

Final Budget Proposals 2023/24

GENERAL FUND & HRA REVENUE

1. Background and Introduction

- 1.1 The Cabinet approved an updated Financial Planning Framework (FPF) 2023/24 to 2027/28 at its meeting on 30th September 2022, which is the first step in preparing the 2023/24 budget.
- 1.2 The first major milestone in the FPF was reached on 10th October 2022, with Cabinet receiving and considering an updated Medium-Term Financial Plan (MTFP) for 2023/24 to 2027/28. The MTFP revealed a projected revenue deficit of £4.126 million for 2023/24 on the General Fund; it was a deficit that required eliminating in full if the Council were to fulfil its legal obligation to set a balanced budget for the forthcoming financial year.
- 1.3 The MTFP projected a revenue surplus of £0.682 million on the Housing Revenue Account for 2023/24.
- 1.4 Acting on the strategic direction provided by Cabinet on 10th October 2022, officers were successful in provisionally bridging the General Fund revenue deficit and presented an early draft budget for 2023/24 to Cabinet on 20th December 2022. The budget was balanced, primarily due to the inclusion of draft General Fund savings proposals of £3.889 million (total savings of £4.293 million were presented, including HRA savings of £0.404 million). There did however remain some material uncertainty as, most notably, the provisional Local Government Finance Settlement for 2023/24 had not been announced in time for inclusion in the report.
- 1.5 An early draft revenue budget for 2023/24 for the HRA was also presented to Cabinet on 20th December 2022. It anticipated a surplus of £0.371 million.
- 1.6 The draft budget proposals presented to Cabinet in December 2022 – both General Fund and HRA revenue – were scrutinised by the Stronger Select Committee on 24th January 2023. The Portfolio Holder for Finance also updated the Committee on the outcome of the provisional Local Government Finance Settlement for 2023/24. The Settlement was better than originally anticipated, although the good news was counter-balanced by further financial pressure emerging during December 2022 and January 2023; additional costs pressures and financial risk on Waste Management in particular was causing concern (a declining contingency balance in the General Fund Reserve had already been identified and addressed in the initial draft Budget in December 2022).
- 1.7 Further detailed work has now been completed on the revenue budgets, with the General Fund ‘re-balanced.’ This report allows Cabinet to consider the final budget proposals for 2023/24 – for both the General Fund and HRA – as set out in the report, whilst taking into consideration the comments of the Stronger Council Select Committee.

2. Proposed General Fund Revenue Budget 2023/24

SUBJECTIVE ANALYSIS

2.1 The proposed General Fund revenue budget for 2023/24 comprises Net Expenditure of £17.641 million and is summarised by **subjective** heading – including changes to the early draft adopted by Cabinet in December 2022 – in the table below.

2023/24 General Fund Draft Revenue Budget: subjective analysis			
Description	Draft Budget (Dec 2022)	Movements	Draft Budget (Feb 2023)
	£000's	£000's	£000's
EXPENDITURE			
Employees	22,578	(28)	22,550
Premises	3,605	44	3,649
Transport	171	0	171
Supplies & Services	8,802	232	9,034
Support Services	3	0	3
Contracted Services	9,445	68	9,513
Transfer Payments (H Bens)	22,210	0	22,210
Financing Costs	3,309	280	3,589
Service Contingency (Waste)	0	400	400
Corporate Contingency (Qualis)	722	(9)	713
Gross Expenditure	70,845	987	71,832
INCOME			
Fees and Charges	(17,272)	(372)	(17,644)
Government Contributions	(24,137)	115	(24,022)
Misc. Income (inc. Qualis)	(3,697)	197	(3,500)
Other Contributions	(4,099)	58	(4,041)
HRA Recharges	(4,981)	(3)	(4,984)
Net Expenditure	16,659	982	17,641
FUNDING			
Council Tax	(8,883)	(16)	(8,899)
Business Rates	(5,766)	0	(5,766)
Collection Fund Adjustments	(511)	(134)	(645)
Council Tax Sharing Agreement (CTSA)	(748)	133	(615)
Revenue Support Grant (RSG)	0	(129)	(129)
New Homes Bonus	0	(78)	(78)
2023/24 Services Grant	0	(129)	(129)
Lower-Tier Services Grant	0	0	0
Other Grants (Non-Specific)	(250)	(679)	(929)
Credit Loss Adjustment	0	0	0
Contribution to/(from) Reserves	(501)	50	(451)
Total Funding	(16,659)	(982)	(17,641)
(Surplus)/Deficit	0	0	0

EXPENDITURE

2.2 The **Expenditure** highlights included in the table above are as follows:

- **Employee Costs (£22.550 million)** – the core inflationary assumptions with regard to 2023/24 remain unchanged compared to both the October MTFP and December 2022 initial draft budget estimates. A back-dated pay settlement for 2022/23 has 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. The initial draft Budget presented to Cabinet in December 2022 showed that Employee costs had fallen by £4.229 million since the October 2022 MTFP estimate was prepared; the biggest factor was 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. Other notable reductions included 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).

Update February 2023

A small number of minor changes to salary budgets has not resulted in any significant change to the overall Employee Costs assumption compared to the initial draft budget presented to Cabinet in December 2022.

