

Key Decision Required:	Yes	In the Forward Plan:	Yes
------------------------	-----	----------------------	-----

CABINET

1 FEBRUARY 2006

REPORT OF MANAGEMENT BOARD AND HEAD OF FINANCIAL SERVICES

A.2 FINANCIAL STRATEGY 2006/07 AND BEYOND AND FINAL BUDGET PROPOSALS 2006/07

(Report prepared by Roy Coulter, David Appleby and Karen Neath)

1.0 PURPOSE OF THE REPORT

To allow Cabinet to approve the Financial Strategy for 2006/07 and to make a final recommendation to Council on 16th February 2006 on the final budget proposals, (including the proposed Council Tax rise for 2006/07), following the Overview and Scrutiny consultation process.

2.0 BACKGROUND

At the meeting on the 6th January 2006, Cabinet recommended Revised Initial Financial Strategy proposals (including the level of Council Tax for the District Services) along with the detailed Initial Budget Proposals. These proposals were subject to consultation with Overview and Scrutiny Committee.

Since the Revised Initial Financial Strategy and Initial Budget Proposals were considered, further information has become available within some areas that impact on the Council's finances. These have been taken into account in the final Financial Strategy and final detailed budgets that are put forward in this report.

3.0 CABINET'S REVISED INITIAL FINANCIAL STRATEGY PROPOSALS OF 6 JANUARY 2006

In July 2005, Cabinet agreed the Initial Financial Strategy for 2006/07. On 6th January 2006 Cabinet considered the Revised Initial Financial Strategy which had regard to the comments of the Financial Strategy Scrutiny Sub Committees on the initial strategy and other variations which had occurred since July 2005. This resulted in a forecast budget for 2006/07 of **£18.981m** which is based on an increase in a Band D council tax for 2006/07 of **4.9%**.

At the meeting of 6th January 2006, Cabinet also received the Initial Budget Proposals for 2006/07 in addition to a revised budget position for 2005/06. The Initial Budget Proposals for 2006/07 were consistent with the total forecast budget position presented in the Revised Initial Financial Strategy.

4.0 OVERVIEW AND SCRUTINY COMMITTEE COMMENTS

In accordance with the Constitution, Cabinet has consulted with Overview and Scrutiny Committee on both the Revised Initial Financial Strategy proposals and the Initial Budget Proposals.

In respect of the Revised Initial Financial Strategy, Overview and Scrutiny Committee resolved, at its meeting on 11th January 2006, that:

The contents of the report be noted pending further consideration by the Committee at its meeting to be held on 23rd January 2006 when the Committee will determine its formal response to the Cabinet on their Revised Initial Financial Strategy for 2006/07 and beyond. At the same meeting, Overview and Scrutiny Committee resolved that in respect of the Initial Budget Proposals:

(a) That the contents of the report be noted.

(b) That, in accordance with previous years' practice, the Cabinet's initial budget proposals be forwarded to the 3 Budget Scrutiny Sub-Committees for their detailed consideration.

(c) That the recommendations of the Budget Scrutiny Sub-Committees be considered by the Committee at its meeting to be held on 23rd January 2006 in order to enable the Committee to determine its formal response to the Cabinet on their initial budget proposals for 2006/07.

The comments of the Overview and Scrutiny Committee of 23rd January 2006 on the Revised Initial Financial Strategy and the Initial Budget Proposals together with the response of the Executive Leader in consultation with the Finance Portfolio Holder are set out in a separate report on this agenda. It is proposed to amend the budget in line with the Executive Leaders comments.

5.0 CHANGES SUBSEQUENT TO THE CABINET'S INITIAL PROPOSALS OF 6 JANUARY 2006

Items arising from further information becoming available that have an impact on the financial position since the initial proposals are shown below. A summary of amendments to the detailed budget book pages is attached at **Appendix A**. These changes have no overall effect on the net budget of **£18.981m** presented to Cabinet on 6th January 2006.

5.1 Final Local Government Finance Settlement

The final Local Government Finance Settlement has not yet been announced. Any variation to the provisional settlement, including both specific grants and capital will be reported directly to Council in accordance with recommendation (b).

5.2 Other Variations

▪ Waste Performance and Efficiency Grant (REVENUE)

This grant from the Department for the Environment, Food and Rural Affairs (DEFRA) is for supporting new and more efficient ways to deliver waste reduction and increase recycling and diversion from landfill. The grant is to be continued for 2006/07 and 2007/08. The allocation for Tendring District Council is **£0.117m** for 2006/07 and **£0.123m** for 2007/08. Although not ring-fenced, it is proposed that this funding is earmarked to support the implementation of actions to enable this authority to reach its current statutory recycling target of 24% or any future increases in this target. A further report on the precise utilisation of this funding will be brought to Cabinet in due course.

▪ Safer, Stronger Communities Fund (REVENUE AND CAPITAL)

In the Revised Initial Financial Strategy, grant income totalling **£1.383m** was included with **£0.413m** allocated to revenue (Neighbourhood element) and **£0.970m** to the capital programme (Cleaner, Safer and Greener element) in accordance with initial advice on how the grant was to be allocated. However subsequent information received states that there is greater flexibility available on how the grant can be spent.

Therefore in line with initial proposals being put forward to GO East as a framework to deliver the necessary outcomes, the original allocation has been revised. This revised allocation provides **£0.893m** for revenue expenditure and **£0.490m** for capital schemes. This capital allocation includes **£0.460m** (subject to the agreement of GO East) that is proposed to be made available to support the Clacton Town Centre Enhancement work which is one of the Council Priority Capital Schemes.

▪ **Housing Investment Programme (HIP) (CAPITAL)**

Final figures provided by ODPM in the Housing Subsidy Determinations 2006/07 indicate that **£0.639m** will be the level of Housing Revenue Account (HRA) borrowing that will be supported through housing subsidy for 2006/07. This is a reduction of **£0.011m**, as **£0.650m** was originally included in the Initial Budget Proposals reported to Cabinet on 6th January 2006. However given this is only a relatively small reduction, the shortfall will be met from an increased contribution from the HRA's Major Repairs Reserve rather than reduce the level of expenditure in the overall HIP programme for 2006/07.

Within the HIP for 2006/07, **£0.300m** has also been included in the Budget Proposals as the level of supported borrowing for Housing General Fund Schemes. However with changes in responsibilities between ODPM and the Regional Housing Board (RHB) new proposals have been presented by the RHB indicating that Capital Grants will be provided rather than supported borrowing. However it is expected that the figures will not be available until late February 2006. If figures do become available then the figure will be presented directly to Council on 16th February 2006

▪ **Other Budget Changes (REVENUE)**

Various other minor budget changes have been identified resulting in a net reduction of **£0.022m**. This has been added to the Service Improvement Budget which is now included in the detailed estimates as **£0.034m**.

6.0 RESERVES AND SERVICE IMPROVEMENT

6.1 Revenue Reserves

Revenue reserves can be utilised to fund either revenue or capital expenditure. The estimated balance of revenue reserves at 31st March 2006 is **£5.158m**. Of this total **£1.279m** is earmarked with the remaining **£3.879m** uncommitted. It is also estimated that a net contribution to earmarked reserves totalling **£0.454m** will be made in 2006/07, which would increase the overall level of reserves to **£5.612m**.

Appendix B sets out the detailed position. It has previously been agreed that uncommitted reserves of **£4.000m**, including the minimum working balance of **£1.600m**, are appropriate to support the Financial Strategy. The forecast position of revenue reserves at 31st March 2006 and 31st March 2007 will vary over time depending on the outturn position for 2005/06 and 2006/07 as well as other unexpected or unplanned occurrences during these years.

Included in reserves is an earmarked amount of **£0.220m** which was set up in 2004/05 to ensure that the capital programme can still be delivered even if the level of capital receipts required to support the capital programme as highlighted in point 6.2 below is not achieved. However it is possible that this reserve may need to be called on to fund agent costs in relation to key asset disposals as reported to Cabinet on 6th January 2006.

6.2 Useable Capital Receipts

Capital receipts from sales of land and other assets can only be used to support capital expenditure. The 5 year capital programme attached at **Appendix C** and summarised in Table 2 below assumes that receipts of **£0.220m** will be required to support the ongoing general fund capital programme.

At the Council meeting on 13th December 2005 it was agreed that borrowing, not exceeding **£2.000m**, be undertaken for Council Priority Capital Schemes. It was additionally agreed that any asset sales achieved in 2006/07 over and above the **£0.220m** (to support the ongoing general fund capital programme as mentioned above) are used to repay this borrowing.

7.0 REVISED ESTIMATES 2005/06 AND PROPOSED ESTIMATES 2006/07

7.1 Robustness of Estimates and Adequacy of Reserves – Report under Section 25 of the Local Government Act 2003.

Under this legislation, the Head of Financial Services is required to make a report to Council as part of the budget process.

Robustness of the Estimates

The budget estimates for 2006/07 have been prepared within the framework of a strengthened and refined Financial Strategy process. However, there are risks inherent within the strategy and therefore in the corresponding detailed estimates. These include the following areas:-

- Growth Expenditure Items have been prioritised so that only those items which the Council can afford to fund have been included. There is a risk that the excluded items could emerge during the year although they are supported by a Head of Service proposed action to manage the expenditure should the need arise.
- Allowance has been made within the estimates for the annual pay award as well as inflation on utilities, contracts and income. When actual figures become available for such items there may be an impact on the level of service provision if costs rise.
- A comprehensive exercise was undertaken to identify savings / increased income. The result is that additional income budgets of **£0.187m** have been included in the estimates along with expenditure reductions of **£0.216m**. These amounts have been prudently assessed and are considered to be both realistic and achievable targets. An action plan and associated timetable has been implemented to deliver the savings / increased income although the associated risk is that timescales may not be fully achieved and the full proposals not implemented by 1st April 2006.
- In addition some fees and charges have been increased to achieve income over the basic inflation allowance of 2% in order to fund specific cost pressures which were included as Managed Responses in the Financial Strategy. Again there is an inherent risk that budgeted levels of income will not be achieved.

- A Manpower Initiatives saving of **£0.250m** has been included in the 2006/07 estimates. A proactive management of vacancies and other human resource initiatives is already underway through a Workforce Planning Team to deliver this level of savings.
- A general underspend provision totalling **£0.469m** remains in the estimates for 2006/07. There is a risk that this level of anticipated underspend will not be achieved, although it is felt to be a reasonable and realistic level based on the outturn position experienced in previous years.

Within the Financial Strategy framework there is Cabinet involvement and scrutiny at various stages in addition to input from the Financial Scrutiny Sub committee and individual services.

Regular and comprehensive monitoring of the budget will be undertaken during 2006/07 so action can be taken if and when appropriate

The proposed budget resulting from this process is therefore robust and deliverable and is supported by reserves (see below).

