

To: All Members of the Overview & Scrutiny Committee - Value for Money & Customer Service
(Other Members for Information)

When calling please ask for:
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Date: 11 November 2019

Dear Councillors

OVERVIEW & SCRUTINY COMMITTEE - VALUE FOR MONEY & CUSTOMER SERVICE
- 18 NOVEMBER 2019

I refer to the agenda for the Overview & Scrutiny Committee - Value for Money & Customer Service, on Monday, 18 November 2019 and now enclose the following item which was marked To Follow in your agenda papers:

7. BUDGET STRATEGY WORKING GROUP INTERIM REPORT (Pages 3 - 38)

This report summarises the findings of the Budget Strategy Working Group (BSWG) after completing work-streams 1 and 3 set out in the review's scoping document (March 2018 VFM CS O&S agenda). The report relates to Waverley Borough Council's (WBC) General Fund and does not apply to the Housing Revenue Account (HRA).

The purpose of the report is to share the BSWG's observations on the Medium Term Financial Plan (MTFP), informed by the BSWG's work with Heads of Service and finance officers. The MTFP covers the years 2020/21 to 2022/23. The BSWG has developed a spreadsheet model of the MTFP to show the effect of projected cost and income factors and their timings on the state of WBC's General Fund revenue account from the current year to 2023/24 (one year beyond the end of the MTFP) before and after transfer of reserves. The current version of the model does not include a detailed analysis of the impact of transformation costs or costs associated with any climate change initiatives being worked up.

Recommendation

It is recommended that the Value for Money and Customer Service O&S Committee endorses the following recommendations to the Executive:

- 1. Providing the SCC application to the Secretary of State in relation to the expansion of Godalming Leisure Centre car park is not, on enquiry, expected to encounter difficulties in securing approval, that the design work preparatory to a planning application should be commissioned without delay, subject to Leisure Programme Board approval.**

- 2. The MTFP is modelled in at least the level of detail contained in the BSWG spreadsheet with updated estimates for new cost and income items accompanied by prudent timing estimates.**
- 3. Transformation costs should be carefully estimated with regard to both quantum and timing and included in the MTFP model.**
- 4. The MTFP should be extended to 2023/24 to reflect the fact that it is the first year in which retained Business Rates are forecast to make no contribution.**

Yours sincerely

Amy McNulty
Democratic Services Officer

WAVERLEY BOROUGH COUNCIL

VALUE FOR MONEY AND CUSTOMER SERVICE O&S

18 NOVEMBER 2019

Title:

BUDGET STRATEGY WORKING GROUP INTERIM REPORT

Summary and purpose:

This report summarises the findings of the Budget Strategy Working Group (BSWG) after completing work-streams 1 and 3 set out in the review's scoping document (March 2018 VFM CS O&S agenda). The report relates to Waverley Borough Council's (WBC) General Fund and does not apply to the Housing Revenue Account (HRA).

The purpose of the report is to share the BSWG's observations on the Medium Term Financial Plan (MTFP), informed by the BSWG's work with Heads of Service and finance officers. The MTFP covers the years 2020/21 to 2022/23. The BSWG has developed a spreadsheet model of the MTFP to show the effect of projected cost and income factors and their timings on the state of WBC's General Fund revenue account from the current year to 2023/24 (one year beyond the end of the MTFP) before and after transfer of reserves. The current version of the model does not include a detailed analysis of the impact of transformation costs or costs associated with any climate change initiatives being worked up.

How this report relates to the Council's Corporate Priorities:

This report relates to the Council's priorities as a balanced budget and Medium Term Financial Plan ensures Waverley is financially sound.

Equality and Diversity Implications:

There are no direct equality and diversity implications in this report. As the work of the Group is taken forward, equality impact assessments will be carried out, as appropriate, to meet the requirements of the Public Sector Equality Duty under the Equality Act 2010.

Financial Implications:

The financial implications are contained within the report.

Legal Implications:

There are no direct legal implications associated with this report.

1. Background

- 1.1 WBC is expecting the loss of £2m of retained business rates over the next four years and the further loss of most of its recycling credits income from Surrey County Council (SCC) (these were £1m in 2016/17 and will fall to £350k in 2020/21 (assuming tonnages are as expected)).

- 1.2 WBC's ability to raise Council Tax without holding a referendum is currently capped at 2.99% which equates to £300k p.a. Inflationary pressures affecting mainly staff pay and long-term contracted expenditure is forecast to be £550k p.a., thereby creating an ongoing or structural deficit of £250k p.a. However, the government has recently indicated that the ability to raise Council Tax will be reduced to 2% p.a. from 2020/21 which will increase the structural deficit to £350k p.a.
- 1.3 In the absence of corrective action and assuming the maintenance of current levels of transfers to reserves (approximately £1.7m), the MTFP projects General Fund revenue account deficits of £1.36m in 2020/21, £2.63m in 2021/22, £3.9m in 2022/23 and £4.9m in 2023/24. In other words, the situation is expected to worsen by about £1.3m each year for the three Plan years and then by a further £1m in 2023/24.
- 1.4 If it were possible and lawful to fund these deficits from reserves, which it is not, the reserves would be reduced by £12.8m by the end of 2023/24.
- 1.5 The MTFP also sets out high-level proposals, consisting of both cost reductions and income generation, to offset the adverse factors listed above. Comment on the viability and timing of these proposals is set out below.

2. Structure of the report

- 2.1 The report follows the structure of the ledger which divides WBC's expenditure into four types (staff salaries, non-salary staff costs, long-term contracted expenditure and other expenditure) and its income into two types (fees & charges and other income).
- 2.2 The report should be read with reference to the attached spreadsheet (appendix 1) to get the clearest picture. The underlying purpose of the spreadsheet is to convert the MTFP from a high-level document into a much more detailed model. There are four tabs or "views" – View 1, View 2, View 3 and Evo. Evo shows how the ledger structure has been evolved into the structure used in the View tabs. Each View shows the progress of the GF revenue budget from 2019/20 to 2023/24 based on different assumptions about costs and income. Each view assumes that the current year 2019/20 will have an outturn of zero after transfers to reserves.
- 2.3 Paragraphs 4 to 9 comment in turn on the items in the four cost types and two income types which appear in the MTFP and highlights those items which the BSWG believe will merit further scrutiny as the budget setting process proceeds.
- 2.4 Paragraph 10 refers to the role of transfers to reserves in WBC's GF revenue model.
- 2.5 Paragraph 11 contains an important qualification about the information set out in View 3 at this early stage of the budget-setting process.

3. The spreadsheet

- 3.1 The spreadsheet (appendix 1) is derived from the WBC ledger and seeks to present the same information in a way that is easier to understand for those not deeply familiar with local government accounting.

- 3.2 View 1 represents the “worst case” of the downside items only as set out on slide 3 of the latest MTFP presentation (appendix 2). It shows deficits of £1.36m in 2020/21, £2.63m in 2021/22, £3.91m in 2022/23 and, in addition, £4.89m in 2023/24.
- 3.3 View 2 adopts the View 1 data with the addition of the six cost or income proposals set out on slide 7 of the MTFP presentation. The MTFP proposals are expressed generally and do not specify the service areas which would be affected. View 2 therefore allocates the effect of the proposals by arbitrarily allocating one-third of each proposal in each year from 2020/21 to 20 22/23 to five of the service areas as placeholders and the Council Tax increase to the Council Tax line. This is simply to provide clarity to the reader. Each proposed change is enclosed in a box. Brief commentary on these proposals is set out below Table 2.1.2.
- 3.4 View 3 is an amended version of View 2 which contains the BSWG’s amendments of the data in View 2 and a possible way in which the MTFP proposals might be implemented in practice. Brief commentary on these proposals is set out below each of the tables representing 2020/21 onwards. View 3 should be seen as an early stage of a project that will evolve as the budget-setting procedure advances.