- **Premises (£3.649 million)** – the initial draft budget presented to Cabinet in December 2022 included costs slightly higher on Premises than originally anticipated in October 2022 (up £349,000) following a further/updated review of Energy Costs; the largest factor was a further pressure of £248,000 (in addition to the October 2022 inflation assumption) on Electric costs. In contrast, Gas budgets were found to have been underspending, which resulted in some ‘headroom’ that helped to absorb price increases. Most of the cost pressure on Energy falls within the Council’s Housing Revenue Account, rather than the General Fund.

Update February 2023

Further analysis has identified the need for just one technical accounting change to the overall Premises assumption compared to the draft Budget presented to Cabinet in December 2022. Wholesale energy prices (and Gas in particular) have been falling in recent weeks (at the time of preparing this report), which provides some optimism as to the adequacy of the draft Budget assumptions.

- **Supplies & Services (£9.034 million)** – as reported to Cabinet in December 2022, Budget Holders were asked to absorb a proportion of the estimated impact of inflation (which peaked, with a recorded CPI of 11.1%, in October 2022), 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 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.

Update February 2023

Subsequent work by officers during January 2023, identified the need to make further (upward) budget adjustments totalling £231,350. The largest item related to assumed commission payments to Qualis in respect of the future uplift in Commercial Property Rents as part of new forthcoming Asset Management arrangements, set to take effect in 2023/24 (precise details are still under discussion at the time of preparing this draft Budget proposal).

- **Contracted Services (£9.513 million)** – as reported to Cabinet in December 2022, the budgeted cost of Contracted Services was significantly higher (up £2.266 million) than assumed in the October 2022 MTFP. There were 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.

Update February 2023

Further work in January 2023 has not identified a requirement for any major changes, although a range of small cost pressures (total value £66,000) were identified on the Waste Management contract.

- **Transfer Payments (£22.210 million)** – expenditure on Housing Benefits (almost exclusively met by Government grant) is not expected to materially change compared to 2022/23, so the core budget assumption has remained fixed throughout; the ongoing migration of claimants to Universal Credit is expected to continue (driving down caseload), but there is an expectation that this will be broadly matched by rising Housing Benefit claims due to inflation in the economy (e.g., the HRA element of this draft Budget assumes a 7.0% average rent increase on the Council's housing stock).
- **Financing Costs (£3.589 million)** – increasing Financing Costs (up by £105,000 net compared to the October 2022 MTFP) were reported to Cabinet in December 2022, reflecting sharply rising interest rates leading to a sharp increase in Interest Payable, which was offset to a significant extent by an increase in Interest Receivable and a reduced requirement to provide for Minimum Revenue Provision (MRP) following a proposed change in accounting policy (presented to, and supported by, the Audit & Governance Committee on 28th November 2022).

Update February 2023

The assumptions on Financing Costs have been re-visited again during January 2023 to incorporate the latest intelligence in interest rates etc. This has resulted in the identification of a further net cost pressure of £280,920; once again, positive news on Interest Receivable (from the Council's very limited short-term investments) and MRP payable, has been outweighed by anticipated additional Interest Payable.

- **Service Contingency (Waste) (£0.40 million)** – the Council has experienced significant service disruption and additional expense on its Waste Management services in recent months. The existing outsourced contract with Biffa runs until October 2024, and a range of options for future service delivery are being considered to ensure the best outcome for local residents. At the time of preparing this Budget, the Council is facing significant financial risk in the Waste Management service in the year ahead. In the circumstances, a contingency of £400,000 has been set aside within the Commercial Technical directorate to help alleviate any potential cost pressures of this nature, should they occur during 2023/24; in the event that the contingency is partially spent or not required at all, any surplus will be returned to the General Fund Reserve rather than utilised for another purpose.
- **Corporate Contingency (Qualis) (£0.713 million)** – as reported to Cabinet in December 2022, the initial draft budget contained a specific contingency that was set aside for Qualis income. This is predominantly due to the experience of the last two financial years (including Quarter 3 for 2022/23, which is on this agenda), whereby slippage in the drawdown of loans, exacerbated by rising interest rates, has been causing repeated budget pressure. In the circumstances, a 25% contingency was introduced of £721,900 (attaching specifically to an overall anticipated loan margin of £2,887,600 in 2023/24; estimated in December 2022). 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 2.4 for further details).

Update February 2023

Further work on the estimated Qualis drawdown profile in January 2023 (as well as updated intelligence on interest rates) has led to a small (downward) adjustment of £9,020 to the Contingency in order to maintain the 25% balance.

INCOME

2.3 The ***Income*** highlights included in the table above are as follows:

- **Fees and Charges (£17.644 million)** – in preparing the initial draft budget for Cabinet in December 2022, the average inflation rate applied was 10.1% (September 2022 CPI). This was slightly lower than an originally expected 12.0% inflation rate (it reduced anticipated income from Fees and Charges by £192,000). In addition, the income expectation from the Leisure Management Fee was reduced by a net £317,000 based on earlier discussions with the contractor Places Leisure who were suffering substantial energy cost increases. There was also a reduction of £200,000 in assumed Car Parking income from Bakers Lane, Epping given the now anticipated closure date of September 2023. Car Parking charges were assumed frozen at that stage

Update February 2023

- Assumed income from Fees and Charges has risen by £371,140 since December 2022. A detailed review of anticipated income from Commercial Property Rents was undertaken during December 2022 and January 2023 in partnership with Qualis. This was a successful exercise, which identified anticipated net additional income of £511,010. Assumed rental income at the Civic Offices from Regus has also been introduced at £86,610. In contrast, subsequent discussions with Places Leisure have identified a need for a more prudent estimate on the Leisure Services Management Fee, resulting in a further budget reduction of £268,480, thus partially offsetting the gains. Car Parking charges are still assumed frozen.

