



# AGENDA

**NOTE: In the case of non-members, this agenda is for information only**

- Committee - OVERVIEW AND SCRUTINY COMMISSION**
- Date & Time - Thursday, 5th January, 2017 at 2.00 pm**
- Venue - Anglia Room, The Conference Suite, Elizabeth House, Dereham**

**Members of the Committee requiring further information, or with specific questions, are asked to raise these with the appropriate officer at least two working days before the meeting. If the information requested is available, this will be provided, and reported to Committee.**

## Members of the OSC

Councillor E. Gould (Chairman)  
Mrs E J Bishop  
Mr R. F. W. Brame  
Mr D M Crawford  
Mr T. J. Jermy  
Mr A.P. Joel

Mrs S.M. Matthews  
Mr T F C Monument  
Mr M J Nairn  
Mr D R R Oliver  
Mr R. R. Richmond  
Mr A.C. Stasiak (Vice-Chairman)

## Substitute Members

Cllr CR Bowes  
Mr H Clarke  
Mr J Newton  
Mr P Wilkinson

**PERSONS ATTENDING THE MEETING ARE  
REQUESTED TO TURN OFF MOBILE  
TELEPHONES**

Democratic Services  
Elizabeth House, Walpole Loke,  
Dereham Norfolk, NR19 1EE

Date: Wednesday 21 December 2016



# PROTOCOL

## Working Style of the Overview & Scrutiny Commission (OSC) and Other Scrutiny Bodies

This document sets out the roles of Members and Officers, and the general principles to be adopted by the OSC and other scrutiny bodies such as Scrutiny Task and Finish Groups.

### **Member Leadership**

Members of the OSC will take the lead in selecting topics for overview and scrutiny and will recognise that best practice identifies scrutiny as a non-executive Member-led activity. The OSC will expect Cabinet members to take prime responsibility for answering their questions about topics which chiefly relate to the Council's activities.

### **A Constructive Atmosphere**

Meetings of the OSC will be constructive and not judgmental. The Commission recognises and accepts that effective scrutiny is best achieved through challenging and constructive enquiry. People giving evidence should be given due respect and not made to feel under attack.

### **Independence**

Members of the OSC/task and finish groups will not be subject to whipping arrangements by the party groups.

### **Respect and Trust**

Meetings will be conducted in a spirit of mutual respect and trust.

### **Consensus**

Members of the OSC/task and finish groups will work together and, while recognising political allegiances, will attempt to achieve consensus and agreed targeted recommendations. There will be recognition that the OSC has a primary duty to scrutinise on behalf of the community.

### **Openness and Transparency**

The OSC's business will be open and transparent, except where there are sound reasons for protecting confidentiality. The minutes of the Commission's meetings will explain the discussion and debate so that they can be understood by an outside reader.

### **Impartial and Independent Officer Advice**

Officers who advise and support scrutiny will give impartial and independent advice, as officers support all members of the Council.

### **Regular Review**

There will be regular reviews of how the scrutiny process is working, and a willingness to change if it is not working effectively.

### **Programming and Planning**

It is the responsibility of the OSC and the wider non-executive to determine its work programme and to allocate specific reviews either through a dedicated task and finish group or to undertake a review itself. Before each topic/review is commenced, the O&SC will agree the scope of the exercise, what information they will need initially, and which members, officers and external witnesses they wish to see.

## **Managing Time**

The OSC will aim to conclude the business of each meeting in reasonable time. The order of business will be arranged as far as possible to minimise the demands on the time of witnesses.

## **Member/Officer Roles**

Executive members will regularly be called to account for the decisions they have made and to explain progress in key areas of their portfolio – and in the case of the Council Leader – the Council as a whole. Members will be expected to produce and present a brief written account of their executive activities and will then be questioned by members of the OSC for a period no longer than 20 minutes.

## **Co-optees**

“Expert witnesses” may be co-opted onto scrutiny task and finish groups to provide technical assistance to the review. Co-optees possess no voting rights.

