

Tendring **District Council**



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix A	A summary of the overall position by Portfolio/Committee split by GF and HRA
Appendix B	An analysis by Department of all General Fund Revenue budgets.
Appendix C	An analysis of Housing Revenue Account Revenue budgets.
Appendix D	The position to date for General Fund and HRA capital projects.
Appendix E	Collection Performance
Appendix F	Treasury activity.
Appendix G	Income from S106 Agreements.
Appendix H	Proposed Adjustments to the 2018/19 Budget
Appendix I	Carryforwards for more than one year (at end of 2017/18)

Corporate Budget Monitoring

December 2018

(The variance figures set out in these appendices that are presented in brackets represent either a net underspend to date position or additional income received to date)

Corporate Budget Monitoring - Executive Summary as at the end of December 2018

The tables below show the summary position for the General Fund, Housing Revenue Account, Capital, Debt and Treasury Activity.

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	956,340	745,540	706,093	(39,447)
Corporate Services	(21,993,830)	(8,600,263)	(10,063,083)	(1,462,819)
Operational Services	14,757,990	6,521,611	6,349,148	(172,463)
Planning and Regeneration	6,279,500	1,988,103	799,465	(1,188,639)
Total General Fund	0	654,991	(2,208,377)	(2,863,368)

Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Total HRA	0	(6,458,130)	(6,771,775)	(313,645)

Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	13,799,860	2,555,027	2,807,442	252,415
Housing Revenue Account	8,076,290	2,820,728	2,571,957	(248,770)
Total Capital	21,876,150	5,375,755	5,379,399	3,645

Debt

	Collected to Date Against Collectable Amount
Council Tax	82.52%
Business Rates	81.42%
Housing Rents	97.40%
General Debt	90.65%

Treasury

	£'000
Total External Borrowing	42,415
Total Investments	64,396

Revenue Budget Position at the end of December 2018

General Fund Portfolio / Committee Summary

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £
Leader	1,750,000	0	0	0
Finance and Corporate Resources	2,164,150	2,690,358	1,946,002	(744,356)
Environment	5,488,050	2,763,007	2,622,891	(140,117)
Housing	2,865,840	3,372,869	2,791,603	(581,266)
Health and Education	511,730	225,848	204,769	(21,079)
Corporate Enforcement	2,953,820	1,326,749	26,111	(1,300,638)
Investment and Growth	2,884,650	181,304	160,343	(20,960)
Leisure and Tourism	6,643,690	1,276,798	1,430,748	153,950
Budgets Relating to Non Executive Functions	834,880	196,952	119,956	(76,996)
	26,096,810	12,033,885	9,302,423	(2,731,462)
Revenue Support for Capital Investment	4,447,300	0	0	0
Financing Items	(4,712,450)	(195,401)	(327,513)	(132,113)
Budget Before use of Reserves	25,831,660	11,838,484	8,974,910	(2,863,575)
Contribution to / (from) earmarked reserves	(11,929,180)	0	0	0
Total Net Budget	13,902,480	11,838,484	8,974,910	(2,863,575)
Funding:				
Revenue Support Grant	(1,070,100)	(727,920)	(727,668)	252
Business Rates Income	(4,578,370)	(4,191,881)	(4,191,927)	(46)
Collection Fund Surplus	(652,300)	(521,840)	(521,840)	0
Income from Council Tax Payers	(7,601,710)	(5,741,852)	(5,741,852)	0
Total	0	654,991	(2,208,377)	(2,863,368)

Revenue Budget Position at the end of December 2018

HRA Portfolio Summary

	2018/19 Current Full Year Budget	2018/19 Profiled Budget to date	2018/19 Actual to date	2018/19 Variance to Profile
	£	£	£	£
Housing	(2,241,210)	(6,458,130)	(6,771,775)	(313,645)
	(2,241,210)	(6,458,130)	(6,771,775)	(313,645)
Revenue Support for Capital Investment	480,570	0	0	0
Financing Items	1,919,980	0	0	0
Budget Before use of Reserves	159,340	(6,458,130)	(6,771,775)	(313,645)
Contribution to / (from) earmarked reserves	(159,340)	0	0	0
Total	0	(6,458,130)	(6,771,775)	(313,645)

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2018

Department - Office of Chief Executive

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	391,750	293,173	291,975	(1,197)	98,577	
Premises Related Expenditure	1,360	1,360	1,362	2	0	
Transport Related Expenditure	14,040	10,530	9,442	(1,088)	3,510	
Supplies & Services	611,540	457,348	429,073	(28,274)	154,192	
Total Direct Expenditure	1,018,690	762,410	731,852	(30,558)	256,280	
Direct Income						
Government Grants	0	0	(2,853)	(2,853)	0	
Other Grants, Reimbursements and Contributions	(13,780)	(13,780)	(19,818)	(6,038)	0	
Sales, Fees and Charges	(3,090)	(3,090)	(3,089)	1	0	
Total Direct Income	(16,870)	(16,870)	(25,759)	(8,889)	0	
Net Direct Costs	1,001,820	745,540	706,093	(39,447)	256,280	
Net Indirect Costs	(45,480)	0	0	0	(45,480)	
Total for Office of Chief Executive	956,340	745,540	706,093	(39,447)	210,800	

Department - Office of Chief Executive

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Chief Executive and Leadership Support and Community	956,340	745,540	706,093	(39,447)	
Total for Office of Chief Executive	956,340	745,540	706,093	(39,447)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2018

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	6,552,500	3,557,126	3,424,613	(132,513)	2,855,374	
Premises Related Expenditure	217,820	199,800	178,774	(21,026)	18,020	
Transport Related Expenditure	54,070	52,215	43,372	(8,843)	1,855	
Supplies & Services	6,688,900	2,319,441	1,914,020	(405,421)	4,349,359	
Transfer Payments	53,222,090	35,161,312	36,775,621	1,614,309	18,060,778	
Interest Payments	63,670	23,195	24,386	1,191	28,542	
Total Direct Expenditure	66,799,050	41,313,089	42,360,785	1,047,696	25,313,927	
Direct Income						
Government Grants	(57,206,180)	(36,840,165)	(39,382,829)	(2,542,664)	(20,366,015)	
Other Grants, Reimbursements and Contributions	(1,741,250)	(1,447,849)	(1,318,092)	129,757	(293,401)	
Sales, Fees and Charges	(14,000)	(11,070)	(14,033)	(2,963)	(2,930)	
Rents Receivable	(300)	(230)	(265)	(35)	(70)	
Interest Receivable	(508,160)	(430,545)	(525,362)	(94,817)	(77,615)	
RSG, Business Rates and Council Tax	(13,902,480)	(11,183,493)	(11,183,287)	206	(2,718,987)	
Total Direct Income	(73,372,370)	(49,913,352)	(52,423,867)	(2,510,515)	(23,459,018)	
Net Direct Costs	(6,573,320)	(8,600,263)	(10,063,083)	(1,462,819)	1,854,909	
Net Indirect Costs	(3,491,330)	0	0	0	(3,491,330)	
Net Contribution to/(from) Reserves	(11,929,180)	0	0	0	(11,929,180)	
Total for Corporate Services	(21,993,830)	(8,600,263)	(10,063,083)	(1,462,819)	(13,565,601)	