- **Government Contributions (£24.022 million)** – the vast majority of Government Contributions relate to Housing Benefit Subsidy payments, which are assumed to be frozen at 2022/23 levels (see discussion on Transfer Payments above).

Update February 2023

The Government decision to roll the Local Council Tax Support (LCTS) Administration Grant into the Revenue Support Grant (RSG) – announced as part of the provisional Local Government Finance Settlement for 2023/24 – has resulted in a reduction of £115,140 in assumed Government Contributions within Net Expenditure, which is ‘neutralised’ through additional RSG Funding of the same amount (see discussion below in Paragraph 2.4).

- **Miscellaneous Income (including Qualis) (£3.50 million)** – the vast majority of income on this budget line comes from Qualis and was relatively stable in the December 2022 draft Budget compared to the October 2022 MTFP; at that point, the total estimated loan margins from Qualis were £2.888 million for 2023/24.

Update February 2023

Further work to separate the Asset Management elements of the Qualis income stream from interest margins (to facilitate the service transfer to Qualis with effect from 2023/24) has now been completed. This results in an abatement of £197,140 to this income line. However, this is more than offset by credits to Employee Expenses (£156,370) and Contracted Services (£283,260). The updated total estimated loan margins from Qualis in 2023/24 is now £2.852 million; this continues to be a vital source of income for the Council, which helps to protect frontline services.

- **Other Contributions (£4.041 million)** – the level of “Other Contributions” reported in December 2022 was higher than projected in the October 2022 MTFP by £1.009 million, which reflected 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.

Update February 2023

Further work on anticipated income from Recyclable materials has resulted in a downward adjustment of £58,170 due to marginally declining volumes (rather than market ‘spot rates’).

- **HRA Recharges (£4.984 million)** – as reported to Cabinet in December 2022, the updated (net) HRA Recharges assumption was 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 was a reduction of £403,944, representing the HRA share of the draft savings proposals put forward, primarily to address the Deficit projected in the General Fund in the October 2022.

Update February 2023

A minor staff-related adjustment of £3,750 marginally increases assumed income from HRA Recharges in 2023/24.

FUNDING

2.4 The **Funding** highlights included in the table above are as follows:

- **Council Tax (£8.899 million)** – due to the worsening state of the economy, the initial draft Budget adopted by Cabinet in December 2022 assumed a rise of 10% in Local Council Tax Support (LCTS) cases and a Council Tax collection rate reduction from 98.0% to 97.5%. A Council Tax increase of £5 was also a key assumption, which would raise the current Band D charge from £157.46 to £162.46.

Update February 2023

The final tax base has been calculated for 2023/24 and the Parish Councils notified accordingly. The negative outlook on LCTS cases and collection rates remain unchanged compared to December 2022. However, in the light of a more favourable provisional Local Government Finance Settlement for 2023/24 than anticipated (see below), this draft Budget contains a proposed Council Tax increase of 2.98%. If adopted, this would increase the Band D charge from £157.46 to £162.15. Members of course retain the opportunity to vary this proposal.

- **Business Rates (£5.766 million)** – the Business Rates estimates presented to Cabinet in December 2022 reflected the 2023 Revaluation and the Business Rates measures contained in the Autumn Statement 2022.

The draft Valuation List for 2023 released by the Government showed 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.

Update February 2023

Due to a temporary issue with the “Academy” system at the time of preparing this draft Budget, a more refined estimate of expected Business Rates for 2023/24 has not been possible. However, the initial estimate made in December 2022 was prepared with the support of “Local Government Futures”, who are professional experts in Business Rates forecasting. They estimated a Tariff increase of £1.986 million for the Council (up from £10.881 million to £12.867 million); the actual Tariff announced in the provisional Local Government Finance Settlement was £12.774 million (i.e., the LG Futures forecast was within 0.7% of actual). Given the relative accuracy of the December 2022 estimate, the assumed receipt of £5.766 million from the 2023/24 Business Rates Retention (BRR) system remains unaltered.

- **Collection Fund (£0.645 million)** – a detailed review was undertaken by officers in late October/early November 2022 in order to establish provisional estimates. It identified some encouraging signs, with net distributions – from projected surpluses – of £99,309 and £411,438 anticipated from Council Tax and Business Rates, respectively. Clarifications on potential Appeals cases in particular were allowing a more optimistic forecast on Business Rates (albeit tempered by caution, given the current economic crisis).

Update February 2023

The assumptions in December 2022 have been further refined, which has resulted in revised forecasts of £93,912 and £551,114 for Council Tax and Business Rates respectively; this raises the anticipated Collection Fund income distributions from £510,747 to £645,026 (i.e., up by £134,279).

- **Council Tax Sharing Agreement (CTSA) (£0.615 million)** – as reported to Cabinet in December 2021, the prospects for CTSA have stabilised 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. Updated intelligence, and a worsening economy, resulted in a slightly more prudent assumption of £748,000 (down another £100,000) in the December 2022 draft proposals.

Update February 2023

The subsequent release of CTSA statistics for Quarter 3 (as at 31st December 2022) suggests that a further reduced assumption is necessary. On that basis, assumed funding of £614,960 is now included in this Budget, based on the Quarter 3 forecast (i.e., down another £133,040).

