

**Subject: 2020/21 BUDGET REPORT**

Report to: Management Team 20 January 2020  
Policy and Resources Committee - 4 February 2020  
Full Council - 20 February 2020

Report by: Finance Director

## **SUBJECT MATTER AND RECOMMENDATIONS**

This report presents for consideration and recommendation to Full Council the 2020/21 budget. The report includes details of the provisional finance settlement along with the key assumptions that have been made within the budget.

The position as presented requires a transfer of £150,458 from the general reserve.

The Council's budget is set for approval each year, it is presented to Policy and Resources Committee for recommendation to Full Council alongside the setting of the Council Tax for the forthcoming year.

The budget has been produced based on a number of assumptions as detailed within the main body of the report and also reflects the provisional finance settlement announced on 20 December 2019. The final settlement is due to be announced early February and any amendments to the figures included in the report will be updated at the meeting as applicable and reflected in the Council Tax setting report to Full Council in February 2020.

The report also recommends an updated capital programme for the current and future years after allowing for slippage of schemes between financial years and approval for new capital bids and projects.

The report also outlines the risks facing the Council in setting the budget and forecasting future spending plans and resources.

### **Recommendations:**

**A) It is recommended that Policy and Resources Committee agree and recommend to Full Council:**

- 1) The 2020/21 general fund revenue budget as outlined at Appendix A;**
- 2) The Council Tax for 2020/21 for the Borough Council tax be £166.48 (for an average Band D);**
- 3) That the demand on the Collection Fund for 2020/21 be:**
  - a. £4,835,911 for the Borough Council purposes;**
  - b. £474,871 for Parish Precepts;**
- 4) The statement of and movement on the reserves as detailed at Appendix E and within section 8 of the report;**
- 5) The Policy framework for reserves as detailed at Appendix F;**
- 6) The updated Capital Programme and financing for 2019/20 to 2020/21 as detailed at Appendix G;**
- 7) New capital bid proposals at Appendix H;**

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| <b>8) The prudential indicators and minimum revenue provision policy as detailed at Appendix I.</b> |
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## **1. Introduction and Background**

- 1.1 This report presents for recommendation the detail of the 2020/21 revenue budget and the indicative projections for the following two financial years.
- 1.2 An updated Capital Programme has also been included, which takes account of slippage of schemes between financial years. Details of new capital schemes are included within the report and appendices for approval. Recommendations from this report will be made to Full Council on 20 February 2020 as part of the annual Budget and Council Tax setting.
- 1.3 The financial projections for the period 2019/20 to 2021/12 were presented to Members in February 2019 alongside the budget for 2019/20. These provided indicative forecasts for the future taking into account the then planned change to the funding regime and the greater level of retained business rates income. The Medium Term Financial Strategy (MTFS) covering the period 2020/21 to 2022/23 was presented to Members for consideration in November 2019. At that time there was a forecast gap of £640,000 for 2020/21 after allowing for known spending pressures highlighted from the in-year budget monitoring along with revised assumptions of funding for 2020/21 including a roll forward of the 2019/20 funding due to the delays to the fair funding review and review of business rates.
- 1.4 Since then the detailed work on the 2020/21 budget has been carried out, including consideration of fees and charges for current and future financial years and also taking into account the impact of the provisional local government finance settlement, resulting in the recommended budget for 2020/21.
- 1.5 Appendix A provides a general fund summary for 2020/21 with more detail within Appendix B which also provides commentary on the more significant movements compared to the 2019/20 base budget.
- 1.6 During 2020/21 there will be further consultations and announcements on the future funding of local government to be informed by the fair funding review and review of business rates. The outcomes of these key pieces of work is pivotal to the future funding of local government and updates will be provided as part of the future financial planning. At such time as the details are made available, the financial projections for 2021/22 onwards will be revised and updated.

## **2. Provisional Local Government Finance Settlement 2020/21**

- 2.1 The provisional finance settlement (year four of the multi-year settlement which the Council accepted) was announced by the Ministry for Housing Communities and Local Government on 20 December 2019. The final settlement is normally confirmed early February. Where applicable, any changes resulting from the final settlement will be reflected in the budget report to Full Council on 20 February 2020.
- 2.2 The following summarise some of the key messages from the settlement statement and the subsequent analysis:
  - a) Council Tax Referendum Limit – This was confirmed as the higher of 2% or £5 for 2020/21 for shire districts and confirmed no limits for parish and town councils but for these to remain under review;

- b) New Homes Bonus – Confirmation of a further year of NHB with the 0.4% threshold for growth is still used and no legacy payments for the 2020/21 allocation;
- c) Core Spending Power – The figures announced indicate that the Core Spending Power will rise by an average of 6.6% in 2020/21, on the basis that Councils will raise council tax by the maximum amount permitted without a referendum and allowing for additional social care funding. For GYBC CSP for 2020/21 has increased by 2.9%. This is due to allocation of a new homes bonus payment for 2020/21, increase to council tax and an increase to the revenue support grant;

2.3 The settlement includes a measure referred to as 'Core Spending Power'. This is essentially the Government's measure of core revenue funding components for local government consisting of the following (\*applicable sources for GYBC):

- Revenue Support Grant\*
- Retained Business Rates\*
- Section 31 grants to compensate for historic caps on business rates multiplier increases and uprating of the multiplier by Consumer Price Index (CPI) instead of by Retail Price Index (RPI) from April 2018\*;
- New Homes Bonus\*
- Improved Better Care Fund Income
- Rural Services Delivery Grant
- Assumed income from Council Tax\* – allowing for tax base growth, annual increases to the council tax to the referendum limits, and adult social care precept.

2.4 Table 1 provides a summary of the Core Spending Power (CSP) for GYBC as included in the provisional settlement announcement.

| <b>Table 1 - Core Spending Power</b>                                                 | <b>2015/16</b> | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> | <b>2019/20</b> | <b>2020/21</b> |
|--------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                                                      | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| Settlement Funding Assessment                                                        | 8,135          | 7,255          | 6,593          | 6,239          | 5,808          | 5,903          |
| Compensation for under-indexing the business rates multiplier                        | 51             | 51             | 54             | 85             | 123            | 154            |
| Council Tax of which;                                                                | 3,831          | 3,914          | 4,142          | 4,391          | 4,612          | 4,860          |
| Council Tax Requirement excluding parish precepts (including base and levels growth) | 3,831          | 3,914          | 4,085          | 4,319          | 4,527          | 4,720          |
| potential additional Council Tax from £5 referendum principle for all Districts      | -              | -              | 57             | 73             | 85             | 140            |
| New Homes Bonus                                                                      | 1,157          | 1,377          | 1,063          | 628            | 427            | 373            |
| New Homes Bonus returned funding                                                     | 11             | 8              | 9              | -              | -              | -              |
| <b>Core Spending Power</b>                                                           | <b>13,185</b>  | <b>12,605</b>  | <b>11,861</b>  | <b>11,343</b>  | <b>10,970</b>  | <b>11,290</b>  |
| Change since 2015-16 (£ millions)                                                    |                |                |                |                | -              | 1,895          |
| Change since 2015-16 (% change)                                                      |                |                |                |                |                | -14.4%         |

2.5 The Core Spending power for 2020/21 assumes growth in the tax base and increases of Council Tax up to the referendum limit. The actual amount for 2020/21 will be £4,835,911, slightly below the level assumed in the core spending power assumptions.

2.6 The settlement funding assessment represents the Council's share of local government's overall control total and is made up of revenue support grant and baseline funding (from retained business rates). Table 2 below provides a breakdown of the Settlement Funding Assessment which consists of RSG and Business Rates Baseline funding.

| <b>Table 2 Settlement Funding Assessment</b>             | <b>2015/16</b> | <b>2016/17</b> | <b>2017/18</b> | <b>2018/19</b> | <b>2019/20</b> | <b>2020/21</b> |
|----------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                                          | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| <b>Settlement Funding Assessment:</b>                    |                |                |                |                |                |                |
| Revenue Support Grant                                    |                | 3,740          | 3,007          | 2,545          | 2,029          | 2,062          |
| Baseline Funding Level                                   |                | 3,515          | 3,587          | 3,694          | 3,779          | 3,841          |
| <b>Total Settlement Funding Assessment *</b>             | <b>8,135</b>   | <b>7,255</b>   | <b>6,593</b>   | <b>6,239</b>   | <b>5,808</b>   | <b>5,903</b>   |
| <b>Movement - Year on Year</b>                           |                |                |                |                |                |                |
| Revenue Support Grant £ (Reduction)                      |                |                | (733)          | (462)          | (516)          | 33             |
| Revenue Support Grant % Reduction                        |                |                | -19.6%         | -15.4%         | -20.3%         | 1.6%           |
| Baseline Funding Level £ Increase                        |                |                | 72             | 108            | 85             | 62             |
| Baseline Funding Level % Increase                        |                |                | 2.0%           | 3.0%           | 2.3%           | 1.6%           |
| <b>Total Settlement Funding Assessment (Reduction) £</b> |                | <b>(880)</b>   | <b>(661)</b>   | <b>(354)</b>   | <b>(431)</b>   | <b>95</b>      |
| <b>Total Settlement Funding Assessment (Reduction) %</b> |                | <b>-10.8%</b>  | <b>-9.1%</b>   | <b>-5.4%</b>   | <b>-6.9%</b>   | <b>1.6%</b>    |

### 3. New Homes Bonus

- 3.1 The New Homes Bonus was introduced in 2011/12 to incentivise and reward Councils and Communities that build new homes in their area, being payable as an un-ring fenced grant. At the start of the scheme the bonus was paid for six years, reducing to a four-year grant in recent years. The bonus is based on the net additional homes (net of new homes and changes in long term empty properties) plus an additional supplement of £350 per affordable dwelling. The payment allocated between local authority tiers: 80% to the lower tier (GYBC) and 20% to the upper tier (Norfolk County Council).
- 3.2 A threshold baseline of 0.4% growth was introduced to the system of NHB funding from 2017/18 whereby each Local Authority needed to achieve growth of above 0.4% to receive a payment of NHB. For the last two years the Council has not met the baseline and therefore only received payment for the delivery of affordable properties.
- 3.3 The provisional settlement announcement confirmed a further year of NHB funding for 2020/21 for one year only and for GYBC this equates for £166,266 as the Council has achieved growth above the baseline. The following provides a summary of the 2020/21 allocation.

| <b>Table 3</b>                    | <b>2019/20</b> | <b>NHB Grant</b> | <b>2020/21</b> | <b>NHB Grant</b> |
|-----------------------------------|----------------|------------------|----------------|------------------|
| Net Additions (units) [a]         | 108            |                  | 298            |                  |
| Empty Homes (increase of) [b]     | 51             |                  | 1              |                  |
| Total Units Added [c=a-b]         | 57             |                  | 297            |                  |
| Units for Reward (above baseline) | 0              |                  | 117            | £163,186         |
| Affordable Units                  | 25             | £7,000           | 11             | £3,080           |
| Legacy Payments                   |                | £419,641         |                | £206,244         |
| <b>Total Payment</b>              |                | <b>£426,641</b>  |                | <b>£372,510</b>  |

- 3.4 From the settlement announcement there is a clear expectation that the current NHB will be reviewed and replaced and likely that NHB will have disappeared in entirety from 2022/23.
- 3.5 Table 4 provides details of the Council's allocations of NHB for 2020/21 including previous years' payments.

| Table 4 – New Homes Bonus – Allocations to date |            |            |            |            |              |              |              |            |            |            |
|-------------------------------------------------|------------|------------|------------|------------|--------------|--------------|--------------|------------|------------|------------|
|                                                 | 2011/12    | 2012/13    | 2013/14    | 2014/15    | 2015/16      | 2016/17      | 2017/18      | 2018/19    | 2019/20    | 2020/21    |
|                                                 | £000       | £000       | £000       | £000       | £000         | £000         | £000         | £000       | £000       | £000       |
| 2011/12                                         | 274        | 274        | 274        | 274        | 274          | 274          |              |            |            |            |
| 2012/13                                         |            | 234        | 234        | 234        | 234          | 234          |              |            |            |            |
| 2013/14                                         |            |            | 321        | 321        | 321          | 321          | 321          |            |            |            |
| 2014/15                                         |            |            |            | 119        | 119          | 119          | 119          |            |            |            |
| 2015/16                                         |            |            |            |            | 208          | 208          | 208          | 208        |            |            |
| 2016/17                                         |            |            |            |            |              | 220          | 220          | 220        | 220        |            |
| 2017/18                                         |            |            |            |            |              |              | 194          | 194        | 194        | 194        |
| 2018/19                                         |            |            |            |            |              |              |              | 5          | 5          | 5          |
| 2019/20                                         |            |            |            |            |              |              |              |            | 7          | 7          |
| 2020/21                                         |            |            |            |            |              |              |              |            |            | 166        |
| <b>Total</b>                                    | <b>274</b> | <b>508</b> | <b>829</b> | <b>949</b> | <b>1,157</b> | <b>1,377</b> | <b>1,063</b> | <b>628</b> | <b>427</b> | <b>373</b> |

#### 4. Business Rates Retention

- 4.1 The current scheme of Business Rates Retention came into operation in April 2013 which introduced the allocation of business rates in the following shares - 50% central government; 40% GYBC and 10% Norfolk County Council. GYBC has been part of the 75% business rates pilot for Norfolk for 2019/20, this has been confirmed as a one-year pilot only. The 2020/21 budget reflects the 50% retention system.
- 4.2 There is still the intention to move to 75% rates retention and although the implementation date has slipped to April 2021, there is expected to be further consultations and announcements during 2020/21. The impact of moving to 75% business rates retention in 2021/22 for all authorities will mean the rolling in of a number of grants to the funding system, including the Revenue Support Grant.

#### 5. Savings and Additional Income

- 5.1 The 2020/21 budget assumes the continuation of savings and additional income identified and approved as part of previous budget setting processes which are now included in the base budget as business as usual. The current financial business strategy identifies the following themes that are priorities for the Council in delivering future efficiencies and savings to reduce the forecast budget gap.
- a) **Strategic Asset Management** – To ensure that income streams from all of the Council's asset holdings are maximised and costs minimised. Identify development opportunities from new investment or assets which are underperforming for potential disposal; adding value to strategic assets; the key aim is to identify the most efficient way to utilise the Council's assets and maximise the return that the Council receives from them.
  - b) **Economic Growth** – To enhance and protect the funding from business rates and identify opportunities to encourage new growth in the Borough, including the Enterprise Zones and other areas and to support new housing growth.
  - c) **Housing Growth** – To maximise income from the New Homes Bonus and collection of Council Tax, increasing the Council Tax base, ensuring a strategy to support housing development in line with planning policy, whilst minimising empty homes across the Borough.
  - d) **Property Investment and Commercialisation** - Identify opportunities for investment in properties, whether direct or indirect, to achieve an income stream or improved returns on investment.

- e) **Technological Investment** - Enhancement and development of IT including the website to aid flexible working and access to services, ensuring linkages to the digital strategy.
- f) **Shared Services, Selling Services and Partnership** - Identifying opportunities for sharing services at a local level to allow a strengthened approach to working with communities and partners in the voluntary sector to drive better outcomes for local residents; reduce avoidable demand on council services and secure investment to drive new partnerships with partners and communities to deliver corporate ambitions.
- g) **GYBC Operating Model** - Making sure the Council operates as effectively and efficiently as possible through:
  - Digital by Design - Provision of on-line services for residents, businesses and visitors, allowing the ability to work remotely using a range of devices which automate processes and support joined-up working, and mobile solutions.
  - Procurement and Contract Management - To review current contracts in place and the arrangements for managing these contracts i.e. through a joint venture or formal contract management.
  - Enforcement Strategy - Co-ordinated approach to issues such as tackling homes and properties which blight areas and may contribute to anti-social behaviour, including a programme of work to bring empty homes back into use and to deliver new housing developments to grow the Council's tax base.
  - Efficiencies – ensuring the council operates in an efficient and effective manner, reviewing provision of services in a proactive way.

5.2 As part of the budget process, savings and additional income proposals were invited from Heads of Service for consideration over the short to medium term. A schedule of the savings proposals from this process are detailed in Appendix C for approval as part of the 2020/21 budget process. As part of the budget review and savings process a number of income and expenditure budgets have been updated to more accurately reflect current plans. These have been included as part of the proposals at Appendix C. Where applicable the timing of delivery of the proposal has been updated to reflect part year savings where lead-in time is required for implementation. In addition, some proposals require upfront one-off funding, where applicable the reserves statement allows for allocations from reserves.

5.3 Full Council in December approved the new Fees and Charges policy from 2020/21. The revised policy provides the flexibility for annual increase of RPI plus up to 2% in line with some key principles including taking into account market conditions and cost recovery.

## 6. Revenue Account Base Budget – 2020/21

6.1 The detail of the general fund revenue account budget now presented for approval is included within Appendices A and B to the report. Appendix A shows a high level summary of the revenue budget for 2020/21 supported by further details on the individual service budgets at Appendix B which shows the movement compared to the 2019/20 base budget.

6.2 The capital programme is presented in more detail at section 8 which includes both an update to the current capital programme along with new capital schemes and the financing of the programme. The revenue implications of the capital programme have been allowed for within the budget now presented for approval.

6.3 The revenue budget for 2020/21 makes a number of assumptions, the more significant ones are as follows:

- a) **Council Tax** – The budget assumes an increase in the Borough element of Council Tax in 2020/21 of £5 for a band D property, based on the tax base of 29,048 (an increase of 488 compared to 2019/20) as approved in December 2019. This means that the borough element for a band D Council Tax for 2020/21 would be £166.48 (an increase of £5, 3.1% compared to 2019/20). Further details on the profile and level of council tax for the individual bandings is included at section 6. After allowing for tax base growth and £5 increase the budget assumes an additional £224,000 funding compared to 2019/20.
  - b) **Employee budgets** – The budget assumes a 2% pay award for 2020/21, although a local agreement on pay has yet to be agreed. As a guide a 0.5% sensitivity to the pay award equates to approximately £45k per annum. An allowance has been made to reflect vacancy/turnover savings of £280,000 which equates to turnover of approximately 2.3%. Where annual increments are due these have continued to be factored into the budget. The apprenticeship levy is payable at a rate of 0.5% by all employers where the pay bill is over £3 million. The authority has been able to access training and development for employees that is funded from the levy, at least to the level of levy that is payable.
  - c) **Fees and Charges** – The revised fees and charges policy for the period 2020/21 to 2024/25 was approved by Council in December 2019. The policy provides for the general principle of setting fees to cover the cost of delivery allowing for annual increases of RPI plus up to 2%. The fees and charges for 2020/21 are included as a separate item on this agenda.
  - d) **Contract inflation** – Where applicable contract inflation has been factored into the budget and forecasts.
  - e) **Interest and Minimum Revenue Provision (MRP)** – A total of £1.278 million interest payable is included in the budget for 2020/21 which reflects the current long-term debt portfolio and new temporary borrowing in line with the capital financing requirement as per the current treasury management strategy. The MRP budget of £1.514 million reflects the current programme of capital budgets along with planned expenditure in the current year. The new schemes that have been put forward for 2020/21 for approval have been allowed for within the future MRP forecasts. Some of the capital proposals will be subject to further detailed business cases ahead of works commencing.
- 6.4 The General Fund Summary presented at Appendix A shows a budget for 2020/21 which is summarised in Table 5 with the equivalent figures from the 2019/20 base budget.

| <b>Table 5 – Variance of 2019/20 to 2020/21 Base Budget</b> | <b>2019/20 Base Budget</b> | <b>2020/21 Base Budget</b> | <b>Variance</b> |
|-------------------------------------------------------------|----------------------------|----------------------------|-----------------|
|                                                             | <b>£000</b>                | <b>£000</b>                | <b>£000</b>     |
| Net cost of services (incl. Parishes)                       | 12,590                     | 12,869                     | 279             |
| Non service expenditure/ income                             | (133)                      | 1,059                      | 1,192           |
| Contributions to/(from) Reserves                            | (526)                      | (794)                      | (268)           |
| Net budget requirement                                      | 11,932                     | 13,135                     | 1,203           |
| <b>Funded by:</b>                                           |                            |                            |                 |
| Local Taxpayers - Parishes                                  | (429)                      | (475)                      | (46)            |
| Local Taxpayers - District Council                          | (4,612)                    | (4,836)                    | (224)           |
| Revenue Support Grant & Retained Business Rates             | (6,377)                    | (7,301)                    | (924)           |
| New Homes Bonus                                             | (427)                      | (373)                      | 54              |
| Total Income                                                | (11,844)                   | (12,984)                   | (1,140)         |
| <b>(Surplus)/ Deficit</b>                                   | <b>87</b>                  | <b>150</b>                 | <b>63</b>       |

