

**Subject: 2018/19 BUDGET REPORT**

Report to: Policy and Resources Committee - 6 February 2018  
Full Council - 20 February 2018

Report by: Finance Director

### **SUBJECT MATTER AND RECOMMENDATIONS**

This report presents for consideration and recommendation to Full Council the 2018/19 budget along with the latest financial projections for the following three years to 2020/21. The report includes details of the provisional finance settlement along with the key assumptions that have been made within the budget.

Overall the position shows a surplus of £13,816 for 2018/19 which is recommended to be transferred to the general reserve.

The financial forecast for the period 2019/20 to 2021/22 is currently showing an increasing deficit of £0.4million for 2019/20 increasing to £2.6million by 2020/21. This position does not allow for the use of reserves over the medium term period to fund ongoing spending pressures but does allow for the delivery of savings and additional income that will be delivered over the short to medium term.

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 19 December 2017. 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 2018.

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 2018/19 general fund revenue budget as outlined at Appendix A;**
- 2) The fees and charges as detailed at Appendix D (in addition to those previously agreed in December 2017);**
- 3) The Council Tax for 2018/19 for the Borough Council tax be £156.48 (for an average Band D);**
- 4) That the demand on the Collection Fund for 2018/19 be:**
  - a. £4,391,455 for the Borough Council purposes;**
  - b. £377,953 for Parish Precepts;**

- 5) The statement of and movement on the reserves as detailed at Appendix F;
- 6) The Policy framework for reserves as detailed at Appendix G;
- 7) The updated Capital Programme and financing for 2017/18 to 2020/21 as detailed at Appendix H;
- 8) The prudential indicators and minimum revenue provision policy as detailed at Appendix J;
- 9) That members note the current financial projections for the period 2019/20 to 2020/21.

## 1. Introduction and Background

- 1.1 This report presents for recommendation the detail of the 2018/19 revenue budget and the indicative projections for the following three financial years, 2019/20 to 2021/22.
- 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 21 February 2018 as part of the annual Budget and Council Tax setting.
- 1.3 The financial projections for the period 2018/19 to 2020/21 were presented to Members in February 2017 alongside consideration of the budget for 2017/18. These provided indicative forecasts for the future taking into account the multi-year settlement figures covering the four year period 2016/17 to 2019/20. An update to the Medium Term Financial Strategy (MTFS) covering the period 2018/19 to 2020/21 was presented to Members for consideration in November 2017. Table 1 below provides a summary of the forecast surplus/budget gap presented at those times.

<b>Table 1 - Background - Funding Gaps</b>			
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
February 2017	693	1,508	3,083
November 2017	122	632	2,023

\* Nov 2017 Figures included in the MTFS assumed targets for savings and additional income would be delivered.

- 1.4 The forecast in November reflected in-year budget monitoring variances that had been flagged including service and non-service budget movements. In addition a reduction in the level of New Homes Bonus payable for 2018/19 was assumed due to forecast growth in new homes not being as previously anticipated. The projections as summarised above were based on a number of assumptions around future spending plans, income and delivery of new and ongoing savings and efficiencies.
- 1.5 The budget for 2018/19 and future financial projections as included in this report and accompanying appendices is the culmination of work carried out by finance and service areas along with Executive Leadership Team and the Policy Resources Committee. The position has been informed by the confirmation of year three of the multi-year settlement and provisional allocations of new homes bonus funding for 2018/19 as announced on 19 December 2017. The final settlement is expected early February and the final budget presented for approval on 20 February 2018 will be updated where applicable to reflect

any changes. Appendix A provides a general fund summary for the 2018/19 and future financial projections with more detail within Appendix B which also provides commentary on the more significant movements from the 2017/18 base budget.

## **2. Provisional Local Government Finance Settlement**

2.1 The provisional finance settlement (year three of the multi-year settlement which the Council accepted) was announced by the Secretary of State for Local Government on 19 December 2017. The final settlement figures are due to be announced in early February and where applicable any changes resulting from the final settlement will be reflected in the budget report to Full Council on 20 February 2018.

2.2 Some of the key messages from the settlement statement and the subsequent analysis are as follows:

- a) Council Tax Referendum Limit – This has been increased from 1.99% to 2.99% for 2018/19 and 2019/20. For shire districts the limit for 2018/19 would be the greater of £5 or 3% and under the changes 88 shire districts (including Great Yarmouth) would not see any additional resource from this greater flexibility. The social care precept as announced under previous settlements of 3% for 2018/19 and 2019/20 is still in place. No limits have been introduced for town and parish councils for three years;
- b) New Homes Bonus the 0.4% threshold for growth is still used in the allocation of NHB for 2018/19, i.e. no increase in the threshold has been implemented no holdback of funding has been implemented for decisions on new homes approved by the Planning Inspectorate;
- c) Business Rate Pilots – A further 10 pilots for 2018/19 have been announced for piloting 100% rates retention in 2018/19, the Norfolk pilot application was not one of those approved. Further applications for pilots from 2019/20 will be invited during 2018/19;
- d) Core Spending Power – The figures announced indicate that the Core Spending Power will rise by an average of 1.5% in 2018/19, on the basis that Council's will raise council tax by the maximum amount permitted without a referendum.
- e) Fair Funding Review - The government has confirmed that the fair funding review will be completed in time for the 2020/21 financial year. A consultation has been launched which considers potential approaches that might be taken to measure the relative need of local authorities.

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
- Transition Grant
- Assumed income from Council Tax – allowing for tax base growth\*
- Assumed income from Council Tax – allowing for annual increases to the council tax to the referendum limits, i.e. higher of 3% or £5\*.

2.4 Table 2 provides a summary of the Core Spending Power (CSP) for GYBC as included in the provisional settlement announcement.

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Settlement Funding Assessment (1)	8,135	7,255	6,593	6,239	5,806
Compensation for under-indexing the business rates multiplier	51	51	46	77	116
Council Tax of which;	3,831	3,914	4,142	4,362	4,590
Council Tax Requirement excluding parish precepts (including base and levels growth)	3,831	3,914	4,085	4,290	4,505
Potential additional Council Tax from £5 referendum principle for all Districts	-	-	57	72	84
New Homes Bonus	1,157	1,377	1,063	628	543
New Homes Bonus returned funding	11	8	9	-	-
<b>Core Spending Power</b>	<b>13,185</b>	<b>12,605</b>	<b>11,853</b>	<b>11,306</b>	<b>11,054</b>
Change over the Spending Review period (£ millions)					(2,131)
Change over the Spending Review period (% change)					-16.2%

(1) 2019/ 20 Settlement Funding Assessment has been modified to include a provisional tariff or top-up adjustment.

(2) New Homes Bonus allocations for 2019/20 are for illustration purposes only. Actual payments will depend on housing delivery and are subject to change.

2.5 The Core Spending power assumes that the resources will continue to reduce over the next four years (period of the spending review) by 16.2% equating to approximately £2 million, this is based on the assumption that the Council will increase its band D council tax annually over the period of the settlement by £5 and that there will be continued growth in delivery of properties that impact on the Council tax requirement and new Homes Bonus income.

2.6 Table 3 below provides a breakdown of the Settlement Funding Assessment which consists of RSG and Business Rates Baseline funding. The baseline funding level reflects the baseline level of business rates assumed to be retained locally, this has been updated to reflect the impact of the 2017 property rating list.

<b>Table 3 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>£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
Baseline Funding Level		3,515	3,587	3,694	3,776
<b>Total Settlement Funding Assessment</b>	<b>8,135</b>	<b>7,255</b>	<b>6,593</b>	<b>6,239</b>	<b>5,806</b>
<b>Movement - Year on Year</b>					
Revenue Support Grant £ (Reduction)			(733)	(462)	(516)
Revenue Support Grant % Reduction			-19.6%	-15.4%	-20.3%
Baseline Funding Level £ Increase			72	108	82
Baseline Funding Level % Increase			2.0%	3.0%	2.2%
<b>Total Settlement Funding Assessment (Reduction) £</b>		<b>(880)</b>	<b>(661)</b>	<b>(354)</b>	<b>(434)</b>
<b>Total Settlement Funding Assessment (Reduction) %</b>		<b>-10.8%</b>	<b>-9.1%</b>	<b>-5.4%</b>	<b>-7.0%</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. The bonus is paid as an un-ring fenced grant and was until 2016/17 paid for six years 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 is then split between local authority tiers: 80% to the lower tier (GYBC) and 20% to the upper tier (Norfolk County Council). In 2017/18 a reduction to the number of years the bonus will be paid for was introduced, reducing to five years in 2017/18 and then for four years from 2018/19 thereafter.
- 3.2 A threshold baseline for growth was introduced to the systems of allocation of NHB funding from 2017/18. This essentially means that a Local Authority will need to achieve total housing growth of higher than 0.4% to receive a payment of NHB. It had previously been announced that the threshold may increase in future years if there is significant housing growth, there has been no increase to the threshold for 2018/19 NHB payments.
- 3.3 There have been no further changes to the scheme for 2018/19, in previous consultations there had been considerations of closer linking of the scheme to the planning system, for example imposing penalties for those Local Authorities that do not have a local plan and withholding payments for residential development that have been allowed on appeal.
- 3.4 The total provisional allocation of NHB for 2018/19 for GYBC is £5,040 which represents the amount for delivery of 18 affordable homes (26 for 2017/18).
- 3.5 As flagged previously in the Medium Term Financial Strategy the financial projections had been revised to remove any new bonus for 2018/19, this was due to the information from the Council Tax Base returns (which is used to allocate NHB) showing that the level of new dwelling growth was less than previous years unlikely to achieve the 0.4% baseline. The council tax data return submitted in October 2017 recorded additions of 118 (322 in 2017/18) and an increase in empty properties of 31 (reduction of 33 in 2017/18) showing a net total units of 87 (355 in 2017/18) overall below the baseline threshold and therefore no allocation payable for 2018/19.

3.6 After allowing for the previous years allocations, the total amount payable for 2018/19 is £627,700.

3.7 Table 4 provides details of the Council's allocations of NHB for 2018/19 including previous year's payments.

<b>Table 4 – New Homes Bonus – Allocations to date</b>								
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	£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
2017/18							194	194
2018/19								5
<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>

3.8 Future funding from the scheme may be subject to further changes as mentioned earlier, once announcements are made in respect of the future of NHB adjustments will be made in the Councils MTFS. Funding from NHB is still within the core spending power for an authority and still remains a risk to the Council's funding in the medium to short term. In the meantime housing delivery remains a priority in terms of new growth and bringing properties back into use through the enforcement work to reduce the number of long term empty properties.

#### 4. Business Rates

4.1 The current scheme of Business Rates retention came into operation in April 2013. The percentage shares are 50% central government; 40% GYBC and 10% Norfolk County Council.

4.2 The Government has recalculated top-ups and tariffs for 2017/18 to reflect the 2017 valuation and these will in turn determine the top ups and tariffs for 2018/19. In 2018/19 an adjustment payment will be made or received representing the difference between the revised 2017/18 tariff or top-up and that set for the 2017/18 settlement. This has resulted in an increased level of tariff for 2017/18.

4.3 The Valuation Office Agency (VOA) normally review and update the RVs every five years. The current RVs have been in place since April 2010, although RVs can change in between revaluation dates as a result of appeals. The revaluation process will redistribute the rates burden and will be cost neutral nationally. As part of the revaluation a system of transitional relief mitigates the impact of large increases and decreases in the rates bills payable, for example those seeing significant increases in the rates bill will have annual increases capped, the converse would apply to those seeing significant reductions in the rates bill.

4.4 As part of the 2015 Spending Review the Government announced that the current system of rates retention would move to a 100% retention of business rates by the end of

the current parliament as a move towards self-sufficiency at a local level with funding for local government being generated from council tax and business rates. The budget announcement December announced the intention to move to 75% business rates retention in 2020/21 for all authorities. This will mean the rolling in of a number of grants from 2020/21, including the Revenue Support Grant, Rural Services Delivery Grant, GLA Transport Grant and the Public Health Grant. Further work on the implications of this to Local Authority Funding will be worked upon over the next two years which will include a number of technical consultation papers and exemplifications of the impacts. In addition the Fair Funding Review will be critical to ensuring that the funding allocation post 75% rates retention addresses the relative needs and resources of individual authorities.

## **5. Savings and Additional Income**

5.1 The 2018/19 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. 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 review all of the Council's asset holdings to ensure that income streams are being maximised and costs minimised. Identify development opportunities, new investment or assets which are under performing 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 and 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 by design work that is ongoing.
- f) **Shared Services, Selling Services and Partnership** - Identifying opportunities for sharing service 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, these were then discussed with members of the Policy and Resources Committee in November as part of the 2018/19 budget preparation process. A schedule of the savings proposals from this process are detailed in Appendix C. Where applicable the timing of delivery of the proposals have been updated to reflect part year savings where time is required to implement the savings.
- 5.3 In addition to those proposals as included at Appendix C a number of savings targets were allocated to themes within the Council's current business strategy priorities within the Medium Term Financial plan as presented to Members in November. The following provides a summary of the additional income factored into the 2018/19 budget along with where further work will be completed during 2018/19 in order to deliver these.
- a) Growth – a target of £50,000 was identified to be delivered through economic growth from business rates and homes. The budget for 2018/19 reflects the current forecast from business rates as informed by the NNDR return. This area will continue to be monitored.
  - b) Property Investment and Commercialisation – The treasury management strategy for 2018/19 which is to be agreed as part of the budget process allows options for diversifying the council's investment portfolio including pooled property funds. In addition the budget for 2018/19 allows a revised position from property income for 2018/19.
  - c) GYBC Operating model – A joint review of the GYBS contract is underway to identify cashable efficiencies from the current arrangements. This is due to be reported to a future meeting of the Environment Committee and the budget for 2018/19 has factored in savings of £200,000 to be delivered in 2018/19. The detailed work has not yet been finalised to identify the areas that the saving will be from, as this work is completed over the coming months the 2018/19 service budgets will be updated to reflect the position.
- 5.4 Full Council in December approved the Fees and Charges for 2018/19 the majority of which have been set in line with the current policy which essentially recommends annual increases of RPI of 3.9% plus 2%.
- 5.5 As part of the normal budget process existing and future budgets are challenged, some of this challenged has highlighted small service savings which have been factored into the budget position for 2018/19.
- 5.6 Minimum Revenue Provision - As highlighted during the year within the budget monitoring report a review of the Minimum Revenue Provision Policy has been undertaken. Alongside this the current capital programme has been reviewed and where applicable schemes have been slipped to future years to reflect more accurately when the spend will be incurred and whether the budgets are still required. The timing of the capital spend will impact on when the MRP charge commences. This review has reduced the MRP charge for 2018/19 compared to that originally forecast by £280,000.

## 6. Revenue Account Base Budget – 2018/19

- 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 the overall position in the form of a General Fund Summary and further details on the individual service budgets is included at Appendix B which shows the movement of the 2018/19 base budget compared to the base budget for 2017/18 as set in February 2017 along with comments of the more significant variances.
- 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 2018/19 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 2018/19 of £5, based on the tax base of 28,064 (an increase of 722 compared to 2017/18) as approved in December 2017. This means that the borough element for a band D Council Tax for 2018/19 would be £156.48 (an increase of £5, 3.6% compared to 2017/18). Further details on the profile and level of council tax for the individual bandings is included at section 6. Overall this will deliver in the region of £250,000 additional funding compared to 2017/18.
  - b) **Employee budgets** – The budget assumes a 2% pay award for 2018/19, 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 £150,000 which equates to turnover of approximately 1.5%. Where annual increments are due these have continued to be factored into the budget.  
  
