

# *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 Budget
<b>Appendix I</b>	NEGC Project - Financial Summary

## Financial Performance Report In-Year Performance as at end of:

***December 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)*

# Financial Performance Report - Executive Summary as at the end of December 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	175,890	131,918	129,448	(2,469)
Corporate Services	(23,020,360)	(7,922,426)	(9,688,780)	(1,766,355)
Operational Services	16,179,160	7,218,307	7,120,322	(97,985)
Planning and Regeneration	6,665,310	2,278,430	1,280,900	(997,530)
<b>Total General Fund</b>	<b>0</b>	<b>1,706,229</b>	<b>(1,158,110)</b>	<b>(2,864,339)</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>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>

## Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	13,767,200	4,485,727	4,739,719	253,992
Housing Revenue Account	6,711,690	4,045,732	3,617,298	(428,433)
<b>Total Capital</b>	<b>20,478,890</b>	<b>8,531,459</b>	<b>8,357,018</b>	<b>(174,441)</b>

## Collection Performance

	Collected to Date Against Collectable Amount
Council Tax	82.25%
Business Rates	81.36%
Housing Rents	97.20%
General Debt	88.94%

## Treasury

	£'000
Total External Borrowing	40,654
Total Investments	66,494

# Revenue Budget Position at the end of December 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	5,170,650	1,864,045	877,403	(986,641)
Corporate Finance and Governance	2,552,360	2,066,336	976,020	(1,090,316)
Environment and Public Space	7,040,510	3,431,941	2,914,729	(517,212)
Housing	3,287,970	3,321,251	2,473,620	(847,631)
Partnerships	658,090	219,678	244,022	24,344
Business and Economic Growth	2,885,890	457,112	448,965	(8,147)
Leisure and Tourism	6,198,080	1,151,690	1,704,493	552,803
Independent Living	345,170	420,053	423,478	3,425
Budgets Relating to Non Executive Functions	810,730	323,545	427,414	103,869
	<b>28,949,450</b>	<b>13,255,651</b>	<b>10,490,144</b>	<b>(2,765,506)</b>
Revenue Support for Capital Investment	5,621,020	0	0	0
Financing Items	(5,995,220)	(320,746)	(422,645)	(101,900)
<b>Budget Before use of Reserves</b>	<b>28,575,250</b>	<b>12,934,905</b>	<b>10,067,499</b>	<b>(2,867,406)</b>
Contribution to / (from) earmarked reserves	(15,018,680)	0	0	0
<b>Total Net Budget</b>	<b>13,556,570</b>	<b>12,934,905</b>	<b>10,067,499</b>	<b>(2,867,406)</b>
<b>Funding:</b>				
Business Rates Income	(4,469,610)	(4,384,414)	(4,381,448)	2,966
Revenue Support Grant	(421,920)	(287,006)	(286,905)	101
Collection Fund Surplus	(709,650)	(567,720)	(567,720)	0
Income from Council Tax Payers	(7,955,390)	(5,989,536)	(5,989,536)	0
<b>Total</b>	<b>0</b>	<b>1,706,229</b>	<b>(1,158,110)</b>	<b>(2,864,339)</b>

## Revenue Budget Position at the end of December 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	(1,756,450)	(6,149,347)	(6,154,774)	(5,426)
	<b>(1,756,450)</b>	<b>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>
Financing Items	1,756,120	0	0	0
<b>Budget Before use of Reserves</b>	<b>(330)</b>	<b>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>
Contribution to / (from) earmarked reserves	330	0	0	0
<b>Total</b>	<b>(0)</b>	<b>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>

## Financial Performance Report - General Fund Budget Position at the end of December 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	170,260	127,695	127,940	245	0	
Transport Related Expenditure	2,820	2,115	1,430	(685)	705	
Supplies & Services	2,810	2,108	78	(2,029)	702	
<b>Total Direct Expenditure</b>	<b>175,890</b>	<b>131,918</b>	<b>129,448</b>	<b>(2,469)</b>	<b>1,407</b>	
<b>Net Direct Costs</b>	<b>175,890</b>	<b>131,918</b>	<b>129,448</b>	<b>(2,469)</b>	<b>1,407</b>	
<b>Total for Office of Chief Executive</b>	<b>175,890</b>	<b>131,918</b>	<b>129,448</b>	<b>(2,469)</b>	<b>1,407</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 Office of Chief Executive</b>	<b>175,890</b>	<b>131,918</b>	<b>129,448</b>	<b>(2,469)</b>	

