



GUIDE TO THE

BUDGET

2010/2011

GUIDE TO THE BUDGET 2010/2011

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INTRODUCTION TO THE BUDGET GUIDE

This booklet is a summary of the Council's spending plans for the three years 2010/11 to 2012/13, together with other financial details in a form intended to be helpful and informative for Councillors and members of the public.

Budget

The General Fund budget summary on page 8 shows that net expenditure in 2010/11 is totals £18.876m. Of this £696,000 is to cover once-off/time limited items which are financed from balances, leaving a net budget of £18.180m. The Council does not rely on balances to support the ongoing budget.

During 2009 the council's ten-year forward projection predicted growing financial pressures, and, as in previous years, detailed budget scrutiny was necessary to develop savings and efficiencies to alleviate these pressures. Further pressures became evident following the continuing down-turn in the economy. An early start was made in identifying opportunities for savings. The budgeting process for the three year period 2010/13 was closely integrated with development of service plans and the Council's corporate plan, to ensure the final budget reflected the Council's priorities as well as addressing the financial situation.

In December 2007 the government announced its planned three year financial support for the Council, with only a 1% increase in grant for 2008/09 and 0.5% increase in 2009/10 and 2010/11. This added further pressure on the Council's budget planning.

Efficiencies totalling £1.273M were built into the 2010/11 budget. At the same time the provision for planning appeal costs was reduced from £400,000 to £300,000.

After taking into account the Government support (Formula Grant Allocation and re-distributed Business Rates) which covers 42.2% of the Council's budget, the balance is met by Council Tax. The District Council's element of Council Tax for 2010/11 was reduced by 0.4% .

Balances

Estimated balances on the General Fund during 2010/11 are:

	£'000
Brought forward 1 st April 2010:	
Total brought forward	(3,020)
Balances to be applied on one-off items	<u>696</u>
Carried forward 31 st March 2011	(2,324)

The Council now maintains a minimum working balance of £1.5 million.

Council Tax

Each residential property is given a valuation banding based on values as at 1 April 1991. There are 8 bands (A-H) and each band pays a different amount of Council Tax:

Band	Capital Value	Proportion of Band 'D' Tax
A	Up to £40,000	6/9
B	£40,001 - £52,000	7/9
C	£52,001 - £68,000	8/9
D	£68,001 - £88,000	9/9 (100%)
E	£88,001 - £120,000	11/9
F	£120,001 - £160,000	13/9
G	£160,001 - £320,000	15/9
H	Over £320,000	18/9

The District Council has set an average Band 'D' charge of £206.78 which covers the demands of both itself and the Parish Councils. The District Council's own element averages £170.22. A table showing how the Council Tax is calculated is set out on page 29.

Council Tax rates vary according to the part of the district in which any property is located. Parish Councils make charges to cover their own expenditure and these are levied only on properties within their own areas. Likewise, in order to avoid double-charging in parished areas, the District Council identifies the costs of services provided to specific areas in those instances where similar services are provided in other areas by Parish Councils. These costs (*known as special expenses*) are also charged only to the areas in which the services are provided by the District Council.

The overall average District and Parish Council Tax of £206.78 is split into general expenses (*charged equally throughout the district*) of £155.12 and special expenses (*charged to those areas where services are provided*) averaging £51.66.

To these charges are added the taxes of the County Council (£1,118.83 at Band 'D') and the Police Authority (£147.82 at Band 'D') giving an average Band 'D' Tax of £1,473.43. The Police Authority element has increased by 3.5% , giving an overall average increase of 0.34%. A list of charges for each band in each area of the district is included at page 30.

The Collection Fund

The Council maintains a Collection Fund Account, payments into and out of which are determined by statute. Total Council Tax of £90m (which includes the Council Tax collected for the County Council, the Police Authority and the parishes) and Business Rates of £59m are paid into the account. From the account, payments are made to the main precepting authorities (County and Police) and to St Albans Council itself to cover its spending needs and the needs of the Parishes. Also the Business Rates collected are paid over to the Government NNDR Pool. It is estimated that there will be a surplus of £0.663m on the Collection Fund at 31 March 2010. This is applied to reduce the precepts of the District Council (£116,000), County Council (£484,000) and Police Authority (£63,000). Details are set out at page 28.

Housing Revenue Account

This account is separate from the Council's other accounts and must balance itself without any contribution from Council taxpayers - expenditure is financed primarily from tenants' rents. Dwelling rents are heavily influenced by the Government's rent restructuring scheme, which requires local authority rents to converge with housing association rents by 2013. In addition the Council is required to pay a "negative subsidy" to the Government each year – for 2010/11 this has increased by nearly 4%, from £9.48m to £9.89m, and now means that around 46% of tenants' rent is paid over to the Government.

As a result, even after allowing for some service efficiencies in 2010/11, rents for St Albans tenants will increase by an average of 3.1% in April 2010, and garage rents by 5.0%.

Capital Programme

The current capital financing framework (the *prudential system*) introduced by the local Government Act 2003 allows authorities to borrow to finance capital investment subject to them being able to afford the revenue implications. They may also use revenue monies and the receipts from disposal of assets. Where an asset held within the Housing Revenue Account is disposed of, a proportion of the proceeds must be paid to the Government (75% of dwelling sales, and 50% of other housing asset disposals) although in some instances set-off arrangements limit the amount payable.

The Council has approved a **Housing Investment Programme** (HIP) totalling £9.34m for 2010/11 which is to be funded primarily from the Major Repairs Allowance (40%) and capital receipts (42%). The Council will also be utilising its entitlement to Supported Capital Expenditure (borrowing where the interest charges are met by Government subsidy)(10%). The programme includes £0.765m on private sector renewal grants, and £8.291m on refurbishment/modernisation of the Council's own stock.

Further expenditure totalling £13.8m is planned within the HIP over the following two years. Fuller details of the planned spending and funding are on page 27

The **General Fund Capital Programme** for 2010/11 totals £6.86m (including £2.26m deferred from 2009/10), with further planned spending of £20.3m in 2011/12 and £2.2m in 2012/13. A schedule of the planned capital schemes is shown on pages 27 to 29. The most significant single scheme is the redevelopment of the Westminster Lodge leisure facility – £21.9m of the scheme is programmed to be spent in 2010/11 and 2011/12 (of which £6.0m is to be financed by capital receipt from the sale of Ridgeview). The programme also includes, over the three years, £258,000 on improvements relating to refuse collection and recycling, £630,000 on a range of information technology improvements, and £500,000 for the redevelopment of the Maltings Theatre.

Most of the programme will be financed from Prudential Borrowing, capital receipts and Growth Area Funding.

Non-Domestic Rates

The Government sets a uniform charge to be paid by Non-Domestic (Business) Ratepayers throughout the country. Local authorities collect this income on behalf of the Government and, after paying over the proceeds, receive a share from the national pool. St Albans will be collecting, and paying over to the Government pool, some £59m in 2010/11, and receiving back from the pool £6.69m, which will be credited to the General Fund.

Rates are charged in accordance with rateable values that come into force on 1 April 2010 following the revaluation. The poundage multiplier has been rebased to take into account the overall changes to total rateable value. The standard non-domestic rating multiplier is 41.4p and the small business non-domestic rating multiplier is 40.7p.

A relief scheme operates for small businesses occupying properties with low rateable values. Properties valued below £6,000 qualify for 50% relief with a sliding scale operating up to a value of £12,000. These properties also qualify for a reduced multiplier (40.7p). Properties with values in the £12,000 to £17,999 band do not qualify for relief but will have their bills calculated with the lower multiplier.

