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To The Chairman and Members of the Overview
& Scrutiny Commission

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Date 17 November 2015

AGENDA SUPPLEMENT

Dear Sir/Madam,

OVERVIEW AND SCRUTINY COMMISSION - THURSDAY 19 NOVEMBER 2015

I refer to the agenda for the above-mentioned meeting and enclose the following item:

Item No	Report Title	Page Nos
9.	<u>Draft Budget Setting, Medium Term Plan (MTP) and Capital Strategy</u> Updated papers to reflect changes following Strategy Board discussion. (Replacing pages 29 - 71) <i>Hard copies of these papers will be tabled at the meeting.</i>	72 - 114

Yours faithfully

Helen McAleer

Senior Democratic Services Officer

BRECKLAND DISTRICT COUNCIL

Report of: Pablo Dimoglou, Executive Member Finance

To: Strategy Board, 16 November 2015
Overview & Scrutiny, 19 November 2015
Cabinet, 1 December 2015

(Author: Julie Kennealy, Shared Executive Director Commercialisation)

Subject: Draft Budget, Medium Term Plan and Capital Strategy

Purpose: To consider the draft capital & revenue budget estimates, the medium term financial plan and the capital strategy and release for consultation

Recommendation(s):

- 1) That the draft capital and revenue budget estimates, the medium term financial plan and the capital strategy are reviewed and released for consultation

1.0 BACKGROUND

- 1.1 The appendices to this report outline the 2016-17 revenue and capital estimates for the General Fund, the proposals for the setting of discretionary fees and charges, the outline position to 2019-20, the medium term financial plan and the capital strategy. The medium term financial plan sets out the framework within which the budget is to be set to ensure that it enables the Council to achieve its own corporate objectives. The capital strategy sets out the framework for the capital budget setting.
- 1.2 During recent years the council alongside many public sector service providers has experienced financial pressures in various combinations; public sector funding cuts, all time low returns on cash deposits and a national economic downturn affecting jobs, housing and business growth. During this same period the basis on which the public sector is funded has undergone unprecedented reform, radical changes that affect the council's funding financial position both directly and indirectly include National Welfare Reform, Localisation of Council Tax Relief, Business Rates Retention, New Homes Bonus and of course reduction and in some cases removal of a range of grant funding sources. Each change bringing elements of uncertainty in terms of impact.
- 1.3 Despite these challenges and as a result of the Council's strong financial focus, the Council has been well placed to secure a sustainable financial position across the medium term with no dependency on reserves. This position has enabled the Council time to develop a clear financial strategy in the medium and longer term to identify and deliver the more complex transformational changes required to meet the significant financial challenges of future years.
- 1.4 This complex change has already started with the recent approval of the transformation programme, identification of projects and the formation of task and finish groups. Some projects approved in the last year have already delivered returns, such as the LABV project and Thetford Riverside.
- 1.5 This draft budget supports the principal of reducing reliance on RSG and provides funding for both an investment fund and a growth fund to deliver on-going revenue income streams over the medium term.

1.6 Budget Gap

Based on the draft medium term financial plan this is the current budget gap:

	2016-17	2017-18	2018-19	2019-20
	£'000	£'000	£'000	£'000
Before reducing RSG reliance	(93)	884	1,312	2,118
After reducing RSG reliance	63	1,527	2,230	3,036
Where we are going	-	432	564	806

1.7 In previous years funding has been set aside to provide up-front investment for the transformation programme, which is in progress and no further funding is required at this stage.

2.0 OPTIONS

2.1 That the draft capital and revenue budget estimates, the medium term financial plan and the capital strategy are released for consultation

2.2 There are no alternative options presented, however amendments may be made before release for consultation

3.0 REASONS FOR RECOMMENDATION(S)

3.1 To comply with the budgetary and policy framework

4.0 EXPECTED BENEFITS

4.1 To set an affordable and balanced budget for 2016-17 which delivers on the Council's priorities

5.0 IMPLICATIONS

5.1 Carbon Footprint / Environmental Issues

5.1.1 It is the opinion of the Report Author that there are no implications.

5.2 Constitution & Legal

5.2.1 It is the opinion of the Report Author that there are no implications.

5.3 Contracts

5.3.1 It is the opinion of the Report Author that there are no implications.

5.4 Corporate Priorities

5.4.1 The budget should support the Council's priorities

5.5 Crime and Disorder

5.5.1 It is the opinion of the Report Author that there are no implications.

5.6 Equality and Diversity / Human Rights

5.6.1 It is the opinion of the Report Author that there are no implications.

5.7 **Financial**

5.7.1 The report is of a financial nature and financial implications are covered within the report and appendices

5.8 **Health & Wellbeing**

5.8.1 It is the opinion of the Report Author that there are no implications.

5.9 **Risk Management**

5.9.1 Risk has been considered and is included within the appendices.

5.10 **Staffing**

5.10.1 It is the opinion of the Report Author that there are no implications.

5.11 **Stakeholders / Consultation / Timescales**

5.11.1 Consultation is included within the appendices

5.12 **Other**

5.12.1 n/a

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 N/A

7.0 **ACRONYMS**

- 7.1 BPI - Basic Performance Increase
- 7.2 CIPFA – Chartered Institute of Public Finance and Accountancy
- 7.3 CLG – Communities for Local Government
- 7.4 LABV - Local Asset Backed Vehicle
- 7.5 LCTRS – Localised Council Tax Reduction Scheme
- 7.6 NHB – New Homes Bonus
- 7.7 NNDR/NDR – National Non-Domestic Rates (Business Rates)
- 7.8 PFI – Private Finance Initiative
- 7.9 PRP – Performance Related Pay
- 7.10 RSG – Revenue Support Grant
- 7.11 S31 – Section 31
- 7.12 VFM – Value For Money

Background papers:- [See The Committee Report Guide](#)

Lead Contact Officer

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Key Decision: No

Exempt Decision: No

This report refers to Mandatory & Discretionary Services

Appendices attached to this report:

Appendix A – Budget estimates and medium term financial plan

Appendix B – General Fund Summary

Appendix C – Tax Base

Appendix D & D2 – Fees and charges (*D2 to follow*)

Appendix E – Reserves

Appendix F – Sensitivities

Appendix G – Capital strategy

Appendix H – Capital estimates

Budget Setting Report and Financial Medium Term Plan 2016-17

This appendix is the combined budget estimates and medium term plan 2016-20. The medium term plan is the link between the Corporate Plan, which sets out the aims and ambitions agreed with our partners, and the medium term financial plan which sets out the cost of what the Council is currently providing. The plan also establishes a set of financial policies and principles which provide a sound basis for maintaining the financial integrity of the Council over the medium term.

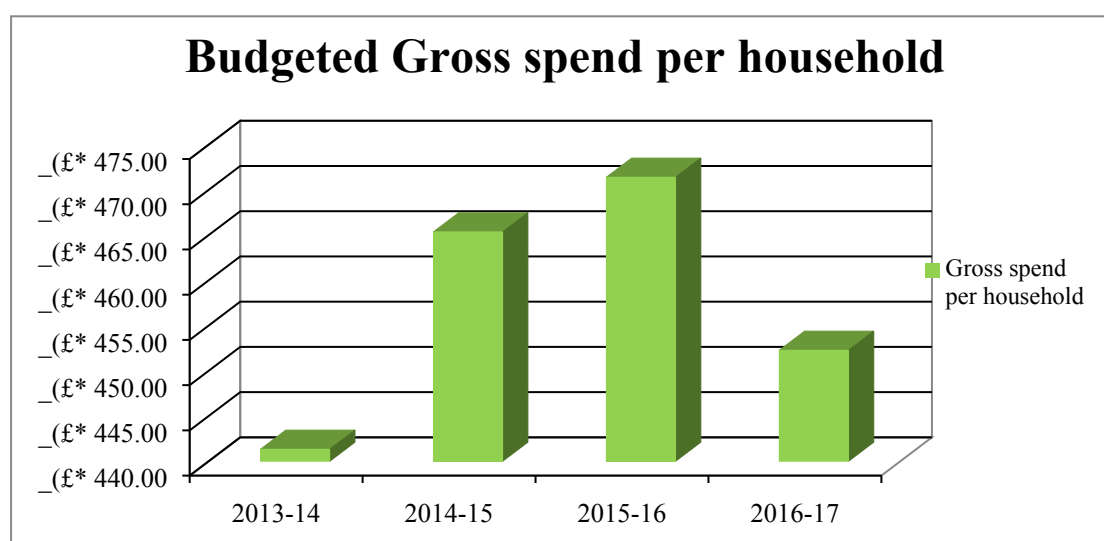
1. Budget Summary

The following table shows the headline figures relating to the budget estimates for 2016-17 compared to the 2015-16 position:

Description	2015-16	2016-17	Increase/ (Decrease)
Breckland precept requirement	£2,737,339	£2,893,571	5.7%
Council Tax Band D	£69.03	£70.38	1.96%
Band D cost per week	£1.33	£1.35	1.50%
Grant settlement (excluding NNDR)	£2,756,259	£2,511,353	(8.9%)
Accelerated RSG to investment fund	Nil	£499,284	100%
Retained NNDR (incl S31 grants)	£4,540,253	£4,533,595	(0.1%)
Other non-ring fenced grants	£78,060	£30,720	(60.6%)
New Homes Bonus applied	£1,969,739	£2,592,654	31.6%
New Homes Bonus to Reserves	£393,210	£42,938	(89%)
Special expenses account	£65,522	£70,039	6.9%
Transformation target	Nil	Nil	-

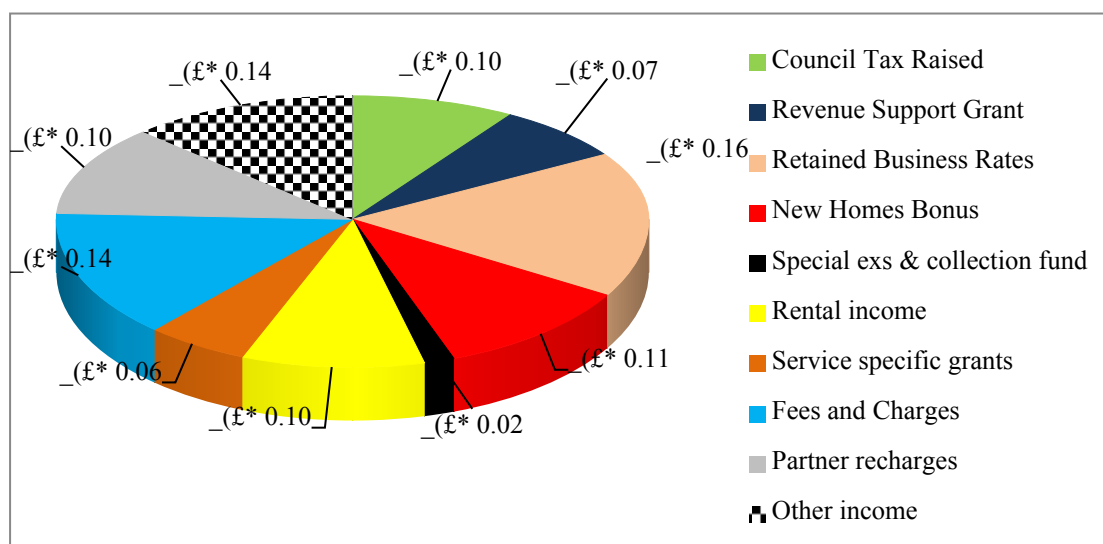
Of all the homes in the Breckland area, 77% are in bands A-C and 54% are in band A or B. Therefore the majority of homes pay less than £1.05 a week towards the District services we provide.

The table below shows the Breckland Council gross spend per household (excluding Housing Benefit payments) with previous year comparators.



The budget report recommends an inflationary increase of just under 2% to council tax for 2016-17. For the purposes of the medium term plan it is proposed that just under a 2% inflationary increase is built in to future years council tax levels. Future levels will be considered each year as the Budget and Medium Term Plan are updated.

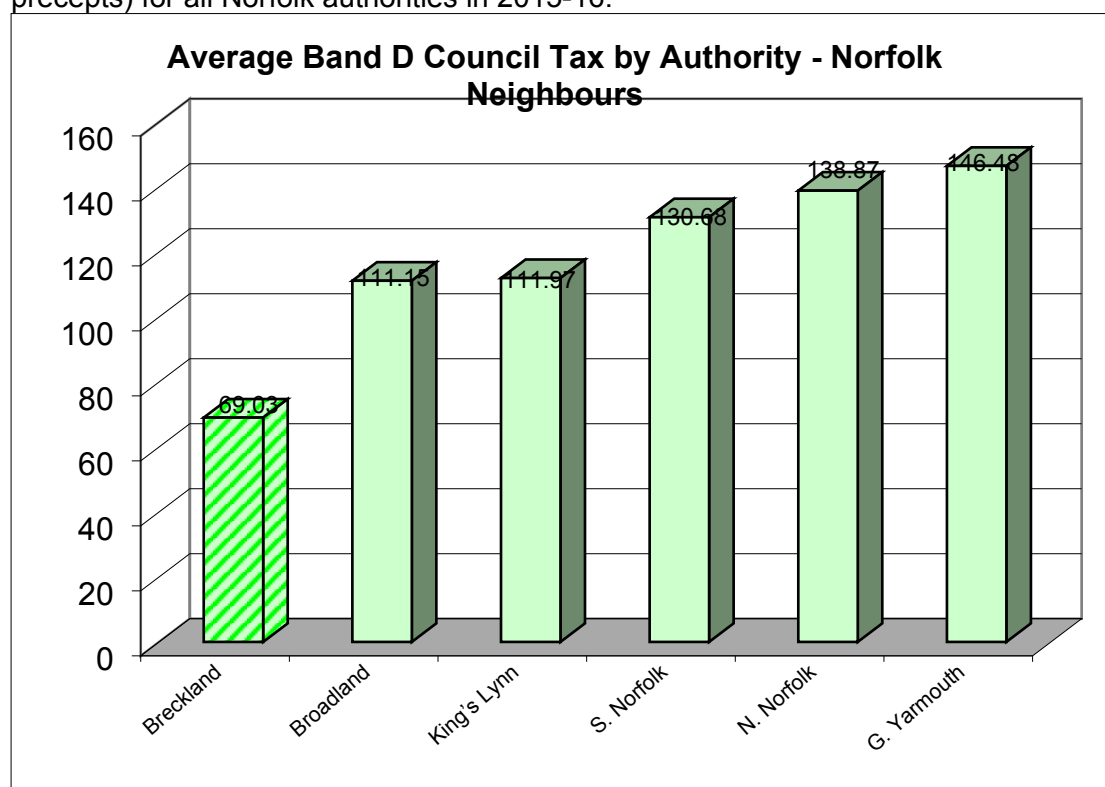
The council maximises its sources of funding to help keep the council tax at a low level. For every £1 spent by the Council (excluding Housing Benefit payments) it is funded from the income sources shown in the chart below.