4. General Fund salary costs (2019/20 budget = £13m)

- 4.1 Inflation-linked increases mainly affecting salary costs and contracted expenditure are modelled in the MTFP by increasing them in total by £550k in each of the three Plan years.
- 4.2 WBC has tended to generate an “establishment vacancy factor” by underspending modestly on its salaries budget due to the combination of three factors. First, there is significant turnover (over 20% p.a.) in the more junior roles and this “churn” is associated with delays of up to two months in filling vacancies. A crude estimate of the savings for all staff is $400 \text{ FTE} \times 20\% \times £25\text{k} \times 2/12 = £333\text{k}$. Second, some posts are kept vacant for longer as part of a discipline to avoid losing control of salary costs. These generate additional savings. However, third, WBC often has to use agency staff when vital professional posts prove hard to fill (typically in Planning, Housing and sometimes in Building Control and Environmental Monitoring). Such staff are typically 25% more expensive than directly-employed staff. In 2017/18 and 2018/19, WBC spent £600k and £900k respectively on agency staff. The net effect of all three factors is that the salaries budget showed positive (underspend) variance of about £150k in 2017/18 and 2018/19. The 2019/20 salaries budget assumes full establishment but includes a £280k General Fund establishment vacancy factor provision to reflect this underspend tendency.
- 4.3 From the MTFP modelling perspective, the position is complicated by the fact that two elements of the MTFP proposals, namely the Cost Review and the Business Transformation programme, inevitably overlap with the establishment vacancy factor and with each other. Double-counting of savings is very probable but the extent is currently hard to estimate. However, it is expected that the Head of Finance will ensure that any double counting is eliminated in the budgets for all Plan years.
- 4.4 The Cost Review proposal seeks to save £500k p.a., reached within the Plan years. Heads of Service have already been requested to seek savings equal to 5% of their “controllable costs” and to report their proposals to the SMT by 31 October 2019.

They are restricted to savings in salary costs, non-salary staff-costs and non-contractual expenditure. Long-term contractual expenditure and any form of income is outside the scope. This exercise should in theory generate about £850k (5% of £17m) but the realistic SMT ambition is to achieve £500k once double counting has been eliminated. View 3 assumes that this will be achieved as to £250k in 2020/21 and a further £250k in 2021/22. As referred to in 4.3, there is a significant risk of double-counting and View 3 reflects this by reducing the establishment vacancy factor in 2020/21 to £150k and assuming that it does not occur at all in later Plan years.

- 4.5 The Business Transformation programme is intended to save almost £1m in annual costs. It consists of ten projects of which the Customer Services Project is the largest. This involves the implementation of two new pieces of software, a Master Data Manager (MDM) and a Customer Relationship Management (CRM) system. The MDM has been purchased and the CRM will be purchased in early 2020. The officers involved expect that they will know by April 2020 whether the implementation of the CRM is going smoothly. At this stage, a combination of prudence and the awareness of how often major software-based projects are subject to delays and cost overruns in both the public and private sectors, suggests that no net savings are likely to be realised in 2020/21. In addition, the BSWG has been informed that the implementation staff costs are to be funded by early savings rather than from reserves. View 3 currently reflects these considerations by reducing the total savings to be achieved to £750k, with £400k achieved in 2021/22 and £350k achieved in 2022/23.
- 4.6 Staff cost modelling in View 3 is relatively simplistic. Cost levels for each service area in each Plan year are evolved solely from the 2019/20 budget numbers, do not include any annual increases (to avoid any inappropriate implications for the next staff pay round being made in a public document) and, most significantly, do not reflect headcount changes in service areas. These shortcomings will need to be addressed in future model versions which will be published on an exempt basis.

5. Non-salary staff costs (2019/20 budget = £0.5m (excluding pension back funding item))

Staff car allowance payments (£144k), mileage payments (£115k) and training (£126k) are the main components. Staff travel payments are the subject of one of the Business Transformation projects. An officer group is looking at alternative models for travel arrangements which will cover the Council's own fleet and include consideration of electric vehicles.

6. Non-(long-term) contractual expenditure (2019/20 budget = £2.8m)

Advance rent payments by the Homelessness Prevention service have risen sharply in 2017/18 (budget £182k, actual £387k) and 2018/19 (budget £202k, actual £605k) mainly because private sector landlords now require six months' advance rent instead of one or two months as was the case until 2016/17. Experience shows that over 70% of such payments are repaid by the tenants (who have the incentive of needing to clear all debts to WBC before they can be added to the WBC social housing list). However, the prospect of writing off losses of 25-30% of a growing advance rent total should not be ignored and will be modelled by the Head of Finance and Head of Housing Delivery and Communities.

7. (Long term) contractual expenditure (2019/20 budget = £15m including £1m utilities)

- 7.1 This head of expenditure is generally only relevant to budget strategy in the context of obtaining procurement savings when a contract ends and retendering occurs. This was achieved in relation to the retendering of the waste collection and street cleaning contract and is expected to deliver savings in connection with other long-term contracts (such as the printer equipment repair contract).
- 7.2 Whilst the recent waste collection contract with Biffa is anticipated to save about £100k p.a., additional net short term costs are now expected to arise due to recent changes in the location to which recycling materials will be delivered. In the last five months of 2019/20, the saving of £43k (£100k x 5/12) is now expected to be offset by a cost of £100k and hence be converted into an additional cost of £57k. Extra costs of £100k p.a. are expected to be incurred in 2020/21 and in the first quarter of 2021/22.

8. Fees and charges (2019/20 budget = £15m excluding Council Tax receipts)

- 8.1 Eight sources represent 90% of the budget for total fees and charges income, namely parking (£4.95m), Waverley Training Services (£3.75m), planning fees (£1.7m), garden waste fees (£0.9m), leisure centre management fees (£0.7m), building control income (£0.6m), Careline (£0.47m) and land charges (£0.4m). WTS income is a government grant and would arguably be better located in the other income column.
- 8.2 Following discussions with the relevant Heads of Service, the BSWG believes that car parking income is the only source of fees and charges that can make a significant contribution. A 10% increase following the car parking review would raise about £500k from 2020/21 and could be followed by a 5% increase raising a further £250k in 2022/23. There is merit in adopting a consistent policy of reviewing parking charges every two years.
- 8.3 A planned investment of £3.5m in the Farnham and Godalming leisure centres has been delayed. This was expected to deliver increased management fee and profit share income of £200k p.a. under the current contract with Places Leisure, WBC's leisure centre operator, rising to £350k p.a. once a new leisure centre management contract applies from July 2023. It now seems doubtful that any increased income will be received until 2022/23.
- 8.4 The Godalming project requires the expansion of the car park by taking over a section of a redundant playing field. This requires the consent of the Secretary of State which in turn needs the sponsorship of SCC as the county education authority and the support of Broadwater School. SCC have now submitted the consent application with the support of the school and WBC officers. Officers have made enquiries with the relevant government department and have been informed that the application will take 6-12 months to determine. Officers cannot predict the prospects of success of the application. The BSWG therefore recommends that if during the life of the application officers consider that the application is likely to be granted the design work preparatory to a planning application should be commissioned without delay so that these two steps occur in parallel (as far as possible). Without that, it is difficult to see work beginning before the end of 2020/21. The build time is expected to be 12 months (i.e. the whole of 2021/22) so the extra income will not be seen before 2022/23.

- 8.5 The Farnham project is intended to feature a new extension with modern adventure play and climbing as its chief attraction. However, the original proposal for a climbing installation is now not an option for this project, due to being subsequently installed in other leisure centres in the surrounding area. Places Leisure, WBC's leisure centre manager, has been asked to find an alternative option to deliver increased income earlier than the Godalming project. Places Leisure has replied positively but prudence requires that the extra income is modelled to occur in 2022/23.
- 8.6 An aspect of the proposals that needs investigation is whether the work will be accompanied by a temporary reduction in the available facilities during building and hence to a reduction in footfall and income. If so, the impact on WBC's management fee and profit share should be estimated and incorporated in the model.

9. Other income (2019/20 budget = £5.3m excluding recharges and retained business rates)

- 9.1 The main components are property rents (£2.8m), grants (£1.5m) and interest (£0.8m).
- 9.2 Further investment in commercial property is a significant element of the MTFP proposals, assuming investments of £15m in each of the three Plan intended to generate a net margin of 2% p.a., namely an additional £300k in each of 2020/21, 2021/22 and 2022/23. As Wey Court East shows, such investments are not without risk. View 3 takes a more conservative view in the early years and includes such extra investment in 2021/22 and 2022/23 only. However, the strains on the budget in 2023/24 increase significantly and the View 3 "example solution" is to assume additional investment of £30m generating an additional £600k in 2023/24. Whether this is realistic is a completely separate issue.
- 9.3 The largest single component of grant income has been SCC recycling credits, budgeted at £700k for 2019/20. The MTFP recognises a reduction by £290k to £410k in 2020/21 and then assumes that this will be maintained for the next two Plan years. The Head of Service has advised that a reduction of £350k is more likely in 2020/21 and could be followed by a further reduction by £200k to a base level of £150k in 2021/22 which is expected to continue. Such a reduction would be contested by WBC but prudence suggest that it should be assumed given SCC's own financial pressures. These lower expectations are reflected in View 3.