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Deputy Chief Executive and Administration	660,850	407,737	376,517	(31,220)	
Total for Governance and Legal Services	13,950	256,520	216,921	(39,599)	
Total for Finance, Revenues and Benefits	1,550,990	2,106,134	1,527,544	(578,590)	Similarly to the last quarter, the variance to date reflects both the position against employee costs (vacancies) and the cash flow impact of housing benefit payments and the timing of the reimbursement of expenditure via the associated subsidy system.
Total for Finance - Other Corporate Costs	2,019,930	(2,577,539)	(3,022,273)	(444,734)	Income continues to run ahead of the profile for business rate grant income from the government, income from investments and new burdens funding, with the latter two items proposed to be adjusted as set out in Appendix H. Appendix H also includes an adjustment to reflect the fine imposed on the Council following the legionella issue at Frinton and Walton Pool
Total for Finance - Financing Items	(13,523,000)	206,580	172,261	(34,319)	
Total for Finance - RSG, Business Rates and Council Tax	(13,902,480)	(11,183,493)	(11,183,287)	206	

Department - Corporate Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Property Services	51,460	78,092	80,318	2,225	Following rent reviews for the relevant properties, the Caros budget is proposed to be adjusted as set out in Appendix H.
Total for People, Performance and Projects	229,900	475,835	435,511	(40,324)	
Total for IT and Corporate Resilience	904,570	1,629,871	1,333,405	(296,466)	Some of the expenses / costs incurred reflect the timing of the delivery of a number of projects and initiatives. Increases in costs are expected due to Microsoft licence costs going up significantly - an associated adjustment is set out in Appendix H. This change in costs will also have an impact on the on-going digital transformation project with a further report scheduled to be presented to members in March which will provide an overall project update
Total for Corporate Services	(21,993,830)	(8,600,263)	(10,063,083)	(1,462,819)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2018

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	9,061,320	6,754,237	6,775,248	21,010	2,307,083	
Premises Related Expenditure	3,115,200	2,262,765	2,316,795	54,030	852,435	
Transport Related Expenditure	469,390	276,433	286,003	9,570	192,957	
Supplies & Services	4,449,390	2,519,183	2,671,026	151,843	1,930,207	
Third Party Payments	4,617,820	2,744,817	2,791,524	46,707	1,873,003	
Transfer Payments	149,650	112,238	196,420	84,183	37,413	
Total Direct Expenditure	21,862,770	14,669,673	15,037,016	367,343	7,193,097	
Direct Income						
Government Grants	(446,720)	(353,350)	(353,350)	(0)	(93,370)	
Other Grants, Reimbursements and Contributions	(1,474,150)	(1,043,302)	(1,164,971)	(121,669)	(421,368)	
Sales, Fees and Charges	(8,058,820)	(6,357,219)	(6,726,194)	(368,974)	(1,701,601)	
Rents Receivable	(305,970)	(237,346)	(268,720)	(31,374)	(68,624)	
Total Direct Income	(10,285,660)	(7,991,217)	(8,513,234)	(522,017)	(2,284,963)	
Net Direct Costs	11,577,110	6,678,456	6,523,782	(154,674)	4,908,134	
Net Indirect Costs	3,180,880	(156,845)	(174,634)	(17,789)	3,337,725	
Total for Operational Services	14,757,990	6,521,611	6,349,148	(172,463)	8,245,859	

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director and Administration Operational Services	730,510	299,672	269,106	(30,567)	
Total for Public Realm	1,348,930	273,502	133,759	(139,743)	The variance to date primarily reflects increased income for parking and the crematorium. Some additional costs have been incurred within public conveniences to deliver actions identified from undertaking comprehensive legionella risk assessments with the cost to be met from the corporate health and safety work programme budget - the necessary adjustment is set out in Appendix H.
Total for Customer and Commercial Services	347,710	598,290	627,252	28,962	The over spend to date is mainly due to a number of one off factors in 18/19 affecting the Careline Service. £10k is due to the write off of historic debt, a further £10k issue to delays in procuring new vans where short term hire was required and a final £10k due to the one off purchase of replacement IT equipment.

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Sports and Leisure	2,776,260	153,500	242,751	89,251	Although beach hut income is running ahead of the annual budget to date, it is more than offset by increased premises maintenance costs (£49k) and reduced income (48k) within sports facilities. Against this context a review of the longer term strategy for sports facilities is being considered and will be presented to Cabinet shortly. No adjustment to the budget is proposed at the present time but an overall net overspend is likely to remain at the end of the year.
Total for Housing and Environmental Health	1,864,330	1,393,169	1,293,681	(99,488)	Although the service is reporting an under spend overall, primarily due to employee costs, there is now a significant adverse variance of £40k emerging against the homelessness budget. This is due to an increase in the demand for accommodation and the unavoidable use of B&B accommodation as lower cost options are not always readily available.

Department - Operational Services

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Building and Engineering	7,690,250	3,803,477	3,782,599	(20,878)	<p>There are a number of issues within this budget area as follows:</p> <p>1) Street naming and numbering income is ahead of the budget by £64k.</p> <p>2) The Waste and Recycling Contract cost has increased due to a higher inflationary uplift than budgeted.</p> <p>3) The in-house building maintenance team has experienced increased costs due to the work they have undertaken at Pier Avenue as part of the office transformation project. However this will be met from the overall office transformation project budget as the in-house approach has delivered significant savings compared to appointing an external contractor.</p> <p>It is proposed to adjust the budget for each of the items above, which are set out in Appendix H.</p>
Total for Operational Services	14,757,990	6,521,611	6,349,148	(172,463)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2018

Department - Planning and Regeneration

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	2,360,860	1,703,950	1,542,447	(161,503)	656,910	
Premises Related Expenditure	28,430	24,240	24,209	(31)	4,190	
Transport Related Expenditure	38,380	29,555	24,580	(4,975)	8,825	
Supplies & Services	4,694,280	1,524,007	556,910	(967,097)	3,170,273	
Third Party Payments	870	0	0	0	870	
Total Direct Expenditure	7,122,820	3,281,752	2,148,146	(1,133,607)	3,841,068	
Direct Income						
Government Grants	(111,500)	(111,500)	(109,506)	1,994	0	
Other Grants, Reimbursements and Contributions	(20,500)	(20,500)	(20,661)	(161)	0	
Sales, Fees and Charges	(1,445,480)	(1,120,022)	(1,172,065)	(52,043)	(325,458)	
Rents Receivable	(55,340)	(41,626)	(46,449)	(4,823)	(13,714)	
Total Direct Income	(1,632,820)	(1,293,649)	(1,348,681)	(55,032)	(339,171)	
Net Direct Costs	5,490,000	1,988,103	799,465	(1,188,639)	3,501,897	
Net Indirect Costs	789,500	0	0	0	789,500	
Total for Planning and Regeneration	6,279,500	1,988,103	799,465	(1,188,639)	4,291,397	

Department - Planning and Regeneration

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director	1,040	80,377	81,161	784	
Total for Planning and Customer Services	(8,000)	1,097,572	937,015	(160,557)	The position to date primarily reflects employee costs.
Total for Planning and Development	990,900	(512,250)	(534,979)	(22,729)	In reversing the trend from previous quarters, planning income is now running ahead of the profiled position which is a positive development. However along with the timing of some expenditure, the position is masking increased expenditure on defending planning appeals. To date costs of £155k have been incurred. However it is proposed to adjust other budgets within the Planning service to offset this cost which are set out in Appendix H, but this is not a financially sustainable position in the long term which may need to be addressed within the long term forecast.
Total for Planning Policy	1,764,800	884,910	(67,050)	(951,960)	Delivery of the Local Plan takes place over a number of years with the variance to date reflecting the timing of expenditure across financial years. It is proposed to utilise some of this budget to support the increased cost of defending planning appeals as highlighted above.

