

## **Indicative Draft Budget 2023/24**

### **GENERAL FUND REVENUE ACCOUNT**

*December 2022*

#### **1. Background and Introduction**

- 1.1 The updated Medium-Term Financial Plan (MTFP) 2023/24 to 2027/28 – which set the framework for developing draft 2023/24 budget proposals for the General Fund – was adopted by Cabinet on 10th October 2022.
- 1.2 The October 2022 MTFP identified a projected deficit of £4.126 million on the General Fund for 2023/24, which needed to be eliminated if the statutory requirement to set a balanced budget was to be achieved in the forthcoming financial year.
- 1.3 Since the agreement of the MTFP, the following processes have been undertaken:
  - The financial assumptions made in the MTFP have been reviewed to ensure that they remain relevant; this includes inflation assumptions and other key variables such as interest-rates and the anticipated drawdown profile on Qualis loans
  - Subsequent developments – with financial consequences – that have emerged since the MTFP was prepared, have been incorporated; this includes the Government's Autumn Statement 2022 announced by the Chancellor on 17th November 2022
  - Senior officers, under the strategic direction of the Cabinet, have prepared initial savings proposals aimed at eliminating the projected deficit and balancing the budget for 2023/24 (as well as maintaining the longer-term financial sustainability of the Council); and
  - Initial draft budgets have been prepared.
- 1.4 The purpose of this report is to present to Cabinet, for consideration, an initial draft General Fund budget for 2023/24, prior to scrutiny by the Stronger Council Select Committee on 24th January 2022.
- 1.5 Members are reminded that the budget is still an early draft given that the Local Government Finance Settlement for 2023/24 – which follows on from the Autumn Statement 2022 – is expected to be announced (imminently) during December 2022, so just misses the deadline for preparing this report.

## 2. Indicative Draft Budget 2023/24: summary position, including movements since October 2022

- 2.1 The MTFP adopted by the Cabinet in October 2022 has been followed, with detailed preparatory work nearing completion. It is now possible to report that an early draft balanced budget has been achieved. The table below provides a high-level corporate summary of how the General Fund base budget has transitioned from the 2023/24 element of the October 2022 MTFP through to a balanced position for 2023/24.

2023/24 General Fund Budget Evolution			
Description	2023/24 MTFP (October 2022)	Movements	2023/24 Draft Budget (December 2022)
	£000's	£000's	£000's
Employees	26,807	(4,229)	22,578
Premises	3,256	349	3,605
Transport	359	(188)	171
Supplies & Services	10,825	(2,023)	8,802
Support Services	22	(19)	3
Contracted Services	7,179	2,266	9,445
Transfer Payments (H Bens)	22,210	0	22,210
Financing Costs	3,204	105	3,309
Specific Contingency	0	722	722
<b>Gross Expenditure</b>	<b>73,862</b>	<b>(3,017)</b>	<b>70,845</b>
Fees and Charges	(18,050)	778	(17,272)
Government Contributions	(24,261)	124	(24,137)
Misc. Income (inc. Qualis)	(3,580)	(117)	(3,697)
Other Contributions	(3,090)	(1,009)	(4,099)
HRA Recharges	(5,479)	498	(4,981)
<b>Net Expenditure</b>	<b>19,402</b>	<b>(2,743)</b>	<b>16,659</b>
Council Tax	(8,897)	14	(8,883)
Business Rates	(5,511)	(255)	(5,766)
Collection Fund Adjustments	0	(511)	(511)
Council Tax Sharing Agreement (CTSA)	(848)	100	(748)
New Homes Bonus	0	0	0
2022/23 Services Grant	0	0	0
Lower Tier Services Grant	0	0	0
Other Grants (Non-Specific)	0	(250)	(250)
Credit Loss Adjustment	(20)	20	0
Contribution to/(from) Reserves	0	(501)	(501)
<b>Total Funding</b>	<b>(15,276)</b>	<b>(1,383)</b>	<b>(16,659)</b>
<b>(Surplus)/Deficit</b>	<b>4,126</b>	<b>(4,126)</b>	<b>0</b>

2.2 The table above shows the elimination of the deficit of £4.126 million reported in the October 2022 MTFP. The net movement is the product of a range of other movements; both positive and negative. The most significant items include:

### 2.2.1 EXPENDITURE

- **Employees (£22.578 million)** – the core inflationary assumptions with regard to 2023/24 remain unchanged compared to the October 2022 MTFP. The anticipated back-dated pay settlement for 2022/23 has since been adopted following agreement with the unions; it was a fixed sum increase of £1,925 for all employees, equating to an average pay increase of approximately 5.0%. An assumed pay award of 4.0% for 2023/24 remains unaltered. However, budgeted Employee costs have fallen by £4.229 million since the October 2022 estimate was prepared; the biggest factor is a reduction of £2.662 million in staffing costs, representing a key part of the Savings Strategy to tackle the projected deficit of £4.126 million identified in October 2022. Other notable reductions include the removal of £0.848 million in Grounds Maintenance staffing costs as part of the forthcoming transfer of the service to Qualis (approved by Cabinet 7th November 2022), a net reduction Pension Fund costs (including a £0.439 million saving on Secondary Rate contributions), along with the realignment of some ICT staff budgets to corresponding HRA budgets (impact £0.127 million; this avoids future unnecessary recharges)
- **Premises (£3.605 million)** – costs are slightly higher on Premises than originally anticipated (up £349,000) following a further/updated review of Energy Costs; the largest factor is a further pressure of £248,000 (in addition to the October 2022 inflation assumption) on Electric costs. In contrast, Gas budgets have been underspending in the recent past, which has resulted in some 'headroom' that is helping to absorb price increases. Most of the cost pressure on Energy falls within the Council's Housing Revenue Account, rather than the General Fund
- **Transport (£0.171 million)** – budgeted costs are £188,000 lower on Transport compared to the October 2022 MTFP, with the most notable factor being transfer of Grounds Maintenance related Transport Costs into the Contract Fee for 2023/24 (impact £132,000)
- **Supplies & Services (£8.802 million)** – the October 2022 iteration of the MTFP assumed 12.0% inflation on Supplies and Services for 2023/24, which was driving an estimated cost pressure of £1.160 million. However, as part of addressing the substantial budget deficit, Budget Holders were asked to absorb a proportion of the estimated impact, with a 5.0% inflation rate subsequently applied to Supplies and Services budgets (realising over £600,000 from reduced budget inflation). In addition, savings proposals (explained below in Paragraph 2.3) have realised a further £1.158 million in reduced budget pressure. These two items were the dominant factors in overall Supplies and Services budgets being £2.023 million lower than anticipated in the October 2022 MTFP

- **Contracted Services (£9.445 million)** – the budgeted cost of Contracted Services is significantly higher (up £2.266 million) than assumed in the October 2022 MTFP. Again, there are two dominant factors. Firstly, the overall cost of the Grounds Maintenance service (excluding Contract Management costs) will be incurred through a Contract Fee upon transfer to Qualis (rather than directly through individually budgeted Staffing, Premises, Transport and Other costs); the earmarked budget is £1.099 million. And secondly, there has been a change of accounting treatment on the Recycling contract; previously Recycling Credits had been netted against the Contract Fee; these have now been separated out onto a separate income line; this improves transparency, and the impact adds £900,000 to Contracted Services budgets, but is offset by an increase of the same amount on Other Contributions (see below in Paragraph 2.2.2).
- **Transfer Payments (£22.210 million)** – the broad assumption on Housing Benefit (HB) related budgets currently remains unchanged compared to the October 2022, with the impact of the upward increase in HB allowances (recently confirmed in the Autumn Statement 2022 as due to increase by the September 2022 CPI inflation rate of 10.1%) in 2023/24, being offset by the continued migration of claimants to Universal Credit. This assumption will be reviewed in detail prior to producing the final draft budget for Cabinet consideration in February 2023. However, it should be noted that any adjustments tend to be neutral on the budget (with the Government funding virtually 100% of HB claims paid).
- **Financing Costs (£3.309 million)** – estimated Financing Costs are very similar to the October 2022 forecast (up by just £105,000 net), although there have been some notable underlying movements. Rising interest rates have necessitated an additional provision of £769,000 for Interest Payable, which has been partially offset by an expected additional £285,000 in income from Interest Receivable. The requirement to provide for Minimum Revenue Provision (MRP) has also reduced by £248,000 following a proposed change in accounting policy (presented to, and supported by, the Audit & Governance Committee on 28th November 2022); and
- **Specific Contingency (£0.722 million)** – a specific contingency has been set aside for Qualis income. This is predominantly due to the experience of the last two financial years (including Quarter 2 for 2022/23, which is Item 12 on this agenda), whereby slippage in the drawdown of loans, exacerbated by rising interest rates, has been causing repeated budget pressure; the revised drawdown profile – updated since October 2022 – is also slightly more optimistic than assumed in the updated MTFP. In the circumstances, a 25% contingency has been introduced of £721,900 (attaching specifically to an overall anticipated loan margin of £2,887,600 in 2023/24). It should be noted that this is not a General Contingency and would only be drawn upon in the event of a shortfall in income from Qualis. It would be funded from the Collection Fund Deficit Reserve (see discussion on Funding below in Paragraph 2.2.3 for further details).

