

GENERAL FUND MEDIUM TERM FINANCIAL PLAN 2022/23 - 2025/26

	Ref.	2022/2023	2023/2024	2024/2025	2025/2026	
		Change from 2021/2022 Base	Change from 2022/2023 Base	Change from 2023/2024 Base	Change from 2024/2025 Base	Total
		£000	£000	£000	£000	£000
Anticipated Budget Variations						
Ongoing Covid19 impact - costs (scaled back from £126k in 2021/22)	Note A	0	-20	-106		-126
Ongoing Covid19 impact - income (scaled back from £2,651k in 2021/22)	Note A	-998	-966	-648		-2,612
Covid-19 Income Claim (none expected from 2022/23 onwards)		460				460
Covid-19 LA grant (none expected from 2022/23 onwards)		457				457
Inflation and contractual increases		959	862	752	639	3,212
NI impact - new social care levy		146				146
Services Grant - one-off		-138	138			0
Fair Funding Review - forecast impact on Waverley's retained business rates			700	700	400	1,800
One off capital receipts funding for Business Transformation team		220				220
Borough Elections Reserve 2020/21 deferred contribution			30	-30		0
Contingency for target achievement - removed in 2022/23		-111				-111
Unavoidable Budget Adjustments	Note B	511	0	0	0	511
Budget Growth Requests	Note C	883	-429	0	-40	414
March 2020 Budget challenge (£194k target in 2021/22, of which £120k was one-year only)	Note D	121				121
Lower Tier Service Grant from government		42	89			131
New Homes Bonus from government		-636	1,613			977
Covid-19 impact provision - contingency removed from base budget in 2022/23		-1,000				-1,000
Use of reserves for covid-19 impact provision - contingency removed from base budget in 2022/23		1,000				1,000
Council tax collection fund adjustments including tax base changes, surplus/deficits etc.		-227	-50	-50	-50	-377
Budget Shortfall		1,689	1,967	618	949	5,223
		From 2021/22 Base	1,689	3,656	4,274	5,223
		Total over MTFP period	1,689	5,345	9,619	14,842

Measures						
Council tax increase - £5 at band D in 2022/23, 1.99% in future years		-282	-220	-220	-225	-947
Treasury management interest, arising from revised capital strategy		-115				-115
Car Parking Fees & Charges review - approved by Council in September 2021		-730	-220	-220		-1,170
Head of Service Cost Review recurring savings identified	Note E	-23	-12			-35
Commercial Strategy Savings	Note F	-128	-105	-71		-304
Business Transformation Savings	Note G	-252	-122	-134		-508
Asset Management Income	Note H	-10	-295	-155	-100	-560
Collaboration Project Savings		-150	-200	-200	-150	-700
Ongoing base budget reductions		-1,690	-1,174	-1,000	-475	-4,339
		From 2021/22 Base	-1,690	-2,864	-3,864	-4,339
		Total over MTFP period	-1,690	-4,554	-8,418	-12,757

Budget Shortfall: recurrent deficit		-1	793	-382	474	
		Total over MTFP period	-1	791	1,201	2,085

Note - figures showing a minus sign indicate a favourable change from previous years budget

Estimated ongoing Covid-19 impact on pre-pandemic income and cost budgets

	2022/2023	2023/2024	2024/2025	
	Change from 2021/2022 Base	Change from 2022/2023 Base	Change from 2023/2024 Base	Total
	£000	£000	£000	£000
Income				
Planning Income Pressure	-250			-250
Leisure Centres	-395	-50	-78	-523
Car Parks General	-265	-820	-505	-1,590
Borough Hall	-25			-25
Building Control		-46		-46
Memorial Hall	-38			-38
Careline		-25		-25
Council Tax and Business Rates debt summons charges	-25	-25	-65	-115
Green Waste Recycling				0
Total Income Impact	-998	-966	-648	-2,612
Costs				
COVID-19 - PPE		-20		-20
COVID-19 - Additional Staffing Revenues and Housing			-106	-106
Total Cost Impact	0	-20	-106	-126
Current Budget Shortfall	-998	-986	-754	-2,738

Note - figures showing a minus sign indicate a favourable change from previous years budget

Unavoidable Budget Adjustments

2022/2023

Change from
2021/2022 Base Notes

£'000

Triennial Pension Review	46	Impact of Surrey Pension Funds review of assumptions
External Audit	15	Increased costs from national widening of audit scope, increased work requirements
Montrose House - income realignment	18	Site is not fully DDA compliant so unable to let part
HR Restructure costs	14	Increased support required through corporate projects and recruitment demand
Textile income - gate fees fallen	22	Material costs are not as high due to macro economic factors
Recycling credit - low gate fees	42	Material costs are not as high due to macro economic factors
Planning Income realignment	250	Unachievable planning income budget, current market demand is mainly through householder improvements, providing a high level of transactions but low value
Individual Electoral Registration grant	10	Removal of Government grant
Cleaning - Farnham Contract	26	Net loss of income from ending Farnham Town Council cleaning contract
Homelessness funding realignment	28	Adjustment to homelessness service cost to ensure grant is applied as per new requirements
Funding of project officer	67	Moving funding of project officer into mainstream revenue budget in line with funding requirements
SERVICE TOTAL		
	538	
Recharges update	-27	Internal staffing recharge update
TOTAL		
	511	

