Financial Management Performance report for the 2nd quarter of 2010/11. The 3 Scrutiny Committees had been consulted on the content of the report and no comments had been received.

Members were provided with an update on revisions to the report since its presentation to Cabinet, including an explanation of the budget variances on the Housing Revenue Account; concerns raised in respect of the Disabled Facilities Grant budget from Capital Expenditure; year to date information on property sales and Parish Council investments.

Further questions were raised with regard to income to the Housing Revenue Account to which the Director of Resources responded.

Moved by Councillor E. Watts, seconded by Councillor D. McGregor

RESOLVED that (1) the second quarter performance on budgeted income and expenditure for the General Fund, Housing Revenue Account and Capital Programme be noted;

(2) the second quarter review of the main areas covered by the Budget Risk Assessment be noted;

(3) the report of the Treasury Management activities and Prudential Indicators be received.

Reason for Decision: Executive can evidence robust consideration of the details associated with the financial performance of the Council.

(Director of Resources)

495. MEDIUM TERM FINANCIAL PLAN

The Director of Resources presented the report to update Members on the latest position of the Medium Term Financial Plan. Members were advised that the 3

EXECUTIVE

Scrutiny Committees had considered the document and had not requested that any amendments be made.

Moved by Councillor E. Watts, seconded by Councillor D. McGregor

RESOLVED that (1) the Executive consider and note the latest financial position reported in the Medium Term Financial Plan;

(2) the Executive approve the assumptions to be used to develop the Council's budgets, subject to further updates as details associated with the Governments' Spending Review become known;

RECOMMENDED (1) the Executive consider the Budget timetable and refer to the Council for approval.

Reason for Decision: Financial planning supports the achievement of the Council's Objectives and provides transparency over the financial arrangements in place and the proposed changes.

(Director of Resources/Head of Democratic Services)

496. ARREARS – IRRECOVERABLE ITEMS OVER £1,000

The Portfolio Holder for Resources introduced the report to request Members' approval to write off outstanding debts in respect of bankrupt persons or companies in liquidation. Concerns were raised that it was necessary for the Council to write off large debts in such critical financial times, however it was noted that the debts would be collected in future if it became possible to do so.

Moved by Councillor A.J. Hodkin, seconded by Councillor A. M. Syrett

RESOLVED that approval is given to write off the irrecoverable items including costs amounting to £19,977.85 with the proviso that should any of the debts become collectable the amounts be re-debited.

Reason for Decision: In order that outstanding debts can be written off.

(Head of Finance and Revenues)

497. MEMBERSHIP OF THE SHARED SERVICE JOINT COMMITTEE

The Director of Resources presented the report to request that Members' appoint three representatives from the Executive to represent the Council at the shared Service Joint Committee

EXECUTIVE

Moved by Councillor K. Bowman, seconded by Councillor B.R. Murray-Carr
RESOLVED that Councillors, Watts, Hodkin and McGregor be the Council's representatives on the Shared Service Joint Committee.

Reason for Decision: This is a new arrangement that the Executive need to determine appropriate representation for.

(Head of Democratic Services)

498. THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Moved by Councillor E. Watts, seconded by Councillor A. F. Tomlinson
RESOLVED that under Section 100(A)(4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the stated Paragraph of Part 1 of Schedule 12A of the Act and it is not in the public interest for that to be revealed.

499. ARREARS – IRRECOVERABLE ITEMS OVER £1,000 EXEMPT – PARAGRAPH 3

The Portfolio Holder for Resources introduced the report to request Members' approval to write off outstanding amounts where debtors had ceased to trade.

Moved by Councillor A. J. Hodkin, seconded by Councillor A. M. Syrett
RESOLVED that approval be given to write of the irrecoverable items including costs amounting to £5,430.48 with the proviso that should any of the debts become collectable the amounts be re-debited.

Reason for Decision: In order that outstanding debts can be written off.

(Head of Finance and Revenues)

500. ASSET MANAGEMENT PLAN EXPENDITURE EXEMPT – PARAGRAPH 3

The Portfolio Holder for Regeneration introduced the report to inform Members of the work undertaken up to year three of the Asset Management Expenditure Plan.

EXECUTIVE

A table of budgeted and actual expenditure was included in the report for Members' information.

Moved by Councillor A. F. Tomlinson, seconded by Councillor E. Watts.
RESOLVED that the report be received.

Reason for Decision: To ensure Members are informed of asset management spend on an annual basis.

Councillor E. Watts declared a personal and prejudicial interest in the following item and left the meeting.

Councillor A. F. Tomlinson - in the Chair

501. FUTURE OF OXCROFT DEPOT AND ADJOINING LAND EXEMPT – PARAGRAPH 3

The Portfolio Holder for Regeneration introduced the report which provided an update on progress following the decision made at a previous meeting of the Executive.

The Head of Regeneration drew Members' attention to the report which detailed fee proposals for marketing of the site and costs associated with clearance and planning permission. It was added that the current market conditions were not favourable for selling land for residential development and these conditions were not expected to significantly improve for the next 3 to 5 years.

A public meeting had been held on 16th September at which residents had expressed a view that the site should not be used for any purpose other than residential development. The contents of an e-mail received from a resident to Councillor K. Bowman expressing concerns over the perception that asbestos may be stored on the site were included in the report.

Details of a further meeting with City Scaffolding were also provided for Members' information.

Members were advised that the item had not been included on the Forward Plan but had been considered urgent to enable a response to be provided to City Scaffolding as soon as possible.

Moved by Councillor A. F. Tomlinson, seconded by Councillor A. M. Syrett

EXECUTIVE

RESOLVED that (1) not to proceed with the sale to City Scaffolding and request the Director of Development to present a report to the December meeting of the Executive with the alternative options for the site;

(2) that it be noted that in accordance with 4.2.15 (c) of the Council's constitution, this item was not included on the Forward Plan.

Reason for Decision: To secure the best return for the Council from a property that is surplus to operational requirements.

(Director of Development)

Councillor E. Watts rejoined the meeting.

Councillor E. Watts - in the Chair.

502. MEDEN VALLEY MAKING PLACES EXEMPT – PARAGRAPH 3

The Portfolio Holder for Regeneration introduced the report and provided a brief summary.

The Head of Regeneration advised Members that Meden Valley Making Places (MVMP) would close in its current format in March 2011. The company was widely regarded in the regeneration sector as successfully delivering community based regeneration projects. Given the skills and expertise attained by the company, staff were working to develop a business case for a successor company. Members were advised that in order for MVMP to continue operating, the Homes and Communities Agency had requested that the Bolsover and Mansfield Councils underwrite the revenue costs for MVMP for 2 months at a maximum cost of £34,000 each. This would be recouped in the future.

Moved by Councillor A.F. Tomlinson, seconded by Councillor D. McGregor

RESOLVED that (1) Members agree to accept and approve option 1 as outlined in the report;

(2) if called upon, monies be made available from the Council's reserves to be replaced at a later date;

(3) the Chief Executive Officer be authorised to sign any legal documents in respect of option 1.

EXECUTIVE

Reason for Decision: Bolsover is a founder Member of Meden Valley Making Places and in supporting the company will continue to benefit from its work in the District.

(Head of Regeneration)

503. GROUP REPAIR SCHEME WHALEY THORNS EXEMPT – PARAGRAPH 3

The Head of Regeneration presented the report to seek Members' approval to award the 2010/11 contract for Group Repair at Whaley Thorns to Groundwork Creswell.

The issues for consideration by Members were outlined in the report. It was added that awarding the contract to Groundwork Creswell would enable the Authority to continue to assist with the training programmes and allow local suppliers and business to continue to benefit.

Moved by Councillor A.F. Tomlinson, seconded by Councillor D. McGregor
RESOLVED that (1) the Head of Regeneration be authorised to award to and negotiate the Group Repair contract with Groundwork Creswell for Whaley Thorns for 2010/11;

(2) accordingly, Contract Standing Orders 4.8.3, 4.8.4 and 4.8.5 be suspended to allow the Head of Regeneration to negotiate the above.

Reason for Decision: Awarding the contract to Groundwork Creswell will allow the Authority to continue to work with one of our main partners in regeneration and deliver jobs and training opportunities.

(Head of Regeneration/Solicitor to the Council)

The meeting concluded at 1116 hours.

Committee:	Executive	Agenda Item No.:	5.
Date:	6 th December 2010	Status	Open
Category	Part of the Budget and Policy Framework		
Subject:	Eyes and Ears		
Report by:	Director of Neighbourhoods		
Other Officers involved:	Patch Management Group Senior Management Team		
Director	Director of Neighbourhoods		
Relevant Portfolio Holder	Councillor D. Kelly, Portfolio Holder for Environment and Climate Change Champion		

RELEVANT CORPORATE AIMS

COMMUNITY SAFETY – Ensuring that communities are safe and secure
CUSTOMER FOCUSED SERVICES – Providing excellent customer focused services
REGENERATION – Developing healthy, prosperous and sustainable communities
ENVIRONMENT – Promoting and enhancing a clean and sustainable environment
STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation.

TARGETS

To assist everyone in feeling safe and secure at home and outdoors:

- Increase the people 'who feel safe when outside in their local area during the day' from 85% to 88% by March 2011
- Increase the people 'who feel safe when outside in their local area during the night' from 43% to 45% by March 2011

To improve the quality and consistency of services

- Increase the number of housing repair jobs that are able to be resolved on the first visit to 85%

To protect, enhance and improve the natural and built environment in a sustainable way

- Increase the standard of street cleanliness (litter and detritus) to 95% by March 2011
- Remove all fly tipping within 24 hours of being reported

To continue to monitor, review and improve the economy, efficiency and effectiveness of all Council Services

- Increase 'Value for Money' on the services we deliver by achieving our efficiency target of £2.3 million by March 2011

VALUE FOR MONEY

The proposals contained in this report should assist in the early identification of neighbourhood management issues, reduce the need for additional one-off inspections and secure savings through prompt response to service demands.

THE REPORT

In March 2010 a report was presented to the former PPMG 2 meeting concerning proposals to cease Estate Audits and seek to improve the condition of the District's neighbourhoods through a re-launch of the Eyes and Ears campaign. This proposal was subsequently agreed by Executive where an update on progress was requested in six months.

The intention of the re-launch is to have the equivalent of almost 365 days per year assessment, with issues being identified for rectification in accordance with agreed standards for service delivery. To be effective emphasis was given to the need for those Officers who are out and about within the District to report such matters when they are observed. The new arrangements are intended to identify problems and issues early and as part of everyone's day to day duties. They do not alter the current service standards or delivery times. Neither do they place on the individual reporting an issue responsibility for resolving it, nor will it be a disciplinary issue if issues are not reported by officers

ISSUES FOR CONSIDERATION

Training and awareness sessions on the re-launch of Eyes and Ears have been provided for every department and a separate session was provided to Members. As the re-launch coincided with the summer holiday period there were some delays in the training and awareness sessions. As a result there has been insufficient time to enable the new system to bed down and a short delay in presenting this report. In view of these delays it is proposed that the trial period be extended for a further six months.

Based upon the initial analysis of completed forms there has been an increase in reporting compared to the previous arrangements. Prior to the re-launch 245 forms were received over a 19 month period from employees, Members and the public. This equates to 13 per month. In the period April to September, 101 forms were received. During October we received 40 forms in total. These were submitted by officers from eight departments and three forms from Members. Of the 40, seventeen were for Bolsover area, seven Shirebrook, five South Normanton and eleven for the Clowne area. Fly-tipping was the top issue reported in October.

Feedback to the Patch Management Group indicates that some employees have been identifying issues that could have been reported using Eyes and Ears forms but have been reported in another way. Steps are therefore being taken to capture this additional information.

The litmus test for this initiative, however, is not the number of forms received but the standards in the District and the look and feel of our neighbourhoods.

During the re-launch awareness session for Members a number of concerns were raised regarding feedback to Members about action taken following any forms that they return. Where there is an existing CRM script for the type of work identified, it may be possible to generate a method for updating the service request. However, for work where there is no CRM script or no tie in to back office systems, this will be difficult to achieve without manual analysis of individual forms as there is no simple straightforward system to report completion of jobs / tasks. Clearly, however, if Members wish this to be pursued a solution could be found but it will require additional work that will impact upon other current work.

IMPLICATIONS

Financial:

If Members require a system of reporting back on progress, there may be some investment required in system upgrades. This would be detailed in a future report.