## 7. Council Tax

- 7.1 As detailed in section 2, the core spending figures as included in the provisional finance settlement reflects increases to council tax annually by the higher of 2% or £5 per annum. The budget for 2020/21 assumes a band D council tax increase of £5. This is line with the previous financial projections and the 2020/21 MTFS as presented in November 2019. For 2020/21 it is recommended that the band D Council tax for the borough's element be set at £166.48. Appendix D provides a summary of the band D council tax for 2020/21 including the impact of the parish precepts. At the time of producing this report there were only two parishes yet to finalise their precept, the final figures will be included in the council tax setting report to Council on 20 February 2020.
- 7.2 The Council Tax Base of 29,048 Band D equivalent properties for 2020/21 (28,560 for 2019/20) was approved by Full Council in December 2019. The summary below shows the equivalent charge for the council tax bandings for the 2020/21 charge compared to the current charges for the Borough Council element only. The profile of property bandings across the borough is weighted towards the lower property banding, approximately 60% of properties are within bands A and B.

| <b>Table 6– Council Tax Summary 2020/21</b>                            | <b>£000</b> |
|------------------------------------------------------------------------|-------------|
| Total District amount to be met from Government Grant & Local Taxation | 12,660      |
| Less:                                                                  |             |
| Funding (Business Rates & RSG)                                         | (7,301)     |
| New Homes Bonus                                                        | (373)       |
| District call on Collection Fund – excluding Parish Precepts           | (4,836)     |
| <b>Deficit (to be funded from reserves)</b>                            | <b>150</b>  |

## 8. Reserves

- 8.1 The statement of reserves for the general and earmarked reserves is attached at Appendix E. This details the planned use of reserves in the current financial year along with the budgeted movements in 2020/21, and proposed movements where known in the following three financial years.
- 8.2 There are three main reasons for holding reserves:
- To provide a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of the General Fund Reserve;
  - A contingency to cushion the impact of unexpected events or emergencies – this also forms part of the General Reserve;
  - As a means of building up funds, referred to as earmarked reserves, to meet known or predicted requirements. Earmarked reserves are accounted for separately but remain legally part of the General Fund. The title of the earmarked reserve generally reflects the purpose for which the balance is being maintained.
- 8.3 The Council also maintains a Housing Revenue Account reserve which was detailed in the HRA budget report to Housing and Neighbourhoods on 22 January 2020.
- 8.4 As part of considering the budget for 2020/21 the balance in the general and earmarked reserves should be taken into account. The level of reserves and unallocated balances provide a cushion as referred to above and to mitigate against unforeseen fluctuations in income and where for example savings do not come into fruition as planned in terms of the timing or amount.
- 8.5 The updated recommended balance in the general reserve is £2.8 million and has been informed by the policy framework for reserves and is included at Appendix F to this report. The framework takes into account a number of factors and sensitivities included in the base budget for 2020/21.
- 8.6 The balance in the general reserve at 1 April 2019 was £3.05 million. The Council holds a number of more significant reserves including:
- a) **Invest to Save** – An invest to save reserve is maintained to provide a source of funding to fund one-off costs on an invest to save basis that will deliver future efficiencies and savings to the Council. The forecast balance at March 2021 is £1.23 million.
  - b) **Collection Fund (Business Rates)** – As mentioned earlier in the report the level of funding that is received from retained business rates is subject to fluctuations between years and also influenced by factors outside of the direct control of the Council. This reserve provides a fund as required to mitigate the significant variations between years and to reduce the impact of appeals from previous years and also as funding that can be directed to increase the Council's business rate base in preparation for the implementation of a greater share of retained business rates income from 2021. The forecast balance at March 2021 is £1.26 million
- 8.7 The reserve statement at Appendix E shows the current position after allowing for the recommended movements as detailed above. It should be recognised that funding the budget from the use of reserves is not a long-term sustainable position.
- 8.8 The Council continues to hold a number of earmarked reserves for specific purposes for which the timing of their use has not yet been identified. The current virement rules allow

for the use of reserves to be approved within the overall virement limits, and as allocations are made the overall reserves position and financial position will be updated as part of the in-year budget monitoring reports.

- 8.9 A comprehensive statement about the adequacy of the reserves and recommended balance will be included within the Chief Financial Officer's report, which forms part of the annual Council Tax and Budget report to Full Council in February.

## **9. Capital**

- 9.1 A revised capital programme for the current year is provided at Appendix G to the report. The capital programme has been updated to take into consideration changes identified within the current financial year, where timing of projects has not been as planned, and where budgets have slipped between financial years.

### **Current 2020/21 Capital Programme**

- 9.2 Appendix G includes a summary of the 2020/21 capital programme (excluding new bids), slippage on the 2019/20 capital programme and capital projects approved as part of prior year budget setting. This results in a 2020/21 capital budget of £29m, of which £5m is financed from capital funding sources and the remainder is to be financed by borrowing.

### **New Capital Schemes**

- 9.3 In addition to the existing 2020/21 capital programme, approval is also being sought for a number of new capital projects for 2020/21, and subsequent years as identified within the Capital Appendix H.
- 9.4 The total of the estimated project costs for 2020/21 associated with these capital bids is £2.5m with £1.2m to be funded by unsupported borrowing.
- 9.5 Of these proposed projects, £2m are seeking approval from the 2020/21 budget setting process. It should be noted that £1.2m of the £2m relates to disabled facilities grant capital works which are funded by external funding and is a statutory requirement.
- 9.6 The remaining £0.5m of the proposed projects require business cases to support their approval but are included in Appendix H for information.
- 9.7 New capital receipts will be monitored as part of the ongoing budget monitoring process, and where applicable, recommendations will be made to amend the capital programme and its financing.

### **Capital Programme Funding**

- 9.8 There are a number of sources of funding available to fund the capital expenditure. The following outlines those which are available to the Council:
- a) External Contributions or Grants – e.g. from third party organisations.
  - b) Reserves – Available capital and revenue reserves can be used to fund capital expenditure.
  - c) Capital Receipts – Capital receipts are generated from asset disposals and can only be used to fund capital expenditure or repay debt. The latter is not applicable at the moment, as the Council is currently debt free.
  - d) Borrowing – Under the Prudential Framework, the Council is able to fund expenditure from borrowing provided that they can demonstrate affordability and need. Borrowing (internal or external) to finance capital spend will attract charges to the revenue account in the form of interest and Minimum Revenue Provision (MRP) charges.

- 9.9 Alongside the budget for 2020/21 the Minimum Revenue Provision Statement and Prudential Indicators for the same period are presented for approval. These are included at Appendix I.

## **10. Future Financial Forecasts**

- 10.1 As flagged earlier in the report the future funding for Local Government from 2021/22 will be subject to the outcome of significant pieces of work underway nationally, namely, Fair Funding Review and Business Rates Retention. The detailed impact of these reviews will not be known until later in 2020 and therefore at this time no further financial forecasts are presented at this time.
- 10.2 Fair Funding Review – The fair funding review will set the new funding baselines for all Local Authorities. It will take into account a number of factors and assessments of individual authorities' relative needs and resources.
- 10.3 Business Rates Retention – The government previously announced the shift to a greater proportion of rates being retained locally from 2020/21. This has been delayed until 2021/22 and the impact of this will not be known until later in 2020.
- 10.4 The future of the New Homes Bonus as a source of funding is not known, however there is an expectation that the current allocations will be removed by 2022/23.
- 10.5 The report (section 4) detailed a number of workstreams and projects that are being delivered over the short to medium term that will help to deliver future savings and additional income to reduce the forecast funding gap. These workstreams will be continuing and identification of potential savings and income factored into future financial projections.
- 10.6 Once further detail of the impact of the fair funding review and business rates retention system have been announced, the Medium Term Financial Strategy will be updated to reflect the new level of baseline funding available to the Council and work will then commence in early 2020/21 to review current and future spending plans for the 2021/22 budget process. This will also be informed by the outcome of the Future High Streets Funding application process and the Stronger Towns Fund to ensure that the Council has the resources to deliver against the programmes if it is successful and also realise the benefit.

## **11. Financial Implications and Risks**

- 11.1 The overall budget for the general fund as presented requires a transfer from reserves in 2020/21 of £150,458. The actual general fund reserve balance is forecast to be just under £3 million at the end of 2020/21 which is slightly above the recommended balance of £2.8 million for the year. The budget as presented allows for the use of reserves to fund upfront costs which will enable the delivery of ongoing savings. Use of reserves is not a long term solution for setting a sustainable budget.
- 11.2 The Council faces and will continue to face significant financial challenges with increased risks around funding streams. The following outlines the more significant risks faced by the Council in the short to medium term and in particular those that could have an impact on delivery of the 2020/21 budget.
- 11.3 **Future Funding** – 2020/21 funding is based on a one-year finance settlement following the rollover of the previous four-year settlement for the period 2016/17 to 2019/20. The delay to the implementation of the new funding system being informed by the fair funding

review and review of business rates retention means that during 2020/21 there will be further consultations and exemplifications of the impact to individual authorities and also reduces the ability to make accurate forecasts for future funding gaps. The timing is not yet confirmed and therefore the financial projections for 2021/22 onwards will be updated as announcements and modelling is carried out. The future funding gaps still remain a risk to the overall funding for Local Government.

- 11.4 **New Homes Bonus** – The provisional settlement has confirmed the allocation of NHB for 2020/21 including an element for the net growth and delivery of affordable homes. Future new allocations are not assumed pending a review of the current system during 2020/21 with the current scheme assumed to be phased out by 2022/23. Delivery of new homes growth is still important in response to demand and also the ability to grow the council tax base as a source of income.
- 11.5 **Business Rates** - Funding fluctuations from business rate income continues to be a prevalent feature of the funding of local authorities. The impact of appeals only exacerbates this risk and this applies to current appeals and new appeals. Other factors that will lead to reductions in income include for example, business closures, successful rateable value appeals (which reduce the RV and consequently the rates payable), including the impact of back dated appeals, reduced income as schools transfer to academy status, the national impact of the risk around hospital and NHS trust properties is still prevalent. The NNDR provision within the system only reflects the potential impact of appeals currently in the appeals system. The Council does hold an earmarked reserve which can mitigate the timing of fluctuations in the level of income from business rates.
- 11.6 **Savings and Additional Income** – The Council has continued to deliver savings and efficiencies from a number of projects in line with themes within the business strategy. Savings and additional income have been included in the budgets in previous years and are now part of the overall base budget position. New savings and income from services totalling £200k have been factored into the 2020/21 budget increasing to £220k from 2021/22. This is in addition to the savings from previous budget processes that continue to be monitored. It is critical that the delivery of these savings is closely monitored by Officers and Members, for example through the various monitoring reports.
- 11.7 **Interest Payable and Minimum Revenue Provision (MRP)** - The budget reflects the revenue costs of the planned borrowing and financing of the current and future capital programmes. The impact of interest rate changes will have a direct impact to the revenue account for the financing of capital schemes. Slippage of capital schemes will impact on the level of borrowing required along with the associated financing costs. The capital programmes have been reviewed to accurately reflect the timing of the projects, to ensure an accurate provision for MRP and interest can be made which reflects the timing of the capital spend. In addition, as new schemes and projects are approved outside of the budget this too will have an impact on the associated financing costs and will need to be considered as part of the options appraisal and business cases presented for approval.
- 11.8 **Budgeted Income** – The annual revenue budget is dependant upon achieving significant levels of income from a number of demand led areas, for example car parking, planning and building control, crematorium and property rentals from council assets. Whilst budgets have been based on previous actuals and knowledge of current service delivery, income is monitored closely to allow any corrective actions to be taken in year if required. Achievement of service income still remains a financial risk that cannot be fully influenced by the Council. It is for reasons such as this that a factor in determining the recommended general reserve balance includes an amount for the sensitivity in delivery of the more significant demand-led income budgets.

- 11.9 **Reserves** - The Council currently holds a number of earmarked reserves for which some are allocated for specific purposes, although the profile of spend is not yet agreed and commitments not currently made. Use of reserves provide a short-term solution to mitigate the forecast deficits and can also be used to mitigate the impact, if for example savings and income are not achieved as budgeted. As part of approving the annual budget Members are reminded that reserves do not provide a long-term solution for a sustainable budget position.
- 11.10 **Universal Credit and Housing Benefit Subsidy** – The budget reflects the reducing funding from the Department for Work and Pensions for housing benefit administration. The Council is responsible for paying out in the region of £25 million of housing benefit and rent rebates which the budget assumes is recoverable through the subsidy system. The subsidy returns are audited annually at which point any under or over recovery will be determined and adjusted for. Any under recovery that is not eligible for subsidy would result in a financial implication to the Council which can be mitigate through the use of the earmarked reserve.
- 11.11 **Partnerships and Outsourced Service Provision** – The Council has some significant partnership/joint ventures that are essential for the delivery of services internally and externally, namely GYBS, GYN and provision of ICT services by Norfolk County Council. It is essential that these arrangements are closely monitored to support the delivery of services and also to ensure that the impact of local decisions on these arrangements are considered as part of the decision making process.

## 12. Conclusions

- 12.1 The Council is required to recommend a budget for approval each year. The budget report is presented to Policy and Resources Committee for recommendation to Full Council as part of the budget and council tax setting process. The report presents the detailed budget considerations for 2020/21 along with high level financial forecast for the future financial years. The budget has been informed by the one-year provisional finance settlement for 2020/21.
- 12.2 The report provides an overview of the risks that are facing the Council in the short to medium term, the most significant being the future funding for local government and the move towards a greater share of rates retention from 2021.

## 13. Background Papers

- 13.1 The budget report has been informed in the main by the following:
- a) 2018/18 Outturn Report
  - b) In year budget monitoring reports
  - c) Medium Term Financial Strategy
  - d) National Non-Domestic Rates returns
  - e) Provisional Local Government Finance Settlement 2020/21.

*Areas of consideration: e.g. does this report raise any of the following issues and if so how have these been considered/mitigated against?*

| Area for consideration            | Comment       |
|-----------------------------------|---------------|
| Monitoring Officer Consultation:  |               |
| Section 151 Officer Consultation: | Report Author |
| Existing Council Policies:        |               |

|                                              |                                           |
|----------------------------------------------|-------------------------------------------|
| Financial Implications:                      | Contained within the detail of the report |
| Legal Implications (including human rights): |                                           |
| Risk Implications:                           |                                           |
| Equality Issues/EQIA assessment:             |                                           |
| Crime & Disorder:                            |                                           |
| Every Child Matters:                         |                                           |