- **Revenue Support Grant (£0.129 million)** – the December 2022 draft Budget assumed no funding from Revenue Support Grant (RSG).

Update February 2023

In announcing the provisional Local Government Finance Settlement for 2023/24, the Government rolled some miscellaneous (relatively small) items into the RSG. This was unexpected, with this Council receiving a total RSG allocation of £128,790. However, this included £115,140 in LCTS Administration Grant (as noted above); this has previously been received as a service grant. The net gain to Epping Forest District Council from RSG was therefore just £13,650.

- **New Homes Bonus (£0.078 million)** – the December 2022 draft Budget assumed no funding from New Homes Bonus (NHB) on the basis of previous Government pronouncements, including the withdrawal of legacy payments from 2023/24.

Update February 2023

The provisional Local Government Finance Settlement for 2023/24 included an NHB allocation of £78,180 for Epping Forest District Council. Whilst this was welcome, it contrasts with an allocation of £775,510 in 2022/23.

- **2023/24 Services Grant (£0.129 million)** – there was no assumption of receiving any funding from this source in the initial draft budget presented to Cabinet in December 2022.

Update February 2023

The Government included an allocation of £129,370 for this Council in the Settlement for 2023/24 (comparable to an allocation of £229,580 from the “2022/23 Services Grant” last year).

- **Other Grants (non-specific) (£0.929 million)** – a cautious assumption of £250,000 was assumed within the initial draft budget adopted by Cabinet in December 2022 for ‘unidentified non-ringfenced grants’ based on emerging intelligence at the time.

Update February 2023

The Government commitment to protect “Core Spending Power” to local councils in the provisional Local Government Finance Settlement 2023/24 manifested itself in a “Funding Guarantee Allocation” of £929,050 for this Council; it was easily the most positive aspect of the overall Settlement and helps to address further emerging spending pressures in areas such as Waste Management in particular.

- **Contribution to/from Reserves (£0.451 million)** – as mentioned above, the initial draft budget presented to Cabinet in December 2022 contained a Corporate Contingency of £721,900 in relation to Qualis income (representing 25% of the projected gross income from Qualis loan margins). This was 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 the contingency. Section 31 grant is not ring-fenced and is freely available to support the wider General Fund (assuming sufficient funds exist).

The draft General Fund budget proposal in December 2022, also committed to making a proposed contribution of £220,680 to the General Fund Reserve in 2023/24, with a view to addressing an anticipated shortfall of around £1.0 million over the medium-term (based on forecast overspending of £1.259 million at the Quarter 2 stage of 2022/23).

Update February 2023

As described above (in Paragraph 2.2), the updated assumption on income from loan margins resulted in a small adjustment to the Qualis contingency; the updated proposal is now £712,880.

The Quarter 3 projection for 2022/23 appears elsewhere on this agenda and shows a forecast General Fund overspend of £1.313 million. On that basis, it is proposed to offset this loss over the medium-term; a revised contribution of £262,620 to the General Fund is therefore proposed for 2023/24.

The draft General Fund budget summarised in the table above (Paragraph 2.1) therefore assumes a Net Contribution from Reserves of £450,260 (£712,880 from the CFDR, offset by £262,620 to the General Fund Reserve).

EMBEDDED SAVINGS PROPOSALS

- 2.5 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, prepared initial savings proposals of £4.293 million (the net impact on the General Fund was £3.889 million, after adjusting for HRA Recharges) in order to achieve an initial draft balanced budget in December 2022.
- 2.6 Some of the savings proposed entailed the removal of staff posts; mostly vacancies, but there were some occupied posts in scope too. Consequently, a statutory consultation process commenced on 9th January 2023 and the outline savings proposals were scrutinised by the Stronger Council Select Committee on 24th January 2023. A further review of the financial impacts of the savings proposals has been completed by officers; this has resulted in minimal changes. The updated embedded savings proposals included in this final draft budget proposal are summarised by subjective heading in the table below.

Draft General Fund Budget 2023/24: Embedded Savings Proposals (@ February 2023)	
Subjective Description	Value
	£'s
Vacant Posts	1,411,297
Employees	995,033
Employees (other)	225,832
Premises	74,439
Transport	1,730
Supplies & Services	1,198,485
Fees & Charges	324,022
Miscellaneous Income	73,000
Overall Savings Total	4,303,838
HRA Recharges Adjustment	(400,203)
Net Savings in General Fund	3,903,635

2.7 The identification of savings on this scale (27.53% of the 2022/23 General Fund Net Expenditure budget) is critical to ensure the financial sustainability of the Council. Nevertheless – throughout the budget preparation process – 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.

2.8 The savings proposals presented above can also be analysed by Cabinet portfolio.

Draft General Fund Budget 2023/24: Embedded Savings Proposals (@ February 2023)			
Cabinet Portfolio	Gross Savings	HRA Adjustments	Net Savings (General Fund)
	£'s	£'s	£'s
Leader	20,000	(4,000)	16,000
Place	312,850	0	312,850
Finance	1,229,934	(99,845)	1,130,089
Housing & Community	270,504	(31,255)	239,249
Wellbeing & Community Partnerships	458,423	0	458,423
Customer	45,551	(16,973)	28,578
Contracts & Commissioning	52,000	0	52,000
Technical Services	737,944	(408)	737,537
Internal Resources	1,100,997	(232,594)	868,403
Reviews & Efficiency	75,635	(15,127)	60,508
TOTALS	4,303,838	(400,203)	3,903,635