A transitional relief scheme operates over the first five years of the new valuation period. This limits the impact of changes to rates payable following the new rating list coming into force compared with previous rate bills.

From the 1st April 2008 Business rates will not be payable in the first three months that a property is empty (six months for industrial properties). After the initial exemption period, full rates will be charged. This change has been brought in as part of Government plans to utilise land and buildings more effectively and encourage owners to bring vacant business premises back into use.

In September 2009 the Council received payment of £86,635 under the Local Authority Business Growth Incentive Scheme (LABGI).

The pages in this book are intended to give an overview of the Council's planned spending and income for the three years 2010/11 to 2012/13. Further information is available on the Council's web site (under Finance) or from the Chief Finance Officer, St Albans District Council, St Peter's Street, St Albans, Herts AL1 3JE.

FINANCIAL PROFILE 2010/2011

2009/2010		2010/2011	
£'000		£'000	
	GENERAL FUND		
18,226	Budget	18,180	
6,199	Redistributed National Non-Domestic Rates	6,695	
1,431	Formula Grant Allocation (FGA)/ Revenue Support Grant (RSG)	972	
1,813	Balances - Brought Forward	3,020	
(726)	- Used During Year	(696)	
1,087	- Carried Forward	2,324	
	HOUSING REVENUE ACCOUNT		
23,803	Gross Expenditure	23,143	
23,710	Income	23,471	
891	Balances - Brought Forward	1,215	
(93)	- Added/Used During Year	328	
798	- Carried Forward	1,543	
	CAPITAL SPENDING		
5,180	General Fund Approved Forward Programme	6,864	
8,025	Housing Investment Programme	9,340	
	CAPITAL RECEIPT BALANCES (1.4.10)		
10,761	Housing - Spendable	5,087	
	CAPITAL FINANCING REQUIREMENT (1.4.10)		
(2,720)	General Fund	(736)	
(9,241)	Housing (Internal Borrowing)	(9,241)	
	COUNCIL TAX at Band D		
170.88	St Albans District Council (average)	170.22	<i>minus 0.4%</i>
35.84	Parish Councils (average)	36.56	<i>(up 2.00%)</i>
206.72	Total District and Parishes (average)	206.78	<i>(up 0.30%)</i>
1,118.83	Hertfordshire County Council	1,118.83	<i>no change</i>
142.82	Hertfordshire Police Authority	147.82	<i>(up 3.5%)</i>
1,468.37	Total Council Tax at Band D (average)	1,473.43	<i>(up 3.44%)</i>

SUMMARY OF GENERAL FUND BUDGETS 2010/11 to 2012/13

Budget 2009-10 £	Portfolio	Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
1,151,220	Community Engagement and Support	1,208,120	1,118,065	1,154,870
391,073	Community Leadership and Communications	385,145	357,260	361,055
1,179,820	Culture and Heritage	1,049,925	912,867	915,856
7,278,960	Environment and Sustainability	7,049,410	7,377,780	7,391,170
725,202	Housing (General Fund only)	695,385	735,693	724,203
200,730	Non-Portfolio	214,070	215,810	216,410
1,815,270	Planning and Conservation	1,953,015	1,401,250	1,501,680
2,397,926	Resources and Efficiencies	2,923,437	3,081,300	2,923,335
4,361,355	Sport and Healthy Living	4,372,705	4,333,730	4,161,030
19,501,556	TOTAL OF PORTFOLIO BUDGETS	19,851,212	19,533,755	19,349,609
(1,298,730)	Capital Charges Credit	(1,226,375)	(1,226,375)	(1,226,375)
249,164	Pensions Accounting Adjustment	251,563	254,620	257,766
0	Other Net Efficiencies and Contingencies			
0	Local Authorities Business Incentive Scheme Grant			
18,451,990	TOTAL BEFORE USE OF BALANCES	18,876,400	18,562,000	18,381,000
(226,000)	Taken from Balances (for one-off items)	(696,000)		0
18,225,990	NET EXPENDITURE BEFORE GOVERNMENT SUPPORT	18,180,400	18,562,000	18,381,000
	Government Support:			
(6,199,000)	- Contribution from NNDR Pool	(6,695,000)		
(1,431,000)	- Formula Grant Allocation	(972,000)		
10,595,990	NET EXPENDITURE AFTER GOVERNMENT SUPPORT	10,513,400	18,562,000	18,381,000
(216,000)	BALANCE TRANSFERRED FROM COLLECTION FUND	(116,000)		
10,379,990	NET REQUIREMENT FROM COUNCIL TAXPAYERS	10,397,400	18,562,000	18,381,000
1,813,000	GENERAL FUND BALANCE BROUGHT FORWARD	3,020,000	2,324,000	2,324,000
(500,000)	INCREASE IN WORKING BALANCE		0	0
(226,000)	TAKEN FROM GENERAL FUND BALANCES	(696,000)	0	0
1,087,000	GENERAL FUND BALANCE CARRIED FORWARD	2,324,000 *	2,324,000 *	2,324,000

* Working Balance of a minimum of £1,500,000

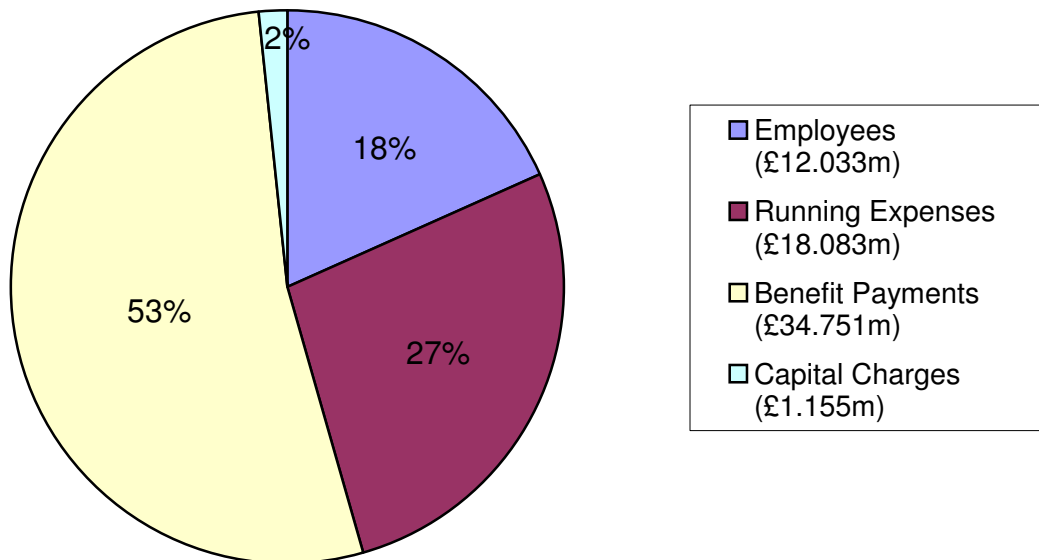
SUMMARY OF GENERAL FUND BUDGETS

WHERE COSTS ARE SUBSEQUENTLY RECHARGED TO OTHER COST CENTRES

Budget 2009-10 £	Portfolio	Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
1,538,170	Community Engagement and Support	1,488,710	1,514,520	1,529,350
509,246	Community Leadership and Communications	481,568	487,706	493,140
1,616,500	Culture & Heritage	1,746,930	1,720,950	1,734,120
597,760	Environment and Sustainability	646,940	649,840	649,360
129,430	Housing	127,440	128,700	129,780
180,280	Non-Portfolio	185,720	189,790	191,420
501,000	Planning and Conservation	413,130	418,240	421,130
164,352	Resources and Efficiencies (Direct)	126,875	127,425	132,185
3,677,808	Resources and Efficiencies (Support)	3,627,975	3,566,519	3,597,710
<hr/> 8,914,546	TOTAL OF COSTS RECHARGED TO DIRECT SERVICES AND INCLUDED WITHIN THOSE SERVICES	<hr/> 8,845,288	<hr/> 8,803,690	<hr/> 8,878,195