## **Substitutes**

Substitute members will be so listed on the agenda papers of the Overview & Scrutiny Commission. It is a member responsibility to alert a substitute in the event that she/he cannot attend a meeting.

**PART A - ITEMS OPEN TO THE PUBLIC**

	<u>Page(s) herewith</u>
<b>1. <u>MINUTES</u></b> To confirm the minutes of the meeting held on 24 November 2016.	7 - 12
<b>2. <u>APOLOGIES AND SUBSTITUTES</u></b> To receive apologies for absence and to note substitute Members in attendance.	
<b>3. <u>URGENT BUSINESS</u></b> To note whether the Chairman proposes to accept any item as urgent business pursuant to Section 100(B)(4)(b) of the Local Government Act 1972.	
<b>4. <u>DECLARATION OF INTERESTS</u></b> The duties to register, disclose and not to participate for the entire consideration of the matter, in respect of any matter in which a Member has a disclosable pecuniary interest are set out in Chapter 7 of the Localism Act 2011. Members are also required to withdraw from the meeting room as stated in the Standing Orders of this Council.	
<b>5. <u>NON-MEMBERS WISHING TO ADDRESS THE MEETING</u></b> To note the names of any non-members or public speakers wishing to address the meeting.	
<b>6. <u>DRAFT BUDGET, MEDIUM TERM PLAN &amp; CAPITAL STRATEGY</u></b> Report of Executive Member Finance, Pablo Dimoglou.	13 - 54
<b>7. <u>OUTSIDE BODY FEEDBACK (STANDING ITEM)</u></b> To receive an update from representatives on Outside Bodies.	
<b>8. <u>SCRUTINY CALL-INS (STANDING ITEM)</u></b> To note whether any decisions have been called-in for scrutiny.	
<b>9. <u>COUNCILLOR CALL FOR ACTION (STANDING ITEM)</u></b> To consider any references.	
<b>10. <u>WORK PROGRAMME</u></b> (a) A copy of the Commission's work programme is attached. The Commission is asked to agree any additions, deletions or amendments to the programme as appropriate.  (b) <u>Member Issues</u> : In accordance with the Commission's protocol for member leadership, which states that members of the Commission	55 - 58

will take the lead in selecting topics for overview and scrutiny and in the questioning of witnesses, members are invited to put forward items for selection for future review.

*A copy of the Key Decision Plan is attached for Members' information.*

**11. NEXT MEETING**

To note the arrangements for the next meeting to be held on 16 February 2017 at 2.00pm in the Anglia Room, Elizabeth House, Walpole Loke, Dereham.

**BRECKLAND COUNCIL**

**At a Meeting of the**

**OVERVIEW AND SCRUTINY COMMISSION**

**Held on Thursday, 24 November 2016 at 2.00 pm in the Anglia Room, The Conference Suite, Elizabeth House, Walpole Loke, Dereham**

**PRESENT**

Councillor E. Gould (Chairman)	Mr T F C Monument
Mrs E J Bishop	Mr R. R. Richmond
Mr R. F. W. Brame	Mr A.C. Stasiak (Vice-Chairman)
Mr D M Crawford	Councillor C Bowes (Substitute Member)
Mr A.P. Joel	Mr P S Wilkinson (Substitute Member)
Mrs S.M. Matthews	

**Also Present**

Mr S.G. Bambridge	Mr K. Martin
Councillor M. Chapman-Allen	Mr J Newton
Mr P. R. W. Darby	Mrs L.S. Turner
Mr P. M. M. Dimoglou	Mrs A M Webb
Mrs J. Hollis	

**In Attendance**

Helen McAleer	- Senior Democratic Services Officer
Teresa Smith	- Democratic Services Team Leader
Jason Elliott	- Spatial Information Manager
Gareth Kinton	- IT Manager
Tim Rogers	- Performance & Change Manager
Riana Rudland	- Breckland Place Manager
Rob Walker	- Executive Director Place

**Action By**

**85/16 MINUTES (AGENDA ITEM 1)**

The Minutes of the meeting held on 13 October 2016 were confirmed as a correct record and signed by the Chairman.