## 2.2.2 INCOME

- **Fees and Charges (£17.272 million)** – more detailed work on the income assumptions from Fees and Charges has now been completed (see **Appendix D**). This has generally been very successful in identifying additional income, although not as much as assumed in the October 2022 MTFP (overall down by £778,000). This is partly due to a change in inflation. The original average inflation assumption on Discretionary Fees and Charges was 12.0%; this was eventually reined back following the release of the September 2022 CPI (to an average of 10.1%). This reduced anticipated income from Fees and Charges by £192,000. In addition, the income expectation from the Leisure Management Fee has been reduced by a net £317,000 based on recent discussions with the contractor Places Leisure who are suffering substantial energy cost increases. There has also been a reduction of £200,000 in the assumed Car Parking income from Bakers Lane, Epping given the now anticipated closure date of September 2023. Car Parking charges are assumed frozen at this stage
- **Government Contributions (£24.137 million)** – there has been little change in anticipated Government Contributions compared to the October 2022 MTFP; these primarily relate to compensation for Housing Benefit payments (see discussion above on Transfer Payments)
- **Miscellaneous Income (£3.697 million)** – there has been very little change on assumed Miscellaneous Income, compared to the October 2022 MTFP, with the majority (£3.049 million) anticipated from Qualis (although the Specific Contingency described above should be noted)
- **Other Contributions (£4.099 million)** – the level of “Other Contributions” in the budget is higher than projected in the October 2022 MTFP by £1.009 million, which reflects the change in accounting treatment of the Recycling contract, with Recycling Credits (estimated at £900,000) now credited to this line. This masks the assumed loss of £80,000 in annual contributions from Essex County Council towards the Highways Rangers service (with the Council receiving notification since the updated MTFP was prepared in October 2022); and
- **HRA Recharges (£4.981 million)** – the updated (net) HRA Recharges assumption is lower – by £498,000 – compared to the assumption in the October 2022 MTFP. This is partly due to some small accounting changes (which are cost neutral on both the General Fund and HRA), which improve accounting efficiency and transparency. However, the dominant factor is a reduction of £403,944, representing the HRA share of the savings proposals described in Paragraph 2.3 below).

## 2.2.3 FUNDING

- **Council Tax (£8.883 million)** – the provisional assumption included in the updated MTFP in October 2022 not to increase Council Tax above the current Band D charge of £157.46 has now changed. Instead, an increase of £5.00 is proposed (increasing the Band D charge to £162.46), which is still allowable under the updated Council Tax Referendum Principles announced in the Autumn Statement 2022 (Note – as a low Council Tax authority, the additional 1.0% flexibility on increases offered by the Government, has no impact on Epping Forest DC).

The underlying Tax Base assumptions have also been reviewed since October 2022. The Institute for Fiscal Studies (IFS) response to the Autumn Statement 2022 published in November 2022 highlighted that (based on the Office for Budget Responsibility's own forecasts), 2022/23 would see the largest fall (4.3%) in real household disposable income (per head) since the late 1940s, with 2023/24 set to see the second largest fall (2.8%).

In the light of such gloomy statistics, it is now assumed that the number of working age residents claiming Local Council Tax Support (LCTS) will increase by 10% and the eventual collection rate will reduce from 98.0% to 97.5%. The combined impact of these two factors reduces the Tax Base by 448 Band D properties, leading to a reduction in Council Tax receipts of £72,782.

Although some growth in the Tax Base is anticipated at this stage as with previous years as new properties are completed (409 Band D properties assumed, yielding Council Tax receipts of £66,446), the level of growth is significantly lower than previous expectations. Consequently, combined with the other adjustments presented above, and despite the proposed £5.00 increase in Council Tax, an overall marginal reduction is expected in the Council Tax yield compared to the October 2022 assumption, although the updated yield is still *higher* (by £243,570) compared to 2022/23.

Members should note that the Council Tax assumptions will be further refined during December and January to incorporate latest available intelligence.

- **Business Rates (£5.766 million)** – the initial Business Rates estimates have now been completed based on the latest available information from the 2023 Revaluation and the Autumn Statement 2022 (both events prevented a more sophisticated assessment in preparing the updated MTFP in October 2022).