Department - Planning and Regeneration

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Total for Building Control	144,230	16,885	(22,582)	(39,467)	Income remains ahead of the profile at the end of December 2018.
Total for Regeneration	3,386,530	420,609	405,900	(14,708)	
Total for Planning and Regeneration	6,279,500	1,988,103	799,465	(1,188,639)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of December 2018

Housing Revenue Account

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,061,140	486,345	486,003	(342)	574,795	
Premises Related Expenditure	3,716,270	2,322,007	2,005,902	(316,105)	1,394,263	
Transport Related Expenditure	22,570	16,978	22,061	5,083	5,592	
Supplies & Services	461,470	246,696	199,381	(47,315)	214,774	
Third Party Payments	1,030	773	0	(773)	258	
Transfer Payments	17,000	12,750	12,923	173	4,250	
Interest Payments	1,452,960	686,954	679,141	(7,813)	766,006	
Total Direct Expenditure	6,732,440	3,772,502	3,405,411	(367,091)	2,959,938	
Direct Income						
Other Grants, Reimbursements and Contributions	(8,000)	0	(10,138)	(10,138)	(8,000)	
Sales, Fees and Charges	(553,860)	(420,320)	(425,276)	(4,957)	(133,541)	
Rents Receivable	(13,107,230)	(9,810,313)	(9,741,772)	68,541	(3,296,917)	
Interest Receivable	(51,600)	0	0	0	(51,600)	
Total Direct Income	(13,720,690)	(10,230,632)	(10,177,186)	53,446	(3,490,058)	
Net Direct Costs	(6,988,250)	(6,458,130)	(6,771,775)	(313,645)	(530,120)	
Net Indirect Costs	7,147,590	0	0	(0)	7,147,590	
Net Contribution to/(from) Reserves	(159,340)	0	0	0	(159,340)	
Total for HRA	0	(6,458,130)	(6,771,775)	(313,645)	6,458,130	

Housing Revenue Account

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Finance - Financing Items	2,400,550	0	0	0	
Total for Corporate Director and Administration Operational Services	639,420	51,464	43,015	(8,449)	
Total for Customer and Commercial Services	(41,980)	(84,000)	(94,653)	(10,653)	
Total for Housing and Environmental Health	(6,928,890)	(8,478,333)	(8,432,150)	46,183	Two issues remain on-going from previous quarters - 1) Void loss on properties and 2) the council tax payable on empty properties with the later reflecting the cost of empty units in Honeycroft and Spendalls Sheltered Schemes. It is proposed to adjust the budget in response to these issues, which are set out in Appendix H.
Total for Building and Engineering	3,930,900	2,052,739	1,712,013	(340,726)	The position to date reflects the timing of repairs and maintenance costs.
Total for HRA	0	(6,458,130)	(6,771,775)	(313,645)	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Expenditure						
Corporate Enforcement Portfolio						
Milton Road car park repairs	250,000	250,000	0	0	0	This project remains under consideration as part of the wider Harwich regeneration project.
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	Tenders returned for the project exceeded available budget. Further options are now being considered i.e.. re-scaling project or identifying additional funding.
Total for Corporate Enforcement Portfolio	430,000	430,000	0	0	0	
Environment Portfolio						
Cranleigh Close, Clacton, landscaping works	7,830	7,830	0	0	0	Project ongoing and expected to be finalised by end of this financial year
Environmental Health Database Migration	5,250	0	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project with the budget being profiled to 2019/20.
Public Access Module to CAPS	54,140	0	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project with the budget being profiled to 2019/20.
Laying Out Cemetery	170,120	1,650	1,650	1,650	0	The works element of this project has been profiled to 2020/21.
Crematorium and Cemeteries Road Works	150,000	150,000	0	0	0	Tenders now received, with details of work being finalised before contractors formally appointed.

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Bath House Meadow Play Area, Walton	37,580	37,580	32,710	32,709	(1)	Minor works to be completed before project is finalised.
Changing Place Facilities, Walton	62,000	62,000	62,000	60,505	(1,495)	Scheme Complete.
Resurfacing Works, Off Valley Road	40,000	40,000	33,230	33,225	(5)	Minor landscaping works to be carried out before the project is finalised.
Waste Collection Wheeled Bins	742,990	742,990	0	0	0	Order sent to supplier.
Total for Environment Portfolio	1,269,910	1,042,050	129,590	128,089	(1,501)	
Finance and Corporate Resources Portfolio						
Audit management software	2,230	2,230	0	0	0	
Joint HR and Payroll System	1,780	1,780	0	0	0	
Westleigh House Demolish/additional parking provision	23,710	23,710	0	0	0	Demolition has now been put back to be completed by the end of February 2019
Information and Communications Technology Core Infrastructure	552,400	152,400	39,300	88,837	49,537	This capital sum, together with the IT strategic Investment budget below are now fully committed during 2018/19 to the office transformation network re-design and investment works and essential hardware upgrades, including the Council's security firewalls
IT Strategic Investment	153,790	153,790	71,094	94,543	23,449	See Information and Communications Technology Core infrastructure comment re: office transformation network re-design.