10. Transfer to reserves (2019/20 budget = £1.7m)

- 10.1 WBC bases its budget on generating a sufficient operating surplus (although that term is not used) to be able to provide about £1m for essential maintenance and relatively small-scale capital projects in the following year (usually referred to as the "revenue contribution to the capital program") and, in addition, to transfer a generally smaller amount to various earmarked and non-earmarked reserves. This analysis does not include the New Homes Bonus which has appeared in the GF revenues ledger as a revenue item matched by a transfer of the same amount to a specified reserve. For this reason, it does not appear in Views 1, 2 and 3.
- 10.2 Some small capital projects can be deemed to be of lower priority and a reduction of the revenue contribution to the capital programme is included in View 3 for all

Plan years. However, this contribution is not reduced to below £500k p.a. in recognition of the importance of essential maintenance.

11. Interim conclusion

View 3 represents one example of how the budget could be balanced in the Plan years. It is not intended as a concrete suggestion of how balance should be achieved because it involves some critical revenue-raising decisions and some important data is either not yet available or is subject to a high level of uncertainty with regard to quantum and timing. It also assumes a much reduced revenue contribution to the capital programme.

12. Next steps

- 12.1 The purpose of work-stream 2 is to understand residents' priorities for services, in order to do this a participatory budgeting exercise has been commissioned. The results of this exercise are due at the end of November and will be used to inform the work of the BSWG.
- 12.2 The BSWG intends to produce further reports as more information becomes available, including one in time for the January 2020 round of committees, with recommendations designed to inform the budget and MTFP.

Recommendation

It is recommended that the Value for Money and Customer Service O&S Committee endorses the following recommendations to the Executive:

- 1) Providing the SCC application to the Secretary of State in relation to the expansion of Godalming Leisure Centre car park is not, on enquiry, expected to encounter difficulties in securing approval, that the design work preparatory to a planning application should be commissioned without delay, subject to Leisure Programme Board approval.
- 2) The MTFP is modelled in at least the level of detail contained in the BSWG spreadsheet with updated estimates for new cost and income items accompanied by prudent timing estimates.
- 3) Transformation costs should be carefully estimated with regard to both quantum and timing and included in the MTFP model.
- 4) The MTFP should be extended to 2023/24 to reflect the fact that it is the first year in which retained Business Rates are forecast to make no contribution.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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Chair of Budget Strategy Working Group

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WBC BUDGET EVOLUTION - VIEW 1 (MTFP adverse factors only)

Table 1.0.1 - 2019/20 BUDGET

Original (revised format)	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,806	7,505	-6,251	-924	-7,174	330		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,246	32,937	-25,243	-9,393	-34,636	-1,699		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0		

Table 1.0.2 - 2019/20 BUDGET - adjustments (actual and expected)

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
Community					0			0	0
Customer Services & IT					0			0	0
Environmental Services					0			0	0
Finance and property					0			0	0
General Fund Housing					0			0	0
Planning					0			0	0
Policy and Governance					0			0	0
Senior Management Team					0			0	0
Vacancy factor and agency costs					0			0	0
Pension backfunding					0			0	0
Recharges (mainly from HRA)					0			0	0
Utilities					0			0	0
Council Tax								0	0
Business Rates retained								0	0
Operating (surplus)/deficit	0	0	0	0	0	0	0	0	0
Revenue transfer to capital program					0			0	0
Revenue transfer to reserves					0			0	0
Total spend	0	0	0	0	0	0	0	0	0

Table 1.0.3 - 2019/20 FORECAST OUTTURN

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,806	7,505	-6,251	-924	-7,174	330		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,246	32,937	-25,243	-9,393	-34,636	-1,699		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0	0	0

WBC BUDGET EVOLUTION - VIEW 1 (MTFP adverse factors only)

Table 1.1.1 - 2020/21 BUDGET - change from previous year

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
	550			211	211				
	0.0%			3.6%					
Community	0	0	0	211	211			0	211
Customer Services & IT	0	0	0	32	32			0	32
Environmental Services	0	0	0	209	209		290	290	499
Finance and property	0	0	0	34	34		20	20	54
General Fund Housing	0	0	0	0	0			0	0
Planning	0	0	0	0	0	300		300	300
Policy and Governance	0	0	0	22	22			0	22
Senior Management Team	0	0	0	0	0				0
Vacancy factor and agency costs	0	0	0	0	0				0
Pension backfunding		0			0				0
Recharges (mainly from HRA)								0	0
Utilities				43	43				43
Council Tax	0%					0		0	0
Business Rates retained							200	200	200
Operating (surplus)/deficit	0	0	0	550	550	300	510	810	1,360
Revenue transfer to capital program					0			0	0
Revenue transfer to reserves					0			0	0
Total spend	0	0	0	550	550	300	510	810	1,360

Table 1.1.2 - 2020/21 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,050	9,182	-5,981	-796	-6,778	2,404		
Customer Services & IT	1,702	19	611	909	3,241	-144	-214	-358	2,883		
Environmental Services	1,490	51	157	6,016	7,714	-6,251	-634	-6,884	830		
Finance and property	1,759	13	225	971	2,967	-245	-2,997	-3,242	-275		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	627	3,042	-701	-28	-729	2,313		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,223	1,223				1,223		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-1,800	-1,800	-1,800		
Operating (surplus)/deficit	13,287	1,577	2,828	15,796	33,487	-24,943	-8,883	-33,826	-339		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	16,016	35,186	-24,943	-8,883	-33,826	1,360	1,360	

WBC BUDGET EVOLUTION - VIEW 1 (MTFP adverse factors only)

Table 1.2.1 - 2021/22 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
	0.0%				3.5%					
Community		0	0	0	211	211			0	211
Customer Services & IT		0	0	0	32	32			0	32
Environmental Services		0	0	0	209	209			0	209
Finance and property		0	0	0	34	34		20	20	54
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	0	22	22			0	22
Senior Management Team		0	0	0	0	0			0	0
Vacancy factor and agency costs		0	0	0	0	0			0	0
Pension backfunding			0			0			0	0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	0%						0		0	0
Business Rates retained								700	700	700
Operating (surplus)/deficit		0	0	0	550	550	0	720	720	1,270
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	0	550	550	0	720	720	1,270

Table 1.2.2 - 2021/22 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,261	9,392	-5,981	-796	-6,778	2,615		
Customer Services & IT	1,702	19	611	940	3,272	-144	-214	-358	2,915		
Environmental Services	1,490	51	157	6,225	7,923	-6,251	-634	-6,884	1,039		
Finance and property	1,759	13	225	1,004	3,001	-245	-2,977	-3,222	-221		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	649	3,064	-701	-28	-729	2,334		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,265	1,265				1,265		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-1,100	-1,100	-1,100		
Operating (surplus)/deficit	13,287	1,577	2,828	16,346	34,037	-24,943	-8,163	-33,106	931		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	16,566	35,736	-24,943	-8,163	-33,106	2,630	1,270	3,990

WBC BUDGET EVOLUTION - VIEW 1 (MTFP adverse factors only)

Table 1.3.1 - 2022/23 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
	0.0%				3.4%					
Community		0	0	0	211	211			0	211
Customer Services & IT		0	0	0	32	32			0	32
Environmental Services		0	0	0	209	209			0	209
Finance and property		0	0	0	34	34		30	30	64
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	0	22	22			0	22
Senior Management Team		0	0	0	0	0			0	0
Vacancy factor and agency costs		0	0	0	0	0			0	0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	0%						0		0	0
Business Rates retained								700	700	700
Operating (surplus)/deficit		0	0	0	550	550	0	730	730	1,280
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	0	550	550	0	730	730	1,280

Table 1.3.2 - 2022/23 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,472	9,603	-5,981	-796	-6,778	2,825		
Customer Services & IT	1,702	19	611	972	3,304	-144	-214	-358	2,946		
Environmental Services	1,490	51	157	6,435	8,133	-6,251	-634	-6,884	1,249		
Finance and property	1,759	13	225	1,038	3,035	-245	-2,947	-3,192	-157		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	671	3,085	-701	-28	-729	2,356		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,308	1,308				1,308		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-400	-400	-400		
Operating (surplus)/deficit	13,287	1,577	2,828	16,896	34,587	-24,943	-7,433	-32,376	2,211		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	17,116	36,286	-24,943	-7,433	-32,376	3,910	1,280	7,900