**Appendices:**

A – General Fund Summary

B – Detailed Service Appendices

C – Savings

D – Council Tax Summary 2020/21

E – Reserves Statement

F – Policy Framework for Reserves

G – Capital Programme

H – New Capital Bids

I – MRP Policy Statement

| <b>General Fund Summary</b>                                       | <b>2018/19<br/>Outturn</b> | <b>Original 2019/20<br/>Budget</b> | <b>Current 2019/20<br/>Budget</b> | <b>2019/20 updated<br/>Forecast</b> | <b>2020/21<br/>Budget</b> |
|-------------------------------------------------------------------|----------------------------|------------------------------------|-----------------------------------|-------------------------------------|---------------------------|
|                                                                   | £                          | £                                  | £                                 | £                                   | £                         |
| <b>Services:</b>                                                  |                            |                                    |                                   |                                     |                           |
| Executive and Resources                                           | 4,298,594                  | 4,194,866                          | 4,484,052                         | 4,348,527                           | 4,185,069                 |
| Inward Investment                                                 | 2,539,899                  | 2,186,050                          | 2,582,442                         | 2,598,242                           | 2,566,498                 |
| Housing                                                           | 674,975                    | 682,156                            | 651,706                           | 746,065                             | 784,607                   |
| Planning and Growth                                               | 472,152                    | 559,679                            | 547,178                           | 452,728                             | 473,767                   |
| Customer Services                                                 | 69,068                     | (890,180)                          | (928,797)                         | (715,305)                           | (815,896)                 |
| Property and Asset Management                                     | 1,195,634                  | 506,770                            | 452,699                           | 481,236                             | 144,575                   |
| Communications and Marketing                                      | 1,155,072                  | 1,158,031                          | 1,288,271                         | 1,215,002                           | 1,223,180                 |
| Environmental Services                                            | 4,166,898                  | 4,192,855                          | 3,977,840                         | 4,005,750                           | 4,337,382                 |
| <b>Net Cost of Service</b>                                        | <b>14,572,293</b>          | <b>12,590,227</b>                  | <b>13,055,391</b>                 | <b>13,132,245</b>                   | <b>12,899,182</b>         |
| <b>Non Service Exp/(Income):</b>                                  |                            |                                    |                                   |                                     |                           |
| Recharges to HRA                                                  | (2,102,077)                | (1,769,638)                        | (1,769,638)                       | (1,769,638)                         | (1,727,451)               |
| Parish Precepts                                                   | 377,953                    | 429,323                            | 429,323                           | 429,323                             | 474,871                   |
| Parish CTSS Grant                                                 | 33,720                     | 30,080                             | 30,080                            | 30,080                              | 25,000                    |
| Capital Charges                                                   | (2,812,992)                | (1,931,389)                        | (1,931,389)                       | (1,931,389)                         | (1,979,258)               |
| Revenue Financing for Capital                                     | 148,162                    | 0                                  | 19,000                            | 19,000                              | 0                         |
| Interest Receivable                                               | (269,733)                  | (401,013)                          | (401,013)                         | (401,013)                           | (296,541)                 |
| Interest Payable                                                  | 710,177                    | 859,299                            | 859,299                           | 859,299                             | 1,278,393                 |
| Minimum Revenue Provision                                         | 1,169,961                  | 1,196,495                          | 1,196,495                         | 1,196,495                           | 1,514,000                 |
| IAS19 Pension Adjustment                                          | 8,305                      | 1,690,232                          | 1,715,275                         | 1,715,275                           | 2,014,894                 |
| Accounting Adjustments                                            | 63,841                     | 0                                  | 0                                 | 0                                   | 0                         |
| Vacancy Management                                                | 31,002                     | (271,840)                          | (4,867)                           | (4,867)                             | (279,922)                 |
| Apprenticeship Levy                                               | 0                          | 35,500                             | 35,500                            | 35,500                              | 35,500                    |
| <b>Sub total - Non Service Exp/Inc</b>                            | <b>(2,641,682)</b>         | <b>(132,952)</b>                   | <b>178,065</b>                    | <b>178,065</b>                      | <b>1,059,486</b>          |
| <b>Net Operating Expenditure</b>                                  | <b>11,930,611</b>          | <b>12,457,276</b>                  | <b>13,233,456</b>                 | <b>13,310,310</b>                   | <b>13,958,668</b>         |
| <b>Contributions to/(from) Reserves:</b>                          |                            |                                    |                                   |                                     |                           |
| Insurance Fund                                                    | 45,975                     | 0                                  | 45,195                            | 45,195                              | 0                         |
| Town Centre Initiative                                            | (219,836)                  | 0                                  | (29,970)                          | (29,970)                            | 0                         |
| DFG top-up capital loans & grant fund                             | (142,769)                  | 0                                  | 0                                 | 0                                   | 49,730                    |
| Restricted use grant                                              | (37,709)                   | (169,195)                          | (113,555)                         | (113,555)                           | (142,344)                 |
| Invest to Save                                                    | (116,897)                  | 140,471                            | (106,818)                         | (106,818)                           | (103,946)                 |
| Specific budget                                                   | 0                          | (27,230)                           | (27,230)                          | (27,230)                            | (25,153)                  |
| LEGI                                                              | 0                          | (400,000)                          | (400,000)                         | (400,000)                           | (49,730)                  |
| Repairs and maintenance                                           | 53,407                     | 0                                  | (19,000)                          | (19,000)                            | 0                         |
| Second Homes Council tax                                          | 0                          | (155,962)                          | (155,962)                         | (155,962)                           | 0                         |
| Waste management                                                  | 0                          | 0                                  | (25,000)                          | (25,000)                            | 0                         |
| Collection Fund (Business Rates)                                  | (1,104,638)                | (180,000)                          | (180,000)                         | (180,000)                           | 0                         |
| Community Housing                                                 | (45,000)                   | 0                                  | 0                                 | 0                                   | (30,000)                  |
| Enforcement                                                       | (1,568)                    | 0                                  | 0                                 | 0                                   | 0                         |
| Coastal Protection                                                | 0                          | 150,000                            | 95,000                            | 95,000                              | 0                         |
| Strategic Planning Training                                       | 0                          | 0                                  | 0                                 | 0                                   | 0                         |
| Special Projects Reserve                                          | (68,681)                   | (139,774)                          | (124,692)                         | (124,692)                           | (176,203)                 |
| Benefits Reserve                                                  | (10,379)                   | 0                                  | 0                                 | 0                                   | 0                         |
| Homelessness                                                      | 426,366                    | 0                                  | 0                                 | 0                                   | 103,611                   |
| Treasury Management                                               | 200,000                    | 0                                  | 0                                 | 0                                   | 0                         |
| Asset Management                                                  | 1,900,000                  | 0                                  | (63,445)                          | (63,445)                            | (435,700)                 |
| Empty Business Property Initiative Reserve                        | 0                          | 100,000                            | 100,000                           | 100,000                             | 0                         |
| General Reserve                                                   | 0                          | 155,962                            | 155,962                           | 155,962                             | 0                         |
| Other Reserves                                                    | 422,635                    | 0                                  | (650,625)                         | (650,625)                           | (14,249)                  |
| <b>Sub Total Reserves</b>                                         | <b>1,300,905</b>           | <b>(525,728)</b>                   | <b>(1,500,140)</b>                | <b>(1,500,140)</b>                  | <b>(823,984)</b>          |
| <b>Amount to be met from Government Grant and Local Taxpayers</b> | <b>13,231,516</b>          | <b>11,931,548</b>                  | <b>11,733,316</b>                 | <b>11,810,170</b>                   | <b>13,134,684</b>         |
| Collection Fund - Parishes                                        | (354,487)                  | (429,323)                          | (429,323)                         | (429,323)                           | (474,871)                 |
| Collection Fund - Borough                                         | (4,372,171)                | (4,611,869)                        | (4,611,869)                       | (4,611,869)                         | (4,835,911)               |
| Retained Business Rates                                           | (3,614,865)                | (4,347,457)                        | (6,376,580)                       | (6,376,580)                         | (5,238,750)               |
| Transitional Funding (estimate of assumptions for future funding) | 0                          | 0                                  | 0                                 | 0                                   | 0                         |
| Revenue Support Grant                                             | (2,544,905)                | (2,029,123)                        | 0                                 | 0                                   | (2,062,184)               |
| New Homes Bonus                                                   | (627,700)                  | (426,641)                          | (426,641)                         | (426,641)                           | (372,510)                 |
| Other Grants                                                      | (77,295)                   | 0                                  | (34,968)                          | (44,193)                            | 0                         |
| <b>Income from Grant and Taxpayers</b>                            | <b>(11,591,424)</b>        | <b>(11,844,413)</b>                | <b>(11,879,381)</b>               | <b>(11,888,606)</b>                 | <b>(12,984,226)</b>       |
| <b>(Surplus)/Deficit (before general reserve transfer)</b>        | <b>1,640,092</b>           | <b>87,135</b>                      | <b>(146,065)</b>                  | <b>(78,436)</b>                     | <b>150,458</b>            |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Executive and Resources:</b>  |                    |                               |                |                                                       |                                                                                                                                          |
| <b>Equinox</b>                   |                    |                               |                |                                                       |                                                                                                                                          |
| Supplies & Services              | 2,790,974          | 30,177                        | 39,862         | 9,685                                                 |                                                                                                                                          |
| Support Services - Recharges In  | 0                  | 79,110                        | 0              | (79,110)                                              | General Recharge not required as covered by Management fee agreed separately with Equinox Enterprise Limited.                            |
| Income                           | (2,711,323)        | (39,862)                      | (39,862)       | 0                                                     |                                                                                                                                          |
|                                  | <u>79,652</u>      | <u>69,425</u>                 | <u>0</u>       | <u>(69,425)</u>                                       |                                                                                                                                          |
| <b>Town Centre Initiative</b>    |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                         | 21,418             | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Premises                         | 1,074              | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Supplies & Services              | 201,342            | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Income                           | (86,328)           | 0                             | 0              | 0                                                     |                                                                                                                                          |
|                                  | <u>137,505</u>     | <u>0</u>                      | <u>0</u>       | <u>0</u>                                              |                                                                                                                                          |
| <b>Corporate Costs</b>           |                    |                               |                |                                                       |                                                                                                                                          |
| Transport                        | 5,698              | 6,000                         | 6,500          | 500                                                   |                                                                                                                                          |
| Supplies & Services              | 89,678             | 123,564                       | 126,012        | 2,448                                                 |                                                                                                                                          |
| Support Services - Recharges Out | (418,050)          | (302,160)                     | (386,310)      | (84,150)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 322,720            | 303,560                       | 253,800        | (49,760)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                           | (60)               | 0                             | 0              | 0                                                     |                                                                                                                                          |
|                                  | <u>(14)</u>        | <u>130,964</u>                | <u>2</u>       | <u>(130,962)</u>                                      |                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Executive Team</b>            |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                         | 775,804            | 673,300                       | 647,907        | (25,393)                                              | Transfer of two posts to Member Services                                                                                                 |
| Transport                        | 8,654              | 5,000                         | 7,500          | 2,500                                                 |                                                                                                                                          |
| Supplies & Services              | 19,688             | 17,522                        | 12,317         | (5,205)                                               |                                                                                                                                          |
| Support Services - Recharges Out | (1,033,840)        | (980,926)                     | (1,036,860)    | (55,934)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 281,430            | 330,190                       | 369,110        | 38,920                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                           | (51,712)           | 0                             | 0              | 0                                                     |                                                                                                                                          |
|                                  | 24                 | 45,086                        | (26)           | (45,112)                                              |                                                                                                                                          |
| <b>Finance</b>                   |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                         | 598,636            | 601,568                       | 617,063        | 15,495                                                | Annual pay award.                                                                                                                        |
| Transport                        | 248                | 650                           | 650            | 0                                                     |                                                                                                                                          |
| Supplies & Services              | 195,603            | 279,191                       | 213,573        | (65,618)                                              | Finance system has moved to a different server which NCC now support instead of the software supplier.                                   |
| Support Services                 | 106,807            | 97,461                        | 109,731        | 12,270                                                | Bank charges budget increased based on prior year's costs.                                                                               |
| Capital Charges                  | 0                  | 0                             | 15,561         | 15,561                                                | Financial system depreciation.                                                                                                           |
| Support Services - Recharges Out | (1,177,350)        | (1,254,354)                   | (1,352,350)    | (97,996)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 288,360            | 453,630                       | 405,790        | (47,840)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                           | (5,519)            | (15,000)                      | (10,000)       | 5,000                                                 |                                                                                                                                          |
|                                  | 6,784              | 163,146                       | 18             | (163,128)                                             |                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                  |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ICT</b>                       |                    |                               |                |                                                       |                                                                                                                                                                                                                                           |
| Employee                         | 330,159            | 357,110                       | 441,737        | 84,627                                                | Two members of staff returning to GYBC from NCC, but shared service contract has reduced. Head of Service post has moved to Communications as part of a department restructure, along with the Content Editor transferred from Marketing. |
| Premises                         | 5,073              | 5,247                         | 5,170          | (77)                                                  |                                                                                                                                                                                                                                           |
| Transport                        | 1,231              | 300                           | 2,500          | 2,200                                                 |                                                                                                                                                                                                                                           |
| Supplies & Services              | 362,951            | 405,571                       | 313,583        | (91,988)                                              | Reallocation of IT software maintenance costs to services after a review by ICT department.                                                                                                                                               |
| Third Party Payments             | 598,607            | 597,367                       | 504,593        | (92,774)                                              | Two members of staff returning to GYBC from NCC so shared service contract reduced.                                                                                                                                                       |
| Capital Charges                  | 56,585             | 110,268                       | 126,329        | 16,061                                                | Reflects changes in depreciation charge for assets aligned to this service.                                                                                                                                                               |
| Support Services - Recharges Out | (1,446,080)        | (1,607,501)                   | (1,530,240)    | 77,261                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                  |
| Support Services - Recharges In  | 92,830             | 105,240                       | 136,330        | 31,090                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                  |
| Income                           | (1,347)            | 0                             | 0              | 0                                                     |                                                                                                                                                                                                                                           |
|                                  | 8                  | (26,398)                      | 2              | 26,400                                                |                                                                                                                                                                                                                                           |
| <b>Corporate Strategy</b>        |                    |                               |                |                                                       |                                                                                                                                                                                                                                           |
| Employee                         | 84,670             | 82,770                        | 85,001         | 2,231                                                 |                                                                                                                                                                                                                                           |
| Transport                        | 224                | 400                           | 400            | 0                                                     |                                                                                                                                                                                                                                           |
| Supplies & Services              | 3,634              | 850                           | 543            | (307)                                                 |                                                                                                                                                                                                                                           |
| Support Services - Recharges Out | (136,350)          | (127,598)                     | (112,610)      | 14,988                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                  |
| Support Services - Recharges In  | 47,810             | 51,450                        | 26,660         | (24,790)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                  |
|                                  | (13)               | 7,872                         | (6)            | (7,878)                                               |                                                                                                                                                                                                                                           |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget  | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                                                                                                  |
|----------------------------------|--------------------|-------------------------------|-----------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Elections</b>                 |                    |                               |                 |                                                       |                                                                                                                                                                                                                                                                                                                           |
| Employee                         | 134,266            | 170,710                       | 176,130         | 5,420                                                 |                                                                                                                                                                                                                                                                                                                           |
| Transport                        | 1,015              | 1,000                         | 1,000           | 0                                                     |                                                                                                                                                                                                                                                                                                                           |
| Supplies & Services              | 114,878            | 121,854                       | 121,525         | (329)                                                 |                                                                                                                                                                                                                                                                                                                           |
| Support Services - Recharges In  | 191,980            | 185,290                       | 40,700          | (144,590)                                             | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                  |
| Income                           | (34,030)           | (19,700)                      | (114,700)       | (95,000)                                              | Cost budgets have not been reduced to reflect that local elections will not take place in 20-21. These cost budgets will be used instead for the Police & Crime Commissioner Election but these are externally funded so additional income will be received. Also County elections in 21-22 also apply on the same basis. |
|                                  | <u>408,108</u>     | <u>459,154</u>                | <u>224,655</u>  | <u>(234,499)</u>                                      |                                                                                                                                                                                                                                                                                                                           |
| <b>Human Resources</b>           |                    |                               |                 |                                                       |                                                                                                                                                                                                                                                                                                                           |
| Employee                         | 396,555            | 313,183                       | 406,564         | 93,381                                                | Interim Head of Service post partly funded by reserves.                                                                                                                                                                                                                                                                   |
| Transport                        | 1,363              | 1,000                         | 1,000           | 0                                                     |                                                                                                                                                                                                                                                                                                                           |
| Supplies & Services              | 52,311             | 56,605                        | 49,239          | (7,366)                                               |                                                                                                                                                                                                                                                                                                                           |
| Support Services - Recharges Out | (584,490)          | (567,318)                     | (589,750)       | (22,432)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                  |
| Support Services - Recharges In  | 135,410            | 143,560                       | 132,940         | (10,620)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                  |
| Income                           | <u>(1,138)</u>     | <u>0</u>                      | <u>0</u>        | <u>0</u>                                              |                                                                                                                                                                                                                                                                                                                           |
|                                  | <u>10</u>          | <u>(52,970)</u>               | <u>(7)</u>      | <u>52,963</u>                                         |                                                                                                                                                                                                                                                                                                                           |
| <b>Legal</b>                     |                    |                               |                 |                                                       |                                                                                                                                                                                                                                                                                                                           |
| Third Party Payments             | 298,572            | 245,760                       | 352,641         | 106,881                                               | Increase in budget to reflect new contract with supplier.                                                                                                                                                                                                                                                                 |
| Support Services - Recharges Out | (246,900)          | (226,768)                     | (332,740)       | (105,972)                                             | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                  |
| Support Services - Recharges In  | 15,990             | 18,740                        | 15,100          | (3,640)                                               |                                                                                                                                                                                                                                                                                                                           |
| Income                           | <u>(67,663)</u>    | <u>(35,000)</u>               | <u>(35,000)</u> | <u>0</u>                                              |                                                                                                                                                                                                                                                                                                                           |
|                                  | <u>(1)</u>         | <u>2,732</u>                  | <u>1</u>        | <u>(2,731)</u>                                        |                                                                                                                                                                                                                                                                                                                           |

|                                                                         | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments |
|-------------------------------------------------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------|
| Total Executive and Resources:                                          | 632,064            | 799,011                       | 224,639        | (574,372)                                             |          |
| Total Executive and Resources<br>excluding capital charges & recharges: | 4,242,009          | 4,084,598                     | 4,043,179      | (41,419)                                              |          |
| Total Executive and Resources<br>excluding recharges:                   | 4,298,594          | 4,194,866                     | 4,185,069      | (9,797)                                               |          |

### Inward Investment

#### **Projects and Programmes**

|                                 |         |          |          |          |                                                                                                                                                                                                                                       |
|---------------------------------|---------|----------|----------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee                        | 185,519 | 258,095  | 290,199  | 32,104   | Growth in establishment structure due to ongoing & new projects. Some costs are due to be recharged to individual capital projects and additional income is expected to be generated which is reflected in the income variance below. |
| Transport                       | 1,223   | 1,500    | 1,500    | 0        |                                                                                                                                                                                                                                       |
| Supplies & Services             | 7,152   | 3,100    | 3,202    | 102      |                                                                                                                                                                                                                                       |
| Transfer Payments               | 51      | (48,807) | 0        | 48,807   | Budget for funding reallocated to the Inclusion Project (European Social Fund).                                                                                                                                                       |
| Support Services - Recharges In | 209,890 | 193,320  | 221,100  | 27,780   | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                              |
| Income                          | 0       | 0        | (42,807) | (42,807) | Funding for the Offshore Wind Marketing Manager included in employee costs above.                                                                                                                                                     |
|                                 | 403,835 | 407,208  | 473,194  | 65,986   |                                                                                                                                                                                                                                       |

#### **Inclusion Project (ESF)**

|                     |          |   |          |          |                                                                                        |
|---------------------|----------|---|----------|----------|----------------------------------------------------------------------------------------|
| Employee            | 33,227   | 0 | 61,624   | 61,624   | Revision of ESF budgets undertaken in 1920 resulting in a change of budget allocation. |
| Supplies & Services | 31,727   | 0 | 75,694   | 75,694   | Revision of ESF budgets undertaken in 1920 resulting in a change of budget allocation. |
| Income              | (60,019) | 0 | (93,469) | (93,469) | Grant funding offsets majority of revenue costs above.                                 |
|                     | 4,935    | 0 | 43,849   | 43,849   |                                                                                        |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                         |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grounds and Parks</b>        |                    |                               |                |                                                       |                                                                                                                                                                  |
| Premises                        | 85,139             | 84,828                        | 94,237         | 9,408                                                 |                                                                                                                                                                  |
| Supplies & Services             | 9,351              | 8,318                         | 8,684          | 366                                                   |                                                                                                                                                                  |
| Third Party Payments            | 77,335             | 90,285                        | 90,285         | 0                                                     |                                                                                                                                                                  |
| Capital Charges                 | 3,522              | 3,522                         | 3,522          | 0                                                     |                                                                                                                                                                  |
| Support Services - Recharges In | 11,740             | 14,180                        | 33,050         | 18,870                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                         |
| Income                          | (987)              | 0                             | 0              | 0                                                     |                                                                                                                                                                  |
|                                 | <u>186,100</u>     | <u>201,133</u>                | <u>229,778</u> | <u>28,645</u>                                         |                                                                                                                                                                  |
| <b>Outdoor Sports</b>           |                    |                               |                |                                                       |                                                                                                                                                                  |
| Premises                        | 270,022            | 271,399                       | 390,190        | 118,792                                               | Reallocation of GYBS contract as per external review work.                                                                                                       |
| Supplies & Services             | 29,340             | 8,043                         | 8,390          | 348                                                   |                                                                                                                                                                  |
| Third Party Payments            | 29,801             | 42,379                        | 42,379         | 0                                                     |                                                                                                                                                                  |
| Capital Charges                 | 290,989            | 36,997                        | 50,385         | 13,388                                                | Reflects changes in depreciation charge for assets aligned to this service.                                                                                      |
| Support Services - Recharges In | 22,510             | 26,330                        | 26,110         | (220)                                                 |                                                                                                                                                                  |
| Income                          | (96,218)           | (122,755)                     | (98,975)       | 23,780                                                | Income budgets reviewed to better reflect income received in prior years. £10k income received in relation to a concession is now absorbed by property services. |
|                                 | <u>546,445</u>     | <u>262,393</u>                | <u>418,480</u> | <u>156,087</u>                                        |                                                                                                                                                                  |
| <b>CCTV</b>                     |                    |                               |                |                                                       |                                                                                                                                                                  |
| Premises                        | 4,000              | 4,000                         | 4,000          | 0                                                     |                                                                                                                                                                  |
| Supplies & Services             | 134,320            | 143,153                       | 142,800        | (353)                                                 |                                                                                                                                                                  |
| Support Services - Recharges In | 17,880             | 16,560                        | 19,420         | 2,860                                                 |                                                                                                                                                                  |
| Income                          | (4,000)            | (4,000)                       | (4,000)        | 0                                                     |                                                                                                                                                                  |
|                                 | <u>152,200</u>     | <u>159,713</u>                | <u>162,220</u> | <u>2,507</u>                                          |                                                                                                                                                                  |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Culture and Leisure</b>      |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                        | 48,907             | 0                             | 18,891         | 18,891                                                | Employee contract extended, to be funded from underspend in Neighbourhood and Communities in 2019/20.                                    |
| Premises                        | (1,000)            | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Transport                       | 353                | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Supplies & Services             | 191,085            | 68,944                        | 76,513         | 7,569                                                 |                                                                                                                                          |
| Third Party Payments            | 61,900             | 59,761                        | 59,761         | 0                                                     |                                                                                                                                          |
| Support Services - Recharges In | 55,800             | 50,470                        | 36,490         | (13,980)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                          | 9,559              | 0                             | (20,000)       | (20,000)                                              | Additional external grant funding expected in 2021.                                                                                      |
|                                 | <u>366,605</u>     | <u>179,175</u>                | <u>171,655</u> | <u>(7,520)</u>                                        |                                                                                                                                          |
| <b>Conservation</b>             |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                        | 119,735            | 112,420                       | 122,138        | 9,718                                                 |                                                                                                                                          |
| Premises                        | 76,035             | 60,363                        | 61,854         | 1,491                                                 |                                                                                                                                          |
| Transport                       | 37                 | 200                           | 200            | 0                                                     |                                                                                                                                          |
| Supplies & Services             | 76,733             | 46,477                        | 49,080         | 2,603                                                 |                                                                                                                                          |
| Capital Charges                 | 90,049             | 26,904                        | 25,408         | (1,496)                                               |                                                                                                                                          |
| Support Services - Recharges In | 40,770             | 47,780                        | 24,400         | (23,380)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                          | (35,633)           | (30,000)                      | (30,000)       | 0                                                     |                                                                                                                                          |
|                                 | <u>367,726</u>     | <u>264,144</u>                | <u>253,080</u> | <u>(11,064)</u>                                       |                                                                                                                                          |