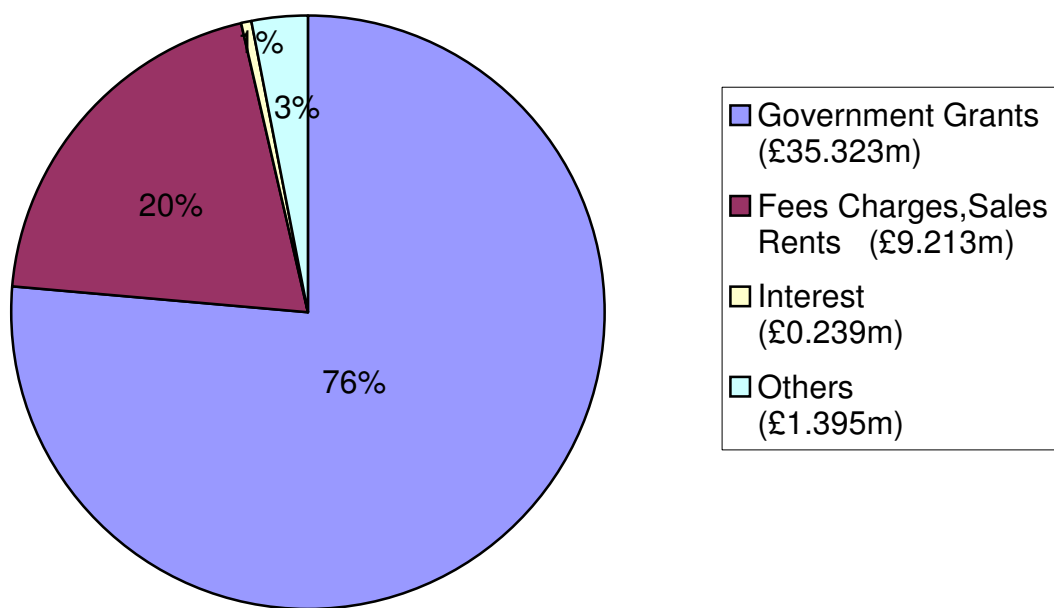
ANALYSIS OF THE GENERAL FUND BUDGET 2010/2011
(Excluding Housing Revenue Account)

GROSS EXPENDITURE 2010/2011



TOTAL EXPENDITURE	£66.0 M
TOTAL INCOME	£46.2 M
NET EXPENDITURE	<u>£19.9 M</u>

GROSS INCOME 2010/2011



GENERAL FUND REVENUE BUDGET 2009/10 TO 2012/13 - ANALYSED ACROSS CORPORATE AIMS

	2009/10 <i>Budget</i> £000	2010/11 <i>Budget</i> £000	2011/12 <i>Estimate</i> £000	2012/13 <i>Estimate</i> £000
1. To build a community that is open, fair and inclusive	439	365	242	260
2. To work in partnership for the health and well being of the community	8,057	8,294	8,183	8,046
3. To cherish and promote our heritage, arts and culture	1,147	1,122	1,134	1,160
4. To safeguard our environment	8,204	8,070	7,842	7,946
5. To ensure the district is a desirable place to visit and in which to live, learn and work	628	592	630	618
TOTAL ALL AIMS	18,475	18,443	18,031	18,030
BUDGETS NOT IDENTIFIED TO AIMS	1,026	1,408	1,503	1,320
TOTAL ALL BUDGETS	19,501	19,851	19,534	19,350

HOUSING REVENUE ACCOUNT - SUPERVISION AND MANAGEMENT - ANALYSED ACROSS CORPORATE AIMS

1. To build a community that is open, fair and inclusive	4,403	4,509	4,672	4,716
2. To work in partnership for the health and well being of the community	989	511	520	524
3. To ensure the district is a desirable place to visit and in which to live, learn and work	117	71	34	34
TOTAL - HRA SUPERVISION AND MANAGEMENT	5,509	5,091	5,226	5,274

COMMUNITY ENGAGEMENT & SUPPORT
PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
134,015	1205	Community Safety	82,370	83,455	83,965
0	1206	Community Engagement	52,015	52,795	53,290
295,190	1210	CCTV	327,400	332,290	336,270
952,445	1215	Members	926,685	933,605	935,405
37,170	1225	Town Twinning	51,880	52,550	52,900
147,840	1230	Elections	306,190	312,790	313,950
188,000	1235	Electoral Registration	223,040	227,770	229,050
379,940	1505	Environmental Protection	385,000	392,230	396,570
367,800	1520	Food & Health Safety	368,940	375,140	379,370
68,090	1530	Pest Control	107,660	109,530	110,160
54,860	1540	Animal Welfare	68,850	70,010	70,520
65,360	1545	Removal of Abandoned Vehicles	57,910	57,670	58,100
10,490	1575	Licensing	-16,450	-18,050	-16,120
-17,590	1580	Hackney Carriages & Private Hire	-17,780	-20,490	-18,010
-215,540	5000	Corporate Property	-243,370	-186,830	-185,000
-173,760	5005	Sandridge Gate Business Centre	-284,400	-409,480	-408,430
-1,392,070	6035	Car Parks Contract	-1,496,380	-1,590,470	-1,590,470
119,460	6040	Car Parks Administration	127,740	128,970	129,310
104,200	6045	Russell Avenue/Drovers Way Car	83,820	85,650	88,160
-94,740	6050	Civic Centre Car Park	-101,490	-101,710	-100,520
85,890	6055	Fee Paying Car Parks	95,850	96,690	99,360
-16,220	6060	Leased Car Parks	-13,500	-13,010	-12,700
14,990	6065	Free Car Parks	14,380	14,640	14,780
2,180	6070	Lydekker Car Park	2,180	2,180	2,180
1,118,000		NET BUDGET FOR ENGAGEMENT & SUPPORT PORTFOLIO	1,108,540	987,925	1,022,090
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
538,450	1245	Corporate Administration	479,560	488,740	494,360
64,430	1250	Administrative Support Unit	65,670	66,630	67,220
651,300	5545	Legal	657,870	668,720	674,330
283,990	5560	Estates	285,610	290,430	293,440
1,538,170			1,488,710	1,514,520	1,529,350
-1,538,170		Recharged to Other Services	-1,488,710	-1,514,520	-1,529,350
0			0	0	0
<u>SPECIAL RESERVE</u>					
33,220	6100	Decriminalised Parking Enforcement	99,580	130,140	132,780