Adequacy Of The Reserves

An integral part of the Council's overall strategy is that the level of reserves is sufficient to support the risks identified above. The detailed position on reserves is set out in **Appendix B** and discussed in section 6.1. The level of uncommitted reserves forecast at 31st March 2006 is **£3.879m** including the minimum working balance of **£1.600m**, slightly below the **£4.000m** identified as necessary to support the risks inherent in the approach to the Financial Strategy. All of the reserves are regarded as adequate.

7.2 Housing Revenue Account. (HRA)

The budgets relating to the HRA were considered and approved by Cabinet on 25th January 2006. They have been prepared on a robust basis and by following relevant guidance on HRA subsidy, rent restructuring and rent rebate limitation. The budget shows an estimated surplus for 2006/07 of **£0.172m**. This is anticipated to increase the estimated balance on the HRA at 31 March 2007 to **£2.971m** in accordance with the HRA Business Plan which projects that surpluses will need to be accrued in the early years of the plan to ensure it remains sustainable in the longer term.

7.3 Budget Summaries

The proposed revenue budgets for 2006/07 and the 2005/06 revised budgets are summarised below:

Table 1 – General Fund Budget - 2005/06 Revised and 2006/07 Estimates

	2004/05 Actual £000	2005/06 Original £000	2005/06 Revised £000	2006/07 Original £000
Service costs	18,390	19,034	20,820	20,172
Revenue support for capital investment	518	854	1,694	1,130
Financing items	(3,723)	(2,539)	(3,242)	(2,775)
Net Expenditure	15,185	17,349	19,272	18,527

Contribution to /(from) Uncommitted Reserve	(417)	0	0	0
Net Use of Earmarked Reserves	1,113	(681)	(2,604)	454
	15,881	16,668	16,668	18,981
Financed by				
Government Grant – NNDR	3,813	4,069	4,069	10,281
Government Grant - RSG	6,042	6,230	6,230	1,974
Council tax	5,871	6,249	6,249	6,596
Collection fund surplus	155	120	120	130
	15,881	16,668	16,668	18,981

The budget requirement for 2006/07 requires a Band D council tax increase of **4.9%**.

The proposed capital programme for 2006/07 and the 2005/06 revised are summarised below:

Table 2 – Capital Programme - 2005/06 Revised and 2006/07 Estimates

	2005/06 Revised Budget £000	2006/07 Original Budget £000
EXPENDITURE		
Housing Investment Programme	4,766	4,311
Other Programmes	3,880	4,352
Total Expenditure	8,646	8,663
FINANCING		
Housing Investment Programme		
Borrowing	1,274	939
Capital receipts	1,052	989
Government grants etc	385	253
Major Repairs Allowance	2,055	2,130
	4,766	4,311
Other Programmes		
Borrowing	507	2,236
Government grants etc	751	490
External Contributions	78	0
Capital receipts from sale of assets	439	220
Revenue Contributions	143	1,130
Reserves	1,551	0
Leasing	411	276
	3,880	4,352
Total Financing	8,646	8,663

7.4 Special Expenses, Major Precepts, Parish Precepts and District Tax Levies

On 11th January 2006 the Finance Portfolio Holder agreed the Special Expenses proposals as part of the Cabinet's overall Initial Budget Proposals. These were

considered by Overview and Scrutiny "Group A" budget sub-committee. Overview and Scrutiny Committee met on 23rd January 2006 and their detailed comments are reported elsewhere on the agenda. The detailed Special Expenses are attached at **Appendix D**.

The impact of Special Expenses along with Parish Precepts and the proposed District Tax levies on a Band D property in each area is shown in **Appendix G**. The Parish/Town Council Precepts total **£1.199m** in 2006/07, compared with **£1.039m** in 2005/06, an increase of **15%**. This is currently based on an estimated figure from Tendring Parish Council as a final figure has not yet been received.

The final precept information for Essex County Council (ECC), Essex Fire Authority and Essex Police Authority is also not yet available. However provisional figures for ECC and the Essex Fire Authority indicate increases in their Council Tax of 4.6% and 1.9% respectively.

Any outstanding information will be forwarded direct to Council on 16th February 2006 in accordance with recommendation (b).

7.5 Consultation meeting with Business Ratepayers and others

The meeting was held on 13th January 2006 and overall the presentation was well received.

Although there were no adverse comments it was asked that Cabinet revisit their priorities and reconsider the proposal to reduce grants to voluntary organisations.

The other comments and questions raised related to the level of proposed borrowing, the authorities low tax levy, consolidated waste contracts, seafront parking charges, regeneration investment and ECC budget priorities.

8.0 IMPLICATIONS

8.1 Community Strategy and Corporate Plan

Careful planning to ensure financial stability underpins the Council's capacity to achieve the objectives set out in the Corporate Strategy. Individual elements of the strategy are risk assessed against the aspirations of the Council, as well as statutory service requirements. The approach for 2006/07 builds on previous successful financial planning and is key to the Council's aim to be a modern, healthy and well managed organisation.

8.2 Financial

The financial implications are fully considered in the body of this report.

8.3 Legal

The Council is legally required to calculate a budget requirement and set a council tax levy for each financial year.

The Secretary of State may designate capping (for the present financial year) or nominate capping (for the following financial year) for an authority if in his opinion its budget requirement is excessive.

In each case the Secretary of State must inform the authority in writing, and the Local Authority has 21 days in which to make written representations. Following receipt of any representations the Secretary of State may confirm his designation/nomination, or may alter these (including the amount proposed to be the maximum for the budget requirement for that financial year if designated, or the following financial year if nominated).

8.4 Crime and Disorder Act 1998

Financial stability underpins the Council's capacity to deliver its contribution to the Crime and Disorder Strategy.

8.5 Wards Affected

All.

9.0 CONCLUSION

The detailed estimates for 2006/07 have been prepared within a comprehensive financial strategy framework resulting in robust and deliverable budgets supported by a sufficient level of reserves. Although a few changes have been made the budget requirement of **£18.981m** remains unchanged and the estimates remain substantially the same as the Revised Initial Financial Strategy and Initial Budget Proposals considered by Cabinet on 6th January 2006.

Once the Cabinet has agreed its final budget proposals they will go forward for consideration at the Council meeting on 16th February 2006.

10.0 RECOMMENDED

(a) That, subject to consideration of any comments from Overview and Scrutiny Committee and the Business Ratepayers Consultation, Cabinet approves the Financial Strategy and makes the following final budget proposals (based on an average 4.9% Band D council tax increase for the district services) to Council:-

- i) The total budget for 2006/07 be set at £18.981m net and Revised Budget for 2005/06 be set at £16.668m net.**
- ii) The Capital Programme shown at Appendix C be approved (totalling £8.663m in 2006/07).**
- iii) The detailed budgets for 2006/07, as per the Cabinet's Initial Budget Proposals of 6th January 2006 as amended by the budget changes as set out in section 5.2 and Appendix A of this report be approved.**
- iv) The Council agrees and formally approves:**
 - a) The specific recommendations, calculations and other matters in respect of the Council's requirements, Special Expenses and Parish/Town Council precepts – Appendix E**
(This includes but is not limited to the contrary resolution in paragraph (b) of that Appendix)
 - b) The Council Tax for District and Parish/Town Councils –**

Appendix I.

- (b) That in consultation with the Executive Leader and the Finance Portfolio Holder, the Head of Financial Services reports directly to Council in respect of the necessary formal draft resolutions necessary to implement the Cabinet's budget proposals, precepts received and any late information or notifications received from the Office of the Deputy Prime Minister etc as may necessarily affect the budget.**

**CHIEF EXECUTIVE
MANAGEMENT BOARD &
HEAD OF FINANCIAL SERVICES**

List of Appendices

Appendix A	Budget Amendments Following Report to Cabinet 6th January 2006
Appendix B	Forecast of Reserves at 31st March 2006 estimated usage 2006/07
Appendix C	Five Year Capital Programme
Appendix D	Special Expenses 2006/07
Appendix E	Calculation of Council Tax Levies 2006/07
Appendix F	Analysis of Gross Expenditure, Income and Taxation Calculation 2006/07
Appendix G	Calculation of District and Parish /Town Council Taxes for All Areas 2006/07
Appendix H	Precepts on the Collection Fund 2006/07
Appendix I	District and Parish/Town Council Tax Amounts 2006/07
Appendix J	Estimated Surplus on the Collection Fund for 2005/06

Budget Amendments Following Report to Cabinet 6 January 2006

A draft of the Council's Revenue Estimates and Capital Programme was submitted to Cabinet on 6 January 2006 as part of report A.2 ' Initial Budget Proposals for a Revised Budget 2005/06 and Original Budget for 2006/07'. As a result of the changes that have occurred since that time a number of detailed changes are now necessary and these are set out in the table below. Figures have only been included where the change has a budgetary implication. The main changes are covered in section 5 of the main report.

	Page	2005/06 Revised		2006/07		Note
		Proposed budget	Amended proposal	Proposed budget	Amended proposal	
		(6 Jan) £	(1 Feb) £	(6 Jan) £	(1 Feb) £	
A Alterations to Fees and Charges <i>Alterations to text only (no effect on draft budget figures)</i>						
A1 Statutory Gaming, Lotteries, and Pool registration fees have been moved to Appendix D (page D22/23).	C21					
A2 Concessionary Bus passes & Rail fares moved from Regeneration to Benefits & Revenues portfolio.	C15					
A3 Section C Scale of Charges pages renumbered.	C1					
A4 Environmental Services - Pest control of Rats and Mice - increase in fee.	D3					
B Final figures received in respect of Government Support re NNDR/RSG						
C Alterations to Budget Book pages <i>Alterations to Budget figures</i>						
C1 Safer Stronger Communities Fund - Cleaner, Safer, Greener element. Expenditure. Amount transferred from Capital.	E7 / 30			0	480,000	
C2 Safer Stronger Communities Fund - Cleaner, Safer, Greener element. Government Grant income transferred from Capital.	E7 / 30			(412,800)	(892,800)	
C3 Grants page in Regeneration portfolio, reduction in grants amount changed to split reduction between Grants and Citizens Advice Bureau.	E7 / 23			24,050	41,200	
C4 Citizens Advice Bureau page in Regeneration portfolio, reduction in grants amount. See C3 above.	E7 / 17			78,950	61,800	
C5 Enabling Activities recharges - correction of misalignment of staff time allocation.	E4 / 4	76,310	64,710	114,250	103,590	
C6 HECA recharges - correction of misalignment of staff time allocation.	E4 / 5	59,130	17,970	49,270	16,160	