The following table details the Band D Council Tax levels for all precepting authorities over the last thirteen years:

	Norfolk County Council £	Norfolk Police Authority £	Breckland (Excl special expenses) £	Parish £	Total £	Increase/ (Decrease) %
2004-05	929.70	138.69	56.84	39.86	1,165.09	6.9
2005-06	956.70	145.53	57.98	42.21	1,202.42	3.2
2006-07	1,004.40	154.17	59.14	46.37	1,264.08	5.1
2007-08	1,052.10	164.88	60.32	49.25	1,326.55	4.9
2008-09	1,091.52	178.56	61.98	52.15	1,384.21	4.4
2009-10	1,123.74	185.58	64.05	55.99	1,429.36	3.3
2010-11	1,145.07	191.16	64.05	57.37	1,457.65	2.0
2011-12	1,145.07	191.16	64.05	55.14	1,455.42	(0.2)
2012-13	1,145.07	196.92	64.05	57.68	1,463.72	0.6
2013-14	1,145.07	200.79	69.03	69.91	1,484.80	1.4
2014-15	1,145.07	204.75	69.03	76.32	1,495.17	0.7
2015-16	1,145.07	208.80	69.03	76.99	1,499.89	0.3
2016-17	tbc	tbc	tbc	tbc	tbc	tbc

The following chart shows the average Band D Council Tax levels (excluding parish precepts) for all Norfolk authorities in 2015-16.



2. 2016-17 Estimates

The table below shows the budget estimates for 2015-16 and 2016-17 by type of expenditure/income split over the standard CIPFA classifications. Notes explaining the major variances between the two years are given below the table.

Full details of the overall position are shown at **appendix B**.

		2015-16	2016-17	Variance	Variance
		£	£	£	%
1	Staffing Costs (BC & 3 rd Party)	9,115,510	9,894,442	778,932	8.5
2	Premises	2,319,960	2,384,550	64,590	2.8
	Transport	265,830	265,310	(520)	(0.2)
3	Supplies & Services	13,926,320	13,943,007	16,687	0.1
	Drainage board levies	72,550	78,850	6,300	8.7
4	Transfer Payments	37,203,490	34,894,205	(2,309,285)	(6.2)
5	Support services	3,600,280	3,803,422	203,142	5.6
6	Capital charges	1,889,460	4,170,175	2,280,715	120.7
7	Capital financing	(1,455,350)	(4,033,295)	(2,577,945)	(177.1)
	Total Expenditure	66,938,050	65,400,666	(1,537,384)	(2.3)
8	Rents/service charges	(2,615,830)	(2,807,687)	(191,857)	(7.3)
9	Fees and charges	(3,168,180)	(3,936,263)	(768,083)	(24.2)
10	Grants	(39,059,060)	(35,581,850)	3,477,210	8.9
11	Other	(6,605,000)	(6,853,451)	(248,451)	(3.8)
	Total Income	(51,448,070)	(49,179,251)	2,268,819	4.4
12	Transformation	563,387	(42,938)	(606,325)	(107.6)
	Less trading units	(3,384,790)	(3,693,652)	(308,862)	(9.1)
	Budget Requirement	12,668,577	12,484,825	(183,752)	(1.5)

Notes:

1 – The increase in employee costs results from additional staff employed at ARP for the enforcement service, additional ARP staff employed directly by Breckland (offset by partner income) and increased NI contributions. These additional costs are partly offset by an increase to the vacancy factor.

2 – Forecast additional costs relating to maintenance works at Breckland Business Centre in Dereham which is fully offset by service charge income held in reserves.

3 – Inflationary increases on major contracts such as waste collection and planning & building control, mostly offset by efficiency targets from the transformation programme and reduced grant spend following the end of the economic development grant programmes which is offset by reduced grant income.

4 – Transfer Payment costs are mostly Housing Benefit payments and these have reduced, but the reduction is offset by reduced grant income, leaving the net effect in line with previous years. This line also includes the town and parish grant increase of £226k.

5 – There are general increases relating to staff and contract costs in the different services plus additional one off spend in 16-17 funded from reserves, partly offset by reduced office charges following the DWP re-location into Elizabeth House.

6 – This increase relates to the £950k Superfast Broadband project and other small increases in the capital programme compared to last year, these figures are fully reversed within the capital financing (see note 7).

7 – Capital Financing costs reflect the appropriations to and from reserves and the reversal of the capital charges figures and accounting entries. These are items such as depreciation which is not a real charge to the Council Tax payer. The change in 2016-17 reflects the changes in capital charges (see note 4) and also funding from reserves for one off costs.

8 – Increased income from initiatives such as Thetford Riverside (part year in 2016-17) and DWP.

9 – Additional income relating to the new ARP Enforcement service of £524k plus increased planning forecasts and other smaller increases in service income.

10 – Reduced grant income resulting from reduced Housing Benefit claims and the ending of the economic development grant programmes (see notes 3 & 4).

11 – Additional income relating to interest receivable from Breckland Bridge and additional Housing Benefits overpayments receipts.

12 – Transformation targets are included within the supplies & services budgets for projects currently being delivered and there is no contribution to costs in 2016-17.

3. Principles of Budget Preparation

The following principles have been used in the budget preparation process, in order to:

- Provide a consistent and authorised approach to the preparation of revenue and capital estimates
- Ensure estimates are prepared in line with available resources
- Ensure that estimates are prepared to reflect corporate priorities

Budget principles:

- Detailed working sheets are maintained for all budget headings and these are prepared by the budget manager, with the exception of *central* items.
- Central items are calculated by the accountancy team. The central items are: salaries, insurance, lease car and car allowances, support service recharges, capital accounting entries, interest paid and received, pensions, NI, special expenses, mobiles phones, overtime, gas, electricity, water, postages and Members allowances.

- The full effect of known pay awards is incorporated into the estimates and a provision made for future years, based on internally agreed assumptions (taking into account any Central Government policies).
- Staffing estimates are prepared on the basis of approved staffing levels as provided by Human Resources. These estimates include an allowance for employers NI, superannuation contributions and lump sum amounts.
- Controllable expenditure is defined as expenditure on employees, premises (excluding business rates), transport, supplies and services, but excluding internal recharges.
- There will be no allowance for inflation, unless contractual or related to salaries.
- We seek to mitigate the impact on Council Tax from the consumption of capital resources. In effect all decisions should be made with the knowledge of the impact on investment income.
- We should seek additional scrutiny and challenge for accessing capital resources and ensure that the programme only reflects schemes that are sufficiently scoped to allow delivery.
- A review of fees and charges to ensure maximisation of income where consistent with policy.
- An acceptance that a viable budget was already created last year and we restate mid year with ongoing changes forming the basis of future years estimates.
- To set a balanced budget with no long term dependency on General Balances.
- To work towards a zero balance on the collection fund.
- Only the 2016-17 budget is formally approved, future years are indicative only for both revenue and capital for the purposes of medium term financial projections.

4. Funding Assumptions

Only a small amount of the Local Government Settlement is now received in the form of Revenue Support Grant (RSG). Instead of receiving a fixed funding amount from government, from 1 April 2013 we have been reliant on a new model which is geared towards the local raising of funds. Changes to schemes in respect of non-domestic rates (NDR) and localised council tax reduction scheme (LCTRS) have brought a greater degree of risk and variability to the Council's funding.

The budget assumes an accelerated reduced reliance on RSG for the medium term, taking our reliance on RSG to nil by 2019-20 (on a phased reduction). The actual RSG received in each year above that which is required for services will be contributed to an investment fund and invested in income generating assets to provide an on-going revenue return.

Under this Government policy a proportion of NDR income is retained by district and county councils through a system of top-ups and tariffs. The remaining NDR income is centralised by government and distributed back to local authorities through the formula grant process, thus allowing the government to retain a proportion of business rates centrally to meet public expenditure targets. This formula grant element has specific grants rolled into it that were previously identified separately (eg. the council tax freeze grant and the homelessness prevention grant). Whilst the headline figures of this scheme quote a 40% share of NDR income retained by district councils, in reality this is not the case. The tariff system reduces the NDR income retained by Breckland to a "baseline funding" figure calculated by government which is actually around 12.0% of the overall NDR income collected by the Council. Any growth over and above the NDR income that Government has

assumed for the year is shared between central and local government, with our local share equating to 20% of the total growth.

The retained NDR forecasts are based on actual amounts collectable at September 2015 which are then adjusted for local knowledge (i.e. for appeals, charitable relief, etc) and uplifted by an inflationary increase to allow for the increase in NDR multiplier each year. The level of appeals has been set at 1.5% in this budget forecast, but is open to risk of increase or decrease in all years.

The Norfolk business rates pool formed in 2014-15 has been expanded to include Norwich city Council from 2015-16 onwards. Tariff that otherwise would be paid to Central Government is paid into the County pool. This pool will be used to supplement economic development activity throughout the county, supporting the work that the authorities are doing with the Local Enterprise Partnership (LEP).

Funding from central Government has become more complex in recent years, with additional smaller grants being notified to council's separately to the core local government Settlement. Any new non-ring fenced grants or Section 31 grants or any continuation of grants which are notified after Council approves the budget (such as Community Right to Buy, etc) will be contributed into the Organisational Development Reserve for re-allocation as appropriate.

The table below shows the level of budgeted central grants.

	15-16 £m	16-17 £m	17-18 £m	18-19 £m	19-20 £m
Local Gov't Settlement	(2.773)	(2.511)	(2.232)	(2.009)	(1.808)
RSG to investment fund	-	0.499	1.218	1.757	1.808
Retained Business Rates	(3.608)	(3.504)	(4.704)	(4.855)	(5.002)
S31 grants in lieu of NDR	(0.932)	(1.030)	-	-	-
Council Tax Freeze	(0.061)	(0.031)	-	-	-
New Homes Bonus	(1.970)	(2.593)	(3.156)	(3.248)	(2.551)
NHB to growth fund	0.393	0.043	0.685	0.846	0.551
Total	(9.737)	(9.127)	(8.189)	(7.509)	(7.002)
% -/(+)		6.3%	10.3%	8.3%	6.8%

The 'New Homes Bonus' (NHB) is budgeted for six years from 2012-13 at the year one level plus future years allocations. The year one and two NHB will be contributed to reserves in the year it is received and applied to the budget in the next year. Estimated NHB allocations for year three onwards are applied as funding in the year it is received, based on prior year averages. Any New Homes Bonus income received above £2m will be contributed to a growth fund which will be used to secure housing and employment growth, generating an on-going revenue return.

5. Collection Fund

Each year the Council is required to calculate the balance on its Collection Fund. The medium term plan target is to have a minimal balance on the Collection Fund, aspiring for a zero balance.

Figures indicate a surplus for Council Tax of £4.7m in total (taking 14-15 balance and 15-16 forecast) and Breckland's share of this for 2016-17 would be around £457k (surplus of £168k for 2015-16).

For Business Rates a deficit is forecast of £155k in total and Breckland's share of this for 2016-17 would be around £62k (deficit of £40k for 2015-16).

6. Tax Base

The tax base is assumed to rise by 3.7% in 2016-17 which brings forecasts in line with actual collection fund experience in the last year with increases of 0.67%, 1.59% and 1.55% for future years. The assumed figures are shown in section 7 of this report. The tax base for all parishes is shown at **appendix C**.

7. Other Budget Assumptions

The budget estimates and medium term plan cover the period 2016-17 to 2019-20, over this timescale it is important that we make realistic assumptions as to how costs rise or fall. This section details the key assumptions made.

The key assumptions used are:

- Revenue budgets will be used to deliver services during the year for which they are approved.
- We will allow for unavoidable growth on services (i.e. new statutory obligations and contractual inflation) but will not allow any increase for general inflation.
- Estimates are prepared on the understanding that appropriate service budgets were produced for the previous year (2015-16) which will then be adjusted to reflect the changing financial circumstances that the public sector is required to prepare for.
- Where service delivery is dependent on a specific grant we will only assume continuation of the grant and expenditure where such notification has been received.

The key assumptions made for the setting of these budget estimates, which influence the five year financial plan are as follows:

	15-16	16-17	17-18	18-19	19-20
Combined PRP and BPI	2.225%	1.00%	1.00%	1.00%	1.00%
Staffing salary level	98%	96%	96%	96%	96%
ARP cost of living increase	1.75%	1.00%	1.00%	1.00%	1.00%
ARP staffing salary level	97.5%	97.5%	97.5%	97.5%	97.5%
Pension contribution rate	14%	14%	14%	14%	14%
Pension lump sum cont'n	£589k	£666k	£726k	£786k	£786k
Return on cash investments	0.75%	0.90%	1.50%	2.00%	2.75%
Tax base	39,654	41,112	41,387	42,045	42,697

- Details on the grant settlement and assumptions made are shown in section 4.