COMMUNITY LEADERSHIP & COMMUNICATIONS
PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
		<u>DIRECT SERVICES</u>			
302,688 #	1110	Chief Executive	285,495	268,955	271,650
-170,000 #	1117	Business Process Re-engineering	-170,000	-170,000	-170,000
60,000 #	1202	Project Leadership	60,000	60,000	60,000
22,240 #	1220	Civic Activities	22,560	23,190	23,190
27,123 #	1240	Democratic Subscriptions	27,230	27,740	27,740
149,022	5060	Community Engagement & Equalities	159,860	147,375	148,475
391,073		NET BUDGET FOR COMMUNITY LEADERSHIP PORTFOLIO	385,145	357,260	361,055
		<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>			
251,729	1255	Policy & Partnership General	232,161	231,831	233,966
112,464	1256	Policy & Performance	89,877	91,355	92,189
145,053	1590	Communications	159,530	164,520	166,985
509,246			481,568	487,706	493,140
-509,246		Recharged to Other Services	-481,568	-487,706	-493,140
0			0	0	0

CULTURE & HERITAGE PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
-163,460	1585	Market	-158,070	-165,620	-187,760
39,510	2920	Alban Arena	39,555	39,780	39,780
144,150	2930	Maltings Arts Theatre	99,625	65,590	64,675
12,585	2940	Harpenden Public Hall	12,105	12,275	12,275
-110,600	2960	Batchwood Hall	-104,100	-104,090	-104,090
59,995	3000	Arts Development	28,145	27,950	28,120
-72,965	3004	Town Hall	-51,495	-55,885	-55,885
440,920	3012	Heritage Administration	432,040	436,705	438,875
47,855	3016	Verulamium Museum	15,890	21,910	25,270
90,600	3020	Museum of St Albans	123,535	126,490	127,785
9,305	3024	Historic Buildings	9,500	9,780	9,785
56,365	3028	Field Archaeology	52,445	53,145	53,595
38,435	3032	Conservation	42,350	42,970	43,355
158,440	3036	Curatorial	156,670	158,860	160,385
27,355	3040	Design & Display	28,085	28,930	28,930
31,035	3044	Documentation	3,735	3,850	3,850
38,170	3048	Education	31,000	31,520	31,915
-895	3052	Finds Liaison	-730	-735	-745
-895	3054	East of England Conservator	-730	-735	-745
149,210	3056	Development & Tourism	169,020	168,465	183,189
184,705	3062	Tourist Information Centre	186,350	184,712	186,297
0	5580	Location Independent Working	-65,000	-173,000	-173,000
1,179,820		NET BUDGET FOR CULTURE & HERITAGE	1,049,925	912,867	915,856
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
893,030	5530	Information Technology Service	936,910	951,860	955,610
351,690	5570	IT Management Services	362,240	373,110	373,110
371,780	5575	IT Support & Maintenance	447,780	395,980	405,400
1,616,500			1,746,930	1,720,950	1,734,120
-1,616,500		Recharged to Other Services	-1,746,930	-1,720,950	-1,734,120
0			0	0	0

ENVIRONMENT & SUSTAINABILITY PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
243,400	1500	Environmental Services Administration	214,310	218,420	219,950
89,380	1510	Environmental Resources	135,070	137,020	138,110
243,720	1535	Public Conveniences	233,650	239,460	239,870
-75,160	1550	Third Party Recycling	-77,040	-78,850	-78,850
1,418,070	1555	Recycling	1,104,110	1,344,260	1,349,180
1,636,520	1560	Refuse Collection	1,638,090	1,679,340	1,682,930
1,320,070	1565	Street Cleansing	1,340,970	1,358,910	1,361,040
78,470	1570	Cleaner District	69,570	71,690	71,690
35,320	2080	Energy Officer	0	0	0
1,528,870	6000	Public Transport	1,567,760	1,607,840	1,608,080
46,060	6005	Taxi Voucher Scheme	85,730	61,050	61,050
130,640	6010	Transport Strategy	153,070	147,210	147,230
190,660	6020	Roads Amenity Functions	212,170	212,750	211,330
6,630	6025	Drainage & Flood Prevention	6,840	7,040	7,040
386,310	6030	Verge Maintenance	365,110	371,640	372,520
<u>7,278,960</u>		NET BUDGET FOR ENVIRONMENT & SUSTAINABILITY PORTFOLIO	<u>7,049,410</u>	<u>7,377,780</u>	<u>7,391,170</u>
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
203,280	6400	Engineers	214,940	211,910	207,660
186,970	6405	Technical Services	197,750	200,490	201,930
207,510	6410	Landscape Architects & Arborists	234,250	237,440	239,770
<u>597,760</u>			<u>646,940</u>	<u>649,840</u>	<u>649,360</u>
-597,760		Recharged to Other Services	-646,940	-649,840	-649,360
<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>

HOUSING GENERAL FUND PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
97,090	1525	Houses in Multiple Occupation	103,210	105,660	106,560
-94,910	2000	Mobile Home Sites	-115,270	-119,310	-123,220
900	2010	Sundry Properties	-3,040	-3,090	-3,090
177,590	2020	Homelessness	177,810	179,400	196,070
99,790	2030	Grounds Maintenance	115,180	116,970	117,150
174,685	2050	Rent Allowances	153,033	179,736	179,736
99,927	2051	Rent Rebates	95,562	105,127	105,127
54,840	2060	Housing Aid Centre	53,210	53,620	27,620
47,190	2065	Affordable Housing	48,200	49,370	49,700
68,100	2090	Leased Properties	67,490	68,210	68,550
725,202		NET BUDGET FOR HOUSING GENERAL FUND PORTFOLIO	695,385	735,693	724,203
<u>COSTS RE-ALLOCATED TO THE HOUSING INVESTMENT PROGRAMME</u>					
129,430	2040	Home Renovation Grants	127,440	128,700	129,780
129,430			127,440	128,700	129,780
-129,430		Recharged to HIP	-127,440	-128,700	-129,780
0			0	0	0

HOUSING PORTFOLIO (HOUSING REVENUE ACCOUNT)

Budget 2009-10 £'000		Budget 2010-11 £'000	Estimate 2011-12 £'000	Estimate 2012-13 £'000
<u>INCOME</u>				
21,902	Rents - Dwellings	21,851	22,205	22,501
842	- Garages	821	851	882
316	- Shops and Other	313	319	320
257	Service Charges	250	255	260
367	Supporting People Grant	221	227	232
26	HRA Investment Income/Mortgage Interest	15	17	17
23,710	Total Income	23,471	23,874	24,212
<u>EXPENDITURE</u>				
5,508	Supervision and Management	5,071	5,216	5,264
3,492	Repairs	3,381	3,474	3,466
158	Rents, Rates and Other Taxes	228	238	238
624	Cost of Capital	367	271	372
3,879	Major Repairs Allowance - Transfer to Reserves	3,883	3,939	3,996
42	Transitional Relief (Supporting People)	38	36	34
10,100	Payment to Government (Negative Housing Subsidy)	9,975	10,513	10,858
0	Revenue Contributions to Capital	200	200	327
23,803	Total Expenditure	23,143	23,887	24,555
93	Net cost/surplu(-) of services	-328	13	343
-891	Surplus(-)/Deficit - brought forward	1,215	1,543	1,530
-798	- carried forward	1,543	1,530	1,187

NON PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
58,100	3510	Scrutiny	59,810	60,920	61,400
135,400	3520	External Audit	142,880	143,350	143,350
7,230	3540	Democratic Represent & Management	11,380	11,540	11,660
<u>200,730</u>		NET BUDGET FOR NON PORTFOLIO	<u>214,070</u>	<u>215,810</u>	<u>216,410</u>
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
180,280	3500	Internal Audit	185,720	189,790	191,420
<u>180,280</u>			<u>185,720</u>	<u>189,790</u>	<u>191,420</u>
-180,280		Recharged to Other Services	-185,720	-189,790	-191,420
<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>