The forward projections include the apprenticeship levy which came into effect in April 2017. The levy is payable at a rate of 0.5% by all employer's where the pay bill is over £3 million. From 2018/19 onwards £36,000 has continued to be factored into the budget.
  - c) **Fees and Charges** – The fees and charges for 2018/19 were approved by Full Council in December 2017. In the main the fees and charges for 2018/19 were increased in line with the policy as previously agreed by the Council. The policy allows for annual increases to those fees and charges which are set locally of RPI plus 2% to 2020, for 2018/19 this equates to 5.9%. At the time of reporting to Policy and Resources and Full Council in December 2017 further work was still required in respect of a number of fees and charges. A schedule is now attached at Appendix D detailing the charges now being recommended for approval and include: The 20% planning fee increase has now been implemented, a more detailed review of locally set planning fees for example pre-application advice is being carried out now with a view to bring forward proposals in early 2018/19.
  - 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 £759,000 interest payable is included in the budget for 2018/19 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 £1.433 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 2018/19 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. Where applicable assumptions have been regarding the future delivery of capital schemes and the timing of projects and the related revenue implications of MRP and interest.

- 6.4 The General Fund Summary presented at Appendix A shows a budget for 2018/19 which this is summarised in Table 5 with the equivalent figures from the 2017/18 base budget.

<b>Table 4 – Variance of 2017/18 to 2018/19 Base Budget</b>	<b>2017/18 Base Budget</b>	<b>2018/19 Base Budget</b>	<b>Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Net cost of services (incl. Parishes)	13,114	12,350	(764)
Non service expenditure/ income	(264)	(227)	37
Net budget requirement	12,849	12,122	(727)
<b>Funded by:</b>			
Local Taxpayers - Parishes	(354)	(354)	0
Local Taxpayers - District Council	(4,142)	(4,391)	(250)
Revenue Support Grant & Retained Business Rates	(7,101)	(6,762)	339
New Homes Bonus	(1,063)	(628)	436
Council Tax Freeze Grant one off (14/15)	0	0	0
Total Income	(12,661)	(12,136)	525
<b>(Surplus)/ Deficit</b>	<b>188</b>	<b>(14)</b>	<b>(202)</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 3% or £5 per annum. The budget for 2018/19 assumes a band D council tax increase of £5 per annum for 2018/19. This is line with the previous financial projections and the 2018/19 MTFS as presented in November 2017.
- 7.2 Table 7 below summarises how the budget for 2018/19 will be financed and the District's net call on the Collection Fund for 2018/19. The Council tax summary is included at Appendix C.
- 7.3 The Council Tax Base of 28,064 Band D equivalent properties for 2018/19 (27,342 for 2017/18) was approved by Full Council in December 2017. The summary below shows the equivalent charge for the council tax bandings for the 2018/19 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 68% of properties are within bands A and B.

<b>Table 5– Council Tax Summary 2018/19</b>		£
Total District amount to be met from Government Grant & Local Taxation		11,767,650
Less:		
Revenue Support Grant		(2,544,905)
Business Rates Retained		(4,217,407)
New Homes Bonus		(627,700)
District call on Collection Fund – excluding Parish Precepts		(4,391,455)
<b>Deficit (to be funded from reserves)</b>		<b>(13,816)</b>

Council Tax Per Annum	Banding							
	A	B	C	D	E	F	G	H
2017/18	£100.99	£117.82	£134.65	£151.48	£185.14	£218.80	£252.47	£302.96
2018/19	£104.32	£121.71	£139.09	£156.48	£ 191.25	£226.03	£ 260.80	£312.96
Increase	£ 3.33	£ 3.89	£ 4.44	£5.00	£ 6.11	£ 7.22	£ 8.33	£ 10.00

## 8. Reserves

- 8.1 The current and future forecast on the General and Earmarked Reserves is attached at Appendix D. The statement provides the latest proposals for use of reserves in the current financial year along with the budgeted movements in 2018/19, 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 18 January 2018.
- 8.4 As part of considering the budget for 2018/19 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 also 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 current recommended balance in the general reserve is £2.5million. The recommended balance is informed by the policy framework for reserves and is included

at Appendix G to this report. The framework takes into account a number of factors and sensitivities to budgets included in the base budget for 2018/19.

- 8.6 The balance in the general reserve at 1 April 2017 was £3.7 million. Current year movements from the general reserve are expected to be an £821k reduction. This also allows for planned and approved virements as reported during the year.
- 8.7 The Council holds a number of more significant reserves including:
- a) **Invest to Save** – An invest to save reserve was established during 2016/17 and provides 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 2019 is £1.471 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 serves to provide a fund 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 2020.
  - c) **Projects** – There are a number of significant projects that the Council is involved with which will have future financial implications to the Council's overall financial position including those that are currently planned to deliver financial benefits and reduce costs. Establishing of an earmarked reserve for projects provides one-off funding that can be used as matched funding or funding revenue implications of capital projects.
- 8.8 The reserve statement at appendix F 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.
- 8.9 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.
- 8.10 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 included at Appendix H to the report. The capital programme has been updated to take into consideration those changes identified within the current financial year and where timing of projects has not been as planned the budgets have slipped between financial years.

### **Capital Scheme Slippage**

- 9.2 With regard to the Capital Programme, the only other changes to the budgets have been made in relation to the profiling of expenditure between financial years for the following schemes. This is to reflect more accurately when expenditure is anticipated to be incurred, although it should be noted that neither the scheme budgets, nor the sources of financing for any of these schemes have been changed.

- 9.3 The detail of the slippage of the capital programme is included in the Appendix H. In total the updated capital budget will see a reprofiling of £17,314k capital spend from 2017/18 to 2018/19. £13,653k of the reprofiled capital expenditure is to be financed from unsupported borrowing.

### **2018/19 Capital Programme**

- 9.4 Appendix H also includes a summary of the 2018/19 and 2019/20 capital programmes, excluding new bids and including the slippage on the 2017/18 capital programme.
- 9.5 The 2018/19 and 2019/20 capital programmes include capital projects approved in prior year budgets with a capital budget of £1,668k, £800k is financed from a grant contribution and the remainder is to be financed by borrowing.
- 9.6 The 2018/19 capital programme also includes the Beach Hut project which has been approved by the Policy & Resource Committee in 2018. This has a planned spend of £140k to be funded by unsupported borrowing.

### **New Capital Schemes**

- 9.7 In addition to the existing capital programme amendments, approval is also being sought for a number of new capital projects as identified within the Capital Appendix I.
- 9.8 The total of the estimated project costs associated with these capital bids is £318k to be funded by unsupported borrowing. The bids include a further £155k for 2019/20, also financed from borrowing.
- 9.9 New capital receipts will be monitored as part of the on-going budget monitoring process, and where applicable recommendations will be made to amend the capital programme and it's financing.
- 9.10 Appendix I includes £505k of capital projects funded from borrowing for which future business cases are required but are seeking approval in principal.
- 9.11 New capital receipts will be monitored as part of the on-going budget monitoring process, and where applicable recommendations will be made to amend the capital programme and it's financing.

### **Capital Programme Funding**

- 9.12 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.

## Summary Capital Spend & Financing:

	2017/18 forecast £'000	2018/19 £'000	2019/20 £'000
Current Capital Programme	36,109	1,527	280
Forecast variance on Projects	(3,153)	0	0
Forecast Slippage from 2017/18	(17,314)	17,314	0
<b>Revised Capital Programme</b>	<b>15,642</b>	<b>18,841</b>	<b>280</b>
Recommended Bids	0	318	155
Bids requiring Business Cases	0	505	0
	<b>15,642</b>	<b>19,664</b>	<b>435</b>
Financing:			
Unsupported Borrowing			
Borrowing	10,462	15,297	435
Capital Receipts	50	65	0
Revenue	97	400	0
External Funding	5,032	3,902	0
	<b>15,642</b>	<b>19,664</b>	<b>435</b>

## 10. Future Financial Forecasts

- 10.1 The future financial projections reflect the multi-year settlement which covers the period 2016/17 until 2019/20. The settlement confirms the allocation of Revenue Support Grant until 2019/20 after which funding for Local authorities will be through Council Tax and the Business Rates retention system. As mentioned earlier in the report the detail of the latter is yet to be published although further details are expected over the next 12 to 18 months as part of the fair funding review and further technical consultations to be issued during 2018.
- 10.2 As per of the annual budget setting process indicative future year budgets are produced alongside the forthcoming budget. These are presented within the general fund summary at appendix A.
- 10.3 The forecast financial projections included at Appendix A for the period 2019/20 to 2020/21 make assumptions around spending forecasts and currently include the RSG as per the multi-year settlement figures for these periods, funding from the New Homes Bonus from 2018/19 has been scaled back compared to the figures assumed in the core spending power and the funding from council tax assume increases in line with the CSP assumptions, i.e. annual increases of £5 plus local council tax base growth of 500 per annum<sup>1</sup>. Business rates baseline funding has assumed to increase each year and the tariff's increased in line with RPI annually.

<sup>1</sup> Note: Tax base growth does not just reflect property growth but also collection rates, changes in council tax discounts and movements in the numbers eligible for the discounts.

- 10.4 After allowing for these assumptions the overall position shows a current forecast budget gap of £0.384m in 2019/20, increasing to £2.6 million in 2020/21. The last year of the projections is largely due to the removal of RSG from 2020/21 although it would be expected that the needs element of this funding is reflected in the outcomes of the fair funding review and therefore received through the rates retention system from 2020/21 onwards. The detail and operation of this is not yet known therefore no assumptions of additional funding have been factored into the future forecasts at this time.
- 10.5 The report (section 4) details 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 work streams will be continuing and monitoring of the savings and income will be factored into the regular budget monitoring reports during 2018/19. Further savings and income opportunities will need to be considered as part of the 2019/20 budget setting process for which work will commence early in the new financial year to allow for planning and implementation as necessary.

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

- 11.1 The overall budget for the general fund as presented within this report shows a balanced position with a small surplus which is being recommended to be transferred to the general reserve. The actual general fund reserve balance is forecast to be just under £2.9 million at the end of 2018/19 which is above the revised recommended balance of £2.5 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 planned shift from centrally funded to a more localised approach from 2020/21 when the Revenue Support Grant ends and the implementation of a greater retention of business rates for local authority funding is introduced.
- 11.3 The following outlines the more significant risks face by the Council in the short to medium term and in particular those that could have an impact on delivery of the 2018/19 budget.
- 11.4 **Future Funding** – As mentioned previously Local Government as a sector continue to face funding reductions and this has been confirmed by the provisional Local Government Finance Settlement. Whilst the settlement has confirmed the allocations for year three of the multi-year settlement the future reductions of revenue support grant and central government assumptions around housing growth and the direct impact to local funding from new homes bonus and council tax still remain ambitious. The overall reduction in RSG between financial years covered by the settlement period is just over £1.7m. The financial planning process has taken account of this change, however the future funding gaps still remain a risk with the significant reduction in 2020/21 when there will be no RSG and funding will be from a greater share of business rates and council tax. The future forecasts have assumed the removal of RSG in full from 2020/21 which will mean a reduction of over £2 million in funding from 2019/20 to 2020/21.
- 11.5 **New Homes Bonus** – The provisional settlement has confirmed the allocation of NHB for 2018/19 for which a payment for the affordable homes is due but no further addition linked to growth as the baseline was not met. The baseline of 0.4% significantly reduces the ability of the Council to benefit from the scheme to access funding for the delivery of new homes in the borough. Whilst there have been no further changes to the scheme, there still remains a significant risk in terms of future funding for the Borough.

- 11.6 **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. Whilst the risk is shared between Borough/Districts, County and Central Government in the proportionate shares of rates retention i.e., 40:10:50, the impact can be over a number of years where there is a deficit to be covered from the collection of business rate income.
- 11.7 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.
- 11.8 A further risk in relation to the income retained from the business rates is the ongoing review of the rates retention system that is due to come into operation in 2020/21. A further 10 pilots for 100% rates retention for 2018/19 were announced as part of the settlement and expressions of interest from further pilots is due to be invited for 2019/20. Furthermore the Government have announced the intention of 75% rates retention from 2020/21 although further consultations are due in 2018 on this. This will also need to be considered alongside the fair funding review which will determine Local Authority funding requirements from the implementation of the new system of funding from 2020/21. Assurances will be needed that the new system has mechanisms in place to balance needs alongside growth ability, to ensure that those areas where there is limited growth in business rates are not financially disadvantaged in terms of the need to spend.
- 11.9 **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 £274k have been factored into the 2018/19 budget increasing to £340k from 2020/21, this is in addition to the savings from the 2017/18 budget process which in the main is continuing to be delivered. It is critical that the delivery of these savings is closely monitored by Officers and Members, for example through the various monitoring reports. The budget includes savings of £200,000 from contract review although the detail is yet to be finalised, whilst it is not ideal to include savings to be achieved as opposed to being allocated to services, officers remain confident that this is achievable.
- 11.10 **Interest Payable and MRP** - The budget reflects the revenue costs of the planned borrowing and financing of the current and future capital programmes. Slippage of capital schemes will impact on the level of borrowing required along with the associated financing costs. The current and future capital programmes have been reviewed to accurately reflect the timing of the projects, this is to ensure that an accurate provision for MRP 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.
- 11.11 **Budgeted Income** – The budget presented for approval includes a number of significant service income areas which are reliant on external demand. These include car parking, planning and building control, crematorium and property rentals from council assets. Whilst budgets have been based on previous actuals and knowledge of the service delivery, income levels need to be monitored closely. Therefore delivery 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

- 11.12 **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. As mentioned earlier in the report 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, but reserves do not provide a long term solution for a sustainable budget. As part of the budget process it is recommended that re-allocations are made from the general reserve for earmarking for projects and also to mitigate future funding fluctuations in relation to the business rates retention.
- 11.13 **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 £40million 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. As a significant expenditure and income line in the budget this area is closely monitored.
- 11.14 **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 budget is set for approval each year; it is being presented for consideration by the Policy and Resources Committee for recommendation to Full Council as part of the budget and council tax setting process. The reports presents the detailed budget considerations for 2018/19 along with high level financial forecast for the following three financial years. The budget has been informed by the multi-year settlement for the period 2016/17 to 2019/20, the provisional finance settlement for 2018/19 and a number of assumptions around future savings and income which are detailed in the report and appendices.
- 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 2020.

## **13. Background Papers**

- 13.1 The budget report has been informed in the main by the following:
- a) 2016/17 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 2018/19.