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Summary of Growth items

	2022/2023	2023/2024	2024/2025	2025/26	
	Change from	Change from	Change from	Change from	
	2021/2022 Base	2022/2023	2023/2024	2024/2025	Notes
	£'000	Base	Base	Base	
		£'000	£'000	£'000	
* GDPR project - data audit	50	-50			One year project to complete a check on the Councils data to ensure GDPR requirements are met
Waste officer - 2 year role to support zero waste strategy		40		-40	Temporary additional resource to ensure Zero Waste Strategy and National Review outcomes
ASB Officer - shared with HRA	20				To provide additional resource from increased need
Car Park annual maintenance	250				Increase in maintenance budget in line with identified need, funded from increase in fee income from car park review
Economic Development	30				Resource increase to support businesses and economic development activity following the pandemic
* Boundary Review - systems adjustments	20	-20			One year budget to enable systems updates following outcomes of Boundary Review
Information Manager	51				To have a greater strategic focus and robustness to our information asset and how we use and safeguard our information asset which would complement our current Data Protection focus. As we continue to explore new ways of working and deliver our “digital first” agenda, which will in turn help us deliver efficiencies, there is an increasing need to focus on ensuring there is effective ownership and information lifecycle management of the information held by the Council.
Cyber security network scanning tool	8				Annual cost of software tool to ensure cyber security is maintained
Business Support Resource	25				Additional support for Senior Management team and Executive
Monitoring Officer Support	30				Resource to support monitoring officer to meet legal requirements and increased complexity
Bid Funding Officer	50	-50			To provide resource to achieve additional external funding to support revenue and projects and initiatives on an invest to save basis. Further support to be reviewed when future years New Homes Bonus is known.
* Thriving Communities	49	-49			Fund for one off support to community organisations for projects
* Collaboration Costs	50	-50			HR and committee services resource during implementation phase
* Increased Revenue contribution to Capital	100	-100			To increase General Fund Capital Programme investment as set out in the report
* Climate Change reserve contribution	100	-100			Contribution to provide further pump-prime funding for projects
* Council Tax Hardship Fund	50	-50			To support residents impacted by welfare and economic position
TOTAL	883	-429	0	-40	

* assumed one-off item, subject to New Homes Bonus allocations

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Budget Challenge Savings 2022/23

£'000

Target saving from 2021/22		-194
Commercial	WTS saving - restructure/income	-10
Planning	CPD use apprentice levy	-1
Business Transformation	Zoom licenses - 75% GF proportion	4
Policy & Gov	Your Waverley	-21
Environment	increase in garden waste subscribers	-30
	bottomline - DD system for green waste	8
GF Housing	Changes to community safety staff resource	-18
	Community Development budget	-5
Total Identified Ongoing Saving		-73
Difference		121

An additional savings target of £194,200 was set in the 2020/21 base budget which was achieved through a Head of Service budget challenge in this financial year. A number of these savings were only achievable for a single year, however the items detailed above are permanent changes made to the General Fund Revenue budget.

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Head of Service cost review

	2022/2023 Change from 2021/2022 Base £'000	2023/2024 Change from 2022/2023 Base £'000
Finance		
* Compensatory Grants - reduction	-14	-7
* Council Tax Support Grant - reduction	-9	-5
Total anticipated	-23	-12

* Continuation of previously Council approved tapering down of allocations

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Commercial Strategy Savings

	2022/2023	2023/2024	2024/2025	2025/26
	Change from	Change from	Change	Change from
	2021/2022	2022/2023	from	2024/2025
	Base	Base	Base	Base
	£'000	£'000	£'000	£'000
Fees & Charges - proposed increases as per Annexe 4	-72			
Farnham Park Car Park Charges		-10		
Memorial Car Park Charges	-10			
SCC verges removal from grounds maintenance contract	-26			
Net Planning Income increase- review of non-statutory Fees conditional on review & economic position	-20	-20		
Careline - new service and equipment offerings		-20		
Leisure Centres:				
The Edge - review operating model		-45	-51	
Waverley Training Services additional income		-10	-20	
Total anticipated	-128	-105	-71	0

Business Transformation Savings

	2022/2023	2023/2024	2024/2025	2025/26
	Change from	Change from	Change	Change
	2021/2022	2022/2023	from	from
	Base	Base	Base	Base
	£	£	£	£
Customer Services Review	-19	-22	-50	
Staff Travel Review	-104		-44	
Scanning, Printing & Photocopying	-31			
Planning Review - efficiency savings	-50			
Building Control Review - income and efficiency savings	-18			
Office Review - saving in running costs	-30	-30		
Enforcement Structure Review		-40	-40	
Digital Transformation		-30		
Total anticipated	-252	-122	-134	0

Asset Management Additional Income				
	2022/2023	2023/2024	2024/2025	2025/26
	Change	Change	Change	Change
	from	from	from	from
	2021/2022	2022/2023	2023/2024	2024/2025
	Base	Base	Base	Base
	£'000	£'000	£'000	£'000
Brightwells income		-100		
Red Cross building	-10			
Pumphouse		-45		
Wey Court East- from July 2023		-150	-55	
Asset Management Income target			-100	-100
Total anticipated	-10	-295	-155	-100

	2022/2023	2023/2024	2024/2025	2025/26
	Change	Change	Change	Change
	from	from	from	from
	2021/2022	2022/2023	2023/2024	2024/2025
	Base	Base	Base	Base
	£'000	£'000	£'000	£'000
Brightwells income		-100		
Red Cross building	-10			
Pumphouse		-45		
Wey Court East- from July 2023		-150	-55	
Asset Management Income target			-100	-100
Total anticipated	-10	-295	-155	-100