|                                                        | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                 |
|--------------------------------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Waterways</b>                                       |                    |                               |                |                                                       |                                                                                                                                                                                                                          |
| Employee                                               | 123,195            | 153,682                       | 36,686         | (116,996)                                             | Following the conclusion of the setup of the Waterways project this costs are anticipated to fall.                                                                                                                       |
| Premises                                               | 8,135              | 24,000                        | 40,853         | 16,853                                                | Following conclusion of the capital stage of the project revenue costs are anticipated to increase as the premises are now operational.                                                                                  |
| Transport                                              | 0                  | 0                             | 0              | 0                                                     |                                                                                                                                                                                                                          |
| Supplies & Services                                    | 15,043             | 55,488                        | 15,795         | (39,693)                                              | Following the conclusion of the setup of the Waterways project this costs are anticipated to fall.                                                                                                                       |
| Capital Charges                                        | 0                  | 0                             | 8,000          | 8,000                                                 |                                                                                                                                                                                                                          |
| Support Services - Recharges In                        | 61,380             | 63,310                        | 39,230         | (24,080)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                 |
| Income                                                 | (111,415)          | (184,124)                     | (31,725)       | 152,399                                               | National Heritage Lottery Fund funding is set to reduce in line with the fall in costs incurred seen above.                                                                                                              |
|                                                        | 96,338             | 112,356                       | 108,839        | (3,517)                                               |                                                                                                                                                                                                                          |
| <b>Voluntary Sector Grants</b>                         |                    |                               |                |                                                       |                                                                                                                                                                                                                          |
| Supplies & Services                                    | 96,767             | 93,500                        | 54,500         | (39,000)                                              | Budget represents the £54,500 General Fund contribution. The variance represents the HRA contribution (total contribution £45k), which is funded directly via the HRA and has been removed from the General fund budget. |
| Support Services - Recharges In                        | 22,120             | 17,580                        | 19,590         | 2,010                                                 |                                                                                                                                                                                                                          |
| Income                                                 | (53,000)           | (53,000)                      | 0              | 53,000                                                | Partnership contributions to the core development support services to cease in 2019/20.                                                                                                                                  |
|                                                        | 65,887             | 58,080                        | 74,090         | 16,010                                                |                                                                                                                                                                                                                          |
| <b>Indoor Leisure - Phoenix Pool and Marina Centre</b> |                    |                               |                |                                                       |                                                                                                                                                                                                                          |
| Premises                                               | 22,396             | 22,961                        | 23,923         | 962                                                   |                                                                                                                                                                                                                          |
| Supplies & Services                                    | 64,932             | 7,149                         | 7,196          | 47                                                    |                                                                                                                                                                                                                          |
| Third Party Payments                                   | 227,262            | 157,611                       | 235,380        | 77,769                                                | Revised budgets as per contract and impact of Marina closure.                                                                                                                                                            |
| Capital Charges                                        | 386,500            | 386,500                       | 379,843        | (6,657)                                               |                                                                                                                                                                                                                          |
| Support Services - Recharges In                        | 38,520             | 35,800                        | 51,340         | 15,540                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                 |
|                                                        | 739,609            | 610,022                       | 697,682        | 87,661                                                |                                                                                                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Neighbourhood Management</b>  |                    |                               |                |                                                       |                                                                                                                                                                                                                                                                                                                                           |
| Employee                         | 391,233            | 323,991                       | 289,118        | (34,873)                                              | Neighbourhoods that work (NTW) project to cease (6 month budget). Reduced budgets reflect the end of the NTW fixed term contract and removal of vacant Administrator/Receptionist post.                                                                                                                                                   |
| Premises                         | 48,743             | 26,163                        | 27,576         | 1,413                                                 |                                                                                                                                                                                                                                                                                                                                           |
| Transport                        | 0                  | 1,800                         | 1,800          | 0                                                     |                                                                                                                                                                                                                                                                                                                                           |
| Supplies & Services              | 32,149             | 32,413                        | 32,190         | (224)                                                 |                                                                                                                                                                                                                                                                                                                                           |
| Third Party Payments             | 0                  | 0                             | 0              | 0                                                     |                                                                                                                                                                                                                                                                                                                                           |
| Transfer Payments                | 649,165            | 705,730                       | 602,187        | (103,543)                                             | Reduced Great places budget reflecting the only Six months budget (£94k), offset by grant income below. Six month NTW budget (£395k) to conclude the project. This is also offset by grant income as per below. Budget also includes the extension of the Social Prescribing project (£113k), which is offset by grant income in 2020/21. |
| Support Services - Recharges Out | (413,340)          | (315,810)                     | (296,080)      | 19,730                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                                  |
| Support Services - Recharges In  | 316,570            | 221,670                       | 288,820        | 67,150                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                                  |
| Income                           | (991,235)          | (776,518)                     | (656,796)      | 119,722                                               | Grant income reduced due to NTW & Great Places projects ending. Great Places £93k, NTW £395k and Social Prescribing £119k (£113k to be paid to delivery partner DIAL and £6k retained by council).                                                                                                                                        |
|                                  | 33,285             | 219,439                       | 288,815        | 69,376                                                |                                                                                                                                                                                                                                                                                                                                           |
| <b>Enterprise Zone</b>           |                    |                               |                |                                                       |                                                                                                                                                                                                                                                                                                                                           |
| Supplies & Services              | 917,417            | 0                             | 1,085,143      | 1,085,143                                             | Enterprise Zone expenditure was not budgeted as part of the 1920 budget setting. There is no overall net impact for the scheme.                                                                                                                                                                                                           |
| Income                           | (1,015,797)        | 0                             | (1,085,143)    | (1,085,143)                                           | Enterprise Zone income was not budgeted as part of the 1920 budget setting. There is no overall net impact for the scheme.                                                                                                                                                                                                                |
|                                  | (98,380)           | 0                             | 0              | 0                                                     |                                                                                                                                                                                                                                                                                                                                           |
| <b>Economic Development</b>      |                    |                               |                |                                                       |                                                                                                                                                                                                                                                                                                                                           |
| Employee                         | 26,053             | 80,628                        | 103,957        | 23,329                                                | Growth in Establishment - recharged to capital projects                                                                                                                                                                                                                                                                                   |
| Transport                        | 110                | 0                             | 0              | 0                                                     |                                                                                                                                                                                                                                                                                                                                           |
| Supplies & Services              | (10,600)           | 2,881                         | 2,501          | (380)                                                 |                                                                                                                                                                                                                                                                                                                                           |
| Support Services - Recharges In  | 88,240             | 129,050                       | 200,010        | 70,960                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                                  |
|                                  | 103,802            | 212,559                       | 306,468        | 93,909                                                |                                                                                                                                                                                                                                                                                                                                           |

|                                                                           | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                 |
|---------------------------------------------------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Enterprise GY</b>                                                      |                    |                               |                |                                                       |                                                                                                                                                                                          |
| Employee                                                                  | 18,778             | 0                             | 0              | 0                                                     |                                                                                                                                                                                          |
| Premises                                                                  | 9,720              | 68                            | 68             | 0                                                     |                                                                                                                                                                                          |
| Transport                                                                 | 70                 | 0                             | 0              | 0                                                     |                                                                                                                                                                                          |
| Supplies & Services                                                       | 30,344             | 0                             | 1,760          | 1,760                                                 |                                                                                                                                                                                          |
| Support Services - Recharges In                                           | 0                  | 0                             | 8,060          | 8,060                                                 |                                                                                                                                                                                          |
| Income                                                                    | (15,320)           | 0                             | 0              | 0                                                     |                                                                                                                                                                                          |
|                                                                           | 43,592             | 68                            | 9,888          | 9,820                                                 |                                                                                                                                                                                          |
| <b>Total Inward Investment:</b>                                           |                    |                               |                |                                                       |                                                                                                                                                                                          |
|                                                                           | 3,011,979          | 2,686,290                     | 3,238,038      | 551,748                                               |                                                                                                                                                                                          |
| <b>Total Inward Investment excluding capital charges &amp; recharges:</b> |                    |                               |                |                                                       |                                                                                                                                                                                          |
|                                                                           | 1,768,839          | 1,732,127                     | 2,099,340      | 367,213                                               |                                                                                                                                                                                          |
| <b>Total Inward Investment excluding recharges:</b>                       |                    |                               |                |                                                       |                                                                                                                                                                                          |
|                                                                           | 2,539,899          | 2,186,050                     | 2,566,498      | 380,448                                               |                                                                                                                                                                                          |
| <b><u>Housing:</u></b>                                                    |                    |                               |                |                                                       |                                                                                                                                                                                          |
| <b>Housing Needs</b>                                                      |                    |                               |                |                                                       |                                                                                                                                                                                          |
| Employee                                                                  | 727,463            | 693,787                       | 610,187        | (83,600)                                              | Reduction in staff pay following reduced temporary staffing levels.                                                                                                                      |
| Premises                                                                  | 192,439            | 141,576                       | 220,859        | 79,283                                                | Damage Deposit budget increased by £80k to reflect the increase in service demand. Increased expenditure offset by recovery of costs and use of Homelessness Funding.                    |
| Transport                                                                 | 3,292              | 3,152                         | 3,152          | 0                                                     |                                                                                                                                                                                          |
| Supplies & Services                                                       | 314,284            | 169,486                       | 260,655        | 91,170                                                | Increased B&B budget by £116k following increased service demand. Expenditure offset by recovery of costs and use of homelessness funding.                                               |
| Capital Charges                                                           | 11,806             | 11,806                        | 11,769         | (37)                                                  |                                                                                                                                                                                          |
| Support Services - Recharges Out                                          | 0                  | (33,000)                      | 0              | 33,000                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                 |
| Support Services - Recharges In                                           | 282,861            | 250,880                       | 370,350        | 119,470                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                 |
| Income                                                                    | (885,336)          | (452,879)                     | (612,372)      | (159,493)                                             | Increased B&B (£108k) and Damage deposit (£47k) income following increase in budget provision. £216k of Homelessness grant monies included in income to offset costs as discussed above. |
|                                                                           | 646,808            | 784,807                       | 864,600        | 79,793                                                |                                                                                                                                                                                          |

|                                           | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget      | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                                                                                |
|-------------------------------------------|--------------------|-------------------------------|---------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Gapton Hall Site</b>                   |                    |                               |                     |                                                       |                                                                                                                                                                                                                                                                                                         |
| Supplies & Services                       | 63,159             | 18,000                        | 62,306              | 44,306                                                | Change in management arrangements for site from 2020/21 will result in increased costs but these are expected to be recovered from income. Expenditure for Management costs (£45k inc internal recharges), Repairs and Maintenance (£22k) based on 80% occupation.                                      |
| Support Services - Recharges In<br>Income | 19,570<br>(34,575) | 14,950<br>(20,000)            | 18,030<br>(100,331) | 3,080<br>(80,331)                                     | One-off £26k Income received from site for legal costs incurred. 75% retained by GYBC - 25% returned to other LA's. Income increase to reflect new expected occupancy levels and new management arrangement. Assumed £67k Site rental income based on 80% occupation and £6k utility charges recovered. |
|                                           | <u>48,154</u>      | <u>12,950</u>                 | <u>(19,995)</u>     | <u>(32,945)</u>                                       |                                                                                                                                                                                                                                                                                                         |
| <b>Better Care Fund</b>                   |                    |                               |                     |                                                       |                                                                                                                                                                                                                                                                                                         |
| Employee                                  | 0                  | 60,630                        | 94,756              | 34,126                                                | Includes costs of externally funded District Direct Officer post.                                                                                                                                                                                                                                       |
| Transport                                 | 0                  | 2,500                         | 2,500               | 0                                                     |                                                                                                                                                                                                                                                                                                         |
| Supplies & Services                       | 0                  | 23,950                        | 23,579              | (372)                                                 |                                                                                                                                                                                                                                                                                                         |
| Support Services - Recharges In           | 0                  | 28,860                        | 65,760              | 36,900                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                |
| Income                                    | 0                  | (87,080)                      | (149,069)           | (61,989)                                              | Funding received to offset the District Direct Officer post (£38k), also increase in partner grants received.                                                                                                                                                                                           |
|                                           | <u>0</u>           | <u>28,860</u>                 | <u>37,526</u>       | <u>8,666</u>                                          |                                                                                                                                                                                                                                                                                                         |
| <b>Housing Strategy</b>                   |                    |                               |                     |                                                       |                                                                                                                                                                                                                                                                                                         |
| Employee                                  | 92,231             | 82,163                        | 174,821             | 92,658                                                | Housing Growth Manager (£65k) transferred from RGSP to GHHS.                                                                                                                                                                                                                                            |
| Premises                                  | 724                | 688                           | 777                 | 88                                                    |                                                                                                                                                                                                                                                                                                         |
| Transport                                 | 481                | 525                           | 525                 | 0                                                     |                                                                                                                                                                                                                                                                                                         |
| Supplies & Services                       | 62,671             | 37,815                        | 42,383              | 4,568                                                 |                                                                                                                                                                                                                                                                                                         |
| Capital Charges                           | 23,792             | 23,215                        | 22,603              | (612)                                                 |                                                                                                                                                                                                                                                                                                         |
| Support Services - Recharges In           | 62,840             | 76,190                        | 84,700              | 8,510                                                 |                                                                                                                                                                                                                                                                                                         |
| Income                                    | (15,680)           | (15,000)                      | 0                   | 15,000                                                | £15k self build register grant transfer to Property due to Housing Strategy no longer maintaining the register.                                                                                                                                                                                         |
|                                           | <u>227,059</u>     | <u>205,596</u>                | <u>325,809</u>      | <u>120,213</u>                                        |                                                                                                                                                                                                                                                                                                         |

|                                         | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget   | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                   |
|-----------------------------------------|--------------------|-------------------------------|------------------|-------------------------------------------------------|----------------------------------------------------------------------------|
| Private Sector Housing                  |                    |                               |                  |                                                       |                                                                            |
| Employee                                | 64,984             | 0                             | 0                | 0                                                     |                                                                            |
| Transport                               | 382                | 0                             | 0                | 0                                                     |                                                                            |
| Supplies & Services                     | 35,644             | 0                             | 0                | 0                                                     |                                                                            |
| Transfer Payments                       | 5,275              | 0                             | 0                | 0                                                     |                                                                            |
| Support Services - Recharges In         | 38,880             | 80                            | 0                | (80)                                                  |                                                                            |
| Income                                  | (19,477)           | 0                             | 0                | 0                                                     |                                                                            |
|                                         | <u>125,688</u>     | <u>80</u>                     | <u>0</u>         | <u>(80)</u>                                           |                                                                            |
| Safe at Home                            |                    |                               |                  |                                                       |                                                                            |
| Employee                                | 361,339            | 231,430                       | 275,017          | 43,587                                                | Introduction of the Handy Person Post.                                     |
| Transport                               | 10,904             | 8,000                         | 7,000            | (1,000)                                               |                                                                            |
| Supplies & Services                     | 25,940             | 61,971                        | 53,868           | (8,103)                                               |                                                                            |
| Transfer Payments                       | 0                  | 5,740                         | 5,440            | (300)                                                 |                                                                            |
| Support Services - Recharges In         | 83,310             | 117,540                       | 108,950          | (8,590)                                               | Income assumptions revised and based on the previous year's actual income. |
| Income                                  | (366,766)          | (319,319)                     | (225,818)        | 93,501                                                |                                                                            |
|                                         | <u>114,727</u>     | <u>105,363</u>                | <u>224,457</u>   | <u>119,094</u>                                        |                                                                            |
|                                         |                    |                               |                  |                                                       |                                                                            |
| Total Housing:                          | <u>1,162,436</u>   | <u>1,137,656</u>              | <u>1,432,397</u> | <u>294,741</u>                                        |                                                                            |
| Total Housing excluding capital charges |                    |                               |                  |                                                       |                                                                            |
| & recharges:                            | <u>639,377</u>     | <u>647,135</u>                | <u>750,235</u>   | <u>103,100</u>                                        |                                                                            |
| Total Housing excluding recharges:      |                    |                               |                  |                                                       |                                                                            |
|                                         | <u>674,975</u>     | <u>682,156</u>                | <u>784,607</u>   | <u>102,451</u>                                        |                                                                            |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                    |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Planning and Growth:</b>      |                    |                               |                |                                                       |                                                                                                                                                                                             |
| <b>Building Control</b>          |                    |                               |                |                                                       |                                                                                                                                                                                             |
| Employee                         | 284,251            | 244,470                       | 247,905        | 3,435                                                 |                                                                                                                                                                                             |
| Premises                         | 1,569              | 1,500                         | 1,500          | 0                                                     |                                                                                                                                                                                             |
| Transport                        | 12,693             | 11,000                        | 11,000         | 0                                                     |                                                                                                                                                                                             |
| Supplies & Services              | 15,050             | 29,357                        | 25,439         | (3,918)                                               |                                                                                                                                                                                             |
| Support Services - Recharges In  | 94,230             | 97,630                        | 93,610         | (4,020)                                               |                                                                                                                                                                                             |
| Income                           | (271,168)          | (268,500)                     | (295,500)      | (27,000)                                              | Additional income based on current trend of an upturn in number of inspections and an increase in the hourly charge rate based on pay inflation.                                            |
|                                  | <u>136,625</u>     | <u>115,457</u>                | <u>83,954</u>  | <u>(31,503)</u>                                       |                                                                                                                                                                                             |
| <b>Development Control</b>       |                    |                               |                |                                                       |                                                                                                                                                                                             |
| Employee                         | 552,074            | 581,970                       | 654,439        | 72,469                                                | Additional employee costs to provide additional capacity to manage the current and future expected increase in planning applications, offset by additional income.                          |
| Transport                        | 9,318              | 10,000                        | 10,000         | 0                                                     |                                                                                                                                                                                             |
| Supplies & Services              | 38,840             | 36,682                        | 46,884         | 10,202                                                | Reallocation of IT software maintenance costs to services after a review by ICT department.                                                                                                 |
| Support Services - Recharges Out | (58,200)           | (56,280)                      | (62,970)       | (6,690)                                               |                                                                                                                                                                                             |
| Support Services - Recharges In  | 148,930            | 164,760                       | 222,940        | 58,180                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                    |
| Income                           | (477,582)          | (474,900)                     | (534,150)      | (59,250)                                              | The steady increase in applications seen in 19/20 is expected to continue and an increase in planning fee levels (which are set by Government) is expected to come forward during the year. |
|                                  | <u>213,381</u>     | <u>262,232</u>                | <u>337,143</u> | <u>74,911</u>                                         |                                                                                                                                                                                             |
| <b>Land Charges</b>              |                    |                               |                |                                                       |                                                                                                                                                                                             |
| Employee                         | 55,153             | 48,310                        | 49,324         | 1,014                                                 |                                                                                                                                                                                             |
| Transport                        | 38                 | 0                             | 0              | 0                                                     |                                                                                                                                                                                             |
| Supplies & Services              | 7,037              | 7,217                         | 20,061         | 12,844                                                | Reallocation of IT software maintenance costs to services after a review by ICT department.                                                                                                 |
| Third Party Payments             | 26,341             | 30,000                        | 30,000         | 0                                                     |                                                                                                                                                                                             |
| Support Services - Recharges In  | 44,520             | 46,010                        | 50,940         | 4,930                                                 |                                                                                                                                                                                             |
| Income                           | (113,818)          | (123,000)                     | (126,000)      | (3,000)                                               |                                                                                                                                                                                             |
|                                  | <u>19,272</u>      | <u>8,537</u>                  | <u>24,325</u>  | <u>15,788</u>                                         |                                                                                                                                                                                             |

|                                                                             | 2018/19<br>Actuals    | Original<br>2019/20<br>Budget | 2020/21 Budget        | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|-----------------------------------------------------------------------------|-----------------------|-------------------------------|-----------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Strategic Planning</b>                                                   |                       |                               |                       |                                                       |                                                                                                                                          |
| Employee                                                                    | 369,812               | 360,830                       | 270,995               | (89,835)                                              | Housing Manager post moved to Housing Strategy.                                                                                          |
| Transport                                                                   | 2,033                 | 1,400                         | 1,400                 | 0                                                     |                                                                                                                                          |
| Supplies & Services                                                         | 40,737                | 73,337                        | 75,265                | 1,928                                                 |                                                                                                                                          |
| Transfer Payments                                                           | 7,406                 | 6,500                         | 6,500                 | 0                                                     |                                                                                                                                          |
| Support Services - Recharges Out                                            | (810)                 | (12,601)                      | 0                     | 12,601                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In                                             | 107,120               | 137,630                       | 133,880               | (3,750)                                               |                                                                                                                                          |
| Income                                                                      | (87,633)              | (16,495)                      | (21,295)              | (4,800)                                               |                                                                                                                                          |
|                                                                             | <u>438,664</u>        | <u>550,601</u>                | <u>466,745</u>        | <u>(83,856)</u>                                       |                                                                                                                                          |
| <b>Total Planning and Growth:</b>                                           | <u><b>807,942</b></u> | <u><b>936,828</b></u>         | <u><b>912,167</b></u> | <u><b>(24,660)</b></u>                                |                                                                                                                                          |
| <b>Total Planning and Growth excluding capital charges &amp; recharges:</b> | <u><b>472,152</b></u> | <u><b>559,679</b></u>         | <u><b>473,767</b></u> | <u><b>(85,911)</b></u>                                |                                                                                                                                          |
| <b>Total Planning and Growth excluding recharges:</b>                       | <u><b>472,152</b></u> | <u><b>559,679</b></u>         | <u><b>473,767</b></u> | <u><b>(85,911)</b></u>                                |                                                                                                                                          |

