

Budget Book 2021/22

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1. Introduction

This budget book provides summary information on the Council's budget for 2021/22. It reflects the budget that was agreed by the Council in February 2021.

The proposed revenue budgets and associated Delivery Plan seek to advance the Council's priority areas:

- Growing the Economy.
- Supporting individuals and empowering communities.
- Protecting and improving the natural and built environment, whilst maximising quality of life.
- Moving with the times, working smartly and collaboratively.

For more detailed information on the 21/22 Delivery Plan and Budget please use the links below

<https://www.southnorfolkandbroadland.gov.uk/downloads/file/1821/february-9-2021-papers-broadland-cabinet>

Delivery Plan – Page 148

Revenue Budget – Page 21

Medium Term Financial Strategy – Page 27

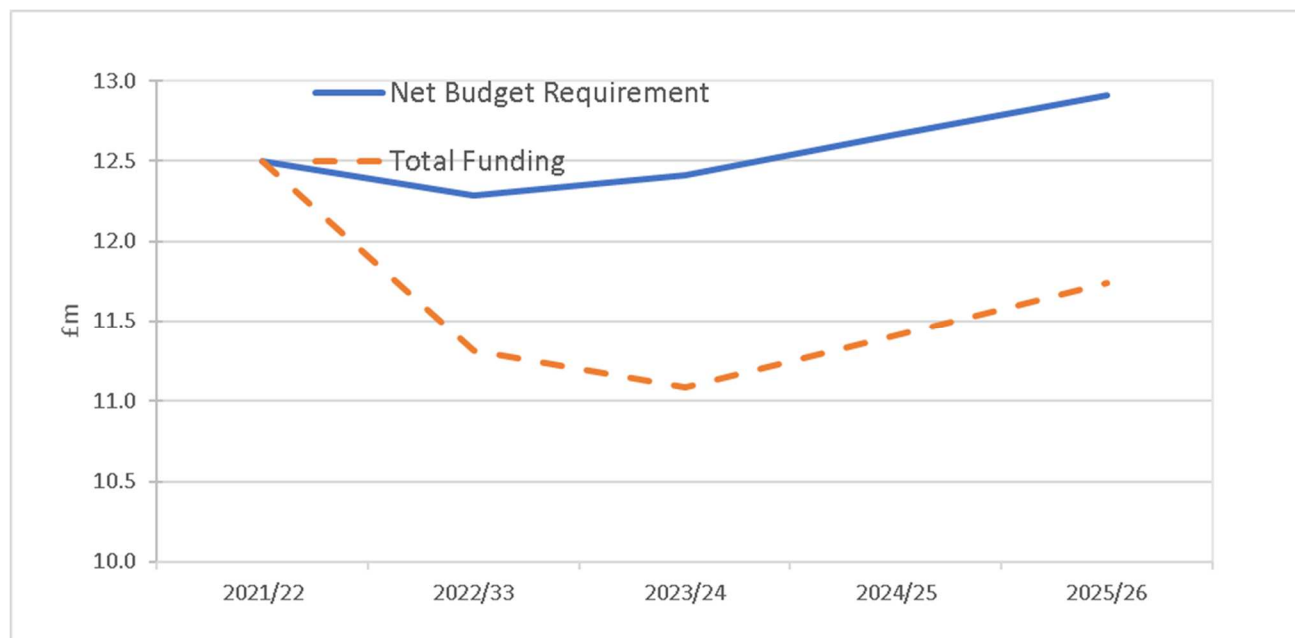
Capital Budget and Financing – Page 44

2. Revenue Budget 2021/22

	Pay £'000	Non Pay £'000	Income £'000	Net £'000	Prior Yr £'000
Resources / MD					
Corporate Costs (inc Pension lump sum payment)	120	1,144	0	1,264	1,064
COVID Support	0	662	-662	0	0
Finance	406	46	-2	450	539
Council Tax & NNDR	514	68	-249	333	366
Governance	337	719	-36	1,020	1,034
Facilities	139	542	-66	615	620
Human Resources	216	339	0	555	471
ICT & Digital	529	889	0	1,418	1,186
Executive Team	355	18	0	373	359
Chief of Staff	512	142	-12	642	593
	3,128	4,569	-1,027	6,670	6,232
Place					
Economic Growth	509	735	-185	1,059	907
Community & Environmental Protection	339	82	-47	374	421
Food, Safety & Licensing	232	32	-165	99	64
Planning	1,205	382	-1,231	356	304
Building Control	0	38	0	38	39
Business Support	366	53	-220	199	212
	2,651	1,322	-1,848	2,125	1,947
People & Communities					
Communities and Early Help	448	206	-75	579	497
Housing Standards & Independent Living	348	29	-88	289	375
Housing Benefit Payments	0	18,000	-18,060	-60	-190
Housing and Benefits	962	1,107	-1,615	454	811
Waste Services	374	5,831	-3,808	2,397	2,553
	2,132	25,173	-23,646	3,659	4,046
Net Cost of Services (Including HB)	7,911	31,064	-26,521	12,454	12,225
Net Cost of Services (Excluding HB)	7,911	13,064	-8,521	12,454	12,225
Investment Income				-346	-282
Interest Payable				0	75
Minimum Revenue Provision (to repay borrowing)				0	0
Internal Drainage Board Levy				260	252
Council Tax Deficit / (Surplus) - Offset by Covid Grant				-295	0
Transfers to / (from) Earmarked Reserves				133	30
Transfers to / (from) GF Balance				0	0
				12,206	12,300
Funded by					
Council Tax - District Element				6,062	5,828
Council Tax - Special Expenses				170	141
NNDR (Business Rates) - Baseline Income				2,876	2,876
NNDR (Business Rates) - Retained Growth				1,107	1,107
Lower Tier Services Grant				366	0
Other Government Grants				0	30
New Homes Bonus				1,625	2,318
				12,206	12,300

3. Medium Term Financial Strategy