**86/16 APOLOGIES AND SUBSTITUTES (AGENDA ITEM 2)**

Apologies for absence were received from Councillors Jermy and Oliver.

Councillors Bowes and Wilkinson were present as Substitute Members.

**87/16 URGENT BUSINESS (AGENDA ITEM 3)**

None.

**88/16 DECLARATION OF INTERESTS (AGENDA ITEM 4)**

Agenda Item 9: Outside Body Feedback – For transparency, Councillor Crawford declared that he was a Member of the NCC Adult Social Care Committee.

Agenda Item 15: ICT Strategy - For transparency, Councillors Bowes

**Action By**

and Crawford declared that they were Norfolk County Councillors as Breckland Council had a service agreement with NCC for ICT provision.

**89/16 NON-MEMBERS WISHING TO ADDRESS THE MEETING (AGENDA ITEM 5)**

Councillors Bambridge, M Chapman-Allen, Darby, Dimoglou, Hollis, Martin, Newton, Turner and Webb were in attendance.

**90/16 Q2 PERFORMANCE REPORT (AGENDA ITEM 6)**

The Performance & Change Manager presented the report which provided a summary of the status of the Council's key indicators for Quarter 2. One indicator was not reported due to the data being unavailable. The red indicator for short term investment income was due to high interest rates on the Breckland Bridge loan and would be addressed in the future budget.

The Chairman asked who decided which indicators were included. She noted that the overall performance had been assessed as fair, but in his presentation the Performance & Change Manager had described it as good. He explained that over 70% of indicators were green and the amber and red variances were due to budget issues, so performance actually was good. He would check and let Members know why only pre-defined indicators were used.

It was clarified that the indicator was red because the figures were outside the target. The Council was receiving more money than expected, so it was not a negative.

The Chairman was concerned that it was difficult to scrutinise performance when it was presented in a form that was difficult to understand.

The Executive Director Place suggested that a description column could be added to explain what the performance was and how it fitted in with the Corporate Plan.

The Chairman asked the Officers to provide the Commission with a draft before the next performance report was presented.

The report was otherwise noted.

**91/16 REVIEW OF STREET NAMING & NUMBERING POLICY (AGENDA ITEM 7)**

The Executive Member Growth presented the report and explained that the Policy was reviewed every two years. He explained the key points and said that the aim was to seek better collaboration with Town and Parish Councils by getting them to provide a list of their preferred names for future developments which could then be made available to the Developers at an early stage.

It was confirmed that none of the changes would be retrospective; they would apply to new addresses only.



**Action By**

Councillor Bowes asked if the changes were due to an EU Directive. She was advised that the advice was national and based on best practice.

Councillor Stasiak asked if there was currently a problem with street names. He did not see any need to change and thought that it was good to use people's names in recognition of good works they had done in the community.

The Executive Director Place explained that issues had been raised by the emergency services. The small changes proposed would address those issues and the proposal to collaborate with the Town & Parish Councils would also address the tensions that sometimes occurred between them and developers.

Councillor Joel asked who had responsibility for cleaning street signs and why a request for a sign giving the street name and saying 'leading to' another street name had been refused.

The Executive Member for Growth did not know why the request had been refused as such signs were provided in some places. He said he would look into the matter. With regard to street sign cleaning he believed that Norfolk County Council Rangers were responsible for that. Members should ask their Parish Clerks to notify them where necessary.

Councillor Crawford thought that the parish input should be strengthened because currently the Council could only refuse a Developer's suggested street name if it was invalid. He also asked who was responsible for repairing broken signs. He was advised that Serco was responsible for repairing street signs on behalf of the Council

The Chairman reiterated that parishes should provide a list of their preferred names and plan ahead to be pro-active. Only three parishes had done so, so far.

