

General Fund Revenue Budget Summary/Forecasts - Babergh

(Note: the forecasts for 2019/20 onwards are illustrative and actual budgets will be reviewed and determined by the Council annually).

Line	Description	2017/18	2018/19	2019/20	2020/21	2021/22
		Budget £000	Budget £000	Forecast £000	Forecast £000	Forecast £000
1	Expenditure	36,811	37,079	37,290	37,681	38,149
2	Income (incl.S31 B/Rates Grant)	(26,238)	(26,873)	(26,627)	(26,657)	(26,663)
3	New Homes Bonus Income	(1,212)	(866)	(680)	(716)	(864)
	Capital Financing Charges					
4	Debt Management Costs	25	3	3	3	3
5	Interest Payable (Pooled Funds)	8	9	9	9	9
6	Interest Payable (CIFCo)	242	594	617	612	608
7	MRP	645	933	1,109	1,261	1,261
	Investment Income					
8	Pooled Funds	(363)	(421)	(416)	(411)	(406)
9	Interest Receivable (Cash Surplus)	(4)	(8)	(8)	(8)	(8)
10	Interest Receivable (CIFCo)	(555)	(1,064)	(1,147)	(1,143)	(1,139)
11	Charge to HRA	(1,138)	(1,106)	(1,128)	(1,150)	(1,173)
12	Charge to Capital	(407)	(227)	(232)	(237)	(241)
13	Transfers to Reserves					
14	New Homes Bonus	1,212	866	680	716	864
15	S31 Business Rates Grant	650	797	797	797	797
16	Other	23	27	20	20	20
17	Net Service Cost	9,700	9,744	10,287	10,778	11,218
18	Funding:					
19	Other Earmarked Reserves	-	(1,038)	(95)		
20	Transformation Fund - DP Project (Staffing)	(484)	(50)			
21	New Homes Bonus - to balance the budget	(728)	(866)	(680)	(716)	(864)
22	S31 Business Rates Grant	(650)	(797)	(797)	(797)	(797)
23	Government Support					
24	(a) Baseline business rates	(1,997)	(2,488)	(2,148)	(2,148)	(2,148)
25	(b) B/Rates – growth/pooling benefit	(109)	(206)	(206)	(206)	(206)
26	(d) B/Rates prior yr surplus/deficit					
27	(e) Revenue Support Grant	(504)	-	-	-	-
28	(f) RSG Tariff	-	-	131	131	131
29	(g) Rural Services Delivery Grant	(182)	-	(182)	(182)	(182)
30	(h) Transition Grant	(22)	-	-	-	-
31	(i) Business Rates Collection Fund deficit	-	1,256	-	-	-
27	Collection Fund surplus	(40)	(12)	(12)	(12)	(12)
28	Council Tax (£5 increase to Band D)	(4,929)	(5,125)	(5,381)	(5,630)	(5,885)
29	Growth in taxbase	(70)	(89)	(79)	(82)	(86)
30	Total Funding	(9,715)	(9,415)	(9,448)	(9,642)	(10,049)
31	2018/19	(15)	329	329	329	329
32	2019/20			509	509	509
33	2020/21				297	297
34	2021/22					33
35	Shortfall in funding / (Surplus Funds) - cumulative	(15)	329	838	1,136	1,169
36	Estimated New Homes Bonus (5 year average of No of houses built)		(843)	(517)	(414)	(423)
37	Estimated New Homes Bonus (projected completions)		(851)	(948)	(1,299)	(1,629)
38	Minimum New Homes Bonus		(866)	(680)	(716)	(864)
39	Council Taxbase	1.50%	1.03%	1.50%	1.50%	1.50%
40	Band D Council Tax	3.40%	3.25%	3.15%	3.05%	2.96%
41	Band D Council Tax	£153.86	£158.86	£163.86	£168.86	£173.86

Earmarked Funds/Reserves – Babergh

Transfers to / from Earmarked Reserves	Balance	Transfers 2017/18			Balance	Transfers 2018/19			Balance
	31 March	Intra	Out	In	31 March	Intra	Out	In	31 March
	2017				2018				2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
General Fund									
Carry Forwards	(219)		219		-				-
Transformation Fund	(1,006)		2,542	(2,069)	(533)		1,713	(1,663)	(483)
Non Domestic Rates Equalisation	-			(943)	(943)		943		-
Government Grants	(265)			(88)	(353)				(353)
Waste - MRF	-			(102)	(102)				(102)
S.106 Agreements	(232)				(232)				(232)
Community Infrastructure Levy (CIL)	(67)				(67)				(67)
Growth and Sustainable Planning	(20)			(45)	(65)				(65)
Strategic Planning	(295)			(3)	(298)		95		(203)
Elections Fund	(30)			(20)	(50)			(20)	(70)
Planning Enforcement	(20)				(20)				(20)
Revocation of personal search fees	(54)				(54)				(54)
Total General Fund	(2,208)	-	2,761	(3,270)	(2,717)	-	2,750	(1,683)	(1,650)
Total General Fund excluding Transformation	(1,202)	-	219	(1,201)	(2,185)	-	1,037	(20)	(1,166)

13 GF 2018/19 Budget

13.1 A summary of the pressures and actions taken is set out below.

SUMMARY	
Budget Pressures	£'000
Funding - Business Rates Collection Fund Deficit	1,256
Minimum Revenue Provision	322
Employees - pay award and increments	267
Funding - Government Grants & Baseline Business Rates	217
Inflation (net)	43
Funding - Reduction in Council Tax Collection Fund Surplus	28
Funding - Tax base increase	(51)
Total Budget Pressures	2,082
Action Taken	
Employees - other	(320)
CIFCO	(157)
Service Area changes	(45)
Funding - Business Rates Pooling Benefit	(97)
Investment Income	(61)
Funding - Council Tax	(164)
Total Action Taken	(844)
Reserves	
New Homes Bonus Allocation	(866)
Movement in Reserves	(43)
Total Reserves	(909)
Budget deficit	329

13.4 This is an improvement of £93k from the position reported in January 2018, the reason for the changes are set out in the table below:

BABERGH	£'000
Budget deficit - January Cabinet Report	1,287
New Homes Bonus (NHB)	(866)
Budget deficit (after NHB)	422
Changes	
Pre- app charges (net)	(88)
Leisure	(77)
Staff savings	(74)
CIFCO / Investment Income	(67)
Funding - Government Grants & Baseline Business Rates additional RSDG	(45)
Other items (net)	(40)
MRP	(34)
ICT - corporate licenses	(18)
BMS Invest	(15)
External Audit Fees	(4)
Additional Funding of Business Rates Collection Fund Deficit (reserves)	279
IRP review	70
Charge to HRA	13
LCTS Admin grant reduction	5
Revised Deficit	329