2.9 The individual portfolio savings above comprise the following budget reductions in 2023/24:

- **Leader (£20,000)** – a 40% reduction in anticipated Legal Fees saving £20,000.
- **Place (£312,850)** – a reduction in the Master Planning budget saving £101,100, the removal of one staff post, saving £28,750, and a range of other savings realising a total of £183,000 (including a range of savings on Local Plan costs following its assumed adoption in time for 2023/24).
- **Finance (£1,229,934)** – the savings in the Finance portfolio are dominated by staff savings achieved from (predominately vacant) posts comprising Revenues & Benefits (£416,637), Economic Development (£219,475), Business Support (£219,098), Audit Services (£89,474) and North Weald Airfield (£58,831).
- **Housing & Community (£270,504)** – the savings in this portfolio predominantly include a wide range of smaller savings in areas such as premises costs (e.g., £23,990 following the disposal of Epping Town Depot, and £23,500 relating to a reduction in Planned Maintenance Costs). The savings also include the removal of one staff post (£75,874) and the assumed realisation of cost savings on the dedicated Policing Team (£45,000).
- **Wellbeing & Community Partnerships (£458,423)** – the savings in this portfolio are dominated by staff savings achieved from (predominately vacant) posts (£334,183). A proposed reduction in third sector grants of £31,895 also forms part of the proposals.
- **Customer (£45,551)** – the proposed savings in the Customer portfolio comprise of miscellaneous small savings totalling £45,551 (including the removal of kiosks in Waltham Abbey and Epping, which realises £7,657).
- **Contracts & Commissioning (£52,000)** – the single largest budget saving relates to the introduction of charges for additional Waste Containers (£25,000).
- **Technical Services (£737,944)** – the savings in the Technical Services portfolio are dominated by staff savings achieved from (predominately vacant) posts (£459,682). In addition, an assumed saving of £101,944 will be realised from above inflation increases in fees for Pre-Application Planning Advice and Planning Applications themselves.
- **Internal Resources (£1,100,997)** – the largest area of savings in the Internal Resources portfolio are staff savings achieved from (predominately vacant) posts totalling £447,066 (including Business Support £121,185, Democratic Services £96,429, HR £78,993, and ICT £71,186). The second largest reduction relates to a wide range of small savings on ICT costs in areas such as software and licenses (£282,589). Further highlights include a planned reduction in the use of Agency Staff (£61,990), the removal of a Communications/PR Consultancy budget (£40,400) and the introduction of Car Park charges at Beaumont Drive, Roydon (£22,000); and
- **Reviews & Efficiency (£75,635)** – total staff savings of £75,635 are proposed to be realised from one post.

2.10 The detailed review of all budget headings has been successful in the identification of a range of savings that can predominantly be realised without any impact on services; the emphasis has been firmly on protecting frontline services. However, it is regrettably inevitable that a limited number of Council services will be adversely affected, either partially or fully. Thus, if the savings proposals are accepted, the frontline 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).

2.11 A full summary of the draft General Fund budget analysed by Subjective Heading (and Service Heading) can be found at **Annex 1**.

SERVICE ANALYSIS

2.12 The proposed General Fund revenue budget for 2023/24 can also be summarised by **service** heading – including changes to the early draft adopted by Cabinet in December 2022 – in the table below.

2023/24 General Fund Draft Budget: service analysis			
Description	Draft Budget (December 2022)	Movements	Draft Budget (February 2023)
	£'s	£'s	£'s
<i>NET EXPENDITURE</i>			
Chief Executive	655,270	0	655,270
Commercial & Technical	1,341,370	718,950	2,060,320
Community & Wellbeing	1,435,300	42,460	1,477,760
Corporate Finance	1,359,140	0	1,359,140
Corporate Services	9,057,300	39,060	9,096,360
Customer Services	1,995,670	119,610	2,115,280
Internal Audit	310,910	(6,060)	304,850
Place	191,640	88,560	280,200
Planning & Development	721,450	38,660	760,110
Property Services	1,930,130	(84,510)	1,845,620
Strategy, Delivery & Performance	814,940	0	814,940
Qualis	(2,609,030)	(242,490)	(2,851,520)
Other	4,435,240	271,900	4,707,140
HRA Recharges	(4,980,700)	(3,750)	(4,984,450)
Total Net Expenditure	16,658,630	982,390	17,641,020

2.13 There have been few material changes to the budget by service, compared to the initial draft presented to Cabinet in December 2022. The **Net Expenditure** highlights (changes over £100,000) included in the table above are as follows:

- **Commercial & Technical (Up £718,950)** – the increase in this directorate is due to a number of factors, with the most significant being the creation of the Service Contingency (Waste) of £400,000 explained above (in Paragraph 2.2) and separately itemised in the table above in Paragraph 2.1. The transfer of Asset Management budgets from the Qualis income stream, pending the forthcoming service transfer, has further increased assumed expenditure (impact £278,570).
- **Customer Services (Up £119,610)** – the removal of the LCTS Administration Grant of £115,140 (which has been rolled into RSG funding) is the dominant factor in the increased budget for Customer Services
- **Qualis (Down £242,490)** – the net budget requirement on the Qualis cost centre has reduced (i.e., income is *up*). As noted above (in Paragraph 2.3), the Asset Management elements of the Qualis income stream have now been removed, to facilitate the service transfer to Qualis; the budgets are now included in Contract Payments (in the Commercial & Technical Directorate); and
- **Other (Up £271,900)** – additional Financing costs of £280,920 are the primary driver behind the increase in “Other” budgets (see Paragraph 2.2 above for detailed discussion).