Councillor M Chapman-Allen asked how parishes would be notified early enough to provide input. She did not think they could provide suggested names until they knew which land was being developed.

The Executive Director Place said the aim was to encourage Town & Parish Councils and Developers to reach agreement. Developers had to have the street names early in the development to provide infrastructure. Therefore parishes needed to provide a pre-populated list regardless of where the development might be.

The Breckland Place Manager informed Members that the feedback from the emergency services was that having a number of properties in the same area with similar names caused issues and they had asked the Council to avoid that if possible.

Councillor Darby was aware that a number of new developments were causing confusion by numbering new houses off the development estate on which they were built giving rise to properties being addressed on roads which run at the back of their properties.

**Action By**

The Spatial Information Manager agreed that it did cause problems and it would be avoided if future if possible. Generally all properties were addressed on the street that they faced.

Councillor R Richmond said the system worked well. One of his parishes had provided a list and they had been involved. However, the problem arose when the Developer would not accept the suggested names. He asked if the parish proposals would be superseded in that situation.

The Executive Director Place confirmed that the Council could not overturn the Developer's request if a compliant name was put forward otherwise they could challenge it through the Courts.

Councillor Bowes was still concerned about the loss of local identity and the fact that parishes were being discouraged from using local people's names, as they could provide important historical context.

It was confirmed that it was still acceptable to put a surname forward for use as a street name.

Councillor Stasiak said that being able to use a surname overcame his objection to the Policy. He also thought it was a good idea for parishes to prepare a list.

The Chairman proposed an additional recommendation that all Parishes be consulted and asked to provide a list of preferred names for future developments. Members supported that suggestion.

Councillor Brame thought that the adjoining parishes should be able to put forward suggested names as well for developments close to parish boundaries and for large developments such as the Thetford Sustainable Urban Extension.

The Executive Director Place agreed that in such cases lists from all parishes in the area would be considered. If the parishes provided a list the Council would encourage Developers to use those names.

**RESOLVED** to **RECOMMEND TO COUNCIL** that:

- (1) The proposed amendments to the existing Street Naming and Numbering Policy be accepted and the new version (July 2016) be adopted; and
- (2) All parish councils be contacted and requested to provide a list of proposed names for future developments in their area.

**92/16 TASK AND FINISH GROUPS (AGENDA ITEM 8)**

Councillor Stasiak (Chairman, Performance T&FG) summarised the work they had undertaken. They had looked at income generation and had talked about some assets to be disposed of. Generally the Council had a well balanced portfolio which would be strengthened by the new Riverside Development in Thetford.

The Corporate Asset Management Strategy would be reviewed shortly.

**Action By**

Assets were achieving above target income with low arrears. Power issues at Snetterton were being resolved and future focus would be on partnerships for high quality development of the A11 corridor.

He congratulated the Asset Team for their excellent performance. The portfolio was generating a profit which underpinned the Council's ability to maintain low Council Tax. A future T&FG could look at the Corporate Asset Management Strategy.

Councillor Wilkinson (Chairman, Transformation T&FG) had received a comprehensive report from the Executive Director Place. The early intervention hubs and the co-location with the DWP were working well. Work was on-going to determine future opportunities for Elizabeth House.

He suggested that a future workstream could look at the transformation and digitalisation programme.

The Chairman thought that was something that the whole Commission should look at and it would be added to the work programme.

She thanked everyone that had participated in the Task & Finish Groups. The next one would look at Clinical Commissioning and Health Provision and would commence in January. She asked Members interested in taking part to contact the Scrutiny Officer.

**93/16 OUTSIDE BODY FEEDBACK (AGENDA ITEM 10)**

Feedback from Councillor Bambridge about the Annual Conference of the Internal Drainage Board had been circulated by e-mail.

Councillor Wilkinson had also sent round his report on Norfolk Health Scrutiny. A report was being prepared on the ambulance service for the NHS.

The Youth Advisory Board had received funding of £8,500 for a mental health project and early indications were that further funding would be forthcoming from NCC.