8. Future Developments

The following are areas which are currently under development or consultation which are likely to have an impact on the budget, but there is currently insufficient detail to include these in the main budget.

The accounting standards relating to lease accounting are likely to change with effect in the future, although the date of the change has been pushed back for some years now, so when it will become operational is not yet known. The potential effect of this change is that not all the income receivable by the Council for rentals (i.e. commercial property rental income) will be classified as revenue income, therefore reducing the income receivable by the Council. There may be mitigating treatment provided by CLG/CIPFA for what in effect is an additional cost pressure to the Council, however the full effects will not be known for some time yet. While the accounting standard will not affect the total income the council receives from rent, it

will affect the amount of income the council will be able to treat as revenue income in the general fund.

Universal credit implementation has begun as part of a package of measures under the Welfare Reform Act. It changes the way that benefits (including Housing Benefits delivered by local authorities) are administered for certain claims, but it is not yet clear how this will progress over the medium term to incorporate more claims. The future of universal credit and its impact on budgets is still un-quantifiable in budget terms.

The next triennial review of the Norfolk Pension Fund is due at the end of 2015-16, which could result in changes to pension contributions and this would be incorporated into next years budgets.

9. Strategy, Aspirations and Forward Projections

The Council's financial medium term strategy is shown below:

- 1) To manage a budget process that will make progress in re-directing and focusing the budget on corporate priorities and in doing so, recognise the intrinsic link between this strategy and the Capital Strategy and the Treasury Management strategy.
- 2) Adopt a corporate approach to budget preparation and continue to provide strong timely budget control.
- 3) Use sound modern financial systems procedures and principles and promote electronic record keeping and approval processes. Ensure financial performance reporting remains integrated with business planning.
- 4) Ensure there is a rigorous scrutiny of the financial planning process and work towards a more effective consultation process to engage the public and stakeholders.
- 5) Maintain balances and reserves that will provide for known risks and liabilities and provide capacity for managing peaks in expenditure.
- 6) Operate strategies on capital and external funding that supports the Council's corporate objectives and that supports the targets of any partners.
- 7) Undertake a risk assessment of material items of income and expenditure and report the risks to Members as part of the budget setting process (see section 14).
- 8) Manage and use our resources to deliver value for money and better sustainable outcomes for local people.
- 9) Set realistic targets for trading accounts and if services fail to achieve these they will be subject to a more fundamental review.
- 10) Aim for a minimum balance on the Collection Fund.
- 11) Prepare robust and realistic income and resource requirement plans for the next four years.
- 12) Promote take up of benefits and reliefs.
- 13) Maximise income collection.
- 14) Recognise our role in the community throughout and beyond the period of economic hardship by providing assistance to individuals, groups and businesses.

These strategies will be achieved through the working practices set by the relevant departments. The effectiveness of these strategies and the underlying principles can be monitored by key outputs such as:

- Annual audit letter
- Financial plan
- Audit Committee reports
- Annual Governance Statement (AGS)

- Grants returns submitted to deadlines
- Governance and performance reports

With the aspiration to reduce reliance on RSG, this results in further pressures to deliver savings from the transformation programme. Section 16 details the planned savings from the transformation programme over the medium term in order to balance the budget with a nil reliance on RSG by 2019-20.

10. 2015-16 Outturn

An assessment of the 2015-16 out turn will inform the reliance we can place on the baseline we use for setting the 2016-17 estimates. Based on the position at the 30 September 2015, various pressures, transformation items and efficiencies have been identified, forecasting a small below budget out-turn as an overall result. One-off efficiencies and surpluses will be used to offset transformation targets in the current year, allowing time for the programme to grow. Ongoing efficiencies and surpluses have been reflected in the medium term plan. The Council will continue to review the financial performance of its services throughout the year. In preparing the budgets for 2016-17 services have reflected the on-going pressures and efficiencies in their new budget estimates.

11. Budget Requirement and Forward Estimates

Outline estimates through to 2019-20 are shown in **appendix B**. In compiling these figures we have followed the assumptions shown in sections 4 and 7 of this appendix and made specific adjustments to service budgets as and where budget holders have advised of a change over the medium term.

These forward estimates demonstrate a balanced budget for 2016-17 and 2017-18 with no reliance on reserves, with further efficiencies required from future years to reduce our reliance on RSG. Section 16 gives further information on how the Council plans to achieve these efficiencies through a programme of efficiencies and growth and details what assumptions have been made on assumed efficiencies.

The special expenses charge shown in **appendix B** is made for the maintenance of footway lighting in Dereham, Thetford, Watton and Bawdeswell. This is in addition to the precept raised by the Council across the district. Attleborough and Swaffham have elected to be recharged directly for their footway lighting costs, so it forms part of their own precept. These expenses are shown in the table below. Other parish councils maintain their own footpath lighting requirements and therefore manage this cost through their own precept.

	Bawde -swell	Dere- ham	Thetford	Watton	Attlebo -rough	Swaff- ham
Special Expense	£127.66	£9,243.08	£32,662.65	£19,172.56	-	-
2016-17 tax base	271.1	5,421.1	6,119.1	2,372.4	-	-
Band D equivalent	£0.47	£1.71	£5.34	£8.08	-	-
2015-16 band D	£0.15	£1.39	£6.02	£6.17	-	-
Direct charge 16-17	-	-	-	-	£18,252	£15,594

The County Council manage the footway lighting on behalf of Breckland and the Towns and little planned maintenance or replacements are taking place, only reactive maintenance and repair. This results in reductions to these footway lighting charges, however it also creates a risk of additional un-planned costs for any major reactive repairs and also the risk of breaching the level of council tax rise allowable in the future before a referendum is required. These are detailed further in the risk

section. Discussions are taking place with the Town Councils regarding the options for future provision of footway lighting.

12. Fees and Charges

Income from fees and charges is an important source of revenue income for the Council. Charges have a central role to play in service delivery, raising income, controlling access, responding to competition, funding investment and affecting public behaviour.

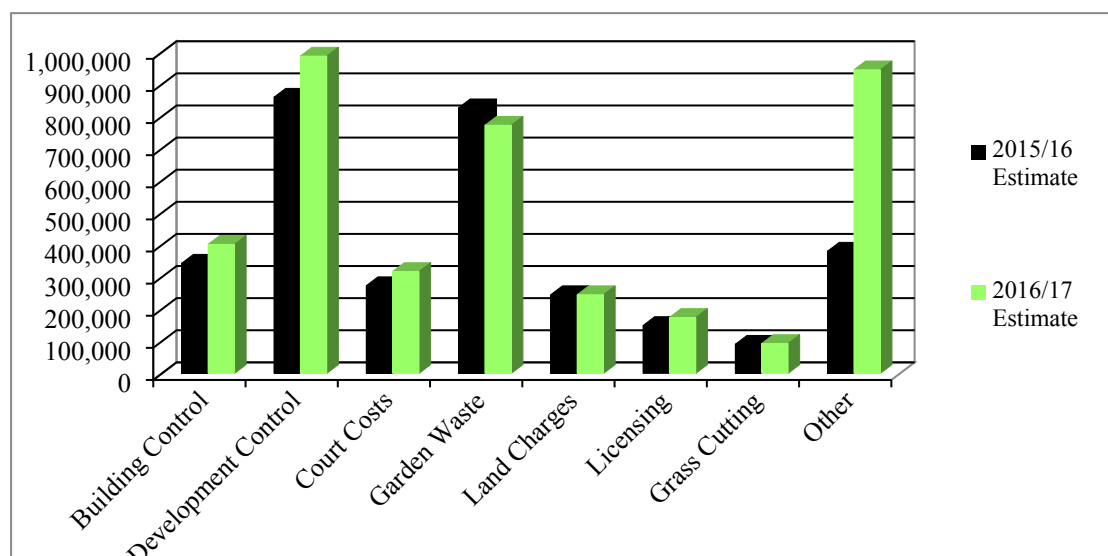
As part of our overall income strategy we will seek to:

- Maximise the return from the Council's asset holdings
- Ensure that the yield from fees and charges matches the increase in base budget for services that levy fees and charges, otherwise the shortfall will fall upon the Council Tax payer
- Annually review fees and charges for discretionary services
- Ensure that statutory charges are implemented
- Monitor compliance with the corporate charging policy and corporate debt policy
- Set targets for income collection and level of arrears and monitor performance against these targets.
- Treat windfall income as a corporate resource
- Use enforcement remedies effectively
- Seek to minimise benefit subsidy losses

Fees and charges have been reviewed and changes made where necessary to the levels levied. Demand for services has also been reviewed and changes in demand have been reflected in the budgeted level of fees and charges income.

Appendix D details all the fees and charges and highlights the charges which are new or have changed since they were last approved.

In total £3.9m is due from fees and charges in the 2016-17 budget. The chart below shows the main categories of budgeted fee income in 2016-17 (and 2015-16 for comparison).



In addition to fees and charges the council has also invested £23m in commercial properties, plus our new investment in Thetford Riverside (due to complete in 2016).

It uses the rent from these properties to support the delivery of front line services. Income from commercial property rent is estimated at £2.54m in 2016-17, excluding service charges, offices rental and finance lease adjustments (£2.4m in 2015-16). As part of the transformation programme work will be undertaken to look at diversification away from commercial properties and cash investments to look at the potential of market rent housing.

13. Reserves and Balances

The authority carried out a review of its reserves and balances as at 30 September 2015 and the finding and recommendations from this are incorporated into this budget.

Appendix E outlines the position statement on reserve balances. The proposed budget does not require any long term support from reserve balances, however the economic circumstances around business rates retention, localised council tax support, high performance of Commercial Property, investment income and specific contractual challenges has required us to undertake a robust sensitivity analysis should these events require us to draw on balances. Whilst it is apparent these risks could be financially significant, our reserves are healthy. Moving forward the General Fund balance is maintained at £2.851m.

The tables below give a summary of reserve movements:

General Fund	15-16 £m	16-17 £m	17-18 £m	18-19 £m	19-20 £m
Brought forward	2.851	2.851	2.851	2.851	2.851
In	-	-	-	-	-
Out	-	-	-	-	-
Carried forward	2.851	2.851	2.851	2.851	2.851

Specific Reserves	15-16 £m	16-17 £m	17-18 £m	18-19 £m	19-20 £m
Brought forward	14.196	10.389	9.073	8.387	7.870
In	0.654	0.648	2.008	2.709	2.465
Out	(4.461)	(1.964)	(2.694)	(3.226)	(2.403)
Carried forward	10.389	9.073	8.387	7.870	7.932

These are the observations from the review of reserves for the 2016-17 budget:

- Although the PFI reserve is running at a low level, the anticipated costs of PFI are fully allowed for within the base budget. With the planned benchmarking review in future years there is a possibility of increased or decreased costs which the Council will have to evaluate and respond to as necessary.
- The Council holds £1.58m of unallocated funds within a match funding reserve for both capital and revenue match funding projects. This level is appropriate based on the expected future spend.
- The organisational development reserve stands at £6.08m at 1 April 2015 and contains £2.19m of unallocated funds. It is envisaged that this reserve will continue to be used for transformational and invest to save initiatives that will be required to drive revenue costs down to achieve a balanced and sustainable budget over the longer term.
- The waste and recycling reserve uses savings achieved in the earlier years of the contract and applying them in the later years of the contract to smooth the effect of price changes, with 2015-16 being the final year of reserve use.
- All return from the investment in commercial properties will be contributed to the budget and therefore no additional sums are forecast to be contributed to

the commercial property reserve (with the exception of earmarked contributions for items such as roof & asphalt). This reserve is currently holding around £0.32m of un-allocated funding which will continue to be used to fund feasibility studies relating to potential investment and/or disinvestment opportunities as detailed in the Asset Management Plan.

- A sum of £2.62m is held in a Council Tax and Business Rates reserve to cover the potential pressures and/or timing pressures resulting from the changes from localisation of council tax benefit and funding from business rates retention and the potential for successful back-dated appeals.
- The community projects reserve holds £1.53m of earmarked funds due to be spent on community related projects during 2015-16 and 2016-17.
- The existing New Homes Bonus (NHB) reserve will be transferred to a “growth fund” and where NHB is received over and above our required level, this will be added to the growth fund which will be used to secure housing and employment growth generating an on-going revenue return

In setting the level of General Balances, consideration has been given to the adequacy of financial control, the overall financial position, medium-term financial plans and the strategic, operational and financial risks facing the Council. Following this review, it is proposed that the General Fund remains set at a minimum level of £2m.

14. Risk, Key Issues, Sensitivity and Monitoring

The Council must set a budget which is a realistic statement of its estimated income and expenditure for the coming year, based upon information currently available. The Council has a duty to take into account the demand for its services and the effect on council tax payers of meeting those demands at varying levels of services. Given the good management practices and sound financial and performance monitoring delivered in the past, the Council has the platform and expertise to deliver a balanced budget.

The following table details the key risks and issues identified and how we intend to treat them.