Legal:

None

Human Resources:

There is a short time commitment for each officer who observes an issue on the “patch” to record and process the “Eyes and Ears” form.

RECOMMENDATION that

Members approve the extension of the Eyes and Ears trial period for a further six months.

REASON FOR DECISION

To assist the Council in addressing issues of low public perception in respect of Council services and the neighbourhoods in which people live.

ATTACHMENT: N/A
FILE REFERENCE: Patch Management File
SOURCE DOCUMENT: N/A

EXECUTIVE AGENDA

Monday 6th December 2010 at 1000 hours

Item No.		Page No.(s)
	PART 1 – OPEN ITEMS	
1.	To receive apologies for absence, if any.	
2.	To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4 (b) of the Local Government Act 1972.	
3.	Members should declare the existence and nature of any personal and prejudicial interests in respect of: a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.	
4.	Minutes of a meeting held on 1 st November 2010.	3 to 14
5.	Eyes and Ears. Recommendation on page 17.	15 to 17
6.	Rent Arrears – Quarterly Report.	To Follow
7.	Council Budgets; • General Fund, • HRA, • Capital • Fees and Charges.	To Follow
	PART 2 – EXEMPT ITEMS <i>The Local Government (Access to Information) Act 1985, Local Government Act 1972, Part 1, Schedule 12a.</i>	
8.	EXEMPT PARAGRAPH 3 Disposal of 67 The Croft. Recommendation on page 23.	18 to 23
9.	Disposal of Kitchen Croft. Recommendation on page 26.	24 to 27

10.	Proposals for the Oxcroft Lane Depot. Recommendation on page 31.	28 to 32
11.	Tender – Group Repairs, Carr Vale.	33
12.	Tender – Group Repairs, New Houghton.	34
13.	Tender – Re-roofing Contract.	35

Committee:	Executive	Agenda Item No.:	6.
Date:	6 th December 2010	Status	Open
Category	3. Part of the Budget and Policy Framework		
Subject:	Rent Arrears Update		
Report by:	Head of Housing		
Other Officers Involved	Housing Enforcement Manager Housing Innovation Officer		
Director	Director of Neighbourhoods		
Relevant Portfolio Holder	Councillor Keith Bowman, Portfolio Holder for Housing		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation. Recovery of rent arrears is key to funding HRA services.

TARGETS

By March 2011 reduce the number of current housing tenants owing more than 7 weeks rent by 20%, from the March 2009 figure

Reduce former Council housing tenants arrears by 25% by March 2011

VALUE FOR MONEY

The report suggests an alternative way of recovering former tenants' arrears.

THE REPORT

This report is the quarterly update on rent arrears and includes information on current and former rent arrears. The performance information is enclosed in Appendix 1.

Main issues are:

a. Former Tenants' Arrears

Recovery work continues and there has been a reduction in debt from previous years. This is partially to do with writing off debt for deceased tenants, but also by making arrangements for former tenants to pay.

There has been a new relationship established with UK Search who are a national company based in Barlborough. The Council has been able to negotiate a reduced fee for tracing former tenants.

This has given the option of taking a different approach toward recovery. The agreed policy was for the Council to attempt to recover money at early stages, and if not successful then to refer to an agency who would trace and recover. The fee for this service is around 30% (from benchmarking groups)

The low tracing fee obtained provides a new option. The council will pay for the trace (at £4.20) and then attempt direct recovery ourselves, only referring to the agency when this fails. This means that more actual recovery work would be carried out internally (where the Council receive 100% of money) and use of the agency would be more for searches only (Note: the Council are able to conduct similar searches through Experian, but this is more expansive and less accurate than using the specialist search)

Initial calculations suggest this would be a cheaper and more effective way of working. A small comparison has been carried out internally which resulted in the internal service recovering more debt than the agency. It is recommended to trial this for a period of 6 months.

b. Current Rent Arrears.

Current rent arrears remain a challenge. In broad terms there has been little change in debt owed during the financial year. However, this echoes performance in previous years where there has been an improvement in the last quarter. This is largely a technical issue and is linked to both the direct debit cycle and the rent free weeks. (i.e. at this time of year some tenants have been charged more rent than they have been able to pay).

Enforcement action also continues. The final table shows the actions that have been taken so far this year.

Officers are finding it increasingly difficult at Court, with the Court taking a more cautious approach to evictions. Officers continue to work on building a relationship with the judges and the courts.

Several rent arrears campaigns have taken place over the year, posters have been placed in Contact Centres and we are currently working on this years Christmas campaign. We have produced a leaflet which we will include in a letter to all tenants in arrears, encouraging them to pay their rent and arrears before spending money on Christmas gifts.

In total to date we have evicted 5 tenants this year and been to court 71 times.

c. Successes / Frustrations.

Successes

During the quarter several cases where people have paid over £1k to prevent court action.

October – tenant in rent arrears received compensation following an accident. Came in and cleared account with £2,500 payment.

October – tenant lost appeal against eviction. However then cleared over £4,500 arrears to clear account and prevent eviction.

November – Tenant served with Notice of Seeking Possession at 2:20pm. By 2:45 pm tenant had cleared account.

Over £25,000 received in payments to reduce FTAs from previous years.

Frustrations.

November – Officer on site for eviction. Bailiffs arrive and inform office that appeal was being heard. Bolsover not able to attend and only faxed information considered. Court agreed to adjourn.

ISSUES/OPTIONS FOR CONSIDERATION

The contents of the report

IMPLICATIONS

Financial: As outlined in the report

Legal: Not directly

Human Resources: Not directly

RECOMMENDATIONS that

- 1) the report be noted.**
- 2) the proposed way of working with a recovery agent for Former Tenants Arrears is trialled for a 6 month period and the results are reported back to a future meeting.**

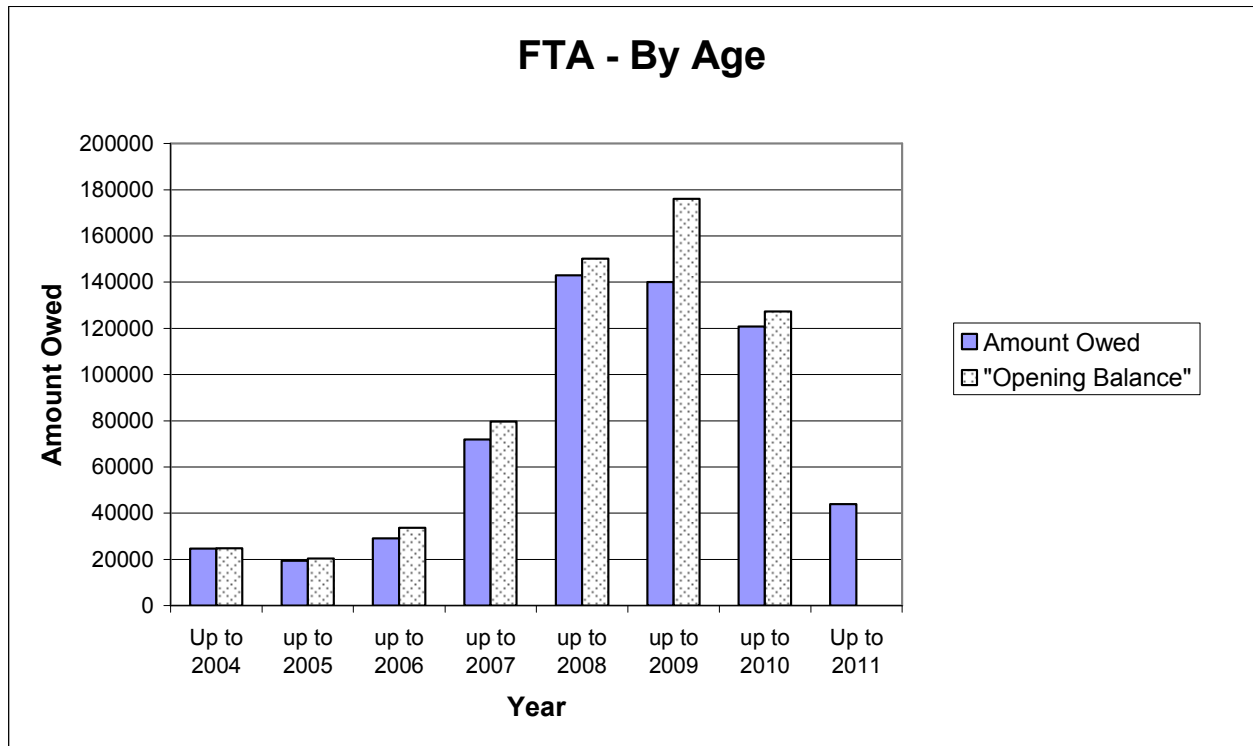
**REASON FOR DECISION TO BE GIVEN IN ACCORDANCE WITH THE
CONSTITUTION**

To inform members of current situation on rent arrears.

ATTACHMENTS: Y – tables referred to
FILE REFERENCE:
SOURCE DOCUMENT:

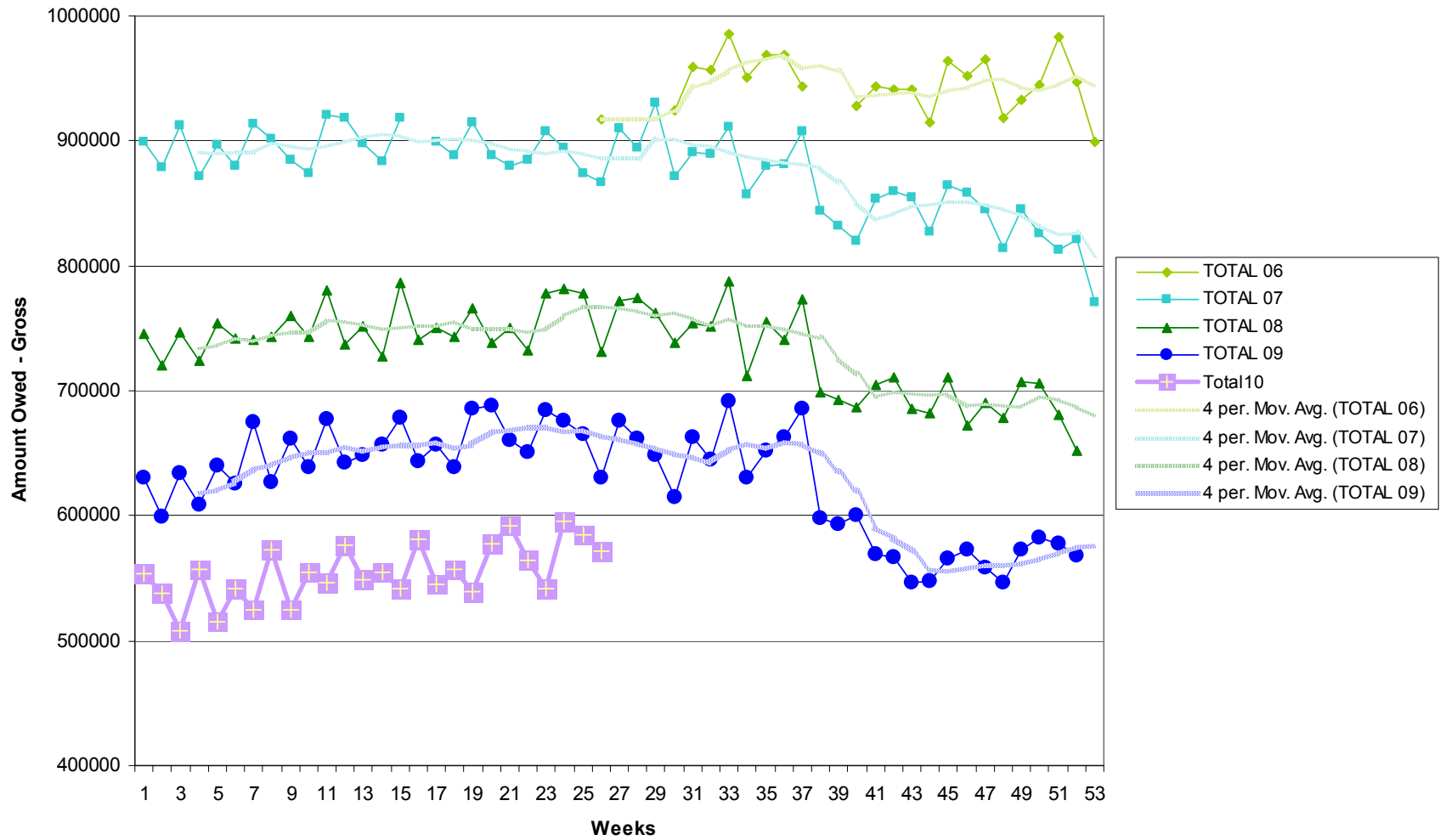
FTA Aged Debt Analysis

Year of debt	Up to 2004	up to 2005	up to 2006	up to 2007	up to 2008	up to 2009	up to 2010	Up to 2011	TOTAL
Amount Owed	24627.24	19387.23	29178.97	71941.3	142879.1	140158.8	120866.5	43848.45	592887.5
Number	49	36	49	102	153	174	127	106	796
"Opening Balance"	24780.75	20338.62	33742.05	79699.11	150145.2	175973.4	127348.7		612027.8