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

<b>Area for consideration</b>	<b>Comment</b>
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 – Fees and Charges (additions)

E – Council tax Summary

F – Reserves Statement

G – Policy Framework for Reserves

H – Capital Programme

I – New Capital Bids

J – Prudential Indicators and Annual Minimum Revenue Provision Statement

**General Fund Summary**

	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	2019/20 Forecast	2020/21 Forecast
LOCAL GOVERNMENT FINANCE SETTLEMENT PERIOD					
	£	£	£	£	£
<b>Services:</b>					
Executive	878,566	1,311,086	1,301,812	1,267,624	1,305,996
Housing	932,430	979,031	914,319	878,997	895,358
Community Development & Regeneration	3,213,788	3,066,845	2,625,648	2,484,947	2,453,604
Organisational Development	966,073	1,106,164	957,387	1,012,858	923,101
Planning and Growth	764,262	815,144	545,949	610,868	571,898
Customer Services	(1,264,513)	(1,055,471)	(904,739)	(1,039,542)	(891,629)
Property and Asset Management	975,609	1,015,093	542,703	378,096	283,934
IT, Communications and Marketing	1,490,615	1,506,172	1,569,206	1,484,199	1,571,968
Environmental Services	3,906,340	3,898,726	3,761,255	3,658,299	3,724,319
Finance	939,432	861,502	843,177	864,142	880,524
Savings to be allocated to service	0	0	(200,000)	(200,000)	(200,000)
<b>Net Cost of Service</b>	<b>12,802,601</b>	<b>13,504,292</b>	<b>11,956,718</b>	<b>11,400,489</b>	<b>11,519,073</b>
<b>Non Service Exp/(Income):</b>					
Recharges to HRA	(1,529,710)	(1,550,937)	(1,589,562)	(1,589,562)	(1,589,562)
Parish Precepts	354,487	354,810	377,953	377,953	377,953
Parish CTSS Grant	46,070	45,897	33,710	26,968	26,968
Capital Charges	(1,861,586)	(1,861,586)	(1,830,134)	(1,830,134)	(1,830,134)
Revenue Contribution to Capital Outturn	0	0	600,000	0	0
Interest Receivable	(72,000)	(22,000)	(64,315)	(64,128)	(63,950)
Interest Payable	610,795	559,795	809,113	1,042,539	1,117,539
Minimum Revenue Provision	1,802,342	1,802,342	1,432,906	1,465,535	1,493,082
IAS19 Pension Adjustment	1,306,407	1,351,069	1,403,000	1,600,000	1,760,000
Second Homes Council Tax Grant	(62,397)	(62,397)	(31,199)	0	0
Vacancy Management	(144,000)	36,000	(150,048)	(150,014)	(150,013)
Apprenticeship Levy	0	0	35,400	34,300	36,400
<b>Sub total - Non Service Exp/Inc</b>	<b>450,409</b>	<b>652,993</b>	<b>1,026,824</b>	<b>913,456</b>	<b>1,178,283</b>
<b>Net Operating Expenditure</b>	<b>13,253,010</b>	<b>14,157,285</b>	<b>12,983,542</b>	<b>12,313,945</b>	<b>12,697,356</b>
<b>Contributions to/(from) Reserves:</b>					
Insurance Fund	0	(5,940)	0	0	0
Town Centre	(25,000)	(271,656)	(13,429)	0	0
Neighbourhood Management	0	(35,000)	0	0	0
Enforcement	0	(2,410)	0	0	0
Restricted Use Grant	0	(232,870)	(24,000)	(24,000)	(23,726)
Specific Budget	0	(673)	0	0	0
LEGI	(57,000)	0	0	0	0
Second Homes Council Tax	0	0	0	0	0
Waste Management	(25,170)	0	0	0	0
Invest To Save	(172,308)	(182,072)	(175,341)	(22,930)	0
Collection Fund Reserve	0	(431,559)	0	0	0
Special Project Reserve	(105,250)	457,500	(696,742)	(44,533)	0
Other Reserves	(19,130)	(236,852)	0	0	0
<b>Sub Total Reserves</b>	<b>(403,858)</b>	<b>(941,532)</b>	<b>(909,512)</b>	<b>(91,463)</b>	<b>(23,726)</b>
<b>Amount to be met from Government Grant and Local Taxpayers</b>	<b>12,849,152</b>	<b>13,215,753</b>	<b>12,074,030</b>	<b>12,222,482</b>	<b>12,673,630</b>
Collection Fund - Parishes	(354,487)	(354,810)	(377,953)	(377,953)	(377,953)
Collection Fund - Borough	(4,141,766)	(4,141,443)	(4,391,455)	(4,612,515)	(4,838,575)
Retained Business Rates (net)	(4,094,570)	(4,094,570)	(4,145,833)	(4,249,479)	(4,355,716)
Revenue Support Grant	(3,006,673)	(3,006,673)	(2,544,905)	(2,029,123)	0
New Homes Bonus	(1,063,416)	(1,063,416)	(627,700)	(569,640)	(499,240)
<b>Income from Grant and Taxpayers</b>	<b>(12,660,912)</b>	<b>(12,660,912)</b>	<b>(12,087,846)</b>	<b>(11,838,710)</b>	<b>(10,071,484)</b>
<b>(Surplus)/Deficit (before general reserve transfer)</b>	<b>188,240</b>	<b>554,841</b>	<b>(13,816)</b>	<b>383,773</b>	<b>2,602,146</b>
<b>Surplus/Deficit after use of reserves</b>	<b>188,240</b>	<b>554,841</b>	<b>(13,816)</b>	<b>383,773</b>	<b>2,602,146</b>

		2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Executive:</b>							
CTCP	<b>Civic and Portering</b>						
	Employee	145,087	103,651	101,777	154,960	51,310	The Events Project Manager costs have been transferred in from Tourism (CTTO) in the 18/19 budget.
	Premises	0	0	0	0	0	
	Transport	13,492	10,000	10,000	12,512	2,512	
	Supplies & Services	36,401	24,809	24,809	37,670	12,861	Civic Events spend increased by £10.8k but sponsorship income created (£8.5k variance below) which partially covers the increased spend.
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	(342,780)	(317,850)	(317,850)	(292,680)	25,170	Reflects decrease in cost of service, as per above, as Civic & Portering service is fully recharged.
	Support Services - Recharges In	154,760	179,390	179,390	103,080	(76,310)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
	Income	(6,961)	0	0	(8,500)	(8,500)	
		(2)	(0)	(1,874)	7,042	7,043	
CTVE	<b>Events</b>						
	Employee	1,526	0	3,000	0	0	
	Premises	2,701	0	0	0	0	
	Transport	0	0	0	0	0	
	Supplies & Services	32,962	3,024	3,024	7,798	4,774	
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	0	0	0	0	0	
	Support Services - Recharges In	170,210	54,700	54,700	101,540	46,840	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	(34,123)	(10,000)	(10,000)	(12,000)	(2,000)	
		173,276	47,724	50,724	97,338	49,614	
ETCI	<b>Town Centre Initiative</b>						
	Supplies & Services	0	0	271,656	0	0	
		0	0	271,656	0	0	
EXCC	<b>Corporate costs</b>						
	Transport	0	0	0	5,400	5,400	
	Supplies & Services	0	0	148,939	108,726	108,726	New Cost centre created in 17-18 to accurately reflect corporate costs previously coded to the Executive Team. These costs include External Audit previously included under Finance (RRFI), TCI Core funding & rental car costs from the Executive (EXTE) and corporate subscriptions and membership costs previously allocated under Members (ROM).
		0	0	148,939	114,126	114,126	
EXEG	<b>Transformation Team</b>						
	Employee	110,502	0	0	0	0	
	Supplies & Services	147,086	0	6,174	0	0	
	Income	(1,435)	0	0	0	0	
		256,153	0	6,174	0	0	
EXPP	<b>Projects and Programmes</b>						
	Employee	0	0	42,453	175,857	175,857	This is a new cost centre and includes four posts. Funding of these posts have come from (a) transfer of budget from the Modernisation Team (RPMT) which is now closed, (b) internal recharges for work undertaken on projects and (c) a transfer from reserves for 2.5 days for one of the posts.
	Premises	0	0	0	0	0	
	Transport	0	0	0	1,500	1,500	
	Supplies & Services	0	0	0	3,100	3,100	
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	0	0	(21,227)	0	0	
	Support Services - Recharges In	0	0	0	36,760	36,760	New service 18/19 so no recharge in 17/18.
	Income	0	0	0	0	0	
		0	0	21,226	217,217	217,217	