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Agresso e-procurement	84,000	0	0	0	0	The next phase of this project is currently expected to progress in 2019/20, and the budget has been reprofiled to reflect this.
Individual Electoral Registration - Scanning Equipment	1,560	1,560	0	0	0	
Enhanced Equipment replacement - Printing and Scanning	15,350	11,740	0	0	0	The profile for this budget has been revised as an opportunity to purchase improved scanning equipment has arisen, which is expected to be paid for by the end of the year.
Office Rationalisation	1,489,260	937,670	55,000	193,959	138,959	Work in Pier Avenue is practically complete, save for some snagging and redecoration. The appointment of a contractor to undertake the extension and link at Barnes House is expected to be confirmed shortly with work scheduled to be completed by summer 2019. Work on other sites including the Town Hall will be progressed through 2019. The bulk of remaining expenditure will occur during the construction phases during 2019. Retentions and set up costs will form a tail of expenditure for around a further 12 months. The budget has been reprofiled to reflect this schedule of works.
Total for Finance and Corporate Resources Portfolio	2,324,080	1,284,880	165,394	377,338	211,945	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Housing Portfolio						
Replacement of High Volume Printers	29,000	29,000	0	0	0	
Replacement debit and credit card payment facility	14,630	14,630	0	0	0	
Replacement Scan Stations	12,000	0	0	0	0	This scheme has been profiled to 2020/21
Housing in Jaywick	500,000	70,000	0	0	0	Quotes have been received for consultancy work to progress this major project, which are currently being considered as part of the procurement process
Private Sector Renewal Grants/Financial Assistance Loans	365,640	365,640	28,840	28,840	(0)	
Disabled Facilities Grants	7,037,320	4,009,320	814,244	810,176	(4,068)	
Private Sector Leasing	75,660	75,660	0	0	0	
Empty Homes funding	164,220	164,220	0	0	0	This project is being reviewed to identify alternative options / opportunities
Total for Housing Portfolio	8,198,470	4,728,470	843,084	839,016	(4,068)	
Investment and Growth Portfolio						
Regeneration Capital Projects	349,180	349,180	0	0	0	The Service is currently reviewing projects and initiatives which will be presented to Members for consideration.
SME Growth Fund Capital Grants	65,000	65,000	12,250	12,250	0	This is supported by external funding and will be committed as successful applications are made against the SME Scheme.
Harwich Public Realm	1,000,000	1,000,000	0	0	0	
Total for Investment and Growth Portfolio	1,414,180	1,414,180	12,250	12,250	0	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Leisure and Tourism Portfolio						
Replacement of beach hut supports - The Walings	11,620	0	0	0	0	
Clacton Leisure Centre Air Handling Units	0	0	0	(4,300)	(4,300)	The outstanding credit is due to a retention payment - awaiting final invoice from contractor
Princes Theatre Toilets	40,000	0	0	0	0	This project will now be completed in 2019/20 as part of the scheduled works to the Town Hall that form part of wider Office Rationalisation project
Town Centre Fountain	160,000	160,000	0	0	0	Options for this site remain under consideration.
Princes Theatre Sound Equipment	42,240	42,240	42,240	42,387	147	
Venetian Bridge Clacton	108,140	108,140	108,140	114,948	6,808	Works finished, with service awaiting final invoices to finalise the project
New Beach Huts	64,600	20,000	0	0	0	The majority of this project has been profiled to 2019/20 with a limited amount of expenditure planned in 2018/19.
Cliff Stabilisation Scheme	4,617,720	4,015,130	888,440	888,435	(5)	Works are on schedule to be completed Summer 2019.
Public Convenience Works	140,000	140,000	70,000	113,391	43,391	Minor works to be finalised and final invoice to be paid before project is completed.
Marine Parade West Clacton Cliff Works	57,270	57,270	5,490	5,486	(4)	Works finished. Final invoice to be received at end of maintenance period October 2019.

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2018

	Total Budget Allocated to Scheme*	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments
Flood Wall, Walton On The Naze	222,500	222,500	216,310	216,313	3	Works are now complete, partners contributions being finalised, with service awaiting final invoice before finalising the project.
Promenade Way, Public Convenience Works	135,000	135,000	74,090	74,088	(2)	Initial Refurbishment works for this Public Convenience are underway, with project expected to be completed before the end of 2018/19
Total for Leisure and Tourism Portfolio	5,599,090	4,900,280	1,404,710	1,450,749	46,039	
Total Approved General Fund Capital Programme	19,235,730	13,799,860	2,555,027	2,807,442	252,415	

* This is current and future years budget where a scheme has been profile into future years

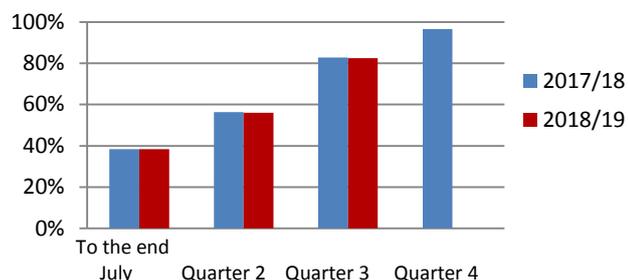
Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of December 2018

	2018/19 Current Full Year Budget £	2018/19 Profiled Budget to date £	2018/19 Actual to date £	2018/19 Variance to Profile £	Comments												
Improvements, enhancement & adaptation of the Council's housing stock	3,492,250	1,788,568	1,549,006	(239,561)	This budget covers a range of individual schemes which will be delivered as the year progresses and are subject to the appropriate procurement processes, which are planned, being progressed or are underway.												
IT Upgrade & Replacement	79,030	15,000	1,952	(13,048)													
Disabled Adaptations	465,060	192,450	196,070	3,620	Similarly to the above, it is anticipated that works will be progressed over the remainder of the year.												
Cash Incentive Scheme	60,000	0	0	0													
New Build Initiatives and Acquisitions*	3,204,950	702,910	702,905	(5)													
Jaywick Sands - New Build/Starter Homes	775,000	121,800	122,025	225													
<p>*Within the budget of £3,204,950, £2,748,202 relates to projects supported by one for one capital receipts with spend by dates as follows:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">31/12/2019</td> <td style="width: 25%;">£102,150</td> <td style="width: 25%;">30/09/2020</td> <td style="width: 25%;">£536,130</td> </tr> <tr> <td>31/03/2020</td> <td>£413,570</td> <td>31/12/2020</td> <td>£1,270,100</td> </tr> <tr> <td>30/06/2020</td> <td>£276,060</td> <td>31/03/2021</td> <td>£150,192</td> </tr> </table>						31/12/2019	£102,150	30/09/2020	£536,130	31/03/2020	£413,570	31/12/2020	£1,270,100	30/06/2020	£276,060	31/03/2021	£150,192
31/12/2019	£102,150	30/09/2020	£536,130														
31/03/2020	£413,570	31/12/2020	£1,270,100														
30/06/2020	£276,060	31/03/2021	£150,192														
Total Housing Revenue Account Capital Programme	8,076,290	2,820,728	2,571,957	(248,770)													

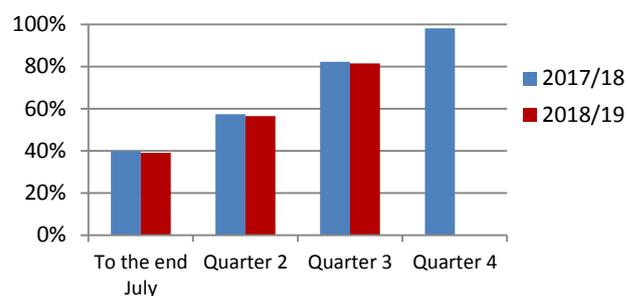
Collection Performance : Position at the end of December 2018

The collection performance against Council tax, Business Rates, Housing Rents and General Debt collection are set out below.

