

# *Tendring* **District Council**



## *Appendices Included:*

<b>Executive Summary</b>	A summary of the overall position.
<b>Appendix A</b>	A summary of the overall position by Portfolio/Committee split by GF and HRA
<b>Appendix B</b>	An analysis by Department of all General Fund Revenue budgets.
<b>Appendix C</b>	An analysis of Housing Revenue Account Revenue budgets.
<b>Appendix D</b>	The position to date for General Fund and HRA capital projects.
<b>Appendix E</b>	Collection Performance
<b>Appendix F</b>	Treasury activity.
<b>Appendix G</b>	Income from S106 Agreements.
<b>Appendix H</b>	Proposed Adjustments to the 2019/20 Budget
<b>Appendix I</b>	NEGC Project - Financial Summary

## Corporate Budget Monitoring

***September 2019***

*(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 September 2019

The tables below show the summary position for the General Fund, Housing Revenue Account, Capital, Collection Performance 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	598,870	398,825	374,138	(24,687)
Corporate Services	(23,385,500)	(4,931,842)	(2,456,537)	2,475,305
Operational Services	16,043,850	4,360,539	4,174,483	(186,056)
Planning and Regeneration	6,742,780	1,492,369	710,829	(781,540)
<b>Total General Fund</b>	<b>0</b>	<b>1,319,891</b>	<b>2,802,913</b>	<b>1,483,022</b>

### Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
<b>Total HRA</b>	<b>0</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>

### Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	12,268,640	3,435,640	3,365,280	(70,360)
Housing Revenue Account	6,711,690	2,614,255	2,301,455	(312,800)
<b>Total Capital</b>	<b>18,980,330</b>	<b>6,049,895</b>	<b>5,666,735</b>	<b>(383,160)</b>

### Collection Performance

	Collected to Date Against Collectable Amount
Council Tax	55.86%
Business Rates	55.03%
Housing Rents	97.20%
General Debt	88.64%

### Treasury

	£'000
Total External Borrowing	41,195
Total Investments	65,099

## Revenue Budget Position at the end of September 2019

### General Fund Portfolio / Committee Summary

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £
Leader	5,174,700	1,144,207	362,659	(781,548)
Environment and Public Space	6,983,080	2,131,885	1,841,650	(290,236)
Housing	3,326,590	2,304,404	5,444,714	3,140,310
Independent Living	345,170	288,223	283,202	(5,021)
Leisure and Tourism	6,126,870	555,536	805,638	250,102
Business and Economic Growth	2,885,910	232,764	216,496	(16,268)
Corporate Finance and Governance	2,564,000	1,340,220	636,105	(704,115)
Partnerships	646,360	204,215	194,593	(9,622)
Budgets Relating to Non Executive Functions	788,390	305,913	298,381	(7,532)
	<b>28,841,070</b>	<b>8,507,367</b>	<b>10,083,437</b>	<b>1,576,070</b>
Revenue Support for Capital Investment	5,417,930	0	0	0
Financing Items	(5,830,790)	(173,040)	(268,187)	(95,147)
<b>Budget Before use of Reserves</b>	<b>28,428,210</b>	<b>8,334,327</b>	<b>9,815,250</b>	<b>1,480,923</b>
Contribution to / (from) earmarked reserves	(14,871,640)	0	0	0
<b>Total Net Budget</b>	<b>13,556,570</b>	<b>8,334,327</b>	<b>9,815,250</b>	<b>1,480,923</b>
<b>Funding:</b>				
Revenue Support Grant	(421,920)	(185,711)	(185,644)	67
Business Rates Income	(4,469,610)	(2,496,205)	(2,494,181)	2,024
Collection Fund Surplus	(709,650)	(354,825)	(354,825)	0
Income from Council Tax Payers	(7,955,390)	(3,977,695)	(3,977,687)	8
<b>Total</b>	<b>0</b>	<b>1,319,891</b>	<b>2,802,913</b>	<b>1,483,022</b>

## Revenue Budget Position at the end of September 2019

### HRA Portfolio Summary

	2019/20 Current Full Year Budget	2019/20 Profiled Budget to date	2019/20 Actual to date	2019/20 Variance to Profile
	£	£	£	£
Housing	(1,831,450)	(4,231,939)	(4,205,135)	26,804
	<b>(1,831,450)</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>
Financing Items	1,756,120	0	0	0
<b>Budget Before use of Reserves</b>	<b>(75,330)</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>
Contribution to / (from) earmarked reserves	75,330	0	0	0
<b>Total</b>	<b>(0)</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>

## Corporate Budget Monitoring - General Fund Budget Position at the end of September 2019

### Department - Office of Chief Executive

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	305,190	152,595	138,668	(13,927)	76,298	
Transport Related Expenditure	13,840	6,920	3,687	(3,233)	3,460	
Supplies & Services	469,490	240,560	234,320	(6,240)	110,630	
<b>Total Direct Expenditure</b>	<b>788,520</b>	<b>400,075</b>	<b>376,675</b>	<b>(23,400)</b>	<b>190,388</b>	
<b>Direct Income</b>						
Other Grants, Reimbursements and Contributions	(1,250)	(1,250)	(2,537)	(1,287)	0	
<b>Total Direct Income</b>	<b>(1,250)</b>	<b>(1,250)</b>	<b>(2,537)</b>	<b>(1,287)</b>	<b>0</b>	
<b>Net Direct Costs</b>	<b>787,270</b>	<b>398,825</b>	<b>374,138</b>	<b>(24,687)</b>	<b>190,388</b>	
<b>Net Indirect Costs</b>	<b>(188,400)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total for Office of Chief Executive</b>	<b>598,870</b>	<b>398,825</b>	<b>374,138</b>	<b>(24,687)</b>	<b>190,388</b>	