The following graph shows the Council's projected Net Budget requirement compared to the predicted Total Funding over the next few years.



This shows a funding gap developing in 2022/23 of approximately £1m.

The figures in the plan are based on the 2021/22 Local Government Finance Provisional Settlement. Future year funding figures are uncertain due to the Government's ongoing funding review, which is expected to be consulted on in 2021/22 and introduced for 2022/23.

The key messages from the MTFP are:

- That further savings/income will need to be made over the plan period.
- It is anticipated that the existing New Homes Bonus grant will be phased out, and replaced with a smaller scheme.
- Changes are anticipated but unknown at this stage in relation to business rates income and also the fairer funding review.
- Work to deliver the savings envisaged from the collaboration with South Norfolk Council is an important factor in maintaining a balanced budget.
- The five-year capital programme, which is also on this agenda, and which will have revenue budget implications both in terms of financing and other budget lines such as IT licences depending on the individual project.
- With significant pressure on the Council's budget over the medium term, the Medium-Term Financial Strategy includes future Council Tax increases of £5.00 a year which is the maximum increase currently permitted for District Councils without a referendum being triggered.

Borrowing

Future years' capital programmes may be funded partly through borrowing, this will initially be internal borrowing from the Council's own cash balances; future external borrowing must be affordable within the context of the revenue budget. Nevertheless, while interest rates remain low there is a case for borrowing on a fixed interest rate basis if the income generated from an investment clearly exceeds the cost of financing. The exact timing of borrowing depends upon the progress and phasing of the Capital Programme and the level of revenue reserves.

Summary Medium Term Financial Strategy

	2021/22 £000	2022/33 £000	2023/24 £000	2024/25 £000	2025/26 £000
Base Net Expenditure	12,454	12,454	12,235	12,366	12,614
<u>Recurring Adjustments:</u>					
Inflationary Pressures		249	245	247	252
Collaboration Savings		-489	-113		
Increase in pension contribution		21			
Base Net Expenditure for following year	12,454	12,235	12,366	12,614	12,866
<u>Non Recurring Adjustments</u>					
Investment Income - General	-346	-346	-346	-346	-346
Internal Drainage Board Precept	260	260	260	260	260
Transfers to / (from) Earmarked Reserves	133	133	133	133	133
Net Budget Requirement	12,500	12,281	12,413	12,660	12,912

Funded by					
Council Tax - District Element	6,062	6,370	6,686	7,008	7,337
Council Tax - Special Expenses	170	170	170	170	170
Council Tax - (Deficit) / Surplus	295				
NNDR (Business Rates)	3,983	3,983	3,983	3,983	3,983
New Homes Bonus	1,625	792	250	250	250
Lower Tier Services Grant	366				
Total Funding	12,500	11,315	11,088	11,410	11,739