# Financial Performance - General Fund Budget Position at the end of December 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	7,124,970	3,954,505	3,771,768	(182,737)	3,099,760	
Premises Related Expenditure	423,400	271,980	247,148	(24,832)	151,420	
Transport Related Expenditure	86,800	81,047	65,395	(15,652)	5,753	
Supplies & Services	8,220,550	2,940,488	2,596,949	(343,539)	5,306,572	
Transfer Payments	46,044,940	30,649,160	30,327,817	(321,343)	15,395,780	
Interest Payments	29,240	15,549	10,132	(5,416)	13,692	
<b>Total Direct Expenditure</b>	<b>61,929,900</b>	<b>37,912,729</b>	<b>37,019,210</b>	<b>(893,520)</b>	<b>23,972,976</b>	
<b>Direct Income</b>						
Government Grants	(50,597,030)	(32,885,420)	(33,763,852)	(878,432)	(17,711,610)	
Other Grants, Reimbursements and Contributions	(1,423,640)	(1,167,720)	(1,062,285)	105,435	(255,920)	
Sales, Fees and Charges	(16,650)	(5,990)	(14,575)	(8,585)	(10,660)	
Rents Receivable	(5,730)	(4,315)	(265)	4,050	(1,415)	
Interest Receivable	(651,580)	(543,034)	(639,404)	(96,370)	(108,546)	
RSG, Business Rates and Council Tax	(13,556,570)	(11,228,676)	(11,225,609)	3,067	(2,327,894)	
<b>Total Direct Income</b>	<b>(66,251,200)</b>	<b>(45,835,155)</b>	<b>(46,705,990)</b>	<b>(870,835)</b>	<b>(20,416,045)</b>	
<b>Net Direct Costs</b>	<b>(4,321,300)</b>	<b>(7,922,426)</b>	<b>(9,686,780)</b>	<b>(1,764,355)</b>	<b>3,556,931</b>	
<b>Net Indirect Costs</b>	<b>(3,680,380)</b>	<b>0</b>	<b>(2,000)</b>	<b>(2,000)</b>	<b>(3,680,380)</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>(15,018,680)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(15,018,680)</b>	
<b>Total for Corporate Services</b>	<b>(23,020,360)</b>	<b>(7,922,426)</b>	<b>(9,688,780)</b>	<b>(1,766,355)</b>	<b>(15,142,129)</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>	(1,100)	179,910	187,115	7,205	
<b>Total for Governance and Legal Services</b>	(850)	239,283	218,130	(21,153)	Please see Appendix H for an adjustment between salary and agency staff budgets to reflect the current use of temporary staff within the service.
<b>Total for Finance, Revenues and Benefits</b>	1,870,040	2,355,412	1,477,252	(878,160)	Although adjusted for as part of the year end subsidy reconciliation process, Housing Benefit payments to claimants are lower than budgeted at the end of December 2019 reflecting a lower caseload following the move to universal credit. In addition, employee costs are lower than budgeted as the service continues to adjust its capacity to respond to this reduction in housing benefit caseload, which will continue over the next few years.
<b>Total for Finance - Other Corporate Costs</b>	2,608,380	(2,922,339)	(3,565,752)	(643,413)	Although the budget has already been adjusted earlier in the year, Investment income has continued to grow over the third quarter of the year and is ahead of the profiled budget by £92k at the end of December. This is in addition to new burdens grant income and business rates grant income (£849k). 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>	(16,542,700)	202,120	205,828	3,708	

## 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 Finance - RSG, Business Rates and Council Tax</b>	(13,556,570)	(11,228,676)	(11,225,609)	3,067	
<b>Total for Property Services</b>	240,180	190,512	201,936	11,423	
<b>Total for People, Performance and Projects</b>	490,600	486,392	531,484	45,092	The position to date primarily reflects the Career Track Service. Following the Government's recent relaxation of the rules about which external organisations can access the Council's Career Track Service, it is hoped that the customer base will grow in the medium term to reach a break-even position. However it is accepted that there will be an interim period where the service may report a net deficit. This will be monitored over the last quarter of the year and going into 2020/21.
<b>Total for IT and Corporate Resilience</b>	758,550	1,673,796	1,277,254	(396,543)	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>	1,113,110	901,165	1,003,582	102,417	The current position reflects expenditure incurred to deliver the recent Parliamentary election which is reimbursable by the Government.
<b>Total for Corporate Services</b>	(23,020,360)	(7,922,426)	(9,688,780)	(1,766,355)	



# Financial Performance Report - General Fund Budget Position at the end of December 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	9,587,050	7,061,189	7,333,791	272,601	2,525,861	
Premises Related Expenditure	3,155,630	2,300,053	2,233,950	(66,103)	855,577	
Transport Related Expenditure	469,870	285,671	334,274	48,604	184,200	
Supplies & Services	4,545,860	2,781,165	3,148,329	367,164	1,764,695	
Third Party Payments	4,895,370	2,840,301	2,843,974	3,673	2,055,069	
Transfer Payments	263,160	199,875	328,729	128,854	63,285	
<b>Total Direct Expenditure</b>	<b>22,916,940</b>	<b>15,468,254</b>	<b>16,223,048</b>	<b>754,794</b>	<b>7,448,686</b>	
<b>Direct Income</b>						
Government Grants	(658,860)	(496,750)	(496,753)	(3)	(162,110)	
Other Grants, Reimbursements and Contributions	(1,362,640)	(810,105)	(996,143)	(186,038)	(552,535)	
Sales, Fees and Charges	(8,240,970)	(6,530,271)	(7,180,542)	(650,271)	(1,710,699)	
Rents Receivable	(318,310)	(248,476)	(268,377)	(19,901)	(69,834)	
Direct Internal Income	(206,780)	(143,165)	(147,862)	(4,697)	(63,615)	
<b>Total Direct Income</b>	<b>(10,787,560)</b>	<b>(8,228,767)</b>	<b>(9,089,677)</b>	<b>(860,911)</b>	<b>(2,558,793)</b>	
<b>Net Direct Costs</b>	<b>12,129,380</b>	<b>7,239,487</b>	<b>7,133,370</b>	<b>(106,117)</b>	<b>4,889,893</b>	
<b>Net Indirect Costs</b>	<b>4,049,780</b>	<b>(21,180)</b>	<b>(13,048)</b>	<b>8,132</b>	<b>4,070,960</b>	
<b>Total for Operational Services</b>	<b>16,179,160</b>	<b>7,218,307</b>	<b>7,120,322</b>	<b>(97,985)</b>	<b>8,960,853</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	308,365	281,070	(27,295)	
<b>Total for Public Realm</b>	1,714,470	517,005	255,790	(261,215)	Income from car parks (£128k) and at the crematorium (£36k) are running ahead of the budget at the end of the quarter. However as was the case at the end of the second quarter, this position is offsetting reduced cemetery income of £61k at the end of December. In addition to these income items, expenditure remains behind profile for items such as building repairs and employee costs.
<b>Total for Customer and Commercial Services</b>	511,940	572,620	521,297	(51,323)	
<b>Total for Sports and Leisure</b>	3,145,180	415,154	635,230	220,075	Two items are included in Appendix H that respond to this overall deficit position (increase in utility costs and external income to support the Mayflower celebrations to meet spend already incurred). However, achieving income budgets remains a challenge for the service, with a proposed response currently being considered for reporting to members later in the year as part of the overall Leisure Strategy.