WBC BUDGET EVOLUTION - VIEW 1 (MTFP adverse factors only)

Table 1.4.1 - 2023/24 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
	0.0%				3.3%					
Community		0	0	0	211	211			0	211
Customer Services & IT		0	0	0	32	32			0	32
Environmental Services		0	0	0	209	209			0	209
Finance and property		0	0	0	34	34		30	30	64
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	0	22	22			0	22
Senior Management Team		0	0	0	0	0			0	0
Vacancy factor and agency costs		0	0	0	0	0			0	0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	0%						0		0	0
Business Rates retained								400	400	400
Operating (surplus)/deficit		0	0	0	550	550	0	430	430	980
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	0	550	550	0	430	430	980

Table 1.4.2 - 2023/24 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,682	9,814	-5,981	-796	-6,778	3,036		
Customer Services & IT	1,702	19	611	1,004	3,336	-144	-214	-358	2,978		
Environmental Services	1,490	51	157	6,644	8,342	-6,251	-634	-6,884	1,458		
Finance and property	1,759	13	225	1,072	3,069	-245	-2,917	-3,162	-93		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	693	3,107	-701	-28	-729	2,378		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,350	1,350				1,350		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							0	0	0		
Operating (surplus)/deficit	13,287	1,577	2,828	17,446	35,137	-24,943	-7,003	-31,946	3,191		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	17,666	36,836	-24,943	-7,003	-31,946	4,890	980	12,790

WBC BUDGET EVOLUTION - VIEW 2 - (MTFP adverse factors plus MTFP new income and cost savings proposals)

Table 2.0.1 - 2019/20 BUDGET

Original (revised format)	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,806	7,505	-6,251	-924	-7,174	330		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,246	32,937	-25,243	-9,393	-34,636	-1,699		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0		

Table 2.0.2 - 2019/20 BUDGET - adjustments (actual and expected)

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
Community					0			0	0
Customer Services & IT					0			0	0
Environmental Services					0			0	0
Finance and property					0			0	0
General Fund Housing					0			0	0
Planning					0			0	0
Policy and Governance					0			0	0
Senior Management Team					0			0	0
Vacancy factor and agency costs					0			0	0
Pension backfunding					0			0	0
Recharges (mainly from HRA)					0			0	0
Utilities					0			0	0
Council Tax	0%							0	0
Business Rates retained								0	0
Operating (surplus)/deficit	0	0	0	0	0	0	0	0	0
Revenue transfer to capital program					0			0	0
Revenue transfer to reserves					0			0	0
Total spend	0	0	0	0	0	0	0	0	0

Table 2.0.3 - 2019/20 FORECAST OUTTURN

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,806	7,505	-6,251	-924	-7,174	330		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,246	32,937	-25,243	-9,393	-34,636	-1,699		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0	0	0

WBC BUDGET EVOLUTION - VIEW 2 - (MFTP adverse factors plus MFTP new income and cost savings proposals)

Table 2.1.1 - 2020/21 BUDGET - change from previous year

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	
	550			3.6%						
Community	0	0	0		211		-233	-233	-23	
Customer Services & IT	0	0	-67		32	-35		0	-35	
Environmental Services	0	0	-167		209	43	290	290	333	
Finance and property	0	0	0		34	34	-280	-280	-246	
General Fund Housing	0	0	0		0	0		0	0	
Planning	0	0	0		0	300		300	300	
Policy and Governance	0	0	-333		22	-311		0	-311	
Senior Management Team	0	0	0		0	0		0	0	
Vacancy factor and agency costs	0	0	0		0	0		0	0	
Pension backfunding		0			0				0	
Recharges (mainly from HRA)								0	0	
Utilities					43	43			43	
Council Tax	1.8%					-183		-183	-183	
Business Rates retained							200	200	200	
Operating (surplus)/deficit		0	0	-567	550	-17	117	-23	93	77
Revenue transfer to capital program						0		0	0	
Revenue transfer to reserves						0		0	0	
Total spend		0	0	-567	550	-17	117	-23	93	77

Table 2.1.2 - 2020/21 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,050	9,182	-5,981	-1,030	-7,011	2,171		
Customer Services & IT	1,702	19	544	909	3,174	-144	-214	-358	2,816		
Environmental Services	1,490	51	-9	6,016	7,547	-6,251	-634	-6,884	663		
Finance and property	1,759	13	225	971	2,967	-245	-3,297	-3,542	-575		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	-2	627	2,708	-701	-28	-729	1,979		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,223	1,223				1,223		
Council Tax						-10,297		-10,297	-10,297		
Business Rates retained							-1,800	-1,800	-1,800		
Operating (surplus)/deficit	13,287	1,577	2,261	15,796	32,921	-25,126	-9,417	-34,543	-1,622		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	3,740	16,016	34,620	-25,126	-9,417	-34,543	77	77	77

Notes for Tables 2.1.1, 2.2.1, 2.3.1 - items shown in boxes

The boxed items represent the new income and cost savings referred to in the Executive slide "MFTP Target savings 2021/21 to 2022/23".

There is no significance in the service area associated with each item in the table - this is simply to show the items on separate lines for clarity.

The three cost savings appear under "Non-c spend" for the same reason although, in reality, they might affect one of the other three cost columns.

Inflation is shown as affecting only contracted expenditure to avoid creating an indication affecting the staff pay settlement.

Line

Community	-233	Commercial Strategy (£700k over 3 years)
Customer Services & IT	-67	Procurement savings (£200k over 3 years)
Environmental Services	-167	Cost Review savings (£500k over 3 years)
Finance and property	-280	Property income increase (extra £300k in each year less £20k reduction in H Benefit admin grant.
Policy and Governance	-333	Business Transformation (£1m over 3 years)
Council Tax	-183	1.8% increase in Council Tax (£550k over 3 years).
	<u>-1,263</u>	

Commercial strategy: increased parking income is the only realistic source. No other sources of Fees & Charges have potential for significant growth.

Procurement savings: the waste contract is the main example. It is important to avoid double-counting.

Cost review: Heads of Service have been asked to submit by 31 October 2019 proposals to achieve 5% reductions in their costs (other than contracted exp).

Property income: no projects are known as at 15 October 2019.

Business Transformation: a project is underway but the quantum and timing of most components is uncertain.

WBC BUDGET EVOLUTION - VIEW 2 - (MTFP adverse factors plus MTFP new income and cost savings proposals)

Table 2.2.1 - 2021/22 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
		0.0%			3.5%					
Community		0	0	0	211	211		-233	-233	-23
Customer Services & IT		0	0	-67	32	-35			0	-35
Environmental Services		0	0	-167	209	43			0	43
Finance and property		0	0	0	34	34		-280	-280	-246
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	-333	22	-311			0	-311
Senior Management Team		0	0	0	0	0				0
Vacancy factor and agency costs		0	0	0	0	0				0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	1.8%						-187		-187	-187
Business Rates retained								700	700	700
Operating (surplus)/deficit		0	0	-567	550	-17	-187	187	0	-17
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	-567	550	-17	-187	187	0	-17

Table 2.2.2 - 2020/21 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,261	9,392	-5,981	-1,263	-7,244	2,148		
Customer Services & IT	1,702	19	478	940	3,139	-144	-214	-358	2,781		
Environmental Services	1,490	51	-176	6,225	7,590	-6,251	-634	-6,884	706		
Finance and property	1,759	13	225	1,004	3,001	-245	-3,577	-3,822	-821		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	-335	649	2,397	-701	-28	-729	1,668		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,265	1,265				1,265		
Council Tax						-10,483		-10,483	-10,483		
Business Rates retained							-1,100	-1,100	-1,100		
Operating (surplus)/deficit	13,287	1,577	1,694	16,346	32,904	-25,313	-9,230	-34,543	-1,639		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	3,173	16,566	34,603	-25,313	-9,230	-34,543	60	-17	137

WBC BUDGET EVOLUTION - VIEW 2 - (MTFP adverse factors plus MTFP new income and cost savings proposals)