|                                   | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget   | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                 |
|-----------------------------------|--------------------|-------------------------------|------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customer Services:</b>         |                    |                               |                  |                                                       |                                                                                                                                                                                                                                          |
| <b>Benefits</b>                   |                    |                               |                  |                                                       |                                                                                                                                                                                                                                          |
| Employee                          | 689,288            | 621,370                       | 548,831          | (72,539)                                              | 19-20 base pay budgets included DWP monies (from reserves) which have significantly reduced in the 20-21 base due to the end of the funding.                                                                                             |
| Transport                         | 1,585              | 500                           | 1,200            | 700                                                   |                                                                                                                                                                                                                                          |
| Supplies & Services               | (158,129)          | 129,853                       | 42,910           | (86,943)                                              | Bad debt provision reduced by £100k based on prior year outturn and following the introduction of universal credit. £100k offset by revision of recovered overpayment income. External Audit budget not identified in prior years £16.5k |
| Transfer Payments                 | 24,538,775         | 27,415,171                    | 23,042,927       | (4,372,244)                                           | Revised based on the Benefits 2019/20 Quarter 3 mid year subsidy to more accurately reflect the outturn of prior years. Also includes adjustment of recovered overpayment income.                                                        |
| Support Services - Recharges Out  | (246,517)          | (257,797)                     | (243,584)        | 14,213                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                 |
| Support Services - Recharges In   | 681,830            | 728,670                       | 565,930          | (162,740)                                             | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                 |
| Income                            | (25,322,559)       | (28,394,487)                  | (23,810,053)     | 4,584,434                                             | Revised based on the Benefits 2019/20 Quarter 3 mid year subsidy to more accurately reflect the outturn of prior years.                                                                                                                  |
|                                   | <u>184,273</u>     | <u>243,280</u>                | <u>148,162</u>   | <u>(95,119)</u>                                       |                                                                                                                                                                                                                                          |
| <b>Crematorium and Cemeteries</b> |                    |                               |                  |                                                       |                                                                                                                                                                                                                                          |
| Employee                          | 217,667            | 217,361                       | 222,297          | 4,936                                                 |                                                                                                                                                                                                                                          |
| Premises                          | 431,310            | 447,649                       | 473,708          | 26,059                                                | Includes update to 19-20 base budget for rates and changes to GYBS Joint Venture contract.                                                                                                                                               |
| Transport                         | 1,734              | 2,000                         | 2,000            | 0                                                     |                                                                                                                                                                                                                                          |
| Supplies & Services               | 88,537             | 105,373                       | 104,098          | (1,276)                                               |                                                                                                                                                                                                                                          |
| Third Party Payments              | 34,074             | 31,809                        | 31,809           | 0                                                     |                                                                                                                                                                                                                                          |
| Capital Charges                   | 454,385            | 58,540                        | 71,394           | 12,854                                                | Reflects changes in depreciation charge for assets aligned to this service.                                                                                                                                                              |
| Support Services - Recharges In   | 133,260            | 144,370                       | 188,550          | 44,180                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                 |
| Income                            | (1,416,920)        | (1,569,988)                   | (1,602,488)      | (32,500)                                              | Increase in income based upon previous actual receipts and new Fees & Charges                                                                                                                                                            |
|                                   | <u>(55,953)</u>    | <u>(562,885)</u>              | <u>(508,632)</u> | <u>54,254</u>                                         |                                                                                                                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customer Services</b>         |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                         | 679,423            | 673,860                       | 688,018        | 14,158                                                | Employee related allowing for annual increases                                                                                           |
| Transport                        | 216                | 351                           | 351            | 0                                                     |                                                                                                                                          |
| Supplies & Services              | 1,675              | 2,572                         | 12,439         | 9,867                                                 |                                                                                                                                          |
| Support Services - Recharges Out | (1,120,490)        | (945,560)                     | (1,273,870)    | (328,310)                                             | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 439,170            | 443,700                       | 573,060        | 129,360                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                           | 0                  | 0                             | 0              | 0                                                     |                                                                                                                                          |
|                                  | (7)                | 174,923                       | (2)            | (174,925)                                             |                                                                                                                                          |
| <b>Support Services</b>          |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                         | 202,004            | 183,480                       | 187,687        | 4,207                                                 |                                                                                                                                          |
| Transport                        | 46                 | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Supplies & Services              | 4,485              | 5,679                         | 21,268         | 15,590                                                | Increase in computer contract for planned development                                                                                    |
| Capital Charges                  | 1,876              | 2,063                         | 1,977          | (86)                                                  |                                                                                                                                          |
| Support Services - Recharges Out | (309,370)          | (295,056)                     | (335,730)      | (40,674)                                              | Reflects increase in service costs therefore corresponding increase in the amount to be recharged out.                                   |
| Support Services - Recharges In  | 100,890            | 115,750                       | 124,790        | 9,040                                                 |                                                                                                                                          |
| Income                           | 67                 | 0                             | 0              | 0                                                     |                                                                                                                                          |
|                                  | (2)                | 11,916                        | (8)            | (11,923)                                              |                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                             |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Car Parks</b>                 |                    |                               |                |                                                       |                                                                                                                                                                                                      |
| Employee                         | 479,725            | 404,188                       | 431,887        | 27,699                                                | Budget now includes the payment of weekend allowances                                                                                                                                                |
| Premises                         | 270,553            | 253,870                       | 295,496        | 41,626                                                | Business rates increased compared to 2019/20 and increase in insurance costs.                                                                                                                        |
| Transport                        | 11,805             | 14,740                        | 15,557         | 817                                                   |                                                                                                                                                                                                      |
| Supplies & Services              | 157,185            | 172,696                       | 173,775        | 1,080                                                 |                                                                                                                                                                                                      |
| Third Party Payments             | 1,547              | 0                             | 0              | 0                                                     |                                                                                                                                                                                                      |
| Transfer Payments                | 537,703            | 821,569                       | 569,183        | (252,386)                                             | This reduction is due to the contracts with Norfolk County Council which are no longer applicable. Under the contract costs were incurred and reimbursed which also results in income reducing below |
| Capital Charges                  | 35,562             | 54,325                        | 47,873         | (6,452)                                               |                                                                                                                                                                                                      |
| Support Services - Recharges In  | 262,320            | 273,770                       | 375,360        | 101,590                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                             |
| Income                           | (2,525,218)        | (3,022,404)                   | (2,748,919)    | 273,486                                               | See comment under Transfer Payments.                                                                                                                                                                 |
|                                  | (768,817)          | (1,027,246)                   | (839,787)      | 187,459                                               |                                                                                                                                                                                                      |
| <b>Revenues</b>                  |                    |                               |                |                                                       |                                                                                                                                                                                                      |
| Employee                         | 783,926            | 698,090                       | 711,931        | 13,841                                                | Includes new post for Court Officer funded by NCC for one year included in income below                                                                                                              |
| Transport                        | 2,308              | 2,000                         | 2,000          | 0                                                     |                                                                                                                                                                                                      |
| Supplies & Services              | 246,584            | 258,415                       | 236,044        | (22,371)                                              | Automated Telephony saving factored into the budget.                                                                                                                                                 |
| Transfer Payments                | 0                  | 100                           | 100            | 0                                                     |                                                                                                                                                                                                      |
| Support Services                 | 31,065             | 36,000                        | 36,000         | 0                                                     |                                                                                                                                                                                                      |
| Capital Charges                  | 0                  | 0                             | 0              | 0                                                     |                                                                                                                                                                                                      |
| Support Services - Recharges Out | (658,570)          | (653,082)                     | (367,260)      | 285,822                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                             |
| Support Services - Recharges In  | 851,300            | 685,310                       | 853,660        | 168,350                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                             |
| Income                           | (413,216)          | (516,925)                     | (627,198)      | (110,273)                                             | Includes Court Officer stated above and saving CS-04 Corporate Fraud Officer                                                                                                                         |
|                                  | 843,396            | 509,908                       | 845,277        | 335,369                                               |                                                                                                                                                                                                      |

|                                                                   | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments |
|-------------------------------------------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------|
| Total Customer Services:                                          | 202,891            | (650,105)                     | (354,990)      | 295,115                                               |          |
| Total Customer Services excluding<br>capital charges & recharges: | (422,755)          | (1,005,108)                   | (937,140)      | 67,968                                                |          |
| Total Customer Services excluding<br>recharges:                   | 69,068             | (890,180)                     | (815,896)      | 74,284                                                |          |

### Property and Asset

#### Management:

#### **Repairs and Maintenance**

|                                  |           |           |           |          |                                                                                                                                          |
|----------------------------------|-----------|-----------|-----------|----------|------------------------------------------------------------------------------------------------------------------------------------------|
| Premises                         | 154,735   | 0         | 419,936   | 419,936  | Reconfiguration of budget following the changes to the GYBS Joint Venture Service                                                        |
|                                  | 154,735   | 0         | 419,936   | 419,936  |                                                                                                                                          |
| <b>Town Hall</b>                 |           |           |           |          |                                                                                                                                          |
| Premises                         | 144,652   | 155,820   | 160,376   | 4,556    |                                                                                                                                          |
| Capital Charges                  | 46,342    | 46,342    | 42,910    | (3,432)  |                                                                                                                                          |
| Support Services - Recharges Out | (277,280) | (289,292) | (291,520) | (2,228)  |                                                                                                                                          |
| Support Services - Recharges In  | 86,290    | 104,910   | 88,230    | (16,680) | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
|                                  | 4         | 17,780    | (4)       | (17,784) |                                                                                                                                          |

#### **Greyfriars House**

|                                  |           |           |           |         |  |
|----------------------------------|-----------|-----------|-----------|---------|--|
| Premises                         | 76,554    | 115,286   | 120,529   | 5,243   |  |
| Capital Charges                  | 7,710     | 7,710     | 7,710     | 0       |  |
| Support Services - Recharges Out | (135,450) | (173,340) | (178,940) | (5,600) |  |
| Support Services - Recharges In  | 52,200    | 60,040    | 50,710    | (9,330) |  |
| Income                           | (1,012)   | 0         | 0         | 0       |  |
|                                  | 2         | 9,696     | 9         | (9,687) |  |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Maritime House</b>            |                    |                               |                |                                                       |                                                                                                                                          |
| Premises                         | 31,262             | 42,676                        | 47,160         | 4,484                                                 |                                                                                                                                          |
| Supplies & Services              | 3,205              | 4,500                         | 4,865          | 365                                                   |                                                                                                                                          |
| Capital Charges                  | 4,560              | 4,560                         | 4,560          | 0                                                     |                                                                                                                                          |
| Support Services - Recharges Out | (85,400)           | (94,410)                      | (106,010)      | (11,600)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 46,380             | 52,380                        | 49,420         | (2,960)                                               |                                                                                                                                          |
|                                  | <u>7</u>           | <u>9,706</u>                  | <u>(4)</u>     | <u>(9,710)</u>                                        |                                                                                                                                          |
| <b>Catalyst Centre</b>           |                    |                               |                |                                                       |                                                                                                                                          |
| Premises                         | 10,990             | 40,468                        | 45,410         | 4,942                                                 |                                                                                                                                          |
| Supplies & Services              | 681                | 0                             | 700            | 700                                                   |                                                                                                                                          |
| Capital Charges                  | 4,783              | 4,783                         | 4,684          | (99)                                                  |                                                                                                                                          |
| Support Services - Recharges Out | (63,050)           | (86,360)                      | (103,600)      | (17,240)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In  | 46,600             | 50,320                        | 52,800         | 2,480                                                 |                                                                                                                                          |
|                                  | <u>5</u>           | <u>9,211</u>                  | <u>(6)</u>     | <u>(9,217)</u>                                        |                                                                                                                                          |
| <b>Public Toilets</b>            |                    |                               |                |                                                       |                                                                                                                                          |
| Premises                         | 313,976            | 296,060                       | 217,054        | (79,006)                                              | Changes to GYBS Joint Venture Contract                                                                                                   |
| Supplies & Services              | 12,357             | 10,718                        | 10,015         | (703)                                                 |                                                                                                                                          |
| Capital Charges                  | 423,729            | 99,016                        | 158,788        | 59,772                                                | Reflects changes in depreciation charge for assets aligned to this service.                                                              |
| Support Services - Recharges In  | 60,530             | 64,650                        | 40,530         | (24,120)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                           | <u>(2,181)</u>     | <u>(4,000)</u>                | <u>(4,000)</u> | <u>0</u>                                              |                                                                                                                                          |
|                                  | <u>808,411</u>     | <u>466,444</u>                | <u>422,387</u> | <u>(44,058)</u>                                       |                                                                                                                                          |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Repairs and Maintenance</b>  |                    |                               |                |                                                       |                                                                                                                                          |
| Premises                        | 455,879            | 457,149                       | 125            | (457,024)                                             | Reconfiguration of budget following the changes to the GYBS Joint Venture Service                                                        |
| Supplies & Services             | 14,439             | 15,315                        | 13,422         | (1,893)                                               |                                                                                                                                          |
| Third Party Payments            | 8,714              | 8,714                         | 8,714          | 0                                                     |                                                                                                                                          |
| Capital Charges                 | 252,225            | 260,003                       | 267,594        | 7,591                                                 |                                                                                                                                          |
| Support Services - Recharges In | 54,520             | 61,050                        | 55,630         | (5,420)                                               |                                                                                                                                          |
| Income                          | (225,175)          | (209,000)                     | (209,000)      | 0                                                     |                                                                                                                                          |
|                                 | <u>560,602</u>     | <u>593,231</u>                | <u>136,485</u> | <u>(456,746)</u>                                      |                                                                                                                                          |
| <b>Footway Lighting</b>         |                    |                               |                |                                                       |                                                                                                                                          |
| Premises                        | 281,986            | 302,280                       | 177,949        | (124,331)                                             | Reconfiguration of budget following the changes to the GYBS Joint Venture Service including £50k saving                                  |
| Supplies & Services             | 12,249             | 13,325                        | 11,650         | (1,675)                                               |                                                                                                                                          |
| Capital Charges                 | 64,194             | 66,260                        | 68,187         | 1,927                                                 |                                                                                                                                          |
| Support Services - Recharges In | 54,860             | 59,990                        | 54,120         | (5,870)                                               |                                                                                                                                          |
|                                 | <u>413,290</u>     | <u>441,855</u>                | <u>311,906</u> | <u>(129,949)</u>                                      |                                                                                                                                          |
| <b>Coast Protection</b>         |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                        | 62,254             | 79,760                        | 55,166         | (24,594)                                              | Transfer of post from pay to supplies and services as costs rechargeable by North Norfolk Council                                        |
| Premises                        | 453,202            | 0                             | 42,000         | 42,000                                                | 2019-20 base correction re: repairs & maintenance understated.                                                                           |
| Transport                       | 1,239              | 2,878                         | 2,878          | 0                                                     |                                                                                                                                          |
| Supplies & Services             | 74,332             | 28,581                        | 56,359         | 27,778                                                | Transfer of post from pay to supplies and serices as costs rechargeable by North Norfolk Council                                         |
| Capital Charges                 | 362,692            | 362,692                       | 362,692        | 0                                                     |                                                                                                                                          |
| Support Services - Recharges In | 53,210             | 61,160                        | 42,870         | (18,290)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                          | (464,275)          | (550)                         | (550)          | 0                                                     |                                                                                                                                          |
|                                 | <u>542,654</u>     | <u>534,521</u>                | <u>561,415</u> | <u>26,894</u>                                         |                                                                                                                                          |
| <b>Beach Huts</b>               |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                        | 0                  | 16,000                        | 36,000         | 20,000                                                | Increase / decrease due to the introduction of additional beach huts on the lower promenade at Gorleston                                 |
| Premises                        | 0                  | 7,000                         | 2,000          | (5,000)                                               |                                                                                                                                          |
| Supplies & Services             | 16                 | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Support Services - Recharges In | 14,350             | 15,760                        | 16,080         | 320                                                   |                                                                                                                                          |
| Income                          | 0                  | (24,500)                      | (60,500)       | (36,000)                                              | Increase in income due to the introduction of additional beach huts on the lower promenade at Gorleston                                  |
|                                 | <u>14,366</u>      | <u>14,260</u>                 | <u>(6,420)</u> | <u>(20,680)</u>                                       |                                                                                                                                          |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------|
| <b>Community Centres</b>        |                    |                               |                |                                                       |          |
| Premises                        | 11,424             | 7,020                         | 13,374         | 6,354                                                 |          |
| Capital Charges                 | 27,142             | 18,932                        | 27,142         | 8,210                                                 |          |
| Support Services - Recharges In | 6,310              | 6,790                         | 14,650         | 7,860                                                 |          |
| Income                          | (3,639)            | (3,152)                       | (2,632)        | 520                                                   |          |
|                                 | <u>41,236</u>      | <u>29,590</u>                 | <u>52,534</u>  | <u>22,944</u>                                         |          |
| <b>Construction Services</b>    |                    |                               |                |                                                       |          |
| Employee                        | (4,563)            | 0                             | 0              | 0                                                     |          |
| Premises                        | 21,574             | (1)                           | (1)            | 0                                                     |          |
| Supplies & Services             | 24,278             | 0                             | 0              | 0                                                     |          |
|                                 | <u>41,289</u>      | <u>(1)</u>                    | <u>(1)</u>     | <u>0</u>                                              |          |
| <b>Easter Fayre</b>             |                    |                               |                |                                                       |          |
| Employee                        | 2,695              | 2,000                         | 2,000          | 0                                                     |          |
| Supplies & Services             | 22,469             | 20,000                        | 20,000         | 0                                                     |          |
| Support Services - Recharges In | 5,200              | 6,000                         | 7,120          | 1,120                                                 |          |
| Income                          | (15,775)           | (15,265)                      | (15,265)       | 0                                                     |          |
|                                 | <u>14,589</u>      | <u>12,735</u>                 | <u>13,855</u>  | <u>1,120</u>                                          |          |
| <b>Go Trade - Markets</b>       |                    |                               |                |                                                       |          |
| Employee                        | 30,984             | 22,232                        | 17,550         | (4,682)                                               |          |
| Supplies & Services             | 41,669             | 29,067                        | 17,464         | (11,603)                                              |          |
| Income                          | (56,591)           | (35,396)                      | (24,160)       | 11,236                                                |          |
|                                 | <u>16,062</u>      | <u>15,903</u>                 | <u>10,854</u>  | <u>(5,049)</u>                                        |          |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                             |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Markets</b>                  |                    |                               |                |                                                       |                                                                                                                                                                      |
| Employee                        | 75,767             | 69,411                        | 69,926         | 515                                                   |                                                                                                                                                                      |
| Premises                        | 155,967            | 163,542                       | 256,143        | 92,601                                                | Impact of business rates and reconfiguration of budget following the changes to the GYBS Joint Venture Service.                                                      |
| Transport                       | 0                  | 500                           | 500            | 0                                                     |                                                                                                                                                                      |
| Supplies & Services             | 38,789             | 45,158                        | 39,624         | (5,534)                                               |                                                                                                                                                                      |
| Capital Charges                 | 4,820              | 4,820                         | 4,820          | 0                                                     |                                                                                                                                                                      |
| Support Services - Recharges In | 85,730             | 106,150                       | 75,220         | (30,930)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                             |
| Income                          | (250,497)          | (298,361)                     | (259,759)      | 38,602                                                | Includes decrease in two day market rates from January 20 to March 21 and removal of small miscellaneous income for consumable sales which are no longer undertaken. |
|                                 | <u>110,576</u>     | <u>91,220</u>                 | <u>186,473</u> | <u>95,253</u>                                         |                                                                                                                                                                      |
| <b>Bretts</b>                   |                    |                               |                |                                                       |                                                                                                                                                                      |
| Premises                        | 19,068             | 3,620                         | 3,637          | 17                                                    |                                                                                                                                                                      |
| Supplies & Services             | 10,199             | 25,247                        | 25,247         | 0                                                     |                                                                                                                                                                      |
| Transfer Payments               | 679                | 0                             | 0              | 0                                                     |                                                                                                                                                                      |
| Support Services - Recharges In | 8,220              | 11,030                        | 11,690         | 660                                                   |                                                                                                                                                                      |
| Income                          | (45,173)           | (43,401)                      | (43,732)       | (331)                                                 |                                                                                                                                                                      |
|                                 | <u>(7,008)</u>     | <u>(3,504)</u>                | <u>(3,158)</u> | <u>346</u>                                            |                                                                                                                                                                      |
| <b>Courts</b>                   |                    |                               |                |                                                       |                                                                                                                                                                      |
| Premises                        | 1,749              | 11,616                        | 7,544          | (4,072)                                               |                                                                                                                                                                      |
| Support Services - Recharges In | 10,040             | 12,660                        | 12,580         | (80)                                                  |                                                                                                                                                                      |
| Income                          | (14,795)           | (15,819)                      | (21,569)       | (5,750)                                               |                                                                                                                                                                      |
|                                 | <u>(3,007)</u>     | <u>8,457</u>                  | <u>(1,445)</u> | <u>(9,902)</u>                                        |                                                                                                                                                                      |
| <b>South Denes Energy Park</b>  |                    |                               |                |                                                       |                                                                                                                                                                      |
| Premises                        | (613)              | 7,078                         | 7,397          | 319                                                   |                                                                                                                                                                      |
| Supplies & Services             | 193                | 0                             | 0              | 0                                                     |                                                                                                                                                                      |
| Support Services - Recharges In | 53,170             | 80,930                        | 82,900         | 1,970                                                 |                                                                                                                                                                      |
| Income                          | 31,181             | 0                             | (8,004)        | (8,004)                                               |                                                                                                                                                                      |
|                                 | <u>83,931</u>      | <u>88,008</u>                 | <u>82,293</u>  | <u>(5,715)</u>                                        |                                                                                                                                                                      |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                             |
|---------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Factory Units</b>            |                    |                               |                |                                                       |                                                                                                                                                      |
| Premises                        | 53,225             | 41,855                        | 40,756         | (1,099)                                               |                                                                                                                                                      |
| Supplies & Services             | 55,668             | 3,200                         | 2,817          | (383)                                                 |                                                                                                                                                      |
| Support Services - Recharges In | 26,680             | 29,460                        | 24,880         | (4,580)                                               |                                                                                                                                                      |
| Income                          | (155,748)          | (130,481)                     | (136,866)      | (6,385)                                               |                                                                                                                                                      |
|                                 | (20,174)           | (55,966)                      | (68,413)       | (12,447)                                              |                                                                                                                                                      |
| <b>Corporate Estates</b>        |                    |                               |                |                                                       |                                                                                                                                                      |
| Employee                        | 20                 | 22                            | 19             | (3)                                                   |                                                                                                                                                      |
| Premises                        | 424,968            | 312,750                       | 383,410        | 70,660                                                | Includes increase in rates costs due to voids, changes to GYBS Joint Venture contract and reconfiguration of budget re: ex GYBS Joint Venture budget |
| Supplies & Services             | 100,767            | 30,421                        | 31,869         | 1,448                                                 |                                                                                                                                                      |
| Capital Charges                 | 17,082             | 57,562                        | 14,030         | (43,532)                                              | Reflects changes in depreciation charge for assets aligned to this service.                                                                          |
| Support Services - Recharges In | 593,790            | 628,300                       | 590,850        | (37,450)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.             |
| Income                          | (2,579,562)        | (2,486,410)                   | (2,478,510)    | 7,900                                                 |                                                                                                                                                      |
|                                 | (1,442,935)        | (1,457,355)                   | (1,458,332)    | (977)                                                 |                                                                                                                                                      |
| <b>Minerva House</b>            |                    |                               |                |                                                       |                                                                                                                                                      |
| Premises                        | 65,826             | 67,667                        | 68,547         | 880                                                   |                                                                                                                                                      |
| Supplies & Services             | 5,287              | 6,712                         | 6,599          | (113)                                                 |                                                                                                                                                      |
| Support Services - Recharges In | 13,990             | 20,400                        | 16,870         | (3,530)                                               |                                                                                                                                                      |
| Income                          | (46,394)           | (36,600)                      | (36,600)       | 0                                                     |                                                                                                                                                      |
|                                 | 38,709             | 58,179                        | 55,416         | (2,763)                                               |                                                                                                                                                      |
| <b>Onians</b>                   |                    |                               |                |                                                       |                                                                                                                                                      |
| Premises                        | 2,292              | 265                           | 787            | 522                                                   |                                                                                                                                                      |
| Supplies & Services             | 60                 | 2,560                         | 2,560          | 0                                                     |                                                                                                                                                      |
| Support Services - Recharges In | 8,480              | 8,000                         | 9,420          | 1,420                                                 |                                                                                                                                                      |
| Income                          | (13,999)           | (13,310)                      | (13,310)       | 0                                                     |                                                                                                                                                      |
|                                 | (3,167)            | (2,485)                       | (543)          | 1,942                                                 |                                                                                                                                                      |