## 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 Housing and Environmental Health</b>	2,877,800	1,318,616	1,183,136	(135,480)	A significant element of the variance to date relates to underspends against employee budgets along with a contribution receivable from ECC. This does however mask increases in homelessness costs which are now running £44k ahead of the profiled budget, which will be monitored over the last quarter of the year.
<b>Total for Building and Engineering</b>	7,270,090	4,086,547	4,243,800	157,252	The primary variance to date (£428k) is due to the in-house Engineering Team undertaking work within the Council (mainly work previously undertaken by the main housing repairs contractor, Roalco, who went into liquidation last year) which has not yet been charged out. Work remains ongoing as part of a number of strands of work within the in-house team to process the recharges on a per job basis. This work needs to be completed by the end of the year to provide an accurate annual position for 2019/20 as part of the wider year end account closedown processes. At the present time it is assumed that the work undertaken will be accommodated within the existing budget in the Housing Revenue Account. In addition to the above, recycling credit income has moved ahead of the budget (£32k) along with income from garden waste (net £77k).
<b>Total for Operational Services</b>	16,179,160	7,218,307	7,120,322	(97,985)	

# Financial Performance Report - General Fund Budget Position at the end of December 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	2,450,370	1,741,795	1,630,772	(111,023)	708,575	
Premises Related Expenditure	28,770	24,580	22,103	(2,477)	4,190	
Transport Related Expenditure	54,690	45,865	24,873	(20,992)	8,825	
Supplies & Services	4,883,823	1,825,030	1,116,727	(708,303)	3,058,793	
Third Party Payments	870	0	0	0	870	
<b>Total Direct Expenditure</b>	<b>7,418,523</b>	<b>3,637,270</b>	<b>2,794,476</b>	<b>(842,795)</b>	<b>3,781,253</b>	
<b>Direct Income</b>						
Government Grants	(52,960)	(52,960)	(52,978)	(18)	0	
Other Grants, Reimbursements and Contributions	0	0	(7,000)	(7,000)	0	
Sales, Fees and Charges	(1,696,983)	(1,261,802)	(1,412,958)	(151,156)	(435,181)	
Rents Receivable	(56,510)	(44,078)	(40,639)	3,439	(12,432)	
<b>Total Direct Income</b>	<b>(1,806,453)</b>	<b>(1,358,840)</b>	<b>(1,513,575)</b>	<b>(154,735)</b>	<b>(447,613)</b>	
<b>Net Direct Costs</b>	<b>5,612,070</b>	<b>2,278,430</b>	<b>1,280,900</b>	<b>(997,530)</b>	<b>3,333,640</b>	
<b>Net Indirect Costs</b>	<b>1,053,240</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,053,240</b>	
<b>Total for Planning and Regeneration</b>	<b>6,665,310</b>	<b>2,278,430</b>	<b>1,280,900</b>	<b>(997,530)</b>	<b>4,386,880</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>	600	84,315	98,707	14,392	
<b>Total for Planning and Customer Services</b>	22,590	1,144,945	988,970	(155,975)	The variance to date is primarily against employee budgets which are proposed to be used to support the cost of agency staff over the remainder of the year. (See Appendix H)
<b>Total for Planning and Development</b>	1,832,100	(501,102)	(455,309)	45,793	Planning income is running £146k ahead of the profiled budget at the end of the third quarter. It is however masking the continuation of increased costs responding to planning appeals / inquiries. These items have been included as in-year adjustments within Appendix H.
<b>Total for Planning Policy</b>	1,643,580	908,212	47,039	(861,174)	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	20,042	(13,215)	(33,258)	Income continues to remain ahead of the budget at the end of December 2019. (£19k)
<b>Total for Regeneration</b>	2,991,560	622,017	614,709	(7,308)	
<b>Total for Planning and Regeneration</b>	6,665,310	2,278,430	1,280,900	(997,530)	

