

Annexe 1 – Schedule of projected variations from general fund budget in 2020/21

General Fund Forecast variance to budget 2020/21	£ `000	2021/22 impact	
Leisure Facilities	2,744	Possible	Impact on leisure facilities - see exempt annexe for details
Car Parks General	1,994	Not expected	Full year budget is £5m, assumes charging starts beginning of July with 50% of average 3 years monthly income, increasing 10% per month. If capacity in July is 50% add £200k, 40% add £433k and 30% add £860k
Investment Properties Target	500	Possible	Represents £200k 2019/20 and £300k 2020/21, need to invest C.£25m to achieve £500k full year effect.
Development Management	454	Possible	Full year budget is £1.56m, shortfall represents 30% reduction, 10% equates to £156k income. Assumption on forecast is that June and July will be same income levels as May and then start to recover at three year average from August, it is quite an optimistic forecast and likely to get worse. Currently down 20% on 2019/20, could be an additional £260k deficit.
Investment properties	242	Possible	Net adjustment including MRP and Wey Court East is unlikely to be let in 2020/21.
Land Charges	106	Not expected	Full year budget is £405k, assumes property market transactions will resume post lockdown.
Parks and Countryside	59	Not expected	Full year budget is £430k, Events, pitch hire and Frensham car park income not achieved April-July, varying assumptions on speed of recovery.
Borough Hall	57	Not expected	Full year budget is £106k, Site closed for events, assumed no income April-June, 40% July then increasing 10% per month thereafter, no cinema income for the year as unlikely to be able to run with social distancing.
Building Control	46	Not expected	Full year budget is £630k, Service has been operational during lockdown
Memorial Hall	38	Not expected	Full year budget is £129k, Site closed for events, assumed no income April-June, 50% July then increasing 10% per month thereafter
Careline	23	Not expected	Full year budget is £500k, Unable to install new equipment for new customers so income is impacted.
Debt recovery court costs recovery	83	Possible	Council tax and Business rates recovery of court costs, unlikely to be progressing debt recovery via liability orders in light of Covid economic impact
Financial Expenses	(40)	Not expected	Reduced number of card payment fees
Green Waste Recycling	(19)	Will increase	Reflects a significant increase in the number of subscriptions and additional collection costs.
Covid-19 - PPE	9	Possible	Additional office hygiene provision will be expected whilst the virus is not contained
Covid-19 Additional Staffing Revenues and Housing benefits	205	Possible	Increased debt arrears and economic recession impact on peoples income will require more work on income recovery benefit administration
Covid-19 Admin costs for grants/shielding/rough sleepers	80		
Covid-19 Additional cleaning staff	40	Possible	Additional office hygiene provision be expected whilst the virus is not contained
Covid-19 - Biffa bring site additional servicing	37	Not expected	
Other small variances	(22)		
<b>Forecast operating deficit</b>	<b>6,636</b>		Sensitivity range on income areas is an additional £1.5m: Car Parking £1m, Development Control £260k, others combined £250k

## Annexe 2 - Budget summary and proposed mitigation measures to address budget shortfall

	£ `000	
<b>General Fund Forecast variance to budget 2020/21</b>	6,636	
<b>Revenue and capital cost savings measures</b>		
Covid-19 Costs Government Grant	1,281	
Covid-19 Government reimbursement of grants/shielding/rough sleepers	80	
Expenditure review	436	See below *
Capitalise Transformation team and fund from capital receipts	175	
Staff travel cost reduction	40	
Staffing conference and training costs	23	
Staff salaries: vacancy saving from a recruitment freeze	600	
Cancelled revenue contributions to reserves	510	See below *
Reduced revenue contribution to capital programme	472	
<b>Total mitigation from 2020/21 revenue budget</b>	<b>3,617</b>	
<b>To be financed from reserves</b>	<b>3,020</b>	
<b><u>Ear Marked Reserves:</u></b>		Remaining Bal
Flexible Homelessness Support Grant	474	(500)
Emergency Funding	17	(0)
Brightwells Reserve	296	(16)
Place Shaping	188	(132)
Investment Advisory Board	418	(2,014)
Business Rates Revaluation Reserve	795	(3,255)
SANG Site acquisition	200	(800)
Commercial Property Void provision	425	0
	0	0
Climate change	0	(300)
Local Plan Reserve	0	(236)
Revenue Reserve Fund - Capital Programme funding	0	(197)
Insurance Reserves	0	(566)
Borough Elections Reserve	0	(63)
Insurance Reserve - MMI run off	0	(188)
<b>Total available earmarked Reserves</b>		<b>(8,266)</b>
<b>General Fund working balance: min balance £3.2m</b>	206	<b>(3,200)</b>
<b>Total reserve drawdown</b>	<b>3,020</b>	
<b>* Expenditure review</b>	<b>Budget</b>	<b>Adjustment</b>
Operational budget adjustments	1,374	398
Mayors Costs	5	1
Farnham Maltings Museum management fee	71	20
Waverley magazine	32	17
<b>Total expenditure review</b>	<b>1,482</b>	<b>436</b>
<b>* Cancelled revenue contributions to reserves</b>		
New Homes Bonus to Property Investment reserve	260	
Local Plan Part 2 costs	40	
Business Rates Equalisation reserve	210	
<b>Total cancelled revenue contributions</b>	<b>510</b>	