PLANNING & CONSERVATION PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
-112,710	4510	Building Control	-129,140	-161,670	-166,480
623,400	4520	Planning Policy	823,490	573,780	579,010
661,700	4530	Development Control	715,660	728,280	722,980
237,850	4550	Conservation & Design	273,870	277,250	279,490
400,000	4570	Planning Appeals	300,000	0	100,000
35,470	4580	Landscape & Graphic Design	34,860	35,520	35,650
-30,440	5075	Land Charges	-65,725	-51,910	-48,970
<u>1,815,270</u>		NET BUDGET FOR PLANNING & CONSERVATION PORTFOLIO	<u>1,953,015</u>	<u>1,401,250</u>	<u>1,501,680</u>
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
501,000	4500	Planning Support	413,130	418,240	421,130
<u>501,000</u>			<u>413,130</u>	<u>418,240</u>	<u>421,130</u>
-501,000		Recharged to Other Services	-413,130	-418,240	-421,130
<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>

RESOURCES & EFFICIENCIES PORTFOLIO
(DIRECT)

Budget 2009-10 £	Cost Centre		Budget 2010-12 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>DIRECT SERVICES</u>					
1,542,175	5010	Miscellaneous	1,667,040	2,179,310	2,190,170
-579,824	5011	Interest on Balances	-229,681	-290,260	-234,373
326,750	5015	Grants & Subsidies	278,330	286,530	286,670
24,480	5025	Corporate Costs	24,510	-224,490	-474,490
-39,446	5035	Business Rates	-12,002	-38,131	-35,102
654,277	5040	Council Tax	639,712	622,451	632,657
-42,330	5045	Council Tax Rebates	-74,397	-81,837	-81,837
438,604	5050	Benefits Administration	557,745	555,777	567,240
73,240	5080	Emergency Planning/Resilience	72,180	71,950	72,400
2,397,926			2,923,437	3,081,300	2,923,335
<u>COSTS RE-ALLOCATED TO OTHER COST CENTRES</u>					
10,792	5030	Recovery Administration	-4,325	-5,935	-2,205
153,560	5055	Benefits Investigation	131,200	133,360	134,390
164,352			126,875	127,425	132,185
-164,352		Recharged to Other Services	-126,875	-127,425	-132,185
0			0	0	0

RESOURCES & EFFICIENCIES PORTFOLIO
(SUPPORT)

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
<u>COSTS RE-ALLOCATED TO OTHER SERVICES</u>					
949,720	5500	Central Offices	927,940	944,310	951,020
467,730	5505	Employee Benefits	457,560	434,150	434,150
432,980	5525	Customer Service Centre	351,100	358,520	363,270
95,480	5527	Telephone Contact Centre	137,510	141,250	142,590
177,710	5535	Office Services	190,730	193,390	194,790
97,210	5540	Cashiers	99,215	100,880	101,770
1,003,219	5550	Financial Services	1,001,970	923,604	933,985
87,569	5555	Procurement	89,130	90,635	91,365
366,190	5565	Human Resources	372,820	379,780	384,770
<u>3,677,808</u>			<u>3,627,975</u>	<u>3,566,519</u>	<u>3,597,710</u>
-3,677,808		Recharged to Other Services	-3,627,975	-3,566,519	-3,597,710
<u><u>0</u></u>			<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

SPORT & HEALTHY LIVING PORTFOLIO

Budget 2009-10 £	Cost Centre		Budget 2010-11 £	Estimate 2011-12 £	Estimate 2012-13 £
		<u>DIRECT SERVICES</u>			
155,080	1515	Health & Promotion	168,080	171,660	173,530
1,647,165	2500	Leisure Management Contract	1,714,280	1,757,135	1,757,135
835,325	2510	Leisure Administration	725,535	735,615	745,175
31,230	2600	Parks Administration	32,005	32,965	-121,635
21,205	2605	Allotments	8,140	7,915	7,915
166,125	2610	Clarence Park	168,850	172,230	172,230
255,990	2615	Other Open Spaces	230,465	235,405	235,495
79,335	2620	Gardens & Flower Beds	132,350	134,380	134,380
77,340	2625	Playgrounds	77,565	78,385	78,395
0	2628	Mobile Skate Park	-6,990	-6,990	-6,990
0	2629	Multi Use Games Area	730	730	730
-660	2630	Central Nursery	-660	-650	-650
15,495	2635	Nomansland Common	15,845	16,155	16,215
8,615	2640	Bricket Wood Common	10,790	11,065	11,090
17,390	2645	Railway Trails	28,215	28,740	28,740
112,805	2650	Verulamium & Westminster Lodge	136,010	129,440	126,630
91,180	2655	Rothamsted Park	94,170	96,395	96,395
28,480	2700	Cleaning Contract Sports Pavilion	29,570	30,310	30,310
24,335	2705	Sports Administration	21,615	22,260	22,260
-7,060	2710	Harpenden Indoor Bowls Rink	-7,035	-6,980	-6,980
23,840	2715	Westminster Lodge Leisure Centre	24,010	24,325	24,325
7,510	2720	Verulamium Running Track	7,565	7,635	7,635
54,715	2725	Harpenden Swimming Pool	55,765	56,015	56,015
64,825	2730	Harpenden Sports Centre	64,675	66,060	66,060
78,770	2735	Leisure Buildings General	74,060	75,775	75,775
96,755	2740	Bricket Wood Sports Centre	96,975	97,210	97,210
40,825	2745	Batchwood Tennis Centre	41,070	41,220	41,220
8,595	2750	Batchwood Golf Course	7,580	7,720	7,725
24,730	2755	London Colney Recreation Centre	24,840	24,965	24,965
142,125	2800	Cemeteries	125,195	125,615	126,340
700	2810	West Herts Crematorium	500	330	290
43,735	2820	Closed Churchyards	45,245	46,225	46,225
150,715	2900	Jubilee Restaurant	185,575	73,755	47,090
44,495	2910	Jubilee Centre	19,205	19,315	18,345
19,645	2950	Marlborough Club	20,915	21,400	21,440
4,361,355		NET BUDGET FOR SPORT & HEALTHY LIVING PORTFOLIO	4,372,705	4,333,730	4,161,030

APPROVED INCREASES IN FEES AND CHARGES 2010/11

	%	£	£
<u>COMMUNITY ENGAGEMENT & SUPPORT</u>			
Decriminalised Parking -Resident Parking			
All Day-First Vehicle	5.60	38.00	
All Day-Second Vehicle	8.30	130.00	
All Day-Third Vehicle	16.70	280.00	
Part Day -First Vehicle	5.60	19.00	
Part Day -Second Vehicle	8.30	65.00	
Part Day -Third Vehicle	16.70	140.00	
Visitor Permits	16.70	0.35	
			<hr/> 48,350
Other variations in yield			9,650
TOTAL			<hr/> 58,000 <hr/>

Fees for services managed under contract (Leisure Management and Grounds Maintenance) are retained by the contractors and determined by contract conditions. Leisure Management contract fees are mainly at the discretion of the contractor although maximum fees for certain services are determined by the Council.