The draft Valuation List for 2023 has now been released by the Government and it shows an overall increase in Rateable Value (RV) for Epping Forest district of £13.5 million (up from a 2017 List value of £96.7 million to £110.2 million). This will result in an estimated *average* increase in Business Rates bills for the district of 14.0% in 2023/24. Whilst this will significantly increase the amount of cash receivable from Business Rates, the Council will be required to pay a significantly higher “Tariff” as part of the Business Rates Retention (BRR) system (the estimated increase in the Tariff is £1.986 million; up from £10.881 million to £12.867 million). Past experience shows that an increase in Business Rates Appeals can be expected, triggered by higher bills, although it is also anticipated that the Government is to introduce an “Appeals Allowance” for the first time in 2023/24. Conversely it is understood that the inflationary element of the Business Rates increase will be subjected to the “Levy” (on growth); the Government has disregarded this element in previous Revaluations.

The Autumn Statement 2022 included a package of Business Rates support measures for businesses, most notably in the form of extended reliefs for businesses in the Retail, Hospitality and Leisure (RHL) sector (RHL Relief is set to rise from 50% to 75% in 2023/24). The Business Rates “Multiplier” will – once again – be frozen at current levels (51.2p and 49.9p for smaller businesses) in 2023/24. In both cases the Council will be compensated through “Section 31” grants for the associated loss of revenue (although – as noted above – not in full for the Multiplier freeze, due to the Levy on inflation).

Based on this updated intelligence, a detailed *estimate* of anticipated funding from Business Rates has now been prepared, with £5.766 million now assumed, compared to £5.511 million in the October 2022 MTFP (up by a positive £255,000).

- **Collection Fund Adjustments (£0.511 million)** – the lingering complexities created by the pandemic, along with an emerging recession, make an accurate estimate of the Collection Fund adjustment challenging. On that basis, the updated MTFP presented to Cabinet in October assumed a neutral position with no contributions (to) or distributions (from) the Collection Fund in respect of either Council Tax or Business Rates. However, a detailed review was subsequently undertaken by Finance officers in late October/early November in order to establish *provisional* estimates. This has identified some encouraging signs, with net distributions – from projected surpluses – of £99,309 and £411,438 anticipated from Council Tax and Business Rates respectively. Recent clarifications on potential Appeals cases in particular is allowing a more optimistic forecast on Business Rates in particular (albeit tempered by caution, given the current economic crisis). Members should note that *final* estimates will not be established until January 2023 (using the output from the “Academy” system as at 31st December 2022 for Business Rates); some small adjustments are therefore likely in the final draft budget to be presented in February 2023
- **Council Tax Sharing Agreement (CTSA) (£0.748 million)** – the prospects for CTSA have stabilised recently with a new Essex agreement in place for 2023/24. Based on available intelligence back in September 2022, the updated MTFP to Cabinet assumed a CTSA reduction of £100,000 from £948,000 to £848,000 for the duration of the MTFP. The latest available forecast for 2022/23 (Quarter 2 presented to the Stronger Council Select Committee on 24th November 2022) forecasts an outturn of £821,000 for 2022/23. On that basis, and in the light of the worsening economy, a slightly more prudent assumption of £748,000 (down another £100,000) is assumed within the draft proposals
- **Grants (£0.250 million)** – it was reported in the updated MTFP presented to Cabinet on 10th October 2022 that, in the absence of intelligence to the contrary, the assumptions for Grant funding reported to full Council in February 2022 still stood at that stage. This included the cessation of the New Homes Bonus with effect from 2023/24, which has been a substantial source of Council funding for many years (the Council received £775,510 from this source in 2022/23). The Government made clear (at the time) that the other two remaining grants received in 2022/23 are one off in nature (the “Lower-Tier Services Grant” at £149,386 and the “2022/23 Services Grant” at £229,580).

The Autumn Statement 2022 presented by the Chancellor on 17th November 2022 did not appear to indicate a particularly generous settlement was on its way to lower-tier authorities in 2023/24, indeed the withdrawal of the previous funding towards the Health & Social Care Levy (estimated at £154,000 for Epping Forest) was subsequently confirmed (vindicating the assumed withdrawal of this funding in the October 2022 MTFP). However – buried within the detail – it does appear that previous assumptions have perhaps been too pessimistic, with Paragraph 2.21 of the full Statement confirming that “*departmental (2023/24) DEL budgets will be maintained at least in line with the budgets set at the (2021) Spending Review*”.

This is far from conclusive as to what this will mean for Epping Forest District Council of course, but it does appear reasonable to allow a cautious £250,000 assumption in funding from Government grants (compared to the previously assumed elimination of all of the £1.154 million in core Grant funding received in 2022/23).