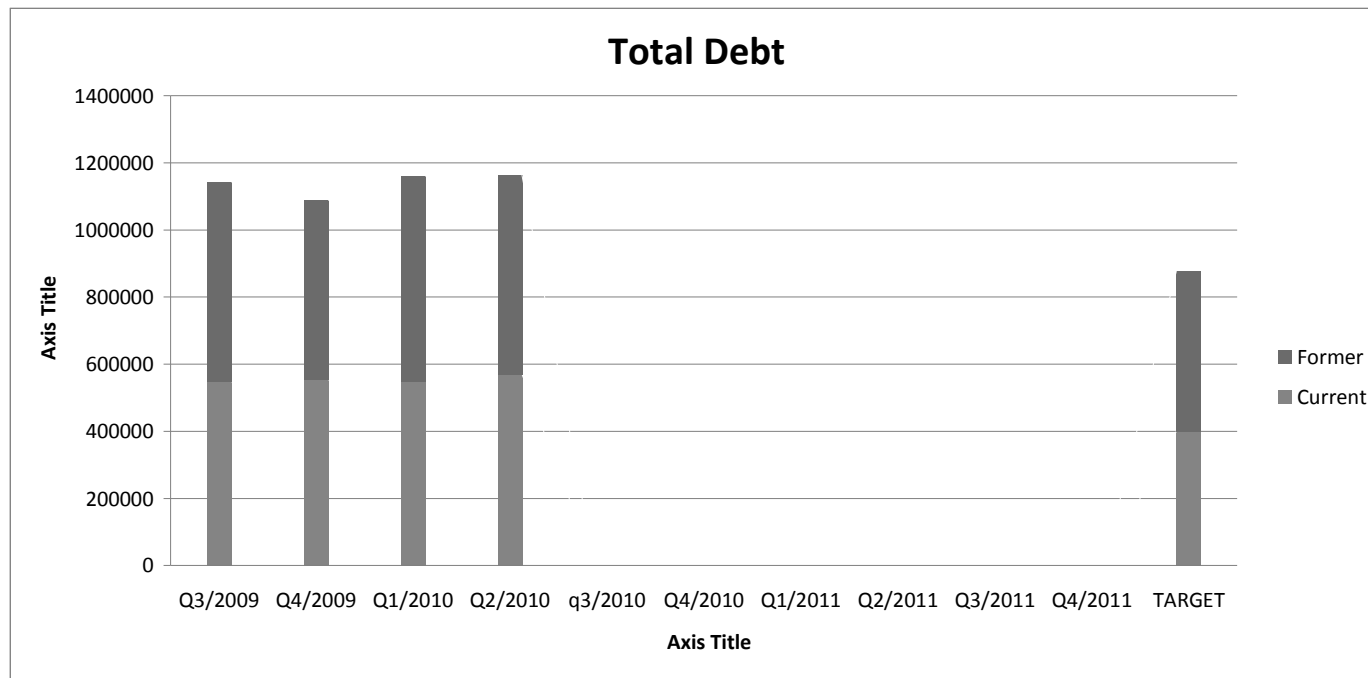
NOTE; The opening figures for FTAs have been adjusted to include sub-accounts and garages.

Total Owed Chart Current Rent Arrears Target - 2.9% £455,000



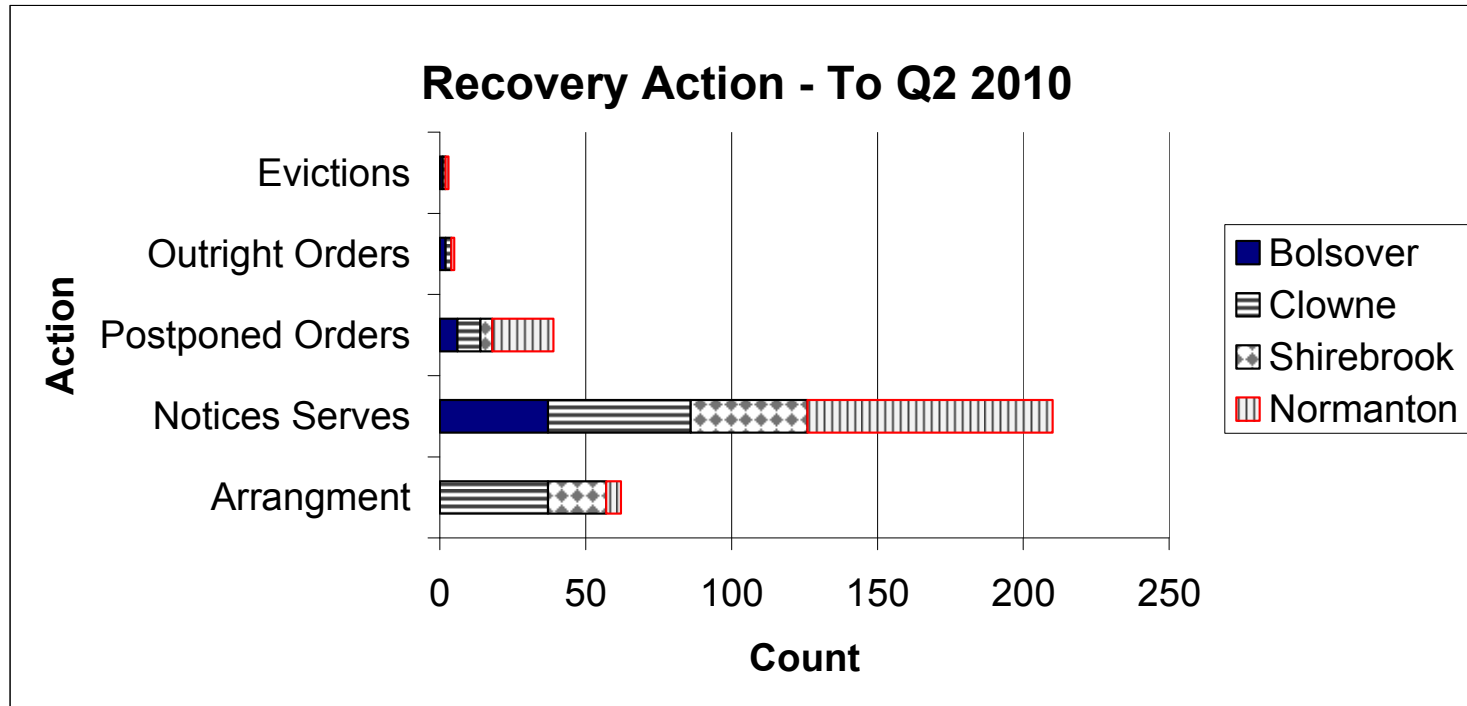
Total Rent Owed

	Q3/2009	Q4/2009	Q1/2010	Q2/2010	q3/2010	Q4/2010	Q1/2011	Q2/2011	Q3/2011	Q4/2011	TARGET
Current	547072	553120.1	548858	571011.6							400000
Former	596973	535411.4	612027.8	592887.5							477578.4
TOTAL	1144045	1088532	1160886	1163899	0	0	0	0	0	0	877578.4



Rent Arrears Actions

	Bolsover	Clowne	Shirebrook	Normanton	TOTAL
Arrangement	0	37	20	5	62
Notices Serves	37	49	40	84	210
Postponed Orders	6	8	4	21	39
Outright Orders	2	2	0	1	5
Evictions	1	1	0	1	3
TOTAL	46	97	64	112	319



Committee:	Executive	Agenda Item No.:	7. (3)
Date:	20 th December 2010	Status	Open
Subject:	Council Budgets Capital Programme 2011/12 to 2013/14		
Report by:	Director of Resources		
Other Officers Involved	Chief Accountant		
Director	Director of Resources		
Relevant Portfolio Holder	Councillor E. Watts, Leader of the Council		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

TARGETS

The development of Policy Led Budgeting will help to inform future spending plans and assist in the delivery of the efficiency gain targets.

VALUE FOR MONEY

The Budget Process challenges existing spending levels and new spending proposals to ensure that resources are effectively used and directed towards the delivery of the Corporate Aims.

THE REPORT

1. This report outlines the capital expenditure and financing proposals and recommends a Capital Programme for 2011/12 to 2013/14.
2. The detailed Capital Programme, including the financing proposals and a risk assessment of material items of income and expenditure will be provided for the February Executive meeting based on the recommendations accepted in this report.

ISSUES/OPTIONS FOR CONSIDERATION

Estimated Outturn 2010/11

3. The latest estimated Capital Programme spend during 2010/11 is £11,763,864. This is £5,035,133 higher than the original budget with £2,664,538 of this relating to slippage from 2009/10. A summary of the other key variations are shown below:

Scheme	Variance £	Comment
Shirebrook Enterprise Centre	428,799	New external funding received
Bolsover Improving Play Pitches Initiative	106,389	New external funding received
Playful Spaces	80,000	New external funding received
Private Sector Renewal Areas	449,000	New external funding received
21 Mobile Working Vehicles	302,000	Financed by operating lease
Asset Management Plan	400,000	Further capital receipts became available
Disabled Facility Grants	509,000	Further capital receipts became available and new external funding received

4. The profiling of capital expenditure can be very difficult to predict. Scheme delays and technical problems can cause expenditure to slip into following years and schemes can be added or extended as a result of securing additional external funding.
5. Where capital expenditure slipped into 2010/11, the equivalent amount of funding was not applied during 2009/10 and is therefore available in 2010/11 to meet the delayed payments.

Capital Programme 2011/12 – 2013/14

6. The Council has previously approved a number of Capital Schemes for 2011/12 and 2012/13 when considering its 3 year Capital Programme. These total £799,000 (2011/12) and £650,000 (2012/13). An analysis of these schemes and associated funding are attached as Appendix A to this report.

7. A total of 3 Capital Budget Bids were received and scored, using a similar prioritisation process to that of previous years, the results were reviewed by Senior Management Team. This scoring includes an assessment of:
- Contributions towards the Council's Corporate Aims
 - Statutory obligations
 - Financial implications (including an assessment of any external funding)
 - Value for Money (including any associated efficiency gains)
 - Risk assessment
8. Future capital expenditure can be funded from a variety of sources. These are detailed below:
- Prudential borrowing – this places pressure on the revenue budgets to fund the debt in the long term and has to fit within the prudential indicators.
 - Revenue contributions – there needs to be uncommitted funds available in the revenue budgets to commit to this.
 - Capital receipts from asset sales – few are being generated currently.
 - External funding from grants and contributions.
9. The following are brief descriptions of bids received, the score and comments.

Bids for One-Off Spend:

Bid Ref	Brief Description	Value in 2011/12	Score	Comments
C1	Solar PV Riverside Depot	£225,479	3rd	To be funded if financing allows

Bids requiring recurring spend:

Bid Ref	Brief Description	Value in 2010/11	Score	Comments
C2	Asset Management Plan	£533,985	1st	Sale of any major assets will reduce required spend.
C3	Mandatory Disabled Facilities Grants	£226,000	2nd	To be funded if financing allows

Overall

10. Bids to be funded as funds become available. Any bid dependant on funding to commence once funding has been confirmed. The bids that require funding will be done in the following order.
 - 1 Asset Management Plan
 - 2 Mandatory Disabled Facilities Grants – this is our element only. External funding is anticipated to be at least equal to the 2009/10 level received.
 - 3 Solar PV Riverside Depot
11. As at November 2010 the Council has no spare receipts to allocate to the capital programme. Sales of assets have dramatically reduced and thus funding from capital receipts has been cut back. There are potential sales of assets but as some of these have been potential for a number of years no additional funding will be released until the capital receipt has been received.
12. The Draft Housing Subsidy determination quotes the Major Repairs Allowance at £3,204,096 for 2011/12 and estimated at £3,234,331 and £3,263,634 for 2012/13 and 2013/14 respectively. This allowance represents the estimated long-term average amount of capital spending required to maintain a local authority's housing stock in its current condition.
13. The Final Housing Subsidy determination is expected around the beginning of December. If there are no significant changes to the Major Repairs Allowances the Housing Stock Management Group will then identify the schemes to be delivered that meet the requirements of the Major Repairs Allowance. This group will then bring a further report regarding the proposed Housing Schemes to be financed by the Major Repairs Allowance.