# Financial Performance Report - Housing Revenue Account Budget Position at the end of December 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	496,560	472,428	(24,132)	593,980	
Premises Related Expenditure	3,533,870	2,443,059	2,439,799	(3,260)	1,090,811	
Transport Related Expenditure	20,370	15,278	23,028	7,751	5,093	
Supplies & Services	524,600	247,641	196,717	(50,924)	276,959	
Third Party Payments	1,030	773	0	(773)	258	
Transfer Payments	17,000	12,750	10,850	(1,900)	4,250	
Interest Payments	1,413,490	685,214	656,886	(28,328)	728,276	
<b>Total Direct Expenditure</b>	<b>6,600,900</b>	<b>3,901,275</b>	<b>3,799,708</b>	<b>(101,567)</b>	<b>2,699,625</b>	
<b>Direct Income</b>						
Other Grants, Reimbursements and Contributions	(8,000)	0	(1,612)	(1,612)	(8,000)	
Sales, Fees and Charges	(533,920)	(396,207)	(378,883)	17,324	(137,714)	
Rents Receivable	(12,843,320)	(9,654,416)	(9,573,987)	80,429	(3,188,905)	
Interest Receivable	(51,600)	0	0	0	(51,600)	
<b>Total Direct Income</b>	<b>(13,436,840)</b>	<b>(10,050,622)</b>	<b>(9,954,481)</b>	<b>96,141</b>	<b>(3,386,218)</b>	
<b>Net Direct Costs</b>	<b>(6,835,940)</b>	<b>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>	<b>(686,593)</b>	
<b>Net Indirect Costs</b>	<b>6,835,610</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,835,610</b>	
<b>Net Contribution to/(from) Reserves</b>	<b>330</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>330</b>	
<b>Total for HRA</b>	<b>0</b>	<b>(6,149,347)</b>	<b>(6,154,774)</b>	<b>(5,426)</b>	<b>6,149,347</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	52,574	46,129	(6,445)	
<b>Total for Customer and Commercial Services</b>	(47,570)	(84,000)	(66,903)	17,097	
<b>Total for Housing and Environmental Health</b>	(6,217,010)	(8,234,938)	(8,229,876)	5,062	
<b>Total for Building and Engineering</b>	3,917,120	2,117,017	2,095,877	(21,140)	
<b>Total for HRA</b>	0	(6,149,347)	(6,154,774)	(5,426)	

## **Financial Performance Report - General Fund Capital Programme**

### **Position at the end of December 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	6,610	6,608	(2)	Ground investigations are continuing in support of the next significant project milestone, which is the assembly of the necessary land.
<b>Total for Business and Economic Growth Portfolio</b>	<b>1,642,430</b>	<b>1,642,430</b>	<b>6,610</b>	<b>6,608</b>	<b>(2)</b>	
<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	41,407	63,903	22,496	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.



## **Financial Performance Report - General Fund Capital Programme**

### **Position at the end of December 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>
IT Strategic Investment	35,180	35,180	0	20,567	20,567	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	
Enhanced Equipment replacement - Printing and Scanning	15,860	12,250	9,650	9,652	2	
Office Rationalisation	1,038,440	1,006,680	371,065	550,013	178,948	Expenditure on transformation is running slightly ahead of profile as work at Barnes house and Westleigh House have both completed and work at the Town Hall continues. Payments are likely to slow over the next two months and expenditure will continue reasonably uniformly to the end of the project with an amount of carry forward to be requested to allow for the lag of payments against work and the completion of the project in the next financial year.
<b>Total for Corporate Finance and Governance Portfolio</b>	<b>1,534,260</b>	<b>1,333,890</b>	<b>422,122</b>	<b>644,136</b>	<b>222,013</b>	

## **Financial Performance Report - General Fund Capital Programme**

### **Position at the end of December 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)	
Environmental Health Database Migration	5,250	5,250	0	0	0	The Service is reviewing this budget 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 budget 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	131,810	131,811	1	Remaining works to commence March 2020.
Bath House Meadow Play Area, Walton	4,870	4,870	0	0	0	Works finished, with retention due to be paid.
Changing Place Facilities, Walton	1,500	1,500	1,500	1,551	51	Scheme Complete.
Resurfacing Works, Off Valley Road	6,770	6,770	640	635	(5)	Remaining works to be completed by March 2020.

## Financial Performance Report - General Fund Capital Programme

### Position at the end of December 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	945,870	945,870	945,870	996,738	50,868	Main rollout of wheeled bins complete. Further purchases made to meet the requirement for additional recycling containers and bins with budget adjustment included in App H.
Bath House Meadow Security Measures	20,000	20,000	0	0	0	Project due to commence February 2020.
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	This scheme remains under review as costs estimated at more than the budget - opportunities to re-scale the project are being explored.
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>1,597,700</b>	<b>1,429,230</b>	<b>1,085,820</b>	<b>1,137,373</b>	<b>51,553</b>	
<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.

## **Financial Performance Report - General Fund Capital Programme**

### **Position at the end of December 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
Housing in Jaywick	498,750	498,750	30,663	30,659	(4)	
Private Sector Renewal Grants/Financial Assistance Loans	325,260	325,260	22,660	22,655	(5)	
Disabled Facilities Grants	7,439,960	5,168,960	1,168,210	1,168,206	(4)	
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 as part of the Council's wider investment plan.
<b>Total for Housing Portfolio</b>	<b>8,559,480</b>	<b>6,276,480</b>	<b>1,221,532</b>	<b>1,221,520</b>	<b>(12)</b>	
<b>Independent Living Portfolio</b>						
Careline - Replacement Telephone System	37,210	37,210	360	356	(4)	
<b>Total for Independent Living Portfolio</b>	<b>37,210</b>	<b>37,210</b>	<b>360</b>	<b>356</b>	<b>(4)</b>	