### Annexe 3 – Options and alternative mitigation

Further Items/Options to Explore	£ `000	Action	Impact
Leisure Centres	?	Review detailed options in the light of Government announcements and further negotiation with contractor	?
Green Waste subscription Fee	85	Consider increase in annual fee to £70	Potential drop off in users, so far Waverley has experienced increases in the customers regardless of fee increases.
Better Care Fund	?	Review Better Care Fund guidance to see if allowed to use more flexibly to fund staff support in in administration and management of facilitating people to stay at home longer.	Utilising unused grant balances
Grass verge cutting	95	Reduce the enhanced specification of the grass verge cutting SCC contract to maintain the service within the SCC contract sum.	Safety concerns, Potential improved biodiversity
Grounds maintenance temporary contract reduction	319	Negotiate a 10% reduction in the grounds maintenance contract for 2020/21 and hold back on the one off additional works budget.	May result in redundancies as staffing has been hired for the seasonal work.
Community organisation Service Level Agreements - temporary reductions	126	Some of the organisations ceased to operate during lockdown and have accessed government assistance. Reduce the SLA payments in line with reduced costs.	Should be minimised if they have accessed alternative funding.
<b>Total</b>	<b>625</b>		

## Annexe 4 – Schedule of projected reserves and balances

	Forecast balance available	Used in budget review	Planned use in 2020/21	20/21 contribution	2019-2020
	`000	`000	`000	`000	`000
<b>General Fund Useable Revenue Reserves</b>					
Flexible Homelessness Support Grant	(500)	474	221	(542)	(653)
Commercial Property Void provision	0	425	0	(400)	(25)
Emergency Funding	(0)	17	0	0	(17)
Climate change	(300)	0	0	(300)	0
Brightwells Reserve - licence from dogflud	(16)	296	0	0	(311)
Local Plan Reserve	(236)	0	0	0	(236)
Place shaping	(132)	188	0	0	(320)
Investment Advisory Board	(2,014)	418	95	0	(2,527)
Revenue Reserve Fund - Capital Programme funding	(197)	0	717	(578)	(336)
Insurance Reserve - MMI run off	(188)	0	0	0	(188)
Insurance Reserves	(566)	0	0	0	(566)
Borough Elections Reserve	(63)	0	0	(30)	(33)
Business Rates Equalisation Reserve	(3,055)	795	0	0	(3,850)
SANG Site acquisition	(800)	200	0	0	(1,000)
General Fund working balance: min balance £3.2m	(3,200)	206	119	0	(3,525)
<b>Total General Fund Useable Revenue Reserves</b>	<b>(11,266)</b>	<b>3,020</b>	<b>1,151</b>	<b>(1,850)</b>	<b>(13,587)</b>
<b>Capital Grants Unapplied Account</b>	<b>(862)</b>	<b>0</b>	<b>98</b>	<b>0</b>	<b>(960)</b>
<b>Capital Receipts Unapplied</b>	<b>(1,619)</b>	<b>0</b>	<b>1,967</b>	<b>(52)</b>	<b>(3,534)</b>
<b>Brightwells capital receipt: £2.5m committed</b>	<b>(2,676)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,676)</b>