## Department - Office of Chief Executive

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Chief Executive and Leadership Support and Community</b>	598,870	398,825	374,138	(24,687)	
<b>Total for Office of Chief Executive</b>	598,870	398,825	374,138	(24,687)	

## Corporate Budget Monitoring - General Fund Budget Position at the end of September 2019

### Department - Corporate Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	6,983,560	2,665,650	2,508,024	(157,626)	1,265,675	
Premises Related Expenditure	259,000	97,800	118,998	21,198	1,950	
Transport Related Expenditure	61,030	34,920	27,687	(7,233)	9,695	
Supplies & Services	7,847,550	1,709,728	1,549,659	(160,069)	691,151	
Transfer Payments	46,044,940	17,633,340	21,124,729	3,491,389	13,432,900	
Interest Payments	63,670	33,306	10,132	(23,174)	1,823	
<b>Total Direct Expenditure</b>	<b>61,259,750</b>	<b>22,174,744</b>	<b>25,339,229</b>	<b>3,164,485</b>	<b>15,403,194</b>	
<b>Direct Income</b>						
Government Grants	(50,435,230)	(19,096,810)	(19,822,483)	(725,673)	(14,096,580)	
Other Grants, Reimbursements and Contributions	(1,542,780)	(671,709)	(518,497)	153,212	(417,061)	
Sales, Fees and Charges	(16,650)	(12,790)	(1,151)	11,639	(930)	
Rents Receivable	(5,730)	(2,915)	(2,015)	900	(1,400)	
Interest Receivable	(531,580)	(307,926)	(437,283)	(129,357)	(145,108)	
RSG, Business Rates and Council Tax	(13,556,570)	(7,014,436)	(7,012,337)	2,099	(4,214,240)	
<b>Total Direct Income</b>	<b>(66,088,540)</b>	<b>(27,106,586)</b>	<b>(27,793,765)</b>	<b>(687,179)</b>	<b>(18,875,319)</b>	
<b>Net Direct Costs</b>	<b>(4,828,790)</b>	<b>(4,931,842)</b>	<b>(2,454,537)</b>	<b>2,477,305</b>	<b>(3,472,125)</b>	
<b>Net Indirect Costs</b>	<b>(3,685,070)</b>	<b>0</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>0</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>(14,871,640)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total for Corporate Services</b>	<b>(23,385,500)</b>	<b>(4,931,842)</b>	<b>(2,456,537)</b>	<b>2,475,305</b>	<b>(3,472,125)</b>	

## Department - Corporate Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Deputy Chief Executive and Administration</b>	1,080	121,039	124,574	3,535	
<b>Total for Governance and Legal Services</b>	0	162,340	144,964	(17,376)	
<b>Total for Finance, Revenues and Benefits</b>	1,913,010	1,736,209	4,876,197	3,139,988	Although recoverable via the Housing Benefit Subsidy System, payments to claimants continue to run ahead of the profile at the end of September.
<b>Total for Finance - Other Corporate Costs</b>	2,903,150	(2,013,334)	(2,633,263)	(619,929)	Investment income remains ahead of the budget (£127k) in addition to new burdens grant income and business rates grant income (£616k). The increase in investment income is included as an in-year budget adjustment as set out in Appendix H
<b>Total for Finance - Financing Items</b>	(16,588,750)	98,500	158,764	60,264	
<b>Total for Finance - RSG, Business Rates and Council Tax</b>	(13,556,570)	(7,014,436)	(7,012,337)	2,099	
<b>Total for Property Services</b>	240,180	136,275	137,828	1,553	



## Department - Corporate Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Total for People, Performance and Projects</b>	478,710	443,393	370,450	(72,943)	Although there is a number of smaller variances across the service, they currently offset the reduced income currently being experienced by the Career Track Service (£50k). Although not supported by Government rules concerning which organisations can access the Council's Career Track Service, the team continue to build up a customer base to reduce the current gap between expenditure and income over the longer term.
<b>Total for IT and Corporate Resilience</b>	552,750	1,072,507	937,824	(134,683)	Variations in this service area continue to broadly reflect the timing of the delivery of a number of projects and initiatives associated with various strands of the digital transformation project.
<b>Total for Democratic Services</b>	670,940	325,665	438,463	112,798	The current position reflects expenditure incurred to deliver the European elections which is reimbursable by the Government
<b>Total for Corporate Services</b>	(23,385,500)	(4,931,842)	(2,456,537)	2,475,305	

## Corporate Budget Monitoring - General Fund Budget Position at the end of September 2019

### Department - Operational Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	9,533,370	4,709,364	4,836,809	127,446	2,357,778	
Premises Related Expenditure	3,180,780	1,780,617	1,680,786	(99,831)	552,940	
Transport Related Expenditure	459,870	186,803	193,745	6,942	88,678	
Supplies & Services	4,509,080	1,895,892	2,040,911	145,019	906,924	
Third Party Payments	4,895,370	1,787,377	1,773,171	(14,207)	1,248,065	
Transfer Payments	263,160	119,110	199,023	79,913	80,765	
<b>Total Direct Expenditure</b>	<b>22,841,630</b>	<b>10,479,163</b>	<b>10,724,444</b>	<b>245,281</b>	<b>5,235,149</b>	
<b>Direct Income</b>						
Government Grants	(658,860)	(496,750)	(496,753)	(3)	(21,210)	
Other Grants, Reimbursements and Contributions	(1,387,710)	(489,420)	(515,671)	(26,251)	(442,384)	
Sales, Fees and Charges	(8,275,900)	(4,925,079)	(5,332,754)	(407,675)	(1,706,495)	
Rents Receivable	(318,310)	(187,255)	(190,727)	(3,472)	(61,221)	
Direct Internal Income	(206,780)	(6,000)	(3,895)	2,105	(137,165)	
<b>Total Direct Income</b>	<b>(10,847,560)</b>	<b>(6,104,504)</b>	<b>(6,539,801)</b>	<b>(435,297)</b>	<b>(2,368,475)</b>	
<b>Net Direct Costs</b>	<b>11,994,070</b>	<b>4,374,659</b>	<b>4,184,643</b>	<b>(190,016)</b>	<b>2,866,674</b>	
<b>Net Indirect Costs</b>	<b>4,049,780</b>	<b>(14,120)</b>	<b>(10,160)</b>	<b>3,960</b>	<b>(7,060)</b>	
<b>Total for Operational Services</b>	<b>16,043,850</b>	<b>4,360,539</b>	<b>4,174,483</b>	<b>(186,056)</b>	<b>2,859,614</b>	