		2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
EXTE	<b>Executive Team</b>						
	Employee	400,624	487,409	567,283	637,603	150,194	This increase is due to a combination of (a) the transfer in of a post from Members (ROMS), (b) reallocation of budgets to reflect the management restructure and (c) pension costs which were not included in the 17-18 base budgets.
	Premises	0	0	0	0	0	
	Transport	3,395	5,000	5,000	5,000	0	
	Supplies & Services	143,451	49,786	12,042	12,186	(37,600)	Transfer of budget to the new cost centre Corporate Wide costs (EXCC) i.e. TCI Core funding & rental car costs.
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	(997,550)	(1,048,990)	(1,048,990)	(1,053,020)	(4,030)	
	Support Services - Recharges In	490,020	506,790	506,790	448,230	(58,560)	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	(39,944)	0	(50,000)	(50,000)	(50,000)	Part funding of a Director's post 'off-set' by employee costs above.
		(5)	(5)	(7,875)	(1)	4	
ROLE	<b>Legal</b>						
	Employee	213	154	154	0	(154)	
	Premises	0	0	0	0	0	
	Transport	0	0	0	0	0	
	Supplies & Services	0	0	0	0	0	
	Third Party Payments	218,480	229,733	229,733	240,000	10,267	Changes to NP Law contract expected to increase costs.
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	(151,040)	(206,280)	(206,280)	(211,410)	(5,130)	
	Support Services - Recharges In	960	1,390	1,390	1,400	10	
	Income	(68,610)	(25,000)	(54,958)	(30,000)	(5,000)	
		2	(3)	(29,961)	(10)	(7)	
	<b>Total Executive:</b>	<b>429,105</b>	<b>47,716</b>	<b>459,009</b>	<b>435,712</b>	<b>387,997</b>	
	<b>Total Executive excluding recharges:</b>	<b>1,104,525</b>	<b>878,566</b>	<b>1,311,086</b>	<b>1,301,812</b>	<b>423,247</b>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Housing:</b>						
<b>GHHN Housing Needs</b>						
Employee	508,407	477,473	495,924	487,150	9,677	
Premises	102,629	146,791	140,360	146,963	171	
Transport	2,290	3,152	3,152	3,152	0	
Supplies & Services	80,300	150,990	161,940	151,078	88	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	18,121	19,178	19,178	18,515	(663)	
Support Services - Recharges Out	0	0	0	(4,730)	(4,730)	
Support Services - Recharges In	323,610	292,840	292,840	316,160	23,320	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	(878,594)	(225,128)	(224,223)	(227,669)	(2,541)	
	<u>156,763</u>	<u>865,296</u>	<u>889,171</u>	<u>890,619</u>	<u>25,322</u>	
<b>GHHS Housing Strategy</b>						
Employee	80,517	74,652	73,557	74,606	(46)	
Premises	785	2,666	666	668	(1,998)	
Transport	477	525	525	525	0	
Supplies & Services	15,070	48,067	95,789	48,080	13	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	25,723	25,723	25,723	24,437	(1,286)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	44,300	54,550	54,550	73,400	18,850	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	(6,020)	0	0	0	0	
	<u>160,851</u>	<u>206,183</u>	<u>250,810</u>	<u>221,716</u>	<u>15,533</u>	
<b>GWPS Private Sector Housing</b>						
Employee	76,329	80,226	78,766	81,573	1,347	
Premises	0	0	0	0	0	
Transport	383	650	650	650	0	
Supplies & Services	40,519	87,064	45,369	55,369	(31,695)	A budget of £30k for the 5 year stock condition survey was included in 2017/18. As the survey was completed as planned in 2017/18 this is not required in 2018/19.
Third Party Payments	0	0	0	0	0	
Transfer Payments	5,563	5,740	5,740	5,740	0	
Support Services	0	0	0	0	0	
Capital Charges	901,005	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	152,236	94,516	94,516	94,320	(196)	
Income	(922,340)	(37,400)	(12,600)	(37,400)	0	
	<u>253,694</u>	<u>230,796</u>	<u>212,441</u>	<u>200,252</u>	<u>(30,544)</u>	
<b>GWSH Safe at Home</b>						
Employee	228,039	215,986	217,546	312,687	96,701	New projects "I'm Going Home and Healthy Homes Assistance" in 2018/19. Increased cost are fully expected to be offset by funding as reflected in the variance noted under income below.
Premises	0	0	0	0	0	
Transport	6,483	7,000	7,000	9,500	2,500	
Supplies & Services	11,357	21,969	22,469	35,423	13,454	New projects "I'm Going Home and Healthy Homes Assistance" in 2018/19. Increased cost are fully expected to be offset by funding as reflected in the variance noted under Income below.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	61,876	127,126	127,126	118,250	(8,876)	
Income	(156,116)	(172,894)	(178,500)	(276,727)	(103,833)	New projects funding "I'm Going Home and Healthy Homes Assistance" in 2018/19.
	<u>151,639</u>	<u>199,187</u>	<u>195,641</u>	<u>199,133</u>	<u>(54)</u>	
<b>Total Housing:</b>	<b>722,948</b>	<b>1,501,462</b>	<b>1,548,063</b>	<b>1,511,719</b>	<b>10,257</b>	
<b>Total Housing excluding recharges:</b>	<b>140,926</b>	<b>932,430</b>	<b>979,031</b>	<b>914,319</b>	<b>(18,111)</b>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Community Development and Regeneration:</b>						
<b>CGGP Parks and outdoor spaces</b>						
Employee	0	0	0	0	0	
Premises	423,404	427,711	429,309	427,729	18	
Transport	0	0	0	0	0	
Supplies & Services	7,532	8,076	8,076	8,318	242	
Third Party Payments	91,435	90,285	90,285	90,285	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	2,416	2,224	2,224	3,367	1,143	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	930	5,370	5,370	27,720	22,350	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	(908)	0	0	0	0	
	<u>524,808</u>	<u>533,666</u>	<u>535,264</u>	<u>557,419</u>	<u>23,753</u>	
<b>CGOS Outdoor sports</b>						
Employee	0	0	0	0	0	
Premises	238,700	238,011	238,011	238,389	379	
Transport	0	0	0	0	0	
Supplies & Services	13,243	7,625	7,626	7,831	206	
Third Party Payments	35,210	43,587	43,587	42,953	(634)	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	11,502	33,157	33,157	33,434	277	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	7,740	13,760	13,760	38,490	24,730	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(84,869)	(107,363)	(107,363)	(112,726)	(5,363)	
	<u>221,526</u>	<u>228,777</u>	<u>228,778</u>	<u>248,371</u>	<u>19,594</u>	
<b>CTTO Tourism</b>						
Employee	334,797	302,798	315,602	176,886	(125,912)	The Events Project Manager costs have been transferred to the Civic & Portering (CTCP) under the Executive service in the 18/19 budget (£42k). The marketing team posts have been transferred to Communications (CTCO) as part of the IT, Communications and Marketing service (£105.1k). This reduction in the budget is offset by an increase in the costs for the Tourism Manager post created in 17/18 (£73.6k) although £16k of this cost is funded by reserves because of protected pay. Further £54.9k transferred as part of Head of Service restructure.
Premises	3,583	19,193	11,693	6,004	(13,189)	£3k of costs in relation to the use of the van have been moved to Porters (CTCP) as they use it majority of the time. Historically the special works budget has been underspent therefore the 18/19 budget has been reduced by £7.5k to reflect this.
Transport	1,741	600	600	100	(500)	
Supplies & Services	364,676	405,001	382,002	368,709	(36,292)	A review of budgets for outlet ticket, PIPs licence & brochure costs identified that these budgets were overstated in 17/18 therefore the budget for these now reflect projected costs delivering an overall saving of £30k.
Third Party Payments	707	1,550	1,550	1,550	0	
Transfer Payments	0	0	0	0	0	
Support Services	1,134	1,400	1,400	1,400	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(60,000)	(60,000)	(60,000)	0	60,000	Management Restructure in 17/18 therefore no recharge from this code to other service areas required in 18/19.
Support Services - Recharges In	257,890	306,750	306,750	241,190	(65,560)	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	(282,709)	(275,962)	(272,463)	(282,962)	(7,000)	
	<u>621,819</u>	<u>701,330</u>	<u>687,134</u>	<u>512,877</u>	<u>(188,453)</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>GNCC CCTV</b>						
Employee	0	0	0	0	0	
Premises	4,000	4,000	4,000	4,000	0	
Transport	0	0	0	0	0	
Supplies & Services	132,780	133,153	133,153	143,153	10,000	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	1,500	1,500	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	21,590	20,820	20,820	22,410	1,590	
Income	(4,000)	(4,000)	(4,000)	(4,000)	0	
	<u>154,370</u>	<u>153,973</u>	<u>153,973</u>	<u>167,063</u>	<u>13,090</u>	
<b>GNCL Culture and Leisure</b>						
Employee	55,845	53,152	61,716	21,984	(31,168)	Prior year saving partially offset by 12 month temporary role, with 50% funded by the Arts Council.
Premises	0	0	0	0	0	
Transport	970	2,000	2,000	500	(1,500)	
Supplies & Services	132,129	63,880	103,850	69,344	5,464	
Third Party Payments	84,844	84,844	48,400	61,900	(22,944)	The change between years reflects the implementation of the council arts budget 2017-2021 as agreed during 2017/18.
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	192	192	0	(192)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	33,500	39,050	39,050	42,290	3,240	
Income	(99,341)	(11,825)	(31,825)	0	11,825	One off secondment to Sport England ended in 2017/18.
	<u>207,948</u>	<u>231,293</u>	<u>223,383</u>	<u>196,018</u>	<u>(35,275)</u>	
<b>NGNV Voluntary sector grants</b>						
Employee	0	0	0	0	0	
Premises	0	0	0	0	0	
Transport	0	0	0	0	0	
Supplies & Services	52,000	182,856	93,500	93,500	(89,356)	The business rate discretionary relief no longer chargeable to the service and reflected in the overall rates return.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	20,820	20,410	20,410	22,760	2,350	
Income	24,000	(36,000)	(36,000)	(53,000)	(17,000)	Additional £17k funding secured from Norfolk County Council for VCS (Voluntary Core Services) in 18/19.
	<u>96,820</u>	<u>167,266</u>	<u>77,910</u>	<u>63,260</u>	<u>(104,006)</u>	
<b>GNMP Indoor Leisure - Phoenix Pool &amp; Marina Centre</b>						
Employee	0	0	0	0	0	
Premises	25,352	21,926	21,926	22,409	483	
Transport	0	0	0	0	0	
Supplies & Services	21,408	76,940	76,940	7,043	(69,897)	The 17/18 budget allowed for contribution to Living Wage but this is not required in 18/19 as this is being met out of prior year surplus. In addition in 17/18 their was a one off budget for the RIBA feasibility study for the Marina centre which is not required in 18/19.
Third Party Payments	468,638	357,658	357,658	143,358	(214,300)	Reflects the prior agreed reduction in Phoenix Pool and Marina Centre Management Fee.
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	305,936	417,339	417,339	392,415	(24,924)	Change in depreciation charge due to 2017/18 capital expenditure and revaluations of Phoenix Pool & Marina Centre assets.
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	24,750	21,770	21,770	26,460	4,690	
Income	(36,745)	0	(36,168)	0	0	
	<u>809,339</u>	<u>895,632</u>	<u>859,465</u>	<u>591,685</u>	<u>(303,948)</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>GNNM Neighbourhood management</b>						
Employee	391,354	380,906	390,325	393,103	12,197	Employee budget transferred as part of the management restructure.
Premises	19,517	28,114	28,114	28,356	242	
Transport	697	1,800	1,800	1,800	0	
Supplies & Services	9,789	28,834	30,278	32,873	4,039	
Third Party Payments	0	0	0	0	0	
Transfer Payments	957,429	782,804	782,804	842,898	60,094	3 year Great Places project expenditure budgeted in 18/19 this is partially offset by a reduction in the expenditure on the 5 year NTW (Neighbourhoods that Work) project.
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(578,480)	(439,650)	(439,650)	(430,450)	9,200	
Support Services - Recharges In	436,390	337,100	337,100	308,090	(29,010)	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	(800,311)	(782,804)	(792,804)	(868,583)	(85,779)	3 year Great Places project income budgeted in 18/19 this is partially offset by a reduction in the income on the 5 year NTW (Neighbourhoods that Work) project.
	436,385	337,104	337,967	308,086	(29,018)	
<b>RGEZ Enterprise Zone</b>						
Supplies & Services	207,656	0	0	0	0	
Income	(793,001)	0	0	0	0	
	(585,345)	0	0	0	0	
<b>RPCO Conservation</b>						
Employee	113,928	108,227	106,451	111,125	2,898	
Premises	144,586	60,227	30,227	30,234	(29,993)	£30k reduced expenditure on town wall corresponds to reduction below on income.
Transport	100	200	200	200	0	
Supplies & Services	70,877	65,344	65,344	66,410	1,066	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	26,129	26,129	26,129	26,129	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	104,040	110,670	110,670	63,580	(47,090)	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	(78,626)	(30,000)	0	0	30,000	£30k reduced income, from the Lottery, on town wall corresponds to reduced expenditure noted above.
	381,034	340,797	339,021	297,677	(43,120)	
<b>RPPW Waterways</b>						
Employee	0	0	35,967	155,979	155,979	Waterways project commenced during 2017/18 so no budget set in 2017/18. 2018/19 & future year budgets agree to the overall project budget agreed with the HLF.
Premises	0	0	0	12,062	12,062	As above.
Transport	0	0	0	0	0	
Supplies & Services	0	0	800	112,800	112,800	As above.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	0	0	0	0	0	
Income	0	0	(36,767)	(235,109)	(235,109)	As above.
	0	0	0	45,732	45,732	
<b>Total Community Development and Regeneration:</b>	<b>2,868,702</b>	<b>3,589,838</b>	<b>3,442,895</b>	<b>2,988,188</b>	<b>(601,650)</b>	
<b>Total Community Development and Regeneration excluding recharges:</b>	<b>2,599,532</b>	<b>3,213,788</b>	<b>3,066,845</b>	<b>2,625,648</b>	<b>(588,140)</b>	