Council Tax (against annual amounts)

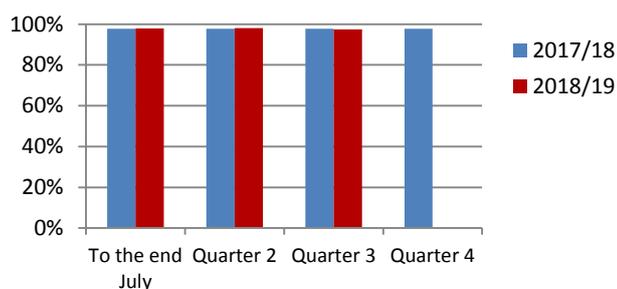


Business Rates (against annual amounts)

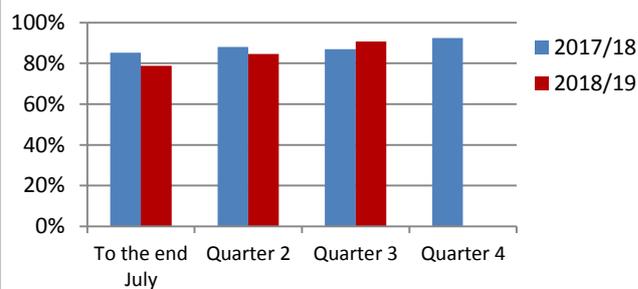


	2017/18	2018/19		2017/18	2018/19
To the end July	38.42%	38.46%	To the end July	39.97%	39.12%
Quarter 2	56.29%	56.09%	Quarter 2	57.38%	56.40%
Quarter 3	82.80%	82.52%	Quarter 3	82.17%	81.42%
Quarter 4	96.55%		Quarter 4	98.07%	

Housing Rents



General Debt



	2017/18	2018/19		2017/18	2018/19
To the end July	97.80%	98.00%	To the end July	85.25%	78.84%
Quarter 2	97.80%	98.10%	Quarter 2	88.04%	84.58%
Quarter 3	97.80%	97.40%	Quarter 3	86.93%	90.65%
Quarter 4	97.76%		Quarter 4	92.36%	

Treasury Activity : Position at the end of December 2018

Key Treasury Management Performance Data and Prudential Indicators are set out below.

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	464	0	111	353	
Long Term PWLB Borrowing - HRA	43,434	0	1,372	42,062	
TOTAL BORROWING	43,898	0	1,483	42,415	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	46,000	220,700	217,300	49,400	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure.
Investments with UK financial Institutions (including Money Market Funds)	9,440	43,200	37,644	14,996	At the end of the period, investments were held with 9 counterparties.
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	55,440	263,900	254,944	64,396	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	55,440	263,900	254,944	64,396	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	56	30	16	(14)	The weighted average rate of interest on the Council's GF borrowing is currently 7.95%. (on an accrued basis)
Interest Paid on Borrowing - HRA	1,453	687	679	(8)	The weighted average rate of interest on the Council's HRA borrowing is currently 3.38%. (on an accrued basis)
Interest Received on Investments	(316)	(249)	(340)	(91)	The weighted average rate of interest being received on the Council's investments is currently 0.64%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	74,298	43,898	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	66,868				
Debt Cap - HRA	60,285				

Income from S106 Agreements

Information in respect of S106 income has been split across two areas below - Where money has been formally allocated / being spent and where money remains unallocated / uncommitted.

Where related to capital schemes - see Appendix D for overall scheme progress.

ALLOCATED / BEING SPENT

Scheme	Amount Committed / Planned to be Spent in 2018/19 (including accrued interest as appropriate) £'000
Capital Schemes	
Cranleigh Close, Clacton - landscaping works	8
Valley Road, Car Park Resurfacing	40
Seafront Facilities, Brightlingsea Promenade	135
Revenue Schemes and other Contributions	178
TOTAL	361

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year £'000	1 to 2 Years £'000	2 to 4 Years £'000	4 years + £'000
Regeneration Programme and Other Initiatives	0	0	0	74
Affordable Housing	0	0	0	651
Town Centre Improvements	0	0	0	43
Open Space*	1	14	31	837
TOTAL	1	14	31	1,605

* For schemes with a 'spend by' date of less than one year, this money must be spent as follows by August 2019

Proposed Adjustments to the 2018/19 Budget December 2018

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
GENERAL FUND REVENUE			
<i>The following items have no net impact on the overall budget</i>			
Manpower Initiatives - Revenues and Benefits	100,000		A restructure of the Revenues and Benefits service is currently being considered as part of reducing capacity in response to the roll out of Universal Credit. The budget adjustment reflects potential redundancy costs associated with the restructure, which will be claimed back from the Department of Works and Pensions.
Use of Benefit Reserve		(100,000)	
Development of Town Centre Working Party Projects	10,000		To utilise money within the Business Investment and Growth Budget to support the development of projects relating to the work of the Clacton Town Centre Working Party including bids for the Government's Future High Streets Fund.
Use of the Business Investment and Growth Budget	(10,000)		
Seafronts - Increase in salary budgets	18,570		Seafronts - An adjustment has been required to the relevant salary budgets to reflect the mix of full year and part year staff utilised during the year.
Seafronts - adjustment to other expenditure budgets within the service to meet the cost of the above salary costs	(18,570)		
Careline - Increase in temporary staff costs	20,000		Budget adjustment required as temporary staff contracts have been utilised to fulfil contractual commitments to third parties, the costs of which have been met from associated income.
Careline - adjustment to corresponding income budget to fund costs above		(20,000)	
Costs of Planning Appeals	155,000		The cost of defending planning appeals has been significant over the course of the year, with other budgets being adjusted to offset expenditure incurred.
<i>To meet the above costs the following adjustments have been made within the planning service:</i>			
Reduction in training budgets	(30,000)		
Increase in planning income budgets		(35,000)	
Reduction in LDF budget	(90,000)		

Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
Engineering Services - Increase in Salary Costs	53,660		The office transformation project has been supported by the in-house team as an alternative to the more expensive option of seeking an external contractor. The change proposed is a technical one that adjusts the capital programme to reflect this approach.
Reduction in Revenue Contribution to Capital Programme	(53,660)		
Cost of providing food caddy bags	22,540		To support the changes associated with the extension to the existing Waste and Recycling Contract to be funded from the 2018/19 New Homes Bonus as agreed by Cabinet at its 23 March 2018 meeting.
Use of 2018/19 New Homes Bonus	(22,540)		
Public Conveniences - Increase in building repairs budget	35,000		Following the outcome of legionella risk assessments, additional work has been undertaken at a number of public conveniences, with the cost proposed to be met from the £200k health and safety programme of works budget.
Use of Health and Safety work programme budget to support the above costs	(35,000)		
<i>Total General Fund Revenue with no net impact on the overall budget</i>	(155,000)	155,000	

Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
<i>The following items will be adjusted against the Forecast Risk Fund</i>			
Reduction in Expenditure - Employee Costs	(210,970)		This primarily represents the level of vacancy 'saving' accrued over the 3rd quarter.
Increase in Waste and Recycling Contract costs	100,000		A higher inflationary indexation was applied to the contract than originally allowed for in the budget. This was highlighted as part of the development of the 2019/20 budget and has therefore already been reflected in future years.
Clinical Waste Collection Costs	10,000		Following the collection of household clinical waste transferring back to the Council on 1 January 2019, this reflects the anticipated annual cost of providing this kerbside service. It is proposed to not make a charge for the service in the first year, a position that will be reviewed later in the 2019.
Increased Investment Income		(100,000)	Income is running ahead of the budget due to the cash flow and interest rate position. This adjustment is over and above the similar adjustment of £80k made at the end of 2nd quarter.
Increased Income - Street Naming and Numbering Income		(61,000)	Additional income has been received during the year.
Reduced Staff Costs	(19,960)		This adjustment reflects savings from staff reorganisations finalised during the year to date.
Reduction in Minimum Revenue Provision contribution	(21,000)		Debt is reducing year on year as it is repaid, therefore the minimum revenue provision, which is the amount set aside to repay debt, can be reduced.
Reduction in pension added years / financial strain costs	(19,000)		This reflects reducing contributions year on year relating to prior year pension adjustments / commitments.
Additional income - New Burdens Grant funding		(97,580)	This reflects funding received during the year from the Government that is not presently committed to expenditure elsewhere within the budget.
Additional Expenditure - Contribution to the cost of a PCSO in Harwich for 2 years	38,400		It is proposed to support the cost of this officer by way of a 50% contribution that will be matched by Harwich Town.

Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
Increase costs - Microsoft Licences	65,000		Following a software licence 'audit', additional costs have been identified that partly reflect the general increase in prices introduced by Microsoft. The longer term position is currently under review and will be included in a wider update on the digital transformation project that is planned to be presented to members in March 2019.
Funding to support Energy Efficiency Schemes	100,000		The Council is required to meet new minimum energy efficiency standards across its properties leased to third parties. It is proposed to set aside funding from within the 2018/19 budget to support this new burden.
Increased business rate income		(500,000)	This proposed adjustment reflects the estimated benefit from being a member of the Essex Business Rates pool in 2018/19.
Increase in Expenditure - Business Rates on TDC properties	6,040		This reflects the small increase in the cost of business rate across the Council's portfolio of operational properties.
Increase in costs - fine and associated fees payable by the Council	34,360		This reflects the outcome from the recent H&S prosecution.
Net Increase in income - lease rentals and Caros adjustment		(14,230)	The budget is proposed to be adjusted to reflect the outcome of property rent reviews and the associated support from the Caros scheme.
Cost Pressures Identified as part of 2019/20 budget			
Clacton Airshow 2019	60,000		These items reflect the cost pressures agreed by Cabinet on a one-off basis (as set out in Appendix C of Item A.2 - Cabinet 18 January 2019.)
Sea and Beach Festival 2019	20,000		
Contribution to Mental Health Hub 2019/20	23,000		
Establishment of an Anti-Social Behaviour Officer from 2019/20	61,200		
Additional Security measures at Bath House Meadow 2019/20	20,000		
Net Contribution to Forecast Risk Fund	505,740		

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
GENERAL FUND CAPITAL			
Schemes Reprofiled			
None			
Other Changes to General Fund Capital Programme			
Increase in Disabled Facilities Grant Scheme Additional Disabled Facilities Grant Funding	191,990	(191,990)	This adjustment reflects additional grant funding receivable from the Government in 2018/19
Reduction in Office Transformation Project Direct Revenue Financing adjustment to reflect above	(53,660)	53,660	This budget has been adjusted to reflect the work undertaken by the in-house engineering team as set out earlier on in this appendix.
Total General Fund Capital Adjustment with no net impact on the overall budget	(138,330)	138,330	
HRA REVENUE			
<i>The following items will be adjusted against the HRA General Balance</i>			
Reduced rental income Reduction in service charge income		90,000 19,940	These adjustments reflect the level of historic right to buys and void periods.
Increase in Council Tax on empty properties	30,000		Council tax remains payable on empty properties such as Honeycroft and Spendells Sheltered Schemes.
HRA CAPITAL			
None			

General Fund Revenue Carry Forwards

APPENDIX I

		Requested C/Fwd Amount (£)	Comments
Budgets subject to being carried forward for more than one year			
Planning and Regeneration	Business Investment and Growth	2,087,420	To support schemes and projects in 2018/19 and beyond.
Corporate Services	Garden Communities Project	1,750,000	To continue to support the development of this long term project.
Planning and Regeneration	Planning Policy and Conservation	1,117,220	For the on-going delivery of the Local Plan.
Corporate Services	Fit for Purpose Budget	336,980	To be used to support initiatives in 2018/19.
Corporate Services	Contingency (Corporate) Budget	322,010	To support unexpected corporate expenditure.
Planning and Regeneration	SME Growth Fund	257,020	SME Growth Funding to be allocated to successful applicants during 2018/19
Corporate Services	Corporate Agency staff budget	250,000	Agency staff costs incurred in 2017/18 were met from within the overall employee budgets as part of the outturn position which has enabled this money to be considered for carrying forward into 2018/19 to support the future cost of agency staff, primarily in Planning and Environmental Health.
Planning and Regeneration	Economic Growth Budget	236,750	As set out in the report to Cabinet (20 April 2018) this money is to support economic growth projects and schemes which will be determined in 2018/19
Corporate Services	New Burdens Funding received in 2016/17 and 2017/18	193,020	To enable associated activities to be funded in future years.
Operational Services	Beach Hut Sites	176,530	To reinvest in beach huts / seafront amenities in 2018/19
Corporate Services	Emerging Property Projects	123,780	This is essential for improving and making the most of our assets through new property projects over the coming year along with the recruitment of a temporary post.
Planning and Regeneration	Planning Service Unit	112,000	To meet ongoing long term training and recruitment costs.
Planning and Regeneration	Planning and Enforcement	75,650	Ongoing improvements to the Planning Service.
Operational Services	Community Warden Service Unit	51,250	Community Warden on-going Funding.
Corporate Services	Accountancy Service Unit - Computer Software	44,000	The latest release of software is awaited.
Corporate Services	Essex Family Needs Project	23,850	To support the continuation of this initiative into 2018/19 and beyond.
Operational Services	Highways TDC - General	20,250	To support a match funding scheme with ECC.
Planning and Regeneration	Heritage and Conservation - General	15,800	Ongoing project over number of years, including St Osyth Priory Heritage Works.
Planning and Regeneration	Jaywick Sands Team	13,040	To support Community Initiatives
Operational Services	Home Improvement Agency	10,800	To commission a pre grant/loan advice service for elderly and vulnerable residents.
Corporate Services	Emergency Planning	10,000	To be used for printing and stationery/emergency planning initiatives.
Operational Services	CCTV	9,940	Balance of projects budget required for works to CCTV equipment
Operational Services	Crematorium	8,600	Delivery of goods delayed.
Office of Chief Executive	Members - Other Costs	8,060	To support training costs in future years
Operational Services	Coastal Communities Team	6,410	To continue Jaywick CCT Project Funding work.
Corporate Services	Personnel and Human Resources Issues	2,370	To support the Investors in People programme.
Budget not previously subject to Carry Forward			
Corporate Services	Digital Transformation Project	865,200	To support the major digital transformation project now underway
Operational Services	Print and Post Hub Service Unit	41,620	2x Scanning Assistants - posts recruited to in 2018/19
Corporate Services	Election Expenses	32,590	Balance of specific budget allocated for repayment of previously over claimed VAT pending confirmation of final amounts due
Corporate Services	Central Telephone Service	19,600	To support associated costs in 2018/19.
Corporate Services	IT Direct Service Costs - Data Communication	12,900	For the provision of Citrix into 2018/19.