Risk	Likelihood	Impact	Action
Low income levels from fees and charges	Low	Medium	Revise spending plans
Continuation of low interest rates	Medium	Medium	Market advice and forecasting. Mitigation by diversification
A reduction in property rental income	Low	Medium	Asset management plan. Mitigation by diversification
Business rates retention scheme leaves Council exposed to economic downturn, reduced income from appeals (including back dated appeals) and reduced income as schools transfer to academies.	High	Medium	Monitor throughout year & reserve created to help with potential initial pressures/timing pressures
Pension fund deficit, leading to increased employers contributions (particularly with the next triennial valuation at the end of 2016)	Medium	Medium	Close links with NCC pension fund Increased contributions following triennial review

Risk	Likelihood	Impact	Action
New Homes Bonus grant income less than budgeted due to changes to Government policy once the scheme is through its 6 year cycle	Medium	High	Review levels each year to ensure estimate is as accurate as possible
Additional bad debts as a result of economic circumstances	Low	Low	Pro-active debt management and pre-pay fee policies
Increased maintenance costs of ageing physical assets	Medium	Medium	Asset management plan. Pro-active rather than reactive maintenance programme.
Contractors for the Council facing financial hardship, going into administration or novating contracts to other suppliers	Medium	Medium	Contingency plans in place, financial checks for new contracts, wording in contracts to protect the Council from novation to alternative suppliers
Inflation rises by more than budgeted projections	Low	Low	Budget assumptions kept up to date with most recent projections
Price increases resulting from contract re-tender	Medium	Medium	Vary the service specification within the affordability envelope
Net budget of the Housing Benefit claims is costlier than budgeted of error threshold breached	Medium	Medium	Use of reserve to fund any in year additional costs/income shortfall
Reduction in S106 funding resulting from changes to legislation	Medium	Medium	Maximise use of S106 where this is available
Extension of internal drainage board (IDB) activities increases drainage board levies beyond our control	Low	Medium	Liaison with IDB. Consider methods to smooth the effects of future costs
Reduced available capital funding meaning that borrowing will be required for future projects	High	Medium	Continue to closely monitor the Council's CFR and communicate remaining balances to Members before decisions made. Use of revenue funding to support capital schemes and use of LABV where appropriate. Dis-investment in poorer performing assets to re-invest

Risk	Likelihood	Impact	Action
Future changes to accounting legislation by the International Accounting Standards Board (IASB) could mean rental income from Commercial Properties is classified as capital income as opposed to revenue income	Medium	Medium	Liaison with CIPFA & lobbying of CLG if necessary
Future costs which are recharged through the special expenses rise as a result of reactive repairs, which would increase the Council Tax to a level above that which requires a referendum	High	Medium	Consider methods to smooth the effects of future costs. Look at alternatives to the special expenses levy.
Net budget of the Housing Benefit claims is costlier than budgeted of error threshold breached	Medium	Medium	Use of reserve to fund any in year additional costs/income shortfall
NNDR revaluations in 2017 and re-basing in 2020 could reduce the Council's retained NNDR income	Medium	Medium	Use of reserve if necessary to provide 1-2 years funding whilst savings identified
Devolution in Norfolk and Suffolk reduces the retained income to Breckland and puts additional pressures on service delivery	Medium	Medium	Continue close working with neighbouring authorities
Senior/Shared management pay policy review could change costs	Medium	Low	Consultation throughout the process

In addition to the risks identified above we have calculated a sensitivity analysis of our key variables in order to quantify the potential financial impact. These sensitivities are shown in **appendix F**.

15. Consultation, Timetable and Links to Other Strategies

The draft budget will be put out to consultation to Overview & Scrutiny Commission, the Town & Parish Forum and on the website and invite commentary from key stakeholders. Feedback received from this consultation will be considered and incorporated into the budget papers where necessary.

It is important to have clear and agreed timetables for the budget process so that statutory requirements are met. Each year a timetable will be agreed with the corporate management team prior to the start of the process (i.e. around July each year).

The Council has adopted a corporate risk management strategy and financial risk management is integrated into the Council's overall management and decision making processes. This ensures a robust and well integrated risk management programme, which will help the Council to identify and manage key strategic risks facing it, in pursuit of its corporate objectives.

A new Performance Framework has been developed to manage delivery of the new priorities described in the councils Corporate Plan. The annual business planning process will run alongside the budget setting process to ensure an integrated approach of performance and finance and ensure that resources are made available to deliver the revised corporate plan.

16. Value for Money and the Efficiency Requirement

The recent significant reductions in central funding for local authorities and uncertainty relating to future years funding has brought the value for money (VFM) issue to the forefront for all public services and all authorities are required to demonstrate VFM. VFM is more than simply cuts to services and/or budgets, it includes; innovation in service delivery, investment in technology, rationalisation of back office functions and organisational development. It is more important than ever that the tax payers in Breckland are receiving VFM and that funds are available to provide front-line services to the community while ensuring the impact on council tax is contained.

When the budget for 2015-16 was set last year, the Council utilised early year efficiencies to be used to fund future years budget gap and provide funding for the transformation programme. At this time the budget was balanced through to 2017-18. Since that time, cost pressures and efficiencies have been identified, we are aiming to reduce reliance on RSG and the transformation programme has been developed. The current budget includes the following amounts which have been delivered or are due to be delivered through the transformation programme:

	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000
Delivery in progress:				
Breckland Bridge	(219)	(366)	(437)	(437)
DWP Co-location	(41)	(41)	(41)	(41)
Identified projects to be delivered:				
Organisational Design	-	(296)	(591)	(887)
Commercialisation (incl procurement)	-	(582)	(673)	(764)
Return on investment fund	(43)	(148)	(299)	(454)
Return on growth fund	-	(29)	(63)	(85)
Aligning public services	(20)	(40)	(40)	(40)
Future projects:				
Commercialisation	-	(432)	(564)	(806)
TOTAL	(323)	(1,934)	(2,708)	(3,514)

This has resulted in a balanced budget for 2016-17, with a budget gap for future years (£432k in 17-18 rising to £806k in 19-20) to be delivered by future transformation projects and further work will be carried out on the agreed transformation programme to balance future years budgets.

The Anglia Revenues and Benefits Partnership (ARP) has continued to move from strength to strength and now provides services to seven authorities across three counties. The partnership has introduced an enforcement agency in 2015-16 which will provide an extra income stream for the partner authorities from 2016-17.

17. Capital Estimates

The capital programme has been created to meet the priorities of the Council. The schemes and associated funding are set out in **appendix H**. Each scheme is supported by a capital bid form, formulated where appropriate after the consideration

of options. The cash flow implications of all schemes and the impact on revenue have been included within the revenue budgets. The joint preparation of both a capital and revenue budget should ensure a sustainable position for the Council. These capital budgets will be reviewed and challenged during the consultation period with final schemes included in the final budget.

The capital programme contains both annualised projects to be delivered in year and larger projects that will span more than one financial year. If a new project is to be included within the capital programme it must be more than an idea. As a minimum criterion, costs, timescales, funding agreements, governance arrangements, risks and outcomes will be clearly specified for all named projects. The delivery of the capital programme will be monitored through the performance system.

Capital resources are diminishing over time, the capital strategy details this position fully in section 3.4. The forecasts currently show that there is little scope for further capital investment in the existing capital programme by 2016-17 unless additional capital receipts are generated, revenue reserves are used, or further borrowing takes place. The capital programme includes budget for projects which form part of the council's Local Asset Backed Vehicle (LABV) project and borrowing will be undertaken for the Riverside project which is part of the LABV. Prioritisation of capital projects in the future will be key to the best use of the Council's resources. Any future decision on borrowing for capital projects would only be supported if the business case for the projects does not place additional cost pressure on the tax payer through the council tax charge. The council would not undertake any unsupported borrowing whilst it still has reasonable capital receipt resources available.

SUMMARY BY SUBJECTIVE HEADING

CODE	DESCRIPTION	2014/15 ACTUAL £	2015/16 ESTIMATE £	2016/17 ESTIMATE £	2017/18 ESTIMATE £	2018/19 ESTIMATE £	2019/20 ESTIMATE £
COUNCIL							
	Employee Related Expenses	8,744,275	9,115,510	9,894,442	10,002,032	10,112,891	10,305,036
	Premises Related Expenses	2,158,930	2,319,960	2,384,550	2,445,870	2,372,478	2,417,560
	Transport Related Expenses	269,470	265,830	265,310	271,530	279,180	279,180
	Supplies & Services	17,409,751	13,926,320	13,943,007	14,079,769	14,057,820	14,324,919
	Transfer Payments	36,438,616	37,276,040	34,973,055	34,907,303	34,835,853	35,497,734
	Support Services	3,655,364	3,600,280	3,803,422	3,811,563	3,748,537	3,819,759
	Capital Financing Costs	2,203,833	1,889,460	4,170,175	2,242,425	2,181,465	2,181,465
	Other Income	(20,408,603)	(15,050,190)	(15,166,531)	(15,412,142)	(15,319,595)	(15,610,667)
	Housing Benefit Income	(35,396,030)	(36,397,880)	(34,012,720)	(34,012,720)	(34,012,720)	(34,658,962)
COUNCIL TOTAL		15,075,606	16,945,330	20,254,710	18,335,630	18,255,909	18,556,024
Appropriations:							
	Revenue Contributions towards Capital Programme	105,638	0	950,000	0	0	0
	IAS 19 Contra Entry	128,000	109,610	(122,120)	(78,580)	(37,280)	(37,988)
	Reffcus Contra Entry	(1,297,053)	(1,158,000)	(3,406,370)	(1,500,000)	(1,500,000)	(1,500,000)
	Depreciation Contra Entry	(851,960)	(731,460)	(763,805)	(742,455)	(681,475)	(681,475)
	MRP	526,565	551,800	563,810	583,750	605,160	605,223
	Reversal Of Holiday Pay Accrual	(5,970)	0	0	0	0	0
	Reversal of Impairments/Movements in Value	(54,821)	0	0	0	0	0
	Capital Grants & Contributions	758,854	0	0	0	0	0
	Mitigating Treatment for Finance Leases	116,725	57,690	63,100	69,030	(14,490)	(14,490)
	Contributions To Reserves	1,627,313	493,700	106,490	106,490	106,490	106,490
	Contribution From Reserves	(1,109,671)	(778,690)	(1,424,400)	(792,709)	(622,618)	(44,000)
COUNCIL SUBTOTAL		15,019,226	15,489,980	16,221,415	15,981,156	16,111,696	16,989,784
	Less Trading Units	3,546,994	3,384,790	3,693,652	3,697,523	3,631,887	3,700,893
NET COST OF SERVICES		11,472,232	12,105,190	12,527,763	12,283,633	12,479,809	13,288,891

GENERAL FUND SUMMARY AND PRECEPT REQUIREMENT

	2014/15 ACTUAL £	2015/16 ESTIMATE £	2016/17 ESTIMATE £	2017/18 ESTIMATE £	2018/19 ESTIMATE £	2019/20 ESTIMATE £
NET COST OF SERVICES	11,472,232	12,105,190	12,527,763	12,283,633	12,479,809	13,288,891
Transformation programme (contribution to reserve for future project spend)	1,381,000	563,387				
Contribution from General Fund	(57,042)	0	0	0	0	0
FINANCIAL SUSTAINABILITY						
Transformation - programmed service reviews	0	0	0	(295,538)	(591,076)	(886,614)
Transformation - programmed commercialisation	0	0	0	(581,532)	(672,574)	(763,616)
Transformation - programmed retn on investment fund	0	0	(42,938)	(147,660)	(298,775)	(454,296)
Transformation - programmed retn on growth fund	0	0	0	(29,099)	(62,958)	(85,004)
Transformation - programmed Aligning Public Services projects	0	0	0	(40,000)	(40,000)	(40,000)
Transformation - Future Organisational Development	0	0	0	0	0	0
Transformation - Future Aligning Public Services	0	0	0	0	0	0
Transformation - Future Commercialisation	0	0	0	(432,470)	(564,307)	(805,645)
BRECKLAND BUDGET REQUIREMENT	12,796,190	12,668,577	12,484,825	10,757,334	10,250,119	10,253,716
FINANCING						
Retained Business Rates (Less tarriff Payable)	(3,824,244)	(4,251,968)	(3,892,807)	(4,910,259)	(5,069,533)	(5,223,631)
Retained Business Rates - Renewable Energy	(104,845)	(103,530)	(160,612)	(360,667)	(372,208)	(383,374)
Collection Fund - NNDR Levy Payment on Growth	598,367	747,048	549,887	567,390	586,619	605,223
Revenue Support Grant	(3,989,615)	(2,756,259)	(2,511,353)	(2,232,570)	(2,009,313)	(1,808,382)
Accelerated RSG saving - contribution to investment fund	0	0	499,284	1,217,695	1,757,149	1,808,382
Other Non Specified Grants	(75,051)	(16,400)	0	0	0	0
New Homes Bonus (applied from reserves)	(872,249)	(872,249)	0	0	0	0
New Homes Bonus (applied in year)	(734,168)	(1,097,490)	(2,592,654)	(2,684,519)	(2,846,476)	(2,551,148)
New Homes Bonus (Excess contributed to NHB reserve)	(67,750)	(393,210)	0	0	0	0
New Homes Bonus - Excess contributed to growth fund	0	0	42,938	684,519	846,476	551,148
Council Tax Freeze Grant	(30,719)	(61,660)	(30,720)	0	0	0
NNDR S31 Grant - 2% rates cap	(43,171)	(96,032)	(157,582)	0	0	0
NNDR S31 Grant - Small Business Rates Relief	(551,661)	(581,059)	(607,020)	0	0	0
NNDR S31 Grant - Long Term Empty & Retail Reliefs	(227,126)	(254,712)	(265,461)	0	0	0
Collection Fund - Council Tax	7,260	(167,810)	(457,110)	0	0	0
Collection Fund - NNDR	(193,913)	39,615	61,995	0	0	0
Special Expenses raised through Council Tax	(54,359)	(56,689)	(61,206)	(61,206)	(61,206)	(61,206)
Special Expenses funded from LCTS grant	(8,833)	(8,833)	(8,833)	(8,833)	(8,833)	(8,833)
BRECKLAND PRECEPT REQUIREMENT	2,624,113	2,737,339	2,893,571	2,968,884	3,072,794	3,181,895
BRECKLAND BAND D COUNCIL TAX	69.03	69.03	70.38	71.73	73.08	74.52
PERCENTAGE INCREASE			1.96%	1.92%	1.88%	1.97%
Tax Base	38,014	39,654.4	41,111.8	41,387.2	42,045.3	42,697.0