		2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Organisational Development:</b>							
ROCS	<b>Corporate strategy</b>						
	Employee	152,041	79,686	78,226	81,022	1,336	
	Premises	0	0	0	0	0	
	Transport	559	400	400	400	0	
	Supplies & Services	6,644	1,350	152	850	(500)	
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	(341,680)	(206,750)	(206,750)	(210,270)	(3,520)	
	Support Services - Recharges In	182,130	125,310	125,310	128,010	2,700	
	Income	0	0	0	0	0	
		(305)	(4)	(2,662)	12	16	
ROEL	<b>Elections</b>						
	Employee	206,450	167,862	227,012	149,260	(18,602)	The 2018-19 base budget reflects the last 'third' borough election with the new four year cycle commencing from 2019-20. The budgets have also been profiled to include the following elections: PCC in 2020-21, Norfolk County Council in 2021-22 & Parliamentary in 2022-23. The casual staff costs have been reduced in 2018-19 to reflect this cycle.
	Premises	0	0	0	0	0	
	Transport	1,511	1,000	1,000	1,000	0	
	Supplies & Services	155,954	146,067	241,367	104,401	(41,666)	As noted above the change in the borough election cycle impacts on the budget expenditure expected each year. Supplies & services expenditure reflects the reduction in costs for postage as there is no expected election in 18/19.
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	0	0	0	0	0	
	Support Services - Recharges In	29,500	323,500	323,500	220,690	(102,810)	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	(206,662)	(106,700)	(246,119)	(19,700)	87,000	As noted above the change in the borough election cycle impacts on the budget income expected each year.
		186,753	531,729	546,760	455,651	(76,078)	
ROLI	<b>Licensing</b>						
	Employee	75,679	67,079	66,656	69,009	1,930	
	Premises	1,220	1,750	1,750	1,761	11	
	Transport	273	600	600	600	0	
	Supplies & Services	31,580	24,377	24,377	25,135	758	
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	0	0	0	0	0	
	Support Services - Recharges Out	0	0	0	0	0	
	Support Services - Recharges In	47,180	46,590	46,590	69,710	23,120	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	(313,535)	(276,013)	(280,823)	(276,013)	0	
		(157,604)	(135,617)	(140,850)	(109,798)	25,819	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>ROMS Member services</b>						
Employee	161,938	154,725	150,703	120,511	(34,214)	The base budget movements reflect a transfer of one post to the Executive Team (EXTE) and a reduction in establishment due to identified in year savings.
Premises	0	0	0	0	0	
Transport	5,843	7,000	7,000	7,000	0	
Supplies & Services	343,531	305,537	308,091	291,822	(13,715)	Transfer of budget to the Corporate cost centre (EXCC) i.e. membership costs for the East of England Local Government Association & the Local Government Association.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(593,920)	(535,350)	(535,350)	(485,330)	50,020	Reflects reduction in service cost therefore corresponding reduction in the amount to be recharged out.
Support Services - Recharges In	208,190	167,990	167,990	156,720	(11,270)	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	(725)	0	0	0	0	
	<u>124,857</u>	<u>99,902</u>	<u>98,434</u>	<u>90,723</u>	<u>(9,179)</u>	
<b>RRHR Human Resources</b>						
Employee	336,064	343,776	442,695	353,122	9,346	
Premises	0	0	0	0	0	
Transport	4,785	1,000	1,000	1,000	0	
Supplies & Services	28,189	46,577	82,077	46,207	(370)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(531,360)	(533,340)	(533,340)	(502,240)	31,100	Reflects decrease in cost of service, as per analysis, as the Human Resources service is fully recharged.
Support Services - Recharges In	162,263	141,983	141,983	101,920	(40,063)	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	0	
	<u>(60)</u>	<u>(4)</u>	<u>134,415</u>	<u>9</u>	<u>13</u>	
<b>Total Organisational Development:</b>	<u>153,642</u>	<u>496,006</u>	<u>636,097</u>	<u>436,597</u>	<u>(59,409)</u>	
<b>Total Organisational Development excluding recharges:</b>	<u>991,339</u>	<u>966,073</u>	<u>1,106,164</u>	<u>957,387</u>	<u>(8,686)</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Planning and Growth:</b>						
<b>CPBC Building control</b>						
Employee	227,804	209,862	206,211	236,235	26,373	Variance mainly due to the budget of one post transferred from Land Charges (CPLC) below.
Premises	(508)	1,500	1,500	1,500	0	
Transport	12,218	11,000	11,000	11,000	0	
Supplies & Services	10,619	25,163	39,413	29,008	3,845	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	161,940	108,410	108,410	100,920	(7,490)	
Income	(230,584)	(247,700)	(244,700)	(249,700)	(2,000)	
	181,490	108,235	121,834	128,963	20,728	
<b>CPDC Development control</b>						
Employee	380,879	476,436	415,057	510,443	34,007	Employee costs reflecting the management restructure.
Premises	0	0	0	0	0	
Transport	8,770	10,000	10,000	10,000	0	
Supplies & Services	26,435	47,104	55,314	25,140	(21,964)	Budgets for one-off adhoc costs removed (£10k specialist advice, £2k appeal advice) and also reduction in the IT software licence of £10.7k to reflect actual requirements.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(67,000)	(67,000)	(67,000)	(60,040)	6,960	
Support Services - Recharges In	194,130	168,590	168,590	187,410	18,820	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	(396,846)	(461,100)	(436,100)	(527,000)	(65,900)	The 20% national increase in planning application fees is expected to lead to increase income of £50k. Also £15k increase expected for pre-application advice income as part of a 17/18 saving proposal, with the income expected derived from the subsequent S106 legal agreements.
	146,368	174,030	145,861	145,953	(28,077)	
<b>CPLC Land charges</b>						
Employee	68,716	63,613	63,880	43,541	(20,072)	Variance mainly due to the budget of one post transferred to Building Control (CPBC) above.
Premises	0	0	0	0	0	
Transport	0	0	0	0	0	
Supplies & Services	21,369	25,410	25,410	7,178	(18,232)	IT software licence budget review delivering £14k of the variance.
Third Party Payments	38,186	29,000	32,000	34,000	5,000	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	1,747	1,747	1,747	1,746	(1)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	75,070	89,050	89,050	62,930	(26,120)	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	(178,515)	(188,100)	(148,100)	(188,100)	0	
	26,573	20,720	63,987	(38,706)	(59,425)	
<b>RGED Economic development</b>						
Employee	195,311	183,911	180,596	186,157	2,246	
Premises	0	0	0	0	0	
Transport	1,865	4,000	4,000	4,000	0	
Supplies & Services	22,514	34,799	34,799	34,799	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	145,213	140,433	140,433	90,920	(49,513)	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	(2,398)	23,500	(1,500)	(1,500)	(25,000)	17-18 base included funding for 'the Conge' from the Town Centre Initiative reserve. This has been transferred back to reserves for 18-19 and will be carried forward in Executive as an under spend in 17-18 if required. Also base budget transferred to Executive from here during 17/18.
	362,505	386,643	358,328	314,376	(72,267)	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>RGEG Enterprise GY</b>						
Employee	199,555	57,000	107,500	0	(57,000)	Project is due to finish March 2018.
Premises	18,635	0	7,121	0	0	
Transport	152	0	0	0	0	
Supplies & Services	42,946	0	13,700	0	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	132,333	33,333	33,333	0	(33,333)	Project is due to finish March 2018 so no recharge required in 18/19.
Income	(313,699)	0	0	0	0	
	<u>79,922</u>	<u>90,333</u>	<u>161,654</u>	<u>0</u>	<u>(90,333)</u>	
<b>RGSP Strategic planning</b>						
Employee	358,299	373,078	300,346	302,986	(70,092)	Employee budget transfer to reflect the new management structure.
Premises	0	5,769	5,769	0	(5,769)	
Transport	2,820	3,500	3,500	2,800	(700)	
Supplies & Services	29,075	79,116	140,789	76,061	(3,055)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	4,953	5,000	5,000	5,000	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(66,666)	(66,666)	(66,666)	0	66,666	Management restructure during 17/18 removed the requirement for a recharge from this code in 18/19.
Support Services - Recharges In	107,490	112,470	112,470	109,050	(3,420)	
Income	(9,129)	(9,345)	(19,108)	(9,345)	0	
	<u>426,842</u>	<u>502,922</u>	<u>482,100</u>	<u>486,552</u>	<u>(16,370)</u>	
<b>Total Planning and Growth:</b>	<u>1,223,699</u>	<u>1,282,882</u>	<u>1,333,764</u>	<u>1,037,139</u>	<u>(245,743)</u>	
<b>Total Planning and Growth excluding recharges:</b>	<u>541,189</u>	<u>764,262</u>	<u>815,144</u>	<u>545,949</u>	<u>(218,313)</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Customer Services:</b>						
<b>CCBE Benefits</b>						
Employee	654,819	602,006	574,615	582,217	(19,789)	Employee budget transferred to support services (CCCS).
Premises	0	0	0	0	0	
Transport	490	200	600	500	300	
Supplies & Services	231,274	130,376	115,922	127,008	(3,368)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	34,662,832	40,630,200	40,630,200	27,290,200	(13,340,000)	Fall in housing benefit claims processed via the Council mainly due to the implementation of universal credits. An estimation of this change was not captured within the 2017/18 budget. A corresponding fall can be seen in the recovery income from the DWP below.
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(83,500)	(213,682)	(213,682)	(239,332)	(25,650)	Restructure during 17/18 has increased the recharge for the management of this service.
Support Services - Recharges In	832,590	764,950	764,950	619,590	(145,360)	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	(36,223,237)	(41,769,274)	(41,769,274)	(28,265,833)	13,503,441	The budget for housing benefit subsidy to be reclaimed from DWP has fallen in line with the fall in the housing benefit claim expenditure noted above (£13.42m). Confirmation reductions to the Admin subsidy grant received of £47.7k. Further sundry income, following universal credit implementation, is estimated to be £30k in 18/19, a reduction of £29.7k.
	75,267	144,776	103,331	114,350	(30,426)	
<b>CCCE/R Crematorium and cemeteries</b>						
Employee	197,369	188,272	177,257	184,550	(3,722)	
Premises	591,115	635,364	626,167	611,151	(24,213)	£10.2k reduction in maintenance due to reduced activity at the crematorium. Rates budget updated to reflect actual reduction of £15.7k.
Transport	1,401	2,000	2,000	2,000	0	
Supplies & Services	98,693	112,180	120,681	102,421	(9,759)	
Third Party Payments	34,109	31,809	34,109	31,809	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	57,136	68,070	68,070	59,248	(8,822)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	110,490	199,990	199,990	137,130	(62,860)	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	(1,383,573)	(1,617,005)	(1,325,617)	(1,423,607)	193,398	Following the ongoing fall in crematorium general fees since 16/17 the anticipated income has been reduced by £202k.
	(293,260)	(379,320)	(97,343)	(295,299)	84,021	
<b>CCCS Customer services</b>						
Employee	550,394	523,791	509,867	629,434	105,643	Employee budgets transferred from CCBE & CCSS and reclassification of training costs (see below).
Premises	0	0	0	0	0	
Transport	698	351	351	351	0	
Supplies & Services	21,317	28,900	30,278	2,960	(25,940)	£15k savings proposal on 1st class postage costs. £10k reduction in website expenditure these costs are now incorporated in employee costs.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(1,064,670)	(1,095,380)	(1,095,380)	(1,062,020)	33,360	Reflects reduction in service cost therefore corresponding reduction in the amount to be recharged out.
Support Services - Recharges In	492,130	542,340	542,340	429,280	(113,060)	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)	0	0	0	0	
	(608)	2	(12,544)	5	3	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>CCSS</b>						
<b>Support services</b>						
Employee	235,394	230,010	224,849	163,031	(66,979)	Employee budget transferred to CCCS.
Premises	0	0	0	0	0	
Transport	535	0	0	0	0	
Supplies & Services	2,967	5,639	5,639	5,659	20	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	3,714	3,714	3,714	0	(3,714)	
Support Services - Recharges Out	(396,830)	(480,440)	(480,440)	(303,250)	177,190	Reflects increase in service cost therefore corresponding increase in the amount to be recharged out.
Support Services - Recharges In	155,170	241,080	241,080	134,560	(106,520)	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	(949)	0	0	0	0	
	1	3	(5,158)	(1)	(4)	
<b>CCCG/L</b>						
<b>Car parks</b>						
<b>/N/P/O</b>						
<b>/T</b>						
Employee	500,173	461,134	456,737	469,807	8,673	
Premises	305,745	306,045	332,255	307,305	1,260	
Transport	7,553	14,740	14,740	14,740	0	
Supplies & Services	144,503	163,744	199,633	160,037	(3,708)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	794,602	750,792	750,792	754,975	4,183	
Support Services	0	0	0	0	0	
Capital Charges	143,274	25,324	25,324	25,036	(288)	
Support Services - Recharges Out	(54,014)	(54,014)	(54,014)	0	54,014	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	333,954	364,404	364,404	396,090	31,686	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	(2,937,078)	(2,969,826)	(2,996,716)	(3,041,726)	(71,900)	Variance reflects increased fees & charges rates for 18/19.
	(761,287)	(937,656)	(906,845)	(913,737)	23,920	
<b>RRRE</b>						
<b>Revenues</b>						
Employee	490,607	448,813	437,869	531,298	82,485	Employee costs accrued for under the business case for improving "collection rate for both Council Tax and Business Rates" approved in July 17.
Premises	0	0	0	0	0	
Transport	2,456	2,000	2,000	2,000	0	
Supplies & Services	198,819	224,017	216,017	232,792	8,775	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	100	100	100	0	
Support Services	33,220	36,000	36,000	36,000	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(168,530)	(210,260)	(210,260)	(308,810)	(98,550)	Reflects increase in service cost therefore corresponding increase in the amount to be recharged out.
Support Services - Recharges In	779,363	699,673	699,673	751,180	51,507	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	(590,102)	(534,000)	(559,650)	(500,200)	33,800	£16.2k BIDS & TIDS charges income included in 18/19 but not included in the 17/18 budget. £50k contribution by NCC for Council tax discounts implementation costs received as a one off in 17/18.
	745,832	666,343	621,749	744,360	78,017	
<b>Total Customer Services:</b>	(234,055)	(505,852)	(296,810)	(350,321)	155,531	
<b>Total Customer Services excluding recharges:</b>	(1,170,208)	(1,264,513)	(1,055,471)	(904,739)	359,774	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Property and Asset Management:</b>						
<b>CGDC Churchill depot</b>						
Premises	3,046	0	0	0	0	
Capital Charges	600	600	600	0	(600)	
Support Services - Recharges In	0	380	380	0	(380)	
Income	2	0	0	0	0	
	<u>3,648</u>	<u>980</u>	<u>980</u>	<u>0</u>	<u>(980)</u>	
<b>CGPC Public toilets</b>						
Employee	0	0	0	0	0	
Premises	279,466	298,137	307,729	303,771	5,634	
Transport	0	0	0	0	0	
Supplies & Services	11,381	9,654	9,654	10,278	624	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	80,500	85,850	85,850	89,287	3,437	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	20,940	22,770	22,770	29,620	6,850	
Income	(153)	(4,000)	0	(4,000)	0	
	<u>392,134</u>	<u>412,411</u>	<u>426,003</u>	<u>428,956</u>	<u>16,545</u>	
<b>CGRM Repairs and maintenance</b>						
Employee	0	0	0	0	0	
Premises	1,023,287	981,759	973,343	970,259	(11,500)	Budget transferred to the Public Toilets cost centre (CGPC).
Transport	0	0	0	0	0	
Supplies & Services	11,657	12,577	12,577	14,182	1,605	
Third Party Payments	8,714	8,714	8,714	8,714	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	199,620	209,080	209,080	214,735	5,655	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	11,240	15,050	15,050	18,980	3,930	
Income	(295,837)	(249,000)	(249,000)	(249,000)	0	
	<u>958,682</u>	<u>978,180</u>	<u>969,764</u>	<u>977,870</u>	<u>(310)</u>	
<b>CGSF Footway Lighting</b>						
Employee	0	0	0	0	0	
Premises	422,741	426,579	449,370	430,514	3,935	
Transport	0	0	0	0	0	
Supplies & Services	11,148	12,316	12,316	12,943	627	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	57,232	59,232	59,232	61,230	1,998	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	14,980	15,300	15,300	18,000	2,700	
Income	0	0	0	0	0	
	<u>506,101</u>	<u>513,428</u>	<u>536,218</u>	<u>522,687</u>	<u>9,260</u>	
<b>CPCP Coast Protection</b>						
Employee	54,325	55,675	52,349	56,628	953	
Premises	323	42,000	42,000	42,000	0	
Transport	1,239	2,878	2,878	2,878	0	
Supplies & Services	29,808	27,446	27,446	27,917	471	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	325,161	331,787	331,787	332,393	606	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	19,800	22,360	22,360	23,550	1,190	
Income	(8,550)	(550)	(550)	(550)	0	
	<u>422,105</u>	<u>481,596</u>	<u>478,270</u>	<u>484,816</u>	<u>3,220</u>	
<b>RPBH Beach Huts</b>						
Employee	0	0	0	16,000	16,000	New cost centre in 18/19 to record the income and expenditure in relation to Beach Hut rentals and sales. Employee costs reflect the increased cost for managing the new project.
Premises	0	0	0	7,000	7,000	
Support Services - Recharges In	0	0	0	2,370	2,370	
Income	0	0	0	(24,500)	(24,500)	New cost centre in 18/19 to record the income and expenditure in relation to Beach Hut rentals and sales.
	<u>0</u>	<u>0</u>	<u>0</u>	<u>870</u>	<u>870</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>RPCC Community centres</b>						
Employee	0	0	0	0	0	
Premises	6,458	8,633	8,633	8,788	155	
Transport	0	0	0	0	0	
Supplies & Services	0	0	0	0	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	18,932	18,974	18,974	18,932	(42)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	1,070	1,530	1,530	10,700	9,170	
Income	(1,966)	(2,152)	(2,735)	(3,152)	(1,000)	
	<u>24,494</u>	<u>26,985</u>	<u>26,402</u>	<u>35,268</u>	<u>8,283</u>	
<b>RPCC Construction services</b>						
Employee	172,735	156,033	152,856	87,296	(68,737)	Restructure of the Property Asset Management service has transferred some employee costs to Property Services (RPPP).
Premises	295,981	346,544	342,358	352,381	5,837	
Transport	2,937	3,100	3,100	3,100	0	
Supplies & Services	32,005	35,579	35,579	54,920	19,341	New protective personal equipment (such as body cameras & stab vests) is to be purchased in 18/19 at a cost of £18k.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	48,167	54,716	54,716	71,555	16,839	Increased depreciation due to prior year capital expenditure in relation to the flexible working projects works on the Town Hall & Greyfriars.
Support Services - Recharges Out	(881,710)	(934,110)	(934,110)	(807,630)	126,480	Reflects reduction in service cost therefore corresponding reduction in the amount to be recharged out.
Support Services - Recharges In	351,120	338,980	338,980	239,230	(99,750)	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	(21,212)	(850)	(850)	(850)	0	
	<u>23</u>	<u>(8)</u>	<u>(7,371)</u>	<u>2</u>	<u>10</u>	
<b>RPFA Easter Fayre</b>						
Employee	3,459	2,000	3,000	2,000	0	
Premises	0	0	0	0	0	
Transport	0	0	0	0	0	
Supplies & Services	20,526	20,000	21,800	20,000	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	0	0	0	9,680	9,680	
Income	(14,692)	(15,265)	(15,265)	(15,265)	0	
	<u>9,293</u>	<u>6,735</u>	<u>9,535</u>	<u>16,415</u>	<u>9,680</u>	
<b>RPGO Go Trade - Markets</b>						
Employee	0	0	0	32,413	32,413	New cost centre for 2018-19 although commenced July 17 for 5 years. Expenditure is based upon 100% of approved agreement with income equivalent to 69% recovery. Balance of budget represents the 31% contribution by the Council.
Transport	0	0	0	0	0	
Supplies & Services	0	0	0	40,606	40,606	As per above.
Income	0	0	0	(37,995)	(37,995)	As per above.
	<u>0</u>	<u>0</u>	<u>0</u>	<u>35,024</u>	<u>35,024</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>RPMA Markets</b>						
Employee	92,013	99,323	97,251	63,035	(36,288)	Restructure of the Property Asset Management service has transferred some employee budgets to Property Services (RPPP).
Premises	117,104	133,246	136,344	134,774	1,528	
Transport	0	500	500	500	0	
Supplies & Services	31,812	40,689	57,248	49,368	8,679	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	4,494	4,494	4,494	4,495	1	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	162,910	143,740	143,740	86,430	(57,310)	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(360,514)	(355,542)	(317,579)	(330,367)	25,175	Reduction in 2 day market income from £1.00 to 50p for April to September 2018 inclusive to be funded from reserves. No decision for remainder of the year so no further adjustment included. A reduction in 6 day market income has also been funded from reserves due to the 5% direct debit rebates.
	47,819	66,450	121,998	8,235	(58,215)	
<b>RPMT Modernisation team</b>						
Employee	78,936	74,913	71,412	0	(74,913)	Cost centre closed by transfer of all budgets to Projects & Programmes (EXPP).
Premises	0	0	0	0	0	
Transport	12	100	100	0	(100)	
Supplies & Services	0	230	230	0	(230)	
Support Services - Recharges In	18,130	24,180	24,180	0	(24,180)	Cost centre closed by transfer of all budgets to Projects & Programmes (EXPP).
Income	0	0	0	0	0	
	97,079	99,423	95,922	0	(99,423)	
<b>RPPB Bretts</b>						
Employee	0	0	0	0	0	
Premises	35,064	3,460	3,460	3,535	75	
Transport	0	0	0	0	0	
Supplies & Services	32,228	25,247	25,247	25,247	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	(1,249)	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	770	1,120	1,120	9,250	8,130	
Income	(53,186)	(43,482)	(55,208)	(43,401)	81	
	13,627	(13,655)	(25,381)	(5,369)	8,286	
<b>RPPC Courts</b>						
Employee	0	0	0	0	0	
Premises	10,187	11,203	11,203	11,555	352	
Transport	0	0	0	0	0	
Supplies & Services	653	0	0	0	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	2,470	3,350	3,350	12,420	9,070	
Income	(36,744)	(18,419)	(20,868)	(24,019)	(5,600)	
	(23,434)	(3,866)	(6,315)	(44)	3,822	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>RPPE South Denes energy park</b>						
Employee	0	0	0	0	0	
Premises	462	0	0	2,600	2,600	
Transport	0	0	0	0	0	
Supplies & Services	0	0	0	0	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	0	0	0	9,260	9,260	
Income	0	0	0	(2,600)	(2,600)	
	<u>462</u>	<u>0</u>	<u>0</u>	<u>9,260</u>	<u>9,260</u>	
<b>RPPF Factory units</b>						
Employee	0	0	0	0	0	
Premises	49,540	49,162	44,162	49,678	516	
Transport	0	0	0	0	0	
Supplies & Services	(14,087)	9,365	9,365	9,704	339	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	8,010	9,310	9,310	19,920	10,610	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	(172,932)	(100,905)	(128,131)	(114,033)	(13,128)	Increased rentals expected to reflect the changes in leases agreements (new, revised & terminated leases).
	<u>(129,470)</u>	<u>(33,068)</u>	<u>(65,294)</u>	<u>(34,731)</u>	<u>(1,663)</u>	
<b>RPPG Corporate estates</b>						
Employee	15	16	16	19	3	
Premises	184,946	172,542	386,668	187,472	14,930	One off funding from reserves of £12.6k in relation to revenue costs of Pops Meadow as approved by committee.
Transport	0	0	0	0	0	
Supplies & Services	66,803	19,417	19,417	28,671	9,254	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	6,524	6,524	6,524	7,124	600	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	313,370	283,370	283,370	472,590	189,220	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	(2,381,073)	(2,395,661)	(2,447,364)	(2,426,499)	(30,838)	Increased rentals expected to reflect the changes in leases agreements (new, revised & terminated leases).
	<u>(1,809,416)</u>	<u>(1,913,792)</u>	<u>(1,751,369)</u>	<u>(1,730,623)</u>	<u>183,169</u>	
<b>RPPM Minerva House</b>						
Employee	0	0	0	0	0	
Premises	69,531	68,772	73,091	70,301	1,529	
Transport	0	0	0	0	0	
Supplies & Services	4,090	6,349	6,349	6,562	213	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	12,200	11,630	11,630	22,670	11,040	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	(40,470)	(36,600)	(40,110)	(36,600)	0	
	<u>45,352</u>	<u>50,151</u>	<u>50,960</u>	<u>62,933</u>	<u>12,782</u>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>RPPO Onians</b>						
Employee	0	0	0	0	0	
Premises	(5,542)	257	257	265	8	
Transport	0	0	0	0	0	
Supplies & Services	0	2,560	2,560	2,560	0	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	0	0	0	10,670	10,670	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	(2,271)	(18,760)	(13,310)	(13,310)	5,450	
	(7,812)	(15,943)	(10,493)	185	16,128	
<b>RPPP Property services</b>						
Employee	384,530	335,779	347,191	401,050	65,271	Property & Assets establishment restructure which includes (a) transfer of base budget from Construction Services (RPCS) & Markets (RPMA), (b) a reduction in the 17-18 base due to a non recurring item re: restructuring costs, (c) costs in respect of the management structure (d) identified savings for the internal recharge of work undertaken by valuers and (e) savings generated by the restructure of the establishment.
Premises	0	0	0	0	0	
Transport	1,742	3,000	3,000	3,000	0	
Supplies & Services	9,692	7,105	7,105	5,675	(1,430)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(544,150)	(447,720)	(447,720)	(525,360)	(77,640)	Reflects increase in service cost therefore corresponding increase in the amount to be recharged out.
Support Services - Recharges In	148,190	101,840	101,840	115,640	13,800	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	0	
	4	4	11,416	5	1	
<b>RPPS Beacon Park</b>						
Employee	60,210	0	0	0	0	
Premises	355,793	170,951	220,951	175,206	4,255	
Transport	0	0	0	0	0	
Supplies & Services	20,620	7,508	7,508	127,508	120,000	This is a payment to the Local Enterprise Partnership (LEP) for their share of rental income for a unit on Beacon Park.
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	119,563	119,563	119,563	126,064	6,501	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	15,510	16,570	16,570	28,900	12,330	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	(322,725)	(365,344)	(581,094)	(919,844)	(554,500)	Increased rentals expected to reflect the changes in leases agreements (new, revised & terminated leases). Also includes a payment to be collected on behalf of the LEP as per above.
	248,970	(50,752)	(216,502)	(462,166)	(411,414)	
<b>Total Property and Asset Management:</b>	<b>799,661</b>	<b>605,259</b>	<b>644,743</b>	<b>349,593</b>	<b>(255,665)</b>	
<b>Total Property and Asset Management excluding recharges:</b>	<b>1,124,811</b>	<b>975,609</b>	<b>1,015,093</b>	<b>542,703</b>	<b>(432,905)</b>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>IT, Communications and Marketing:</b>						
CCIC <b>ICT</b>						
Employee	182,313	185,619	280,892	339,176	153,557	£36k transfer of budget from other external costs; £75k due to management restructuring ; 1.00 FTE post £15k (Mobile and ICT officer) 12 months only and funded by deleted posts in Customer Services (CCCS).
Premises	4,607	4,254	4,254	5,094	840	
Transport	513	200	200	300	100	
Supplies & Services	522,693	606,608	537,608	268,437	(338,171)	£36k transfer to employee costs; Software licences charged direct to cost centres £288.3k saving in CCIC.
Third Party Payments	549,363	455,367	455,367	575,367	120,000	ICT consumables to be included based on previous charges from NCC.
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	38,070	50,000	50,000	86,670	36,670	Increased depreciation due to prior year capital expenditure in relation to the ICT projects works completed in 2017/18.
Support Services - Recharges Out	(1,366,480)	(1,399,530)	(1,399,530)	(1,407,480)	(7,950)	
Support Services - Recharges In	69,750	97,480	97,480	132,440	34,960	Recharges vary due to changes in the net cost of service being recharged and because of changes in the apportionment basis year on year.
Income	(825)	0	0	0	0	
	5	(2)	26,271	4	6	
CTCO <b>Communications</b>						
Employee	52,598	40,927	39,997	180,013	139,086	Employee budget movement reflects the new management structure.
Premises	0	0	0	0	0	
Transport	0	500	500	750	250	
Supplies & Services	16,286	28,970	23,620	21,236	(7,734)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(96,980)	(122,010)	(122,010)	(310,790)	(188,780)	Reflects increase in service cost therefore corresponding increase in the amount to be recharged out.
Support Services - Recharges In	28,100	51,610	51,610	108,790	57,180	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	0	0	0	0	0	
	4	(3)	(6,283)	(1)	2	
CTRE <b>Print and Design</b>						
Employee	74,123	69,471	65,035	42,216	(27,255)	Employee budget transferred to Communications (CTRE).
Premises	0	0	0	0	0	
Transport	2	0	0	0	0	
Supplies & Services	59,825	65,397	65,397	62,447	(2,950)	
Third Party Payments	0	0	0	0	0	
Transfer Payments	0	0	0	0	0	
Support Services	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	(188,950)	(206,900)	(206,900)	(188,290)	18,610	Reflects reduction in service cost therefore corresponding reduction in the amount to be recharged out.
Support Services - Recharges In	68,820	88,730	88,730	96,130	7,400	
Income	(13,821)	(16,698)	(16,698)	(12,500)	4,198	
	(1)	0	(4,436)	3	3	
<b>Total IT, Communications and Marketing:</b>	<b>8</b>	<b>(5)</b>	<b>15,552</b>	<b>6</b>	<b>11</b>	
<b>Total IT, Communications and Marketing excluding recharges:</b>	<b>1,485,748</b>	<b>1,490,615</b>	<b>1,506,172</b>	<b>1,569,206</b>	<b>78,591</b>	