Table 2.3.1 - 2022/23 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
		0.0%			3.4%					
Community		0	0	0	211	211		-233	-233	-23
Customer Services & IT		0	0	-67	32	-35			0	-35
Environmental Services		0	0	-167	209	43			0	43
Finance and property		0	0	0	34	34		-270	-270	-236
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	-333	22	-311			0	-311
Senior Management Team		0	0	0	0	0				0
Vacancy factor and agency costs		0	0	0	0	0				0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	1.8%						-190		-190	-190
Business Rates retained								700	700	700
Operating (surplus)/deficit		0	0	-567	550	-17	-190	197	7	-10
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	-567	550	-17	-190	197	7	-10

Table 2.3.2 - 2022/23 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,472	9,603	-5,981	-1,496	-7,478	2,125		
Customer Services & IT	1,702	19	411	972	3,104	-144	-214	-358	2,746		
Environmental Services	1,490	51	-343	6,435	7,633	-6,251	-634	-6,884	749		
Finance and property	1,759	13	225	1,038	3,035	-245	-3,847	-4,092	-1,057		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	-669	671	2,085	-701	-28	-729	1,356		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,308	1,308				1,308		
Council Tax						-10,673		-10,673	-10,673		
Business Rates retained							-400	-400	-400		
Operating (surplus)/deficit	13,287	1,577	1,128	16,896	32,887	-25,503	-9,033	-34,536	-1,649		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	2,607	17,116	34,586	-25,503	-9,033	-34,536	50	-10	187

WBC BUDGET EVOLUTION - VIEW 2 - (MTFP adverse factors plus MTFP new income and cost savings proposals)

Table 2.4.1 - 2023/24 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
		0.0%			3.3%					
Community		0	0	0	211	211			0	211
Customer Services & IT		0	0	0	32	32			0	32
Environmental Services		0	0	0	209	209			0	209
Finance and property		0	0	0	34	34		30	30	64
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	0	22	22			0	22
Senior Management Team		0	0	0	0	0				0
Vacancy factor and agency costs		0	0	0	0	0				0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					0	0				0
Council Tax	1.8%						-193		-193	-193
Business Rates retained								400	400	400
Operating (surplus)/deficit		0	0	0	507	507	-193	430	237	744
Revenue transfer to capital program						0			0	0
Revenue transfer to reserves						0			0	0
Total spend		0	0	0	507	507	-193	430	237	744

Table 2.4.2 - 2023/24 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,682	9,814	-5,981	-1,496	-7,478	2,336		
Customer Services & IT	1,702	19	411	1,004	3,136	-144	-214	-358	2,778		
Environmental Services	1,490	51	-343	6,644	7,842	-6,251	-634	-6,884	958		
Finance and property	1,759	13	225	1,072	3,069	-245	-3,817	-4,062	-993		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	-669	693	2,107	-701	-28	-729	1,378		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,308	1,308				1,308		
Council Tax						-10,867		-10,867	-10,867		
Business Rates retained							0	0	0		
Operating (surplus)/deficit	13,287	1,577	1,128	17,403	33,395	-25,696	-8,603	-34,300	-905		
Revenue transfer to capital program			1,117		1,117			0	1,117		
Revenue transfer to reserves			362	220	582			0	582		
Total spend	13,287	1,577	2,607	17,623	35,094	-25,696	-8,603	-34,300	794	744	981

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
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SUMMARY - year by year analysis
 Year

Year	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit	Reserve transfers
2019/20	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0	0	0	1,642
2020/21	13,167	1,577	3,772	15,953	34,468	-25,645	-8,823	-34,469	0	0	0	1,044
2021/22	12,517	1,577	3,533	16,428	34,054	-25,852	-8,203	-34,055	0	0	0	805
2022/23	12,167	1,577	3,589	16,953	34,285	-26,312	-7,973	-34,285	0	0	0	861
2023/24	12,167	1,577	3,424	17,503	34,670	-26,527	-8,143	-34,670	0	0	0	696

SUMMARY - change from 2019/20
 Year

Year	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit	Reserve transfers
2020/21	-120	0	-535	487	-168	-402	570	168	0	0	0	-598
2021/22	-770	0	-774	962	-582	-609	1,190	581	0	0	0	-837
2022/23	-1,120	0	-718	1,487	-351	-1,069	1,420	351	0	0	0	-781
2023/24	-1,120	0	-883	2,037	34	-1,284	1,250	-34	0	0	0	-946

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
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Table 3.0.1 - 2019/20 BUDGET

Original (revised format)	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,806	7,505	-6,251	-924	-7,174	330		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,246	32,937	-25,243	-9,393	-34,636	-1,699		
Revenue transfer to capital program			1,117		1,117				1,117		
Revenue transfer to reserves			362	220	582				582		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0		

Table 3.0.2 - 2019/20 BUDGET - adjustments (actual and expected)

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
Community					0			0	0
Customer Services & IT					0			0	0
Environmental Services				57	57			0	57
Finance and property					0			0	0
General Fund Housing					0			0	0
Planning					0			0	0
Policy and Governance					0			0	0
Senior Management Team					0			0	0
Vacancy factor and agency costs					0			0	0
Pension backfunding					0			0	0
Recharges (mainly from HRA)								0	0
Utilities					0			0	0
Council Tax	0%							0	0
Business Rates retained								0	0
Operating (surplus)/deficit	0	0	0	57	57	0	0	0	57
Revenue transfer to capital program					0			0	0
Revenue transfer to reserves				-57	-57			0	-57
Total spend	0	0	0	0	0	0	0	0	0

Table 3.0.3 - 2019/20 FORECAST OUTTURN

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	5,840	8,971	-5,981	-796	-6,778	2,193		
Customer Services & IT	1,702	19	611	877	3,209	-144	-214	-358	2,851		
Environmental Services	1,490	51	157	5,863	7,562	-6,251	-924	-7,174	387		
Finance and property	1,759	13	225	937	2,934	-245	-3,017	-3,262	-328		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,784	-31	-1,815	1,162		
Policy and Governance	1,814	269	331	606	3,020	-701	-28	-729	2,291		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-280		0		-280				-280		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,180	1,180				1,180		
Council Tax						-10,113		-10,113	-10,113		
Business Rates retained							-2,000	-2,000	-2,000		
Operating (surplus)/deficit	13,287	1,577	2,828	15,303	32,994	-25,243	-9,393	-34,636	-1,642		
Revenue transfer to capital program			1,117		1,117				1,117		
Revenue transfer to reserves			362	163	525				525		
Total spend	13,287	1,577	4,307	15,466	34,636	-25,243	-9,393	-34,636	0	0	0

Notes for Tables 3.0.2 and 3.0.3 - items shown in boxes in Table 3.0.1

In contrast to View 2, View 3 boxed items are located in the relevant service areas and cost or income columns. Blue: MTFP items. Yellow: BSWG items.
 Environmental services: contracted expenditure - change of contractor from Veolia to Biffa reduces basic cost by £100k p.a. - £43k in rest of 2019/20.
 - however, recycling delivery relocation is expected to cost £100k in remainder of 19/20. Hence Biffa net cost increase of £57k in 19/20.
 Revenue transfer to reserves - expected actual Minimum Reserve Provision requirement is £100k instead of £220k. Hence, Biffa net cost increase of £57k can be absorbed.

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
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Table 3.1.1 - 2020/21 BUDGET - change from previous year - see notes for boxed items

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
	550			3.6%					
Community	0	0	0	210	210			0	210
Customer Services & IT	0	0	0	32	32			0	32
Environmental Services	0	0	0	211	211	-500	350	-150	61
Finance and property	0	0	0	34	34		20	20	54
General Fund Housing	0	0	0	0	0			0	0
Planning	0	0	0	0	0	300		300	300
Policy and Governance	0	0	0	22	22			0	22
Senior Management Team	0	0	0	0	0			0	0
Vacancy factor and agency costs	-120	0	0	0	-120				-120
Pension backfunding		0			0				0
Recharges (mainly from HRA)								0	0
Utilities				42	42				42
Council Tax	2.0%					-202		-202	-202
Business Rates retained							200	200	200
Operating (surplus)/deficit	-120	0	0	550	430	-402	570	168	598
Revenue transfer to capital program			-500		-500				-500
Revenue transfer to reserves			-35	-63	-98				-98
Total spend	-120	0	-535	487	-168	-402	570	168	0