PARISH/WARD TAX BASE REPORT 2016-17

PARISH WARD/NAME	PROPERTIES TAX BASE	PARISH WARD/NAME	PROPERTIES TAX BASE
ASHILL	458.50	LEXHAM	49.50
ATTLEBOROUGH	3455.30	LITCHAM	203.90
BANHAM	503.30	LONGHAM	84.10
BAWDESWELL	271.10	LOPHAM NORTH	245.80
BEACHAMWELL	131.40	LOPHAM SOUTH	166.20
BEESTON	194.10	LYNFORD	50.70
BEETLEY	518.40	LYNG	285.70
BESTHORPE	251.20	MATTISHALL	863.50
BILLINGFORD	85.50	MERTON	47.80
BINTREE	112.80	MILEHAM	217.30
BLO NORTON	107.30	MUNDFORD	476.10
BRADENHAM	243.30	NARBOROUGH	349.40
BRETENHAM & KILVERSTONE	215.00	NARFORD	12.40
BRIDGHAM	121.40	NECTON	692.60
BRISLEY	116.80	NEWTON BY CASTLEACRE	16.80
BUCKENHAM NEW	180.30	OVINGTON	89.00
BUCKENHAM OLD	490.30	OXBOROUGH	90.00
BYLAUGH	29.90	PICKENHAM NORTH	157.60
CARBROOKE	612.70	PICKENHAM SOUTH	38.80
CASTON	180.90	QUIDENHAM	167.10
COCKLEY CLEY	42.00	RIDDLESWORTH & GASTHORPE	51.70
COLKIRK	247.30	ROCKLANDS	271.10
CRANWICH	21.00	ROUDHAM & LARLING	107.70
CRANWORTH	169.30	ROUGHAM	41.10
CRESSINGHAM GREAT	83.70	SAHAM TONEY	563.90
CRESSINGHAM LITTLE	68.00	SCARNING	850.40
CROXTON	185.70	SCOULTON	86.50
DEREHAM	5421.10	SHIPDHAM	699.20
DIDLINGTON	25.50	SHROPHAM	146.10
DUNHAM GREAT	120.50	SNETTERTON	78.40
DUNHAM LITTLE	107.10	SOUTHACRE	13.30
ELLINGHAM GREAT	397.80	SPARHAM	110.10
ELLINGHAM LITTLE	92.90	SPORLE WITH PALGRAVE	312.00
ELMHAM NORTH	455.30	STANFIELD	59.70
ELSING	98.30	STANFORD	3.20
FOULDEN	139.50	STOW BEDON	125.50
FOXLEY	109.10	SWAFFHAM	2313.20
FRANSHAM	154.70	SWANTON MORLEY	645.90
GARBOLDISHAM	287.80	THETFORD	6119.10
GARVESTONE	256.30	THOMPSON	152.60
GATELEY	26.40	TITLISHALL	138.20
GOODERSTONE	143.90	TUDDENHAM EAST	168.50
GRESSENHALL	359.10	TUDDENHAM NORTH	115.10
GRISTON	186.90	TWYFORD	16.70
GUIST	66.80	WATTON	2372.40
HARDINGHAM	108.00	WEASENHAM ALL SAINTS	66.90
HARLING	803.20	WEASENHAM ST. PETER	58.40
HILBOROUGH	80.90	WEETING WITH BROOMHILL	511.20
HOCKERING	216.00	WELLINGHAM	18.70
HOCKHAM	228.20	WENDLING	104.10
HOE & WORTHING	99.20	WHINBURGH & WESTFIELD	139.60
HOLME HALE	171.80	WHISSONSETT	163.40
HORNINGTOFT	61.60	WRETHAM	124.80
ICKBURGH	80.00	YAXHAM	291.60
KEMPSTONE	6.60		
KENNINGHALL	366.20		
		TOTAL TAX BASE	41111.80

Fees and Charges 2016-17

The lines highlighted in blue are new or amended charges for 2016-17

Dept	Charge Description	VAT Rate	Statutory/Discretionary	Current Charge 2015/16 (excl VAT)	Proposed Charge 2016/17 (excl VAT)
Licensing	Licensing Act 2003	B	S	Variable	Variable
	Club registration	B	S	Variable	Variable
	Personal Licences	B	S	37.00	37.00
	Temporary Events	B	S	21.00	21.00
	Misc LA 2003 including Vary DPS	B	S	Variable	Variable
	Lotteries	B	D	20.00	20.00
	Gambling Act 2005	B	S	Variable	Variable
	Riding establishment licence (plus appropriate vet fees)	B	D	314.65	314.65
	Tattooing and Piercing regs	B	D	212.14	212.14
	Dog Breeders licences (plus appropriate vet fees)	B	D	253.86	253.86
	Animal Boarding Establishment Act 1963	B	D	161.71	161.71
	Pet Animals Act - Pet Shops	B	D	179.35	179.35
	Dangerous Wild Animals	B	D	352.83	352.83
	<i>Zoo Inspections</i>				
	Zoo Inspections - Applications & Renewal	B	D	150.00	150.00
	Zoo Inspections - Inspection	B	D	0.00	0.00
	<i>Sex Establishments & Sex Entertainment Venues</i>				
	Sex establishments & Sex Entertainment Venues - NEW	B	D	1,541.48	0.00
	Sex establishments & Sex Entertainment Venues - Renewal (no objection)	B	D	813.38	813.38
	Sex establishments & Sex Entertainment Venues - renewal (objections)	B	D	1,252.48	0.00
	Sex establishments & Sex Entertainment Venues - Transfers & Variations	B	D	481.76	0.00
	<i>Street Traders</i>				
	Street Traders - New	B	D	408.00	408.00
	Street Traders - Renewal	B	D	404.00	408.00
	<i>Tables/Chairs</i>				
	Section 115 Tables & Chairs	B	D	187.02	187.02
	Tables & Chairs Renewal	B	D	160.42	160.42
	Hackney Carriage & Private Hire plate fix	S	D	28.00	-
	<i>Hackney Carriage & Private Hire Licences :</i>				
	HCV (plus test)	B	D	116.00	125.82
	HCV Renewal (plus test)	B	D	109.00	125.82
	PHV Renewal (plus test)	B	D	109.00	148.65
	PHV New (plus test)	B	D	116.00	148.65
	Driver - Grant (plus CRB)	B	D	135.00	156.51
	Driver - Renewal (plus CRB)	B	D	102.00	156.51
	PHO	B	D	111.00	144.45
	PHO Renewal	B	D	108.00	144.56
	Replacement Breckland Stags	B	D	50.00	37.71
	Replacement Vehicle Plate	B	D	72.00	47.08
	Replacement Drivers Badge	B	D	52.00	39.31
	Replacement Licence	B	D	51.00	36.71
	Replacement Internal Sticker	B	D	52.00	31.20
	Transfer existing licensed vehicle to new owner	B	D	107.00	53.49
	Replacement Platform	B	D	15.00	20.83
	Trailer Permission	B	D	108.17	106.23
	Trailer Renewal	B	D	108.17	106.23
	Health Export	B	D	57.02	57.02
	<i>Scrap Metal</i>				

Dept	Charge Description	VAT Rate	Statutory/Discretionary	Current Charge 2015/16 (excl VAT)	Proposed Charge 2016/17 (excl VAT)
	Scrap Metal - new Site	B	D	317.43	317.43
	Scrap Metal - new Collector	B	D	222.98	222.98
	Scrap Metal - renew Site	B	D	219.68	219.68
	Scrap Metal - renew Collector	B	D	106.98	106.98
	Scrap Metal - change of licence	B	D	57.53	57.53
	Scrap Metal - variation to licenced site	B	D	60.66	-
	Scrap Metal - change of site manager	B	D	39.23	-
	Scrap Metal - variation change from site to collector	B	D	58.71	-
	Scrap Metal - copy of licence	B	D	14.68	-
	Scrap Metal - variation from collector to site	B	D	188.37	-
Dog Warden					
	Dog Collection Fines (first time)	B	S	51.67	51.67
	Dog Collection Fines (second time)	B	S	72.50	72.50
	Dog Collection Fines (third time)	B	S	91.67	91.67
	Dog Micro chipping	S	D	10.80	10.80
	Dog Training	S	D	41.67	41.67
Environmental Health					
	<i>Food Safety Course Fees:</i>				
	Level 2 FS Course	E	D	50.00	55.00
	Refresher Course Fee	E	D	35.00	38.00
	Level 2 HACCP FS Course	E	D	70.00	70.00
	on site Level 2 course:				
	up to 10 people	E	D	400.00	475.00
	Thereafter (10 people)	E	D	35.00	40.00
	On site Level 2 refresher course:				
	up to 10 people	E	D	250.00	300.00
	Thereafter (10 people)	E	D	25.00	27.50
	Food/H&S E Coli Course	E	D	20.00	25.00
	Food/H&S Practical On Site Training	E	D	25.00	30.00
	£75- Level 3 Allergen Management (per person)	E	D	75.00	75.00
	Examination re-sits	E	D	New Fee	2.00
	£25- Allergen workshop (per person)	E	D	25.00	25.00
	Food/H&S Factual Statement-minimum charge	E	D	75.00	75.00
	Food/H&S Factual Statement-Hourly Charge	E	D	40.00	45.00
	Primary Authority Hourly Charge	E	D	50.00	50.00
	Export Certificates (charge per hour)	E	D	New Fee	65.00

Dept	Charge Description	VAT Rate	Statutory/Discretionary	Current Charge 2015/16 (excl VAT)	Proposed Charge 2016/17 (excl VAT)
<i>Health & Safety:</i>					
	Food/H&S Factual Statement-minimum charge	E	D	75.00	75.00
	Food/H&S Factual Statement-Hourly Charge	E	D	40.00	45.00
	Primary Authority work- Hourly rate	B	D	50.00	50.00
Environmental Services					
	Clean neighbourhoods litter fixed penalty& prosecutions (paid within 14 days)	B	D	60.00	60.00
	Clean neighbourhoods litter fixed penalty& prosecutions (paid after 14 days)	B	D	80.00	80.00
	Garden Waste scheme	B	D	42.00	42.00
	Waste Collection and Disposal - non domestic properties 240 litre bin green &black (per annum)	S	D	487.93	505.01
	Waste Collection and disposal - non domestic properties 1,100 litre bin green &black (per annum)	S	D	973.78	1007.86
	Waste Collection and disposal - non domestic properties 240 litre bin green & 1100 litre black (per annum)	S	D	624.53	646.39
	Waste Collection and disposal - non domestic properties 240 litre bin black only (per annum)	S	D	244.70	253.26
	Waste Collection and Disposal - non domestic properties 1,100 litre bin black only (per annum)	S	D	438.03	453.36
	Waste Collection Only - non domestic properties 240 litre bin green &black (per annum)	S	D	426.77	441.71
	Waste Collection Only - non domestic properties 1,100 litre bin green &black (per annum)	S	D	699.98	724.48
	Waste Collection - non domestic properties 240 litre bin green & 1100 litre black (per annum)	S	D	563.37	583.09
	Waste Collection - non domestic properties 240 litre bin black only (per annum)	S	D	244.70	253.26
	Waste Collection - non domestic properties 1,100 litre bin black only (per annum)	S	D	438.03	453.36
	Waste Collection - Existing Schools 240 litre bin green &black (per annum)	S	D	244.70	253.26
	Waste Collection - Existing Schools 1,100 litre bin green &black (per annum)	S	D	438.03	453.36
	Waste Collection - Existing Schools 240 litre bin green & 1100 litre black (per annum)	S	D	244.70	253.26
	Prescribed Clinical Collection Group E - annual charge	S	D	503.67	521.30
	Prescribed Clinical Collection Group E - per bag charge	S	D	1.04	1.08
	Charge for Wheeled bins for new developments	S	D	62.00	62.00
	Charge for Wheeled bins upgrade 240 litre to 360 litre	S	D	62.00	62.00
	Charge for Wheeled bins downgrade	S	D	62.00	62.00
	Bulky Waste - up to 3 items	S	D	30.00	30.00
	Bulky Waste - additional above 3 items	S	D	5.00	5.00
Car Parking					
	Fines	B	D	50.00	50.00
Local Elections/Registration of Electors					
	Letters (charge per letter)	S	D	10.00	10.00
	Sale of marked register - data plus £1 per 1,000 entries	S	D	£1 per 1,000	£1 per 1,000
	Sale of marked register - paper plus £2 per 1,000 entries	S	D	£2 per 1,000	£2 per 1,000
	Sale of edited register - data plus £1.50 per 1,000 entries	S	D	£1.50 per 1,000	£1.50 per 1,000
	Sale of edited register - paper plus £5 per 1,000 entries	S	D	£5 per 1,000	£5 per 1,000
	Sale of full register - data plus £1.50 per 1,000 entries	S	D	£1.50 per 1,000	174.50
	Sale of full register - data plus £1.50 per 1,000 entries (Monthly updates)	S	D	New Fee	103.50
	Sale of full register - paper plus £5 per 1,000 entries	S	D	£5 per 1,000	£5 per 1,000
Development Control & Land Charges					
	Planning Application Fees	B	S	Variable	Variable
	S106 agreement income	S	D	Variable	Nil
	Charges for Services - general	S	D	Variable	Nil
	Discharge of planning conditions	S	D	Variable	Variable