## Financial Performance Report - General Fund Capital Programme Position at the end of December 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>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	Project rolled into the main office transformation project with delivery scheduled in 20/21.
Town Centre Fountain	160,000	160,000	0	0	0	Alternative options for this site remain under consideration as part of the Council's wider investment plan and priorities.
Dovercourt Bay Lifestyles CCTV	49,500	49,500	49,500	26,000	(23,500)	The project is under spent by £23K as a cheaper option was procured out of 2 potential camera types. It is proposed to utilise £15K of the under spend to fund the purchase of gym equipment as it would provide a cheaper option than the alternative of leasing it.
CLC - Spa and Wetside Re-development	525,000	525,000	0	0	0	A contract administrator has been appointed. Specification is now being written with a target to send out for tender before the end of the financial year.
Venetian Bridge Clacton	0	0	0	9,620	9,620	Works Complete.
New Beach Huts	64,600	64,600	0	0	(0)	Project awaiting completion of lease agreement before building of huts can commence.

## **Financial Performance Report - General Fund Capital Programme Position at the end of December 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>
Cliff Stabilisation Scheme	2,108,320	2,108,320	1,640,930	1,640,933	3	
Marine Parade West Clacton Cliff Works	49,380	49,380	9,590	9,584	(6)	
Flood Wall, Walton On The Naze	7,590	7,590	5,693	3,500	(2,193)	Works Complete.
Purchase of Street Cleansing Equipment	43,570	43,570	43,570	40,090	(3,480)	
<b>Total for Leisure and Tourism Portfolio</b>	<b>3,059,580</b>	<b>3,047,960</b>	<b>1,749,283</b>	<b>1,729,727</b>	<b>(19,555)</b>	
<b>Total Approved General Fund Capital Programme</b>	<b>16,430,660</b>	<b>13,767,200</b>	<b>4,485,727</b>	<b>4,739,719</b>	<b>253,992</b>	

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

## ***Financial Performance Report - Housing Revenue Account Capital Programme Budget Position at the end of December 2019***

	<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>
Improvements, enhancement & adaptation of the Council's housing stock	3,215,410	2,309,060	2,242,832	(66,229)	
IT Upgrade & Replacement	20,000	2,820	3,117	297	
Disabled Adaptations	458,210	326,617	296,003	(30,614)	
Cash Incentive Scheme	60,000	0	0	0	
New Build Initiatives and Acquisitions	1,951,260	525,424	186,733	(338,691)	
Jaywick Sands - New Build/Starter Homes	1,006,810	881,810	888,613	6,803	
<b>Total Housing Revenue Account Capital Programme</b>	<b>6,711,690</b>	<b>4,045,732</b>	<b>3,617,298</b>	<b>(428,433)</b>	

## ***New-Build and Acquisitions - Subject to 1-4-1 Pooling Retained Receipts Regulations***

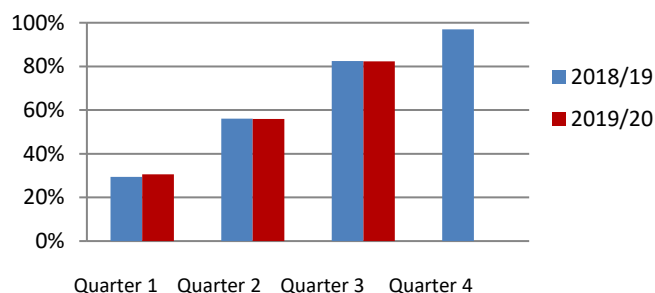
	Required Expenditure to meet MHCLG Target				Remaining Expenditure Required to Meet MHCLG Target
MHCLG Target Date for Expenditure	30 % 1-4-1 Receipts to Retain from MHCLG £	70 % Expenditure Required by TDC £	Total Expenditure Required to Retain Receipts £	Total Actual Expenditure by TDC £	Total Expenditure £
31/12/2019	30,646	71,506	102,152	102,152	0
31/03/2020	124,070	289,496	413,566	413,566	0
30/06/2020	82,820	193,246	276,066	276,066	0
30/09/2020	160,839	375,291	536,130	466,990	69,140
31/12/2020	381,031	889,074	1,270,105	0	1,270,105
31/03/2021	45,057	105,136	150,193	0	150,193
30/09/2022	185,551	432,954	618,505	0	618,505
31/12/2022	113,411	264,626	378,037	0	378,037
<b>Cumulative Expenditure</b>	<b>1,123,425</b>	<b>2,621,329</b>	<b>3,744,754</b>	<b>1,258,774</b>	<b>2,485,980</b>



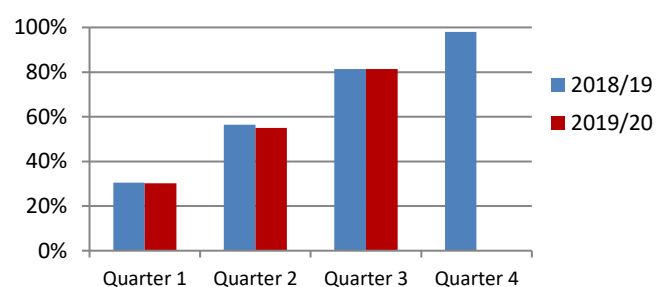
## Collection Performance : Position at the end of December 2019