2.14 A full summary of the draft General Fund budget analysed by Service Heading (and Subjective Heading) can be found at **Annex 1**.

COST CENTRE SUMMARY

2.15 A detailed summary of the draft General Fund budget analysed by Cost Centre can be found at **Annex 2**.

3. Proposed Housing Revenue Account Budget 2023/24

- 3.1 The proposed HRA revenue budget for 2023/24 is summarised by **subjective** heading – including changes to the early draft adopted by Cabinet in December 2022 – in the table below. A surplus of £0.364 million is now anticipated, representing a marginal reduction compared to early draft.

2023/24 HRA Draft Revenue Budget: subjective analysis			
Description	Draft Budget (December 2022)	Movements	Draft Budget (February 2023)
	£'s	£'s	£'s
EXPENDITURE			
Employees	5,013,440	0	5,013,440
Premises	6,113,080	105,250	6,218,330
Transport	78,060	0	78,060
Supplies & Services	1,402,060	0	1,402,060
Contracted Services	7,197,660	0	7,197,660
Support Services (GF Recharges)	4,980,700	3,750	4,984,450
Debt Management Expenses	65,000	0	65,000
Provision for Bad Debts	99,000	0	99,000
Depreciation	9,137,000	0	9,137,000
Total Expenditure	34,086,000	109,000	34,195,000
INCOME			
Rental Income – Dwellings	(37,408,000)	(11,000)	(37,419,000)
Rental Income – Non-Dwellings	(936,000)	0	(936,000)
Fees & Charges (Service Charges)	(2,793,000)	0	(2,793,000)
Other Contributions (Shared Amenities)	(383,000)	0	(383,000)
Total Income	(41,520,000)	(11,000)	(41,531,000)
Net Cost of Service	(7,434,000)	98,000	(7,336,000)
Interest Received	(9,000)	1,000	(8,000)
Financing Costs	5,610,000	6,000	5,616,000
Net Operating Income	(1,833,000)	105,000	(1,728,000)
<i>Appropriations:</i>			
Contributions to Capital	1,462,000	(98,000)	1,364,000
Contributions to/(from) Reserves	0	0	0
Total Appropriations	1,462,000	(98,000)	1,364,000
In Year (Surplus)/Deficit	(371,000)	7,000	(364,000)

3.2 The most significant items in the table above include:

- **Employees (£5.013 million)** – the employee-related inflation assumptions mirror those of the General Fund (e.g., a 4.0% Pay Award is assumed for 2023/24) and there have been no changes to the estimate included within the initial draft Budget presented to Cabinet in December 2022.
- **Premises (£6.218 million)** – as reported to Cabinet in October 2022, there has been a substantial increase in the Premises budget this year (the 2022/23 budget provision was just £3.594 million), with the most notable item being the inclusion of an additional £1.0 million in respect of Gas and Minor Remedial Works. Recent regulatory changes require the frequency of Gas Testing to increase from 10-yearly to 5-yearly intervals.

Update February 2023

There has been a further increase of £105,250 in Premises costs compared to the draft estimate reported to Cabinet in December 2022. This reflects a switch in budget provision from Capital to Revenue (to comply with proper accounting practice) with regard to Water Tank Surveys.

- **Supplies and Services (£1.402 million)** – the Supplies and Services budget assumptions remain unchanged compared to those reported to Cabinet in December 2022, with the proposed 2023/24 budget actually lower (by £206,000) than 2022/23, which is primarily due to the removal of the one-off Stock Condition Survey costs of £392,000, which are being incurred in 2022/23.
- **Contracted Services (£7.198 million)** – as reported to Cabinet in October 2022, the base contract for Housing Repairs is assumed frozen, although a general inflation provision of 5.0% has been assumed for items falling outside the contract. The draft Budget presented in December reflected a reduction of £162,460 in Contracted Services, following a reduction in Qualis overhead charges (triggered by the imminent transfer of the Grounds Maintenance service to Qualis). There are no changes proposed in this iteration of the Budget.
- **Support Services/GF Recharges (£4.981 million)** – there was a substantial drop of £498,000 in General Fund Recharges reported to Cabinet in December 2022 (compared to the October 2022 updated MTFP). This reflected the assumed achievement of £404,000 in HRA-related savings that formed part of the overall savings proposals that were required to balance the General Fund.

Update February 2023

Minor staffing adjustments identified during January 2023, have marginally increased the Budget requirement by £3,750.

- **Depreciation (£9.137 million)** – depreciation charges remain relatively stable, mirroring valuation movements and the assumed reduction in Council properties, which is relatively small compared to the size of the Housing Stock (which averaged 6,436 dwellings during 2021/22).
- **Rental Income (Dwellings) (£37.419 million)** – as previously reported to Cabinet in December 2022, the original October 2022 Rent Increase assumption of 5.0% was raised to 7.0% in the draft Budget presented December 2022 (in line with the Government cap). Members of course have the option of choosing a lower rent increase.

Update February 2023

The affordable housing rent increase calculations were further refined during January 2023, resulting in the identification of a further £11,000 in Rental Income.