Funding Gap / (Annual Surplus)	0	967	1,325	1,250	1,173
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Council Tax Calculation					
Council Taxbase (Homes)	46,660	47,220	47,787	48,360	48,940
Council Tax	129.91	134.91	139.91	144.91	149.91
	6,062	6,370	6,686	7,008	7,337

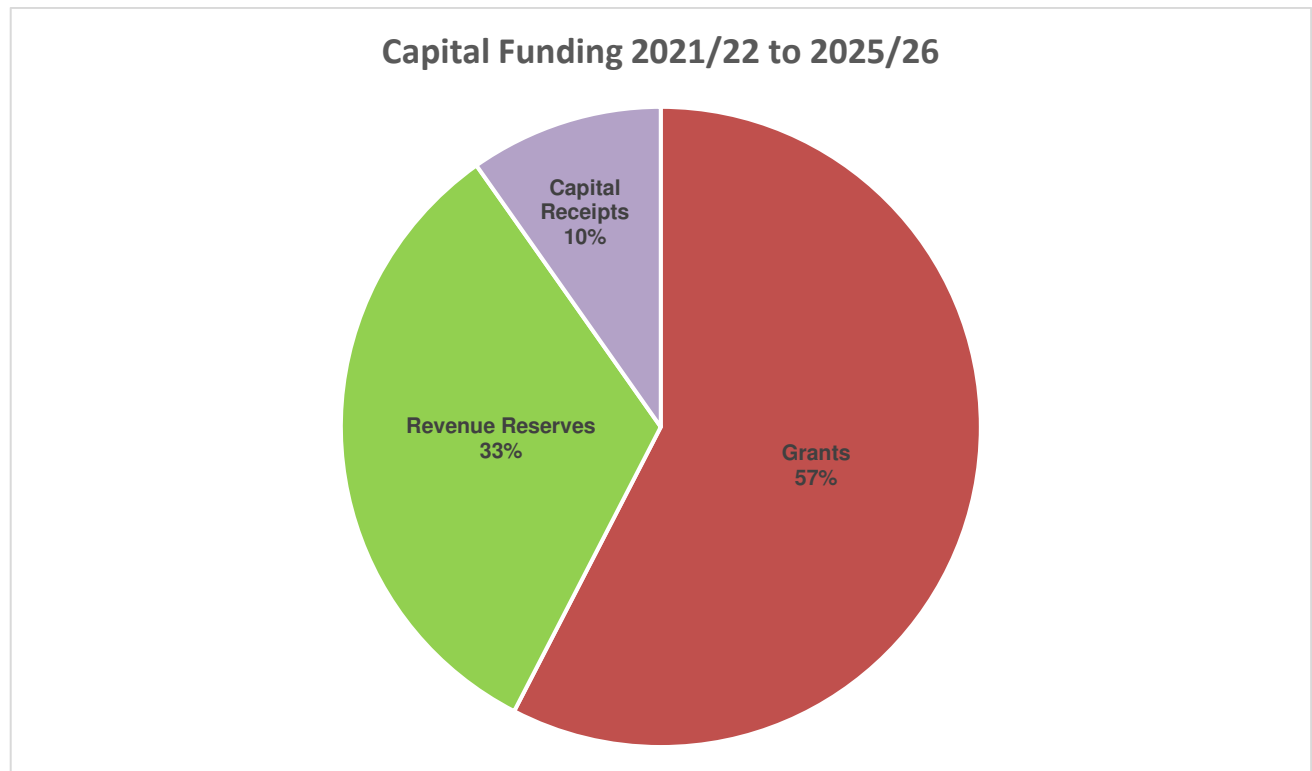
New Homes Bonus Calculation					
2018-19	616				
2019-20	542	542			
2020-21					
2021-22	467				
Future years		250	250	250	250
	1,625	792	250	250	250