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

### Council Tax

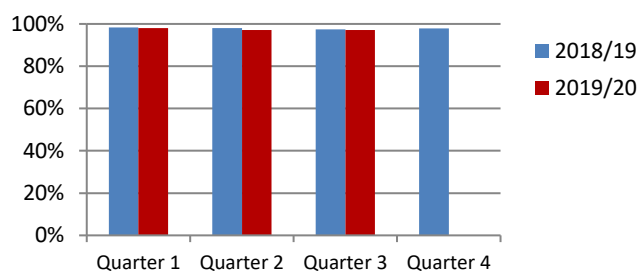


### Business Rates

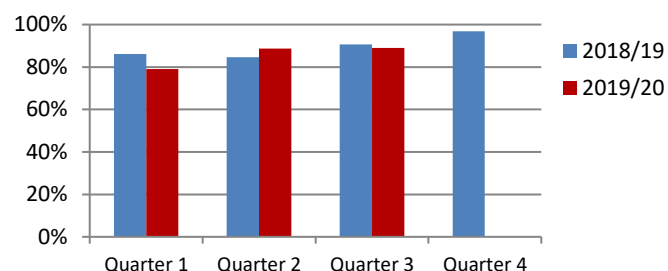


	2018/19	2019/20		2018/19	2019/20
Quarter 1	29.44%	30.64%	Quarter 1	30.48%	30.21%
Quarter 2	56.09%	55.86%	Quarter 2	56.40%	55.03%
Quarter 3	82.52%	82.25%	Quarter 3	81.42%	81.36%
Quarter 4	96.96%		Quarter 4	97.92%	

### 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%	97.20%	Quarter 3	90.65%	88.94%
Quarter 4	97.82%		Quarter 4	96.89%	

## Treasury Activity : Position at the end of December 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	1,373	40,397	
<b>TOTAL BORROWING</b>	<b>42,076</b>	<b>0</b>	<b>1,422</b>	<b>40,654</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	214,400	206,600	54,800	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	33,024	33,800	11,694	At the end of the period, investments were held with 7 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>247,424</b>	<b>240,400</b>	<b>66,494</b>	
<i>Investments for longer than a year</i>	0	0	0	0	
<b>TOTAL INVESTMENTS</b>	<b>59,470</b>	<b>247,424</b>	<b>240,400</b>	<b>66,494</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	22	10	10	0	The weighted average rate of interest on the Council's GF borrowing is currently 7.81%. (on an accrued basis).
Interest Paid on Borrowing - HRA	1,413	685	657	(28)	The weighted average rate of interest on the Council's HRA borrowing is currently 3.42%. (on an accrued basis)
Interest Received on Investments	(456)	(359)	(451)	(92)	The weighted average rate of interest being received on the Council's investments is currently 0.84%. (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>	207
<b>TOTAL</b>	<b>222</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	2
Affordable Housing	0	0	0	652
Town Centre Improvements	0	0	0	43
Habitat Protection	0	0	0	3
Open Space*	2	3	43	1,105
<b>TOTAL</b>	<b>2</b>	<b>3</b>	<b>43</b>	<b>1,805</b>

\* For schemes with a 'spend by' date of less than one year, this money must be spent as follows  
£2,000 by November 2020

## Proposed Adjustments to the Budget December 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>			
Grant receivable from Greater Anglia to support the Mayflower celebrations		(45,000)	Grant funding is expected from Greater Anglia to support this major event.
Creation of an expenditure budget for the Mayflower celebrations	45,000		
Planning agency staff	235,000		This adjustment reflects the estimated cost of employing agency staff for the period up to the end of March 2020 to maintain current service levels, given the on-going recruitment and retention issues within this area.
Local Development Framework Budget	(73,000)		
Planning staff vacancies	(162,000)		
To establish 2 additional fixed term contract posts (12 months) within the waste and recycling team to continue to promote recycling and provide administrative support along with allowing for an increase in the 2019/20 Revenue Contributions to the Capital Programme budget to reflect demand for recycling bins / boxes.	105,200		It is proposed to use the existing New Homes Bonus that was originally set aside to support the roll out of the new waste service to provide additional capacity within the team and to provide the necessary budget to provide bins / boxes (£224k would remain within the earmarked New Homes Bonus budget after this proposed adjustment and is in-line with the mitigation of the cost pressure relating to the supply of recycling bins / boxes that was included within the 2020/21 budget)
Use of New Homes Bonus	(105,200)		
Planning Appeals	130,000		Following on from the position reported at the end of the first and second quarters, costs are being incurred to support the Council in defending appeals and responding to inquiries. This cost is proposed to be met from increases in the underlying planning income budget being experienced so far to date.
Planning Income		(130,000)	
Legal Services agency staff	40,000		To reflect the use of temporary staff in the short term to provide the necessary capacity within the service following the recent loss of a permanent member of staff.
Legal Services staff vacancies	(40,000)		

## Appendix H

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
Establishment of a New Urban and Rural Infrastructure Fund	1,184,310		This commits the full New Homes Bonus grant for 2019/20 to projects that link improvements in infrastructure to the unlocking of economic growth. Projects will be considered against this key criteria over the coming months and will be subject to separate reports as necessary.
New Homes Bonus Budget 2019/20	(1,184,310)		
Establishment of a New Tending Community Fund <u>in 2020/21</u>	500,000		This allocation is made from the £1.514m New Homes Bonus receivable from the Government in 2020/21 and aims to support community groups and organisations that in turn support our residents and local communities.
New Homes Bonus Budget <u>in 2020/21</u>	(500,000)		
<b>Total General Fund Revenue with no net impact on the overall budget</b>	<b>175,000</b>	<b>(175,000)</b>	