Table 3.1.2 - 2020/21 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,050	9,181	-5,981	-796	-6,778	2,403		
Customer Services & IT	1,702	19	611	909	3,241	-144	-214	-358	2,883		
Environmental Services	1,490	51	157	6,074	7,772	-6,751	-574	-7,324	448		
Finance and property	1,759	13	225	971	2,967	-245	-2,997	-3,242	-275		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	627	3,042	-701	-28	-729	2,313		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-400		0		-400				-400		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,223	1,223				1,223		
Council Tax						-10,316		-10,316	-10,316		
Business Rates retained							-1,800	-1,800	-1,800		
Operating (surplus)/deficit	13,167	1,577	2,828	15,853	33,424	-25,645	-8,823	-34,469	-1,044		
Revenue transfer to capital program			617		617				617		
Revenue transfer to reserves			327	100	427				427		
Total spend	13,167	1,577	3,772	15,953	34,468	-25,645	-8,823	-34,469	0	0	0

Notes for Tables 3.1.1 and 3.1.2 - items shown in boxes in Table 3.1.1

In contrast to View 2, View 3 boxed items are located in the relevant service areas and cost or income columns. Blue: MTFP items. Yellow: BSWG items.
 Environmental services: contracted expenditure - basic inflation plus £100k procurement savings offset by £100k recycling relocation costs.
 Environmental services: fees & charges - car parking income increased by £500k (10%); income: SCC recycling credits reduced by £350k (£290k in View 1).
 Finance & Property: income - £20k reduction in Housing Benefit administration grant (already in MTFP).
 Planning: fees & charges - expected £300k reduction in planning fees (due to lower major development activity - already in MTFP).
 Vacancy factor and agency costs - £280k planned establishment vacancy factor plus £250k year 1 Cost Review savings less £130k double-counting provision.
 Council Tax: increased by expected maximum of 2%.
 Retained Business Rates: income reduced by £200k to £1.8m because of reduced rateable value and adverse formula changes.
 Operating (surplus)/deficit: shows a reduced surplus of £1.04m.
 Reserves: funding of capital program reduced by £500k to £617k. Net transfers to other reserves reduced by £98k in total.

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
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Table 3.2.1 - 2021/22 BUDGET - change from previous year

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	
	550									
	0.0%			3.5%						
Community	0	0	0	210	210			0	210	
Customer Services & IT	0	0	0	32	32			0	32	
Environmental Services	0	0	0	136	136		200	200	336	
Finance and property	0	0	0	34	34		-280	-280	-246	
General Fund Housing	0	0	0	0	0			0	0	
Planning	0	0	0	0	0			0	0	
Policy and Governance	0	0	0	22	22			0	22	
Senior Management Team	0	0	0	0	0			0	0	
Vacancy factor and agency costs	-650	0	0	0	-650				-650	
Pension backfunding		0			0				0	
Recharges (mainly from HRA)								0	0	
Utilities				42	42				42	
Council Tax	2.0%					-206		-206	-206	
Business Rates retained							700	700	700	
Operating (surplus)/deficit		-650	0	0	475	-175	-206	620	414	239
Revenue transfer to capital program				-117	-117				-117	
Revenue transfer to reserves				-122	-122				-122	
Total spend		-650	0	-239	475	-414	-206	620	414	0

Table 3.2.2 - 2021/22 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,260	9,391	-5,981	-796	-6,778	2,613		
Customer Services & IT	1,702	19	611	940	3,272	-144	-214	-358	2,914		
Environmental Services	1,490	51	157	6,210	7,908	-6,751	-374	-7,124	784		
Finance and property	1,759	13	225	1,004	3,001	-245	-3,277	-3,522	-521		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	649	3,063	-701	-28	-729	2,334		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-1,050		0		-1,050				-1,050		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,265	1,265				1,265		
Council Tax						-10,522		-10,522	-10,522		
Business Rates retained							-1,100	-1,100	-1,100		
Operating (surplus)/deficit	12,517	1,577	2,828	16,328	33,249	-25,852	-8,203	-34,055	-805		
Revenue transfer to capital program			500		500				500		
Revenue transfer to reserves			205	100	305				305		
Total spend	12,517	1,577	3,533	16,428	34,054	-25,852	-8,203	-34,055	0	0	0

Notes for Tables 3.2.1 and 3.2.2 - items shown in boxes in Table 3.2.1

Environmental services: contracted expenditure - assumes recycling relocation costs end after 2021/22 Q1 so inflation effect reduced by £75k procurement savings.
 Environmental services: fees & charges - car parking income assumed unchanged; income: SCC recycling credits reduced by £200k to £150k baseline level.
 Finance and property: income - assumes £15m of new property investment generating 2% net margin (£300k). £20k reduction in HB admin grant.
 Vacancy factor etc: assumes Cost Review year 2 savings (£250k) and Business Transformation year 1 savings (£400k).
 Council Tax: increased by expected maximum of 2%.
 Retained Business Rates: decreased by £700k to £1.1m under Business Rates/Fair Funding reviews.
 Operating (surplus)/deficit: shows a reduced surplus of £805k.
 Reserves: transfers to capital program reduced to £500k (minimum safe level) and transfer to other reserves (other than MRP) reduced by £122k to £205k.

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
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Table 3.3.1 - 2022/23 BUDGET - change from previous year

Inflationary cost estimate	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	
	550									
	0.0%			3.4%						
Community	0	0	0	211	211		-200	-200	11	
Customer Services & IT	0	0	0	32	32			0	32	
Environmental Services	0	0	0	184	184	-250		-250	-66	
Finance and property	0	0	0	34	34		-270	-270	-236	
General Fund Housing	0	0	0	0	0			0	0	
Planning	0	0	0	0	0			0	0	
Policy and Governance	0	0	0	22	22			0	22	
Senior Management Team	0	0	0	0	0			0	0	
Vacancy factor and agency costs	-350	0	0	0	-350				-350	
Pension backfunding		0			0				0	
Recharges (mainly from HRA)								0	0	
Utilities				43	43				43	
Council Tax	2.0%					-210		-210	-210	
Business Rates retained							700	700	700	
Operating (surplus)/deficit		-350	0	0	525	175	-460	230	-230	-55
Revenue transfer to capital program					0				0	
Revenue transfer to reserves			56		56				56	
Total spend		-350	0	56	525	231	-460	230	-230	1

Table 3.3.2 - 2022/23 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,470	9,602	-5,981	-996	-6,978	2,624		
Customer Services & IT	1,702	19	611	972	3,304	-144	-214	-358	2,946		
Environmental Services	1,490	51	157	6,394	8,092	-7,001	-374	-7,374	718		
Finance and property	1,759	13	225	1,038	3,035	-245	-3,547	-3,792	-757		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	671	3,085	-701	-28	-729	2,356		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-1,400		0		-1,400				-1,400		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,308	1,308				1,308		
Council Tax						-10,732		-10,732	-10,732		
Business Rates retained							-400	-400	-400		
Operating (surplus)/deficit	12,167	1,577	2,828	16,853	33,424	-26,312	-7,973	-34,285	-861		
Revenue transfer to capital program			500		500				500		
Revenue transfer to reserves			261	100	361				361		
Total spend	12,167	1,577	3,589	16,953	34,285	-26,312	-7,973	-34,285	0	0	0

Notes for Tables 3.3.1 and 3.3.2 - items shown in boxes in Table 3.3.1

Community: leisure centres - increased income of £200k following improvements to Farnham and Godalming LCs.
 Environmental services: contracted expenditure - inflation increase of £209k reduced by remaining £25k of procurement savings.
 Environmental services: fees & charges - car parking income assumed increased by £250k (5%).
 Finance and property: income - assumes further £15m of new property investment generating 2% net margin (£300k). £30k reduction in HB admin grant.
 Vacancy factor etc: assumes year 2 £350k Business Transformation savings.
 Council Tax: increased by expected maximum of 2%.
 Retained Business Rates: decreased by £700k to £0.4m under Business Rates/Fair Funding reviews.
 Operating (surplus)/deficit: shows a increased operating surplus of £861k.
 Reserves: transfer to other reserves increased by £56k.