Prudential Indicators

14. In accordance with the Prudential Code for Capital Finance in Local Authorities, the Council is required to determine and monitor a number of Prudential Indicators:

1. Estimates of the ratio of financing costs to net revenue stream:

	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate
Non – HRA	6.82%	6.01%	5.93%
HRA	22.68%	22.33%	22.51%

This compares the levels of interest payable to the budget funded by Formula Grant and Council Tax. The estimates reflect current commitments.

2. Estimates of the end of year Capital Financing Requirement

	31/03/11 Estimate £'000	31/03/12 Estimate £'000	31/03/13 Estimate £'000	31/03/14 Estimate £'000
Non – HRA	13,427	12,941	12,617	12,167
HRA	7,521	7,521	7,566	7,566

This reflects the Council's underlying need to use external borrowing to finance its capital expenditure. In terms of best practice, the Council should ensure that the net level of external borrowing does not exceed the sum of the table above.

3. Operational boundary for external debt

	2011/12 Estimate £'000	2012/13 Estimate £'000	2013/14 Estimate £'000
Borrowing	20,400	20,400	20,400

This reflects the best estimate (but not necessarily the worst case scenario) of the external debt levels for the period covered by the existing Capital Programme.

4. Authorised limit for external debt

	2011/12 Estimate £'000	2012/13 Estimate £'000	2013/14 Estimate £'000
Borrowing	30,400	30,400	30,400

This is based on the same principles as the Operational Boundary, but it also includes additional headroom to allow for any unusual cash movements.

IMPLICATIONS

Financial: The proposed Capital Programme 2010/11 to 2013/14 can be met from available funding streams as identified in the report. Capital bids to be funded as resources become available.

Legal: None

Human Resources: None

RECOMMENDATIONS

1. That the estimated outturn for 2010/11 of £11,763,864 be approved.
2. That the proposed Capital Programme for 2011/12 to 2013/14 be approved.
3. That any surplus Capital Receipts (above the level required for current commitments) be diverted to the projects in priority order as detailed in the report.
4. That a further report be submitted to the Executive outlining the proposed Housing Schemes to be financed by the Major Repairs Allowance (MRA).
5. That the Prudential Indicators be adopted.
6. That the Director of Resources has delegated authority, within the total limit for any individual year, to effect movements between the separately agreed limits for borrowing and other long term liabilities.

ATTACHMENTS: Y
FILE REFERENCE: None
SOURCE DOCUMENT: Background papers held in Financial Services

Previously Approved Capital Programme

APPENDIX A

Code	Details of expenditure	2011/12 £	2012/13 £
Environment			
Various	Plant & Equipment	9,000	0
Various	Vehicle Replacements (Leases)	140,000	0
Regeneration			
C005	Joint Service Centre	0	0
C035	New Houghton Renewal Area	0	0
C169	Street Services Depot	0	0
Social Inclusion			
	Housing Revenue Account Contribution to Capital Programme	650,000	650,000
TOTAL		799,000	650,000

Details of financing	2011/12 £	2012/13 £
Contributions from Reserves	9,000	0
Contributions from Revenue	650,000	650,000
General Fund Capital Receipts	0	0
Operating Leases	140,000	0
TOTAL	799,000	650,000

Committee:	Executive	Agenda Item No.:	
Date:	20 th December 2010	Status	Open
Category	3. Part of the Budget and Policy Framework		
Subject:	General Fund Budgets – 2010/11 Estimated Outturn & 2011/12		
Report by:	Director of Resources		
Other Officers Involved	Head of Finance and Revenues		
Director	Director Of Resources		
Relevant Portfolio Holder	Councillor E. Watts, Leader of the Council		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

TARGETS

The development of Policy Led Budgeting will help to inform future spending plans and assist in the delivery of annual efficiency gain targets.

VALUE FOR MONEY

The Budget Process challenges existing spending levels and new spending proposals to ensure that resources are effectively used and directed towards the delivery of the Corporate Aims.

Introduction

1. This report presents the following budgets for Members consideration & approval:
 - 2010/11 estimated Outturn Budget – this is the current year budget revised to take account of changes during the financial year that will end on 31st March 2011
 - 2011/12 Original Budget – this is the proposed budget for the next financial year commencing 1st April 2011, based on the (the currently provisional) grant settlement and by the Council Tax to be set at the Council meeting on 1st March 2011.

2. The detailed budgets for both years and future year projections are shown in the Appendix to the report. After consideration by the Executive the budget will then be reported to the 3 Scrutiny committees in early January 2011. Scrutiny Committees will then have until their next meetings at the end of January / early February 2011 to comment on the budget. The budget will then be reported to the Executive on 7th February 2011, accompanied with the budget book and a risk assessment of material items of income and expenditure. The agreed budget will then be reported to Council on 16th February.

2010/11 estimated Outturn Budget

3. In February last year Members considered the budget for 2010/11 on which the Council Tax was determined and during the year reports have been considered:

- Levels of actual spend have compared to the original budget for the current financial year;
- Budget pressures arising during the year;
- Progress against savings targets.

4. Budget holders have been consulted and the Outturn budget has been prepared to take into account the main changes during the last 9 months.

5. Members will be familiar with some of these budget pressures as they have been detailed in the quarterly budget reports. The items significant in value are:

- Reduction in investment interest £119,300;
- Diesel due to higher prices £49,920;
- Housing Benefit payments not covered by subsidy £27,167;
- Kissinggate income loss linked to the ongoing dispute over the business continuity insurance claim £56,090;
- Contribution from DCC for Green Waste is included in 2010/11 budget to the value of £100,000 but it remains unconfirmed.

These pressures amount to over £352,000.

6. In addition the Council provides some services that are linked in part to the recession. This has resulted in the following:

- Planning fees income reduced due to less large planning developments and associated fees being received by £114,550 (£159,500 last year)
- Land charges due to demand and changes to the pricing structure (reflecting new Government guidance) £30,200;
- Other Fees and Charges have seen a combined net reduction of £85,000.

The recession budget pressures amount to almost £230,000.

7. It is pleasing to note that pressures from last year that have not impacted this year are:
 - No Building Control Consortium deficit;
 - Kissinggate income recovered from low levels after the fire;
 - Income from commercial lettings back on track.
8. Savings have also been possible during the year and have been reflected in the savings strategy. Some of the significant items are:
 - Pay award remains unsettled, no offer has been made by employers, saving £246,000;
 - Procurement projects almost £100,000;
 - NNDR appeals on valuation over £40,000;
 - Earmarked reserves have been reviewed adjusted to levels of spend;
 - Posts that have been vacant during the year and those disestablished at the Council meeting on 17th December 2010 have now been reflected in the budget;
 - Reduction in Superannuation backfunding reduced from last year's cost of £256,000 to £13,000.
 - Reduction in costs from the Internal Audit Consortium of £25,000
9. This position would have been further enhanced had the investments in Icelandic banks achieved their expected return and the principal returned for further investment.
10. There have been some changes to Government grants paid to the Council. These grant changes have been:
 - Area Based Grant reduction – whilst the main change impacted on Working Neighbourhood funding there was a reduction of £4,000 for Cohesion;
 - Housing and Planning Delivery Grant withdrawn, but not budgeted for;
 - Recent communications indicate the Government plan to reduce the Benefits Admin Grant of £85,880. This is contrary to the higher number of claims the Council is now processed.
 - Local Authority Business Growth Incentive grant has been withdrawn, but not budgeted for.
11. Through out the year the Council's savings targets have been monitored on a regular basis and reported monthly to Senior Management team and the Cabinet. The details also supported the recently reported Medium Term Financial Plan.
12. The Savings Strategy categorises the savings according to the likelihood of them being achieved (Green – more than 90%, Amber –

more than 50%, Red - less than 50%). The latest position reflected in the Saving Strategy is as follows:

Category of Savings	Value £'000
Green (included within the budget)	1,080
Amber	120
Red	80
Gap remaining (Savings still to be found)	222
Total of items not in the budget	422

13. The budget reflects the Green savings. The combined effect of vacancies and savings / efficiencies categorised as Green have not yet exceeded the targets set by the Council.
14. It is normal practice at this point in the budget process to remove the contingency budget. This year it is proposed to retain it at a reduced level of £10,000 to deal with any unforeseen costs associated with the potential bad weather and any increase in costs associated with implementing the International Financial Reporting Standard (IFRS). This later item was a concern to the December Audit Committee that will be referred to the Executive to monitor the resourcing and implementation of this project. The £10,000 contingency linked to the staffing report to Council on 17th December is shown as a contribution to an earmarked reserve to reflect that it is not specific to the current or next year's budget.
15. The impact of these changes needs to be reflected in Support Service recharges. It will therefore be necessary to re run the allocations to reflect this level of change before final figures are approved.
16. Comparison between years is affected by the revised allocation of support costs. The changes have been more significant this year as support charges have been the subject of a whole scale review to reflect the current demands of services rather than the historic data that was previously being used. This addresses concerns raised by the Council's External Auditors.
17. The External Auditor in the Annual Governance Report also raised concerns about the estimates made by the Council for its bad debt provisions, in as much as the £0.5m added to the provisions was not sufficient. In setting the budget consideration has been given to some of the points raise and an increase in the bad debt provision of £232,520 has been included to provide for 80% of the Housing Benefit Overpayments.
18. The gap is being addressed in a number of ways which will be reported to future meetings of the Executive or Special Council meetings. The approaches being used to address this gap are:

- Fees and Charges to increase where ever possible from 1st January 2011 to coincide with the change in VAT increase and reduce the administration of changing prices 3 months later;
- Planning fees reduction in the current year to be met by Planning Delivery Grant, amounting to £92,000 with the balance being met from post changes. This has the impact of limiting the balance of PDG to £42,000 to support the budget for 2011/12;
- Vacancies disestablished at the Council meeting on 17th December 2010;
- Year end campaign to generate savings from budgets not fully committed (last year this generated over £250,000);
- Further potential voluntary savings resulting from employee feedback via the mid year appraisals;
- Additional savings proposals considered as part of the saving strategy;

19. The budget for the current year was set it was based on adding £310,379 to the working balance. The outturn budget based on these latest figures sees this change to a requirement of funding from reserves of £496,000. This takes the working balance down to £880,000. This level of use of the working balance will need to remain under review as the above proposals are considered and approved to limit this impact. Changes to the grant funding next year see a boost to reserves above the previously stated minimum requirement.

Original budget for 2011/12

20. Not only does the Council need to revise the current year budget but also generate detailed income and spending proposals for the next 12 months commencing from 1st April 2011.
21. The Council's annual budget is made up of the following main elements:
- Grants from Government
 - Expenditure, income levels and efficiencies
 - Fees and Charges
 - Options for the Council Tax level
 - Reserves to fund any gap in income or benefit from a surplus in available funds
22. Comparison between years is again affected by the new support service cost allocations.
23. Each of these items is now considered in more detail below, specific to the Council's budget for 2011/12 and attached to the report is a summary of the General Fund budget.