<b><i>The following items will be adjusted against the Forecast Risk Fund</i></b>			
General price increases relating to utility bills	73,440		To reflect price increases over the year which also replicates a cost pressure item built into the budget for 2020/21
Parks Improvement fund	22,710		This represents Government grant funding received in 2018/19 that was not ring-fenced to associated projects with the money being 'lost' within the overall general fund outturn position for that year. However the funding should have been carried forward in line with the grant expectations which this proposed adjustment corrects and enables the associated projects to be delivered this year.
Women's Cycle Tour 2020	100,000		To set aside funding to support the potential hosting of this event in 2020. The use of this funding is subject to a separate PFH report which is also expected to include a wider cycling festival style event.
Investment Income		(100,000)	Investment returns are running ahead of the budget with this proposed adjustment reflecting the estimated increase in income over 2019/20.
Use of waste transfer station along A12	(20,250)		As included within the 2020/21 budget, a saving on the waste contract budget is achievable following ECC agreeing terms for the use of their waste transfer site along the A12.

## Appendix H

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
Increased recycling credit income		(50,000)	To reflect the improvements in the recycling rate and the knock on benefit of increased recycling credit income receivable from ECC.
Council tax benefit recoverable from prior years		(10,000)	This replicates an item built into the 2020/21 budget where income is receivable from adjustments to council tax accounts from the period prior to the introduction of the Local Council Tax Support Scheme.
Increased costs of operating recycling bring bank sites	30,000		This replicates an item already included in the 2020/21 budget that reflects the increase in costs due to the volatility of the recycling market where if the price of materials falls, then the Council has to pay for it to be collected rather than receiving income for it.
Estimated net business rates income for the year		(383,470)	This budget adjustment reflects the most up to date position in terms of income from business rates, including the estimated benefit in 2019/20 of continuing to a member of the Essex wide business rates pool.
Adjustment to Employee budgets	(107,970)		This adjustment reflects vacancies accrued during the year to date along with the most up to date standby and overtime payments and staff restructures.
Net Contribution <u>to</u> the Forecast Risk Fund	445,540		

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>			
Increase in budget for recycling bins/boxes	50,870		Increase to an existing budget reflecting the Revenue Contribution to Capital adjustment set out above.
<b><i>Total General Fund Capital Adjustment with no net impact on the overall budget</i></b>	<b>50,870</b>		

<b>HRA REVENUE</b>			
<b><i>The following items will be adjusted against the HRA General Balance</i></b>			
None			

<b>HRA CAPITAL</b>			
None			

## Financial Performance Report - Budget Position at the end of December 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 Type of Spend</u></b>					
<b>Direct Expenditure</b>					
Employee Expenses	417,166	292,800	295,464	2,664	
Premises Related Expenditure	165,263	142,838	137,666	(5,172)	
Transport Related Expenditure	42,333	60,000	30,167	(29,833)	
Supplies and Services	1,406,434	1,085,128	1,081,714	(3,414)	
<b>Total Direct Expenditure</b>	<b>2,031,196</b>	<b>1,580,766</b>	<b>1,545,011</b>	<b>(35,755)</b>	
<b>Direct Income</b>					
Government Grants	(600,000)	(600,000)	-	600,000	£550k announced in Jan 2020
Other Income	-	-	(3,000)	(3,000)	
<b>Other Grants, Reimbursements and Contributions</b>					
ECC	(150,000)	(150,000)	-	150,000	£150k invoiced in Jan 2020
CBC	(150,000)	(150,000)	-	150,000	
BDC	(350,000)	(350,000)	(350,000)	-	
TDC	(350,000)	(350,000)	(350,000)	-	
<b>Total Direct Income</b>	<b>(1,600,000)</b>	<b>(1,600,000)</b>	<b>(703,000)</b>	<b>897,000</b>	
<b>Use of Reserves</b>	<b>(431,196)</b>	<b>-</b>	<b>(842,011)</b>	<b>(842,011)</b>	
<b>Net Direct Costs</b>	<b>-</b>	<b>(19,234)</b>	<b>-</b>	<b>19,234</b>	
<b><u>Analysis by Activity</u></b>					
Local Plan / DPD	1,207,522	955,714	942,496	(13,218)	
Overheads	437,235	328,402	323,346	(5,056)	
Delivery Strategy	386,439	296,650	279,169	(17,481)	
<b>Total Direct Expenditure</b>	<b>2,031,196</b>	<b>1,580,766</b>	<b>1,545,011</b>	<b>(35,755)</b>	