|                                                                                           | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget   | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------|--------------------|-------------------------------|------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Property Services</b>                                                                  |                    |                               |                  |                                                       |                                                                                                                                                                                                                                                                        |
| Employee                                                                                  | 793,675            | 893,236                       | 983,062          | 89,826                                                | Includes increase in post re: transfer from Planning, reconfiguration of budget following the exit from the GYBS Joint Venture Service, funding from increased recharges, the removal of a post re: Quantity Surveyor and saving PMA-04 new post Architect Technician. |
| Premises                                                                                  | 0                  | 6,179                         | 6,179            | 0                                                     |                                                                                                                                                                                                                                                                        |
| Transport                                                                                 | 8,655              | 6,100                         | 6,900            | 800                                                   |                                                                                                                                                                                                                                                                        |
| Supplies & Services                                                                       | 13,112             | 29,810                        | 28,828           | (982)                                                 |                                                                                                                                                                                                                                                                        |
| Support Services - Recharges Out                                                          | (997,650)          | (1,117,306)                   | (994,307)        | 122,999                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                               |
| Support Services - Recharges In                                                           | 193,460            | 233,230                       | 256,780          | 23,550                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                               |
| Income                                                                                    | (11,256)           | 0                             | (287,449)        | (287,449)                                             | 2019-20 base correction which reflected no pay recharges plus additional increase to fund new post in building services.                                                                                                                                               |
|                                                                                           | <u>(4)</u>         | <u>51,249</u>                 | <u>(7)</u>       | <u>(51,256)</u>                                       |                                                                                                                                                                                                                                                                        |
| <b>Beacon Park</b>                                                                        |                    |                               |                  |                                                       |                                                                                                                                                                                                                                                                        |
| Premises                                                                                  | 243,150            | 314,591                       | 170,070          | (144,521)                                             | Reduction in budgets to reflect reduced income from Pot B as most units now either leased or sold and reconfiguration of budget following the change to the GYBS Joint Venture Service                                                                                 |
| Supplies & Services                                                                       | 90,418             | 64,758                        | 59,543           | (5,215)                                               |                                                                                                                                                                                                                                                                        |
| Capital Charges                                                                           | 129,220            | 129,221                       | 139,220          | 9,999                                                 |                                                                                                                                                                                                                                                                        |
| Support Services - Recharges In                                                           | 73,540             | 83,990                        | 72,000           | (11,990)                                              |                                                                                                                                                                                                                                                                        |
| Income                                                                                    | (716,145)          | (1,022,033)                   | (1,060,514)      | (38,481)                                              | Reduction in budgets to reflect reduced income from Pot B as most units now either leased or sold less increase in lease rentals for same reason                                                                                                                       |
|                                                                                           | <u>(179,818)</u>   | <u>(429,473)</u>              | <u>(619,681)</u> | <u>(190,208)</u>                                      |                                                                                                                                                                                                                                                                        |
| <b>Total Property and Asset Management:</b>                                               | <b>1,184,354</b>   | <b>503,262</b>                | <b>95,548</b>    | <b>(407,714)</b>                                      |                                                                                                                                                                                                                                                                        |
| <b>Total Property and Asset Management<br/>excluding capital charges &amp; recharges:</b> | <b>(148,864)</b>   | <b>(555,131)</b>              | <b>(957,762)</b> | <b>(402,631)</b>                                      |                                                                                                                                                                                                                                                                        |
| <b>Total Property and Asset Management<br/>excluding recharges:</b>                       | <b>1,195,634</b>   | <b>506,770</b>                | <b>144,575</b>   | <b>(362,195)</b>                                      |                                                                                                                                                                                                                                                                        |

|                                             | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|---------------------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>Communications and Marketing:</u></b> |                    |                               |                |                                                       |                                                                                                                                          |
| <b>Communications</b>                       |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                                    | 139,125            | 187,640                       | 251,828        | 64,188                                                | Budget now reflects Head of Service and a marketing post moving to Communications, and the transfer of the Content Editor to ICT.        |
| Transport                                   | 48                 | 750                           | 750            | 0                                                     |                                                                                                                                          |
| Supplies & Services                         | 50,137             | 5,236                         | 9,882          | 4,646                                                 |                                                                                                                                          |
| Support Services - Recharges Out            | (260,390)          | (277,302)                     | (323,290)      | (45,988)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In             | 101,840            | 109,260                       | 90,830         | (18,430)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                                      | (1,898)            | 0                             | (10,000)       | (10,000)                                              |                                                                                                                                          |
|                                             | <u>28,862</u>      | <u>25,584</u>                 | <u>20,000</u>  | <u>(5,584)</u>                                        |                                                                                                                                          |
| <b>Events</b>                               |                    |                               |                |                                                       |                                                                                                                                          |
| Employee                                    | 1,457              | 0                             | 0              | 0                                                     |                                                                                                                                          |
| Supplies & Services                         | 14,069             | 7,798                         | 6,064          | (1,734)                                               |                                                                                                                                          |
| Support Services - Recharges In             | 117,100            | 77,340                        | 85,310         | 7,970                                                 |                                                                                                                                          |
| Income                                      | (14,743)           | (14,500)                      | (6,100)        | 8,400                                                 |                                                                                                                                          |
|                                             | <u>117,884</u>     | <u>70,638</u>                 | <u>85,274</u>  | <u>14,636</u>                                         |                                                                                                                                          |
| <b>Mayor</b>                                |                    |                               |                |                                                       |                                                                                                                                          |
| Supplies & Services                         | 7,025              | 0                             | 9,453          | 9,453                                                 |                                                                                                                                          |
| Support Services - Recharges In             | 13,370             | 12,900                        | 15,110         | 2,210                                                 |                                                                                                                                          |
|                                             | <u>20,395</u>      | <u>12,900</u>                 | <u>24,563</u>  | <u>11,663</u>                                         |                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Tourism</b>                   |                    |                               |                |                                                       |                                                                                                                                                                                                                                                                                                                                                          |
| Employee                         | 169,818            | 99,986                        | 90,686         | (9,300)                                               |                                                                                                                                                                                                                                                                                                                                                          |
| Premises                         | 7,839              | 3,506                         | 1,323          | (2,183)                                               |                                                                                                                                                                                                                                                                                                                                                          |
| Transport                        | 92                 | 100                           | 100            | 0                                                     |                                                                                                                                                                                                                                                                                                                                                          |
| Supplies & Services              | 299,217            | 361,462                       | 232,947        | (128,516)                                             | Review of the budgets resulting in a virement of £50k advertising budget. £30k reduction in ticket purchases, but this is offset by a matching reduction in income below. £30k saving as the tourism brochure is no longer produced, but this is offset by a loss of income. Rental contract for advertising pillars is no longer required, saving £15k. |
| Third Party Payments             | 0                  | 1,550                         | 550            | (1,000)                                               |                                                                                                                                                                                                                                                                                                                                                          |
| Support Services                 | 1,429              | 1,400                         | 1,400          | 0                                                     |                                                                                                                                                                                                                                                                                                                                                          |
| Support Services - Recharges In  | 315,810            | 297,010                       | 334,690        | 37,680                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                                                 |
| Income                           | (192,181)          | (245,962)                     | (170,059)      | 75,903                                                | £40k reduction in income as the brochure is no longer produced, partially offset by a reduction in costs above and a reduction in ticket sales income of £30k, matched by a cost saving above.                                                                                                                                                           |
|                                  | <u>602,025</u>     | <u>519,052</u>                | <u>491,637</u> | <u>(27,415)</u>                                       |                                                                                                                                                                                                                                                                                                                                                          |
| <b>Member Services</b>           |                    |                               |                |                                                       |                                                                                                                                                                                                                                                                                                                                                          |
| Employee                         | 73,470             | 145,920                       | 179,903        | 33,983                                                | Transfer of two posts from Executive Team                                                                                                                                                                                                                                                                                                                |
| Transport                        | 5,546              | 4,000                         | 4,000          | 0                                                     |                                                                                                                                                                                                                                                                                                                                                          |
| Supplies & Services              | 306,739            | 292,039                       | 294,151        | 2,112                                                 |                                                                                                                                                                                                                                                                                                                                                          |
| Support Services - Recharges Out | (488,770)          | (536,352)                     | (596,950)      | (60,598)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                                                                                                                                                                                                                 |
| Support Services - Recharges In  | <u>103,010</u>     | <u>120,400</u>                | <u>118,890</u> | <u>(1,510)</u>                                        |                                                                                                                                                                                                                                                                                                                                                          |
|                                  | <u>(5)</u>         | <u>26,007</u>                 | <u>(6)</u>     | <u>(26,013)</u>                                       |                                                                                                                                                                                                                                                                                                                                                          |

|                                                                                          | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget   | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|------------------------------------------------------------------------------------------|--------------------|-------------------------------|------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Civic and Portering</b>                                                               |                    |                               |                  |                                                       |                                                                                                                                          |
| Employee                                                                                 | 148,945            | 182,940                       | 155,086          | (27,854)                                              | A marketing manager has moved to Communications and a fixed term 2 year post has been created to be funded by Reserves.                  |
| Premises                                                                                 | 0                  | 0                             | 2,000            | 2,000                                                 |                                                                                                                                          |
| Transport                                                                                | 15,573             | 12,024                        | 12,433           | 409                                                   |                                                                                                                                          |
| Supplies & Services                                                                      | 42,918             | 24,213                        | 19,899           | (4,314)                                               |                                                                                                                                          |
| Support Services - Recharges Out                                                         | (318,860)          | (279,720)                     | (274,250)        | 5,470                                                 |                                                                                                                                          |
| Support Services - Recharges In                                                          | 113,540            | 130,930                       | 91,830           | (39,100)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                                                                                   | (2,112)            | (1,500)                       | (7,000)          | (5,500)                                               |                                                                                                                                          |
|                                                                                          | 5                  | 68,887                        | (2)              | (68,889)                                              |                                                                                                                                          |
| <b>Print and Design</b>                                                                  |                    |                               |                  |                                                       |                                                                                                                                          |
| Employee                                                                                 | 50,561             | 43,980                        | 105,892          | 61,912                                                | Budget for Designer post has moved from Tourism.                                                                                         |
| Supplies & Services                                                                      | 37,870             | 60,449                        | 55,492           | (4,957)                                               |                                                                                                                                          |
| Support Services - Recharges Out                                                         | (137,390)          | (144,405)                     | (214,400)        | (69,995)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Support Services - Recharges In                                                          | 54,840             | 53,110                        | 70,520           | 17,410                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                                                                                   | (5,874)            | (15,000)                      | (17,500)         | (2,500)                                               |                                                                                                                                          |
|                                                                                          | 6                  | (1,866)                       | 4                | 1,870                                                 |                                                                                                                                          |
| <b>Total Communications and Marketing:</b>                                               | <b>769,172</b>     | <b>721,202</b>                | <b>621,470</b>   | <b>(99,733)</b>                                       |                                                                                                                                          |
| <b>Total Communications and Marketing<br/>excluding capital charges &amp; recharges:</b> | <b>1,155,072</b>   | <b>1,158,031</b>              | <b>1,223,180</b> | <b>65,148</b>                                         |                                                                                                                                          |
| <b>Total Communications and Marketing<br/>excluding recharges:</b>                       | <b>1,155,072</b>   | <b>1,158,031</b>              | <b>1,223,180</b> | <b>65,148</b>                                         |                                                                                                                                          |

|                                  | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                 |
|----------------------------------|--------------------|-------------------------------|----------------|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Environmental Services:</b>   |                    |                               |                |                                                       |                                                                                                                                                          |
| <b>Environmental Health</b>      |                    |                               |                |                                                       |                                                                                                                                                          |
| Employee                         | 1,117,557          | 1,009,478                     | 1,167,035      | 157,558                                               | Restructure costs with new permanent post and employee costs, two additional posts fixed for two years and funded by ear marked reserves.                |
| Premises                         | 306,491            | 227,393                       | 250,910        | 23,517                                                | Reallocation of GYBS contract as per external review work.                                                                                               |
| Transport                        | 38,120             | 37,981                        | 39,907         | 1,926                                                 |                                                                                                                                                          |
| Supplies & Services              | 246,277            | 206,487                       | 245,879        | 39,391                                                | RNLI costs were previously part of the GYBS contract but paid directly by GYBC now.                                                                      |
| Third Party Payments             | 3,694              | 10,000                        | 10,000         | 0                                                     |                                                                                                                                                          |
| Transfer Payments                | 244,960            | 253,807                       | 261,305        | 7,498                                                 |                                                                                                                                                          |
| Capital Charges                  | 9,340              | 9,340                         | 9,340          | 0                                                     |                                                                                                                                                          |
| Support Services - Recharges Out | (61,000)           | (60,040)                      | (63,680)       | (3,640)                                               |                                                                                                                                                          |
| Support Services - Recharges In  | 295,520            | 281,230                       | 401,140        | 119,910                                               | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                 |
| Income                           | (173,543)          | (117,819)                     | (121,177)      | (3,358)                                               |                                                                                                                                                          |
|                                  | 2,027,417          | 1,857,857                     | 2,200,660      | 342,802                                               |                                                                                                                                                          |
| <b>Selective Licensing</b>       |                    |                               |                |                                                       |                                                                                                                                                          |
| Employee                         | 92,201             | 50,330                        | 73,453         | 23,123                                                | Manager post extended to 2021/22 funded by income from the licensing scheme.                                                                             |
| Transport                        | 2,070              | 100                           | 100            | 0                                                     |                                                                                                                                                          |
| Supplies & Services              | 14,386             | 1,800                         | 1,646          | (154)                                                 |                                                                                                                                                          |
| Support Services - Recharges In  | 44,040             | 22,740                        | 52,460         | 29,720                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                 |
| Income                           | (93,464)           | (25,000)                      | (50,000)       | (25,000)                                              | Late application penalty fees are of greater number than anticipated when the scheme was set up, which is being used to fund the manager post extension. |
|                                  | 59,233             | 49,970                        | 77,659         | 27,689                                                |                                                                                                                                                          |

|                                 | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget   | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                 |
|---------------------------------|--------------------|-------------------------------|------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Grounds Maintenance</b>      |                    |                               |                  |                                                       |                                                                                                                                          |
| Employee                        | (2,387)            | 0                             | 0                | 0                                                     |                                                                                                                                          |
| Premises                        | 515,318            | 467,946                       | 525,259          | 57,312                                                | Reallocation of GYBS contract as per external review work.                                                                               |
| Supplies & Services             | 61,827             | 48,922                        | 34,847           | (14,075)                                              | Reallocation of IT software maintenance costs to services after a review by ICT department.                                              |
| Third Party Payments            | 22,190             | 11,540                        | 11,540           | 0                                                     |                                                                                                                                          |
| Capital Charges                 | 88,142             | 88,142                        | 84,906           | (3,236)                                               |                                                                                                                                          |
| Support Services - Recharges In | 45,550             | 49,080                        | 24,240           | (24,840)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                          | (64,705)           | (32,450)                      | (44,950)         | (12,500)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
|                                 | <u>665,935</u>     | <u>633,180</u>                | <u>635,841</u>   | <u>2,661</u>                                          |                                                                                                                                          |
| <b>Street Cleansing</b>         |                    |                               |                  |                                                       |                                                                                                                                          |
| Premises                        | 880,845            | 894,411                       | 651,095          | (243,316)                                             | Reallocation of GYBS contract as per external review work.                                                                               |
| Third Party Payments            | 435                | 381                           | 404              | 23                                                    |                                                                                                                                          |
| Support Services - Recharges In | 19,000             | 18,220                        | 19,580           | 1,360                                                 |                                                                                                                                          |
| Income                          | (17,428)           | 0                             | 0                | 0                                                     |                                                                                                                                          |
|                                 | <u>882,852</u>     | <u>913,012</u>                | <u>671,079</u>   | <u>(241,933)</u>                                      |                                                                                                                                          |
| <b>Licensing</b>                |                    |                               |                  |                                                       |                                                                                                                                          |
| Employee                        | 108,769            | 71,490                        | 68,794           | (2,696)                                               |                                                                                                                                          |
| Premises                        | 1,590              | 2,152                         | 2,952            | 800                                                   |                                                                                                                                          |
| Transport                       | 396                | 600                           | 600              | 0                                                     |                                                                                                                                          |
| Supplies & Services             | 26,118             | 25,871                        | 35,525           | 9,654                                                 |                                                                                                                                          |
| Support Services - Recharges In | 86,650             | 91,060                        | 62,040           | (29,020)                                              | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year. |
| Income                          | (317,334)          | (276,013)                     | (277,113)        | (1,100)                                               |                                                                                                                                          |
|                                 | <u>(93,812)</u>    | <u>(84,840)</u>               | <u>(107,202)</u> | <u>(22,362)</u>                                       |                                                                                                                                          |

|                                                                                | 2018/19<br>Actuals | Original<br>2019/20<br>Budget | 2020/21 Budget    | Variance 19/20 Base<br>Budget to 20/21 Base<br>Budget | Comments                                                                                                                                                           |
|--------------------------------------------------------------------------------|--------------------|-------------------------------|-------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Waste Management</b>                                                        |                    |                               |                   |                                                       |                                                                                                                                                                    |
| Employee                                                                       | 31,585             | 0                             | 97,030            | 97,030                                                | New Director of Operations post for GYBS to be fully recharged.                                                                                                    |
| Premises                                                                       | (110,000)          | 110,000                       | 0                 | (110,000)                                             | Historic budget reallocated to fund Social Blooms project £40k, Waterways £40k and GYBS joint venture costs £30k.                                                  |
| Transport                                                                      | 5,999              | 0                             | 0                 | 0                                                     |                                                                                                                                                                    |
| Supplies & Services                                                            | 408,261            | 440,335                       | 570,252           | 129,917                                               | £50k NEWS smoothing payments funded by Reserves. £40k for Social Blooms project form reallocated budget within service. £40k increase in waste disposal gate fees. |
| Third Party Payments                                                           | 1,944,114          | 1,985,553                     | 2,149,220         | 163,667                                               | Reallocation of GYBS contract as per Price Bailey work.                                                                                                            |
| Capital Charges                                                                | 17,641             | 17,669                        | 18,011            | 342                                                   |                                                                                                                                                                    |
| Support Services - Recharges In                                                | 102,720            | 91,300                        | 169,300           | 78,000                                                | Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.                           |
| Income                                                                         | (1,242,567)        | (1,327,592)                   | (1,479,388)       | (151,796)                                             | £48k additional income from new fee structure for bulky waste and full recharge of Director of Operations to GYBS.                                                 |
|                                                                                | <u>1,157,753</u>   | <u>1,317,265</u>              | <u>1,524,425</u>  | <u>207,160</u>                                        |                                                                                                                                                                    |
| <b>Total Environmental Services:</b>                                           | <b>4,699,378</b>   | <b>4,686,445</b>              | <b>5,002,462</b>  | <b>316,018</b>                                        |                                                                                                                                                                    |
| <b>Total Environmental Services excluding capital charges &amp; recharges:</b> | <b>4,051,775</b>   | <b>4,077,704</b>              | <b>4,225,125</b>  | <b>147,422</b>                                        |                                                                                                                                                                    |
| <b>Total Environmental Services excluding recharges:</b>                       | <b>4,166,898</b>   | <b>4,192,855</b>              | <b>4,337,382</b>  | <b>144,528</b>                                        |                                                                                                                                                                    |
| <b>Total for Services:</b>                                                     | <b>12,470,216</b>  | <b>10,820,589</b>             | <b>11,171,731</b> | <b>351,142</b>                                        |                                                                                                                                                                    |
| <b>Total for Services excluding capital charges &amp; recharges:</b>           | <b>11,757,605</b>  | <b>10,699,035</b>             | <b>10,919,924</b> | <b>220,889</b>                                        |                                                                                                                                                                    |
| <b>Total for Services excluding recharges:</b>                                 | <b>14,572,293</b>  | <b>12,590,227</b>             | <b>12,899,182</b> | <b>308,955</b>                                        |                                                                                                                                                                    |