- **Contributions from Reserves (£0.501 million)** – it was assumed that there would be no Contributions either to or from Reserves in the October 2022 MTFP. However, based on latest available intelligence, it can be considered prudent to adjust that assumption. As noted above, the Quarter 2 General Fund forecast for 2022/23 is again confirming an anticipated shortfall in Qualis income due to continued delays in loan drawdowns and rising interest rates. As discussed above, a specific contingency (if required) is proposed to be funded from the Collection Fund Deficit Reserve (CFDR). The CFDR was funded from Government compensation paid to the Council under Section 31 of the Local Government Act 2003 for anticipated loss of Business Rates income during the Covid-19 pandemic. Until now it has been used to fund the Council's share of Collection Fund losses. However, Business Rates (and Council Tax) income has held up better than expected and there is strong evidence to suggest that there is sufficient scope within the Reserve to fund a proposed (one-off) 25% Qualis contingency of £721,900. Section 31 grant is not ring-fenced and is freely available to support the wider General Fund (assuming sufficient funds exist).

And finally, the long-term future financial sustainability of the Council is the highest of all financial priorities. On that basis, the Cabinet is set to consider the Quarter 2 Budget Monitoring Report for 2022/23, alongside this draft budget proposal. Section 3 of the report projects that, based on the current financial trajectory, the General Fund Reserve will be reduced to just £3.0 million by 31st March 2023; this is £1.0 million below the Council's adopted minimum contingency balance of £4.0 million. It is on that basis, that the draft General Fund budget proposal presented, commits to making a proposed contribution of £220,680 to the General Fund Reserve in 2023/24, with a view to addressing the full shortfall over the medium-term.

The draft General Fund budget summarised in the table above (Paragraph 2.1) therefore assumes a *Net* Contribution from Reserves of £501,220 (£721,900 from the CFDR, offset by £220,680 to the General Fund Reserve).



**SAVINGS PROPOSALS**

- 2.3 Given the scale of the projected budget deficit for 2023/24 (£4.126 million) identified in the updated MTFP adopted in October 2022, senior officers, under the strategic direction of Cabinet, have prepared initial savings proposals of £4.293 million (the net impact on the General Fund is £3.889 million, after adjusting for HRA Recharges) in order to achieve a draft balanced budget. The savings are assumed and embedded in the table presented above in Paragraph 2.1 above. The table below summarises those savings by subjective heading.

<b>Draft General Fund 2023/24 (@ December 2022): Embedded Savings Proposals</b>	
<b>Description</b>	<b>Value</b>
	<b>£'s</b>
Vacant Posts	1,411,297
Employees	1,024,585
Employees (other)	225,832
Premises	74,439
Transport	1,730
Supplies & Services	1,158,085
Fees & Charges	324,022
Miscellaneous Income	73,000
<b>Overall Savings Total</b>	<b>4,292,990</b>
HRA Recharges Adjustment	(403,944)
<b>Net Savings in General Fund</b>	<b>3,889,046</b>

- 2.4 The identification of savings on this scale (27.0% of the 2022/23 General Fund Net Expenditure budget) is critical to ensure the financial sustainability of the Council. Nevertheless – in developing the proposals – Cabinet and senior officers have been mindful of the overriding need to protect public services and, where the removal of posts is unavoidable, priority has been given to vacant posts, with compulsory redundancies an absolute last resort in the case of occupied posts.
- 2.5 Whilst a detailed review of all budget headings has been successful in the identification of a range of savings that can be realised without any impact on services, it is inevitable that a limited number of Council services will be adversely affected, either partially or fully. Thus, if the savings proposals are accepted, the service impacts include the following:
- *Community Safety* – the size of the dedicated Policing Team will be reduced; and
  - *Community Programmes* – a range of community activities that the Council delivers or leads on will be either reduced or discontinued. This includes activities such as Yoga, Pilates, Bowls, Life Walks, Theatre Production (in schools) and Youth Projects; in certain instances, these activities will still continue, but will be led by other providers such as schools (in the case of Theatre Productions).

- 2.6 The delivery of the savings proposals presented above requires a formal statutory consultation process that is scheduled to commence in early January 2023. At that point, a detailed analysis of the savings proposals will be produced for presentation to the Stronger Council Select Committee on 24th January 2023. This will enhance transparency and facilitate the robust scrutiny of the draft Budget prior to final consideration by Cabinet on 6th February 2023.

### **GENERAL FUND BUDGET ANALYSES**

- 2.7 A more detailed analysis of the draft General Fund Budget 2023/24 has been prepared and is attached at **Annex 1** ("Subjective Analysis") and **Annex 2** ("Cost Centre Summary") below.