## Department - Operational Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Corporate Director and Administration Operational Services</b>	659,680	218,290	183,159	(35,131)	
<b>Total for Public Realm</b>	1,705,010	398,661	232,107	(166,554)	Income from car parks (£104k) and at the crematorium (£20k) are running just ahead of the budget at the end of the quarter, although partly offset by reduced cemetery income (£32k)
<b>Total for Customer and Commercial Services</b>	504,620	370,488	323,742	(46,746)	
<b>Total for Sports and Leisure</b>	3,123,970	7,484	47,037	39,553	Income from Leisure Facilities is currently in excess of £60k behind the profile, which is being partly offset by increased beach hut income (£29k).
<b>Total for Housing and Environmental Health</b>	2,839,830	664,450	603,036	(61,414)	

## Department - Operational Services

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Total for Building and Engineering</b>	7,210,740	2,701,166	2,785,401	84,236	Although partly offset by a number of smaller variances such as increased income from street naming and numbering (£25k), the primary variance to date is due to the in-house engineering team undertaking work within the Council which has not yet been charged out. The variance to date has increased from the last quarter as following the collapse of the Council's housing repairs contractor Roalco earlier in the year, some work previously undertaken as part of the associated contract has been brought back in-house. It is proposed to recharge this work out during quarter 3.
<b>Total for Operational Services</b>	16,043,850	4,360,539	4,174,483	(186,056)	

## Corporate Budget Monitoring - General Fund Budget Position at the end of September 2019

### Department - Planning and Regeneration

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	2,447,760	1,151,414	1,088,230	(63,184)	589,021	
Premises Related Expenditure	28,790	20,410	17,755	(2,655)	4,190	
Transport Related Expenditure	35,300	17,650	15,402	(2,248)	8,825	
Supplies & Services	4,723,550	1,165,716	702,887	(462,829)	433,138	
Third Party Payments	870	0	0	0	0	
<b>Total Direct Expenditure</b>	<b>7,236,270</b>	<b>2,355,190</b>	<b>1,824,274</b>	<b>(530,916)</b>	<b>1,035,175</b>	
<b>Direct Income</b>						
Government Grants	(52,960)	(49,510)	(49,519)	(9)	0	
Other Grants, Reimbursements and Contributions	0	0	(7,000)	(7,000)	0	
Sales, Fees and Charges	(1,437,260)	(786,345)	(1,031,213)	(244,868)	(325,457)	
Rents Receivable	(56,510)	(26,966)	(25,714)	1,252	(17,112)	
<b>Total Direct Income</b>	<b>(1,546,730)</b>	<b>(862,821)</b>	<b>(1,113,445)</b>	<b>(250,624)</b>	<b>(342,569)</b>	
<b>Net Direct Costs</b>	<b>5,689,540</b>	<b>1,492,369</b>	<b>710,829</b>	<b>(781,540)</b>	<b>692,605</b>	
<b>Net Indirect Costs</b>	<b>1,053,240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total for Planning and Regeneration</b>	<b>6,742,780</b>	<b>1,492,369</b>	<b>710,829</b>	<b>(781,540)</b>	<b>692,605</b>	

## Department - Planning and Regeneration

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Corporate Director</b>	0	55,910	64,149	8,239	
<b>Total for Planning and Customer Services</b>	23,190	764,720	658,923	(105,797)	The variance to date is primarily against employee budgets
<b>Total for Planning and Development</b>	1,836,150	(312,745)	(360,632)	(47,887)	Planning income is running £209k ahead of the profiled budget at the end of the second quarter. It is however masking the continuation of increased costs defending planning appeals. These items have been included as in-year adjustments within Appendix H.
<b>Total for Planning Policy</b>	1,643,580	610,705	20,636	(590,069)	The position to date primarily reflects the timing of expenditure associated with the development of the Local Plan.
<b>Total for Building Control</b>	174,880	17,985	(27,040)	(45,025)	Income has moved ahead of the profile by £31k during the second quarter.
<b>Total for Regeneration</b>	3,064,980	355,794	354,793	(1,001)	
<b>Total for Planning and Regeneration</b>	6,742,780	1,492,369	710,829	(781,540)	

## Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of September 2019

### Housing Revenue Account

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Next Quarters Profile £	Comments
<b><u>Analysis by Type of Spend</u></b>						
<b>Direct Expenditure</b>						
Employee Expenses	1,090,540	331,040	317,353	(13,687)	165,520	
Premises Related Expenditure	3,458,870	1,541,137	1,599,245	58,108	845,672	
Transport Related Expenditure	20,370	10,185	13,532	3,347	5,093	
Supplies & Services	524,600	188,280	136,810	(51,470)	59,361	
Third Party Payments	1,030	515	0	(515)	258	
Transfer Payments	17,000	8,500	6,070	(2,430)	4,250	
Interest Payments	1,413,490	391,945	391,947	2	293,269	
<b>Total Direct Expenditure</b>	<b>6,525,900</b>	<b>2,471,602</b>	<b>2,464,956</b>	<b>(6,646)</b>	<b>1,373,423</b>	
<b>Direct Income</b>						
Other Grants, Reimbursements and Contributions	(8,000)	0	(898)	(898)	0	
Sales, Fees and Charges	(533,920)	(267,594)	(293,940)	(26,346)	(128,613)	
Rents Receivable	(12,843,320)	(6,435,947)	(6,375,252)	60,695	(3,218,469)	
Interest Receivable	(51,600)	0	0	0	0	
<b>Total Direct Income</b>	<b>(13,436,840)</b>	<b>(6,703,541)</b>	<b>(6,670,091)</b>	<b>33,450</b>	<b>(3,347,081)</b>	
<b>Net Direct Costs</b>	<b>(6,910,940)</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>	<b>(1,973,658)</b>	
<b>Net Indirect Costs</b>	<b>6,835,610</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>75,330</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total for HRA</b>	<b>0</b>	<b>(4,231,939)</b>	<b>(4,205,135)</b>	<b>26,804</b>	<b>(1,973,658)</b>	

## Housing Revenue Account

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Service/Function</u></b>					
<b>Total for Finance - Financing Items</b>	1,756,120	0	0	0	
<b>Total for Corporate Director and Administration Operational Services</b>	591,340	46,415	41,384	(5,031)	
<b>Total for Customer and Commercial Services</b>	(47,570)	(67,620)	(67,620)	(0)	
<b>Total for Housing and Environmental Health</b>	(6,217,010)	(5,570,546)	(5,542,936)	27,610	Rental Income is slightly behind profile to date along with increased expenditure on council tax on empty properties (Honeycroft and Spendells Sheltered Housing Schemes) which is included as an in-year budget adjustment within Appendix H.
<b>Total for Building and Engineering</b>	3,917,120	1,359,812	1,364,037	4,225	
<b>Total for HRA</b>	0	(4,231,939)	(4,205,135)	26,804	



## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Expenditure</b>						
<b>Business and Economic Growth Portfolio</b>						
SME Growth Fund Capital Grants	43,250	43,250	0	0	0	All funding has now been committed against qualifying projects, with funding to be drawn down by recipients at agreed milestones.
Starlings and Milton Road Redevelopment	1,599,180	1,599,180	0	0	0	
<b>Total for Business and Economic Growth Portfolio</b>	<b>1,642,430</b>	<b>1,642,430</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## **Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019**

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Corporate Finance and Governance Portfolio</b>						
Audit management software	2,230	2,230	0	0	0	
Joint HR and Payroll System	1,780	1,780	0	0	0	
Information and Communications Technology Core Infrastructure	355,210	190,210	27,605	60,734	33,129	This capital sum, together with the IT strategic Investment budget below are now fully committed during 2019/20 to the office transformation network re-design and investment works and essential hardware upgrades, including the Council's security firewalls.
IT Strategic Investment	35,180	35,180	0	8,509	8,509	See Information and Communications Technology Core infrastructure comment re: office transformation network re-design.
Agresso e-procurement	84,000	84,000	0	0	0	
Individual Electoral Registration - Scanning Equipment	1,560	1,560	0	0	0	

## **Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019**

	<b>Total Budget Allocated to Scheme* £</b>	<b>2019/20 Current Full Year Budget £</b>	<b>2019/20 Profiled Budget to date £</b>	<b>2019/20 Actual to date £</b>	<b>2019/20 Variance to Profile £</b>	<b>Comments</b>
Enhanced Equipment replacement - Printing and Scanning	15,860	12,250	0	0	0	
Office Rationalisation	1,038,440	1,006,680	255,280	348,810	93,530	Expenditure on transformation is running slightly ahead of profile as work at Barnes house completes and work at the Town Hall continues. Barnes House payments should slow over the next two months and expenditure will continue reasonably uniformly to the end of the project.
<b>Total for Corporate Finance and Governance Portfolio</b>	<b>1,534,260</b>	<b>1,333,890</b>	<b>282,885</b>	<b>418,053</b>	<b>135,168</b>	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Environment and Public Space Portfolio</b>						
Cranleigh Close, Clacton, landscaping works	7,830	7,830	6,000	5,997	(3)	Remaining budget to be spent during 2019/20 on new signs.
Environmental Health Database Migration	5,250	5,250	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project.
Public Access Module to CAPS	54,140	54,140	0	0	0	The Service is reviewing this project as part of the wider Digital Transformation Project.
Laying Out Cemetery	168,470	0	0	640	640	The works element of this project has been profiled to 2020/21.
Crematorium and Cemeteries Road Works	163,000	163,000	108,830	108,827	(3)	Majority of the works completed, final part to be completed by March 2020 subject to the tender process.
Bath House Meadow Play Area, Walton	4,870	4,870	0	0	0	Works finished, with retention due to be paid to contractor.
Changing Place Facilities, Walton	1,500	1,500	1,500	1,551	51	Scheme Complete.
Resurfacing Works, Off Valley Road	6,770	6,770	0	0	0	Kerbing issues to be completed by December 2019.