**General Fund 2020/21 Budget - Expenditure Type Analysis**

| <b>General Fund Expenditure Type</b> | <b>2018/19<br/>Actuals</b> | <b>Original 2019/20<br/>Budget</b> | <b>Current 2019/20<br/>Budget</b> | <b>2019/20<br/>Forecast</b> | <b>2020/21<br/>Budget</b> |
|--------------------------------------|----------------------------|------------------------------------|-----------------------------------|-----------------------------|---------------------------|
| Employee                             | 11,739,427                 | 11,103,820                         | 11,263,258                        | 10,902,765                  | 11,818,540                |
| Premises                             | 5,949,882                  | 5,402,643                          | 5,411,836                         | 5,583,238                   | 5,264,131                 |
| Transport                            | 154,799                    | 139,051                            | 139,851                           | 140,351                     | 147,903                   |
| Supplies & Services                  | 8,435,549                  | 4,441,189                          | 5,250,531                         | 5,477,554                   | 5,488,675                 |
| Third Party Payments                 | 3,334,586                  | 3,272,710                          | 3,277,403                         | 3,239,325                   | 3,527,277                 |
| Transfer Payments                    | 25,984,015                 | 29,159,811                         | 29,159,811                        | 25,197,820                  | 24,487,643                |
| Support Services                     | 139,300                    | 134,861                            | 134,861                           | 134,861                     | 147,131                   |
| Capital Charges                      | 2,814,688                  | 1,891,192                          | 1,891,192                         | 1,891,192                   | 1,979,258                 |
| Support Services - Recharges Out     | (10,675,597)               | (10,694,338)                       | (10,694,338)                      | (10,694,338)                | (11,067,301)              |
| Support Services - Recharges In      | 10,675,597                 | 10,694,338                         | 8,924,700                         | 10,694,338                  | 11,067,301                |
| Income                               | (43,979,953)               | (42,955,050)                       | (41,703,714)                      | (39,434,861)                | (39,961,376)              |
|                                      | <b>14,572,293</b>          | <b>12,590,227</b>                  | <b>13,055,391</b>                 | <b>13,132,245</b>           | <b>12,899,182</b>         |

**2020/21 Budget Process - Additional income and savings proposals**

|               |                                       |                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>TOTALS</b>              | <b>(201,299)</b> | <b>(247,866)</b> | <b>(199,495)</b> |
|---------------|---------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------|------------------|------------------|
| <b>Ref.</b>   | <b>Department</b>                     | <b>Heading</b>                                            | <b>Summary of Proposal</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Savings/<br/>Income</b> | <b>2020/21</b>   | <b>2021/22</b>   | <b>2022/23</b>   |
| <b>ENV-02</b> | <b>Environmental Services</b>         | <b>Food Hygiene re-ratings</b>                            | The proposal is to start charging for Food Hygiene re-rating inspections. As most other Councils across Norfolk already do, they charge as follow: North Norfolk; £150; Norwich City £160; Breckland £180; Broadland £150; Kings Lynn and West Norfolk £225 (from April 2020). We currently have 44 requests for this service across a 12 month period and undertake these inspections for free.                                                                                                                                                                                                                                                                                                                            | Income                     | (6,600)          | (7,040)          | (7,480)          |
| <b>PMA-04</b> | <b>Property &amp; Asset Mangement</b> | <b>Project Delivery Team</b>                              | Expand Project Building team to delivery project management expertise for Equinox, Empty Property Development, Community Housing                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Income                     | (41,775)         | (41,775)         | (41,775)         |
| <b>PMA-05</b> | <b>Property &amp; Asset Mangement</b> | <b>Beach Hut Rental</b>                                   | Install additional Beach Huts along the Lower Promenade, initially additional 20 with options to increase.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Income                     | (9,300)          | (10,740)         | (12,238)         |
| <b>CS-03</b>  | <b>Customer Services</b>              | <b>Removal of IVR System</b>                              | The council launched the Inform 360 24/7 automated telephony solution on the 30th June 2017 as a tool to help manage the demand on the Customer Service Team as well as to help encourage more customers to make use of our available online services, transacting by self-service. From a customer satisfaction perspective this is not a popular solution and lacks the evidence to support it benefits. This service has been gradually reduced from the councils main telephony lines and is now only in use for peaks in demand and out of hours. The customer Service Team have been meeting Service Level despite this and retaining this solution is no longer a viable or cost effect solution. (Funded from RRRE) | Savings                    | (29,791)         | (29,791)         | (29,791)         |
| <b>CS-04</b>  | <b>Customer Services</b>              | <b>Corporate Fraud</b>                                    | New post - Corporate Fraud Officer, based on 3 year fixed term. The officer would investigate a range of fraud within the community with the objective to reduce fraud and increase income for the council. Areas of investigation would include benefits fraud, housing fraud and business rates fraud.                                                                                                                                                                                                                                                                                                                                                                                                                    | Income                     | (16,000)         | (35,500)         | (35,000)         |
| <b>PG-01</b>  | <b>Planning &amp; Growth</b>          | <b>Budget Increase</b>                                    | Annual increase in the Development Control/Management fees received of £10,000 in addition to the £10,000 annual increase already included in the budget for future years. This is due to the slightly higher number and size of applications expected following adoption of the Local Plan Part 2 and projecting what else may be in the pipeline in terms of reserved matters applications.                                                                                                                                                                                                                                                                                                                               | Income                     | (10,000)         | (10,000)         | (10,000)         |
| <b>PG-08</b>  | <b>Planning &amp; Growth</b>          | <b>Reviewing the hourly fee rate for Building Control</b> | The hourly rate for Building Control fees (which is a "blended" rate of all officer costs of £61) was last reviewed and updated (increased) in 2016. A review is taking place now to assess whether costs have risen such that an increase can be justified (a "profit" cannot be made on jobs; overall, it should be cost-neutral). Calculating the change requires following a formula set by CIPFA and this is in train, but initial thoughts are that an increase closer to £67 per hour or so may be the result, leading to a potential increase of about £15,000 per year.                                                                                                                                            | Savings                    | (15,000)         | (15,000)         | (15,000)         |

| Ref.   | Department                     | Heading                                                            | Summary of Proposal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Savings/<br>Income | 2020/21  | 2021/22  | 2022/23  |
|--------|--------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------|----------|----------|
| PG-09  | Planning & Growth              | Increasing the amount per "bespoke" fee quote for Building Control | Where BC quotes for a job with multiple components (for example, inspecting a foundation plus steel beam or discounts for multiple new dwellings), a "discount" has traditionally been applied to the job overall. In 2019/20 this was modified so that less of a discount is now applied routinely. Whilst precise figures are very difficult to discern, this "discount" rate could be reduced further.                                                                                                                                                                                                           | Savings            | (7,500)  | (7,500)  | (7,500)  |
| CM-02  | Communications & Marketing     | Reduction in copier paper budget                                   | A further reduction in the corporate Print & Stationery budget given the reduced amount of items being copied/printed via MFDs whilst also switching to recycled paper. Reduce the budget line CTRE41500000 by £3,000.                                                                                                                                                                                                                                                                                                                                                                                              | Savings            | (3,000)  | (3,000)  | (3,000)  |
| CM-06  | Communications & Marketing     | Marketing income from commercialisation                            | The Marketing, Engagement & Events Team now operates as a full service agency and is able, within existing resources, to offer external clients a professional design and marketing service. It is proposed to set a target of £10,000 for 2020/21 for commercial income.                                                                                                                                                                                                                                                                                                                                           | Income             | (10,000) | (10,000) | (10,000) |
| PMA-01 | Property & Asset Mangement     | Footway Lighting                                                   | Footway lighting has been considered a number of times over the years. This proposal utilised new lamp holders to save on energy also offering the opportunity to reduce wattage during hours of the night leaving the lights on but at a dimmer level. This will involve spend to save funding in order to change the lamps. In addition to this work to begin to reduce Footway lighting by removal where duplicated with Highway Lighting, this happens in a number of areas across the Borough and could again make savings without impacting on residents.                                                     | Savings            | (25,000) | (50,000) | 0        |
| PG-07  | Planning & Growth              | Encourage parish councils to access planning applications online   | Parish councils are routinely sent copies of key documents for planning applications to help them analyse the applications and frame their response to the Council. Increasingly more councils have stopped doing this, instead requiring parish councils to access information on the website, and it is proposed that this be done at GYBC too.                                                                                                                                                                                                                                                                   | Savings            | (3,000)  | (3,000)  | (3,000)  |
| CM-04  | IT, Communications & Marketing | Public Information Pillar Advertising                              | The Public Information Pillar (PIPS) advertising contract with the existing provider (Sutton Media) comes to an end in 2020. During this contract period the Council has passported £15,000 to the Town Centre Partnership (TCP) as a legacy from a previous contracting relationship. It is proposed that for the financial year 2020/21, the Council ceases that arrangement and reviews the current on-street advertising assets in line with the Town Centre regeneration plans and new vision for the seafront. CTTO44010000 = £15,000.                                                                        | Savings            | (15,000) | (15,000) | (15,000) |
| CM-10  | IT, Communications & Marketing | Winter off-peak closure of Tourist Information Centre              | A saving was offered in the last budget-setting process for 2019/20 which saw the tightening-up of revenue expenditure across a range of budget lines. This has enabled the Tourist Information Centre (TIC) on the seafront in Maritime House to remain open for 12 months of the year. It had been anticipated that to make the saving for 2019/20, the TIC would close for 4 months in the winter off-peak season (November, December, January, February). This was not required in the end owing to finding other savings. However for 2020/21 the proposal is to close for these 4 months starting in 2020/21. | Savings            | (9,333)  | (9,520)  | (9,711)  |

**Council Tax Summary 2020/21**

|                                                               | 2019/20<br>Actual | Actual 2020/21<br>£5 Council Tax Increase |               |               |
|---------------------------------------------------------------|-------------------|-------------------------------------------|---------------|---------------|
|                                                               |                   |                                           | Movement<br>£ | Movement<br>% |
| Demand on Collection Fund<br>(excluding Parish/Town Precepts) | £ 4,611,869       | £ 4,835,911                               | £224,042      | 4.86%         |
| Borough Council Tax Level at Band D                           | £ 161.48          | £ 166.48                                  | £5.00         | 3.10%         |
| <b>Net Borough Council Tax at Band D</b>                      | <b>£ 161.48</b>   | <b>£ 166.48</b>                           | <b>£ 5.00</b> | <b>3.10%</b>  |
| Value of Precepts*                                            | £ 429,323         | £474,871                                  | £45,548       | 10.61%        |
| Effect of Parish/Town Precepts                                | £ 15.03           | 16.35                                     | £1.32         | 8.78%         |
| <b>Billed Borough Council Tax at Band D</b>                   | <b>£ 176.51</b>   | <b>£ 182.83</b>                           | <b>£ 6.32</b> | <b>3.58%</b>  |

\* At time of reporting two parish precepts outstanding

|                                  |        |        |
|----------------------------------|--------|--------|
| Tax Base                         | 28,560 | 29,048 |
| Tax Base Movement (from 2019/20) |        | 488    |

Note: The Tax Base for 2020/21 is 29,048 (2019/20 28,560) so each £29,048 change in net expenditure has £1.00 effect on Council Tax at Band D.

| General Fund Reserves Schedule - 2020/21 BUDGET  |                                                                                                                                                                                                                                                                                                      | Opening<br>Balance<br>01/04/19 | Budgeted<br>Movement<br>2019/20 | Forecast<br>Movement<br>2019/20 | Closing<br>Balance<br>31/03/20 | Budgeted<br>Movement<br>2020/21 | Closing<br>Balance<br>31/03/21 | Budgeted<br>Movement<br>2021/22 | Closing<br>Balance<br>31/03/22 | Budgeted<br>Movement<br>2022/23 | Updated<br>Closing<br>Balance<br>31/03/23 |
|--------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|-------------------------------------------|
| Summary and Purpose of Reserve                   |                                                                                                                                                                                                                                                                                                      | £                              | £                               | £                               | £                              | £                               | £                              | £                               | £                              | £                               |                                           |
| <b>Asset Management reserve</b>                  | This reserve is held to mitigate the impact of fluctuations between financial years from income received from Council assets and properties, in addition it includes re-allocation from other reserves to be used for investments in Council assets including current and future asset enhancements. | 1,900,000                      | (943)                           | (63,445)                        | 1,836,555                      | (435,700)                       | 1,400,855                      | (507,300)                       | 893,555                        | 0                               | 893,555                                   |
| <b>Benefits/Revenues Reserve</b>                 | Earmarking of grants and underspends to be used for the service and mitigation of subsidy impacts.                                                                                                                                                                                                   | 144,621                        | 0                               | 0                               | 144,621                        | 0                               | 144,621                        | 0                               | 144,621                        | 0                               | 144,621                                   |
| <b>Coast Protection</b>                          | Established as part of the 2019/20 budget process for match funding and mitigate one-off costs in relation to coast protection.                                                                                                                                                                      | 0                              | 150,000                         | 95,000                          | 95,000                         | 0                               | 95,000                         | 0                               | 95,000                         | 0                               | 95,000                                    |
| <b>Collection Fund (Business Rates)</b>          | Earmarked to mitigate the fluctuations in business rate income between years.                                                                                                                                                                                                                        | 1,440,976                      | (180,000)                       | (180,000)                       | 1,260,976                      | 0                               | 1,260,976                      | 0                               | 1,260,976                      | 0                               | 1,260,976                                 |
| <b>Community Housing Fund</b>                    | This represents grants previously received to assist with the delivery of Community Housing.                                                                                                                                                                                                         | 573,603                        | 0                               | 0                               | 573,603                        | (30,000)                        | 543,603                        | (30,000)                        | 513,603                        | (30,000)                        | 483,603                                   |
| <b>DFG top-up capital loans &amp; grant fund</b> | This reserve is utilised as expenditure is incurred.                                                                                                                                                                                                                                                 | 350,270                        | 0                               | 0                               | 350,270                        | 49,730                          | 400,000                        | 0                               | 400,000                        | 0                               | 400,000                                   |
| <b>Enforcement</b>                               | Earmarked for enforcement related works to address issues and bring properties back into use.                                                                                                                                                                                                        | 46,022                         | 0                               | 0                               | 46,022                         | 0                               | 46,022                         | 0                               | 46,022                         | 0                               | 46,022                                    |
| <b>Homelessness</b>                              | These Reserves are utilised as expenditure is incurred.                                                                                                                                                                                                                                              | 426,366                        | 0                               | 0                               | 426,366                        | 103,611                         | 529,977                        | (46,000)                        | 483,977                        | (46,000)                        | 437,977                                   |
| <b>Insurance Fund</b>                            | The Council budgets for a level of excess being charged to the Service Accounts annually. Any under provision is met from the Insurance Fund, and any surplus is transferred to the fund.                                                                                                            | 215,655                        | 0                               | 45,195                          | 260,850                        | 0                               | 260,850                        | 0                               | 260,850                        | 0                               | 260,850                                   |
| <b>Invest to Save</b>                            | To be used to fund one-off costs associated with projects that will deliver future efficiencies and savings including costs associated with restructures.                                                                                                                                            | 1,589,249                      | 140,471                         | (106,818)                       | 1,482,431                      | (103,946)                       | 1,378,485                      | 0                               | 1,378,485                      | 0                               | 1,378,485                                 |

| General Fund Reserves Schedule - 2020/21 BUDGET |                                                                                                                             | Opening<br>Balance<br>01/04/19 | Budgeted<br>Movement<br>2019/20 | Forecast<br>Movement<br>2019/20 | Closing<br>Balance<br>31/03/20 | Budgeted<br>Movement<br>2020/21 | Closing<br>Balance<br>31/03/21 | Budgeted<br>Movement<br>2021/22 | Closing<br>Balance<br>31/03/22 | Budgeted<br>Movement<br>2022/23 | Updated<br>Closing<br>Balance<br>31/03/23 |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|-------------------------------------------|
| Summary and Purpose of Reserve                  |                                                                                                                             | £                              | £                               | £                               | £                              | £                               | £                              | £                               | £                              | £                               |                                           |
| <b>LEGI</b>                                     | As costs are incurred, these are offset by the reserve.                                                                     | 523,671                        | (400,000)                       | (400,000)                       | 123,671                        | (49,730)                        | 73,941                         | 0                               | 73,941                         | 0                               | 73,941                                    |
| <b>Other Reserves</b>                           | These Reserves are budget carry forwards to be used in future years                                                         | 729,984                        | 0                               | (650,625)                       | 79,359                         | (14,249)                        | 65,110                         | 0                               | 65,110                         | 0                               | 65,110                                    |
| <b>Planning Delivery Grant</b>                  | The reserve is planned to be used to provide service improvements in Planning, and deliver the Local Development Framework. | 62,360                         | 0                               | 0                               | 62,360                         | 0                               | 62,360                         | 0                               | 62,360                         | 0                               | 62,360                                    |
| <b>Repairs and Maintenance</b>                  | This reserve is utilised as expenditure is incurred.                                                                        | 352,253                        | 0                               | (19,000)                        | 333,253                        | 0                               | 333,253                        | 0                               | 333,253                        | 0                               | 333,253                                   |
| <b>Restricted use grant</b>                     | This reserves holds unspent grants received for specific purposes for which the spend has not yet been incurred.            | 940,610                        | (169,195)                       | (113,555)                       | 827,055                        | (142,344)                       | 684,711                        | (128,422)                       | 556,289                        | (40,000)                        | 516,289                                   |
| <b>Second Homes Council Tax</b>                 | This reserve is utilised as expenditure is incurred.                                                                        | 155,962                        | (155,962)                       | (155,962)                       | (0)                            | 0                               | (0)                            | 0                               | (0)                            | 0                               | (0)                                       |
| <b>Special Project Reserve</b>                  | Earmarked as per the 2017/18 budget report for project spend and also for matched funding as appropriate.                   | 743,681                        | (139,774)                       | (124,692)                       | 618,989                        | (176,203)                       | 442,786                        | (138,483)                       | 304,303                        | (50,000)                        | 254,303                                   |
| <b>Specific budget</b>                          | This reserve is utilised as expenditure is incurred.                                                                        | 102,327                        | (27,230)                        | (27,230)                        | 75,097                         | (25,153)                        | 49,944                         | (26,569)                        | 23,375                         | 15,447                          | 38,822                                    |
| <b>Town Centre Initiative</b>                   | Earmarked for spend in relation to the town centre project.                                                                 | 33,310                         | 0                               | (29,970)                        | 3,340                          | 0                               | 3,340                          | 0                               | 3,340                          | 0                               | 3,340                                     |
| <b>Treasury Management reserve</b>              | This reserve is held to mitigate year on year fluctuations of investment income received.                                   | 200,000                        | 0                               | 0                               | 200,000                        | 0                               | 200,000                        | 0                               | 200,000                        | 0                               | 200,000                                   |
| <b>Waste Management</b>                         | This reserve is utilised as expenditure is incurred in relation to the service.                                             | 25,170                         | 0                               | (25,000)                        | 170                            | 0                               | 170                            | 0                               | 170                            | 0                               | 170                                       |
| <b>Total General Fund Earmarked Reserves</b>    |                                                                                                                             | <b>10,556,090</b>              | <b>(782,633)</b>                | <b>(1,756,102)</b>              | <b>8,799,988</b>               | <b>(823,984)</b>                | <b>7,976,004</b>               | <b>(876,774)</b>                | <b>7,099,230</b>               | <b>(150,553)</b>                | <b>6,948,677</b>                          |
|                                                 |                                                                                                                             |                                |                                 |                                 |                                |                                 |                                |                                 |                                |                                 |                                           |
| <b>General Fund Reserve Total</b>               | Current recommended balance of £2.8 million (as at Feb 2019)                                                                | <b>3,005,470</b>               | <b>155,962</b>                  | <b>155,962</b>                  | <b>3,161,432</b>               | <b>(150,458)</b>                | <b>3,010,974</b>               | <b>0</b>                        | <b>3,010,974</b>               | <b>0</b>                        | <b>3,010,974</b>                          |
|                                                 |                                                                                                                             |                                |                                 |                                 |                                |                                 |                                |                                 |                                |                                 |                                           |
| <b>Total General Fund Reserves</b>              |                                                                                                                             | <b>13,561,560</b>              | <b>(626,671)</b>                | <b>(1,600,140)</b>              | <b>11,961,420</b>              | <b>(974,442)</b>                | <b>10,986,978</b>              | <b>(876,774)</b>                | <b>10,110,204</b>              | <b>(150,553)</b>                | <b>9,959,651</b>                          |

### Policy Framework for the Earmarked Reserves and Assessing the Optimum Level of the General Reserve for the period 2020/21 to 2022/23

#### **1 Background**

- 1.1 In accordance with statute (principally the Local Government Finance Act 2002) and following the Guidance Note on Local Authority Reserves and Balances (LAAP Bulletin No. 77 – November 2008), Great Yarmouth Borough Council maintains a range of reserves.
- 1.2 Two types of reserves are discussed in this policy framework:
  - Earmarked Reserves
  - The General Reserve
- 1.3 There are also a number of other reserves which local authorities hold in relation to legislation and proper accounting practices, these are not resource-backed reserves and therefore are not considered as part of this policy framework.
- 1.4 In making decisions in relation to setting the Council Tax, section 25 of the Local Government Act 2003 requires the Chief Financial Officer of the Council to report to the Council on the adequacy of the proposed financial reserves.
- 1.5 This Policy framework has been informed by current guidance on the level of reserves including, both the Local Authority Accounting Panel (LAAP) Bulletin No. 77 and the Audit Commissions report published in December 2012 'Striking a Balance' Improving Councils' Decision Making on Reserves'.