Grants from Government – Formula Grant

24. The Government's Spending Review in October 2010 indicated that grants to local authorities would be reduced to reflect the Government's national economic strategy. Estimations of the potential impact have been prepared and presented to Cabinet and at the Council meeting in October.
25. The Government announced the provisional grant settlement on Monday 13th December with a consultation period up to mid January 2011. The Council meeting on 17th December included a summary of the changes; the detail supporting that update is given below.
26. For information only, the comparable figures from the current budget book are as follows:

	2010/11	2011/12	2012/13
	£m	£m	£m
Formula grant	7.927	7.848	7.769
Area Based Grant	2.462	0.000	0.000
Main Grant Funding available	10.389	7.848	7.769
Concessionary Travel costs	0.832	0.935	0.935
Concessionary Travel grant	-0.168	-0.168	-0.168

27. The Government's summary of the grant settlement was that "English councils face average cuts in "spending power" of 4.4% next year". But Communities Secretary Eric Pickles said no local authority would undergo a decrease of more than 8.9% in 2011/12, as a result of the grant reductions. The councils impacted upon the most by losing 8.9% for two years:

Ashfield	Barrow-in-Furness	Bolsover	Burnley
Chesterfield	Copeland	Great Yarmouth	Hastings
Hyndburn	Pendle	Preston	Thanet

28. The definition of 'revenue spending power' used to calculate eligibility for the grant is, broadly speaking, and spending power from council tax and Government revenue grants.
29. The Government has decided to take account of the reduction in revenue spending power for local authorities, reflecting the combined effect of changes to individual revenue grants and the extent to which income from council tax will be available to each council. It will do so by means of a Transition Grant which will help those authorities most affected by reductions in spending power to plan for those reductions. It allows a breathing space in 2011-12 and 2012-13 for councils to make the changes necessary to live within the reduced provision. No transitional grant will be paid after 2012-13.

30. The Government make a reassessment on the Council's current year grant, for comparison purposes only. The Council's adjusted formula grant for 2010/11 is £7.211m. This is based on:
- £7.927m – or previously notified grant
 - £0.689m reduction for Concessionary Travel (2009/10 costs (£0.833m) inflated (£0.857m) less specific grant of £0.168m)
 - £0.027m other adjustments
31. The Council's provisional Formula grant (before Floor Damping) for 2011/12 is calculated as being £5.315m, a £1.9m reduction from the £7.211m shown in the paragraph above.
32. As this would be a massive change for the Council the grant system provides for damping and ceilings to reduce the level of change in grant. The Council's provisional Formula grant after Floor Damping for 2011/12 is £6.216m, (damping effect gives the Council £0.901m). This is the highest damping within Derbyshire. Members may recall the opposite effect in previous years when the Council has lost grant each year due to the ceilings that have prevented the Council receiving its full allocation. This is still a net loss of grant of £0.995m compared to the £7.211m shown above. This loss of funding in reality is higher as there is no increase in funding for inflation etc.
33. New to the Formula grant settlement this year is the Transitional Grant. This is additional revenue grant ('Transition Grant') to certain local authorities in 2011-12 and 2012-13. It will be paid to councils who would otherwise see a reduction in 'revenue spending power' of more than 8.9% in either year. The Transition Grant will help those councils most affected by reductions in spending power to plan for those reductions. It allows a breathing space in 2011-12 and 2012-13 for councils to make the changes necessary to live within the reduced provision. No transitional grant will be paid after 2012-13. In 2011-12 this will amount to £1.828m for the Council.
34. It is proposed that the Transition grant be an addition to the Council's reserves and used in a similar manner to reflect the need for the Council to adjust its spending to a level that is not supported by the use of reserves.
35. Also linked to this is that the Government will provide councils that choose to freeze council tax with the equivalent of a 2.5 % increase in funding.
36. The Government also wants to ensure council tax payers are protected against any authorities who choose to reject the offer and impose excessive council tax rises. Through the Localism Bill, the Government plans to introduce a power for residents to veto excessive council tax increases through a referendum. In the meantime, the Government can take capping action against councils who propose excessive rises.

37. The provisional grant settlement for 2012/13 can be summarised as:

- Adjusted grant drops to £6.186m, a further £30,000 reduction;
- Formula grant without damping amounts to £4.753m;
- Damping provides an additional £0.783m;
- Total Formula grant £5.536m, a further reduction of £649,500
- Transitional Grant £1.248m, the last year of such funding.

38. Projections based on known figures over the four years spending review are detailed below:

Lost Core Grant v Transition Grant

	2011-12	2012-13	2013-14	2014-15	TOTALS
2011-12	995,085	995,085	995,085	995,085	3,980,340
2012-13	-	649,500	649,500	649,500	1,948,500
2013-14	-	-	?	?	
2014-15	-	-	-	?	
				TOTAL	5,928,840
				Transition Grant (2 years)	3,076,040
				Overall Loss Of Grant Funding so far	-2,852,800

Loss of Formula Grant (Core Grant)

	Expected			Actual				
	Loss	% cut	Cumulative	Loss	% cut	Cumulative	Difference	Cumulative
2011-12	671,491	8.47%	671,491	995,085	13.80%	995,085	323,594	323,594
2012-13	468,482	6.45%	1,139,973	649,500	10.50%	1,644,585	181,018	504,612
2013-14	62,464		1,202,437	?		1,644,585		
2014-15	359,170		1,561,607	?		1,644,585		
TOTALS	1,561,607			1,644,585			504,612	

39. The Government consider that this settlement is seen as gives councils the ability to concentrate on what their residents want:

- protecting front line services
- Improving transparency – allowing the public to see where money is being spent, suggesting changes; making suppliers more competitive, and changing the culture among those entrusted with public money
- Sharing services – to achieve greater efficiency and improved services
- Cutting out waste – particularly in back offices
- Improving procurement practice – achieving more competitive prices by making full use of their purchasing power
- Bringing senior pay under control – including sharing senior managers among councils
- More fundamentally, the settlement will see councils take this opportunity to radically rethink and transform their services. Those councils which have substantial reserves should consider using these to address short term costs and pressures, and invest now in order to realise savings in the longer term.

40. When considering the above items these themes are reflected in the Council's existing Saving Strategy.
41. To support councils in their efforts, £200 million has been set aside as a capitalisation facility to help councils modernise: reducing back office costs so they can focus on the front line.
42. In addition the Government also plans further changes:
 - Change the law so councils will be able to borrow against the proceeds of future business rates (known as tax increment funding) in order to invest. Details are awaited.
 - As part of the White Paper on Local Growth, the Government announced a review of business rates with the intention that in future local government will be able to keep what they collect. The Local Government Resource Review will begin in the New Year.
43. The Government is also proposing to provide substantial financial incentives for councils to invest in longer term projects, such as the New Homes Bonus available over the next four years for councils investing in new housing, and the £1.4 billion Regional Growth Fund. This is currently being consulted on but in summary:
 - It is based on Housing and Planning Delivery Grant money which local authorities previously benefitted from.
 - Funding has been identified for the first four years; therefore, the funding will come from top slicing a portion of the existing formula grant given to local authorities. Therefore the authorities that experience lower or a slower delivery of housing will lose out because the existing formula grant an authority receives will be reduced to subsidise those authorities that are successful in housing delivery.
 - To reward the delivery of housing it proposes to match fund the additional council tax raised when a new home is built, or an empty property is brought back into use. An additional amount for affordable homes will be payable.
 - This involves changes to the local government finance system to reward the authorities that go for growth.
 - It will be paid as an unringfenced grant.
 - It will be equal to the national average for the council tax band on each additional property delivered/ brought back into use and paid for the following six years as a un-ringfenced grant. (additional council tax band D property would be about £1439 per annum)
 - An enhancement of a flat rate £350 per annum for each additional affordable home is proposed. It is intended that the scheme will be a permanent feature beyond the six year cycle.
 - It is proposed that there is an 80 : 20 split between lower : upper tier authorities in two tier areas outside London.

Grants from Government – Area Based Grant (ABG)

44. This non-ringfenced grant, introduced in 2008/09, is abolished. The grant settlement provides no funding.
45. Historically it has provided funds for
 - Cohesion (funding the Council's contribution to the Community and Voluntary Partnership);
 - Climate Change Planning Policy Statement;
 - Economic Assessment Duty;
 - Environmental Damage Regulations;
 - Working Neighbourhood Fund.

Grants from Government – Local Authority Business Growth Incentive

46. The budget assumed no income from this grant. Again this grant is to be abolished.

Expenditure to be incurred in 2011/12

47. The preparation of these budgets has seen a number of changes impacting upon the services. Some of these changes reflect the current economic situation; others reflect changes within the Council.
48. Compared to the budget the Members were considering 12 months ago for 2009/10 there are a number of pressures and savings to be considered.

Budget Pressures

49. The budget pressures are in part similar to those that have been detailed for the 2010/11 Outturn but added to these are others that need to be detailed for Members consideration. All these pressures are detailed below.

50. Single status conditions & job evaluation.

Employee costs have seen some change due to appeals on changes to structures etc. The budgets now reflect the appealed salary levels. The equal pay audit has not changed any grades. The budget reflects the costs of increments associated with the new grades.

51. Pay award.

The staffing budgets for next year are based on a pay award of 0%. This is a decrease from the 2010/11 level of 2%. The gain from this for the Council is offset by an increase in employer's National

Insurance of 1% and employer's pension cost increase of 0.8%. If the Council were to find the national negotiations did agree a pay award at the same levels as central government (£250 for all earning below £21,000) would equate £78,000.

52. Investment interest.

The Council has not been immune to the reductions in interest rates that have taken place during 2010/11. This is further magnified by the slowdown in asset sales and the Icelandic banks' problems. Overall this is a reduction of £108,070 against the 2010/11 original budget.

53. Building Control deficit.

Measures taken to align expenditure to income levels have corrected the historic need to share deficits amongst the three partner councils.

54. Energy prices.

The Council has changed the framework under which it purchased its energy. This is due to start in 2011. Any variations in year will be reported via the quarterly budget monitoring reports.

55. Kissinggate Leisure Centre

The Centre is now operational and all aspects of the building are income generating.

56. Fees and Charges

These will be reported separately and are expected to have an impact on the budget of approximately £161,000 reduction when compared to the current level of income from fees and charges. This includes the known pressures of:

- Planning fees reduction of £114,550 to £325,000;
- Land charges due to demand and forced changes to the pricing structure £30,200.

57. As detailed above for 2009/10 this budget is also affected by:

- Housing Benefit payments not covered by subsidy £81,500;
- The Council's continued share of the collection fund deficit £23,145;
- Diesel due to higher prices £49,920;

58. In addition, the budget for 2011/12 also includes budget pressures for:

- Increased Debt charges £55,000;
- Elections £68,000;
- Loss of swimming grant completely £23,000;

- Loss of Waste Efficiency grant for “doorstepping” from DCC £33,000;

Budget Savings

59. The savings made in 2010/11 continue into 2011/12 and additional saving neutralise, in part, some of the above pressures. The significant savings are:

- Procurement projects of over £205,000;
- Transfer of Concessionary Travel arrangements to DCC;
- Joint IT service £40,000;
- Leisure Improvement Plan £67,500;
- IT lease line savings £37,000;
- Pleasley Vale income generation £48,000;
- Earmarked reserves continue to be reviewed.

60. The vacancy factor (new to the 2009/10 budget) will need to be revised to reflect changes approved at the Council meeting on 17th December 2010. The staff budgets have all been based on the Council's approved structure and that all posts are filled. In reality we know there will be staff changes in the year and the vacancies generate a saving to the budget. Over the last 3 years this has been at or exceeded 3%. The economic situation has reduced staff turnover and as such the value of the vacancy factor has been reduced from £540,000 to £300,000.

Efficiencies

61. The National Indicator 179 measuring value for money has been abolished. This will in no way take the pressure off the Council to achieve savings as this will now be driven by the reduction in grants received by the Council. The savings / efficiencies required will be far more demanding than previous targets have been.

62. This change will also impact on the Council Tax bill in that there will be no requirement to show details of the Government's calculated efficiency targets for those bodies with efficiency targets.

63. The Efficiencies shown in the Saving Strategy for the 2011/12 budget reflect the following:

£'000	Description
1,215	Current Efficiency savings planned for 2011/12
592	Expected impact of Autumn Statement
323	Additional grant loss in Provisional Settlement
2,130	Total

64. Any under achievement of this target will be assessed against the Transition Grant that is planned to be added to the Working Balance.
65. This level of saving is then reflected in future years. These values may need to increase in future budget reports to reflect some of the reduction in grant funding and so reduce and ultimately remove the annual deficit.

Budget Bids

66. The significant budget pressures expected for 2011/12 have resulted in no opportunity being given for revenue budget bids. Services will therefore need to report to the Executive any changes that are required and how these can be funded to minimise the impact on the Council.

Budget changes

67. In 2011/12 responsibility for Concessionary Travel will be transferred by the Government to the County level. Government consultation earlier in the year, the results of which are still awaited, gave a number of options which indicated the loss of grant could exceed the expenditure transferred. Questions are still being raised with the Government to determine if there has been any additional loss of grant.