CAPITAL PROGRAMME

PORTFOLIO:		2010/11	2011/12	2012/13
		£'000	£'000	£'000
<u>COMMUNITY ENGAGEMENT & SUPPORT</u>				
Deferred from 2009/10:				
CCTV- Parishes	<u>GAF</u>	25		-
<u>Existing Programme</u>				
CCTV Improvement - 5 year programme		70	70	70
CCTV- Parishes		40		-
		135	70	70
<u>CULTURE & HERITAGE</u>				
Deferred from 2009/10:				
Verulamium Museum - DDA Improvements to Public Areas		7		0
Old Town Hall - external works		3		0
Town Hall-Refurbishment		12		0
Eco-Dev Initiatives	GAF	50		0
Harpenden Public Hall		2		0
E-Mail archiving system	Note 1	20	0	0
Emergency Control Room		4	0	0
CRM adaptors for integration		77	0	0
SADC- Web Microsites	GAF	13	0	0
<u>Existing Programme</u>				
Old Town Hall - external works		20		0
PC's/Printer/ Server -Rolling Programme	Note 1	150	250	200
Mobile/home/flexible working	Note 1	30	0	0
New Items				
Old Town Hall Boiler replacement		50		
Maltings Arts Theatre and Cinema development (figure being reviewed)		500		
		938	250	200

CAPITAL PROGRAMME (CONTINUED)

PORTFOLIO:	2010/11	2011/12	2012/13
	£'000	£'000	£'000

ENVIRONMENT & SUSTAINABILITY

Deferred from 2009/10:

Green Travel - Includes Electric Vehicles	GAF part	52		-
Cycle routes	GAF	50		-
Quality Partnership Bus Network	GAF	70		-
Street scene improvement		50		-
reduction measures in St Peter's Street, St Albans	GAF	80		-
Integrated enforcement - software module		20		-
		322		-

Existing Programme

Street scene improvement		30	75	
Cycle routes	GAF part	20	60	-
Quality Partnership Bus Network	GAF	150	-	-
Recycling:				
Provide new/Replace lost and damaged Wheeled bins		30	50	
Replace reusable bags for recycling for green waste		10	10	
Additional recycling banks to flats -25% of cost (HCC pay 75%)		9	9	
Developments	GAF part	70	70	
New and replacement bus shelters		24	24	
City Centre congestion reduction measures	GAF	86		-
		429	298	-

RESOURCES & EFFICIENCIES

Deferred from 2009/10:

Business Improvement Programme-EDRMS		50	50	-
Invest to Save Projects		21	60	-

Existing Programme

Business Improvement Programme:

Corporate Electronic Document Records Management System (EDRMS)		150	100	-
		221	210	-

CAPITAL PROGRAMME (CONTINUED)

PORTFOLIO:		2010/11	2011/12	2012/13
		£'000	£'000	£'000
<u>SPORT & HEALTHY LIVING</u>				
Deferred from 2009/10:				
Leisure Buildings - Refurbishment		348	200	-
Harpenden Town Football Club- roof repairs/replacement		20	-	-
Redbourn Youth Centre - enable development of new Youth Centre in area		20	-	-
Improved Facilities for the Disabled - (DDA Audit Works)		39	-	-
Ver Park Heritage Project	GAF part	100	-	-
Westminster Lodge Development		1,041	-	-
William Bird Car Park-Improvements		45	-	-
Multi Use Games Area-Sopwell		32	-	-
Jubilee Centre Refurbishment		8	-	-
Batchwood Tennis Centre Roof		6	-	-
<u>Existing Programme</u>				
Westminster Lodge Development	GAF part	2,861	19,024	1,980
Leisure Buildings - Refurbishment		300	300	-
		4,820	19,524	1,980
Total Capital Programme		6,864	20,352	2,250
Funded by				
Growth Area Funding (GAF), other than for Westminster Lodge		673	-	
GAF for Westminster Lodge		230	-	
Prudential borrowing for Westminster Lodge		3,672	13,024	
Ridgeview receipt used for Westminster Lodge			6,000	
Other W L funding				1,980
Prudential borrowing for Maltings		500		
Ridgeview receipt - general use		-	1,172	-
Other capital receipts		1,575	370	270
Review of GAF programming		214	214	
		6,864	20,352	2,250

Note 1 - These projects include provision where appropriate for actions arising from the various reports into laptop data theft

HOUSING INVESTMENT PROGRAMME - 3 YEAR PROGRAMME							
	Scheme	2010/2011		2011/2012		2012/2013	
		Estimate	Number of props	Estimate	Number of props	Estimate	Number of props
		£'000	no	£'000	no	£'000	no
	<u>Ongoing and planned works</u>						
1	Adaptations for Disabled	300		300		300	
2	Cavity / Loft Insulations	20		20		20	
3	Chimney pointing	43	215	4	20	2	8
4	Communal Heating	35		39		39	
5	Conversion of Temporary Accommodation	350	3	0		0	
6	Digital TV Aerials	75		75		0	
7	Fire Entry Refurbishment - Various			112		100	
8	Electrical Rewiring - Various (single contract)	1,599	653	617	237	702	264
9	Extensions to Dwellings (adaptations)	70	2	70	2	70	2
10	Flat Roof Replacement - Various	280	32	340	40	127	
11	Front door replacements (internal)	81	180	14	27	10	18
12	Garage refurbishments	300		300		300	
13	<u>General and Structural</u> - Brickwork, Gutters, Plastering etc	930		990		940	
14	Home Lift Replacements - Various	20		20		20	
15	Home Loss Payments - Retirement Homes	100		200		200	
16	<u>Kitchen & Bathroom Modernisation</u> - Various (single contract)	628	80	900	113	816	149
17	- Refurbishments (Bathrooms)	470	147				
18	- Refurbishments (Kitchens)	797	124				
19	- One - off replacements	240	50	250	50	250	50
20	Lift Upgrades - Various	10		10		10	
21	<u>Pitched Roof Replacement</u> - Various	927	137	332	45	181	30
22	Refuse / Recycling Stations	68	17	72	18	44	11
23	Renewal of Heating Systems	500	300	441	300	441	300
24	Repointing and rendering	109	77	49	36	90	45
25	<u>Re-roofing & External Wall Insulation combined</u> - Various			350	23		
26	Upgrade to Timber Windows (Conservation Area)			63	18	52	10
27	<u>UPVC Window Replacement</u> - Various (single contract)	339	102	1,160	333	859	230
	TOTAL	8,291		6,728		5,573	
28	<u>Private Sector Renewal Grants</u> - Home Repair Assistance	65		65		65	
29	- Disabled Facility Grants	700		400		400	
30	Purchase of properties / Cash incentive	150		150		150	
31	Improvement Grant Administration	130		133		136	
32	<u>Advances to Housing Associations</u> - Provision for future schemes						
	TOTAL - OTHER ITEMS	1,045	0	748	0	751	0
	TOTALS - ALL ITEMS	9,336		7,476		6,324	