A2 APPENDIX A

		2005/06 Revised		2006/07			
	Page	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Note	
C7	Home Improvement Agency recharges - correction of misalignment of staff time allocation.	E4 / 6	44,560	30,970	46,100	40,390	
C8	Private Housing, houses in multiple occupation and home loss payments recharges - correction of misalignment of staff time allocation.	E4 / 10	17,280	121,710	18,190	130,770	
C9	Private Sector Renovation recharges - correction of misalignment of staff time allocation.	E4 / 11	190,470	222,360	199,040	259,540	
C10	Recycling recharges - correction of misalignment of staff time allocation.	E2 / 11	126,930	66,560	121,910	64,150	
C11	Food Health & Safety recharges - correction of misalignment of staff time allocation.	E2 / 9	469,240	459,640	504,540	476,950	
C12	Environmental Control recharges - correction of misalignment of staff time allocation.	E2 / 8			447,720	409,470	
C13	Rural Regeneration - Rural Activity Small Grants Scheme. Reduction in grant income as scheme no longer administered by TDC. (See C14 below).	E7 / 29	(20,940)	(5,940)			
C14	Rural Regeneration - Rural Activity Small Grants Scheme. Reduction in expenditure as scheme no longer administered by TDC. (See C13 above).	E7 / 29	20,940	5,940			
C15	Direct Revenue Financing of Capital Investment - CCTV Projects. Amended to show alterations to capital programme expenditure.	E3b / 2	66,000	72,000			
C16	Direct Revenue Financing of Capital Investment - Safer Stronger Communities - Cleaner, Safer, Greener element. Amended to show alterations to capital programme expenditure.	E3b / 2			970,000	490,000	
C17	Direct Revenue Financing of Capital Investment Sources of Funding - Other Government Funding. Amended to show alterations to capital programme expenditure.	E3b / 2	(408,000)	(409,000)	(970,000)	(490,000)	
C18	Direct Revenue Financing of Capital Investment Sources of Funding - Other Contributions. Amended to show alterations to capital programme expenditure.	E3b / 2	(73,000)	(78,000)			
C19	Correction of Summary Page Analysis of Housing Portfolio Direct Costs to include Supporting People, which it did not previously.	E4 / 1	1,777,020	1,781,520	1,828,450	1,832,950	04/05 Actual and 05/06 Original Estimates also amended accordingly
C20	Correction of Summary Page Analysis of Housing Portfolio Income Figure to include Supporting People, which it did not previously.	E4 / 1	(411,920)	(416,420)	(339,720)	(344,220)	04/05 Actual and 05/06 Original Estimates also amended accordingly

A2 APPENDIX A

	Page	2005/06 Revised		2006/07		Note
		Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	
C21 Moved £88 income for 2004/05 actual from "Contributions from Other Authorities" to "Sales Of Registers". This has a net nil change to the total, but the detail line, and associated note (note 2) have been deleted.	E13/2					
C22 Community Services Service Unit - Remove lease car income and corresponding lease car expenditure, resulting in a net change of £0.	E7/3	9,140	7,990	9,330	8,180	
C23 Community Services Service Unit - Remove lease car income and corresponding lease car expenditure, resulting in a net change of £0.	E7/3	(1,150)	0	(1,150)	0	
C24 Emergency Planning reduction in supplies & services. Virement to Unidentified Underspendings budget in 2005-06 Revised Estimate & Service Improvement budget in 2006-07.	E8b / 8	46,200	24,200	45,080	23,080	
C25 Contra side of Emergency Planning adjustment in 2005-06 Revised Estimate in the Unidentified Underspendings Budget.	E3a / 9	(131,770)	(109,770)			
C26 Contra side of Emergency Planning adjustment in 2006-07 Original Estimates in the Service Improvement Budget.	E3a / 9			12,490	34,490	
C27 Recycling Income - notification of grant due from DEFRA received. (See C28 below).	E2 / 11			0	(116,750)	
C28 Recycling - improvement and other recycling initiatives - expenditure to be funded by DEFRA grant. (See C27 above).	E2 / 11			72,430	189,180	
C29 Technical portfolio -Horticultural now moved to Leisure portfolio (see C30 below).	E9 / 12	169,410	0	171,470	0	04/05 Actual and 05/06 Original Estimates also moved
C30 Leisure portfolio - Horticultural moved from Technical portfolio (see C29 above).	E5 / 4	0	169,410	0	171,470	04/05 Actual and 05/06 Original Estimates also moved
Total for Section C - Alterations to Budget figures		2,025,850	2,025,850	2,989,600	2,989,600	
<i>Alterations to text only (no effect on draft budget figures)</i>						
C31 Jaywick Master Plan Project Management. Note 2 amended.	E7 / 31					
C32 Safer Stronger Communities Fund - Neighbourhood element. Note 3 amended.	E7 / 31					
C33 Safer Stronger Communities Fund - Cleaner, Safer, Greener element. New note inserted (Note 4).	E7 / 31					
C34 Rural Regeneration - Rural Activity Small Grants Scheme. Note 1 amended.	E7 / 29					

A2 APPENDIX A

2005/06 Revised

2006/07

	Page	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Note
C35 Regeneration Portfolio Summary Page - page numbers amended to reflect re-numbering.	E7 / 1					
C36 Direct Revenue Financing of Capital Investment - alteration to note (2) to reflect changes in capital programme expenditure. Has no effect on direct revenue financing figure.	E3b / 2					
C37 IT Direct Services - Corrected the numbering of the notes (2) and (3) These were on the incorrect lines. This was noticed at the Overview and Scrutiny Cttee 12th January 2006.	E8a / 11					
C38 Highways Non Agency Services note 3 (was on page E9/11) now on page E9/10 and subsequent page numbers adjusted accordingly.	E9/10					
C39 Benefits and Revenues Portfolio E1/1 to E1/15. Pages re - numbered into alphabetical order.	E1 / 1 to E1 / 15					
C40 Heading 'Concessionary Train Fares' renamed ' Concessionary Rail Fares'.	E1 / 14					
C41 Section 106 Agreements. Note 3. Cross reference to Technical Portfolio corrected to page E9 / 4.	E3a / 12					
C42 Enabling Activities. Note 2. Cross reference amended from 'Note 3 E4/1' to 'Note 2 E4/1'.	E4 / 4					
C43 Home Energy Conservation Act. Note 1. Cross reference amended from 'Note 3 E4/1' to 'Note 2 E4/1'.	E4 / 5					
C44 Home Improvement Agency. Note 2. Cross reference amended from 'Note 3 E4/1' to 'Note 2 E4/1'.	E4 / 6					
C45 Private Housing, Houses in Multiple Occupation and Home Loss Payments. Note 3. Cross reference amended from 'Note 3 E4/1' to 'Note 2 E4/1'.	E4 / 10					
C46 Private Sector Renovation Grants. Note 3. Cross reference amended from 'Note 3 E4/1' to 'Note 2 E4/1'.	E4 / 11					
C47 Sport and Leisure Facilities. Note 5. Cross reference to Regeneration Portfolio amended to reflect new page numbering.	E5 / 9					
C48 Elections and Electoral Registration. Note 1. Cross reference amended from 'page E8a/6' to 'page E8a/8'.	E13 / 2					
C49 Resources Estimates Emergency Planning Note 1 amended.	E8b / 8					
C50 Financial Services Service Unit Account - Note numbers changed so notes refer to correct figures.	E3a / 2					
C51 Concessionary Rail Fares, note changed to include the responsible body for the administration fee, which is the Rail network.	E1 / 14					

A2 APPENDIX A

2005/06 Revised

2006/07

	Page	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Note
C52 Theatres, note 1 changed, regarding jazz festival funding.	E5 / 12					
C53 Environment Scale of charges changes to Crem fees ages from "12-16 years" to "13-16 years".	C4					
C54 Environment Scale of charges change of spelling "barers" to "bearers"	C4					
C55 Refuse Collection change to purpose of service description.	E2 / 12					
C56 Leisure portfolio - Summary page now reflects inclusion of Horticulture (see C27 above).	E5 / 1					
C57 Technical portfolio - Summary page now reflects removal of Horticulture (see C30 above).	E9 / 1					
C58 Recycling note 1 changed due to extra grant income expected with associated increase in expenditure.	E2 / 11					
 D Capital Programme Changes						
Alterations to Budget figures						
D1 Under Regeneration Portfolio. Safer Stronger Communities Fund - Cleaner, Safer, Greener element. Expenditure transferred to Revenue.	F4			970,000	490,000	
D2 Under Regeneration Portfolio. Safer Stronger Communities Fund - Cleaner, Safer, Greener element. Government Grant income transferred to Revenue.	F4			(970,000)	(490,000)	
D3 Under Regeneration Portfolio. Removal of Safer Stronger Communities Fund - Cleaner, Safer, Greener element budget in 2007/08.	F4					
D4 Under Resources/ICT/Corporate Governance/Best Value Portfolio. Increase in CCTV Projects budget.	F4	66,000	72,000			
D5 Under Financing - Other Services (General Fund). Increase in Other Government funding figure to fund CCTV Projects.	F5	(54,000)	(55,000)			
D6 Under Financing - Other Services (General Fund). Increase in External Contributions to fund CCTV Projects.	F5	(73,000)	(78,000)			
D7 Under Financing - Housing Investment Programme. Decrease amount financed through borrowing under HRA schemes.	F5			(650,000)	(639,000)	
D8 Under Financing - Housing Investment Programme. Increase amount financed by Major Repairs Allowance under HRA schemes.	F5			(2,119,000)	(2,130,000)	
 Total for Section D		(61,000)	(61,000)	(2,769,000)	(2,769,000)	

A2 APPENDIX A

2005/06 Revised

2006/07

	Page	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Proposed budget (6 Jan) £	Amended proposal (1 Feb) £	Note
<i>Alterations to text only (no effect on draft budget figures)</i>						
D9	Note 10 Capital improvement budget - alter wording to show correct executive decision and date. From Decision 1039 dated 9/11/05 to Decision 998 dated 31/08/05.	F7				
D10	Note 17 Safer Stronger Communities - note amended to reflect changes in budget (see D1, D2 and D3 above).	F8				
D11	Note 18 CCTV Projects - note amended to take into account increase in budget (see D4 above).	F8				
D12	Note 31 Other Government funding - note amended to include increased funding in respect of CCTV projects (see D5 above).	F11				
D13	Note 32 External Contributions - note amended to include increased funding in respect of CCTV projects (see D6 above).	F11				
D14	Note 25 Supported Borrowing - note amended to show revised figure for 2006/07 allocation (see D7 above).	F9				
D15	Note 26 Major Repairs Allowance - note amended to show revised figure for MRA applied in 2006/07 (see D8 above).	F9				
D16	Move CCTV budgets from Regeneration Portfolio to Resources/ICT/Corporate Governance/Best Value Portfolio.	F4				
E	Changes to contributions to/ (from) Earmarked Reserves					