### **3. General Fund Budget Setting 2023/24: the way forward**

- 3.1 The draft budget will now be presented to the Stronger Council Select Committee on 24th January 2023 for their consideration and comment ahead of the February Cabinet meeting.
- 3.2 Alongside the scrutiny process, officers will further refine the assumptions and projections in the budget in accordance with the direction provided by Cabinet and emerging intelligence, including the imminent Local Government Finance Settlement for 2023/24.

Annex 1

## Draft General Fund Budget 2023/24: Subjective Analysis

DRAFT Income & Expenditure Analysis 2023-24 (@ December 2022)															
Subjective Description	Chief Executive	Commercial & Technical	Community & Wellbeing	Corporate Finance	Corporate Services	Customer Services	Internal Audit	Place	Planning & Development	Property Services	Strategy, Delivery & Performance	Quais	Other	HRA Recharges	General Fund Total
	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s
Employee Expenses	545,880	4,861,560	1,515,150	941,560	4,854,860	3,762,090	118,590	156,350	3,811,830	832,890	616,670	156,370	404,630		22,578,370
Premises Related Expenses		1,605,860	480,100		360,060				1,000	1,158,130					3,605,150
Transport Related Expenses	1,000	109,030	5,590	1,080	14,890	5,640	2,590	300	17,440	12,690	310				170,560
Supplies And Services	108,390	1,656,840	418,610	416,500	4,448,410	334,990	189,730	34,990	950,120	45,810	197,960				8,802,350
Support Services					300				1,750	680					2,730
Contracted Services		9,162,100										283,260			9,445,360
Transfer Payments						22,210,200									22,210,200
Financing Costs													3,308,710		3,308,710
Specific Contingency													721,900		721,900
Total Expenditure	655,270	17,395,390	2,419,450	1,359,140	9,676,520	26,312,920	310,910	191,640	4,782,140	2,050,140	814,940	439,630	4,435,240	0	70,845,330
Fees & Charges		-13,174,250	-435,270		-294,210				-3,251,180	-117,420					-17,272,330
Government Contributions			-532,440			-23,604,920									-24,137,360
Misc Income		-6,110			-1,290	-581,250			-59,510			-3,048,660			-3,696,820
Other Contributions		-2,873,660	-16,440		-325,720	-131,080			-750,000	-2,590					-4,099,490
HRA Recharges														-4,980,700	-4,980,700
Total Income	0	-16,054,020	-984,150	0	-621,220	-24,317,250	0	0	-4,060,690	-120,010	0	-3,048,660	0	-4,980,700	-54,186,700
Net Cost Of Services	655,270	1,341,370	1,435,300	1,359,140	9,057,300	1,995,670	310,910	191,640	721,450	1,930,130	814,940	-2,609,030	4,435,240	-4,980,700	16,658,630

**Annex 2****Draft General Fund Budget 2023/24: Cost Centre Summary**

<b>Service: Chief Executive</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
50100	Chief Executive - Policy	532,529	550,030
CM100	Corporate Policy Making	24,550	30,900
CM105	Subscriptions	51,270	42,840
CM103	Company Structure - Qualis	50,000	31,500
		<b>658,349</b>	<b>655,270</b>

<b>Service: Community &amp; Wellbeing</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
27150	Limes Centre	45,514	34,330
34180	Homelessness Team	479,607	509,580
CD110	Youth Strategy	8,960	0
CD112	Youth Council	18,560	12,600
RS280	North Weald Gymnasium	10,620	0
RS300	All Weather Pitch	-20,503	-25,560
RS400	Community, Health & Wellbeing	56,990	39,330
RS403	Marketing And Promotions	10,820	11,360
34170	Community & Culture	457,670	374,330
52100	Community & Wellbeing - Policy	198,281	215,050
GD110	Grant - Essex Womens Refuge	17,450	18,330
HL100	Homelessness Advice	-425,200	-455,650
HL110	Bed Breakfast Accommodation	1,142	1,100
CH110	Museum	643,690	481,030
CH113	Museum Development Projects	38,946	0
GD100	Grants To Voluntary Orgs	41,820	21,010
GD140	Grant - Citizens Advice Bureau	152,440	152,440
GD150	Grant - Voluntary Action EF	40,300	30,000
PT101	Community Transport	16,180	16,020
		<b>1,793,287</b>	<b>1,435,300</b>