Dept	Charge Description	VAT Rate	Statutory/Discretionary	Current Charge 2015/16 (excl VAT)	Proposed Charge 2016/17 (excl VAT)
	<i>Search Fees :</i>				
	Standard search	B	D	114.20	114.20
	Extra Parcel (including Con 29 & LLC1 parcel fees (£9.70+£4.00))	B	D	13.70	13.70
	Con 29O - part 2 enquire 4-21	B	D	8.50	8.50
	Con 29O - part 2 enquire 22	B	S/D	17.00	17.00
	Extra parcel fee for enquiry number 22 (each)	B	S/D	1.00	Nil
	Additional Solicitor's own Enquiries			12.50	12.50
	LLC1 (Official Certificate of Search)			26.00	26.00
	Each additional parcel			4.00	Nil
	LLC1 in any one part of the register			5.00	Nil
	Con 29R - part 1 enquiry	B	D	94.20	88.00
	Personal Searches	B	S	Variable	Nil
	Each additional parcel (up to a maximum of £16.00)	B	D	1.00	Nil
	Registration of a charge in Part 11 of the Register (Light Obstruction Notice)			67.00	Nil
	Filing a definitive certificate of the Lands Tribunal under rule 10(3) of the Local Land Charges Rules 1977			2.50	Nil
	Filing a judgement, order or application for the variation or cancellation of any entry in Part 11 of the register (Light Obstruction Notice)			7.00	Nil
	Inspection of documents filed under rule 10 in respect of each parcel of land			2.50	Nil
	Office copy of any entry in the register (not including a copy or extract of any plan or document filed pursuant to these rules)			4.50	Nil
	Building Control				
	Building Regs - Plan deposits	S	S	Variable	Variable
	Sustainable Communities				
	All Holiday Activities are individually priced		D	2.00	2.00
	Forward Planning, Countryside and Street Naming				
	Re-name of House Name	S	D	79.96	79.96
	New Properties up to 10 plots	S	D	119.94	119.94
	New Properties more than 10 plots	S	D	199.90	199.90
	New Street Name Plate	S	D	79.96	79.96
	Strategic Housing				
	HMO Licence Fees	B	D/S	380.00	399.00
	HMO Enforcement Fees	B	S	205.00	215.25
	Hostel Room Charges - Rent	B	S	113.03	69.37
	Hostel Room Charges - Service Charge	B	S	20.63	20.63
	Flat charges - Rent	B	S	86.95	63.48
	Flat charges - Service Charge	B	S	26.52	26.52
	Chasing outstanding rent deposit debtors			Variable	Variable
	B&B Charges			Variable	Variable
	Rechargeable Works (including welfare burials) - Recovery of costs + 10% estimated	S	D	1,200.00	1,200.00
	Breckland Key Select - Non Members Landlords charge	S	D	105.00	90.00
	Breckland Key Select - Members Landlords charge	S	D	80.00	65.00
	Breckland Key Select - Membership Fee - based on stock holding	S	D	10,575.00	6,580.00
	Nightly stopping charge per unit	B	D	0.00	0.00
	Per caravan per night	B	D	5.00	5.25
	Per caravan per week	B	D	35.00	36.75
	2 caravans per family charged as follows:				
	per night	B	D	5.00	5.25
	per week	B	D	10.00	10.50
	Environmental Protection				
	Sampling Fee	S	D	100.00	100.00
	Risk Assessment Fee	B	S	81.25	81.25
	LAPC Permit Income	B	S	Variable	Variable
	High Hedge Assessment Fee	B	D	350.00	350.00
	Noise Fixed Penalty	B	S	60.00	60.00
	Human Resources				
	Delivery of external training	S	D	Variable	Variable

Dept	Charge Description	VAT Rate	Statutory/Discretionary	Current Charge 2015/16 (excl VAT)	Proposed Charge 2016/17 (excl VAT)
Commercial Property					
	Anglia Room full day	S	D	200	200
	Anglia Room half day	S	D	125	125
	Anglia Room evening	S	D	150	150
	Norfolk Room full day	S	D	100	100
	Norfolk Room half day	S	D	60	60
	Norfolk Room evening	S	D	75	75
	Dereham Room full day	S	D	40	40
	Dereham Room half day	S	D	25	25
	Dereham Room evening	S	D	30	30

Reserve statement

Appendix E

Reserve	01/04/15 £000's	IN £000's	OUT £000's	01/04/16 £000's	IN £000's	OUT £000's	1/4/17 £000's	IN £000's	OUT £000's	1/4/18 £000's	IN £000's	OUT £000's	1/4/19 £000's	IN £000's	OUT £000's	1/4/20 £000's
General Fund	(2,851)	0	0	(2,851)	0	0	(2,851)	0	0	(2,851)	0	0	(2,851)	0	0	(2,851)
Purpose - To offer a prudent level of contingency against unexpected events																
Insurance	(41)	0	0	(41)	(5)	0	(46)	(5)	0	(51)	(5)	0	(56)	(5)	0	(61)
Purpose - To self insure for items not covered by the Council's insurance																
Commercial Property	(698)	0	100	(598)	(39)	0	(637)	(39)	0	(676)	(39)	0	(715)	(39)	0	(754)
Purpose - To offer funding for investigation of future potential investments																
PFI	(122)	0	35	(87)	0	0	(87)	0	0	(87)	0	0	(87)	0	0	(87)
Purpose - To finance transitional costs for the leisure PFI project																
Match Funding	(1,639)	0	56	(1,583)	0	0	(1,583)	0	0	(1,583)	0	0	(1,583)	0	0	(1,583)
Purpose - To provide funds for community projects																
Organisational Development	(6,085)	(28)	2,649	(3,464)	(25)	243	(3,246)	(25)	601	(2,670)	(25)	532	(2,163)	(25)	0	(2,188)
Purpose - To provide funding for one off corporate projects or invest to save initiatives																
Offices renewals - Breckland Business Centre Thetford	(76)	(12)	3	(85)	(15)	11	(89)	(15)	111	6	(15)	6	(3)	(15)	10	(8)
Purpose - To meet commitments not covered by the annual maintenance programme																
Offices renewals - Breckland Business Centre Dereham	(118)	(12)	36	(95)	(15)	89	(21)	(15)	19	(17)	(15)	13	(19)	(15)	14	(20)
Purpose - To meet commitments not covered by the annual maintenance programme																
LABGI	(20)	0	20	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To fund schemes that encourage business growth and development																
Area Based Grant	(28)	0	28	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To provide funds for community projects																
Council Tax and Business rates	(2,623)	0	374	(2,249)	0	0	(2,249)	0	0	(2,249)	0	0	(2,249)	0	0	(2,249)
Purpose - Fluctuations re Business Rates Retention																
Revenue Grants	(868)	(594)	588	(874)	0	68	(806)	0	0	(806)	0	10	(796)	0	0	(796)
Purpose - To hold specific grants which cross over more than one financial year																
John Room House Major Replacements	(28)	(8)	6	(30)	(8)	6	(32)	(8)	6	(33)	(8)	6	(35)	(8)	20	(22)
Purpose - To meet commitments not covered by the annual maintenance programme																
LDF	(190)	0	100	(90)	0	0	(90)	0	0	(90)	0	0	(90)	0	0	(90)
Purpose - To provide funds for planning related projects																
Community Projects	(1,531)	0	407	(1,124)	0	1,006	(118)	0	56	(62)	0	56	(6)	0	0	(6)
Purpose - To provide funds for community projects																
Growth Fund (previously NHB reserve)	(68)	(393)	393	(68)	(43)	43	(68)	(685)	685	(68)	(846)	846	(68)	(551)	551	(68)
Purpose - To secure housing and employment growth, generating a revenue return																
Waste & Recycling	(60)	0	60	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To fund the later years of the Env Services contract																
Investment Fund	0	0	0	0	(499)	499	0	(1,218)	1,218	0	(1,757)	1,757	0	(1,808)	1,808	0
Purpose - To provide a fund to invest in income generating assets																
Total	(17,047)			(13,240)			(11,924)			(11,238)			(10,721)			(10,784)

Sensitivity Analysis

We have calculated a sensitivity analysis of our key variables in order to quantify the potential financial impact on the budget. These sensitivities are shown below.

Business Rates Retention sensitivity

This area carries a high level of risk for the Council as the retained business rates scheme is based on a cash amount and therefore reduced cash receivable will impact the Council.

A 'Safety Net' is in place to protect local authorities from large decreases in Business Rates income, for Breckland the maximum income lost for 2016-17 would be around £1,143k (or a 9.6% reduction in overall business rates).

An allowance for lost income relating to Business Rates appeals is incorporated into the estimated retained income. The current appeals level is estimated as 1.5% of overall rates income. Each 0.5% change in the appeals level equates to an overall change of £185k (around £37k effect to Breckland).

The assumed Business Rates collection rate is 99% which has historically been achieved, any reduction in collection rate will reduce the income retained by the Council.

Return on cash investments sensitivity

Another factor outside of the Council's control is interest rates, investment income will be closely monitored and our return on investments will not be at the expense of security and liquidity.

Average rate of return	Average cash balances				
	11,000,000	16,000,000	21,000,000	26,000,000	31,000,000
Annual investment income					
0.400%	44,000	64,000	84,000	104,000	124,000
0.900%	99,000	144,000	189,000	234,000	279,000
1.400%	154,000	224,000	294,000	364,000	434,000
1.900%	209,000	304,000	399,000	494,000	589,000

Contract Inflation Sensitivity

Many of the Council's major contracts are in some way linked to differing inflation rates. The table below shows the financial impact of percentage increases/decreases above the inflation rates budgeted for in 2016-17 for the Council's major value contracts.

Contract Area	% inflation increase/decrease compared to budgeted figure			
	+/- 0.5%	+/- 1.0%	+/- 1.5%	+/- 2.0%
Waste Collection	23,131	46,262	69,392	92,523
Leisure PFI	11,093	22,186	33,280	44,373
Planning & Building Control	11,443	22,886	34,329	45,772
NCC ICT	3,418	6,837	10,255	13,673
TOTAL	49,085	98,171	147,256	196,342

Any increase would have a compounding financial effect on future years contract costs.

Additional Capital Expenditure Sensitivity

Additional capital expenditure above that budgeted for creates an additional revenue cost as a result of lost interest on the funds which would previously have been invested. The table below shows the effect of additional capital spend on the revenue budget.

Capital Spend Amount	Additional Cost to Revenue Budget		
	2016-17	2017-18	2018-19
£250,000	£2,250	£3,750	£5,000
£500,000	£4,500	£7,500	£10,000
£1,000,000	£9,000	£15,000	£20,000

If borrowing was required to fund a capital programme this would also have an impact on the revenue budget.

Borrowing of £1m over 10 years would have the following revenue cost per year:

	Year 1	Cumulative 10 year
Interest (based on PWLB rate of 2.27%)	22,700	129,050
Provision for repayment of principal	90,205	1,000,000
Total Revenue Cost	112,905	1,129,050



Capital Strategy 2016/17 – 2019/20

PART 1

1.0 INTRODUCTION

Following best practice Breckland Council is required to renew its Capital Strategy on an annual basis. This ensures a strategy that maintains a strong and current link to our Corporate Plan.

Further reductions in government funding will impact on already limited financial resources, making the Capital Strategy an essential tool for the Council to focus its capital resources on outcomes that deliver maximum benefit to council tax payers in the district.

Extract from Corporate Plan

.....“Our priority for the years ahead is to ensure we can build upon our entrepreneurial spirit and financial successes, and deliver year on year increases in income from Council assets that will help tackle future downward pressures on government funding for local authorities”

.....Corporate Plan priorities are:

- Supporting Breckland to develop and thrive
- Providing the right services, at the right time and in the right way
- Developing the local economy to be vibrant with continued growth
- Enabling stronger, more independent communities

For the benefit of the reader the strategy has 3 key parts;

- Introduction
- Core Strategy
- Strategic Context

Please have a read of our strategy and we hope it provides you with the understanding you seek with regards to how we will manage the capital resources at our disposal to deliver our priorities.

PART 2**2.0 CORE STRATEGY**

This Core strategy explains how we will manage our capital resources to deliver our current and foreseeable capital programme.

From 2016 to 2021 the Council is likely to need significant investment to advance the priorities stated within its corporate plan and will need to adopt a responsive and flexible approach to how it invests in services.