WBC BUDGET EVOLUTION - VIEW 3 - (modified MTFP adverse factors plus new income and cost savings proposals)
Version 191110_open

Table 3.4.1 - 2023/24 BUDGET - change from previous year

Inflationary cost estimate	550	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend
		0.0%			3.3%					
Community		0	0	0	211	211			0	211
Customer Services & IT		0	0	0	32	32			0	32
Environmental Services		0	0	0	209	209			0	209
Finance and property		0	0	0	34	34		-570	-570	-536
General Fund Housing		0	0	0	0	0			0	0
Planning		0	0	0	0	0			0	0
Policy and Governance		0	0	0	22	22			0	22
Senior Management Team		0	0	0	0	0			0	0
Vacancy factor and agency costs		0	0	0	0	0			0	0
Pension backfunding			0			0				0
Recharges (mainly from HRA)									0	0
Utilities					43	43				43
Council Tax	2.0%						-215		-215	-215
Business Rates retained								400	400	400
Operating (surplus)/deficit		0	0	0	550	550	-215	-170	-385	165
Revenue transfer to capital program						0				0
Revenue transfer to reserves				-165		-165				-165
Total spend		0	0	-165	550	385	-215	-170	-385	0

Table 3.4.2 - 2023/24 BUDGET

	Salary costs	Non-sal costs	Non-c spend	Cont spend	Total spend	Fees & charges	Income	Total receipts	Net spend	Annual change	Cumul deficit
Community	2,248	94	788	6,682	9,813	-5,981	-996	-6,978	2,835		
Customer Services & IT	1,702	19	611	1,003	3,336	-144	-214	-358	2,978		
Environmental Services	1,490	51	157	6,603	8,301	-7,001	-374	-7,374	927		
Finance and property	1,759	13	225	1,072	3,069	-245	-4,117	-4,362	-1,293		
General Fund Housing	745	8	426	0	1,179	-24	-275	-299	880		
Planning	2,602	87	287	0	2,977	-1,484	-31	-1,515	1,462		
Policy and Governance	1,814	269	331	693	3,107	-701	-28	-729	2,378		
Senior Management Team	1,207	12	1		1,220				1,220		
Vacancy factor and agency costs	-1,400		0		-1,400				-1,400		
Pension backfunding		1,023			1,023				1,023		
Recharges (mainly from HRA)							-2,109	-2,109	-2,109		
Utilities				1,350	1,350				1,350		
Council Tax						-10,947		-10,947	-10,947		
Business Rates retained							0	0	0		
Operating (surplus)/deficit	12,167	1,577	2,828	17,403	33,974	-26,527	-8,143	-34,670	-696		
Revenue transfer to capital program			500		500				500		
Revenue transfer to reserves			96	100	196				196		
Total spend	12,167	1,577	3,424	17,503	34,670	-26,527	-8,143	-34,670	0	0	0

Notes for Tables 3.4.1 and 3.4.2 - items shown in boxes in Table 3.4.1

Finance and property: income - assumes further £30m of new property investment generating 2% net margin (£600k). £30k reduction in HB admin grant.

Council Tax: increased by expected maximum of 2%.

Retained Business Rates: decreased by £400k to zero under Business Rates/Fair Funding reviews.

Operating (surplus)/deficit: shows a reduced surplus of £696k.

Reserves: transfers to other reserves reduced by £165k.

WBC BUDGET ROLL FORWARD TO 2023/24

Commentary

Tables A to C evolve the 2019/20 budget summary from its initial format to one where non-reserve corporate items and recharges are included in the revenue account. The view tabs use the Table C format to show a change table and a budget table for each financial year from 19/20 to 23/24.

Table A - 2019/20 BUDGET - original

	Salary costs	Non-salary staff costs	Non-cont spend	Contracted spend	Total spend	Fees and charges	Income	Net spend
Community	2,248,368	94,409	788,410	5,659,710	8,790,897	(5,981,383)	(796,172)	2,013,342
Customer Services & IT	1,701,689	19,376	611,090	849,956	3,182,111	(144,090)	(213,700)	2,824,321
Environmental Services	1,489,597	51,234	157,320	5,627,388	7,325,539	(6,250,523)	(923,570)	151,446
Finance	1,758,765	13,119	224,780	907,993	2,904,657	(157,000)	(2,798,408)	(50,751)
General Fund Housing	744,889	8,059	426,164	0	1,179,112	(23,565)	(275,108)	880,439
Planning	2,602,392	86,936	287,300	0	2,976,628	(1,783,955)	(30,552)	1,162,121
Policy and Governance	1,813,696	269,229	331,270	586,956	3,001,151	(701,060)	(27,960)	2,272,131
Recharges	0	0	0	0	0	0	(2,109,472)	(2,109,472)
Senior Management Team	1,207,199	11,736	1,180	0	1,220,115	0	0	1,220,115
Utilities	0	0	0	1,143,793	1,143,793	0	0	1,143,793
	13,566,594	554,098	2,827,514	14,775,796	31,724,002	(15,041,576)	(7,174,942)	9,507,484
Corporate items								
Establishment savings target	(280,000)				(280,000)			(280,000)
Pension Back funding	1,649,500				1,649,500		(626,240)	1,023,260
Revenue Contribution to Capital Programme			1,117,420		1,117,420			1,117,420
Housing Benefit DWP reimbursement			27,607,000		27,607,000	(88,000)	(27,825,520)	(306,520)
Inflation Provision	0			470,000	470,000			470,000
Transfer NHB to reserve			1,164,280		1,164,280			1,164,280
Net EMR movements			361,716		361,716			361,716
MRP				220,000	220,000			220,000
Impairment allowances								
Year end reserve movements								
GF b Total	1,369,500	0	30,250,416	690,000	32,309,916	(88,000)	(28,451,760)	3,770,156
Overall total net spend	14,936,094	554,098	33,077,930	15,465,796	64,033,918	(15,129,576)	(35,626,702)	13,277,640
GF c								
General Fund Financing								
Council Tax							(10,113,360)	(10,113,360)
Business Rates retained							(2,000,000)	(2,000,000)
New Homes Bonus							(1,164,280)	(1,164,280)
GF c Total							(13,277,640)	(13,277,640)

Table B - 2019/20 BUDGET

Table 1.1 excluding offsetting flows for housing benefit and New Homes Bonus.

	Salary costs	Non-salary staff costs	Non-cont spend	Contracted spend	Total spend	Fees and charges	Income	Net spend
Community	2,248,368	94,409	788,410	5,659,710	8,790,897	(5,981,383)	(796,172)	2,013,342
Customer Services & IT	1,701,689	19,376	611,090	849,956	3,182,111	(144,090)	(213,700)	2,824,321
Environmental Services	1,489,597	51,234	157,320	5,627,388	7,325,539	(6,250,523)	(923,570)	151,446
Finance	1,758,765	13,119	224,780	907,993	2,904,657	(157,000)	(2,798,408)	(50,751)
General Fund Housing	744,889	8,059	426,164	0	1,179,112	(23,565)	(275,108)	880,439
Planning	2,602,392	86,936	287,300	0	2,976,628	(1,783,955)	(30,552)	1,162,121
Policy and Governance	1,813,696	269,229	331,270	586,956	3,001,151	(701,060)	(27,960)	2,272,131
Senior Management Team	1,207,199	11,736	1,180		1,220,115			1,220,115
Recharges							(2,109,472)	(2,109,472)
Utilities				1,143,793	1,143,793			1,143,793
	13,566,594	554,098	2,827,514	14,775,796	31,724,002	(15,041,576)	(7,174,942)	9,507,484
Corporate items								
Establishment savings target	(280,000)				(280,000)			(280,000)
Pension Back funding	1,649,500				1,649,500		(626,240)	1,023,260
Revenue Contribution to Capital Programme			1,117,420		1,117,420			1,117,420
Housing Benefit DWP reimbursement			0		0	(88,000)	(218,520)	(306,520)
Inflation Provision	0			470,000	470,000			470,000
Transfer NHB to reserve			0		0			0
Net EMR movements			361,716		361,716			361,716
MRP				220,000	220,000			220,000
Impairment allowances								
Year end reserve movements								
GF b Total	1,369,500	0	1,479,136	690,000	3,538,636	(88,000)	(844,760)	2,605,876
Overall total net spend	14,936,094	554,098	4,306,650	15,465,796	35,262,638	(15,129,576)	(8,019,702)	12,113,360
GF c								
General Fund Financing								
Council Tax							(10,113,360)	(10,113,360)
Business Rates retained							(2,000,000)	(2,000,000)
New Homes Bonus							0	0
GF c Total							(12,113,360)	(12,113,360)