Balancing the budget

68. The overall position of the budget after taking all of the above items into account is that the expenditure and income balance out, assuming savings / efficiencies are achieved.
69. To address this increase in savings target the Council will continue to expand its Saving Strategy to encompass further opportunities to save expenditure, work more efficiently, look to maximise its partnership arrangements and raise additional income.
70. The risk associated with the savings target is matched by the Transition Grant that is planned to be added to the Working Balance.

Council Tax for 2011/12

Council Tax Base

71. In preparation for the budget, the Council meeting on 19th January 2011 will consider the Council Tax Base at Band D. This value will be set cautiously as the Collection fund is carrying a deficit and any over estimation of this value will add to that deficit.

Collection Fund

72. The accounts for 2009/10 showed a collection fund deficit of £709,000, an increase of £158,000 on the previous year. When this was reviewed in January 2010 at the statutory date, it was necessary to declare a deficit to the main precepting bodies. This review will take in January 2011 and will take into account work being considered across Derbyshire to review Single Person Discounts and the low levels of Council tax base increases to minimise any impact to the General fund over the life of the Medium Term Financial Plan. Any increase in the collection fund deficit will be shared with all the major precepting bodies which will include the Council. This will need to be reflected in future savings etc.

Council Tax Options

73. The Council's part of the Council tax bill was set in 2010/11 at £158.15 for a Band D property.
74. This year the Spending review has provided a new option. If the Council were to set a 0% increase (or decrease its Council Tax) then it would be entitled to a grant from the Government of the equivalent of 2.5% increase in its Council Tax. This grant is proposed to then continue for the additional 3 years of the Spending Review.
75. The grant would amount to approximately £90,000 when based on the current tax base to be approved later in year.
76. The previous 2 years Council Tax increases have been at levels below 2%. This grant scheme therefore provides the Council with a greater revenue increase than previous Council Tax increases, whilst benefiting the local tax paying community.
77. The Council is disadvantaged in future years based on the current grant scheme in that its Council Tax Band D will not be as high as it would if assumed increases had been applied and therefore future percentage increases will not generate as larger increase in revenue.
78. At the end of the Spending Review period there is no indication that the grant will continue so there may be a loss of revenue.
79. If the Council were to consider Council Tax increases a £1 increase in Council Tax will generate £22,700, a 1% increase (£1.58) will generate almost £36,000.
80. If the Council were to increase Council Tax rather than adopt the conditions of the grant scheme it may then find that the Government require it to arrange a referendum on the increase, as reflected in the Localism Bill.

81. The area has approximately 34,000 properties in its area. Significant numbers of properties are in Bands A to C (94%, of which 63% are in Band A), which reduces the value of the actual Council Tax bill increases by up to 1/3rd.
82. The Council Tax bill will include the values for the precepting bodies. The most significant element is that for the County Council, almost 70%.

Reserves

83. At the start of the 2010/11 financial year the General Fund Balance was £1.485m. The Outturn budget for 2010/11 sees this reduce by £496,000 and redundancy costs use a further £110,000 to leave a balance of £0.880m.
84. The budget for 2011/12 assumes that the Council will have a balanced budget based on savings to be developed but that £1.8m Transition Grant will be added to the Working Balance making the total, after temporarily funding 4 posts (as detailed in the Council report on 17th December 2010) £2.575m.
85. Future year's budgets are set to generate deficits of approximately 10% of the Working Balance total after the additional £1.2m final Transitional Grant has been added to the Working Balance. Future savings strategies will seek to consider further options to remove is ingoing pressure.

OVERALL ASSESSMENT OF THE 2011/12 BUDGET

86. There is a requirement in CIPFA's guidelines that budgets presented to Members carry the comments of the Council's responsible financial officer. As the author of this report I can confirm that:
 - The levels of reserves are considered to be adequate to fund planned expenditure identified by the Council.
 - The estimates are considered to be robust, employee costs are based on the approved establishment, investment income is based on the advice of the Council's Treasury Management Advisors and income targets are considered to be achievable.
87. Subject to consideration and approval by the Executive the budget will be reported to Scrutiny. Comments of Scrutiny will be referred back to Cabinet. The budget will then be presented to Council on 2nd February 2011. The approval of the budget by the Executive will allow the statutory consultation to take place; this will be reported to Cabinet.

Medium Term Financial Planning

88. The assumptions built into the 2011/12 budget have been carried over in the two successive years.
89. In addition it has been assumed that:
- The levels of Council Tax increases in 2012/13 and 2013/14 are 3%. (These will be considered in further detail as part of the budget process next year);
 - Tax Base to increase at a level of 0.5% for 2012/13 and 2013/14;
 - Government Grant will reduce by the levels indicated in the Spending Review.
90. Taking just these factors into account each of the successive years shows the Council needs to keep a close focus on its budgets to prevent significant deficits occurring during the life of this financial plan.
91. There are some additional changes that have not been factored into these future year budgets, all of which could add additional pressures. These are:
- Concessionary Travel could be subject to additional costs from operator appeals;
 - Concessionary Travel cost sharing arrangements previously agreed may not now be honoured;
 - Collection fund deficits that might materialise due to the economic downturn;
 - Market supplements related to Job Evaluation are subject to annual review
 - Employer superannuation costs are expected to rise.
 - Local elections will have taken place
 - The Localism Bill is expected to allow for discretionary business rates discounts so that local authorities will be able to respond to local circumstances by reducing business rates bills. The financial impact of this change is not currently known.

IMPLICATIONS

Financial: A budget for the General Fund of £9.9m in 2011/12 with additional efficiencies of almost £2.1m assuming the Council Tax increase of 0% was approved, after allowing for the grant to compensate for this. There is ongoing validation of the figures supporting this budget to ensure it delivers the Council's objectives.

Legal: The Council must approve a budget prior to the commencement of the new financial year

Human Resources: None

RECOMMENDATION(S)

1. That the estimated outturn for 2010/11 of £12.003m be approved for consideration by the Scrutiny Committees and reported back to the Executive meeting on 7th February.
2. Recommend to Council a 0% increase in Council Tax based on the Government's compensation arrangements.
3. That the budget for 2011/12 of £9.909m be approved for consideration by the Scrutiny Committees and reported back to the Executive meeting on 7th February.

REASON FOR DECISION

The budget for 2010/11 is revised at this time to align it with the expected outturn. This is good financial management.

The Council is required to approve a budget for 2011/12. This must be a balanced budget.

ATTACHMENTS: Y
FILE REFERENCE: None
SOURCE DOCUMENT: Background papers held in Financial Services

GENERAL FUND SUMMARY

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
603,899	Community Safety	571,530	720,280	666,650	648,330	628,780
559,781	Customer Focused Services	823,270	592,040	764,630	796,670	798,860
5,206,916	Environment	5,147,560	5,283,130	5,155,430	5,074,250	5,049,980
687,635	Regeneration	835,050	857,470	819,790	831,110	833,960
1,916,334	Social Inclusion	1,888,050	1,895,890	1,346,880	1,353,540	1,354,230
2,958,644	Strategic Organisational Development	3,038,440	2,871,360	2,981,270	2,928,230	2,921,340
0	Contingency for Inflation and Other Items	25,000	10,000	25,000	25,000	25,000
0	Savings Targets	0	0	(2,130,000)	(2,130,000)	(2,130,000)
0	Additional efficiencies	(886,038)	(381,725)	0	0	0
0	Vacancy Factor	(540,000)	(40,275)	(300,000)	(300,000)	(300,000)
0	Collection Fund Deficit	9,919	9,919	23,145	33,065	0
0	Additional Bad Debt Provision	0	232,520	0	0	0
0	Employers Pension Increase	0	0	7,100	7,100	7,100
0	Savings Strategy - not on individual areas	0	0	(43,960)	(43,960)	(43,960)
	Temp funded posts 17.12			134,163		
	Council report 17.12 leisure income			(21,000)	(21,000)	(21,000)
	Council report 17.12 DV funding			(28,322)		
	TOTAL EXPENDITURE ON CORPORATE AIMS					
11,933,209		10,912,781	12,050,609	9,400,776	9,202,335	9,124,290
(794,509)	Capital Charges - Reversal	(558,330)	(522,070)	(483,440)	(476,260)	(476,260)
708,935	Debt Charges	1,046,550	1,018,960	1,073,880	1,055,650	1,041,590
(176,806)	Investment Interest	(233,870)	(114,570)	(125,800)	(245,230)	(242,590)
11,670,829		11,167,131	12,432,929	9,865,416	9,536,495	9,447,030
	Appropriations:					
	Contributions to Reserves:					
0	General	0	0	0	0	0
6,000	Historic Buildings	6,000	6,000	6,000	6,000	6,000
85,850	ICT & Office Equipment	75,250	75,250	75,250	75,250	75,250
10,000	Legal Costs	0	0	0	0	0
0	Local Development Scheme	0	0	50,000	50,000	50,000
10,657	Vehicle Replacement Reserve	10,600	12,600	12,600	12,600	12,600
	Restructure (17/12) contingency reserve	0	10,000	0	0	0
0	PDG to fund Planning	0	(91,444)	(42,301)	0	0
(392,938)	Contribution from Earmarked Reserves	(62,140)	(442,330)	(57,620)	(24,000)	(12,000)
11,390,398	TOTAL EXPENDITURE	11,196,841	12,003,005	9,909,345	9,656,345	9,578,880
2,161,794	Parish Precepts **	2,161,794	2,161,794	2,161,794	2,161,794	2,161,794
13,552,192	TOTAL SPENDING REQUIREMENT	13,358,635	14,164,799	12,071,139	11,818,139	11,740,674
(7,893,383)	Formula Grant	(7,926,941)	(7,926,941)	(6,215,674)	(5,536,217)	(5,473,753)
	Council Tax grant			(90,000)	(90,000)	(90,000)
5,658,809	TOTAL TO BE RAISED BY COUNCIL TAX	5,742,073	5,742,073		5,892,721	5,911,376
	COUNCIL TAX 2011/12			5,766,033		
41,860	FUNDING GAP / (SURPLUS)	(310,379)	495,785	(568)	299,201	265,545
1,527,490	Working Balance Brought Forward	1,485,631	1,485,631	880,043	2,574,647	3,523,287
	Transition Grant			1,828,199	1,247,841	
	Temp funding for posts 17.12			(134,163)		
	Redundancy costs from 17.12		(109,803)			
1,485,631	Working Balance Carried Forward	1,796,010	880,043	2,574,647	3,523,287	3,257,743



Community Safety – Ensuring that communities are safe and secure

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
55,808	Bolsover Community Sports Coach Scheme	48,870	76,000	78,340	77,780	77,800
98,050	Bolsover Energised Youth Programme	101,670	108,780	66,950	45,380	24,940
0	Community Action Network	0	(11,550)	(23,990)	(24,710)	(24,710)
252,809	Community Safety	243,750	252,590	240,850	242,510	242,810
0	Community Services Mgmt & Admin	0	0	0	0	0
0	Community & Street Serv Mgmt & Admin	0	0	0	0	0
77,119	Housing Anti Social Behaviour Fund	78,100	163,220	172,120	173,480	174,050
120,216	Neighbourhood Management	99,140	131,240	132,380	133,890	133,890
0	Neighbourhood Mgmt & Admin	0	0	0	0	0
(103)	Parenting Practitioner	0	0	0	0	0
0	Safer & Stronger Communities	0	0	0	0	0

603,899

571,530	720,280	666,650	648,330	628,780
----------------	----------------	----------------	----------------	----------------



Customer Focused Services – Providing excellent customer focused services

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
(11,006)	Benefits	176,860	(134,190)	17,480	37,450	38,780
551,518	Council Tax / NNDR	617,990	680,760	698,780	711,060	711,900
(0)	Customer Contact Service	0	0	0	0	0
24,785	Emergency Planning	17,100	28,740	26,930	26,980	27,000
0	Groundwork & Drainage Operations	0	0	0	0	0
(5,516)	Land Charges	11,320	16,730	21,440	21,180	21,180
0	Leisure Services Mgmt & Admin	0	0	0	0	0
0	Revenue Services	0	0	0	0	0
0	Security Services	0	0	0	0	0

559,781

823,270	592,040	764,630	796,670	798,860
---------	---------	---------	---------	---------