- **Fees & Charges/Service Charges (£2.793 million)** – the average increase of 10.1% (September 2022 RPI) assumed in the December iteration of the Budget remains unchanged; and
- **Capital Contributions (£1.364 million)** – the level of capital contributions is driven by the Net Cost of Services, with a net reduction of £98,000 compared to December 2022 reflected in the table above; the reduction is primarily due to the impact of the change in accounting treatment for Water Tank Surveys explained above.

COST CENTRE SUMMARY

- 3.3 A detailed summary of the draft HRA budget analysed by cost centre can be found at ***Annex 3***.

Draft General Fund Budget 2023/24: Full Subjective Analysis

FINAL Income & Expenditure Analysis 2023-24 (@ February 2023)															
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	1,557,610	941,560	4,877,490	3,808,980	118,590	244,910	3,739,010	832,830	616,670		404,630		22,549,720
Premises Related Expenses		1,605,860	480,100		360,060				1,000	1,202,230					3,849,250
Transport Related Expenses	1,000	109,030	5,590	1,080	14,890	5,640	2,590	300	17,440	12,690	310				701,560
Supplies And Services	108,390	1,808,760	418,610	416,500	4,464,840	292,570	183,670	34,990	1,061,600	45,810	197,960				9,033,700
Support Services					300				1,750	680					2,730
Contracted Services		9,513,490													9,513,490
Transfer Payments						22,210,200									22,210,200
Financing Costs													3,589,630		3,589,630
Service Contingency (Waste)		400,000													400,000
Corporate Contingency (Quais)													712,880		712,880
Total Expenditure	655,270	18,298,700	2,461,910	1,389,140	9,717,580	26,317,390	304,650	280,200	4,820,800	2,094,240	814,940	0	4,707,140	0	71,832,160
Fees & Charges		- 13,416,780	-435,270		-294,210				-3,251,180	-246,030					-17,843,470
Government Contributions			-532,440			-23,489,780									-24,022,220
Misc Income		- 6,110			-1,290	-581,250			-59,510			- 2,851,520			-3,489,680
Other Contributions		- 2,815,490	-16,440		- 325,720	-131,080			-750,000	-2,590					-4,041,320
HRA Recharges														-4,984,450	-4,984,450
Total Income	0	-16,238,380	-984,150	0	-621,220	-24,902,110	0	0	-4,060,690	-248,620	0	-2,851,520	0	-4,984,450	-54,191,140
Net Cost Of Services	655,270	2,060,320	1,477,760	1,389,140	9,096,360	2,115,280	304,650	280,200	760,110	1,845,620	814,940	-2,851,520	4,707,140	-4,984,450	17,641,020

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

<i>Service: Chief Executive</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (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
		658,349	655,270

<i>Service: Community & Wellbeing</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (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
RS410	Sports Development Ext Funding	0	0
34170	Community & Culture	457,670	416,790
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
		1,793,287	1,477,760

<i>Service: Commercial & Technical</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
32170	Licensing Group	312,185	326,840
32220	Estates & Valuation	70,243	339,620
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	841,230
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 Team	0	140,390
35400	Grounds Maintenance North	575,254	0
35500	Grounds Maintenance South	377,872	0
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	Countrycare	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	-3,590
OS115	Contribution To Hra	353,440	383,000
PH100	Private Housing Grants	-76,339	-90,250
PS100	Off-Street Car Parking	-840,352	-633,510
RS150	Leisure Services Contract	-1,215,528	-905,880
RS301	North Weald Airfield	-1,189,609	-732,250
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	-217,350
TI170	Brooker Rd Industrial Estate	-822,505	-817,430
TI180	Oakwood Hill Plots	-500,480	-510,310
TI190	Oakwood Hill Units	-253,725	-311,840
TI220	Langston Rd Industrial Estate	-127,250	-126,490
TO100	Fleet Operations Dso Account	3,321	44,010
UO110	Sundry Non-Distributable Costs	0	-29,800
UO112	Greenyards, Waltham Abbey	-15,000	-15,000
UO113	Wayleaves	-3,190	-4,460
UO130	Business Premises	-2,491,930	-2,715,380
UO140	Epping Forest Shopping Park	-2,624,390	-2,513,300
UO150	Loughton High Road	-605,090	-825,800
WC100	Refuse Collection	1,677,487	1,820,280
WC102	Abandoned Vehicles	3,563	6,360
WC200	Recycling	2,230,482	1,981,310
WC300	Trade Waste	-25,450	-42,510
TBC	Grounds Maintenance (Qualis)	0	1,172,090
		160,549	2,060,320

<i>Service: Corporate Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
25300	Internal Insurance Fund	810,059	719,750
31140	Democratic Services	294,157	219,360
32060	Legal Services	419,733	408,050
32115	Corporate Training	183,865	128,100
32120	Human Resources	795,008	738,150
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	3,674,080
42110	Elections Group	91,863	99,160
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
		9,543,892	9,096,360

<i>Service: Customer Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
33020	Cashiers	342,264	363,890
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	309,760
40120	Customer Service	668,758	701,950
55100	Customer Services - Policy	283,039	296,320
BA100	Housing Benefit Administration	-441,582	-433,270
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
		2,254,862	2,115,280

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

<i>Service: Internal Audit</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
31120	Internal Audit	171,870	174,400
42410	Corporate Fraud Investigation	212,606	130,450
		384,476	304,850

<i>Service: Property Services</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
27050	Civic Offices	547,815	412,930
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
		2,067,617	1,845,620