General Fund Revenue Carry Forwards

		Requested C/Fwd Amount (£)	Comments
Operational Services	Shelters - General	3,720	To fund Shelter maintenance costs following adverse weather conditions delaying maintenance work in 2017/18
Operational Services	Public Health & Complaints	3,350	To support cost of asbestos clearance.
Operational Services	Housing Service Unit	1,490	Skyguard project implementation delayed.
Corporate Services	Business Manager	1,200	To support the cost of officer training.
Operational Services	Careline	1,200	To carry out repairs to Careline vehicles.
Office of Chief Executive	Veterans Tea Dance	1,100	To support Veterans Event in 2018
Externally Funded			
Operational Services	Community Housing Trust Grant	687,180	External Grant Funding to be used for ongoing projects.
Operational Services	Homelessness	111,700	External Grant Funding to be used for ongoing projects.
Operational Services	CCG Joint Working Funding	100,000	External Grant Funding to be used for ongoing projects.
Operational Services	Fast Food Initiative	88,020	External Grant Funding to be used for ongoing projects.
Corporate Services	Benefits & Revenues Service Unit - Agency Staff	86,000	To continue to support initiatives funded by the major preceptors as part of the Council Tax sharing agreement.
Operational Services	Recycling & Waste Contract	77,920	External Grant Funding to be used for ongoing projects along with a consultancy budget.
Operational Services	Public Health & Complaints	74,700	External Grant Funding to be used for ongoing projects.
Office of Chief Executive	CDRP Support and Initiatives	59,910	External funding used to support Community Projects / Community Safety Service
Planning and Regeneration	Big Society	56,020	Big Society Grant Funding to be allocated to successful applicants during 2018/19
Operational Services	Weekly Collection Grant	31,590	External Grant Funding to be used for ongoing projects.
Corporate Services	Fraud and Compliance Initiatives	26,470	Balance of external funding to support associated initiatives in 2018/19.
Operational Services	Nature Conservation	24,980	External Grant Funding to be used for ongoing projects.
Operational Services	Community Activity Network	9,900	External Grant Funding to be used for ongoing projects.
Operational Services	CCTV	4,070	To support expenditure funded by external income received during the year.
Operational Services	Miscellaneous Seafront Activities	3,510	One off Government Grant for seafront signage
Planning and Regeneration	Town Team Partners	17,500	External funding awarded to partners with projects still being considered.
Planning and Regeneration	Town Team Partners	(17,500)	External funding awarded to partners with projects still being considered.
Operational Services	Recycling Rewards Scheme	43,910	External Grant Funding to be used for ongoing projects.
Operational Services	Recycling Rewards Scheme	(43,910)	External Grant Funding to be used for ongoing projects.
Total GF Revenue Carry Forwards - SECTION A		9,688,690	

General Fund Capital Carry Forwards

		Requested C/Fwd Amount (£)
<i>Budgets subject to being carried forward for more than one year</i>		
Operational Services	Cliff Stabilisation Scheme	4,602,590
Operational Services	Disabled Facilities Grants	2,047,070
Planning and Regeneration	Harwich Public Realm	1,000,000
Operational Services	Housing in Jaywick	500,000
Operational Services	Private Sector Renewal Grants/Financial Assistance Loans	365,640
Planning and Regeneration	Regeneration Capital Projects	349,180
Operational Services	Laying Out Cemetery	170,120
Operational Services	Empty Homes funding	164,220
Corporate Services	IT Strategic Investment	153,790
Operational Services	Crematorium and Cemeteries Road Works	150,000
Operational Services	Venetian Bridge Clacton	108,140
Corporate Services	Agresso e-procurement	84,000
Operational Services	Private Sector Leasing	75,660
Planning and Regeneration	SME Growth Fund Capital Grants	65,000
Operational Services	New Beach Huts	64,600
Operational Services	Public Access Module to CAPS	54,140
Corporate Services	Information and Communications Technology Core Infrastructure	52,400
Operational Services	Alteration of Redundant Cash Office	29,260
Corporate Services	Replacement of High Volume Printers	29,000
Operational Services	Westleigh House Demolish/additional parking provision	23,710

		Requested C/Fwd Amount (£)
<i>Budgets subject to being carried forward for more than one year</i>		
Operational Services	Coast Protection - Cliff Road Sea Wall	15,130
Corporate Services	Replacement debit and credit card payment facility	14,630
Corporate Services	Replacement Scan Stations	12,000
Operational Services	Replacement of beach hut supports - The Walings	11,620
Operational Services	Cranleigh Close, Clacton, landscaping works	6,660
Operational Services	Environmental Health Database Migration	5,250
Operational Services	Enhanced Equipment replacement - Printing and Scanning	3,610
Corporate Services	Audit management software	2,230
Corporate Services	Joint HR and Payroll System	1,780
Corporate Services	Individual Electoral Registration - Scanning Equipment	1,560
<i>Budget not previously subject to Carry Forward</i>		
Corporate Services	Office Rationalisation	1,160,000
Operational Services	Milton Road car park repairs	250,000
Operational Services	Clacton Multi-Storey car park repairs	180,000
Operational Services	Town Centre Fountain	160,000
Operational Services	Public Conveniences Works	140,000
Operational Services	Changing Place Facilities, Walton	62,000
Operational Services	Marine Parade West Clacton Cliff Works	57,270
Operational Services	Princes Theatre Toilets	40,000
Operational Services	Bath House Meadow Play Area, Walton	37,580
Total GF Capital Carry Forwards		12,249,840