#### **2 Earmarked Reserves**

##### **2.1 Purpose**

- 2.1.1 Earmarked reserves are a means of building up funds to meet known or predicted liabilities.
- 2.1.2 Typically earmarked reserves are used to set aside sums for major schemes, such as capital developments, asset purchases, or to fund reorganisations and restructurings to deliver longer term savings and efficiencies. Reserves can also be held for trading and business units built up from surpluses to cover potential losses in future years, or to finance capital expenditure. In certain circumstances, if expenditure is delayed on specific budgets, it may be agreed that the underspending at a year end is carried forward for future use in an earmarked reserve. Such decisions would be subject to considering the overall financial position of a Local Authority.

##### **2.2 Earmarked Reserves Protocol**

- 2.2.1 For each reserve the following arrangements have been established:
  - the reasons for / purpose of the reserve
  - how and when the reserve can be used
  - procedures for the reserve's management and control
  - a process and timetable for review of the reserve to ensure continuing relevance and adequacy.
- 2.2.2 The establishment and use of earmarked reserves is reviewed at the time of budget setting and then controlled through the year as part of the regular budget monitoring processes.

##### **2.3 Review of Earmarked Reserves**

- 2.3.1 The Reserves Statement is included as part of the Budget Report to Policy and Resources Committee and gives full details of the earmarked reserves and current planned use.
- 2.3.2 It is considered that sufficient provision for the Council's capital programme (as recommended) has been included in the capital estimates and capital reserves, and relevant revenue budgets (eg interest and Minimum revenue Provision) has been provided for that nothing further is required.
- 2.3.3 Where in-year expenditure is being funded by earmarked reserves and general reserves, the relevant transfers from the reserves have been allowed for within the reserves balances and revenue account budgets as detailed in the budget report.

### **3 The General Reserve**

#### **3.1 Purpose**

- 3.1.1 The general reserve is held for two main purposes:
- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
  - a contingency to help cushion the impact of unexpected events or emergencies.

#### **3.2 The Optimum Level of the General Reserve**

- 3.2.1 There are two recommended approaches for deciding the optimum level of the general reserve:
- A risk assessment of the budget which takes full account of the context within which the budget has been prepared. The budget report itself provides this contextual information.
  - To set the reserve at a percentage of expenditure. Too low a level puts the council at unacceptable risk of failing to meet its obligations, too high a level unnecessarily ties up resources.
- 3.2.2 This appendix sets out the framework for considering a risk assessment approach and validating the result against a percentage calculation. At the end of the day, the level of reserves is a matter of opinion informed by the judgement of the Council's Chief Financial Officer.

#### **3.3 Assessment Framework**

- 3.3.1 The issues to be considered include the following:
- The Council continues to operate on an ongoing basis.
  - The robustness of the budget process including recognition of the linkages with the corporate plan, the strategic risks and the financial plan update.
  - Internal financial control mechanisms and adequacy of the budget monitoring processes.
  - The adequacy of earmarked reserves and the movements on the general reserves both in the past and planned.
  - The extent to which savings and planned service reductions are required and can be relied upon to support corporate plan targets.
  - The risk of major litigation and legal claims, both currently and in the future.
  - The impact of future Government funding reductions.
  - Implications of the Local Council Tax Support Scheme and increase in the demand for support.

## Appendix F

- Fluctuations in retained business rate income and funding from the government for the extensions to reliefs for example small business rates.
- Fluctuations around certain income streams and grants, for example demand led services such as planning, building control income, land charges, car parking and recycling.
- Future changes to the funding for Local Authorities, for example the New Homes Bonus and an increase to the share of business rates that is retained locally. .
- Unplanned volume increases in major demand led budgets, particularly in the context of the current economic climate for example housing benefits, council tax support and homelessness.
- The need to retain a general contingency to provide for any unforeseen circumstances that may arise including inadequately funded Government initiatives.
- Where there is a move to do less by direct service provision for example through third parties, including outsourcing, this in turn increases the risks borne by authorities. There is a risk that these arrangements fail and there are many circumstances when a statutory liability remains with the local authority. Such risks may not be insurable at an economic level and demand rigorous risk minimisation strategies and this is an area that will be considered in more detail if the Council pursues these arrangements in future years.
- The need to retain reserves for general day to day cash flow requirements.

3.3.2 All of these issues interlink and any one incident is likely to span across many of the issues and might not be contained within one financial year. Risks change over time and the general reserve needs to be considered across the medium term financial plan. What might be an adequate level of reserves now may not be reflective of what would be deemed to be adequate in years two to four. Therefore the framework should be reviewed as part of the budget setting process.

### 3.4 The Assessment of the General Fund Reserve

- 3.4.1 When undertaking the assessment it must be remembered that the items considered are merely guides to assessing the overall level of the reserve. In no way is it a budget for any of the items being created since by its nature a general reserve is designed to protect against the unexpected and unquantifiable for whatever reason.
- 3.4.2 Having considered the relevant risks and the mitigation measures already in place, it is felt that the following indicative items should be taken into account in the budget risk assessment for 2019/20 to assess the recommended level of reserves:

| Item                                                                                                                                | 2020/21 | 2021/22 | 2022/23 |
|-------------------------------------------------------------------------------------------------------------------------------------|---------|---------|---------|
| <b>1 Pay and Price Inflation</b> (0.5% sensitivity to budget assumption)                                                            | 140,000 | 140,000 | 140,000 |
| <b>2 Interest Rates &amp; MRP</b> (0.5% sensitivity to short term borrowing and profiling of capital spend and MRP impact)          | 160,000 | 180,000 | 180,000 |
| <b>3 Failure to Achieve Planned Savings and Cost Pressures from Corporate Plan Targets</b> (to ensure core services are maintained) | 200,000 | 200,000 | 200,000 |
| <b>4 Major Litigation and Legal Claims</b> (to provide additional comfort above earmarked reserves)                                 | 100,000 | 100,000 | 100,000 |
| <b>5 Emergencies and Other Unknowns</b> (to recognise the risks associated with unpredictable events)                               | 500,000 | 500,000 | 500,000 |

## Appendix F

| Item                                                                                                                                                                                                     | 2020/21          | 2021/22          | 2022/23          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|------------------|
| <b>6 Treatment of Demand Led Pressures</b><br>(recognising the impact of increase or reduction in demand and compensating increase or reduction in expenditure or income)                                | 600,000          | 600,000          | 600,000          |
| <b>7 Project Risks</b> (To recognise the risks the Authority is facing in terms of partnership work and significant projects)                                                                            | 200,000          | 200,000          | 200,000          |
| <b>8 Cash Flow</b> (the impact of timing of cash flow, including the profiling of expenditure)                                                                                                           | 100,000          | 100,000          | 100,000          |
| <b>9 Future Funding Fluctuations</b> (an allowance to reflect the increased risk around local funding, ie business rates and new homes bonus, to mitigate the impact within and between financial years) | 800,000          | 900,000          | 900,000          |
| <b>Total Indicated General Fund Reserve Recommended</b>                                                                                                                                                  | <b>2,800,000</b> | <b>2,800,000</b> | <b>2,800,000</b> |
| <b>% of Net Budgeted Operating Expenditure (excluding parish precepts)</b>                                                                                                                               | <b>22%</b>       | <b>21%</b>       | <b>21%</b>       |

#### 4 Chief Financial Officer's Opinion

- 4.1 The Earmarked Reserves detailed within the reserves statement are proper and appropriate with regard to purpose, level and proposed use, although the future timing of their use will be reported within the budget monitoring reports and the statement updated accordingly.
- 4.2 Based on the assessment detailed above the recommended level of the general reserve for 2020/21 would be £2.8 million. The budgeted General Fund Reserve as presented for approval is within an acceptable tolerance and is slightly able the recommended level.

## General Fund Current 2021 Capital Programme and 1920 Budget and Forecast

|                                                                | Expenditure £000       |                     | 2020/21 |           | Budget 2021 Financing - £000 |                               |                  |
|----------------------------------------------------------------|------------------------|---------------------|---------|-----------|------------------------------|-------------------------------|------------------|
| Services & Projects                                            | Revised Budget<br>1920 | Forecast<br>2019/20 | Budget  | Borrowing | Grants &<br>Contributions    | Reveue/ Earmarked<br>Reserves | Capital Receipts |
| Equinox Enterprises Limited Share Capital                      | £1,058                 | £1,058              | £0      | £0        | £0                           | £0                            | £0               |
| ICT Investment to deliver GYBC ICT Strategy *                  | £620                   | £411                | £594    | £594      | £0                           | £0                            | £0               |
| Total: Executive & Resources                                   | £1,678                 | £1,469              | £594    | £594      | £0                           | £0                            | £0               |
| Childrens Playground Refurbishment                             | £87                    | £35                 | £52     | £52       | £0                           | £0                            | £0               |
| Cobholm Skate Park                                             | £99                    | £99                 | £0      | £0        | £0                           | £0                            | £0               |
| Wellesley CCTV                                                 | £15                    | £0                  | £15     | £15       | £0                           | £0                            | £0               |
| Total: Neighbourhood Management                                | £201                   | £134                | £67     | £67       | £0                           | £0                            | £0               |
| Rebuilding sections of Factory Rd/Belvedere Rd/Nth Denes Rd Gt |                        |                     |         |           |                              |                               |                  |
| Yarmouth Cemetery Wall                                         | £25                    | £6                  | £0      | £0        | £0                           | £0                            | £0               |
| St Nicholas Minster West Boundary Wall                         | £95                    | £0                  | £95     | £95       | £0                           | £0                            | £0               |
| St Nicholas car park North Boundary Wall                       | £25                    | £0                  | £25     | £25       | £0                           | £0                            | £0               |
| Rebuilding sections of Great Yarmouth Cemetry Wall - East Road | £25                    | £25                 | £0      | £0        | £0                           | £0                            | £0               |
| Replacement P&D Machines                                       | £107                   | £90                 | £0      | £0        | £0                           | £0                            | £0               |
| Crematorium Tearooms                                           | £446                   | £100                | £346    | £346      | £0                           | £0                            | £0               |
| King Street car parking spaces/ sub-station works              | £19                    | £19                 | £0      | £0        | £0                           | £0                            | £0               |
| Total: Customer Services                                       | £742                   | £240                | £466    | £466      | £0                           | £0                            | £0               |
| Health and Fitness Centre                                      | £25,893                | £5,893              | £20,000 | £16,250   | £3,750                       | £0                            | £0               |
| The Waterways                                                  | £400                   | £400                | £0      | £0        | £0                           | £0                            | £0               |
| Phoenix Pool & Gym car park extension                          | £130                   | £30                 | £100    | £100      | £0                           | £0                            | £0               |
| Great Yarmouth Preservation Trust Loan                         | £140                   | £140                | £0      | £0        | £0                           | £0                            | £0               |
| Total: Inward Investment                                       | £26,563                | £6,463              | £20,100 | £16,350   | £3,750                       | £0                            | £0               |
| Disabled Facilities Grant                                      | £1,188                 | £1,188              | £0      | £0        | £0                           | £0                            | £0               |
| Empty Homes                                                    | £718                   | £100                | £618    | £618      | £0                           | £0                            | £0               |
| DFG Top-up Grants                                              | £250                   | £10                 | £240    | £0        | £0                           | £240                          | £0               |
| DFG Top-up Loans                                               | £150                   | £50                 | £100    | £0        | £0                           | £100                          | £0               |
| Norfolk & Waveney Equity Loan Scheme                           | £72                    | £72                 | (£0)    | (£0)      | £0                           | £0                            | £0               |
| Equity Home Improvement Loans                                  | £544                   | £100                | £444    | (£0)      | £0                           | £0                            | £444             |
| HMOs /Guesthouse Purchase & Repair Scheme                      | £2,000                 | £250                | £1,750  | £1,750    | £0                           | £0                            | £0               |
| Community Housing Fund Loans                                   | £540                   | £101                | £439    | £0        | £0                           | £439                          | £0               |
| Total: Housing                                                 | £5,461                 | £1,871              | £3,590  | £2,367    | £0                           | £779                          | £444             |
| Public Toilet Refurbishment Programme                          | £265                   | £265                | £0      | £0        | £0                           | £0                            | £0               |
| Footway Lighting **                                            | £156                   | £78                 | £178    | £178      | £0                           | £0                            | £0               |
| Gorleston High Street car park resurfacing                     | £19                    | £19                 | £0      | £0        | £0                           | £0                            | £0               |
| Cobholm Rugby Club roadway                                     | £20                    | £20                 | £0      | £0        | £0                           | £0                            | £0               |
| Yacht Station Improvements - welfare facilities                | £2                     | £2                  | £0      | £0        | £0                           | £0                            | £0               |
| Esplande Resurfacing                                           | £331                   | £50                 | £281    | £281      | £0                           | £0                            | £0               |
| GY Flood Defence Scheme Epoch 2                                | £50                    | £50                 | £0      | £0        | £0                           | £0                            | £0               |
| Beach Huts                                                     | £178                   | £178                | £0      | £0        | £0                           | £0                            | £0               |
| Council Chamberr relocation                                    | £130                   | £130                | £0      | £0        | £0                           | £0                            | £0               |
| Cycle Sheds & Grey Friars Shower Facility                      | £37                    | £37                 | (£0)    | (£0)      | £0                           | £0                            | £0               |
| Gorleston Paddling Pool /Splash Pad                            | £10                    | £10                 | £0      | £0        | £0                           | £0                            | £0               |
| Phoenix Pool                                                   | £50                    | £50                 | £0      | £0        | £0                           | £0                            | £0               |
| Beacon Park Projects                                           | £500                   | £500                | £0      | £0        | £0                           | £0                            | £0               |
| Market Place Redevelopment ***                                 | £3,600                 | £250                | £3,350  | £2,250    | £1,100                       | £0                            | £0               |
| North Quay Redevelopment                                       | £2,500                 | £1,000              | £1,500  | £1,500    | £0                           | £0                            | £0               |
| Winter Gardens                                                 | £100                   | £100                | £0      | £0        | £0                           | £0                            | £0               |
| Energy Park - South Denes                                      | £1,908                 | £200                | £1,708  | £1,708    | £0                           | £0                            | £0               |
| Total: Property & Asset Management                             | £9,857                 | £2,939              | £7,018  | £5,918    | £1,100                       | £0                            | £0               |
| Overall Total                                                  | £44,501                | £13,116             | £31,835 | £25,762   | £4,850                       | £779                          | £444             |

\* £385k approved for 2020/21 (and £279k for 2021/22) as part of the 2019/20 budget

\*\* £100k per year approved for 2020/21 to 2023/24 as part of the 2019/20 budget

\*\*\* Updated budget for the Market Place Redevelopment project in line with Policy &amp; Resources decision on the 21st January 2020.

## 2020/21 Capital Bids

| Project                                                  | Approval Process       | Budget 2021       | Borrowing           | Funding Revenue   | External            | Budget 2122     | Funding Borrowing | Potential Savings | Revenue income & Costs inc MRP | NOTES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------|------------------------|-------------------|---------------------|-------------------|---------------------|-----------------|-------------------|-------------------|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ICT                                                      | Budget Setting         | £10,000           | (£10,000)           | £0                | £0                  | £0              | £0                | £0                | £1,429                         | £385k was approved for 20/21 and £279k for 21/22 as part of the 19/20 budget and this covers the main cost of ICT improvement across the Council. A further £10k has been requested for 2021 following review of ICT projects required. Additionally £135k may be added to this pending a business case for the replacement Environmental, Planning & Building Control system in 2021.                                                                                                                                                                                    |
| Disabled Facility Grants                                 | Budget Setting         | £1,188,068        | £0                  | £0                | (£1,188,068)        | £0              | £0                | £0                | £0                             | Standard DFG allocation funded externally. Amount estimated based on 2019/20.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Footway Lighting Column Replacement / LED Upgrade        | Budget Setting         | £200,000          | (£200,000)          | £0                | £0                  | £200,000        | (£200,000)        | (£50,000)         | £8,333                         | To compliment the existing footway lighting column replacement programme which looks at efficiencies in existing provision (£100k pa already approved in 2019/20 for 20/21 & 21/22) the additional requirement would embark on a programme of lantern replacement to incorporate modern energy efficient LED fittings. Revenue savings have been included within the General Fund 20/21 budget at Appendix A (£25k saving in 20/21 and further saving of £50k in 21/22).                                                                                                  |
| Winter Gardens                                           | Budget Setting         | £1,000,000        | (£1,000,000)        | £0                | £0                  | £0              | £0                | £0                | £45,000                        | This bid recognises the need for the Council to commit to provide some budget for match funding towards capital works on the Winter Gardens when approaching potential external funders (e.g. completing funding applications). Use of the funding will be subject to full approval in line with external funders being confirmed.                                                                                                                                                                                                                                        |
| GYBC Vehicle Replacement                                 | Business Case Required | £147,000          | £0                  | (£142,000)        | (£5,000)            | £0              | £0                | (£16,000)         | £37,450                        | A review of the Council's current vehicle usage is required to identify efficiencies that could be identified as vehicles are due for replacement or coming to the end of the lease period (7 vehicles across 4 service areas, Environmental Services, Events, Car Parks & Property Services). The costing included here are based on replacing this mixture of leased, purchased and contract vehicles with purchased electric vehicles which would significantly reduce the fuel bill and carbon footprint of the Council whilst also making a saving over the 5 years. |
| Crematorium Office Roof                                  | Business Case Required | £14,000           | (£14,000)           | £0                | £0                  | £0              | £0                | £0                | £1,050                         | Stripping & replacing the flat roof over the Crematorium Bereavement Office and administration area.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| GYBC Resident Permit Holder Car Parks resurfacing Works  | Business Case Required | TBC               |                     |                   |                     |                 |                   |                   |                                | Resurface (including filling pot holes & re-lining bays) for GYBC owned parking bays at various sites for resident permit holders. No estimate of costs obtained at this stage.                                                                                                                                                                                                                                                                                                                                                                                           |
| Beales car park resurfacing                              | Business Case Required | £75,000           | (£75,000)           | £0                | £0                  | £0              | £0                | £0                | £6,875                         | This bid would be considered as part of a wider review of the existing car park provision within the Town Centre. The £75k cost would be to complete the whole carpark but potentially a section could be completed at a cost of £35k. Internal funding/ borrowing required may be reduced if private contribution obtained.                                                                                                                                                                                                                                              |
| Refurbish Tower Toilets                                  | Business Case Required | £75,000           | (£75,000)           | £0                | £0                  | £0              | £0                | £0                | £4,375                         | Refurbish the Tower Toilets (on the sea front opposite Euston Road) and include potential of introducing a Changing Places facility (a combined toilet, shower and changing room, designed especially to meet the needs of people with complex and multiple disabilities).                                                                                                                                                                                                                                                                                                |
| Alterations to Throw cage at Wellesley Recreation Ground | Business Case Required | £15,000           | (£15,000)           | £0                | £0                  | £0              | £0                | £0                | £1,375                         | To carry out health and safety alterations to the throw cage to comply with UK Athletics' new specifications they have introduced following a review of cage safety. This may form part of a wider review of the Wellesley site.                                                                                                                                                                                                                                                                                                                                          |
|                                                          |                        | <b>£2,724,068</b> | <b>(£1,389,000)</b> | <b>(£142,000)</b> | <b>(£1,193,068)</b> | <b>£200,000</b> | <b>(£200,000)</b> | <b>(£66,000)</b>  | <b>£105,887</b>                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

| Approval summary       | Budget 2021       | Borrowing           | Funding Revenue   | External            | Budget 2122     | Funding Borrowing | Potential Savings | Revenue income & Costs inc MRP |
|------------------------|-------------------|---------------------|-------------------|---------------------|-----------------|-------------------|-------------------|--------------------------------|
| Budget Setting         | £2,398,068        | (£1,210,000)        | £0                | (£1,188,068)        | £200,000        | (£200,000)        | (£50,000)         | £54,762                        |
| Business Case Required | £326,000          | (£179,000)          | (£142,000)        | (£5,000)            | £0              | £0                | (£16,000)         | £51,125                        |
| <b>Total</b>           | <b>£2,724,068</b> | <b>(£1,389,000)</b> | <b>(£142,000)</b> | <b>(£1,193,068)</b> | <b>£200,000</b> | <b>(£200,000)</b> | <b>(£66,000)</b>  | <b>£105,887</b>                |