Table C - 2019/20 BUDGET

Table B with non-reserve corporate items allocated to revenue spend.	Salary costs	Non-salary staff costs	Non-cont spend	Contracted spend	Total spend	Fees and charges	Income	Net spend
1								
Community	2,248,368	94,409	788,410	5,839,738	8,970,925	(5,981,383)	(796,172)	2,193,370
Customer Services & IT	1,701,689	19,376	611,090	876,992	3,209,147	(144,090)	(213,700)	2,851,357
Environmental Services	1,489,597	51,234	157,320	5,806,388	7,504,539	(6,250,523)	(923,570)	330,446
Finance	1,758,765	13,119	224,780	936,875	2,933,540	(245,000)	(3,016,928)	(328,388)
General Fund Housing	744,889	8,059	426,164	0	1,179,112	(23,565)	(275,108)	880,439
Planning	2,602,392	86,936	287,300	0	2,976,628	(1,783,955)	(30,552)	1,162,121
Policy and Governance	1,813,696	269,229	331,270	605,626	3,019,821	(701,060)	(27,960)	2,290,801
Senior Management Team	1,207,199	11,736	1,180	0	1,220,115			1,220,115
Vacancy factor and agency fees	(280,000)				(280,000)			(280,000)
Pension backfunding		1,023,260			1,023,260			1,023,260
Recharges							(2,109,472)	(2,109,472)
Utilities				1,180,176	1,180,176	0	0	1,180,176
Council Tax						(10,113,360)		(10,113,360)
Retained business rates							(2,000,000)	(2,000,000)
Revenue spend	13,286,594	1,577,358	2,827,514	15,245,796	32,937,262	(25,242,936)	(9,393,462)	(1,699,136)
Revenue transfer to capital program			1,117,420		1,117,420			1,117,420
Revenue transfer to reserves			361,716	220,000	581,716			581,716
Total spend	13,286,594	1,577,358	4,306,650	15,465,796	34,636,398	(25,242,936)	(9,393,462)	(0)
Corporate items								
Establishment savings target	0				0			0
Pension Back funding	0				0		0	0
Revenue Contribution to Capital Programme			0		0			0
Housing Benefit DWP reimbursement			0		0	0	0	0
Inflation Provision	0			0	0			0
Transfer NHB to reserve			0		0			0
Net EMR movements			0		0			0
MRP				0	0			0
Impairment allowances								
Year end reserve movements								
GF b Total	0	0	0	0	0	0	0	0
Overall total net spend	13,286,594	1,577,358	4,306,650	15,465,796	34,636,398	(25,242,936)	(9,393,462)	(0)

GF c		
General Fund Financing		
Council Tax	0	0
Business Rates retained	0	0
New Homes Bonus	0	0
GF c Total	0	0

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Medium Term Financial Plan

24 Sept 2019



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National Context

- Comprehensive Spending Review delayed
- Fair Funding review put back to 2021/22
- Business rates funding review put back to 2021/21
- 'Negative grant' delayed by a year to 2021/22
- New Homes Bonus future years' amounts uncertain
- Limit on council tax increase 2%
- Major new funding for adult and children's services
- Detail not know until December



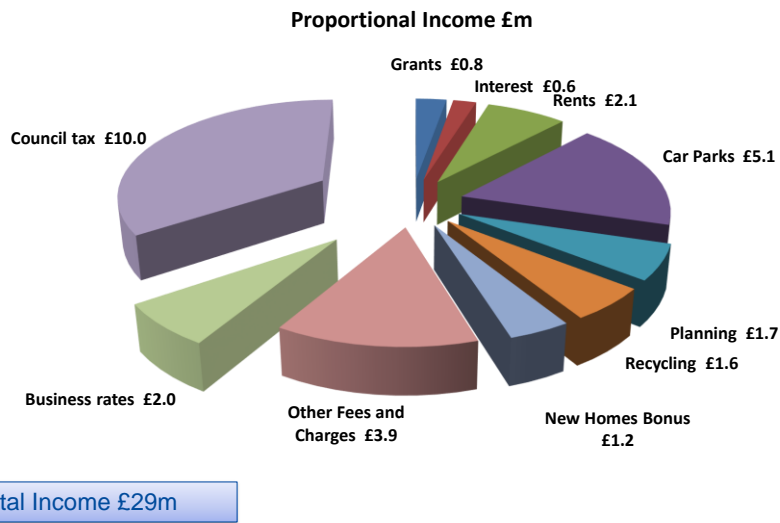
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General Fund Projected Budget Shortfall

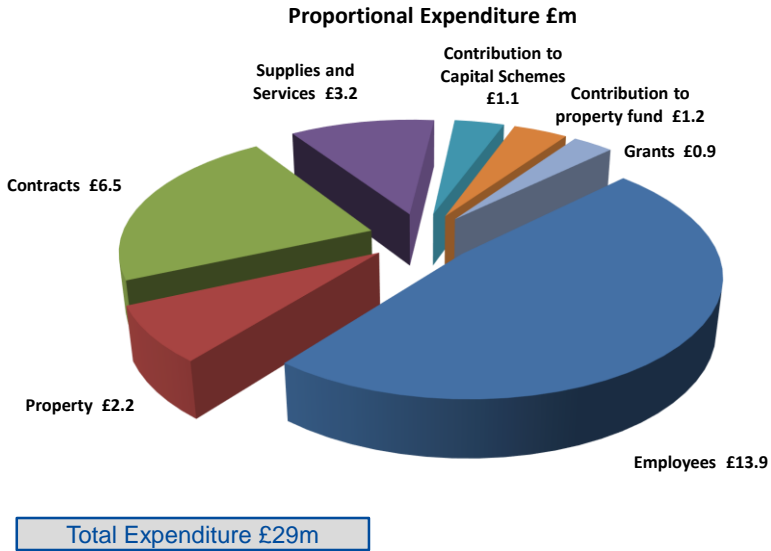
	2020/21 Change from 19/20 budget £000	2021/22 Change from 20/21 budget £000	2022/23 Change from 21/22 budget £000	Total Change from 19/20 budget £000	2023/24 Change from 22/23 budget £000
Inflation - including pay	550	550	550	1,650	550
Waste funding from SCC	290			290	
Housing benefit grant	20	20	30	70	30
Business rate retained income	200	700	700	1,600	400
Income pressure - planning/property	300			300	
Total budget shortfall	1,360	1,270	1,280	3,910	980



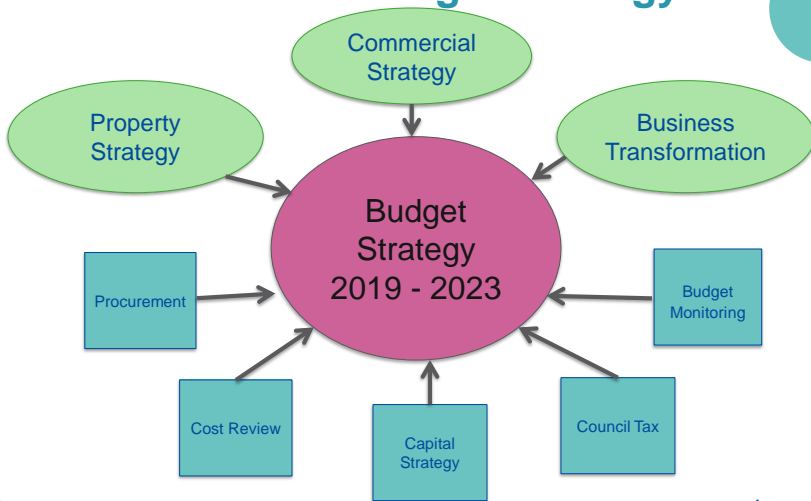
General Fund budget



General Fund budget



General Fund Budget Strategy



MTFP Target savings 2020/21 to 2022/23

	£000
Business Transformation	1,000
Commercial Strategy	700
Property	900
Procurement	200
Cost Review	500
Council Tax 2% increases	550
Total	£3,850

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Commercial Strategy

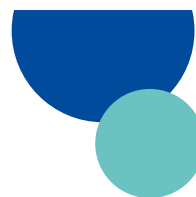
- Car park review
- Other new/increased income
- Use of existing assets including leisure centres
- Waverley Training Services
- Commercial company

Business Transformation Strategy

- Customer services project
- Planning and building control process review
- System thinking efficiency reviews
- Office accommodation project
- Staff travel and remote working

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Next Steps



- Councillor sessions on MTFP and budget
- Officers continue to work on detailed proposals and liaise with portfolio holders
- Budget Strategy Working Group
- O&S review of budget
- IAB review Property and Capital Strategies



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