	2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Environmental Services:</b>						
CEEH <b>Environmental health</b>						
Employee	922,893	956,176	914,381	1,025,496	69,320	Employee budget funded by Special Projects for 12 months.
Premises	46,785	40,363	49,742	35,902	(4,461)	
Transport	35,705	37,770	37,770	37,811	41	
Supplies & Services	188,286	236,169	218,494	231,139	(5,030)	
Third Party Payments	10,420	10,000	10,000	10,000	0	
Transfer Payments	224,416	222,631	238,774	245,937	23,306	Drainage levy increase notification for 17/18 received after budget was set hence greater growth in 18/19.
Support Services	0	0	0	0	0	The main cause of this variance is the management Restructure in 17/18 has amended the recharges out from this service to other services within Environmental Services.
Capital Charges	4,497	4,497	4,497	7,831	3,334	
Support Services - Recharges Out	(70,000)	(70,000)	(70,000)	(56,280)	13,720	
Support Services - Recharges In	381,880	390,250	390,250	345,400	(44,850)	
Income	(114,344)	(103,024)	(124,519)	(112,625)	(9,601)	
	1,630,538	1,724,832	1,669,389	1,770,611	45,780	
CGGM <b>Grounds maintenance</b>						
Employee	33,126	0	0	0	0	Highway verge maintenance outside of the standard agreement ended in 2016-17, so no longer required (£17k).
Premises	188,555	221,425	205,128	204,559	(16,866)	
Transport	2,874	0	0	0	0	
Supplies & Services	31,706	44,273	70,899	52,570	8,297	
Third Party Payments	9,240	11,540	9,240	11,540	0	
Transfer Payments	0	0	0	0	0	Decreased depreciation charge reflecting the completion of the charge for the assets aligned to this cost centre.
Support Services	0	0	0	0	0	
Capital Charges	116,790	125,790	125,790	86,092	(39,698)	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	30,780	17,360	17,360	57,650	40,290	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	(67,789)	(22,075)	(24,350)	(38,950)	(16,875)	Est 1718 will be £36k now as summer invoice now being raised - current SLA being reviewed.
	345,280	398,313	404,067	373,460	(24,852)	
CGSC <b>Street cleansing</b>						
Employee	0	0	0	0	0	
Premises	919,936	929,105	933,028	929,105	0	
Transport	0	0	0	0	0	
Supplies & Services	0	0	0	0	0	
Third Party Payments	359	381	381	381	0	
Transfer Payments	0	0	0	0	0	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	0	0	0	0	0	
Capital Charges	0	0	0	0	0	
Support Services - Recharges Out	0	0	0	0	0	
Support Services - Recharges In	11,220	11,630	11,630	50,490	38,860	
Income	0	0	0	0	0	
	931,515	941,116	945,039	979,976	38,860	

		2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
CGWA	Waste management						
	Employee	0	52,693	31,527	38,572	(14,121)	Recycling officers due to finish Sept 2018 as posts were for 12 months as part of the 17/18 budget proposal.
	Premises	110,000	110,000	110,000	110,000	0	
	Transport	0	3,443	1,722	1,722	(1,722)	
	Supplies & Services	337,904	470,875	470,093	400,460	(70,415)	Smoothing payments removed - any future funding will be a request from reserves £50k; gate fee estimated saving £20k.
	Third Party Payments	1,628,033	1,647,841	1,624,395	1,622,394	(25,447)	Continuation of reduction in waste collection costs from 17/18 savings.
	Transfer Payments	0	0	0	0	0	
	Support Services	0	0	0	0	0	
	Capital Charges	135,898	135,898	135,898	135,900	2	
	Support Services - Recharges Out	0	0	0	0	0	
	Support Services - Recharges In	65,410	43,450	43,450	83,310	39,860	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	(1,164,386)	(1,272,881)	(1,187,614)	(1,357,890)	(85,009)	Bulk waste income annually over budget £15k.
		<u>1,112,859</u>	<u>1,191,319</u>	<u>1,229,471</u>	<u>1,034,468</u>	<u>(156,852)</u>	
	<b>Total Environmental Services:</b>	<b>4,020,192</b>	<b>4,255,580</b>	<b>4,247,966</b>	<b>4,158,515</b>	<b>(97,064)</b>	
	<b>Total Environmental Services excluding recharges:</b>	<b>3,600,902</b>	<b>3,906,340</b>	<b>3,898,726</b>	<b>3,761,255</b>	<b>(145,084)</b>	

		2016/17 Actuals	Original 2017/18 Budget	2017/18 Forecast	2018/19 Budget	Variance 17/18 Base Budget to 18/19 Base Budget	Comments
<b>Finance:</b>							
RRFI	<b>Finance</b>						
	Employee	523,746	511,590	487,460	521,283	9,693	
	Premises	0	0	0	0	0	
	Transport	577	650	650	650	0	
	Supplies & Services	399,394	331,938	278,138	240,244	(91,694)	The budget for the External Audit fees have been transferred to the new Corporate Costs cost centre (EXCC) and it also anticipated that savings will be achieved in computer software contracts.
	Third Party Payments	0	0	0	0	0	
	Transfer Payments	0	0	0	0	0	
	Support Services	57,467	99,000	99,000	99,000	0	
	Capital Charges	28,303	31,785	31,785	2,000	(29,785)	Decreased depreciation charge reflecting the completion of the charge for the finance system capital cost nine years ago.
	Support Services - Recharges Out	(1,218,376)	(1,109,826)	(1,109,826)	(1,096,000)	13,826	Reflects reduction in service cost therefore corresponding reduction in the amount to be recharged out.
	Support Services - Recharges In	330,010	170,400	170,400	252,830	82,430	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	(168,034)	(35,531)	(35,531)	(20,000)	15,531	Reduction in the insurance income budget as this has not been achieved for several years.
		(46,914)	6	(77,924)	7	1	
EXIS	<b>Invest to Save</b>						
	Supplies & Services	46,910	0	0	0	0	
		46,910	0	0	0	0	
	<b>Total Finance:</b>	<b>(4)</b>	<b>6</b>	<b>(77,924)</b>	<b>7</b>	<b>1</b>	
	<b>Total Finance excluding recharges:</b>	<b>888,362</b>	<b>939,432</b>	<b>861,502</b>	<b>843,177</b>	<b>(96,255)</b>	
	<b>Total for Services:</b>	<b>9,983,898</b>	<b>11,272,892</b>	<b>11,953,355</b>	<b>10,567,156</b>	<b>(705,736)</b>	
	<b>Total for Services excluding recharges:</b>	<b>11,307,126</b>	<b>12,802,601</b>	<b>13,504,292</b>	<b>12,156,718</b>	<b>(645,883)</b>	

**2018/19 Budget Process - Additional income and savings proposal**

Department	Heading	Description	Savings/ Income	2018/19	2019/20	2020/21	2021/22	Total
Environmental Services	<b>Deletion of part time post of Environmental and Health Support Assistant</b>	Vacant post duties have been reveiwed and the post is deemed surplus	Savings	8,541	8,541	8,541	8,541	34,164
Environmental Services	<b>Closure of Market Gates Public Toilets</b>	Closure of toilets as there are others within the twon centre and this is becoming a continual place for anti social behaviour and incurring extra costs	Savings	8,750	8,750	8,750	8,750	35,000
Crematorium	<b>Crematorium concession opportunities</b>	Introduction of a Tea Shop or Café concession within the Crematorium grounds in Magdalen Lawn cemetery. Introduction of flower stall concession within the Crematorium grounds in Magdalen Lawn Cemetery	Income	0	20,000	20,000	20,000	60,000
Customer Services	<b>Removal of 1st Class Postage</b>	Removal of outgoing 1st class postage service and reprocurement of postal contract.	Savings	15,000	15,000	15,000	15,000	60,000
Car parks	<b>Parking Services - Cash Collection/Cash in Transit</b>	Rationalisation of the Pay & Display Machines on car parks as 'Pay by Phone' solution introduced	Savings	10,000	10,000	10,000	10,000	40,000
Customer Services	<b>Reduction in number of Multi Functional Devices</b>	Rationalisation of the organisations MFD requirements and further reductions in printing and stationaery costs	Savings	0	11,000	22,000	22,000	55,000
Property and Asset Management	<b>Sale of Council House - Valuations</b>	Currently valuations in relation to requests for Sale of Council Houses are undertaken by an external Valuer. With the restructure of the Property Services team these Valuations can be brought in-house there will be no associated additional costs.	Savings	30,000	30,600	31,200	31,800	123,600
Property and Asset Management	<b>Beach Hut Proposal - Gorleston Lower Promonade</b>	The introduction of Beach Huts to the Gorleston promonade.	Income	1,500	1,500	25,000	25,000	53,000
				<b>73,791</b>	<b>105,391</b>	<b>140,491</b>	<b>141,091</b>	<b>460,764</b>