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
Waste Collection Wheeled Bins	742,990	742,990	742,990	945,875	202,885	Main rollout of wheeled bins completed during August. Bins continue to be delivered to properties for authorised additional bins. Additional recycling boxes also purchased with a budget adjustment set out within Appendix H.
Bath House Meadow Security Measures	20,000	20,000	0	0	0	Project delayed due to weather conditions. Project to be completed during remainder of 2019/20.
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	This scheme is currently being reviewed as costs estimated at more than the budget - there may be opportunities to re-scale the project or additional funding may need to be considered.
Public Convenience Works	40,000	40,000	0	0	0	Demolition and Refurbishment works expected to be completed by March 2020.
<b>Total for Environment and Public Space Portfolio</b>	<b>1,394,820</b>	<b>1,226,350</b>	<b>859,320</b>	<b>1,062,891</b>	<b>203,571</b>	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Housing Portfolio</b>						
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	498,750	498,750	34,375	24,504	(9,871)	Ecological surveys have commenced to inform future developments.
Private Sector Renewal Grants/Financial Assistance Loans	325,260	325,260	9,485	9,495	10	
Disabled Facilities Grants	6,151,870	3,880,870	645,445	644,671	(774)	
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.
<b>Total for Housing Portfolio</b>	<b>7,271,390</b>	<b>4,988,390</b>	<b>689,305</b>	<b>678,670</b>	<b>(10,635)</b>	

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b>Independent Living Portfolio</b>						
Careline - Replacement Telephone System	37,210	37,210	0	0	0	
<b>Total for Independent Living Portfolio</b>	<b>37,210</b>	<b>37,210</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Leisure and Tourism Portfolio</b>						
Replacement of beach hut supports - The Walings	11,620	0	0	0	0	
Princes Theatre Toilets	40,000	40,000	0	0	0	This project is due to 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	Alternative options for this site remain under consideration.
Dovercourt Bay Lifestyles CCTV	49,500	49,500	49,500	26,000	(23,500)	The equipment has now been purchased for Dovercourt Sports Centre with a saving of £23,500 achieved. The service is currently investigating the purchase of another camera for Clacton Leisure Centre subject to a separate report and business case.

## Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2019

	Total Budget Allocated to Scheme* £	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
CLC - Spa and Wetside Re-development	525,000	525,000	0	0	0	
Venetian Bridge Clacton	0	0	0	9,097	9,097	Retention paid.
New Beach Huts	64,600	64,600	0	0	(0)	
Cliff Stabilisation Scheme	2,108,320	2,108,320	1,552,380	1,157,485	(394,895)	First phase of works are complete, with a feasibility assessment underway for a second phase of the project.
Marine Parade West Clacton Cliff Works	49,380	49,380	2,250	9,584	7,334	Following completion of works, a new investigation is underway into movement of the cliff.
Flood Wall, Walton On The Naze	0	0	0	3,500	3,500	Works Completed.
Purchase of Street Cleansing Equipment	43,570	43,570	0	0	0	Equipment was delivered in June, however invoice is currently in dispute with supplier.
<b>Total for Leisure and Tourism Portfolio</b>	<b>3,051,990</b>	<b>3,040,370</b>	<b>1,604,130</b>	<b>1,205,667</b>	<b>(398,463)</b>	
<b>Total Approved General Fund Capital Programme</b>	<b>14,932,100</b>	<b>12,268,640</b>	<b>3,435,640</b>	<b>3,365,280</b>	<b>(70,360)</b>	

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



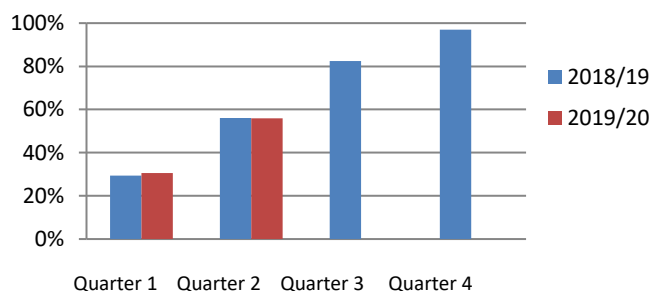
## **Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of September 2019**

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments												
Improvements, enhancement & adaptation of the Council's housing stock	3,215,410	1,798,310	1,484,386	(313,924)	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	20,000	2,820	2,829	9													
Disabled Adaptations	458,210	217,745	208,243	(9,502)	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*	2,451,260	88,570	88,560	(10)													
Jaywick Sands - New Build/Starter Homes*	506,810	506,810	517,437	10,627	Phase 2 of this project is now underway, with an associated budget adjustment included in Appendix H.												
<p>*Within these two budgets that total £2,958,070, £2,646,052 relates to projects supported by one for one capital receipts with spend by dates as per below:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">31/03/2020</td> <td style="width: 25%;">£413,570</td> <td style="width: 25%;">31/12/2020</td> <td style="width: 25%;">£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> <tr> <td>30/09/2020</td> <td>£536,130</td> <td></td> <td></td> </tr> </table>						31/03/2020	£413,570	31/12/2020	£1,270,100	30/06/2020	£276,060	31/03/2021	£150,192	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														
30/09/2020	£536,130																
<b>Total Housing Revenue Account Capital Programme</b>	<b>6,711,690</b>	<b>2,614,255</b>	<b>2,301,455</b>	<b>(312,800)</b>													

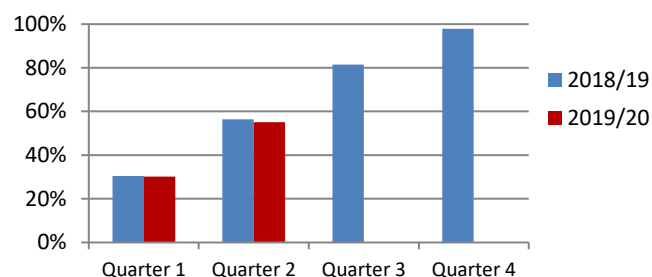
## Collection Performance : Position at the end of September 2019