## Appendix A

<i>Service: Commercial &amp; Technical</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
32170	Licensing Group	312,185	326,840
32220	Estates & Valuation	70,243	54,230
35003	Procurement & Contract Dev	246,397	250,760
35004	Public & Environmental Health	439,005	464,070
35005	Neighbourhoods Team	299,768	367,360
35006	Safer Communities	369,001	358,170
35007	Waste Management Group	355,529	441,230
35009	Cctv Cameras	30,170	27,800
35013	Engineering, Drainage & Water	475,625	500,730
35016	Leisure & Car Parking	204,628	172,560
35017	Countryside & Landscape	301,527	179,130
35018	Arboricultural - C & T	0	140,390
TBC	Grounds Maintenance Contract	953,126	1,172,090
36800	Private Hsg Policy Grants Care	234,491	250,580
36850	Private Hsg Technical	175,845	185,390
54100	Contract & Technical - Policy	541,050	410,490
54110	Highways Rangers - Group	138,042	140,420
CY100	Safer Communities Programme	205,080	164,500
EH100	Food Inspection	3,320	2,600
EH110	Pollution Control	53,451	56,120
EH111	Industrial Activities - Regula	-12,360	-10,000
EH112	Contaminated Land & Water Qual	55,604	55,730
EH113	Health & Safety	-5,750	-5,750
EH120	Private Sector Housing Matters	-20,448	-21,920
EH140	General Drainage	50	0
EH142	Animal Welfare Service	4,530	40,750
EH143	Burials (National Assist Act)	2,500	-1,830
EH150	Public Hire Licensing	-142,059	-112,880
EH151	Licensing & Registrations	-113,426	-121,030
EH152	Animal Licensing	-8,290	-9,420
EH155	Neighbourhood & Rapid Response	27,245	0
EH160	Public Conveniences	191,678	198,460
EI131	Countryside	50,975	58,820
FD100	Flood Defence/Land Drainage	74,179	57,360
GD190	Charity - Chigwell Row Rec	1,260	1,320
HI121	Highways G F Other	8,000	15,750
HI122	Highways G F Trees	-17,320	-18,850
HI123	Highways Rangers	-16,425	73,640
HI124	Street Furniture	11,670	12,820
HI129	Highways G F Verge Maintenance	-42,840	-42,000
LA100	Laa Pooled Funds	-5,030	0
OS100	Roding Valley Development	1,010	1,060
OS101	Tree Service	68,441	73,490
OS110	Open Spaces	-3,210	-3,440
OS115	Contribution To Hra	353,440	371,110
PH100	Private Housing Grants	-76,339	-90,250
PS100	Off-Street Car Parking	-840,352	-632,820
RS150	Leisure Services Contract	-1,215,528	-1,174,360
RS301	North Weald Airfield	-1,189,609	-714,030
RS302	North Weald Airfield Electric	26,764	216,910
SC100	Street Cleansing	1,330,923	1,485,690
SC101	Litter Bins	20,000	21,540
TI150	David Lloyd Centre	-213,060	-215,920
TI170	Brooker Rd Industrial Estate	-822,505	-833,800
TI180	Oakwood Hill Plots	-500,480	-525,470
TI190	Oakwood Hill Units	-253,725	-306,220
TI220	Langston Rd Industrial Estate	-127,250	-126,490
TO100	Fleet Operations Dso Account	3,321	44,010
UO110	Sundry Non-Distributable Costs	0	-23,800
UO112	Greenyards, Waltham Abbey	-15,000	-15,000
UO113	Wayleaves	-3,190	-4,460
UO130	Business Premises	-2,491,930	-2,441,330
UO140	Epping Forest Shopping Park	-2,624,390	-2,487,500
UO150	Loughton High Road	-605,090	-755,250
WC100	Refuse Collection	1,677,487	1,790,980
WC102	Abandoned Vehicles	3,563	6,360
WC200	Recycling	2,230,482	1,886,440
WC300	Trade Waste	-25,450	-42,510
		<b>160,549</b>	<b>1,341,370</b>
<i>*Note - cost centre UO110 transferred from Corporate Finance</i>			

## Appendix A

<i>Service: Corporate Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
25300	Internal Insurance Fund	810,059	719,750
31140	Democratic Services	294,157	267,710
32060	Legal Services	419,733	408,050
32115	Corporate Training	183,865	128,100
32120	Human Resources	795,008	722,590
32122	Apprenticeships	332,272	373,040
32140	Payroll	54,925	51,710
33070	Debt & Insurance Services	79,874	80,240
33080	Information & Comms Technology	3,790,135	3,657,650
42110	Elections Group	91,863	43,740
51100	Corporate Support - Policy	265,014	289,130
51110	Finance Support	439,217	338,350
51120	Correspondence & Operational	342,765	222,900
51130	Service Support 1	316,908	243,480
51140	Service Support 2	180,665	198,550
51150	Business Services Admin	267,375	565,560
DR155	Members Allowances	375,330	369,060
DR160	Overview & Scrutiny	1,280	1,340
DR161	Standards Committee	5,150	0
EL100	Elections	165,200	172,340
EP100	Emergency Planning	110,275	73,410
LC100	Service Support 3 (Llc)	160,006	88,240
PT110	Concessionary Fares	5,560	5,840
RE100	Electoral Registration	57,256	36,520
		<b>9,543,892</b>	<b>9,057,300</b>