**Fees & Charges 2018/19**

(Proposals not included in the approved schedule December 2017)

**Markets****Six Day Market - charges per stall type**

From the 1st April 2018 fees paid in advance by direct debit will be subject to a 5% discount:

	2017/18 Charges		2018/19 Charges
Hot Food - 1	N/A	Monthly Charge	£685.50 Monthly Charge
Groceries	N/A	Monthly Charge	£463.50 Monthly Charge
Dry Goods	N/A	Monthly Charge	£509.50 Monthly Charge
Hot Food - 2	N/A	Monthly Charge	£648.50 Monthly Charge

**Market Fairs**

	2017/18 Charges	2018/19 Charges
Costs based on square metres		
Category	Attractions Description:	
A	Roundabouts over 25ft (7.62m) in diameter or any other machinery or apparatus, whether operated by electricity, steam, hand or other means	£2.65 £2.90
B	Roundabouts less than 25ft (7.62m) in diameter, power operated Hooplas, Spinners and games of similar nature	£4.75 £5.10
C	Non-mechanical operated Hooplas, Swinging boats, Booths, Shows and Exhibitions and Refreshments kiosks	£3.15 £3.40
D	Dart stalls, Coconut-shy, Shooting Galleries and other Shooting Games	£1.60 £1.70
	Minimum Charge	£31.50 £33.40

**Borough News advertising 2018/19**

	2017/18 Charges	2018/19 Charges
<b>Borough News Advertising</b>		
Outside back cover (full page)	N/A	£1,250.00
Full page	N/A	£1,000.00
Half page	N/A	£600.00
Quarter page	N/A	£375.00

**Offers/ Discounts**

Discount for paying in advance for the same size advert in two editions of the magazine	15%
Community Group and Charities	£150.00

\*Two advertorial slots available per edition for community groups or charities, each of 120 words plus photo, or 180 words without photo.

**Pay & Display Car Parks 2017/18**

	2017/18 Charges	2018/19 Charges
<b>Rover Tickets</b>		
Three day (72 hours)	£10.00	£10.60

**Council Tax Summary 2018/19**

	2017/18 Actual	Actual 2018/19 £5 Council Tax Increase		
			Movement £	Movement %
Demand on Collection Fund (excluding Parish/Town Precepts)	£ 4,141,766	£ 4,391,455	£249,689	6.03%
Borough Council Tax Level at Band D	£ 151.48	£ 156.48	£5.00	3.30%
<b>Net Borough Council Tax at Band D</b>	<b>£ 151.48</b>	<b>£ 156.48</b>	<b>£ 5.00</b>	<b>3.30%</b>
Value of Precepts	£ 354,143	£377,953	£23,810	6.72%
Effect of Parish/Town Precepts	£ 12.95	13.47	£0.52	4.02%
<b>Billed Borough Council Tax at Band D</b>	<b>£ 164.43</b>	<b>£ 169.95</b>	<b>£ 5.52</b>	<b>3.36%</b>

Tax Base	27,342	28,064
Tax Base Movement (from 2017/18)		722

Note: The Tax Base for 2018/19 is 28,064 (2017/18 27,342) so each £28,064 change in net expenditure has £1.00 effect on Council Tax at Band D.

General Fund Reserves Schedule	Closing Balance 31/03/17	Actual Movement (inc forecast) 2017/18	Updated Closing Balance 31/03/18	Budgeted Movement 2018/19	Updated Closing Balance 31/03/19	Budgeted Movement 2019/20	Updated Closing Balance 31/03/20
	£	£	£	£	£	£	£
Planning Delivery Grant	62,360	0	62,360	0	62,360	0	62,360
Insurance Fund	210,076	(5,940)	204,136	0	204,136	0	204,136
Town Centre Initiative	494,945	(271,656)	223,289	(13,429)	209,860	0	209,860
SHARP Funding	493,039	0	493,039	0	493,039	0	493,039
Restricted use grant	949,505	(232,870)	716,635	(24,000)	692,635	(24,000)	668,635
Efficiency Support grant	0	0	0	0	0	0	0
Invest to Save	1,828,329	(182,072)	1,646,257	(175,341)	1,470,916	(22,930)	1,447,986
Specific budget	103,241	(673)	102,568	0	102,568	0	102,568
LEGI	523,671	0	523,671	0	523,671	0	523,671
Repairs and Maintenance	302,351	0	302,351	0	302,351	0	302,351
Second Homes Council Tax	155,962	0	155,962	0	155,962	0	155,962
Waste Management	25,170	0	25,170	0	25,170	0	25,170
Collection Fund (Business Rates)	1,959,854	(431,559)	1,528,295	0	1,528,295	0	1,528,295
Neighbourhoods	652,770	(35,000)	617,770	0	617,770	0	617,770
Community Homes	0	(2,410)	(2,410)	0	(2,410)	0	(2,410)
Enforcement	50,000	0	50,000	0	50,000	0	50,000
Special Project Reserve	1,000,000	457,500	1,457,500	(696,742)	760,758	(44,533)	716,225
Benefits/Revenues Reserve	155,000	0	155,000	0	155,000	0	155,000
Other Reserves	263,698	(236,852)	26,846	0	26,846	0	26,846
<b>Total GF Earmarked Reserves</b>	<b>9,229,970</b>	<b>(941,532)</b>	<b>8,288,437</b>	<b>(909,512)</b>	<b>7,378,925</b>	<b>(91,463)</b>	<b>7,287,463</b>
<b>General Fund Reserve (Minimum Recommended Balance £2.5m)</b>	<b>3,707,631</b>	<b>(821,420)</b>	<b>2,886,211</b>	<b>0</b>	<b>2,886,211</b>	<b>0</b>	<b>2,886,211</b>
<b>Total GF Reserves</b>	<b>12,937,601</b>	<b>(1,762,952)</b>	<b>11,174,648</b>	<b>(909,512)</b>	<b>10,265,136</b>	<b>(91,463)</b>	<b>10,173,674</b>

Note: 2017/18 transfers allows for the use of £188,240 from the general reserve.

### Policy Framework for the Earmarked Reserves and Assessing the Optimum Level of the General Reserve for the period 2018/19 to 2021/22

#### **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 G

- 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 2018/19:

Item	2018/19	2019/20	2020/21
<b>1 Pay and Price Inflation</b> (0.5% sensitivity to budget assumption)	130,000	130,000	130,000
<b>2 Interest Rates &amp; MRP</b> (0.5% sensitivity to short term borrowing and profiling of capital spend and MRP impact)	140,000	150,000	150,000
<b>3 Failure to Achieve Planned Savings and Cost Pressures from Corporate Plan Targets</b> (to ensure core services are maintained)	150,000	130,000	130,000
<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 G

Item	2018/19	2019/20	2020/21
<b>6 Treatment of Demand Led Pressures</b> (recognising the impact of increase or reduction in demand and compensating increase or reduction in expenditure or income)	580,000	580,000	580,000
<b>7 Project Risks</b> (To recognise the risks the Authority is facing in terms of partnership work and significant projects)	100,000	100,000	100,000
<b>8 Cash Flow</b> (the impact of timing of cash flow, including the profiling of expenditure)	50,000	50,000	50,000
<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	830,000	830,000
<b>Total Indicated General Fund Reserve Recommended</b>	<b>2,550,000</b>	<b>2,570,000</b>	<b>2,570,000</b>
<b>% of Net Budgeted Operating Expenditure (excluding parish precepts)</b>	<b>20%</b>	<b>20%</b>	<b>19%</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 2018/19 should be £2.5million. This is in line with the current recommended general reserve The budgeted General Fund Reserve has been reviewed as part of the 2018/19 budget and the recommendations within the report include reallocations from the general reserve to current and new earmarked reserves to support the delivery of the corporate plan and also to mitigate future fluctuations in funding.

**Capital Programme Budget 2017-2018 updated**

Service Area	Project Title	2017/18 Original Budget Capital Programme	2017/18 REVISED Capital Programme	2017/18 REVISED Forecast Spend	Forecast 2017/18 Financing				2017/18 Forecast Variance	Notes	Carried forward capital programme spend to 2018/19
					Borrowing	Grants & Contributions	Capital Receipts	Revenue			
Head of Community Development & Regeneration	Childrens Playground Refurbishment 2017/18 - 2019/20	£ 151,370	£ 151,370	£ 151,370	£ 36,370	£ 115,000	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Community Development & Regeneration	Children's Playground Resurfacing	£ 37,650	£ 37,650	£ 37,650	£ 37,650	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Community Development & Regeneration	Priory Gardens Footpath Gorleston	£ 19,000	£ 19,000	£ 19,000	£ 19,000	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Community Development & Regeneration	Wellesley CCTV	£ 15,000	£ 15,000	£ 15,000	£ 15,000	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Community Development & Regeneration	Marina Centre Refurbishment	£ 5,727,435	£ 5,738,562	£ -	£ -	£ -	£ -	£ -	£ 5,738,562	Project to be completed in future. This represents the previously committed spend.	£ 5,738,562
Head of Community Development & Regeneration	Mill Lane Hot Water Vessels	£ 31,000	£ 31,000	£ 39,000	£ 39,000	£ -	£ -	£ -	-£ 8,000	Project due to complete over budget in 2017/18 due to unforeseen works following commencement of the project.	£ -
Head of Community Development & Regeneration	The Waterways (revised HLF bid)	£ 262,162	£ 2,087,819	£ 200,000	£ 72,000	£ 128,000	£ -	£ -	£ 1,887,819	Project spanning 3 financial years so remaining spend carried into future years.	£ 1,887,819
Head of Community Development & Regeneration	Runham Vauxhall	£ 119,541	£ 119,541	£ -	£ -	£ -	£ -	£ -	£ 119,541	Consideration of future of project to be reviewed.	£ -
Head of Community Development & Regeneration	Cobholm Skatepark	£ -	£ 100,000	£ -	£ -	£ -	£ -	£ -	£ 100,000	Project to be completed in 2018/19.	£ 100,000
Head of Customer Services	Rebuilding sections of Factory Rd/Belvedere Rd/Nth Denes Rd Gt Yarmouth Cemetery Wall	£ 75,000	£ 75,000	£ 40,000	£ 40,000	£ -	£ -	£ -	£ 35,000	Project set to continue into 2018/19.	£ 35,000
Head of Customer Services	St Nicholas Minster West Boundary Wall	£ 50,000	£ 50,000	£ 10,000	£ 10,000	£ -	£ -	£ -	£ 40,000	Project set to continue into 2018/19.	£ 40,000

**Capital Programme Budget 2017-2018 updated**

Service Area	Project Title	2017/18 Original Budget Capital Programme	2017/18 REVISED Capital Programme	2017/18 REVISED Forecast Spend	Forecast 2017/18 Financing				2017/18 Forecast Variance	Notes	Carried forward capital programme spend to 2018/19
					Borrowing	Grants & Contributions	Capital Receipts	Revenue			
Head of Customer Services	Marine Parade car park Gorleston - Surfacing	£ 22,000	£ 22,000	£ 22,000	£ 22,000	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Customer Services	Rialto Civil enforcement	£ 21,050	£ 21,050	£ -	£ -	£ -	£ -	£ -	£ 21,050	different arrangement established in 2017/18 so budget is no longer required.	£ -
Head of Customer Services	Purchase & installation of Wesley Acoustic Media system & upgrade for Crem	£ -	£ 17,432	£ 17,432	£ -	£ -	£ -	£ 17,432	£ -	Project due to complete on budget in 2017/18. Project funded by Invest to Save.	£ -
Head of Customer Services	New Cremators	£ -	£ 144,297	£ 50,000	£ 50,000	£ -	£ -	£ -	£ 94,297	Project due to complete under budget in 2017/18.	£ -
Head of Customer Services	Flexible Working	£ -	£ 200,706	£ 25,000	£ 25,000	£ -	£ -	£ -	£ 175,706	Project due to complete under budget in 2017/18.	£ -
Head of Environmental Services	Replacement of the Council's Air Quality Monitoring Station	£ 50,000	£ 50,000	£ 50,000	£ 50,000	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Environmental Services	Refuse Vehicles	£ -	£ 115,000	£ -	£ -	£ -	£ -	£ -	£ 115,000	Capital spend to be reviewed as part of the overall review of the GYBS contract.	£ -
Head of Housing	Disabled Facilities Grant (Better Care Fund)	£ 941,786	£ 1,228,031	£ 1,228,031	£ -	£ 1,148,031	£ -	£ 80,000	£ -	Increased demand has resulted in increased grants being given. Increased DFG funding from DCLG has been secured & further is being sought. Housing & Neighborhoods Committee (18th January 2018) have agreed that if the additional funding is not received £80,000 can be vired from the Homes 4 Health funding used for the shortfall.	£ -

**Capital Programme Budget 2017-2018 updated**

Service Area	Project Title	2017/18 Original Budget Capital Programme	2017/18 REVISED Capital Programme	2017/18 REVISED Forecast Spend	Forecast 2017/18 Financing				2017/18 Forecast Variance	Notes	Carried forward capital programme spend to 2018/19
					Borrowing	Grants & Contributions	Capital Receipts	Revenue			
Head of Housing	Empty Homes	£ 650,000	£ 719,340	£ -	£ -	£ -	£ -	£ -	£ 719,340	Project commitment to be carried forward into future years.	£ 719,340
Head of Housing	Homes 4 Health	£ 300,000	£ 400,000	£ -	£ -	£ -	£ -	£ -	£ 400,000	Project commitment to be carried forward into future years.	£ 400,000
Head of Housing	Norfolk & Waveney Equity Loan Scheme	£ -	£ 48,040	£ 40,000	£ -	£ -	£ 40,000	£ -	£ 8,040	Recirculating of capital receipts for the project. Repayment of prior year loans replenishes the fund available for new loans.	£ 8,040
Head of Housing	Emergency Home Improvement Loans	£ -	£ 50,000	£ 10,000	£ -	£ -	£ 10,000	£ -	£ 40,000	Project commitment to be carried forward into future years. Recirculating of these loans based on previous loans repaid.	£ 40,000
Head of IT	ICT Investment to deliver GYBC ICT Strategy	£ 222,500	£ 242,500	£ 15,000	£ 15,000	£ -	£ -	£ -	£ 227,500	ICT capital budget to be reviewed as part of the overall review of the service provision so no roll forward. £15,000 to be used for replacement scanners.	£ -
Head of IT	Digital By Design	£ -	£ 23,303	£ -	£ -	£ -	£ -	£ -	£ 23,303	In line with ICT capital budget, this project is to be reviewed as part of the overall review of the ICT service provision.	£ -
Head of IT	Server Upgrades - Integra	£ -	£ 20,000	£ 11,000	£ 11,000	£ -	£ -	£ -	£ 9,000	Project due to complete under budget in 2017/18.	£ -
Head of Property & Asset Management	Pops Meadow, Fiskes Opening Gorleston CPO	£ -	£ 60,000	£ 60,000	£ 60,000	£ -	£ -	£ -	£ -	Future business case for development of site.	£ -
Head of Property & Asset Management	Beacon Park LATC - Phase 1/ Equinox	£ 9,260,000	£ 9,334,662	£ 5,000,000	£ 5,000,000	£ -	£ -	£ -	£ 4,334,662	Equinox funding to be staged therefore budget carried into future years.	£ 4,334,662