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

### Council Tax (against annual amounts)

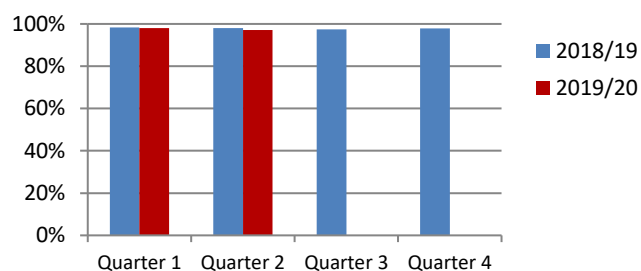


### Business Rates (against annual amounts)

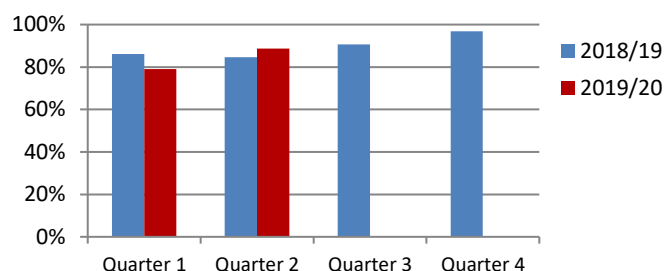


	2018/19	2019/20		2018/19	2019/20
Quarter 1	29.44%	30.64%	Quarter 1	30.48%	30.21%
Quarter 2	56.09%	55.86%	Quarter 2	56.40%	55.03%
Quarter 3	82.52%		Quarter 3	81.42%	
Quarter 4	96.96%		Quarter 4	97.92%	

### Housing Rents



### General Debt



	2018/19	2019/20		2018/19	2019/20
Quarter 1	98.30%	97.99%	Quarter 1	86.14%	79.00%
Quarter 2	98.10%	97.20%	Quarter 2	84.58%	88.64%
Quarter 3	97.40%		Quarter 3	90.65%	
Quarter 4	97.82%		Quarter 4	96.89%	

## Treasury Activity : Position at the end of September 2019

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	306	0	49	257	
Long Term PWLB Borrowing - HRA	41,770	0	832	40,938	
<b>TOTAL BORROWING</b>	<b>42,076</b>	<b>0</b>	<b>881</b>	<b>41,195</b>	
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	47,000	160,000	152,400	54,600	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)	12,470	19,629	21,600	10,499	At the end of the period, investments were held with 6 counterparties.
Investments with non-UK Financial institutions	0	0	0	0	
<b>Total Investments for less than a year</b>	<b>59,470</b>	<b>179,629</b>	<b>174,000</b>	<b>65,099</b>	
<i>Investments for longer than a year</i>	0	0	0	0	
<b>TOTAL INVESTMENTS</b>	<b>59,470</b>	<b>179,629</b>	<b>174,000</b>	<b>65,099</b>	
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	10	(20)	The weighted average rate of interest on the Council's GF borrowing is currently 7.85%. (on an accrued basis). This position will remain at the end of the year with an in-year budget adjustment included within Appendix H.
Interest Paid on Borrowing - HRA	1,413	392	392	0	The weighted average rate of interest on the Council's HRA borrowing is currently 3.42%. (on an accrued basis)
Interest Received on Investments	(336)	(185)	(312)	(127)	The weighted average rate of interest being received on the Council's investments is currently 0.87%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	76,455	42,076	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	67,704				

## 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 2019/20 (including accrued interest as appropriate) £'000
<b>Capital Schemes</b>	
Cranleigh Close, Clacton - landscaping works	8
Valley Road, Car Park Resurfacing	7
<b>Revenue Schemes and other Contributions</b>	147
<b>TOTAL</b>	<b>162</b>

### 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	62
Affordable Housing	0	0	0	652
Town Centre Improvements	0	0	0	43
Habitat Protection	0	0	0	3
Open Space*	13	3	39	900
<b>TOTAL</b>	<b>13</b>	<b>3</b>	<b>39</b>	<b>1,660</b>

\* For schemes with a 'spend by' date of less than one year, this money must be spent as follows  
 £4,000 by Feb 2020  
 £9,000 by Apr 2020

## Proposed Adjustments to the 2019/20 Budget September 2019

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
<b>GENERAL FUND REVENUE</b>			
<i>The following items have no net impact on the overall budget</i>			
Additional costs to support the roll-out of the new waste and recycling service	10,000		The service have requested additional capacity (staff and transport) to support the new service, which can be funded from the New Homes Bonus set aside for this purpose (in-line with the original decision taken by Cabinet in March 2018).
Use of New Homes Bonus	(10,000)		
Environment Services Agency Staff	42,970		To support the required capacity within Environmental Service.
Use of vacancy savings elsewhere in the Council	(42,970)		
Planning Appeals	150,000		Following on from the position reported at the end of the first quarter, costs are being incurred to support the Council in defending appeals. This cost is proposed to be met from increased planning income being experienced so far to date.
Planning Income		(150,000)	
<b>Total General Fund Revenue with no net impact on the overall budget</b>	<b>(150,000)</b>	<b>150,000</b>	

## Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
<i>The following items will be adjusted against the Forecast Risk Fund</i>			
Local Highways Match Funding	50,000		In association with existing budgets, this additional level of funding is aimed at leveraging in an additional £100k contribution from ECC as part of the wider highways work undertaken in partnership with them.
Digital Transformation Project	181,760		Cabinet agreed a Digital Transformation report at their meeting on 13 September 2019 which set out a number of additional emerging costs associated with the Council's use of digital technology.
Digital Transformation Project - Electronic Document Management System (EDMS)	18,000		As highlighted in the Digital Transformation report agreed by Cabinet on 13 September 2019, additional costs may still emerge in respect of the Council's use of digital technology. One such example is the increased cost associated with the EDMS solution for the Revenue and Benefits Service, which requires an increased one-off investment as part of its implementation.
Insurance Premium Renewal 2019	16,500		The cost of the Council's premiums increased in 2019, largely due to property claims in the HRA. The initial price increase was in excess of £200k, but following further discussions with insurers, the Council has limited the increase by accepting a higher level of excess (from £5k to £50k) on its general property cover. Although the Council is developing an action plan to limit successful claims against the Council, it is proposed to utilise the Contingency Budget of £0.322m to underwrite the risk of the revised excess amount. In respect of the HRA, it is proposed to use the general level of reserves to underwrite the associated risk.
Enforcement Post	15,000		To support additional temporary capacity to undertake a general enforcement role within the Council.

## Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
Depot Security Review	10,000		To meet the potential cost of works that may emerge following a review of depot security currently being supported by Internal Audit.
Interest receivable from investments		(120,000)	Investment returns are currently running ahead of the budget, a position that is forecast to be maintained over the remainder of the financial year.
Interest payable on general fund borrowing and associated minimum revenue provision adjustment	(44,430)		The interest and MRP cost associated with outstanding loans is lower than originally budgeted.
Cost of the 2019 Airshow	20,000		The current estimate of the final net cost of the 2019 Airshow is higher than budgeted, primarily as a result of reduced programme sales and increased staffing costs.
Net Contribution <u>from</u> Forecast Risk Fund		(146,830)	

## Appendix H

Description	Expenditure Budget	Income Budget	Reason for Adjustment
	£	£	
<b>GENERAL FUND CAPITAL</b>			
<b>Schemes Reprofiled</b>			
None			
<b>Other Changes to General Fund Capital Programme</b>			
Purchase of recycling boxes to support roll-out of the new waste and recycling service	202,880		For the purchase of recycling boxes to support increased demand following the introduction of the new service, which can be funded from the New Homes Bonus set aside for this purpose (this is in-line with the original decision taken by Cabinet in March 2018). Following this item, £329k remains available within the original NHB allocation of £1.333m).
Use of New Homes Bonus	(202,880)		
<b><i>Total General Fund Capital Adjustment with no net impact on the overall budget</i></b>	<b>0</b>	<b>0</b>	
<b>HRA REVENUE</b>			
<b><i>The following items will be adjusted against the HRA General Balance</i></b>			
Council tax on empty properties	75,000		Given the continuing number of Empty Properties (primarily Honeycroft and Spendells Sheltered Schemes) there is a temporary increase in the level of council tax payable.
<b>HRA CAPITAL</b>			
Demolition of the Mermaid Site in Jaywick Sands	100,000		Following a fire, urgent demolition works were required to make the site safe.
Use of New Build Initiatives and Acquisition Project Budget	(100,000)		
Starter Homes - Jaywick Sands (Phase 2)	500,000		To support the next phase of this project within Jaywick Sands which should see the project completed (phase one included ground works and ground floor construction with this phase seeing prefabricated units built and placed as first floors upwards).
Use of New Build Initiatives and Acquisition Project Budget	(500,000)		



## Corporate Budget Monitoring - Budget Position at the end of September 2019

### Financial Summary - North Essex Garden Communities Project

	2019/20 Current Full Year Budget £	2019/20 Profiled Budget to date £	2019/20 Actual to date £	2019/20 Variance to Profile £	Comments
<b><u>Analysis by Activity</u></b>					
Local Plan / DPD	1,219,694	619,242	626,246	7,004	
Overheads	488,401	216,895	174,727	(42,168)	
Delivery Strategy	423,200	147,900	124,291	(23,609)	
<b>Total Direct Expenditure</b>	<b>2,131,295</b>	<b>984,037</b>	<b>925,264</b>	<b>(58,773)</b>	

UPDATED LONG TERM FINANCIAL FORECAST

APPENDIX J

Line	Budget 2017/18 £	Budget 2018/19 £	Estimate 2019/20 £	Estimate* 2020/21 £	Estimate 2021/22 £	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £
<b>Underlying Funding Growth in the Budget</b>										
1	(0.136)	(0.147)	(0.151)	(0.158)	(0.161)	(0.165)	(0.168)	(0.171)	(0.175)	(0.178)
2	(0.090)	(0.086)	(0.082)	(0.079)	(0.076)	(0.073)	(0.069)	(0.066)	(0.063)	(0.059)
3	0.000	(0.131)	(0.110)	(0.110)	(0.132)	(0.134)	(0.137)	(0.140)	(0.142)	(0.145)
4	(0.148)	(0.293)	(0.576)	(0.177)	(0.147)	(0.156)	(0.165)	(0.173)	(0.182)	(0.190)
5	(0.218)	(0.652)	(0.710)	(0.437)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	<b>(0.592)</b>	<b>(1.309)</b>	<b>(1.629)</b>	<b>(0.961)</b>	<b>(0.616)</b>	<b>(0.628)</b>	<b>(0.639)</b>	<b>(0.650)</b>	<b>(0.662)</b>	<b>(0.672)</b>
<b>Net Cost of Services and Other Adjustments</b>										
6	0.914	0.580	0.648	0.422	0.000	0.000	0.000	0.000	0.000	0.000
7	(0.155)	(0.315)	(0.112)	0.013	0.000	0.000	0.000	0.000	0.000	0.000
8	(0.020)	0.218	0.652	0.710	0.437	0.100	0.100	0.100	0.100	0.100
9	0.125	0.514	0.635	0.488	0.373	0.376	0.380	0.385	0.389	0.393
10	0.000	0.088	0.221	0.156	0.163	0.167	0.172	0.177	0.182	0.187
11	(0.268)	(0.055)	(0.115)	0.000	(0.090)	0.000	0.000	0.000	0.000	0.000
12	0.000	(0.049)	(0.055)	(0.036)	0.000	0.000	0.000	0.000	0.000	0.000
13	0.000	(0.150)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
14	(0.100)	0.000	0.000	(0.045)	0.000	0.000	0.000	0.000	0.000	0.000
15	0.287	0.374	(0.069)	(1.076)	0.000	0.000	0.000	0.000	0.000	0.000
16	(0.879)	(0.290)	(0.328)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)
17	1.046	0.114	0.153	0.600	0.150	0.150	0.150	0.150	0.150	0.150
18	0.000	(0.134)	(0.118)	1.121	0.000	0.000	0.000	0.000	0.000	0.000
	<b>0.950</b>	<b>0.895</b>	<b>1.512</b>	<b>1.902</b>	<b>0.582</b>	<b>0.344</b>	<b>0.353</b>	<b>0.362</b>	<b>0.371</b>	<b>0.380</b>
<b>Net Total</b>	<b>0.358</b>	<b>(0.414)</b>	<b>(0.117)</b>	<b>0.941</b>	<b>(0.033)</b>	<b>(0.284)</b>	<b>(0.286)</b>	<b>(0.288)</b>	<b>(0.292)</b>	<b>(0.292)</b>
Add back Use of Reserves / Forecast Risk Fund in Prior Year	0.200	0.558	0.144	0.027	0.969	0.935	0.651	0.365	0.076	(0.215)
<b>Net Budget Position</b>	<b>0.558</b>	<b>0.144</b>	<b>0.027</b>	<b>0.969</b>	<b>0.935</b>	<b>0.651</b>	<b>0.365</b>	<b>0.076</b>	<b>(0.215)</b>	<b>(0.507)</b>
Use of Forecast Risk Fund to support the Net Budget Position	(0.558)	(0.144)	(0.027)	(0.969)	(0.935)	(0.651)	(0.365)	(0.076)	0.215	0.507