A2 APPENDIX B

Estimated RESERVES at 31 March 2006 and forecast usage in 2006/07

	Balance 31 March 2005 £m	Estimated Net contribution to/(from) Reserves 2005/06 £m	Estimated Balance 31 March 2006 £m	Estimated Net contribution to/(from) Reserves 2006/07 £m	Estimated Balance 31 March 2007 £m
Earmarked Reserves					
Graves in perpetuity fund	0.011		0.011		0.011
Buildings (structural and refurbishment) reserve	0.371	(0.371)			
Revenue commitments reserve	1.394	(1.394)			
Capital commitments reserve	1.130	(1.130)			
Project investment reserve	0.129	(0.070)	0.059	(0.020)	0.039
Cremator replacement reserve	0.073	0.066	0.139	0.066	0.205
Manual workers job evaluation reserve	0.306	(0.112)	0.194	(0.067)	0.127
Capital investment reserve	0.220		0.220		0.220
Section 106 Agreements / Commuted Sum reserve	0.199	(0.032)	0.167	0.005	0.172
Careline system Replacement reserve		0.020	0.020	0.020	0.040
Jaywick Funding Officer reserve	0.050	0.019	0.069	(0.025)	0.044
Haven Gateway Partnership Reserve				0.075	0.075
Contact Management / Development Fund reserve		0.400	0.400	0.400	0.800
	3.883	(2.604)	1.279	0.454	1.733
Uncommitted Reserve	3.879		3.879		3.879
Total Reserves	7.762	(2.604)	5.158	0.454	5.612

A2 APPENDIX C

CAPITAL PROGRAMME SUMMARY

	Source of Financing <i>See key page F6</i>	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000	Total for six years £000
EXPENDITURE								
Housing Investment Programme		4,766	4,311	4,269	4,269	4,269	4,269	26,153
Other Services (General Fund)		3,880	4,352	584	9,678	865	631	19,990
		8,646	8,663	4,853	13,947	5,134	4,900	46,143
FINANCING								
Borrowing	(g)	1,455	3,175	1,151	1,001	1,001	1,001	8,784
Capital receipts from sale of assets	(g)	1,491	1,209	1,039	1,039	1,039	1,039	6,856
Revenue Contributions	(g)	143	1,130	-	-	-	-	1,273
Reserves	(g)	1,551	-	108	-	400	-	2,059
		4,640	5,514	2,298	2,040	2,440	2,040	18,972
Supported borrowing re coast protection	(a)	179	-	-	-	-	-	179
Disabled Facilities Grant	(i)	385	253	330	330	330	330	1,958
Major Repairs Allowance for council housing	(h)	2,055	2,130	2,170	2,170	2,170	2,170	12,865
Government Grants	(b)	97	-	-	9,250	50	-	9,397
Other Government funding	(e)	55	490	-	-	-	-	545
Specific supported borrowing re PSR	(k)	147	-	-	-	-	-	147
Grant from Department for Work and Pensions	(f)	354	-	-	-	-	-	354
External contributions	(c)	78	-	-	-	-	-	78
Implementing Electronic Government funding	(d)	245	-	-	-	-	-	245
Leasing/contract hire	(j)	411	276	55	157	144	360	1,403
		8,646	8,663	4,853	13,947	5,134	4,900	46,143

A? APPENDIX C

CAPITAL PROGRAMME

	Source of Financing	Notes	continuing schemes Expenditure to 31/3/05 £000	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000	Total Scheme Costs £000
<i>EXPENDITURE</i>										
Housing Investment Programme										
<i>Housing Revenue Account Schemes</i>										
Improvements, enhancement & adaptation of the Council's housing stock	(g)/(h)	1	-	2,500	2,500	2,500	2,500	2,500	2,500	15,000
Disabled adaptations for Council tenants	(g)/(h)	1	-	350	350	300	300	300	300	1,900
Information Technology upgrade and replacement	(g)/(h)	2	166	40	69	20	20	20	20	355
Cash Incentive Scheme	(g)/(h)	3	-	54	100	100	100	100	100	554
			166	2,944	3,019	2,920	2,920	2,920	2,920	17,809
<i>General Fund Housing Schemes</i>										
Disabled Facilities Grants	(g)/(i)		-	950	493	550	550	550	550	3,643
Private Sector Renewal Grants	(g)		-	619	766	766	766	766	766	4,449
Private Sector Renewal Initiative	(k)	4	-	220	-	-	-	-	-	220
Private Sector Leasing	(g)	5	-	33	33	33	33	33	33	198
			-	1,822	1,292	1,349	1,349	1,349	1,349	8,510
Total Housing Investment Programme expenditure			166	4,766	4,311	4,269	4,269	4,269	4,269	26,319

A? APPENDIX C

CAPITAL PROGRAMME

	Source of Financing	Notes	continuing schemes Expenditure to 31/3/05 £000	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000	Total Scheme Costs £000
Other Services (General Fund)										
Benefits and Revenue Portfolio										
Replacement of printing equipment	(g)	6	-	10	10	-	-	-	-	20
Environment Portfolio										
Public Conveniences - refurbishment and repairs (EnvC01)	(g)	7	-	-	50	-	-	-	-	50
Cemeteries and Crematorium										
Crematorium - rebricking of cremator chambers	(g)		-	-	-	58	-	-	-	58
- compliance with Disability Discrimination Act	(g)	8	-	21	-	-	-	-	-	21
- emissions	(g)		-	-	-	-	-	400	-	400
Kirby Cemetery - extension phase II	(g)		-	38	-	-	-	-	-	38
- laying out of next section	(g)	9	-	-	-	50	-	-	-	50
Clacton Cemetery - laying out of next section	(g)	9	-	-	50	-	-	-	-	50
Dovercourt Cemetery - laying out of new section	(g)	9	-	-	50	-	-	-	-	50
			-	59	150	108	-	400	-	717
Finance Portfolio										
Capital Improvement budget	(e)	10	-	3	-	-	-	-	-	3
Leisure Portfolio										
Skate Park, Clacton	(c)/(g)		173	18	-	-	-	-	-	191
Crossways Open Space - enhancements	(c)		167	23	-	-	-	-	-	190
Children's Play Area, London Road, Clacton on Sea	(c)	11	-	50	-	-	-	-	-	50
Cliff Maintenance surrounding Beach Road Seafront Shelter	(g)	12	-	103	-	-	-	-	-	103
Sports Facilities - compliance with Disability Discrimination Act	(g)	8	74	19	-	-	-	-	-	93
Repair and Maintenance of Sports Facilities (LeiC29)	(g)	7	-	-	80	-	-	-	-	80
Rolling vehicle/plant replacement	(j)	13	103	411	276	55	157	144	360	1,506
Clacton Leisure Centre refurbishment	(g)	14	29	437	-	-	-	-	-	466
Princes Theatre boiler replacement	(g)	15	-	88	-	-	-	-	-	88
Works following asbestos survey	(g)		-	50	-	-	-	-	-	50
			546	1,199	356	55	157	144	360	2,817

A? APPENDIX C

CAPITAL PROGRAMME

	Source of Financing	Notes	continuing schemes Expenditure to 31/3/05	2005/06 Budget	2006/07 Budget	2007/08 Budget	2008/09 Budget	2009/10 Budget	2010/11 Budget	Total Scheme Costs
	See key page		£000	£000	£000	£000	£000	£000	£000	£000
Regeneration Portfolio										
Tourist Information Centre	(g)		155	8	-	-	-	-	-	163
Upgrade of Town Hall heating system	(g)		78	23	-	-	-	-	-	101
Air conditioning - Pier Avenue offices	(g)	16	-	65	-	-	-	-	-	65
Disabled access adaptations to offices	(g)	8	75	46	-	-	-	-	-	121
Improvements to fixed electrical installation at the Town Hall and Weeley Council Offices (HRC01)	(g)	7	-	-	35	-	-	-	-	35
Upgrade to Town Hall electrical supply (HRC03)	(g)	7	-	-	10	-	-	-	-	10
PACE centre - termination of lease (RPCC03)	(g)	7	-	-	-	100	-	-	-	100
Safer Stronger Communities - Cleaner Safer Greener Element	(e)	17	-	-	490	-	-	-	-	490
Replacement of Piper Network Controller in Careline	(g)		-	-	-	50	-	-	-	50
			308	142	535	150	-	-	-	1,135
Resources/ICT/Corporate Governance/Best Value Portfolio										
CCTV Projects	(c)/(e)/(g)	18	322	72	-	-	-	-	-	394
Replacement of CCTV equipment in Clacton Town Centre	(g)	19	-	-	30	-	-	-	-	30
Contact Centre/DIP System	(c)/(f)/(g)	20	65	754	-	-	-	-	-	819
Information and Communications Technology										
Electronic Service Delivery	(d)/(e)/(g)	10/21	757	1,265	271	271	271	271	271	3,377
IEG Self Referral Bid	(d)	22	-	100	-	-	-	-	-	100
			1,144	2,191	301	271	271	271	271	4,720
Technical Services Portfolio										
Coast Protection										
Beach retention structures - Phase 1	(b)	23	51	-	-	-	9,250	50	-	9,351
Seawall, York Road, Holland on Sea	(a)/(b)		-	276	-	-	-	-	-	276
			51	276	-	-	9,250	50	-	9,627
Council Priority Capital Schemes	(g)	24	-	-	3,000	-	-	-	-	3,000
Total Other Services (General Fund) expenditure			2,049	3,880	4,352	584	9,678	865	631	22,039
Total Capital Programme expenditure			2,215	8,646	8,663	4,853	13,947	5,134	4,900	48,358

A? APPENDIX C

CAPITAL PROGRAMME

	Source of financing	Notes	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000
FINANCING								
Housing Investment Programme								
Housing Revenue Account Schemes								
Borrowing	(g)	25	750	639	650	650	650	650
Major Repairs Allowance	(h)	26	2,055	2,130	2,170	2,170	2,170	2,170
Capital receipts	(g)	29	139	250	100	100	100	100
			2,944	3,019	2,920	2,920	2,920	2,920
General Fund Housing Schemes								
Borrowing	(g)	25	377	300	300	300	300	300
Specific supported borrowing re PSR	(k)	27	147	-	-	-	-	-
Disabled Facilities Grants	(i)	28	385	253	330	330	330	330
Capital receipts	(g)	29	913	739	719	719	719	719
			1,822	1,292	1,349	1,349	1,349	1,349
Total Housing Investment Programme financing			4,766	4,311	4,269	4,269	4,269	4,269
Other Services (General Fund)								
Specific Financing								
Supported borrowing re Coast Protection	(a)	30	179	-	-	-	-	-
Government grants re Coast Protection	(b)	30	97	-	-	9,250	50	-
Other Government funding	(e)	31	55	490	-	-	-	-
External contributions	(c)	32	78	-	-	-	-	-
Implementing Electronic Government funding	(d)	33	245	-	-	-	-	-
Department for Work and Pensions	(f)	34	354	-	-	-	-	-
Leasing/contract hire	(j)	35	411	276	55	157	144	360
			1,419	766	55	9,407	194	360
General Financing								
Borrowing	(g)	36	328	2,236	201	51	51	51
Capital receipts	(g)	37	439	220	220	220	220	220
Revenue contributions	(g)	38	143	1,130	-	-	-	-
Reserves	(g)	39	1,551	-	108	-	400	-
			2,461	3,586	529	271	671	271
Total Other Services (General Fund) financing			3,880	4,352	584	9,678	865	631
Total Capital Programme financing			8,646	8,663	4,853	13,947	5,134	4,900