UPDATED LONG TERM FINANCIAL FORECAST

APPENDIX J

Line	Budget 2017/18 £	Budget 2018/19 £	Budget 2019/20 £	Budget 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)	(0.165)	(0.168)	(0.171)	(0.175)	(0.178)	(0.182)
2	(0.090)	(0.086)	(0.082)	(0.079)	(0.077)	(0.074)	(0.071)	(0.067)	(0.064)	(0.060)
3	0.000	(0.131)	(0.110)	(0.110)	(0.136)	(0.138)	(0.141)	(0.144)	(0.147)	(0.150)
4	(0.148)	(0.293)	(0.576)	(0.365)	(0.187)	(0.198)	(0.208)	(0.219)	(0.230)	(0.242)
5	(0.218)	(0.652)	(0.710)	(1.360)	(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>(2.072)</b>	<b>(0.665)</b>	<b>(0.678)</b>	<b>(0.691)</b>	<b>(0.705)</b>	<b>(0.719)</b>	<b>(0.734)</b>
<b>Net Cost of Services and Other Adjustments</b>										
6	0.914	0.580	0.648	(0.007)	0.429	0.000	0.000	0.000	0.000	0.000
7	(0.155)	(0.315)	(0.112)	0.013	(0.393)	0.000	0.000	0.000	0.000	0.000
8	(0.020)	0.218	0.652	0.710	1.360	0.100	0.100	0.100	0.100	0.100
9	0.125	0.514	0.635	0.615	0.374	0.378	0.382	0.387	0.391	0.395
10	0.000	0.088	0.221	0.231	0.163	0.167	0.172	0.177	0.182	0.188
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)	0.000	(0.036)	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)	1.103	0.000	0.000	0.000	0.000	0.000	0.000
16	(0.879)	(0.290)	(0.328)	(0.301)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)
17	1.046	0.114	0.153	0.884	0.150	0.150	0.150	0.150	0.150	0.150
18	0.000	(0.134)	(0.118)	(1.157)	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>2.045</b>	<b>1.507</b>	<b>0.346</b>	<b>0.355</b>	<b>0.364</b>	<b>0.373</b>	<b>0.382</b>
<b>Net Total</b>	<b>0.358</b>	<b>(0.414)</b>	<b>(0.117)</b>	<b>(0.027)</b>	<b>0.842</b>	<b>(0.333)</b>	<b>(0.337)</b>	<b>(0.341)</b>	<b>(0.346)</b>	<b>(0.352)</b>
Add back Use of Reserves / Forecast Risk Fund in Prior Year	0.200	0.558	0.144	0.027	(0.000)	0.842	0.509	0.172	(0.169)	(0.515)
<b>Net Budget Position</b>	<b>0.558</b>	<b>0.144</b>	<b>0.027</b>	<b>(0.000)</b>	<b>0.842</b>	<b>0.509</b>	<b>0.172</b>	<b>(0.169)</b>	<b>(0.515)</b>	<b>(0.867)</b>
Use of Forecast Risk Fund to support the Net Budget Position	(0.558)	(0.144)	(0.027)	0.000	(0.842)	(0.509)	(0.172)	0.169	0.515	0.867

\* 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>(3.753)</b>	<b>(3.411)</b>	<b>(3.402)</b>	<b>(3.730)</b>	<b>(4.399)</b>	<b>(5.414)</b>
Applied in year as set out in the forecast above	0.558	0.144	0.027	(0.000)	0.842	0.509	0.172	(0.169)	(0.515)	(0.867)
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>(3.753)</b>	<b>(3.411)</b>	<b>(3.402)</b>	<b>(3.730)</b>	<b>(4.399)</b>	<b>(5.414)</b>	<b>(6.780)</b>

<b>FORECAST SENSITIVITIES</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>Forecast Budget Gap / (Surplus) from table above (BASE Position)</b>		<b>0.842</b>	<b>0.509</b>	<b>0.172</b>	<b>(0.169)</b>	<b>(0.515)</b>	<b>(0.867)</b>	<b>(0.027)</b>
<b>Revised Forecast Budget GAP / (SURPLUS) in the event of the following possibilities</b>								
Council Tax Increase are lower by 1% per annum compared to the base		0.926	0.680	0.434	0.189	(0.059)	(0.308)	1.863
Property Growth does not grow over the life of the forecast		1.029	0.707	0.380	0.050	(0.285)	(0.625)	1.257
Property Growth is lower by 5% compared to the base		0.851	0.527	0.198	(0.134)	(0.471)	(0.814)	0.158
Inflation increases at a rate of +1% faster than the base		1.075	0.753	0.427	0.097	(0.238)	(0.579)	1.536
Inflation decreases at a rate of 1% slower than the base		0.609	0.265	(0.083)	(0.435)	(0.792)	(1.155)	(1.590)
Savings achieved are lower by 10% per annum compared to the base		0.887	0.599	0.307	0.011	(0.290)	(0.597)	0.918
Savings achieved are lower by 20% per annum compared to the base		0.932	0.689	0.442	0.191	(0.065)	(0.327)	1.863
Unmitigated Cost Pressures are greater by 10% per annum compared to the base		0.857	0.539	0.217	(0.109)	(0.440)	(0.777)	0.288
Unmitigated Cost Pressures are greater by 20% per annum compared to the base		0.872	0.569	0.262	(0.049)	(0.365)	(0.687)	0.603

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 £1.360m have been included in the 2020/21 budget. This is expected to return to more modest amounts which 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		Given the unexpected revenue support grant in 2020/21, it is very unlikely to continue unless there was a further delay in the Government moving to the new business rates retention model. Therefore there is a fair degree of certainty 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 was increased to 2% in 2020/21 and 1.5% from 2021/22 onwards.
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. The item included in 2021/22 relates to the annual revenue savings expected from the disposal of Weeley Council Offices
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 2021/22.
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.
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, especially given the amount of unavoidable cost pressures included in 2020/21. On-going revenue items remain 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 has been 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 £700k each year. This has been reflected in the forecast based on ECC's current commitment, but it may need to be increased based on future proposals put forward by ECC.</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>