**Capital Programme Budget 2017-2018 updated**

Service Area	Project Title	2017/18 Original Budget Capital Programme	2017/18 REVISED Capital Programme	2017/18 REVISED Forecast Spend	Forecast 2017/18 Financing				2017/18 Forecast Variance	Notes	Carried forward capital programme spend to 2018/19
					Borrowing	Grants & Contributions	Capital Receipts	Revenue			
Head of Property & Asset Management	Public Toilet Refurbishment Programme	£ 160,000	£ 160,000	£ 160,000	£ 160,000	£ -	£ -	£ -	£ -	Project due to complete on budget in 2017/18.	£ -
Head of Property & Asset Management	Footway Lighting	£ 100,000	£ 100,000	£ 100,000	£ 100,000	£ -	£ -	£ -	£ -	Project due to complete in budget in 2017/18.	£ -
Head of Property & Asset Management	Esplande Resurfacing	£ 191,440	£ 236,440	£ -	£ -	£ -	£ -	£ -	£ 236,440	No spend forecast in 2017/18.	£ 236,440
Head of Property & Asset Management	Beacon Park projects	£ 4,225,000	£ 4,875,807	£ 1,000,000	£ 1,000,000	£ -	£ -	£ -	£ 3,875,807	Carried forward budget represents commitments made in 2017/18 (e.g. roadworks, rising main). Any further spend required in future years will be subject to consideration of proposals.	£ 1,500,000
Head of Property & Asset Management	Beacon Park - Site 12a	£ 3,300,000	£ 6,747,084	£ 6,747,084	£ 3,700,000	£ 3,047,084	£ -	£ -	£ -	Project due to complete in budget in 2017/18.	£ -
Head of Property & Asset Management	Energy Park - South Denes	£ 2,738,559	£ 2,868,276	£ 594,000	£ -	£ 594,000	£ -	£ -	£ 2,274,276	Remaining budget carried forward into 2018/19 & future years to recognise commitments to the development of the site.	£ 2,274,276
		<b>£ 28,670,493</b>	<b>£ 36,108,910</b>	<b>£ 15,641,567</b>	<b>£ 10,462,020</b>	<b>£ 5,032,115</b>	<b>£ 50,000</b>	<b>£ 97,432</b>	<b>£ 20,467,344</b>		<b>£ 17,314,140</b>

**Current Capital Programme Budget 2018-2019 (excluding new bids)**

Service Area	Project Title	Included within the 2017/18 Budget Book	Removed	2017/18 Roll Forward	In year Approvals	2018/19 Capital Programme	Notes	BORROWING	GRANTS & CONTRIBUTIONS		CAPITAL RECEIPTS	REVENUE
									DFG	Other Grants/3rd Party Contributions		
Head of Customer Services	ICT Investment to deliver GYBC ICT Strategy	£290,500	£0	£0	£0	£290,500	ICT capital budget to be reviewed as part of the overall review of the service provision so no roll forward.	£290,500	£0	£0	£0	£0
Head of Customer Services	St Nicholas Minster West Boundary Wall	£50,000	£0	£0	£0	£50,000		£50,000	£0	£0	£0	£0
Head of Property & Asset Management	Public Toilet Refurbishment Programme	£160,000	(£160,000)	£0	£0	£0	Superseded by 2018/19 bid.	£0	£0	£0	£0	£0
Head of Property & Asset Management	Footway Lighting	£100,000	£0	£0	£0	£100,000	To be reviewed.	£100,000	£0	£0	£0	£0
Head of Property & Asset Management	Esplanade Resurfacing	£100,000	£0	£236,440	£0	£336,440	To be reviewed.	£336,440	£0	£0	£0	£0
Head of Community Development & Regeneration	Childrens Playground Refurbishment 2017/18 - 2019/20	£46,595	£0	£0	£0	£46,595	Strategy expected to continue.	£46,595	£0	£0	£0	£0
Head of Housing	Disabled Facilities Grant	£800,000	£0	£0	£0	£800,000	DFG spen will be revised in line with DFG allocation via the Better Care Fund. Notification due February 2018. Total likely to be greater than £880k based on previous years.	£0	£800,000	£0	£0	£0
Head of Community Development & Regeneration	The Waterways	£1,435,311	(£1,435,311)	£1,887,819	£0	£1,887,819	Project revised after 2017/18 budget produced.	£429,615	£0	£1,458,204.16	£0	£0
Head of Community Development & Regeneration	Marina Centre Refurbishment	£0	£0	£5,738,562	£0	£5,738,562	Project to be completed in future. This represents the previously committed spend.	£5,738,562	£0	£0	£0	£0
Head of Housing	Empty Homes	£0	£0	£719,340	£0	£719,340		£719,340	£0	£0	£0	£0
Head of Housing	Homes for Health	£0	£0	£400,000	£0	£400,000		£0	£0	£0	£0	£400,000
Head of Housing	Norfolk & Waveney Equity Loan Scheme	£0	£0	£8,040	£0	£8,040		£0	£0	£8,040	£0	£0
Head of Housing	Emergency Home Improvement Loans	£0	£0	£40,000	£0	£40,000		£0	£0	£0	£40,000	£0
Head of Property & Asset Management	Beacon Park LATC - Phase 1/ Equinox	£0	£0	£4,334,662	£0	£4,334,662		£4,334,662	£0	£0	£0	£0
Head of Property & Asset Management	Beacon Park Projects	£0	£0	£1,500,000	£0	£1,500,000		£1,500,000	£0	£0	£0	£0
Head of Property & Asset Management	Energy Park - South Denes	£0	£0	£2,274,276	£0	£2,274,276		£638,559	£0	£1,635,717	£0	£0
Head of Community Development & Regeneration	Cobholm Skate Park	£0	£0	£100,000	£0	£100,000		£75,000	£0	£0	£25,000	£0
Head of Customer Services	Rebuilding sections of Factory Rd/Belvedere Rd/Nth Denes Rd Gt Yarmouth Cemetery Wall	£0	£0	£35,000	£0	£35,000		£35,000	£0	£0	£0	£0
Head of Customer Services	St Nicholas Minster West Boundary Wall	£0	£0	£40,000	£0	£40,000		£40,000	£0	£0	£0	£0
Head of Property & Asset Management	Beach Huts	£0	£0	£0	£140,000	£140,000		£140,000	£0	£0	£0	£0
		<b>£2,982,406</b>	<b>(£1,595,311)</b>	<b>£17,314,140</b>	<b>£140,000</b>	<b>£18,841,235</b>		<b>£14,474,273</b>	<b>£800,000</b>	<b>£3,101,962</b>	<b>£65,000</b>	<b>£400,000</b>

Current Capital Programme Budget 2019-2020 (excluding new bids)

Directorate	Project Title	Included within the 2017/18 Budget Book	Removed	2018/19 Roll Forward	Separate Report	2019/20 Capital Programme	Notes	BORROWING	GRANTS & CONTRIBUTIONS		CAPITAL RECEIPTS	REVENUE
									DFG	Other Grants/3rd Party Contributions		
Head of Customer Services	ICT Investment to deliver GYBC ICT Strategy	£240,500	£0	£0	£0	£240,500		£240,500				
Head of Community Development & Regeneration	Childrens Playground Refurbishment 2017/18 - 2019/20	£39,945	£0	£0	£0	£39,945	Strategy expected to continue.	£39,945				
Head of Community Development & Regeneration	The Waterways	£363,260	(£363,260)	£0	£0	£0	Will be revised based on 2018/19 yearend position.	£0				
		<b>£643,705</b>	<b>(£363,260)</b>	<b>£0</b>	<b>£0</b>	<b>£280,445</b>		<b>£280,445</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>	<b>£0</b>

**Capital Programme Budget 2018-2019 - Bids****2018/19 Bids - seeking approval**

Service Area	Project Title	18/19	19/20
Head of Customer Services	Replacement Pay & Display Machines Borough Car Parks	£106,875	£0
Head of Property & Asset Management	Public Toilet Refurbishment Programme	£160,000	£155,000
Head of Property & Asset Management	Gorleston High Street car park surfacing	£19,000	£0
Head of Property & Asset Management	Overlay Access Roadway to Cobholm Rugby Club	£20,000	£0
Head of Property & Asset Management	Yacht Station Improvements - welfare facilities (shower block)	£12,000	£0
		<b>£317,875</b>	<b>£155,000</b>
<b>Financed By:</b>			
Borrowing		£317,875	£155,000

**2018/19 Bids - business cases required but seeking approval in principal**

Service Area	Project Title	18/19
Head of Property & Asset Management	Gorleston Paddling Pool /Splash Pad	£400,000
Head of Property & Asset Management	Cycle Shed & Shower facilities	£44,650
Head of Customer Services	Tea Rooms for Crematorium	£60,000
		<b>£504,650</b>
<b>Financed By:</b>		
Borrowing		£504,650

## Appendix J - Prudential Indicators and Annual Minimum Revenue Provision Statement 2018/19.

### Prudential Indicators 2018/19

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

**Estimates of Capital Expenditure:** The Authority's planned capital expenditure and financing may be summarised as follows. Further detail is provided in the capital programme report Appendix H.

<b>Capital Expenditure and Financing</b>	<b>2017/18 Revised £000</b>	<b>2018/19 Estimate £000</b>	<b>2019/20 Estimate £000</b>
Head of Community Development & Regeneration	462	7,773	40
Head of Customer Services	190	582	241
Head of Environmental Services	50	0	0
Head of Housing	1,278	1,967	0
Head of Property & Asset Management	13,661	9,341	155
<b>Non-HRA (GF) Total</b>	<b>15,641</b>	<b>19,664</b>	<b>435</b>
HRA	10,499	9,820	10,429
<b>Total Expenditure</b>	<b>26,140</b>	<b>29,484</b>	<b>10,864</b>
Capital Receipts	1,312	1,197	1,388
Capital Grants	5,032	3,902	0
Revenue	6,668	7,728	6,902
Borrowing	13,128	16,657	2,574
<b>Total Financing</b>	<b>26,140</b>	<b>29,484</b>	<b>10,864</b>

**Estimates of Capital Financing Requirement:** The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

<b>Capital Financing Requirement</b>	<b>31.03.18 Revised £000</b>	<b>31.03.19 Estimate £000</b>	<b>31.03.20 Estimate £000</b>
General Fund	50,636	53,420	58,394
HRA	79,984	81,344	83,483
<b>Total CFR</b>	<b>130,620</b>	<b>134,764</b>	<b>141,877</b>

The CFR is forecast to rise by £8m over the next two years as capital expenditure financed by debt outweighs resources put aside for debt repayment.

**Gross Debt and the Capital Financing Requirement:** In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

<b>Debt</b>	<b>31.03.18 Revised £000</b>	<b>31.03.19 Estimate £000</b>	<b>31.03.20 Estimate £000</b>
Net Borrowing	106,890	109,890	113,890
Net Finance leases	426	359	290
Net Transferred debt	505	467	429
<b>Total Debt</b>	<b>107,821</b>	<b>110,716</b>	<b>114,609</b>

Total debt is expected to remain below the CFR during the forecast period.

**Operational Boundary for External Debt:** The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

<b>Operational Boundary</b>	<b>2017/18 Revised £000</b>	<b>2018/19 Estimate £000</b>	<b>2019/20 Estimate £000</b>	<b>2020/21 Estimate £000</b>
Borrowing	133,000	135,000	141,000	142,000
Other long-term liabilities	2,000	2,000	2,000	2,000
<b>Total Debt</b>	<b>135,000</b>	<b>137,000</b>	<b>143,000</b>	<b>144,000</b>

**Authorised Limit for External Debt:** The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

<b>Authorised Limit</b>	<b>2017/18 Limit £000</b>	<b>2018/19 Limit £000</b>	<b>2019/20 Limit £000</b>	<b>2020/21 Limit £000</b>
Borrowing	138,000	140,000	146,000	147,000
Other long-term liabilities	2,000	2,000	2,000	2,000
<b>Total Debt</b>	<b>140,000</b>	<b>142,000</b>	<b>148,000</b>	<b>149,000</b>

**Ratio of Financing Costs to Net Revenue Stream:** This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

<b>Ratio of Financing Costs to Net Revenue Stream</b>	<b>2017/18 Revised %</b>	<b>2018/19 Estimate %</b>	<b>2019/20 Estimate %</b>
General Fund	3.9%	5.4%	7.1%
HRA	10.8%	10.8%	11.3%

**Incremental Impact of Capital Investment Decisions:** This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and housing rent levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed Appendix H.

<b>Incremental Impact of Capital Investment Decisions</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
General Fund - increase in annual band D Council Tax	£0.29	£1.21
HRA - increase in average weekly rents	£0.05	£0.06

**Adoption of the CIPFA Treasury Management Code:** The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* and it fully complies with the Codes recommendations.

## **Annual Minimum Revenue Provision Statement 2018/19**

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the CLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The CLG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP.

The following outlines the Council's MRP policy, as approved by the Policy & Resources Committee 28th November 2017, for the General Fund in 2017/18 and moving forward:

**Post-2008 Expenditure** - For capital expenditure financed by borrowing after 31st March 2008, the annuity MRP method is applied. This provides a lower annual charge in the earlier years which gradually increases. The approach is both prudent and a recommended method as per the CLG guidance. This method allows for a reduction in the interest costs chargeable (as the CFR is repaid) over time and is offset by a rise in the MRP over the same period, thereby resulting in a consistent revenue charge of the cost of capital.

**Pre 2008 Expenditure** – MRP on all General Fund capital expenditure incurred before 1st April 2008 is equal to 4% of the opening CFR less a fixed sum known as "Adjustment A". This methodology is consistent with previous years.

For assets acquired by finance leases, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

For capital expenditure loans to third parties that are repaid in annual or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead.

No MRP will be charged in respect of assets held within the Housing Revenue Account.

Capital expenditure incurred during 2018/19 will not be subject to a MRP charge until 2019/20.

Based on the Authority's latest estimate of its Capital Financing Requirement on 31st March 2018, the budget for MRP has been set as follows:

	<b>31.03.2018 Estimated CFR £000</b>	<b>2018/19 Estimated MRP £000</b>
Capital expenditure before 01.04.2008	14,718	498
Capital expenditure after 31.03.2008	35,918	935
<b>Total General Fund</b>	<b>50,636</b>	<b>1,433</b>
Housing Revenue Account	79,984	0
<b>Total</b>	<b>130,620</b>	<b>1,433</b>