UPDATED LONG TERM FINANCIAL FORECAST

APPENDIX J

	<i>Budget</i> 2017/18	<i>Budget</i> 2018/19	<i>Estimate</i> 2019/20	<i>Estimate*</i> 2020/21	<i>Estimate</i> 2021/22	<i>Estimate</i> 2022/23	<i>Estimate</i> 2023/24	<i>Estimate</i> 2024/25	<i>Estimate</i> 2025/26	<i>Estimate</i> 2026/27
	£	£	£	£	£	£	£	£	£	£
<i>Underlying Funding Growth in the Budget</i>										
Council Tax Increase 1.99%	(0.136)	(0.147)	(0.151)	(0.154)	(0.157)	(0.160)	(0.164)	(0.167)	(0.170)	(0.174)
Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.090)	(0.086)	(0.082)	(0.079)	(0.076)	(0.073)	(0.070)	(0.067)	(0.063)	(0.060)
Growth in Business rates - Inflation	0.000	(0.131)	(0.110)	(0.093)	(0.095)	(0.097)	(0.099)	(0.101)	(0.103)	(0.105)
Growth in Business rates / council tax - general property growth	(0.148)	(0.293)	(0.576)	(0.138)	(0.147)	(0.155)	(0.164)	(0.172)	(0.181)	(0.189)
Collection Fund Surpluses b/fwd	(0.218)	(0.652)	(0.710)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	(0.592)	(1.309)	(1.629)	(0.564)	(0.575)	(0.585)	(0.597)	(0.607)	(0.617)	(0.628)
<i>Net Cost of Services and Other Adjustments</i>										
Reduction in RSG	0.914	0.580	0.648	0.422	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year	(0.155)	(0.315)	(0.112)	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Remove one-off items from prior year - Collection Fund Surplus	(0.020)	0.218	0.652	0.710	0.100	0.100	0.100	0.100	0.100	0.100
Inflation - Employee Costs (including annual review adjustments)	0.125	0.514	0.635	0.264	0.266	0.268	0.269	0.271	0.272	0.274
Inflation - Other	0.000	0.088	0.221	0.110	0.113	0.115	0.117	0.120	0.122	0.124
First / Second / Third year impact of PFH WP Savings	(0.268)	(0.055)	(0.115)	(0.090)	0.000	0.000	0.000	0.000	0.000	0.000
LCTS Grant To Parish Council's	0.000	(0.049)	(0.055)	(0.036)	0.000	0.000	0.000	0.000	0.000	0.000
Beach recharge - Set aside full budget in one year	0.000	(0.150)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Revenue Contrib. to Capital Programme	(0.100)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Specific change in Use of Reserves	0.287	0.374	(0.069)	0.201	0.000	0.000	0.000	0.000	0.000	0.000
On-going savings required	(0.879)	(0.290)	(0.328)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Unmitigated Cost Pressures	1.046	0.114	0.153	0.150	0.150	0.150	0.150	0.150	0.150	0.150
Other Adjustments	0.000	(0.134)	(0.118)	(0.201)	0.000	0.000	0.000	0.000	0.000	0.000
	0.950	0.895	1.512	1.231	0.329	0.333	0.336	0.340	0.344	0.348
<i>Net Total</i>	0.358	(0.414)	(0.117)	0.667	(0.247)	(0.253)	(0.261)	(0.267)	(0.273)	(0.280)
Add back Use of Reserves / Forecast Risk Fund in Prior Year	0.200	0.558	0.144	0.027	0.694	0.447	0.195	(0.066)	(0.333)	(0.606)
<i>Net Budget Position</i>	0.558	0.144	0.027	0.694	0.447	0.195	(0.066)	(0.333)	(0.606)	(0.885)
Use of Forecast Risk Fund to support the Net Budget Position	(0.558)	(0.144)	(0.027)	(0.694)	(0.447)	(0.195)	0.066	0.333	0.606	0.885

* See separate RAG risk assessment for further consideration of forecast risks for each line of the forecast

Use of Forecast Risk Fund to Support the Net Budget Position Above

Outturn b/fwd from prior years	(0.558)	(1.934)	(2.290)	(2.763)	(2.569)	(2.621)	(2.926)	(3.492)	(4.325)	(5.431)
Applied in year as set out in the forecast above	0.558	0.144	0.027	0.694	0.447	0.195	(0.066)	(0.333)	(0.606)	(0.885)
Additional contributions generated in year	(1.934)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Balance to Carry Forward	(1.934)	(2.290)	(2.763)	(2.569)	(2.621)	(2.926)	(3.492)	(4.325)	(5.431)	(6.816)

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Underlying Funding Growth in the Budget		
Council Tax Increase 1.99%		Although this is subject to future Government policy, it is expected that an allowable inflationary uplift will always be a feature in the Local Government finance settlement and associated Council Tax referendum principles
Ctax increase by £5 (amounts set out are over and above the 1.99% above)		Although similar to the above, there is less certainty around the level of increase that the Government may allow over and above a 'base' inflationary uplift. However it is expected that such increases will be allowable in the short term without invoking the need to hold a referendum. This will remain subject to on-going review.
Growth in Business rates - Inflation		Similar to Council Tax above, based on the historic trend of inflationary uplifts in the poundage applied to rateable values, modest inflationary increases are relatively certain over the life of the forecast.
Growth in Business rates / council tax - general property growth		Underlying growth in business rates and Council Tax are expected to remain relatively stable and robust over the life of the forecast. The two main risks relate to major economic changes and future Government Policy, especially in relation to business rates where the Government remains active in developing the full retention model across the public sector based on a fair funding assessment. This model could see the Government introduce business rate 'resets' which could see income from economic growth being reduced on a cyclical basis as part of a redistribution method nationally. The Government continues to consult on the associated proposals but the risk to the forecast has increased and a change to the RAG rating to red.
Collection Fund Surpluses b/fwd		Following the latest review of the forecast and using the most up to date figures, collection fund surpluses of £710k have been included in the 2019/20 budget. More modest amounts are included in future years of the forecast with a high degree of confidence in their delivery. (The forecast excludes any benefit from being a member of the Essex Business Rates Pool as it is accounted for on an actual basis rather than building it into the base budget given its one-off nature and complexities in the overall business rate calculations)
Net Cost of Services and Other Adjustments		
Reduction in RSG		There is only limited uncertainty in respect of the next two years given the Government's commitment to a four year deal which the Council signed up to.
Remove one-off items from prior year		These are known adjustments
Remove one-off items from prior year - Collection Fund Surplus		These are known adjustments based on the assumptions set out above concerning the year on year change in the collection fund position
Inflation - Employee Costs (including annual review adjustments)		2018/19 and 2019/20 reflects the significant / adverse impact from the recent pay settlement, which includes significant increases on the lower pay scales across the Council. It could be argued that such increases reflect the years of previous pay restraint which may see only modest inflationary rises in 2020/21 and beyond. Annual increases of 1% have been included in these later years of the forecast which compares with 1.5% initially included last year.
Inflation - Other		Although the Government's target inflation is 2%, this is a long term target which will inevitably see fluctuations over short financial cycles. However 2% remains the basis for calculating an inflationary allowance given the longer term nature of the current forecast.
First / Second / Third year impact of PFH WP Savings		These are known adjustments which will be delivered in total but is recognised that the timing may differ to that originally anticipated which will be reflected in the forecast.
LCTS Grant To Parish Council's		These are known adjustments based on the Council's agreed policy of reducing support in line with it's own reduction in Government funding. The Government have raised the issue of Councils not passporting on the relevant funding which may require the existing policy to be revisited but this is only a limited risk.
Specific change in Use of Reserves		Changes in the use of reserves primarily reflect other changes elsewhere in the budget/ forecast so are not a significant risk in isolation. One reserve that will be 'exhausted' by the end of 2019/20 is the homelessness reserve which will require a corresponding adjustment to the expenditure that this reserve is currently supporting to ensure there is no net impact on the budget. This will have to be reviewed in light of the on-going pressure on the delivery of homeless services and prevention activities.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
On-going savings required		<p>This line of the budget fundamentally acts as the 'safety valve' for other changes elsewhere in the forecast and would need to be increased if adverse issues were experienced or estimates were not in line with predictions. Based on the improved overall position set out in the revised forecast, there is flexibility in the delivery of such savings over the life of the forecast. However it is important that on-going savings are secured to meet the amounts set out in the forecast.</p>
Unmitigated Cost Pressures		<p>It is recognised that of the various lines of the forecast, this presents one of the highest risk, with on-going revenue items being the most difficult items to deal with. Although one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast, one-off funding is available elsewhere in the budget to support these costs which therefore changes the risk.</p> <p>One of the most significant risks within this line of the budget relates to external income, especially from elsewhere in the public sector where similar financial pressures are being experienced. Such items include the funding from the major preceptors in respect of the Council Tax Sharing agreement, which totals over £800k each year, which has now been included as a on-going cost pressure in 2019/20 and beyond.</p> <p>To support the management of risks, the Council continues to resist using one-off money to support the on-going base budget such as the New Homes Bonus.</p>