A? APPENDIX C

CAPITAL PROGRAMME

	Source of financing	Notes	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000
Memorandum Item								
Revenue Financing of Capital								
<i>Total revenue requirement</i>			1,694	1,130	108	-	400	-
<i>Reserves:-</i>								
<i>Capital Commitments Reserve</i>			1,130	-	-	-	-	-
<i>Project Investment Reserve</i>			50	-	-	-	-	-
<i>Building (structural and refurbishment) Reserve</i>			371	-	-	-	-	-
<i>Cremator Reserve</i>			-	-	58	-	400	-
<i>Careline System Replacement Reserve</i>			-	-	50	-	-	-
<i>General revenue contributions</i>			143	1,130	-	-	-	-
			1,694	1,130	108	-	400	-

Key to source of financing

Specific supported borrowing re coast protection	(a)
Government grants re coast protection	(b)
Contributions from external agencies	(c)
Implementing Electronic Government funding	(d)
Other Government funding	(e)
Grant from Department for Work and Pensions	(f)
Borrowing, capital receipts and contributions from revenue	(g)
Major Repairs Allowance	(h)
Disabled Facilities Grant	(i)
Leasing/contract hire	(j)
Specific supported borrowing re PSR	(k)

A? APPENDIX C

Notes: EXPENDITURE

Housing Investment Programme

- 1 **Housing Stock Improvements and Disabled Adaptations:** the allocation for improvements to the Housing Revenue Account (HRA) stock provides sufficient funds to ensure that the Council can maintain its Decent Homes target in addition to carrying out a reasonable programme of other works which complement the Council's corporate priorities, including environmental and security improvements. The HRA disabled adaptation allocation for 2005/06 and 2006/07 provides for the increased activity arising from social services reducing their backlog of occupational therapy assessments.
- 2 **Information Technology:** a Housing Register and Allocations module has been procured in 2005/06 and a Leaseholder Service Charges module will be procured in 2006/07 as part of the integrated Housing Management IT application. This is consistent with proposals in the Housing Best Value Improvement Plan and the service's approach to implementing e-government.
- 3 **Cash Incentive Scheme:** an annual allocation of £100,000 has been provided from 2004/05 to fund a Cash Incentive Scheme to enable council tenants to vacate their accommodation and move into owner occupation in the private sector. The current year's allocation has been revised downwards to reflect the level of take up of this initiative in 2005/06.
- 4 **Private Sector Renewal Initiative:** Go-East granted the Council an additional £333,000 in 2004/05 (of which £73,000 was brought forward to 2005/06) and £147,060 in 2005/06 of supported funding to assist in improving the condition of private sector housing. It is not anticipated that this supported funding will continue after 2005/06.
- 5 **Private Sector Leasing:** provision has been made in the programme to support a private sector leasing scheme from 2005/06 onwards which will provide short-term, self contained accommodation, as an alternative to bed and breakfast, through a registered social landlord for occupation by homeless persons.

Other Services (General Fund)

- 6 **Replacement of printing equipment:** the three main printing machines in Benefits and Revenues Services were purchased in 1999 and will need to be replaced in the near future. The machines produce all the bulk stationery items required by the service such as bills, reminders, summonses, mailshots, benefit notifications etc and will be replaced on a rolling programme starting in 2005/06.
- 7 **These schemes** have been identified as Priority 1 capital growth items in the Revised Initial Financial Strategy (Appendix C items EnvC01, LeiC29, HRC01, HRC03 and RPCC03). They are subject to investment appraisal and approval in accordance with the CIPFA Prudential Code of Borrowing and Capital Finance Regulations.
- 8 **Work on these schemes** was required in order for the Council to comply with the Disability Discrimination Act 1995 - Disabled Access which came into force 1 October 2004 and much of the budget was spent in 2004/05 with the remainder carried forward into 2005/06 in order to complete the work. The schemes include access adaptations to office accommodation, sporting facilities and Weeley Crematorium.
- 9 **The Council** has a statutory duty in respect of public burials. In their current layout, Clacton, Kirby and Dovercourt Cemeteries will all reach capacity in the near future unless further sections are laid out to provide additional burial space. These are in line with the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Items LeiC14 and LeiC15.
- 10 **Capital improvement budget:** the original budget of £38,000 was funded by part of the Planning Delivery Grant 2005/06. Subsequently £35,000 was vired to the ICT Electronic Service Delivery budget to allow some additional ICT work to be undertaken within the ICT capital programme which reduced the Revenue Contributions to Capital, which was used to finance revenue costs in respect of external assistance required to implement the BT Pilot Project on Benefits and Revenues. (Decision 998 dated 31/08/05)
- 11 **Children's Play Area:** the full cost of providing a children's play area on open space land at London Road will be met by by the Coppins Green Play Equipment Group through funding awarded by the Fair Share Trust.
- 12 **Cliff maintenance surrounding Beach Road Seafront Shelter:** this budget was carried forward from 2004/05 as work can only be carried out at specific times of the year. The budget covers major structural work that is required to the flank walls of the existing Beach Road shelter which support the upper promenade at Clacton to ensure the safety of the area. It is not proposed to reinstate the shelter.

A? APPENDIX C

- 13 **Vehicle Replacement:** £265,000 is included in the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Item LeiC27. An additional £11,000 has been identified. This will be met through external leasing arrangements and without any additional revenue cost over and above the £5,000 currently included in the estimates in line with the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Item LeiR06.
- 14 **Clacton Leisure Centre refurbishment:** the project encompasses the refurbishment and enhancement of the swimming pool changing area and improvements to the reception foyer at Clacton Leisure Centre and is required both to meet customer expectations and to assist in complying with the Disability Discrimination Act 1995. Much of the work has already been completed financed by the Building (structural and refurbishment) Reserve.
- 15 **Princes Theatre boiler replacement:** the existing heating system within the Princes Theatre requires replacement and upgrading to provide a more reliable and efficient heating system with greater temperature controls. This will result in a reduction in energy consumption and reduce the potential risk of loss of income from the need to cancel performances in the event of a boiler failure.
- 16 **Air conditioning, Pier Avenue offices:** the existing heating/air conditioning system used in the Council Tax offices is life expired and no longer supported by the manufacturer. The Council has a statutory duty to ensure that temperatures in the workplace are in accordance with government legislation and failure to comply with this could lead to the closure of the building. The new system will be more efficient and cost effective. The work will be scheduled to cause the minimum disruption to the workings of the Benefits and Revenues Service.
- 17 **Safer, Stronger Communities - Cleaner, Safer, Greener Element:** the Council has obtained funding from Go-East through the Cleaner, Safer, Greener Element of the Safer, Stronger Communities Fund Project in respect of improvements to be carried out in the Jaywick and Clacton Town Centre areas.
- 18 **CCTV Projects:** the extension of existing CCTV systems to specific sites throughout the district will be financed from the Project Investment Reserve, grant income from the Home Office Building Safer Communities Fund and a contribution made by Essex Fire and Rescue Service via the Crime and Disorder Reduction Partnership.
- 19 **Replacement of obsolete CCTV equipment in Clacton Town Centre** is in line with the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Item RPCC01.
- 20 **Contact Centre/DIP System:** this project will be part financed by a £408,000 grant from the Department for Work and Pensions and £11,000 from Essex Online Funding.
- 21 **Information Technology budgets:** information technology budgets have been allocated to specific schemes in line with the ICT Programme Direction and Implementation Plan approved by Cabinet on 6 April 2005 and any subsequent executive decisions. Work is now being undertaken on a new Programme Direction and Implementation Plan which will be incorporated into the Capital Programme once it has been approved. The estimate for 2006/07 is in line with the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Items CPC02 and CPC16
- 22 **IEG Self Referral Bid:** The Council was successful in securing an additional amount of £100,000 in funding from the ODPM to support plans for e-enablement. The grant will be used for project support, business case development and the expansion of the Council's website.
- 23 **The coast protection** works in respect of beach structures Phase 1 are subject to approval both by the Department of Environment, Food and Rural Affairs and Cabinet.
- 24 **Council Priority Capital Schemes:** these are the replacement of public conveniences in Frinton; Lifestyles at Clacton Leisure Centre and the Clacton Town Centre enhancements.

Notes: **FINANCING****Housing Investment Programme**

25 Supported Borrowing: The Government supports a certain amount of borrowing for housing through the Revenue Support Grant & Housing Revenue Account subsidy. The housing capital allocation for supported borrowing for this Council in 2005/06 is £1,127,000 and for 2006/07 is anticipated to be £939,000. However, from 2006/07 funds will be allocated according to a new methodology to meet the priorities of the Regional Housing Board as set out in the East of England Regional Housing Strategy. If this allocation is significantly different from the projected level of supported borrowing, then the shape of the proposed programme will need to be revised.

26 Major Repairs Allowance (MRA): the MRA is cash backed and paid by the Government annually to housing authorities, through the subsidy system, as an HRA capital resource to be spent on maintaining the condition of the housing stock. Local Authorities are required to set up a Major Repairs Reserve to which a sum equivalent to the MRA will be annually credited and unspent balances on this Reserve will be able to be carried forward from year to year, thus increasing the flexibility of the allowance.

The MRA for this Council in 2006/07 is £2,210,848. The provisional planned expenditure of this allowance from 2005/06 to 2010/11 is set out below:

	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000
<i>Major Repairs Reserve</i>						
Balance brought forward 1 April	1,404	1,557	1,638	1,668	1,698	1,728
Add Allowance for year	2,208	2,211	2,200	2,200	2,200	2,200
Less applied	(2,055)	(2,130)	(2,170)	(2,170)	(2,170)	(2,170)
Balance carried forward 31 March	1,557	1,638	1,668	1,698	1,728	1,758

27 Government Funding re PSR Initiative: the Government allocated the sum of £147,060 in 2005/06 to the Council as supported borrowing for the improvement of privately owned housing. This allocation is not expected to be repeated for 2006/07.

28 Disabled Facilities Grants: these are mandatory grants for which the Government usually meets 60% of the cost with the remaining 40% being met from Council's own resources. However the grant to be received in 2006/07 is £253,000 being 70% of the previous allocation basis. However with the Council's Capital Receipts of £240,000 this allows a total programme of £493,000 for 2006/07 despite the reduction in grant.