4. Capital Programme

SCHEME	Team	Provisional Projects - i.e. those requiring a business case and/or Member approval to progress	Estimate 2021/22 £	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Total
Resources								
Investment	-	Y	2,000,000					2,000,000
Thorpe Lodge Refurbishment	Facilities		379,600	78,000	31,000	31,000	31,000	550,600
IT - Annual Replacement Programme	ICT and Digital		100,000	75,000	75,000	75,000	75,000	400,000
IT - Website / Digital	ICT and Digital		45,000					45,000
IT - System Replacement Programme	ICT and Digital	Y	485,250	350,000	350,000	350,000	350,000	1,885,250
Place								
Street Lighting	Economic Growth		310,000	34,800	35,300	38,300	38,300	456,700
Bure Valley Railway	Economic Growth	Y	310,000	90,000	90,000	90,000	30,000	610,000
Food Hub Project	Economic Growth	Y	8,880,000	500,000				9,380,000
Contingency for Food Enterprise Zone	Economic Growth	Y	420,000					420,000
Car Park Resurfacing	Economic Growth		50,000					50,000
Public Conveniences	Economic Growth		50,000					50,000
Historic Buildings Grants / Buildings at Risk	Planning		15,000	15,000	15,000	15,000	15,000	75,000
People & Communities								
Refuse services	Waste	Y	3,000,000					3,000,000
Brown Recycling Bins	Waste		35,000	35,000	35,000	35,000	35,000	175,000
Domestic Waste Bins	Waste		90,000	90,000	90,000	90,000	90,000	450,000
Disabled Facilities Grants	Housing		885,000	885,000	885,000	885,000	885,000	4,425,000
Minor Improvement Grants	Housing		30,000	30,000	30,000	30,000	30,000	150,000
Warm Homes Fund	Housing		500,000					500,000
Total			17,584,850	2,182,800	1,636,300	1,639,300	1,579,300	24,622,550
FINANCING								
Grants			10,265,000	1,260,000	885,000	885,000	885,000	14,180,000
Revenue Reserves			6,699,250	674,800	463,050	128,300	68,300	8,033,700
Capital Receipts			620,600	248,000	288,250	626,000	626,000	2,408,850
Borrowing			-	-	-	-	-	-
Total			17,584,850	2,182,800	1,636,300	1,639,300	1,579,300	24,622,550

5. Capital Funding & Financing

The new five-year capital programme will be financed from a mixture of revenue and capital reserves, capital receipts and grants. The projected sources of funding are shown in the graph below



6. Parish Precepts

The charts below show Council Tax amounts for Band D and Parish and Town Council Precepts.

The following table consolidates the overall council tax position for 2021/22.

	20/21 Band D £	21/22 Band D £	Change
Norfolk County Council	1,416.51	1,472.94	3.98%
Police & Crime Commissioner	263.07	278.01	5.68%
Total Preceptors	1,679.58	1,750.95	
Broadland District Council	125.52	129.91	3.50%
Special Expenses	3.04	3.64	
Total District Element	128.55	133.55	£5 increase
Parishes (Average)	82.40	84.53	2.58%
Total Band D Council Tax	1,890.53	1,969.03	4.15%

Note: It is the Total District Element that is capped at £5.

The following table lists the Parish and Town Council Precepts for 2021/22

	Precept £
Acle	114,678.00
Attlebridge	120
Aylsham	409,500.00
Beeston St. Andrew	0
Beighton	7,134.00
Belaugh	0
Blickling	1,000.00
Blofield	94,000.00
Booton	550
Brampton	454
Brandiston	550
Brundall	125,500.00
Burgh & Tuttington	3,625.00
Buxton with Lamas	30,747.00
Cantley	10,500.00
Cawston	31,200.00
Coltishall	35,057.00
Crostwick	0
Drayton	163,200.00
Felthorpe	12,203.00
Foulsham	10,000.00
Freethorpe	15,299.00
Frettenham	8,585.00
Great & Little Plumstead	47,895.00
Great Witchingham	11,849.00
Guestwick	325
Hainford	12,232.00
Halvergate	9,020.00
Haverlingland	450
Hellesdon	514,210.00
Hemblington	3,300.00
Hevingham	13,332.00

	Precept £
Heydon	4,000.00
Honingham	8,790.00
Horsford	63,097.00
Horsham & Newton St.Faiths	25,345.00
Horstead with Stanninghall	26,000.00
Lingwood & Burlingham	27,753.00
Marsham	11,062.00
Morton on the Hill	470
Old Catton	225,226.00
Oulton	3,200.00
Postwick with Witton	9,600.00
Rackheath	49,980.00
Reedham	16,500.00
Reepham	79,485.00
Ringland	7,929.00
Salhouse	27,000.00
Salle	0
South Walsham	20,028.00
Spixworth	88,000.00
Sprowston	708,544.00
Stratton Strawless	3,715.00
Strumpshaw	9,200.00
Swannington	6,000.00
Taverham	248,455.00
Themelthorpe	0
Thorpe St Andrew	518,758.00
Upton with Fishley	9,130.00
Weston Longville	6,107.00
Woodbastwick	3,300.00
Wood Dalling	1,888.00
Wroxham	48,990.00