COLLECTION FUND - 2009/10 AND 2010/11

Latest Forecast 2009/10			Estimate 2010/11	
£000	£000		£000	£000
<u>INCOME</u>				
(84,009)		Council Tax	(83,035)	
(6,470)		Transfer from General Fund - Council Tax benefits	(7,165)	
<hr/>	(90,479)	Total Council Tax	<hr/>	(90,200)
(57,491)		Non-Domestic Rates	(59,146)	
(43)		Discretionary Rate Relief	(45)	
<hr/>	(57,534)	Total Non-Domestic Rates	<hr/>	(59,191)
<hr/> (148,013)		TOTAL INCOME	<hr/> (149,391)	
<u>EXPENDITURE</u>				
Precepts and Demands				
67,966		Hertfordshire County Council	68,339	
8,676		Hertfordshire Police Authority	9,029	
10,380		St Albans District Council	10,399	
2,188		Parish Councils	2,233	
<hr/>	89,210		<hr/>	90,000
Non-domestic Rates				
57,337		Payment to National Pool	58,981	
208		Costs of Collection - credit to General Fund	210	
<hr/>	57,545		<hr/>	59,191
Bad and Doubtful Debts				
231		Increase in Bad Debts Provision - Council Tax		-
200		Write Offs- CouncilTax		200
<hr/>	431			
Previous Estimated Surplus paid to:				
1,144		Hertfordshire County Council	484	
145		Hertfordshire Police Authority	63	
156		St Albans District Council (General Fund)	116	
<hr/>	1,445		<hr/>	663
<hr/> 148,631		TOTAL EXPENDITURE	<hr/> 150,054	
BALANCE				
	(1,281)	Balance brought forward 1st April		(663)
	618	Deficit/(Surplus) for year		663
	<hr/> (663)	Balance carried forward 31st March		<hr/> 0

COUNCIL TAX 2009/10 AND 2010/11

	Planned Expenditure		Council Tax at Band 'D'	
	2009/10 £000	2010/11 £000	2009/10 £	2010/11 £
St Albans District Council Costs				
Budget	18,226	18,180	300.03	297.64
Less - Formula Grant Allocation	(1,431)	(972)	(23.55)	(15.91)
- Share of National Non-domestic Rates	(6,199)	(6,695)	(102.04)	(109.61)
	10,596	10,513	174.44	172.12
Less - Balance transferred from Collection Fund	(216)	(116)	(3.56)	(1.90)
Net District Council Costs	10,380	10,397	170.88	170.22
Parish Councils' Precepts	2,188	2,233	35.84	36.56
Net District and Parish Requirement	12,568	12,630	206.72	206.78
Hertfordshire County Council costs (Net of Government support)	67,965	68,339	1,118.83	1,118.83
Hertfordshire Police Authority costs (Net of Government support)	8,676	9,029	142.82	147.82
Total to be Met by Council Tax	89,209	89,998	1,468.37	1,473.43
Council Tax Base (Band 'D' equivalents)			60,747	61,081

Parish Council costs amount to £2,232,688 equivalent to an average of £36.56 per Band 'D' property.

Across the district the Council Tax Band 'D' varies between £1,430.14 and £1,499.64, depending upon the level of expenditure planned by each Parish council, and the effect of the District Council special expenses allocated to each area. Full details of the Council tax rates and special expenses for each Parish are shown on the following two pages.

Council Tax for properties in other bands varies proportionately in line with the set relationship of their band to Band 'D'.

COUNCIL TAX RATES 2010/11 ANALYSED OVER VALUATION BANDS AND AREAS

	St Albans City	Harpenden Town	Colney Heath	Harpenden Rural	London Colney	Redbourn	St Michael	St Stephen	Sandridge	Wheathamp- stead	TOTAL/ AVERAGE
COUNCIL TAX BASE	24,172	13,682	2,471	223	3,584	2,457	277	6,345	4,934	2,936	61,081
	£	£	£	£	£	£	£	£	£	£	£
<u>COUNCIL TAX RATES</u>											
Band 'A' (Band 'D' x 6/9)	965.88	999.77	989.46	957.88	987.81	997.47	953.43	988.17	985.84	996.43	982.29
Band 'B' (Band 'D' x 7/9)	1,126.85	1,166.38	1,154.36	1,117.52	1,152.43	1,163.70	1,112.33	1,152.86	1,150.14	1,162.50	1,146.00
Band 'C' (Band 'D' x 8/9)	1,287.84	1,333.02	1,319.28	1,277.17	1,317.08	1,329.96	1,271.24	1,317.56	1,314.45	1,328.58	1,309.72
Band 'D'	1,448.81	1,499.64	1,484.18	1,436.81	1,481.70	1,496.19	1,430.14	1,482.25	1,478.75	1,494.64	1,473.43
Band 'E' (Band 'D' x 11/9)	1,770.77	1,832.90	1,814.00	1,756.10	1,810.97	1,828.68	1,747.95	1,811.64	1,807.36	1,826.78	1,800.86
Band 'F' (Band 'D' x 13/9)	2,092.72	2,166.15	2,143.82	2,075.40	2,140.24	2,161.17	2,065.76	2,141.03	2,135.98	2,158.93	2,128.29
Band 'G' (Band 'D' x 15/9)	2,414.69	2,499.41	2,473.64	2,394.69	2,469.51	2,493.66	2,383.57	2,470.42	2,464.59	2,491.07	2,455.72
Band 'H' (Band 'D' x 18/9)	2,897.62	2,999.28	2,968.36	2,873.62	2,963.40	2,992.38	2,860.28	2,964.50	2,957.50	2,989.28	2,946.86

PARISH COUNCIL PRECEPTS AND SPECIAL EXPENSES

	PARISH COUNCIL PRECEPTS		DISTRICT COUNCIL SPECIAL EXPENSES		TOTAL SPECIAL EXPENSES		SPECIAL EXPENSES COUNCIL TAX (AT BAND 'D')		
	2009/2010	2010/2011	2009/2010	2010/2011	2009/2010	2010/2011	PARISH COUNCILS	DISTRICT COUNCIL	TOTAL SPECIAL EXPENSES
	£	£	£	£	£	£	2010/2011 £ p	2010/2011 £ p	2010/2011 £ p
St Albans City	0	0	645,884	669,457	645,884	669,457	0.00	27.70	27.70
Harpenden Town	915,920	917,060	154,607	157,324	1,070,527	1,074,384	67.03	11.50	78.53
Colney Heath	150,000	155,850	0	0	150,000	155,850	63.07	0.00	63.07
Harpenden Rural	3,000	3,500	0	0	3,000	3,500	15.70	0.00	15.70
London Colney	192,174	204,725	14,431	12,445	206,605	217,170	57.12	3.47	60.59
Redbourn	144,260	171,463	13,587	13,002	157,847	184,465	69.79	5.29	75.08
St Michael	2,400	2,500	0	0	2,400	2,500	9.03	0.00	9.03
St Stephen	343,376	363,394	26,469	24,533	369,845	387,927	57.27	3.87	61.14
Sandridge	235,882	224,525	60,100	59,889	295,982	284,414	45.51	12.14	57.65
Wheathampstead	190,061	189,651	27,080	26,231	217,141	215,882	64.60	8.93	73.53
Total/Average	2,177,073	2,232,668	942,158	962,881	3,119,231	3,195,549	36.56	15.76	52.32

Special expenses include (1) precepts levied by Parish Councils for services they provide in their own areas and (2) the cost of those concurrent functions provided by the District Council in some areas but by Parish Councils in other areas. The cost of these District Council concurrent functions is allocated only to those areas where services are provided.

GLOSSARY OF TERMS

Actual Expenditure and Income

Costs incurred/income attributable to an accounting period, as opposed to budgeted expenditure and income.

Balances

In general, the surplus or deficit on any account at the end of the year. Often used to refer to an available surplus which has accumulated over a number of past years.

Budget

A statement defining, in financial terms, the Council's policy over a specified period of time.