A? APPENDIX C

29 Housing Capital Receipts: it is proposed to utilise £1,052,000 of the available capital receipts in 2005/06, which will leave an estimated £2,492,000 to be carried forward to finance future years housing programmes and to make up for any shortfalls in the anticipated supported borrowing allocations. :

	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000
<i>Usable Capital Receipts Reserve</i>						
Balance brought forward 1 April	2,961	2,492	2,065	1,808	1,551	1,245
Add usable receipts in year	583	562	562	562	513	411
Less applied to HRA expenditure re Capital Allowance (see table below)	(139)	(250)	(100)	(100)	(100)	(100)
General Fund Housing expenditure	(913)	(739)	(719)	(719)	(719)	(719)
Balance carried forward 31 March	2,492	2,065	1,808	1,551	1,245	837

Capital Allowance: Although this is not part of the direct expenditure or financing of the HIP capital programme as it is a procedure to demonstrate that the Council can retain certain Capital Receipts under the new pooling arrangements. The pooling regime was introduced from 1 April 2004 to replace the previous 'set-aside' regime whereby, when housing capital receipts are received, 75% (50% for land) has to be paid over to the Government. However, in respect of DIYSO and land receipts, 100% can be retained if the money is spent on the provision of affordable housing and regeneration. Any expenditure on bringing council properties up to the 'Decent Homes' standard is eligible for this application. The term for this expenditure is the **Capital Allowance** which increases as the authority resolves to spend more on affordable housing and decreases as it is used to extinguish the poolable proportion of DIYSO and housing land receipts. The Capital Allowance for this Council is as set out in the table below:

	2005/06 Budget £000	2006/07 Budget £000	2007/08 Budget £000	2008/09 Budget £000	2009/10 Budget £000	2010/11 Budget £000
<i>Capital Allowance</i>						
Balance brought forward 1 April	1,000	2,721	4,346	6,046	7,406	8,641
Add HRA capital expenditure for 'Decent Homes '	1,860	1,875	1,800	1,460	1,335	700
Less applied to finance capital HRA expenditure (as shown in table above)	(139)	(250)	(100)	(100)	(100)	(100)
Balance carried forward 31 March	2,721	4,346	6,046	7,406	8,641	9,241

A? APPENDIX C

Other Services (General Fund)

- 30 Specific supported borrowing and Government grants re Coast Protection:** current coast protection schemes are financed by specific supported borrowing and Department of the Environment, Food and Rural Affairs' grants. With effect from 1 April 2006 the intention is that all approved capital coast protection expenditure is financed by 100% DEFRA grant.
- 31 Other Government funding:** In 2005/06, £38,000 capital grant has been received in respect of Planning Delivery Grant and a further £17,000 from the Building Safer Communities Fund to finance an additional mobile CCTV unit within the CCTV Projects budget. In 2006/07 an amount of £490,000 from Go-East's Cleaner, Safer, Greener element of the Safer, Stronger Communities Fund Project has been included to finance allowable works under the terms of the grant.
- 32 External Contributions:** the balance of the budget in respect of enhancements at Crossways Open Space carried forward from 2004/05 will be funded by the Countryside Agency and New Opportunities Fund and the total amount required to finance a new Children's Play Area at London Road will come from the Coppins Green Play Equipment Group through Fair Share Trust funding. £5,000 has been received from Essex Fire and Rescue Service via the Crime and Disorder Reduction Partnership to finance an additional CCTV unit.
- 33 Implementing Electronic Government funding:** £150,000 has been received from the government for 2005/06, £5,000 of which has been vired to revenue to assist in the funding of an e-government Programme Manager. In addition to this the Council has secured £100,000 in respect of a successful self referral bid. It does not appear, at the current time, that IEG funding will continue after 2005/06.
- 34 Department for Work and Pensions:** this grant is matched funding from the Department for Works and Pensions towards the cost of the provision of a contact centre.
- 35 Leasing/contract hire:** the council has introduced a rolling programme for the replacement of vehicles/large items of plant which will be met by leasing or contract hire, the annual cost of which is reflected in the Revised Initial Financial Strategy - Appendix C Priority 1 Growth Item LeiR06.
- 36 Borrowing:** the anticipated level of borrowing determined by the Council, and compliant with the CIPFA Prudential Code of Borrowing guidelines, is £328,000 for 2005/06 and £2,236,000 for 2006/07 which includes £2,000,000 for the Council Priority Capital Schemes. From 2007/08 onwards, borrowing has been assumed at the level required to balance expenditure on General Fund Services other than housing. This borrowing is not supported through Revenue Support Grant.
- 37 General Fund Capital Receipts:** the figure of £439,000 for 2005/06 includes £220,000 from capital receipts unapplied in 2004/05. From 2006/07 the programme assumes that £220,000 of capital receipts from the sale of Council assets will be used to finance expenditure on General Fund Services each year.
- 38 Revenue Contributions:** this is the balancing financing figure for expenditure on General Fund Services other than housing and is financed from General Fund revenue resources. For 2006/07 it includes £1,000,000 for the Council Priority Capital Schemes. It is anticipated that from 2007/08 onwards there will be no revenue funding of capital other than from earmarked reserves.
- 39 Reserves:** schemes which are funded from the Council's earmarked reserves in 2005/06 include CCTV projects and the refurbishment of the Leisure Centre. The memorandum item at the bottom of the financing page shows how the total revenue financing of capital is made up.

A2 APPENDIX D

SUMMARY OF PARISH RETURNS AND DISTRICT ESTIMATES 2006/07

The attached summarises the returns from Parish Councils, based on the Definitive list of Functions for those functions where Special Expenses are relevant. Shaded areas show where the Parish has indicated that they are budgeting to perform this function in 2006/07. Where appropriate, the District Council expenses, Parish by Parish including the unparished area of Clacton are shown.

A2 APPENDIX D

	Crematorium, Cemeteries and Burial Grounds	Closed Church yard	Confer - ence Facilities	Commu - nity Centres	Entertain - ment & Arts	Tree Planting and laying out	Lighting	Car Parking	Informa - tion	Open Spaces / Play Grounds / Skate Park	Recrea - tion Note 1	War Memo - rials	Docu - ments	Legal Proce - edings	Tourism	CCTV	Seafront Shelters	Bus Shelters	Litter Bins	Total
Alresford																				0
Ardleigh								1,142		260										1,402
Beaumont																				0
Gt Bentley										400										400
Lt Bentley																				0
Bradfield																				0
Brightlingsea								497		610							707			1,814
Gt Bromley																				0
Lt Bromley																				0
Lt Clacton																				0
Clacton	(2,240)	1,760		10,230		3,060	4,740	(31,290)		243,720	88,440	270					7,428			326,118
Elmstead								1,764		80										1,844
Frating																				0
Frinton and Walton	(960)					1,100	1,040	(10,715)		65,420	53,280	110					1,061			110,336
Harwich	(1,370)	4,120		(8,670)		50	140	(7,492)		49,690	14,620						1,061			52,149
Lawford										4,600										4,600
Manningtree							230	(3,551)												(3,321)
Mistley																				0
Gt Oakley										40										40
Lt Oakley										1,010										1,010
Ramsey and Parkeston																				0
St Osyth								321		320										641
Tendring																				0
Thorpe-le-Soken										290										290
Thorrington																				0
Weeley																				0
Wix																				0
Wrabness																				0
TOTAL Special Expenses	(4,570)	5,880	0	1,560	0	4,210	6,150	(49,324)	0	366,440	156,340	380	N/K	N/K	0	0	10,257	0	0	497,323
General Expenses	(411,160)		2,490		273,370			(135,556)	111,210	293,580	82,540				109,820	203,950	1,140	380	10,460	542,224
GRAND TOTAL	(415,730)	5,880	2,490	1,560	273,370	4,210	6,150	(184,880)	111,210	660,020	238,880	380	N/K	N/K	109,820	203,950	11,397	380	10,460	1,039,547

A2 APPENDIX D

Note 1

Recreation. The specific function that Parishes perform are under their powers to:

- (a) purchase or take a lease, plant and improve land for purpose of being used as public walks or pleasure grounds.
- (b) provide premises for the use of clubs or societies having athletic, social or recreational objectives.
- (c) enclose part of park for ice skating, set aside part of park for football or cricket, provide facilities for games, recreation; provide and maintain reading rooms and pavilions; provide and maintain refreshment room; provide seats.
- (d) provide bowling centres.
- (e) provide tennis courts.
- (f) provide pitches for team games

The District Council budget covers these functions/powers.

A2 APPENDIX D

PROPOSED ALLOCATION OF RESULTING SPECIAL ITEMS ASSUMING THE CONTRARY RESOLUTION IS PASSED (EXCLUDING PARISH PRECEPTS) 2006/07

Part of District	Functions											Total	Tax Base	Tax (Band D)	Net Impact on Band D Tax
	Cemeteries and Burial Grounds	Closed Church yard	Community Centres	Tree Planting and laying out	Highways Lighting	Car Parking	Open Spaces/ Play Grounds/ Skate Park	Recreation	War Memorials	Shelters					
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	
Ardleigh						1,142	260				1,402	791.10	1.77	(8.19)	
Great Bentley							400				400	826.90	0.48	(9.48)	
Brightlingsea						497	610			707	1,814	2,809.00	0.65	(9.31)	
Clacton	(2,240)	1,760	10,230	3,060	4,740	(31,290)	243,720	88,440	270	7,428	326,118	19,213.70	16.97	7.01	
Elmstead						1,764	80				1,844	678.70	2.72	(7.24)	
Frinton and Walton	(960)			1,100	1,040	(10,715)	65,420	53,280	110	1,061	110,336	8,037.90	13.73	3.77	
Harwich	(1,370)	4,120	(8,670)	50	140	(7,492)	49,690	14,620		1,061	52,149	5,651.90	9.23	(0.73)	
Lawford							4,600				4,600	1,445.20	3.18	(6.78)	
Manningtree					230	(3,551)					(3,321)	361.00	(9.20)	(19.16)	
Great Oakley							40				40	376.10	0.11	(9.85)	
Little Oakley							1,010				1,010	401.60	2.51	(7.45)	
St Osyth						321	320				641	1,931.40	0.33	(9.63)	
Thorpe							290				290	758.40	0.38	(9.58)	
All other Parishes														(9.96)	
	(4,570)	5,880	1,560	4,210	6,150	(49,324)	366,440	156,340	380	10,257	497,323				

The total value of Special Expenses of £497323 , reduces the General Council Tax by £9.96

$$\frac{£497,323}{49,931} = £9.96$$

Column (m) shows the Special Council tax which will be applicable on the different parts of the District, whilst (n) indicates the net impact on the aggregate Council Tax payable by tax payers.