Environment – Promoting and enhancing a clean and sustainable environment

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
168,034	Animal Welfare	163,170	145,100	146,190	147,520	147,700
125,375	Building Control Consortium	108,020	108,020	105,170	103,500	102,190
0	Depot - Bolsover	45,200	58,370	58,370	58,370	58,370
0	Depot - Riverside	0	0	0	0	0
0	Depot - South Normanton	(2,660)	(7,280)	(7,280)	(7,280)	(7,280)
0	Development Mgmt & Admin	0	0	0	0	0
177,389	Drainage Services	187,090	154,330	158,020	161,220	161,310
256,074	Engineering Services	268,400	266,610	276,220	277,700	277,860
0	Environmental Health Mgmt & Admin	0	0	0	0	0
253,605	Food Safety	248,350	265,400	267,920	269,740	271,030
0	Grounds Maintenance	0	13,700	2,990	920	(1,210)
130,396	Health & Safety	142,160	130,690	147,220	147,390	147,560
22,994	Licensing	27,920	28,170	11,170	11,980	12,740
289,331	Parks, Playgrounds & Open Spaces	312,720	300,240	310,400	311,900	312,030
88,510	Pest Control	81,940	76,060	78,420	79,300	79,300
0	Planning Conservation	0	134,130	95,620	96,680	96,700
212,251	Planning Development Control	60,400	244,570	236,260	239,570	239,930
115,489	Planning Enforcement	116,460	127,890	77,250	77,270	77,280
16,098	Planning Environmental Initiatives	17,030	3,880	3,940	3,960	3,970
0	Planning Services Mgmt & Admin	0	0	0	0	0
470,167	Planning Policy	404,900	472,380	311,530	299,420	299,580
304,979	Pollution Reduction	301,650	329,110	333,100	338,240	338,480
37,692	Public Conveniences	39,330	39,270	39,910	40,570	41,250
101,286	Public Health	101,580	37,060	39,320	39,770	27,850
780,971	Street Cleansing	837,110	728,270	783,440	784,490	785,040
0	Street Services Mgmt & Admin	0	0	0	0	0
0	Vehicle Fleet	0	0	0	0	0
1,656,275	Waste Services	1,686,790	1,627,160	1,680,270	1,654,080	1,640,360

5,206,916

5,147,560 5,283,130 5,155,450 5,136,310 5,112,040



Regeneration – Developing healthy, prosperous and sustainable communities

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
21,023	Alliance	22,120	14,680	14,730	14,780	14,790
53,042	Bolsover Wellness Programme	88,910	87,860	73,810	74,800	75,650
318,798	Economic Development	331,040	328,640	331,900	334,770	335,120
0	Economic Development Project Officer	0	0	0	0	0
0	EMDA - Shirebrook Master Plan	0	0	0	0	0
10,244	Feasibility Studies / Development Briefs	0	22,500	0	0	0
22,845	Home Improvement Agency	3,360	0	0	0	0
0	LEGI - Making The Connection	0	0	0	0	0
0	LEGI - Public Procurement	0	0	0	0	0
0	LEGI - Small Business / BizzFizz	0	0	0	0	0
45,782	Markets	31,910	35,720	34,940	36,460	37,900
(82,000)	Planning Delivery Grant	0	0	0	0	0
(1,589)	Pleasley Vale Electricity Trading	1,080	(6,720)	(6,690)	(6,640)	(6,640)
2,493	Pleasley Vale Mills	9,640	50,440	40,260	41,120	41,230
(3,642)	Premises Development	6,840	(10,390)	(10,400)	(10,400)	(10,450)
214,844	Private Sector Housing Renewal	240,980	231,670	236,540	240,990	241,070
0	Regeneration Mgmt & Admin	0	0	0	0	0
0	Strategic Housing Projects	0	0	0	0	0
39,719	Strategic Sub-Regional Partnership	48,730	55,420	56,790	57,200	57,250
(800)	Street Trading	(800)	(800)	(800)	(800)	(800)
46,876	Tourism Promotion & Development	51,240	48,450	48,710	48,830	48,840

687,635

835,050	857,470	819,790	831,110	833,960
---------	---------	---------	---------	---------



Social Inclusion – Promoting fairness, equality and lifelong learning

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
160	Bolsover Apprenticeship Programme	0	5,330	5,330	0	0
669,292	Concessionary Fares & TV Licenses	662,790	658,350	22,770	22,990	23,020
193,243	Creswell Leisure Centre	232,910	286,070	315,340	318,640	318,670
98,881	Culture & Heritage	109,720	97,060	105,310	105,470	105,490
0	Family Intervention Project	0	0	0	0	0
43,457	Frederick Gents School Community Use	44,410	47,110	48,300	48,790	48,820
72,104	GO Football	68,070	70,450	72,690	73,800	73,820
138,522	Homelessness	156,350	146,550	153,670	155,740	156,210
315,254	Kissinggate Leisure Centre	289,940	315,350	314,940	316,470	316,500
41,236	Miscellaneous Expenses	49,380	50,300	81,800	81,800	81,800
85,575	Outdoor Sports & Recreation Facilities	89,570	93,330	96,400	96,700	96,740
147,675	Repairs and Maintenance - GF	53,070	0	0	0	0
0	S106 - Formal & Informal Recreation	0	0	0	0	0
0	S106 - Percent for Art	0	0	0	0	0
121,841	Sports Development	140,010	136,240	140,580	143,390	143,410
0	Stores Overhead Account	0	0	0	0	0
(12,539)	Town Centre Housing	(10,170)	(12,250)	(12,250)	(12,250)	(12,250)
1,634	Welfare Services	2,000	2,000	2,000	2,000	2,000

1,916,334

1,888,050 1,895,890 1,346,880 1,353,540 1,354,230



Strategic Organisational Development – Continually improving our organisation

Actual 2009/10 £	Details of Expenditure	Original Estimate 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
	0 Audit Services	0	0	0	0	0
	0 Building Cleaning	0	14,350	14,510	15,550	15,600
	0 Catering	0	0	0	0	0
	0 Chief Executive & Partnership Team	930	1,400	3,910	(4,200)	(4,200)
	0 County Elections	0	0	0	0	0
1,026,968	Corporate Management	1,028,430	1,020,420	1,064,090	1,072,220	1,074,570
	0 Customer Service & Performance	18,480	(6,450)	0	0	0
1,037,774	Democratic Representation & Mgmt	1,036,700	890,580	889,540	889,050	891,450
	0 Democratic Services	0	0	0	0	0
	0 Director of Development	0	0	0	0	0
	0 Director of Resources	0	0	0	0	0
	0 Director of Neighbourhoods	0	0	0	0	0
	0 District Council Elections	0	1,000	59,000	0	0
84,285	Electoral Registration	79,060	73,390	73,190	73,090	73,100
	0 European Elections	0	0	0	0	0
	0 Financial Services	0	0	0	0	0
	0 Human Resources & Payroll	1,000	(5,700)	0	0	0
	0 Information & Communication Technology	0	0	0	0	0
	0 Legal Services	0	0	0	0	0
809,615	Non Distributed Costs	873,840	882,370	877,030	882,520	870,820
	0 Parliamentary Elections	0	0	0	0	0
	0 Parish Council Elections	0	0	0	0	0
	0 Payroll	0	0	0	0	0
	0 Reprographics	0	0	0	0	0
	0 Shared Procurement Unit	0	0	0	0	0
	0 Sherwood Lodge	0	0	0	0	0
	0 Solicitor to the Council	0	0	0	0	0

2,958,644

3,038,440 2,871,360 2,981,270 2,928,230 2,921,340

Committee:	Executive	Agenda Item No.:	
Date:	20 th December 2010	Status	Open
Subject:	Housing Revenue Account Budgets – 2010/11 Estimated Outturn & 2011/12		
Report by:	Director Of Resources		
Other Officers Involved	Head of Housing, Head of Finance & Revenues, Chief Accountant, Principal Accountant		
Director	Director Of Resources		
Relevant Portfolio Holder	Leader of the Council		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – to continually improve the efficiency and effectiveness of all Council Services by maximising the potential use of Council resources.

TARGETS

The development of Policy Led Budgeting will help to inform future spending plans and assist in the delivery of annual efficiency gain targets.

VALUE FOR MONEY

The Budget Process challenges existing spending levels and new spending proposals to ensure that resources are effectively used and directed towards the delivery of the Corporate Aims.

Introduction

1. This report addresses the budget issues associated with the Housing Revenue Account (HRA) for Members consideration and approval, covering the following:
 - 2010/11 estimated Outturn Budget – this is the current year budget revised to take account of changes during the financial year that will end on 31st March 2011
 - 2011/12 Original Budget – this is the proposed budget for the next financial year, funded by the rent increase, and will commence from 1st April 2011
 - The proposed increases on rents and charges for 2011/12.
2. The summary of the HRA budgets for both years are shown as an attachment to the report.

Estimated Outturn 2010/11

3. The estimated outturn for 2010/11 anticipates an operating surplus of £78,075, compared to an original estimated surplus of £191,614. The most significant changes between the two budgets are:
- Staffing costs have increased due to the impact of Job Evaluation;
 - Buy out of tool allowance;
 - Increase in rental income due to the voids percentage being lower than anticipated;
 - Staff structure changes as approved by Council on 17th December 2010;
 - Increase in bad debt provision, as detailed below.

Bad Debt Provision

4. As part of preparing the Statement of Accounts for 2009/10 the Council increased its provision for bad debts by £386,000. The summary details are shown below:

Type of debt	Balance at 31.3.10 £'000	Bad debt provision £'000	% covered by bad debt provision
Current	587	197	34%
Former	568	466	82%
Total	1,155	663	

5. The External Auditor assessed this as part of the audit of the accounts and commented in the Annual Governance report as follows:

In relation to bad debt provisions - there has been some progress in this area but issues still remain. Former Tenant Arrears (FTAs) – As this category of debt is difficult to collect we would expect 100% provision unless there is evidence of collectability. We estimate that you may need to increase your provision in relation to former tenant arrears by approximately £102k.

6. Rent arrears is subject to a number of forms of scrutiny:
- Improvement Scrutiny Committee is reviewing currently. Their recommendations are expected in the last quarter of 2010/11;
 - Quarterly reports to Executive;
 - Performance indicators;
 - Quarterly to the Audit Committee (from December 2010)
7. The latest debt analysis reported to the Audit Committee showed that the value of historic FTAs had dropped by 10% from their opening balance. If the bad debt provision was increased from 82% to 90% this would amount to £45,000. New FTA debt has been added during the year & may amount to £90,000 by the end of the financial year. If a similar approach was adopted to provide for 90% of this debt an increase in the provision by £81,000. The bad debt provision would need to be increased to reflect both these changes by £126,000.

8. Current arrears continue to follow pattern of reducing in the final quarter of the year to provide a closing balance that is reduced by 10% of the opening balance. If this were to occur this year the closing balance would be approximately £500,000. Continuing with the same level of provision for the current arrears would see the sum provided being reduced by £27,000.
9. The overall level of change would therefore be a net increase in the bad debt provision of £99,000.

Revenue Contributions to Capital Outlay (RCCO)

10. The Estimated Outturn assumes a £650,000 revenue contribution to capital (RCCO) as per the original budget. Officers are currently evaluating the level of in year spend on capital. This may lead to an increase in RCCO funding or borrowing or reprofiling of expenditure. An increase in RCCO would require savings to prevent any impact on the working balance. No costs of borrowing have been provided for in the budgets shown. Future reports will update members with options as required.

Working Balance

11. The working balance brought forward from 2009/10 was £629,065. After taking account of the projected surplus of £78,075, this produces an anticipated working balance at 31st March 2011 of £707,139.

Housing Revenue Account Budget 2011/12

12. The HRA budget mirror in many ways the General Fund budget. It therefore includes the following budget changes:
 - Reduction in investment interest;
 - Support charge allocations have been updated;
 - Incremental progression only in staffing costs (no pay award).
13. In 2010/11 the budget includes a vacancy factor. The staff budgets have all been based on the Council's approved structure and assume that all posts are filled. In reality we know there will be staff changes in the year and the vacancies generate a saving to the budget. Historically, this has been at least achieved 3% and as such has been built into the budget. The staffing report to Council on 17th December 2010 has disestablished a number of the posts that have been vacant pending a review. Therefore the vacancy factor has been reduced to £30,000 to take this into account and the current economic climate that is suppressing the usual movement of staff.
14. The HRA budget also has a number of budget areas that are complex and as such these are detailed below.
15. The contribution from the HRA towards external interest payable is £363,290.