In order to deliver the corporate plan priorities we need to deliver efficiencies, seek additional funding and periodically review both the consumption of our capital resources and our stated priorities. We will ensure this happens through these 4 core principles,

Principle 1 – Managing the impact of investment decisions on our revenue budgets
We will do this by,
<ul style="list-style-type: none"> Ensuring capital investment decisions do not place additional pressure on Council Tax or our Medium Term Financial Plan
<ul style="list-style-type: none"> Promoting capital investment which allows either invest to save outcomes or generates a revenue and/or capital return and/or generates additional new homes bonus or Business Rates income
Principle 2 – Optimise the availability of capital funding where that funding supports the priorities of Breckland Council
We will do this by,
<ul style="list-style-type: none"> Disposal of surplus or poor performing assets and use the funds to reinvest
<ul style="list-style-type: none"> Have effective working relationships with potential funders
<ul style="list-style-type: none"> Listen to and support effective partnering arrangements
Principle 3 – Ensure we have effective pre and post project appraisal
We will do this by,
<ul style="list-style-type: none"> Ensuring a system of competition exists for project approval
<ul style="list-style-type: none"> Fully consider project risk
<ul style="list-style-type: none"> Carefully consider Value for Money and Efficiency of every project and outcomes
Principle 4 – Performance manage our capital programme
We will do this by,
<ul style="list-style-type: none"> Integrating the capital programme into our performance management framework
<ul style="list-style-type: none"> Ensure our capital schemes use appropriate project management tools
<ul style="list-style-type: none"> Ensure responsibility for the delivery of the capital programme is clearly defined

PART 3**3.0 STRATEGIC CONTEXT****3.1 Aims**

To deliver the Corporate Plan Priorities, the specific aims of this strategy are to ensure:

- Physical assets and related resources are efficiently and effectively used to support the Breckland Council Corporate Plan. These inputs will then be reviewed against the outputs from capital schemes to demonstrate Value for Money;
- Issues related to property and other assets are fully reflected in the Council's planning, specifically adequate funds for maintenance are available and prioritised to the assets which generate the top 80% of income;
- The strategy itself is a useful tool to assist stakeholders understanding of the Council's decision making process and project management of its capital investments;
- Adequate provision is made for delivering corporate priorities and demonstrated through effective resource allocation;
- Invest to save and invest to earn projects and projects which generate new homes bonus, Council Tax or Business Rates income are encouraged;
- The Council works within the prudential code framework and demonstrates robust and linked capital and treasury management;
- Review of the asset management plans to identify surplus or poor performing assets which can move through a disposal process to generate new capital resources;
- Capital spending plans are affordable and integrated with the Medium Term Financial Plan (MTP);
- Support for our partners by acting as an enabler in drawing down external funding for community projects. To further act as a match funding provider.
- Encourage inward investment into the district and innovative approaches to investment such as partnerships with the Private Sector, collaborative arrangements with other Local Authorities and creation of new delivery vehicles

3.2 Strategic Links

This strategy is a high level summary of Breckland Council's approach to capital investment in the future of our District. It guides the development of service capital plans, and sets out the policies and practices that the authority uses to establish monitor and manage the Council's capital programme, in line with the MTP. Like the MTP it is driven by the Breckland Council Corporate Plan supported by Service Team Plans.

The priorities in the corporate plan provide the backdrop to the MTP which in turn ensures all new resources, be it revenue or capital, are allocated through the principles on which it is based.

This strategy is linked to a number of corporate strategies and initiatives, underpinned by the Breckland Council Corporate Plan. The key strategies and initiatives impacting on capital are:

- Local Development Framework
- Treasury Management and Investment Strategy
- Medium Term Financial Plan
- ICT Strategy
- Corporate Asset Management Strategy 2012-20
- Procurement Strategy
- Risk Management Policy
- Building Futures, meeting needs - Breckland Housing Strategy
- Contaminated Land Strategy
- The Environment Strategy
- Community Infrastructure Levy

Capital projects are required to demonstrate a clear link with the Council's aims & priorities.

In pursuit of its corporate priorities Breckland does not have a specific "statutory duty" to undertake economic development activities. However, in the Local Government Act 2000 all local councils were given legal powers to allow them to safeguard the economic, social and environmental well-being of their areas and the Economic Development Service Priorities are detailed within the Economic Development Service Team Plan. The Economic Development service will play a key role in the future to drive out the benefits from economic growth through areas such as Business Rates and new homes bonus income.

3.3 **Asset Management**

The Corporate Asset Management Strategy 2012-20 is a high level summary of the Council's overall approach to the strategic management of its land and building assets. It is linked to the vision and priorities of the Council to provide a policy direction for the effective and efficient use of the Council's assets for the benefit of the residents. This document groups the Council's assets and provides the number of assets and gross book values of those assets. It is due to be updated in 2019/20.

Two further Asset Management Plans will be created, one to provide management and governance for the Council's commercial (investment) assets and the second to do the same for the residual assets (service delivery and surplus assets). An assessment of the level of maintenance required for the properties has been made and this assessment will feature in both capital and revenue budgets, as it is important that the quality of the stock is maintained in order to sustain performance. The available capital budgets will be prioritised to those assets which generate the top 80% of income. The income generated by the Commercial Property Account supports other spending in the district and helps keep the council tax low. The Corporate Asset Management Strategy 2012-20 features performance targets which are reviewed on a monthly basis with the relevant Executive Member. The Councils Investment Assets are valued at £23m @ 01.04.2015 and the Councils other Land and Property are valued at £27m @ 01.04.2015. The Corporate Asset Management Strategy informs the revenue budget and capital programme.

The Authority has identified surplus land and property which it is in the process of disposing of. This not only brings in a capital receipt but maintenance costs and liabilities are reduced. As a principle we will review and dispose of under utilised or poor performing assets and ensure that the top performing assets are adequately maintained. The regular review and identification of surplus asset disposals forms part of the scope of work carried out by the Land Manager officer within the Assets department. There is also an annual review of the asset register which is undertaken

by the Asset Manager. In addition to the above, innovative investment under a Local Asset Backed Vehicle (LABV) to undertake regeneration, economic development, regeneration and income growth is underway. The main drivers for change in relation to this initiative are:

- Step change in financial performance of asset base
- Accelerate growth in the District
- Provide a vehicle to enable stalled projects to proceed
- Provide a vehicle for Regeneration

The LABV is focusing on three main projects initially, leaving scope for remaining sites to be included in the LABV at a later date or creating value from sites individually outside of the LABV.

Table 1 – Breckland Council's Fixed Assets

Asset Type	Valuation	
	£'000s 2014	£'000s 2015
Community	277	308
Held for Sale	0	0
Heritage	171	187
Infrastructure	0	33
Investment	22,778	22,775
Intangible	734	770
Property Plant & Equipment	28,131	29,413
Total	52,091	53,486

This table sets out the gross value of assets by category as at 31st March for the last 2 years.

ICT Strategy

The ICT Strategy is used to manage the assets which are the communications and computer systems and infrastructure. The ICT infrastructure (including servers and desktop) is currently under review within the ICT Strategy in light of changing service delivery requirements.

Housing

This capital strategy can support the housing needs of the Council, stimulating good quality new build housing and enabling delivery of affordable housing. This could involve initiatives such as:

- Purchasing housing to deliver a revenue income stream to the Council through market rentals for quality rental accommodation
- Lending finance to RSL's to enable them to build further affordable housing

These initiatives may require future borrowing by the Council and this will be part of a full business case if required.

3.4 Capital Resources

The Local Government Act 2003, which includes the legislation for the capital finance system, does not specify what precisely constitutes capital expenditure. Instead it:

- Refers to "expenditure of the authority which falls to be capitalised in accordance with proper practices".
- Enables the Secretary of State to prescribe by regulation which local authority expenditure shall be treated as capital expenditure and which shall not be treated as capital expenditure
- Enables the Secretary of State to prescribe by regulation that the spending of a particular local authority shall, or shall not, be treated as capital expenditure

The Council will set a de minimus limit of £20,000 for expenditure to be considered for capitalisation. The following categories of expenditure will require capital resources to fund their purposes:

- The acquisition, reclamation, enhancement or laying out of land exclusive of roads, buildings or other structures
- The acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
- The acquisition, installation or replacement of movable or immovable plant, machinery and apparatus and vehicles and vessels
- The making of advances, grants or other financial assistance towards expenditure incurred or to be incurred on items detailed in points 1 to 3 above or on the acquisition of investments
- The acquisition of share capital or loan capital
- The issue of loan instruments in respect of which not all repayments by the authority are due within 1 year of issue
- Works to increase substantially the thermal insulation of a building
- Works to increase substantially the extent to which a building can be used by a disabled or elderly person
- The acquisition of computer software, plus the in-house preparation of it, provided that the intention is to use the software for at least 1 year

Regulations state that expenditure on repair and maintenance which does not increase the life, value or extent of use of an asset is not deemed as capital expenditure. The de minimus is not applicable to capital grants which may be of any value and are made as a contribution to a larger capital scheme. The Council sometimes receives directives that grant contributions are to be applied as Capital expenditure. Should such directives be received, the Council will treat the grant as capital expenditure if the spend is deemed to meet grant conditions. From time to time the Council needs to buy vehicles and equipment and a de-minimis of £10,000 is applicable to vehicles and equipment

Balance of Funding

Table 2 sets out the position of the Capital Financing Requirement (CFR), adjusted for expected capital programme spend and forecast sources of funding as at September 2015. Without borrowing, by 2016/17 the Council's has an underlying need to borrow as shown in table 2. The Council has already committed to borrowing in respect of the Riverside project but as cash is available, and because the project will generate capital receipts from the Finance leases no immediate external borrowing is planned but this arrangement and the exit strategy for the project will be kept under review. There is little scope for further capital investment unless additional capital receipts or funding is generated or further borrowing takes place. The capital programme currently includes budgets for projects which are part of the council's Local Asset Backed Vehicle (LABV) known as Breckland Bridge Ltd. Both income and expenditure are included but until projects reach the two stage approval, amounts are not fixed. The Council will support the principle of borrowing to lend on to the LABV or a separate entity to ensure funding for projects is delivered in the most cost effective way and will consider any requests on an individual basis. In addition it will lend on a project by project basis, if appropriate to improve Treasury returns.

Whilst all projects within the capital programme are approved, the funding is not released until a detailed report or if appropriate a Project Initiation Document (PID) is approved (see section 3.5 for the process).

The CFR will need to be monitored closely to ensure future capital expenditure remains affordable. The opening and closing balances include adjustments for PFI and Finance Leases which effectively reduce the available capital resources until

such time as principal payments are received. Any future decision on borrowing for capital projects would only be supported if the business case for the projects does not place additional cost pressure on the tax payer through the council tax charge. The council would not undertake any un-supported borrowing whilst it still has reasonable capital receipt resources available. However regulations require the Council to approve its 'Prudential Indicators' at least annually.

Table 2 – Summary of Estimated Capital Resources*

	15/16	16/17	17/18	18/19	19/20
	£000's	£000's	£000's	£000's	£000's
Capital resources available @ start of year	(11,448)	(6,648)	3,456	2,950	3,489
Movement in year	4,800	10,104	(506)	539	295
Capital Financing Requirement	(6,648)	3,456	2,950	3,489	3,784

* based on assumed levels of activity at September 2015

Capital Receipts

The forward availability of capital receipts is an important part in both the timing and scope of the capital programme. The Council is looking to manage it's assets in such a way as to obtain best value and is looking at innovative ways of creating income such as Breckland Bridge Ltd where the Council is working with the private sector to manage and deliver increased investment and receipts. There are no plans for any other significant receipts to be generated within current plans. However within the asset management plan, surplus and poor performing assets are reviewed for potential disposal (see section 3.3) with re-investment in higher performing assets and the Council's focus on Commercialisation will ensure maximum return from council assets.

Where revenue costs are incurred to create a capital receipt, up to 4% of the receipt may be used to offset the costs of generating that receipt but this is not yet an approved accounting policy.

Section 106 – Planning obligations

When the Council adopts land for open space or play area the developer pays a commuted sum under a 'section 106 agreement'. This is held on the balance sheet and the interest earned is offsets the future maintenance costs of the recreation asset. The Council also seeks to secure the provision of infrastructure and facilities to mitigate the effects of development under section 106.

External Grants and Contributions

The partnership approach to service delivery is a core belief of the Council. Through its services, partnership working, supportive funding and innovation, the Council will seek to attract investment into the District. Breckland has a Capital Match Funding reserve which it uses to support community and economic development projects. We seek to maximise external funding to support our programme. This tends to be for specific purposes. Both through European funding, and working with public and private sector partners we are able to make better use of Council money. Although European funding remains an option in the future, central government funding is likely to be constrained as capital for existing and new programmes is reduced or deleted.

Revenue contributions

The Medium Term Financial Plan does not currently make any provision for an annual revenue contribution in support of capital expenditure. As at 1st April 2015, an unallocated sum of £1.590m revenue funding was available to draw on for match funding capital and revenue projects and this will be kept under review.

Balances and Reserves

Breckland council continues to hold a healthy level of both general and specific reserves. This reflects the robust financial management and policy decisions made in recent years. This enables the cash flowing mentioned in paragraph 3.4 and could also offer an additional resource to support capital expenditure if necessary.

3.5 Framework for managing and monitoring performance

There are several functions associated with the management of the Capital Programme:-

- Allocation of capital funding
- Release of capital funding
- Monitoring and reporting of delivery of the capital programme

Allocation of Capital Funding involves these functions:

- The assessment of the available funding resources
- Assessment of proposed schemes and business cases
- Prioritisation of schemes
- Recommendations of approval of schemes within the programme
- Approval of change control to Capital schemes where this changes funding requirements

These functions will be undertaken by Executive Management Team, Cabinet and Council. In summary the capital budget is agreed annually along with any revenue implications, which are factored into revenue planning. The budget is set in accordance with the timetable laid out in the Medium Term Financial Plan. The programme is approved by Council in January/February to allow schemes to commence during the following year. Cabinet will consider the prioritisation of capital schemes before recommending budgets for approval. A Bidding Form is used for all capital projects to enable indicative funding to be allocated to projects.

Release of Funding will be by the Finance Board upon receipt of an appropriate report or PID document (depending on the scale of the project) to ensure it is deliverable. Key staff charged with responsibility for delivery of the project will be invited to attend Finance Board as appropriate.

Monitoring and reporting of progress of the delivery of Capital Programme involves these tasks:

- Regular review of project progress and forecasting including achievement of key milestones, outputs and outcomes (via the Covalent Performance System)
- Management of risks and issues
- Removal of barriers to delivery
- Approval of any changes to schemes not requiring funding changes
- Reporting on required funding changes
- Post implementation review taking account of any corporate learning opportunities

These tasks will be monitored and reported monthly in the Capital Financial Performance Report and through the Council's Performance System (Covalent). Budgets for individual schemes are assigned to lead officers who are responsible for delivering the project on time and to budget. The lead officers are responsible for managing capital projects, including Capital bid forms, PID's, procurement, contract management, and post implementation reviews.