A2 APPENDIX D
2006/07 CAR PARK ESTIMATES

		~% usage assumptions		
		Visitor	All District Residents	Parish Residents
		A	B	C*
FREE				
CLACTON	Brighton Road	40%	60%	30%
	Elm Grove	10%	90%	45%
	Hazlemere Road/ Marine Parade Bays	50%	50%	25%
	St. Christophers Way	10%	90%	45%
	York Road	40%	60%	30%
WALTON	The Leas	85%	15%	8%
DOVERCOURT	Main Rd	10%	90%	45%
	West End	80%	20%	10%
BRIGHTLINGSEA	Victoria Place	15%	85%	43%
RURAL	Ardleigh - The Crossroad	10%	90%	45%
	Elmstead - Clacton Road	10%	90%	45%
	Manningtree - Riverside East	20%	80%	40%
	Manningtree - Market Site	0%	100%	50%
	St Osyth - Old Tide Mill	10%	90%	45%
FEE PAYING				
CLACTON	Ace Garage	25%	75%	38%
	Agate Road	40%	60%	30%
	Alton Park Road	25%	75%	38%
	Hastings Avenue	80%	20%	10%
	Haven	70%	30%	20%
	High Street	50%	50%	25%
	Ipswich Road	10%	90%	45%
	Martello Bay Coaches	100%	0%	0%
	Old Road	40%	60%	30%
	Tamarisk Way	65%	35%	18%
	Wellesley Road	35%	65%	33%
	WALTON	Church Road	85%	15%
Coronation Gardens		90%	10%	5%
High Street		65%	35%	18%
Mill Lane		65%	35%	18%
Station Yard		90%	10%	5%
The Naze		70%	30%	20%
BRIGHTLINGSEA	Promenade Way	90%	10%	5%
	Tower Street	75%	25%	12%
DOVERCOURT	Lower Marine Parade	90%	10%	5%
	Milton Road	30%	70%	35%
	The Quay	70%	30%	15%
	Wellington Road	80%	20%	10%

* Thus the proposals will result in these percentages (shown in Column C) of the estimated net cost (or net income) of these car parks being levied as Special Expenses in 2006/07 in the relevant areas, ie parishes, town councils or the unparished area of Clacton

A2 APPENDIX D

FOR INFORMATION COMPARISON WITH 2005/06

	2005/06				2006/07				Difference in net impact on Band D Tax *
	Total	Tax Base	Additional Tax (Band D)	£9.18	Total	Tax Base	Additional Tax (Band D)	£9.96	
				Net Impact on Band D Tax				Net Impact on Band D Tax	
				(n)				(n)	
(k)	(l)	(m)	(n)	(k)	(l)	(m)	(n)		
(£)		(£)	(£)	(£)		(£)	(£)	(£)	
Ardleigh	1,087	784.65	1.39	(7.79)	1,402	791.10	1.77	(8.19)	(0.40)
Great Bentley	366	824.11	0.44	(8.74)	400	826.90	0.48	(9.48)	(0.74)
Brightlingsea	1,004	2,786.81	0.36	(8.82)	1,814	2,809.00	0.65	(9.31)	(0.49)
Clacton	291,108	19,050.14	15.28	6.10	326,118	19,213.70	16.97	7.01	0.91
Elmstead	916	676.31	1.35	(7.83)	1,844	678.70	2.72	(7.24)	0.59
Frinton and Walton	106,095	8,020.53	13.23	4.05	110,336	8,037.90	13.73	3.77	(0.28)
Harwich	50,338	5,658.71	8.90	(0.28)	52,149	5,651.90	9.23	(0.73)	(0.45)
Lawford	4,149	1,441.42	2.88	(6.30)	4,600	1,445.20	3.18	(6.78)	(0.48)
Manningtree	(1,328)	358.08	(3.71)	(12.89)	(3,321)	361.00	(9.20)	(19.16)	(6.27)
Great Oakley	28	378.33	0.07	(9.11)	40	376.10	0.11	(9.85)	(0.74)
Little Oakley	918	400.45	2.29	(6.89)	1,010	401.60	2.51	(7.45)	(0.56)
St Osyth	537	1,885.18	0.28	(8.90)	641	1,931.40	0.33	(9.63)	(0.73)
Thorpe	259	753.35	0.34	(8.84)	290	758.40	0.38	(9.58)	(0.74)
All other Parishes				(9.18)				(9.96)	(0.78)
	455,477				497,323				

* A difference in brackets is a reduction in levy between the 2 years.

A2 APPENDIX E

COUNCIL TAX LEVIES

- (a) It be noted that on 13th December 2005 the Council determined in accordance with the Local Government Act 2003 Section 75, the discounts for second homes and long term empty properties. On 14 December 2005 the Finance Portfolio Holder agreed in accordance with delegated power (3.33,10) (decision notice 1071) the following amounts for the year 2006/07 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 taking into account the discounts determined by Council on 13 December 2005.
- (i) 49,930.8 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for the year.
- (ii) Part of the Council's area
The amounts set out in Appendix G column (2) against each area set out in column (1), being the amounts calculated by the Council, in accordance with regulation 6 of the said regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items may relate.
- (b) Using these criteria it is felt that the Council would be justified in passing a contrary resolution in respect of the following special expenses totalling £542,224:

	Function	Power/Duty
(i)	Burial Grounds Cemeteries and Crematoria	Power to provide a crematorium and 25% of the expense of providing burial grounds and cemeteries.
(ii)	Conference Facilities	Power to encourage visitors and provide conference and other facilities.
(iii)	Entertainment and Support of the Arts	Provision of entertainment and the support of the arts.
(iv)	Information	Power to provide or assist in the provision of information about services available within the area of the authority.
(v)	Recreation	40% of the expense of providing at Vista Road Recreation Ground, Clacton; 75% of the expense of providing at Eastcliff Recreation Ground, Clacton; 50% of the expense of providing at Low Road Recreation Ground, Dovercourt; all of the facilities etc shown in the column 'Power/Duty' under function 'Recreation' in the Definitive List of Functions.

A2 APPENDIX E

- | | | |
|--------|--------------------------------|--|
| (vi) | Tourism | Power to encourage tourism. |
| (vii) | Documents | Duty of proper officer of authority to retain documents deposited with them.

Documents of authority be open to inspection.

Duty where required by an enactment to keep photographic copies of documents.

Duty of authority to send reports and returns to the Secretary of State. |
| (viii) | Legal Proceedings | Power to prosecute or defend legal proceedings for the protection of the interest of the Council's inhabitants. |
| (ix) | Car Parks | The power to provide off-street parking for use by visitors and all district residents. |
| (x) | Open Spaces | The power to provide landscaping and ornamental gardens on seafront and in tourist areas and 5% of the revenue cost of the Clacton skate park. |
| (xi) | Crime Prevention (CCTV) | The power to provide CCTV to assist in Crime Prevention across the district. |
| (xii) | Bus Shelters | The power to provide and maintain bus shelters. |
| (xiii) | Provision of Litter Bins | Provision of litter bins. |
| (xiv) | Provision of Seafront shelters | 10% of the revenue cost of maintaining Seafront shelters. |
- (c) That the tax bases for calculating the burden of special expenses will be as shown in Appendix G column (2)
- (d) That the following amounts be calculated by the Council for the year 2006/07 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992: (The amounts below are set out in Appendix F)
- | | | |
|-------|-------------|--|
| (i) | £92,128,361 | Being the aggregate of the amounts that the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act. |
| (ii) | £71,948,930 | Being the aggregate of the amounts that the Council estimates for the items set out in Sections 32(3)(a) to (c) of the Act. |
| (iii) | £20,179,431 | Being the amount by which the aggregate at d(i) above exceeds the aggregate at d(ii) above, calculated by the Council in accordance with Section 32(4) of the Act, as its budget requirement for the year. |

A2 APPENDIX E

- (iv) £12,384,580 Being the aggregate of part of the sum calculated in accordance with section 33 of the Act namely the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant increased by the amount of the sum which the Council estimates will be transferred in the year from its collection fund to its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (the Council Tax surplus).
- (v) £156.12 Being the amount at d(iii) above less the amount at d(iv) above, all divided by the amount at a(i) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year.
- (vi) £1,696,254 Being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (vii) £122.15 Being the amount at d(v) above less the result given by dividing the amount at d(vi) above the amount at a(i) above, calculated by the Council, in accordance with section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in the parts of its area to which no special items apply.
- (viii) Part of the Council's area

The amounts set out in Appendix G column (10) for the areas as set out in column (1), being the amounts given by adding to the amount at d(vii) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount a(ii) above calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

A2 APPENDIX F

REVENUE BUDGET 2006/2007

ANALYSIS OF GROSS EXPENDITURE, INCOME AND TAXATION CALCULATION (in accordance with section 32 - 36 Local Government Finance Act 1992)

	Expenditure £	Income £	Net £
Benefits and Revenues	45,478,460	(42,176,970)	3,301,490
Environment	6,964,260	(1,751,010)	5,213,250
Finance	3,078,350	(847,560)	2,230,790
Housing	2,299,330	(344,220)	1,955,110
Leisure	6,999,650	(3,820,520)	3,179,130
Planning	2,779,660	(1,865,990)	913,670
Regeneration	2,895,640	(1,991,300)	904,340
Resources/IT/Corporate Governance/Best Value	1,090,870	(625,070)	465,800
Technical Services	4,000,130	(2,512,990)	1,487,140
Development Control Committee	22,660	0	22,660
Licensing Committee	355,900	(181,100)	174,800
Regulatory Committee	330,450	(6,740)	323,710
Total	76,295,360	(56,123,470)	20,171,890
Capital Investment	1,130,000	0	1,130,000
Financing Items - General Fund	3,191,280	(5,966,670)	(2,775,390)
Contribution to / (from) Uncommitted Reserve	0	0	0
Use of earmarked GF reserves	454,000	0	454,000
General Fund total	81,070,640	(62,090,140)	18,980,500
Housing Revenue Account	17,199,310	(9,635,790)	7,563,520
Financing Items - HRA	(7,512,420)	(223,000)	(7,735,420)
Contribution to HRA reserves	171,900	0	171,900
Total all District services	90,929,430	(71,948,930)	18,980,500
Parish Precepts	1,198,931	0	1,198,931
Total Expenditure / Income	92,128,361	(71,948,930)	20,179,431
Financed by:			
Revenue Support Grant			1,973,600
National Non-Domestic Rates			10,280,970
			12,254,570
Surplus on Collection Fund			130,010
Sub Total			12,384,580
District Council Tax			6,595,920
Parish Precepts			1,198,931
Total Expenditure / Income			20,179,431