<i>Service: Place</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
ED100	Economic Development	15,624	34,940
ED101	Tourism Promotion	25,300	0
42510	Economic Development Group	334,013	245,260
		374,937	280,200

<i>Service: Planning & Development</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
37500	Building Control Group	732,317	718,780
37600	Development Control Group	582,761	590,960
42310	Enforcement/Trees & Landscape	624,911	522,460
43310	Planning Policy Group	384,830	448,990
PP111	Local Plan	413,660	243,670
PP112	Neighbourhood Planning	9,990	10,490
PP113	Strategic Implementation Team	625,042	553,650
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
		1,479,906	760,110

<i>Service: Strategy, Delivery & Performance</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (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
		849,645	814,940

<i>Service: Other</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
FM100	Finance Miscellaneous	2,253,128	2,378,510
IP100	Interest Payable	863,440	2,807,130
IR100	Interest Receivable	-50,000	-478,500
		3,066,568	4,707,140

<i>Service: Qualis Income</i>			
Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
QU001	Qualis Income Stream	-2,909,447	-2,851,520
		- 2,909,447	- 2,851,520

Annex 3

Draft Housing Revenue Account Budget 2023/24: Cost Centre Summary

Cost Centre Ref.	Description	Budgeted Net Expenditure	
		2022/23 (Final)	2023/24 (Draft)
		£'s	£'s
36250	Housing Resources	244,010	162,530
36260	Housing ICT	-	133,060
36500	Housing Options Group	716,580	805,310
36550	Housing Strategy Team	-	109,640
36600	Housing Older Peoples Group	592,440	568,400
36650	Housing Maintenance Group	782,310	623,830
36660	Housing Asset Strategy Team	-	279,870
36670	Housing Development	-	66,500
36900	Housing Management Group	1,559,270	184,830
36905	Housing Income Management Team	-	473,270
36910	Housing Land & Estates Management Team	-	514,310
36915	Housing Tenancy Team	-	421,330
RM100	Responsive Repairs	117,130	117,130
RM101	Responsive Repairs - Qualis	3,737,430	4,071,000
RM200	Voids Refurbishment	119,400	92,420
RM201	Voids Refurbishment - Qualis	2,315,180	2,500,390
RM300	Planned Maintenance	2,224,650	1,026,670
RM301	Planned Maintenance - Qualis	-	2,168,980
RM400	Engineering Maintenance	252,950	254,660
RM401	Engineering Maintenance - Qualis	-	160,500
RM500	Miscellaneous Projects	24,000	24,000
RM700	Income	-	192,670
YA100	Policy & Management	773,400	367,020
YA110	Sale Of Council Houses	-	13,830
YA140	Comp.Costs New Hsg.System	283,480	304,070
YA150	Tenant Participation	27,680	30,740
YA160	Contribution To General Fund	697,920	697,920
YA180	New House Builds	109,280	121,590
YA190	HRA Support Services	2,377,520	2,290,150
YA200	Managing Tenancies	354,600	317,440
YA210	Waiting Lists & Allocations	109,890	115,890
YA300	Rent Accounting & Collection	130,720	133,400
YB100	Heating Expenses	2,030	-
YB110	Staircase Lighting	136,060	290,970
YB120	Caretaking & Cleaning	386,550	411,120
YB140	Minor Sewerage Works	55,960	69,670
YB150	Water Course Maintenance	55,310	55,310
YB200	Other Communal Services	59,700	61,040
YB300	Community Centres	9,330	9,310
YB350	Hemnall House	18,300	30,000
YB400	Grounds Maintenance Services	1,414,280	1,566,960
YB500	Oap Units Management	564,890	933,900
YB520	Community Alarms Mgt.	69,590	63,870
YB540	Area Warden Service - Mgt	25,440	26,670
YB620	Norway House - Management	177,590	366,980
YB800	Other Special Items	46,620	86,620
YC100	Capital Exp Charged To Revenue	5,364,000	1,462,000
YD100	Rents/ Rates/Taxes/Insurance	504,310	506,710
YF100	HRA - ICT Systems	-	47,000
YH100	Increase Bad & Doubtful Debts	93,000	99,000
YJ100	Leasehold Refcus	300,000	-
YJ110	Depreciation	8,958,000	9,137,000
YJ120	Debt Management	58,000	65,000
YN100	Dwellings Rents	-	34,860,830
YN110	Rents - Norway House	-	112,650
YP110	Rents - Other	-	1,760
YP130	Rents - Hardstanding	-	5,920
YP150	Rents Roads Charges	-	7,650
YP190	Rent - Land	-	11,800
YP200	Garages	-	804,420
YP210	Ground Rents	-	11,100
YR100	Heating Income Special Items	-	30,480
YR110	Mortgage References	-	5,660
YR120	Capital Recs Under £10000	-	34,010
YR140	Sewage Related Income	-	28,980
YR170	Repairs Management Income	-	30,830
YR180	Managing Tenancies Income	-	20,400
YR350	Hemnall House	-	2,830
YR400	Grounds Maintenance Services	-	2,000
YR500	Oaps Units Income	-	700,230
YR510	Sheltered Units Support	-	204,080
YR550	Area Warden Support	-	105,130
YR620	Norway House Income	-	63,540
YR800	Other Special Items	-	300,000
YW110	Interest On Revenue Balances	-	6,000
YW130	Self Financing Interest	-	5,613,000
YY100	Estate Ground Maintenance	-	368,000
		3,537,000	371,000