Progressing schemes in accordance with agreed timescales is an important aspect to managing the capital programme. Costs incurred compared to budget are monitored on a monthly basis in line with revenue budgetary control.

Financial progress against the capital programme is reported to Cabinet on a quarterly basis as a minimum and more often as required. Wider performance is managed through the Council's performance systems. This allows a continuous cycle of monitoring and forecasting. The bidding round will be conducted annually so that every year the 5 year programme is reviewed and refined and reflects the latest corporate priorities.

Performance measurement

The Council is determined to ensure high quality customer-focused services for all our residents and visitors to Breckland. The Council also wants services to continue getting better year by year.

Capital projects identify milestones and key outputs and these are used to integrate the delivery of Capital projects into the performance management framework.

Project Evaluation

All capital projects need to be appraised according to existing project management guidance to inform the decision making process. Options appraisals are also required to ensure value for money in achieving the project objectives and realising benefits. Matters to be considered within the capital bidding process are:

- Council Objective/Priority
- Whole life cost of the proposal including the revenue effects *
- Affordability and source of funding
- Partnership involvement
- Options appraisal
- Project appraisal
- Risks
- Improvements in service delivery
- Customer facing outcomes
- Other benefits and success criteria
- Efficiencies
- In principle support from the Director and Portfolio Holder
- Exit strategy
- Timescales

*Whole Life Costing (WLC) is defined in ISO Standard 15686-5. WLC shifts the emphasis of capital appraisal from comparing alternative construction/acquisition costs to a Value for Money approach by reviewing comparative costs over the life of the scheme. WLC will not always be appropriate for all prescribed aspects of the Council's capital programme.

Project evaluation should include the following activities:

- Feasibility
- Appraisal (to include report, financial appraisal, risk appraisal)
- Budget
- Monitoring and review
- Outturn

This will ensure that any capital scheme that feeds into the programme will comply with the principles of the Prudential Code:

- Affordability
- Sustainability
- Prudence

3.6 **Risk**

The Council is faced with diminishing capital finance and reduced access to grants and external funding which means the Council will need to monitor spend against available funds carefully to ensure that it does not spend or commit in advance of receiving funding. The Capital Financing Requirement (CFR) will need to be monitored carefully.

An additional pressure from 2015/16 is the allocation of funding to the Council for Disabled Facility Grants (DFG). The Council has received funding of £535k for 2015/16 but no specific amounts have been advised for future year's funding.

Significant capital projects will be managed through the council's performance system. All risks that may affect a project are considered. These can include political, economic, legal, technological, environmental and reputational as well as financial. Large projects will be managed in accordance with Prince 2 principles.

Disinvestment initiatives will be followed through to ensure they perform as expected and as the Council diversifies its capital investment into areas such as loans to Breckland Bridge Ltd, exposure to non-repayment will be carefully managed through the contract management arrangements in place.

A specific risk as a VAT registered body is the recovery of exempt VAT only up to a value of 5% of all the VAT it incurs. This is known as the de-minimis limit. Monitoring and control of exempt input tax is essential for the council as where exempt input tax exceeds the 5% limit the whole amount is irrecoverable and will represent an additional cost to the council. Each capital investment will be closely reviewed to assess its VAT implications.

The Council is ensuring that delivery options for the LABV remain flexible and that in parallel, the asset base is reviewed as described under section 3.3 and is ensuring that alternative delivery mechanisms for key projects are explored.

3.7 **Sustainability**

Breckland Council is always mindful of proposals put forward by the Department of Communities and Local Government. In conjunction with targets being proposed for all new homes to meet energy/carbon standards, Breckland is committed to exploring the technologies for reducing carbon emissions for non-residential new builds.

3.8 **Procurement**

The purchase of capital assets should be conducted in accordance with the Procurement Strategy, ensuring value for money, legality and sustainability at all times. Contract standing orders and rules governing the disposal or write off of assets are contained in the Constitution which is continuously reviewed.

Where capital spend involves a specific procurement process which differs from the standard process, we will adopt the principal that by approving the capital project we are also approving the specific procurement process.

3.9 **Value for Money**

The Council recognises that effective procurement lies at the heart of delivering value for money and is essential if the Council is to obtain real improvements to quality and service costs. The Council seeks to achieve value for money by applying rigorous procurement standards in the selection of suppliers and contractors to ensure

efficiency, economy and effectiveness is received throughout the life of a contract. The significant resources applied to capital expenditure require the adopted principles of value for money to be at the heart of our capital strategy. Specifically we will seek to strengthen the outcome indicators as part of post project reviews.

3.10 Disposals

Any proceeds from the disposal of assets such as land in excess of £10,000 are determined as a 'capital receipt'. The policy to sell small pockets of land often brings in income of less than £10,000. This income is classed as 'revenue income' and is posted to the revenue income and expenditure account.

3.11 Equality

As part of preparing the Capital Strategy we have completed an Equalities Impact Assessment. We recognise and value the diversity in our community and the contribution that people from different backgrounds and cultures bring to the development and wellbeing of our district. Breckland Council is therefore committed to principles of equality in its capacity as an employer and service provider to all sections of the community.

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Capital programme

Appendix H

SCHEMES	Director	2015/16 forecast	Total 16/17	2017/18	2018/19	2019/20	Total budget 2015/16 - 2019/20	Total Funding 2015/16 - 2019/20	Net Breckland contribution	RAG
Strategy and Governance - Funding Released										
PSN Compliance	MO	7,503	-				7,503	-	7,503	R
Shared Management ICT	MO	225,809	75,703				301,512	(301,512)	-	R
ICT Strategy Projects	MO	243,850	-				243,850	-	243,850	R
Digital Strategy	MO	279,000	-				279,000	-	279,000	A
Superfast Broadband	JK		950,000				950,000	(950,000)	-	A
Performance System	MO	25,000	-				25,000	-	25,000	R
Total Strategy and Governance - Released		781,162	1,025,703	-	-	-	1,806,864	(1,251,512)	555,353	
Strategy and Governance - Funding NOT Released										
ICT Strategy /refresh		211,540	206,460				418,000	-	418,000	A
Total Strategy and Governance - Not Released		211,540	206,460	-	-	-	418,000	-	418,000	
Total Strategy and Governance		992,702	1,232,163	-	-	-	2,224,864	(1,251,512)	973,353	

SCHEMES		2015/16 forecast	Total 16/17	2017/18	2018/19	2019/20	Total budget 2015/16 - 2019/20	Total Funding 2015/16 - 2019/20	Net Breckland contribution	RAG Status
Place - Funding Released										
Match Funding - Bawdeswell Village Hall	RW	2,500	-				2,500	-	2,500	R
Match Funding - Dereham Windmill	RW	15,000	-				15,000	-	15,000	R
Match Funding - Shipdham Church	RW	2,444	-				2,444	-	2,444	R
Match Funding - Brisley Play Area	RW	8,052	-				8,052	-	8,052	R
Match Funding - Attleborough Boxing Club	RW	1,091	-				1,091	-	1,091	R
Match Funding Project - Gressenhall Farm & Workhouse	RW	20,000	-				20,000	-	20,000	R
Match Funding Project - Mundford Bowls Club	RW	4,432	-				4,432	-	4,432	R
Match Funding Project - Harling Play Area	RW	20,000	-				20,000	-	20,000	R
Match Funding Project - Hardingham Memorial Hall Play Area	RW	8,614	-				8,614	-	8,614	R
Match Funding Project - Carbrooke Blenheim play area	RW	20,000	-				20,000	-	20,000	R
Match Funding Project - Dereham Wellspring Family Centre	RW	20,000	-				20,000	-	20,000	R
Car park resurfacing 14/15	RW	3,291	-				3,291	-	3,291	R
Car park resurfacing 15/16	RW	133,000	3,000	-			136,000	-	136,000	R
Transfer of Play Areas - Thetford	RW	232,780	-				232,780	(38,510)	194,270	R
Transfer of play Areas Dereham	RW	13,431	-				13,431	-	13,431	A
Alterations to Elizabeth House	RW	183,254	-				183,254	(183,254)	-	A
Disability Adaptations (DFGs/Re-Able)	RW	1,000,000	790,000	790,000	790,000	790,000	4,160,000	(2,672,760)	1,487,240	A
Decent Homes Grants	RW	83,591	100,000				183,591	(183,591)	-	G
Affordable Housing - Old Goods Shed , Thetford	RW	149,000	-				149,000	(149,000)	-	R
Total Place - Released		1,920,480	893,000	790,000	790,000	790,000	5,183,480	(3,227,115)	1,956,365	
Place - Funding NOT Released										
Match funding - unallocated budget	RW	70,000	138,788				208,788	-	208,788	G
Roof replacement Joint use Agreement	RW	200,000	-				200,000	-	200,000	A
Affordable Housing	JK	182,423	817,577				1,000,000	(497,779)	502,221	G
Car Parks resurfacing 16/17 and 17/18	RW		146,000	146,000			292,000		292,000	G
Adoption of roads	RW	-	669,535				669,535	-	669,535	G
Total Place - Not Released		452,423	1,771,900	146,000	-	-	2,370,323	(497,779)	1,872,544	
Total Place		2,372,903	2,664,900	936,000	790,000	790,000	7,553,803	(3,724,894)	3,828,909	

SCHEMES		2015/16 forecast	Total 16/17	2017/18	2018/19	2019/20	Total budget 2015/16 - 2019/20	Total Funding 2015/16 - 2019/20	Net Breckland contribution	RAG Status
Commercialisation - Funding Released										
Environmental Health review	JK	158,630	-				158,630	(52,347)	106,283	R
Commercially Sensitive Project	RW	700,000	-				700,000	(700,000)	-	G
Commercial Property Rolling Maintenance	JK	330,000	-				330,000	(38,813)	291,187	R
LABV- Riverside Regeneration	JK	3,283,901	4,499,708	-			7,783,609	-	7,783,609	R
LABV Mileham	JK	601,453	-				601,453	-	601,453	R
LABV Chapel Road, Attleborough	JK		70,239	393,137			463,376	-	463,376	R
Mileham Development Loan	JK	452,428	374,546				826,974		826,974	G
Purchase of two courier vans	JK	30,200	-				30,200	-	30,200	R
Integra Budget Module	JK	14,080	-				14,080	-	14,080	R
Land Purchase (shipdham) - Cabinet 22/9	JK	75,400	100,000				175,400	-	175,400	A
Total Commercialisation - Released		5,646,092	5,044,493	393,137	-	-	11,083,722	(791,160)	10,292,562	
Commercialisation - Funding NOT Released										
Commercial property Rolling Maintenance	JK	-	190,000	190,000	190,000	190,000	760,000	-	760,000	A
Major Infrastructure	JK		1,761,092				1,761,092		1,761,092	G
NEW - Reinvestment Strategy	JK		1,040,000				1,040,000	-	1,040,000	G
NEW - Industrial Estate Car Parking - Thetford	JK		195,000				195,000		195,000	G
Total Commercialisation - Not Released		-	3,186,092	190,000	190,000	190,000	3,756,092	-	3,756,092	
Total Commercialisation		5,646,092	8,230,585	583,137	190,000	190,000	14,839,814	(791,160)	14,048,654	
		9,011,696	12,127,648	1,519,137	980,000	980,000	24,618,481	(5,767,566)	18,850,915	

RED - No choice, have to do the project
AMBER - We have a choice, but there is a risk associated with not doing
GREEN - Have full choice about whether we deliver or not & no risks if not delivered

Specific Funding	2015/16 incl C/f	2016/17	2017/18	2018/19	2019/20	Total budget 2015/16 - 2019/20
		£	£	£	£	£
Decent Homes/Enhancement Loans and grants	(83,591)	(100,000)				(183,591)
Disabled Facilities Grants (Better Care Fund)	(534,552)	(534,552)	(534,552)	(534,552)	(534,552)	(2,672,760)
E Health review (SHDC)	(52,347)					(52,347)
Affordable Housing (commuted sums)	(182,423)	(315,356)				(497,779)
Old Goods Shed (commuted sums)	(149,000)					(149,000)
Shared Management ICT (SHDC)	(225,809)	(75,703)				(301,512)
PFI						-
Thetford play area (Matthew Homes S106)	(38,510)					(38,510)
Superfast Broadband (revenue reserve)		(950,000)				(950,000)
Commercially Sensitive project (from landowner/developer)	(700,000)					(700,000)
CP reserve (Brunel Way)	(12,881)					(12,881)
Roof and Asphalt Reserve (Brunel Way)	(25,932)					(25,932)
Alterations to Elizabeth House (Transformation Funding)			(183,254)			(183,254)
Total	(2,005,045)	(1,975,611)	(717,806)	(534,552)	(534,552)	(5,767,566)

Forecast capital receipts	2015/16 revised forecast	2016/17	2017/18	2018/19	2019/20	Total
	£	£	£	£	£	£
Victory Park	(825,000)					(825,000)
Land at Fairfields, Thetford	(35,000)					(35,000)
Land at oak Close	(35,000)					(35,000)
Disinvestment in underperforming assets			(1,040,000)			(1,040,000)
LABV Receipts						-
Mileham Debt Loan	(452,428)	(374,546)				(826,974)
Mileham equity loan	(601,453)	-				(601,453)
Mileham land receipt	(75,000)	-				(75,000)
Chapel Road equity loan		(70,239)	(393,137)			(463,376)
Chapel Road land receipt			(142,786)			(142,786)
Riverside lease income		(65,100)	(132,932)	(135,817)	(138,869)	(472,718)
Total	(2,023,881)	(509,885)	(1,708,855)	(135,817)	(138,869)	(4,517,307)