<i>Service: Customer Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
33020	Cashiers	342,264	323,310
33055	Benefits	886,785	800,660
33075	Revenues	1,228,842	1,215,390
33085	Systems Admin & Contract	356,760	346,260
34160	Public Relations & Information	327,923	352,180
40120	Customer Service	668,758	695,640
55100	Customer Services - Policy	283,039	296,320
BA100	Housing Benefit Administration	-441,582	-548,410
BP100	Rent Allowances	-843,323	-853,320
BP110	Non Hra Rent Rebates	786	0
BP200	Hra Rent Rebates	111,498	111,500
DR140	Civic Ceremonial	16,170	16,980
DR150	Civic & Member Expenditure	10,300	10,820
LT110	Nndr Collection	-221,910	-229,280
LT120	Council Tax Collection	-471,448	-542,380
		<b>2,254,862</b>	<b>1,995,670</b>

<b>Service: Corporate Finance</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
FM130	Prov Bad And Doubt Debts	100,000	105,000
UO110	Sundry Non-Distributable Costs	-32,000	0
33030	Treasury Management	40,000	42,000
33060	Accountancy	893,388	955,640
33065	Bank & Audit Charges	130,000	256,500
		<b>1,131,388</b>	<b>1,359,140</b>
<i>*Note - cost centre UO110 transferred to Commercial &amp; Technical</i>			

<b>Service: Internal Audit</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
31120	Internal Audit	171,870	180,460
42410	Corporate Fraud Investigation	212,606	130,450
		<b>384,476</b>	<b>310,910</b>

<b>Service: Property Services</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
27050	Civic Offices	547,815	497,440
27060	Hemnall Street Offices	17,066	19,980
27110	Debden Broadway Offices	25,808	2,580
32191	Out Of Hours Service	42,420	34,040
32180	Facilities Management	510,436	468,550
23110	Oakwood Hill Depot	109,867	93,860
23130	Townmead Depot	15,490	15,690
23140	Epping Town Depot	23,990	-3,000
26200	Building Maintenance - General	422,614	418,980
57100	Housing & Property - Policy	352,112	382,010
		<b>2,067,617</b>	<b>1,930,130</b>

## Appendix A

<b>Service: Place</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
ED100	Economic Development	15,624	34,940
ED101	Tourism Promotion	25,300	0
42510	Economic Development Group	334,013	156,700
		<b>374,937</b>	<b>191,640</b>

<b>Service: Planning &amp; Development</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
37500	Building Control Group	732,317	688,970
37600	Development Control Group	582,761	590,960
42310	Enforcement/Trees & Landscape	624,911	500,610
43310	Planning Policy Group	384,830	455,490
GT100	Garden Town	0	0
PP111	Local Plan	413,660	243,670
PP112	Neighbourhood Planning	9,990	10,490
PP113	Strategic Implementation Team	625,042	560,150
DC100	Enforcement	-14,443	-15,950
DC110	Planning Appeals	5,050	0
DC120	Development Control	-1,658,457	-2,038,620
PP100	Conservation Policy	12,120	3,000
58100	Planning Dev Services - Policy	291,969	305,390
BC100	Building Control	-529,843	-582,710
		<b>1,479,906</b>	<b>721,450</b>
<i>*Note - Garden Town contributions budget included in PP111 (Local Plan) - 22/23 = £82,000, 23/24 = £150,000</i>			

<b>Service: Strategy, Delivery &amp; Performance</b>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
CM102	Transformation Projects	161,600	83,510
40110	Project & Programme Management	577,302	616,180
59100	Strategy, Deli & Perf - Policy	110,743	115,250
		<b>849,645</b>	<b>814,940</b>



## Appendix A

<i>Service: Other</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
FM100	Finance Miscellaneous (exc. Spec Contingency)	2,190,628	1,879,630
FM100	Specific Contingency	62,500	721,900
IP100	Interest Payable	863,440	2,268,710
IR100	Interest Receivable	-50,000	-435,000
		<b>3,066,568</b>	<b>4,435,240</b>

<i>Service: Qualis Income</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (First Draft)
		£'s	£'s
QU001	Qualis Income Stream	-2,909,447	-2,609,030
		<b>- 2,909,447</b>	<b>- 2,609,030</b>