Capital Expenditure

Expenditure relating to the acquisition of assets or works which have a long term value to the authority, (e.g. land purchases, construction, renovation and improvements, acquisition of equipment, etc). Capital expenditure is financed by capital receipts, grants, the Major Repairs Reserve (housing), use of Capital Financing Requirement or from revenue.

Capital Financing Requirement

The Capital Financing Requirement measures the Council's underlying need to borrow for capital purposes. Any decision taken to borrow or use a credit arrangement to finance major projects will impact on the Capital Financing Requirement.

Capital Receipts

Income derived from the disposal of capital assets. The Local Government Act 2003 introduced new provisions whereby a proportion of local authority housing capital receipts must be paid into the Government's National Pool.

Capital Reserve

A fund established to assist in financing the General Fund capital programme.

Capping Limit

The limit on local authorities budgeted net expenditure determined by the DCLG. If the increase in an authority's budget is considered by the Secretary of State to be excessive he has the power to require that authority to reduce its budget. The Secretary of State will announce his criteria once budgets have been set.

Carry Forward

The transfer of a surplus or deficit from one accounting period to the following accounting period (generally from one financial year to the next).

Cash Limit

The total amount of cash available for any Portfolio. This amount is not subject to any increase, even as a result of higher than expected inflation, unless specific approval is given by Cabinet or Council.

Central Services Charges

The cost of central services (i.e. Corporate Administration, Office Services, Audit, Policy & Partnership, Legal, Estates, Finance, Purchasing, Information Technology, Customer Service Centre and Human Resources) which are allocated to services largely on the basis of time spent.

Collection Fund

Every billing authority is required to maintain a Collection Fund into which is paid the Council Tax and National Non-Domestic Rates collected from tax/rate payers. Payments are made from the Fund to the precepting authorities (County Council, Police Authority, District Council and Parish Councils) whilst National Non-Domestic Rates income is passed on to the Government.

Comprehensive Performance Assessment (CPA)

Part of the Government's agenda to encourage greater focus on improved services for local people. This will be replaced on the 1 April 2009 by the Comprehensive Area Assessment (C.A.A.)

Council Tax

The property based tax by which local authorities raise revenue from the local community. All domestic properties have been valued and categorised within eight bandings to which is applied the local rate assessed by the relevant authorities. A discount on charges is applied where dwellings are occupied by only one person. Rebates are available to those Council taxpayers meeting the Government's criteria. (Pages 34 and 35 explain more about Council Tax and bandings).

Department of Communities and Local Government (DCLG)

The Government department responsible for the rules and regulations that affect Local Authorities.

Depreciation

Notional charges for the use of fixed assets calculated at a fixed rate over a specified period of years.

Expenditure

Amounts paid for goods and services received.

Fees and Charges

Income arising from charges made to users of services (e.g. car parks, building control, markets, etc).

Financial Year

The annual period of accounting (1 April to 31 March for local authorities)

Formula Grant Allocation

The Government Grant towards the cost of services provided by local authorities. It is paid directly into each authority's General Fund and was previously called Revenue Support Grant (RSG).

Formula Spending Share (FSS)

An amount set annually by the DCLG to reflect the Government's assessment as to how much an authority should be spending to provide a standard level of service. The FSS (previously called Standard Spending Assessment - SSA) is the major determinant of the level of Formula Grant Allocation.

General Expenses

Those expenses incurred by an authority which relate to services which are not provided in any part of the area by Parish Councils. These expenses are charged equally to all Council Taxpayers throughout the district.

General Fund

All the Council's revenue income and expenditure, apart from the Housing-related items within the Housing Revenue Account, are included in the General Fund revenue account.

Government Grants

Assistance by Government and inter-Government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

Home Renovation Grants

Grants made to occupiers of private sector dwellings in order to bring these dwellings up to a certain standard. Criteria are set by the DCLG which also determines the proportion that the authority will be reimbursed. Categories include Home Repairs Assistance Grants and Disabled Facility Grants.

Housing Investment Programme (HIP)

The housing capital programme consisting of capital expenditure on the Council's housing stock, garages, assistance to private homeowners (Home Renovation Grants), disabled grants and advances to housing associations to provide affordable housing.

Housing Revenue Account (HRA)

A separate account dealing with expenditure and income arising from the letting of local authority dwellings. Expenditure includes supervision and management costs, repairs and capital financing charges. Income includes rent, Government subsidies and investment interest. It is "ringfenced" (i.e. the transfer of amounts between the Housing Revenue Account and the General Fund is restricted by legislation).

Income

Amounts due to the Council that have been, or are expected to be received.

Interest on Balances and from Investments

The interest accrued by investing the day to day surplus on the authority's cash flow and balances in hand.

Land Appropriation

The transfer of land from one fund to another, where the accounts of the funds are adjusted accordingly to compensate.

Local Authority Business Growth Incentive Scheme (LABGI)

Government grant given to local authorities in recognition of the growth in business rate income in their area.

National Non-Domestic Rates (Business Rates)

A contribution from local businesses towards the cost of local authority services. The amount depends on the rateable value (RV) assigned to the property by the District Valuer and the rate in the £ applied to the RV set by the Government each year at a uniform poundage across the whole of England. Whilst collected initially by local authorities, National Non-Domestic Rates are paid over to the Government which then redistributes them to local authorities on the basis of population. Increases in National Non-Domestic Rates are normally linked to increases in the retail price index, although legislation states that revaluations must also take place every five years. A transitional scheme operates so that the effect of changes caused by revaluations are limited in any one financial year.

Major Repairs Allowance

A significant element of Housing Subsidy which must be transferred to a Major Repairs Reserve and used only for the refurbishment of the authority's own housing stock.

Negative Housing Subsidy

The negative subsidy payable to Central Government towards National housing costs. It consists of five main elements – management and maintenance, capital financing charges, notional rent income, rebates and the Major Repairs Allowance.

Precepts

Sums levied by County and Parish Councils and Police Authorities on the Collection Funds of billing authorities (Districts and Boroughs) and forming part of the overall demand for Council Tax.

Prudential Indicators

The prudential capital finance system was introduced by the Local Government Act 2003. CIPFA's Prudential Code for Capital Finance in local authorities requires that Council's establish a number of prudential indicators at the time of setting budgets and capital plans. Prudential Indicators reflect the Council's decision's on capital spending and borrowing to ensure that the capital investment plans of the Council are affordable, prudent and sustainable.

Redistributed Business Rates

Part of the Government's financial support for local authorities - the business rates which are collected by authorities and paid over to the Government, are returned to authorities on a population basis. Authorities with a large business rate base like St Albans collect and pay over to the Government very much more than is redistributed back to them.

Revenue Expenditure

Expenditure on day-to-day items including salaries and wages, contract payments, general running expenses and, where relevant, any capital financing charges.

Special Expenses

Those expenses incurred by an authority on services in certain parts of its area where the same service is provided in another part of the area by one or more Parish Councils. These expenses are separated from general expenses and charged only to those areas to which they relate. Precepts levied by Parish Councils are also treated as special expenses for Council Tax purposes. (See details on page 38)

Third Party Contributions to Capital Expenditure

Contributions from external sources (eg Section 106 agreements or National Lottery awards) towards the cost of providing and improving capital assets. These are not deemed to be capital receipts as they do not arise from the disposal of a capital asset.

Virement

Permission to increase spending on one budget head when this is matched by a corresponding reduction on another budget head within the same Portfolio.