Housing Subsidy

16. The Housing Subsidy is a misleading term as it is actually a payment that the Council is required to make to the Secretary of State from the Housing Revenue Account. It continues to exceed £5.3m. This is the indicative value as the Determination is subject to consultation that is finalised in early February.

Rent setting

17. Under the Rent Restructuring calculations for 2011/12, the range of rent increases range between 5.33% (£4.44 per week) and 9.54% (£4.30 per week) with an overall average of 8.21%. This equates to an average weekly rent per dwelling of £68.20 (2010/11: £63.03), based on 48 weeks.
18. Unlike Council Tax that the Government wish to see capped at 0% and will support such a decision with a grant to ensure the Council is not worse off, no such financial support from Government exists to cap rent levels, the Council would need to absorb additional costs of over £500,000 if it were to consider such an option. The current level of the working balances does not support such a change.
19. Recent rent increases within Bolsover (based upon the Rent Restructuring Guidelines) have been as follows:

Financial Years	Average Rent Increase
2004/05	6.90%
2005/06	6.93%
2006/07	7.40%
2007/08	5.00% *
2008/09	7.31%
2009/10	7.04% (then revised to 3.1%)
2010/11	3.65%

* Without the Government recommended cap of 5% - the average rent increase (in accordance with Rent Restructuring Guidelines) would have been 8%.

20. For the 2011/12 budget calculations the rent convergence is set at 2015/16.
21. The recently announced Localism Bill has an impact on the HRA. The Bill contains enabling clauses rather than details about the terms of future HRA funding but the key points from April 2012 are:
- The abolition of the HRA Subsidy system
 - The government proposes to implement self-financing, using the method for calculating debt which was consulted upon in March
 - Rents will be assumed on the basis of the existing social rent policy, and 2015/16 convergence.

Fees and charges

22. The Council retains discretion regarding future increases on garage rents and other services. Last year PPMG 2 reviewed Fees and Charges and proposed that

wherever possible, the Council should seek to move as quickly as possible to a position where charges for such services reflect the cost of providing these services.

23. Based on last year's discussions with Cabinet Members that the Council should accept a methodology where charges made to tenants should reflect the cost of providing the services. In many cases, the actual charge made to tenants was a nominal charge only, and members recognised that the move to full charging should be phased over a number of years. The revised pricing reflects this continuing approach. These changes have not been built into the budget figures but their impact will be to increase the surplus each year.
24. The majority of warden services are funded through a contract with the Supporting People Team at Derbyshire County Council. Indications are that the contract sum will have no inflationary uplift; however, this is yet to be confirmed by the County Council. It is expected that Supporting People funds will be subject to a reduction in funding. Further details will be reported when this is known.
25. The proposed fees and charges are based on these charges being capped at this level for those people funded through the Supporting People Contract.
26. However there are a number of people who self-fund the supporting people services and the Council does not currently pass on the full cost of these services to customers. It is proposed to increase these charges for 2011/12 by £2.01 (34%) for the static warden service and £0.45 (21%) for the mobile warden service. Tenants on benefits will find that some or all of this cost is covered by benefits.
27. Similarly, heating costs are currently subsidised to a value of over £168,000, with less than 50% of the total cost being recharged to tenants.
28. The increases in charges shown below carry forward the methodology previously adopted and applies this to the increase for 2011/12

Each charge shows:

- a. The current charge:
- b. The proposed charge
- c. The increase – in financial and percentages.
- d. Information on the cost of provision
- e. The level of subsidy on 2011/12 – per user per week (ie d minus b)

And at the end of each section is information on

- f. The loss income to the Council if the changes are not implemented (impact of no change) shown for a full year, and
- g. The total subsidy for the services (i.e. e. multiplied by the number of chargeable weeks and the number of customers)

Section a - Charges made over 48 weeks

Types of charge	Current charge per week (£)	Proposed charge per week (£)	Increase (£ / %)	Cost of provision (£)	2011/12 subsidy (£)
a. HEATING				Estimate	
Bedsit (sheltered)	5.90	6.89	0.99 / 17%	11.73	4.84
1 bed flat (sheltered)	8.37	9.78	1.41 / 17%	16.63	6.85
Wardens Flat	15.60	18.23	2.63 / 17%	30.99	12.76
1 bed bungalow	9.29	10.85	1.56 / 17%	18.45	7.60
2 bed flat	12.36	14.44	2.08 / 17%	25.55	11.11
2 bed bungalow	14.00	16.36	2.36 / 17%	27.81	11.45
					Total subsidy
	Impact of no change			£36,927	£168,134
b. WARDEN SERVICES					
Static (self funded)	5.85	7.86	2.01 / 34%	22.79	14.93
Mobile Warden (self funded)	2.16	2.61	0.45 / 21%	4.84	2.23
					Total subsidy
	Impact of no change			£42,989	£115,843
c. WARDEN SERVICES					
Static (SP funded)	22.79	22.79	Contract	22.79	14.93
Mobile Warden (SP)	4.84	4.84	Contract	4.84	2.23
					Total subsidy
	Impact of no change			n/a	n/a
d. SPECIAL SERVICES					
Special Services	6.17	8.55	2.38 / 38%	21.90	13.35
					Total subsidy
	Impact of no change			£32,111	£120,192
e. BUGGY PARKING (inc electricity)					
Buggy parking	2.50	2.75	0.25 / 10%	n/a	n/a
					Total subsidy
	Impact of no change			£240	£0
f. GARAGES* (no subsidy)					
Garages (direct debit)	6.50	7.00	0.50 / 7.7%	7.00 est	n/a
Garages (other)	8.00	9.00	1.00/12.5%	9.00 est	n/a
* note VAT will be charged to non-tenants.					
					Total subsidy
	Impact of no change			£17,160	£0

Section b - Charges made over 52 weeks – not subsidised

Types of charge	Current charge per week (£)	Proposed charge per week (£)	Increase (£ / %)	Cost of provision (£)	2011/12 subsidy (£)
-----------------	-----------------------------	------------------------------	------------------	-----------------------	---------------------

Lifeline – Bronze	3.50	3.75	0.25 / 3.8%	3.75 est	0
Lifeline – Gold	5.50	5.80	0.30 / 5.5%	5.80 est	0
Lifeline – RSL	2.80	3.75	0.95 / 34%	3.75 est	0
					Total subsidy
	Impact of no change			£17,160	£0

Section c - Annual Charge – not subsidised

Types of charge	Current charge per year (£)	Proposed charge per year (£)	Increase (£ / %)	Cost of provision (£)	2011/12 subsidy (£)
Garage Plot *	120	140	20 / 17%	140 est	0
* note VAT will be charged to non-tenants.					
					Total subsidy
	Impact of no change			£6,000 est	£0

29. The Special Services Charge includes the costs incurred from living in a sheltered housing scheme; this includes heating and lighting of communal areas, a contribution to the cost of a warden, furniture to lounges, carpeting of communal areas and cleaning. For 2011/12 this will be an increase of £2.38 (38%) per week per tenant, and will increase income by £32,111. Some tenants will have this covered by benefit payments. The costs of the service will also be reviewed to generate savings.
30. Work will continue to review the heating and special services charges across sheltered schemes moving towards fair scheme of charging.
31. The Council also offers a lifeline service to people who are not council tenants (i.e. Housing Association Tenants and Owner Occupiers).

Efficiency Gains

32. The previous target for efficiency gains has now been removed by the Government. The Council will continue to be challenging itself to deliver efficiencies as to maintain development of services. Mobile working is the current key project at this time.

Revenue Contributions to Capital Outlay (RCCO)

33. Based on the issued detailed for the Estimated Outturn and the potential pressures on future capital expenditure based on limited revenue contribution to capital (RCCO), future years budgets show a £75,000 increase to the original sum of £650,000. Efficiencies from mobile working will contribute future years saving so reducing the impact on the working balance.

Working Balance

34. A report to the Executive on 25th September 2006 recommended that the minimum working balance on the HRA should not fall below £1 million in order for the Council to position itself within the median value for other District Councils. The budget

proposed seeks to reinstate this over a 3 year period. Increases in fees and charges will bring this achievement forward.

35. In addition, the External Auditor did comment in the Annual Governance report as follows:

In light of the projected impact on HRA balances, you changed part of your approach to financing capital expenditure. This left year end balances broadly in line with previous years at £629k. This is still at a low level in light of the financial risks facing the HRA and we note your plan to rebuild balances over the period of the MTFP.

36.

Future reporting

37. A sensitivity analysis based on the approved budget will be reported to Members prior to the formal rent setting, reflecting the results of the finalised rent determination.
38. The HRA budget will be reported to the Safe and Inclusive Scrutiny Committee on 5th January 2011. Their consideration will then be finalised at their meeting on 1st February 2011 and reported to the Executive on 7th February 2011.

IMPLICATONS

Financial: The proposed HRA Budget for 2011/12 forecasts a minimum net operating surplus of £78,075, subject to any increases in fees and charges, bringing the working balance level up to £707,139.

Legal: None

Human Resources: None

RECOMMENDATION(S)

1. That the estimated outturn for 2010/11 is approved.
2. That the proposed Housing Revenue Account budget for 2011/12 is approved for consideration at Scrutiny Committees.
3. That dwelling rents be increased in accordance with the Rent Restructuring guidelines by an average of 8.21% for 2011/12, subject to confirmation of the rent determination.
4. That the proposed charges in respect of fees and charges be approved for consideration at Scrutiny Committees.

REASON FOR DECISION

The budget for 2010/11 is revised at this time to align it with the expected outturn. This is good financial management.

The Council is required to approve a balanced budget for 2011/12 based on the rent levels set.

ATTACHMENTS: **Y**
FILE REFERENCE: None
SOURCE DOCUMENT: Background papers held in Financial Services



Social Inclusion – Promoting fairness, equality and lifelong learning

Actual 2009/10 £	Details of Expenditure	Original Budget 2010/11 £	Estimated Outturn 2010/11 £	Base Budget 2011/12 £	Forecast 2012/13 £	Forecast 2013/14 £
HOUSING REVENUE ACCOUNT						
Expenditure						
3,615,254	Repairs and Maintenance	4,351,300	4,392,070	4,550,610	4,562,530	4,570,950
3,060,045	Supervision and Management	3,165,490	3,144,290	3,256,170	3,289,780	3,290,800
414,489	Special Services	511,710	481,560	496,780	520,710	544,740
291,840	Supporting People	118,500	208,180	135,280	135,939	136,269
103,823	Tenants Participation	115,780	115,700	116,140	117,640	117,660
5	Rents, Rates, Taxes & Other Chrgs	1,570	0	0	0	0
386,346	Increase in Bad Debts Provision	0	99,000	0	0	0
4,293,329	Housing Subsidy Payable	4,476,066	4,432,520	5,368,320	6,389,060	7,474,050
300,236	Cost of Capital	318,580	338,910	363,290	364,380	365,460
6,207	Debt Management Expenses	6,640	7,020	7,520	7,540	7,570
0	Vacancy Factor	(70,000)	(35,000)	(30,000)	(30,000)	(30,000)
0	Employers Pension Increase	0	0	3,900	3,900	3,900
0	Efficiency Savings Targets	(280,000)	0	0	0	0
12,471,575	Total Expenditure	12,715,636	13,184,250	14,268,010	15,361,479	16,481,399
Income						
(15,598,187)	Income	(16,074,590)	(16,429,715)	(17,584,038)	(18,687,039)	(19,844,369)
(15,598,187)	Total Income	(16,074,590)	(16,429,715)	(17,584,038)	(18,687,039)	(19,844,369)
(3,126,612)	Net Cost of Services	(3,358,954)	(3,245,465)	(3,316,028)	(3,325,560)	(3,362,970)
Appropriations						
0	Cost of Capital Adjustment	0	0	0	0	0
2,562,871	Depreciation	2,288,660	2,541,450	2,539,930	2,538,440	2,536,980
581,825	T/f to/(from) Major Repairs Reserve	878,680	625,940	664,170	695,890	726,650
18,083	Net Operating (Surplus) / Deficit	(191,614)	(78,075)	(111,928)	(91,230)	(99,340)
(647,148)	Working Balance at Beginning of Year	(361,949)	(629,065)	(707,139)	(819,067)	(910,298)
18,083	Contribution to/(from) Balances	(191,614)	(78,075)	(111,928)	(91,230)	(99,340)
(629,065)	Working Balance at End of Year	(553,563)	(707,139)	(819,067)	(910,298)	(1,009,638)