\* 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	<b>(0.558)</b>	<b>(1.934)</b>	<b>(2.780)</b>	<b>(3.253)</b>	<b>(2.784)</b>	<b>(2.349)</b>	<b>(2.198)</b>	<b>(2.333)</b>	<b>(2.757)</b>	<b>(3.472)</b>
Applied in year as set out in the forecast above	0.558	0.144	0.027	0.969	0.935	0.651	0.365	0.076	(0.215)	(0.507)
Additional contributions generated in year	(1.934)	(0.990)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
<b>Balance to Carry Forward</b>	<b>(1.934)</b>	<b>(2.780)</b>	<b>(3.253)</b>	<b>(2.784)</b>	<b>(2.349)</b>	<b>(2.198)</b>	<b>(2.333)</b>	<b>(2.757)</b>	<b>(3.472)</b>	<b>(4.479)</b>

<b>FORECAST SENSITIVITIES</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Forecast Budget Gap / (Surplus) from table above (BASE Position)</b>	<b>0.969</b>	<b>0.935</b>	<b>0.651</b>	<b>0.365</b>	<b>0.076</b>	<b>(0.215)</b>	<b>(0.507)</b>	<b>2.274</b>
<b><i>Revised Forecast Budget GAP / (SURPLUS) in the event of the following possibilities</i></b>								
Council Tax Increase are lower by 1% per annum compared to the base	1.049	1.098	0.901	0.706	0.512	0.319	0.129	4.714
Property Growth does not grow over the life of the forecast	1.146	1.082	0.807	0.530	0.249	(0.033)	(0.317)	3.464
Property Growth is lower by 5% compared to the base	0.970	0.905	0.629	0.351	0.069	(0.214)	(0.500)	2.210
Inflation increases at a rate of +1% faster than the base	1.196	1.170	0.897	0.622	0.344	0.074	(0.207)	4.096
Inflation decreases at a rate of 1% slower than the base	0.742	0.700	0.405	0.108	(0.192)	(0.504)	(0.807)	0.452
Savings achieved are lower by 10% per annum compared to the base	1.014	1.025	0.786	0.545	0.301	0.055	(0.192)	3.534
Savings achieved are lower by 20% per annum compared to the base	1.059	1.115	0.921	0.725	0.526	0.325	0.123	4.794
Unmitigated Cost Pressures are greater by 10% per annum compared to the base	1.029	0.965	0.696	0.425	0.151	(0.125)	(0.402)	2.739
Unmitigated Cost Pressures are greater by 20% per annum compared to the base	1.089	0.995	0.741	0.485	0.226	(0.035)	(0.297)	3.204

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<b>Underlying Funding Growth in the Budget</b>		
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 a 75% 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 remains significant.
Collection Fund Surpluses b/fwd		Following the latest review of the forecast and using the most up to date figures, collection fund surpluses of £437k have been included in the 2020/21 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)
<b>Net Cost of Services and Other Adjustments</b>		
Reduction in RSG		2020/21 sees the end of the Revenue Support Grant so there is no uncertainty in respect of this line of the forecast.
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)		It was initially hoped that the significant increases across 2018/19 and 2019/20 would limit further increases in the short term. However the recent pay claim submitted by the union sets out a figure of 10% for 2020/21. Therefore the inflationary allowance has been increased upwards to 2% in 2020/21 and 1.5% from 2021/22.
Inflation - Other		Although the Government's target CPI inflation is 2%, this is a long term target which will inevitably see fluctuations over short financial cycles. However 2% and 3% remain the basis for calculating an inflationary allowance for contracts and budgets that are based on either CPI or RPI respectively.
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 with the total grant reducing to zero from 2020/21.
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 was 'exhausted' by the end of 2019/20 is the homelessness reserve which has required 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.
On-going savings required		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. Although the long term forecast provides flexibility in the timing of the delivery of such savings, it is important that on-going savings continue to be secured to meet the amounts set out in the forecast.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Unmitigated Cost Pressures		<p>It is recognised that this line of the forecast presents one of the highest risks, with on-going revenue items being the most difficult items to respond to. 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 planned on being made available elsewhere in the budget to support these costs which therefore contributes to the mitigation of this 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. This has been reflected in the forecast as an on-going cost pressure from 2019/20, with a further reduction in income included in 2020/21.</p> <p>To support the management of risks, the Council continues to resist using one-off money, such as the New Homes Bonus, to support the on-going base budget.</p>