A2 APPENDIX F

EXPLANATION OF CALCULATIONS SHOWN IN APPENDIX E

Ref: App E

Council Tax Base		49,930.8		
Gross Expenditure	£92,128,361			d(i)
Gross Income	<u>(£71,948,930)</u>			d(ii)
Net Expenditure		£20,179,431		d(iii)
Revenue Support Grant	£1,973,600			
National Non-Domestic Rates	£10,280,970			
Surplus on Collection Fund	<u>£130,010</u>			
Total		£12,384,580		d(iv)
Net Expenditure	£20,179,431			
Less d(iv) above	<u>(£12,384,580)</u>			
Total	£7,794,851			
Divided by Council Tax Base	49,930.8			
Average District Tax including Parishes		£156.12		d(v)
Parish Precepts	£1,198,931			
Special Expenses	<u>£497,323</u>			
Total Special Items		£1,696,254		d(vi)
Average District Tax including Parishes	£156.12			
Less				
Total Special Items	£1,696,254			
Divided by Council Tax Base	<u>49,930.8</u>			
	£33.97			
District Council Tax - general expenses		£122.15		d(vii)

A2 APPENDIX G

CALCULATION OF DISTRICT AND PARISH/TOWN 2006/07 COUNCIL TAX FOR ALL AREAS

Parish or Unparished Areas	Tax Base for Tax Setting Purpose	Parish Precepts (Provisional)	Council Tax Amount	Special Items		Total Special Items (3) + (5) £ (7)	Council Tax		Total (8) + (9) £ (10)
				District Special Expense	Council Tax Amount		For all Special Items (4) + (6) £ (8)	For General Expenses £ (9)	
				£ (5)	£ (6)		£ (7)	£ (8)	
Unparished Area:									
Clacton	19,213.70			326,118	16.97	326,118	16.97	122.15	139.12
Parishes of:									
Alresford	759.80	58,000	76.34			58,000	76.34	122.15	198.49
Ardleigh	791.10	23,000	29.07	1,402	1.77	24,402	30.84	122.15	152.99
Beaumont-cum-Moze	125.20	2,950	23.56			2,950	23.56	122.15	145.71
Great Bentley	826.90	41,345	50.00	400	0.48	41,745	50.48	122.15	172.63
Little Bentley	111.50	800	7.17			800	7.17	122.15	129.32
Bradfield	433.30	13,000	30.00			13,000	30.00	122.15	152.15
Brightlingsea	2,809.00	141,137	50.24	1,814	0.65	142,951	50.89	122.15	173.04
Great Bromley	368.10	13,500	36.67			13,500	36.67	122.15	158.82
Little Bromley	94.10	1,200	12.75			1,200	12.75	122.15	134.90
Little Clacton	1,039.60	58,000	55.79			58,000	55.79	122.15	177.94
Elmstead	678.70	28,000	41.26	1,844	2.72	29,844	43.98	122.15	166.13
Frating	225.90	5,500	24.35			5,500	24.35	122.15	146.50
Frinton and Walton	8,037.90	337,322	41.97	110,336	13.73	447,658	55.70	122.15	177.85
Harwich	5,651.90	140,716	24.90	52,149	9.23	192,865	34.13	122.15	156.28
Lawford	1,445.20	68,175	47.17	4,600	3.18	72,775	50.35	122.15	172.50
Manningtree	361.00	13,780	38.17	(3,321)	(9.20)	10,459	28.97	122.15	151.12
Mistley	878.90	46,000	52.34			46,000	52.34	122.15	174.49
Great Oakley	376.10	12,000	31.91	40	0.11	12,040	32.02	122.15	154.17
Little Oakley	401.60	8,000	19.92	1,010	2.51	9,010	22.43	122.15	144.58
Ramsey and Parkeston	771.50	20,652	26.77			20,652	26.77	122.15	148.92
St Osyth	1,931.40	83,280	43.12	641	0.33	83,921	43.45	122.15	165.60
Tendring	264.40	3,150	11.91			3,150	11.91	122.15	134.06
Thorpe-le-Soken	758.40	23,700	31.25	290	0.38	23,990	31.63	122.15	153.78
Thorrington	469.40	13,000	27.69			13,000	27.69	122.15	149.84
Weeley	626.50	30,540	48.75			30,540	48.75	122.15	170.90
Wix	291.20	7,930	27.23			7,930	27.23	122.15	149.38
Wrabness	188.50	4,254	22.57			4,254	22.57	122.15	144.72
	<u>49,930.80</u>	<u>1,198,931</u>		<u>497,323</u>		<u>1,696,254</u>			

A2 APPENDIX H

PRECEPTS ON THE COUNCIL'S COLLECTION FUND

2005/06			2006/07		
49,619.4		Council Tax Base	49,930.8		
Amount £'000	Council Tax £		Amount £'000	Council Tax £	Change in Tax %
16,668	335.92	Net Budget Requirement	18,981	380.15	
(10,299)	(207.57)	Less Government Support	(12,255)	(245.44)	
6,369	128.35	Net District Council Expenditure	6,726	134.71	
(120)	(2.42)	Less Collection Fund Surplus	(130)	(2.60)	
6,249	125.94	District Council Services	6,596	132.11	4.9%
5,793	116.75	District General Expenses	6,099	122.15	4.6%
456	9.18	District Special Expenses	497	9.96	8.5%
6,249	125.94	Total District Excluding Parishes	6,596	132.11	4.9%
1,039	20.93	Parish Council Services (Provisional)	1,199	24.01	14.7%
7,288	146.86	Total District Including Parishes	7,795	156.12	6.3%
45,537	917.73	County Council Services*			
2,836	57.15	Fire Authority Services*			
5,198	104.76	Police Authority Services*			
60,859	1,226.50	Total Average District Tax	7,795	156.12	

* Final figures are not yet available from precepting authorities. The dates on which they will meet to set their precepts are:

Essex Police Authority - 6th February 2006

Essex Fire Authority - 8th February 2006

Essex County Council - 14th February 2006

A2 APPENDIX I

PROVISIONAL COUNCIL TAX FOR DISTRICT & PARISH/TOWN COUNCILS' SERVICES 2006/2007

Band	A	B	C	D	E	F	G	H
Multiplier	(6/9)	(7/9)	(8/9)	(9/9)	(11/9)	(13/9)	(15/9)	(18/9)
Parished or Unparished Area								
Unparished Area:								
Clacton	92.75	108.20	123.66	139.12	170.04	200.95	231.87	278.24
Parishes of :								
Alresford	132.33	154.38	176.44	198.49	242.60	286.71	330.82	396.98
Ardleigh	101.99	118.99	135.99	152.99	186.99	220.99	254.98	305.98
Beaumont-cum-Moze	97.14	113.33	129.52	145.71	178.09	210.47	242.85	291.42
Great Bentley	115.09	134.27	153.45	172.63	210.99	249.35	287.72	345.26
Little Bentley	86.21	100.58	114.95	129.32	158.06	186.80	215.53	258.64
Bradfield	101.43	118.34	135.24	152.15	185.96	219.77	253.58	304.30
Brightlingsea	115.36	134.59	153.81	173.04	211.49	249.95	288.40	346.08
Great Bromley	105.88	123.53	141.17	158.82	194.11	229.41	264.70	317.64
Little Bromley	89.93	104.92	119.91	134.90	164.88	194.86	224.83	269.80
Little Clacton	118.63	138.40	158.17	177.94	217.48	257.02	296.57	355.88
Elmstead	110.75	129.21	147.67	166.13	203.05	239.97	276.88	332.26
Frating	97.67	113.94	130.22	146.50	179.06	211.61	244.17	293.00
Frinton and Walton	118.57	138.33	158.09	177.85	217.37	256.89	296.42	355.70
Harwich	104.19	121.55	138.92	156.28	191.01	225.74	260.47	312.56
Lawford	115.00	134.17	153.33	172.50	210.83	249.17	287.50	345.00
Manningtree	100.75	117.54	134.33	151.12	184.70	218.28	251.87	302.24
Mistley	116.33	135.71	155.10	174.49	213.27	252.04	290.82	348.98
Great Oakley	102.78	119.91	137.04	154.17	188.43	222.69	256.95	308.34
Little Oakley	96.39	112.45	128.52	144.58	176.71	208.84	240.97	289.16
Ramsey and Parkeston	99.28	115.83	132.37	148.92	182.01	215.11	248.20	297.84
St Osyth	110.40	128.80	147.20	165.60	202.40	239.20	276.00	331.20
Tendring	89.37	104.27	119.16	134.06	163.85	193.64	223.43	268.12
Thorpe-le-Soken	102.52	119.61	136.69	153.78	187.95	222.13	256.30	307.56
Thorrington	99.89	116.54	133.19	149.84	183.14	216.44	249.73	299.68
Weeley	113.93	132.92	151.91	170.90	208.88	246.86	284.83	341.80
Wix	99.59	116.18	132.78	149.38	182.58	215.77	248.97	298.76
Wrabness	96.48	112.56	128.64	144.72	176.88	209.04	241.20	289.44

A2 APPENDIX J

CALCULATION OF COLLECTION FUND SURPLUS FOR 2005/06

Under the Local Authorities (Funds) (England) Regulations 1992, the Council (as billing authority) had to estimate, by the 16 January 2006, the Council Tax yield for 2005/2006. From the estimated yield and taking into account the actual balance on 31 March 2005, the Council must assess the balance (relating to Council Tax) in the Collection Fund on 31 March 2006.

As the table below shows, this balance is estimated to be a surplus of £1,085,410. This surplus has to be divided between this Council and the three major precepting authorities in proportion to their original budget requirements. This Council's share is £130,010.

Council Tax Yield 2005/06

	Original Estimate		Revised Estimate	
	£'000	£'000	£'000	£'000
Council Tax Income		-60,858		-61,943
Expenditure				
Precepts				
- Essex County Council	45,537		45,537	
- Essex Fire Authority	2,836		2,836	
- Essex Police Authority	5,198		5,198	
- Tendring District Council	<u>7,287</u>		<u>7,287</u>	
		60,858		60,858
Balances				
- Essex County Council	756		756	
- Essex Fire Authority	48		48	
- Essex Police Authority	84		84	
- Tendring District Council	<u>120</u>		<u>120</u>	
		<u>1,008</u>		<u>1,008</u>
(Surplus)/Deficit for Year		1,008		-77
Add (Surplus)/Deficit Brought Forward		<u>-1,008</u>		<u>-1,008</u>
Balance Carried Forward		<u><u>0</u></u>		<u><u>-1,085</u></u>

Apportionment of Surplus Available to Reduce Council Tax Levy in 2006/07

	£'000
Essex County Council	812,100
Essex Fire Authority	50,600
Essex Police Authority	92,700
Tendring District Council	<u>130,010</u>
	<u><u>1,085,410</u></u>

CABINET

1 FEBRUARY 2006

**BACKGROUND PAPERS LIST FOR REPORT OF MANAGEMENT BOARD AND
HEAD OF FINANCIAL SERVICES**

**A. 2 FINANCIAL STRATEGY 2006/07 AND BEYOND AND FINAL BUDGET
PROPOSALS 2006/07**

Working papers held in Financial Services