The Executive Director Place said there was a lot of national coverage about sustainable transformation plans and how communities would meet future needs. A document from NCC would be going out for consultation soon and a report would be presented to Council to receive comments before a response was made to that consultation.

**94/16 SCRUTINY CALL-INS (AGENDA ITEM 11)**

Councillor Wilkinson asked if there had been any follow-up about the Flagship empty homes turn-around times.

The Chairman said it was important to advise tenants to speak to the appropriate people and to get the housing team to help.

The Executive Member Growth said that Housing was in his new portfolio. He would be spending time with that team in January and would be happy to give a brief report to the Commission in February or

	<u>Action By</u>
March if required.	
<b>95/16 <u>COUNCILLOR CALL FOR ACTION (AGENDA ITEM 12)</u></b>	
None.	
<b>96/16 <u>WORK PROGRAMME (AGENDA ITEM 13)</u></b>	
The Chairman advised that the next scheduled meeting on 5 January had been cancelled. At the following meeting the Disabled Facilities Grant would be reviewed.	
<b>97/16 <u>NEXT MEETING (AGENDA ITEM 14)</u></b>	
The arrangements for the next meeting on 16 February 2017 were noted.	
<b>98/16 <u>EXCLUSION OF PRESS &amp; PUBLIC (AGENDA ITEM 15)</u></b>	
<b><u>RESOLVED</u></b> that under Section 100(A) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.	
<b>99/16 <u>ICT STRATEGY (AGENDA ITEM 15)</u></b>	
Councillor Bowes declared an interest in this item as a Norfolk County Councillor (as the ICT service agreement was with NCC).	
The Executive Member People & Information presented the report which had been requested at the last meeting. There was an urgent need to build a new platform as the current infrastructure was reaching the end of its life. Modern IT was needed and the budget was already available. The opportunities and finances were explained.	
The report had already been presented to Cabinet.	
<b><u>RESOLVED</u></b> to <b><u>RECOMMEND TO COUNCIL</u></b> that recommendations 3 and 4 of the report be approved.	

The meeting closed at 3.35 pm

CHAIRMAN

**BRECKLAND DISTRICT COUNCIL**

**Report of:** Pablo Dimoglou, Executive Member Finance

**To:** Overview & Scrutiny – 5 January 2017

**(Author:** Suzanne Jones, Executive Director Commercialisation)

**Subject:** Draft Budget, Medium Term Plan & Capital Strategy

**Purpose:** To consider the draft capital and revenue budget estimates, the medium term financial plan and the capital strategy

**Recommendation(s):**

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

**1.0 BACKGROUND**

1.1 The appendices to this report outline the 2017-18 revenue and capital estimates for the General fund, the proposals for the setting of discretionary fees and charges, the outline position through to 2020-21, 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 capital budget setting.

**Revenue**

1.2 The budget approved by the Council in February 2016, provided a robust budget over the medium term, supported by the Moving Forward transformation plan. The Moving Forward programme includes efficiencies and service improvement in 4 main areas; Organisational Design, Commercialisation, Digitalisation and Aligning Public Services. Reserve funding was set aside in order to provide resource and investment to deliver the programme, innovative income generation and associated growth and investment plans. Successful delivery of this programme provided a balanced budget over the medium term.

1.3 The Council successfully applied for the Government's four year Settlement offer, using the Moving Forward programme as the basis of the efficiency plan. Whilst this has given some certainty over this element of funding, at this stage of the budget process there still remain some un-knowns, including:

- New Homes Bonus – part of the draft settlement consultation currently
- Retained NNDR – the recent 2017 revaluation and it associated effects

This draft budget includes assumptions for these areas and these will be updated once further information becomes available.

1.4 Despite the challenges of reduced funding and economic uncertainty, the Council remains in a secure financial position across the medium term with no dependency on reserves. This draft budget continues to support the principal of reducing reliance on RSG to nil from 2019-20 and providing funding for both investment and growth funds.

- 1.5 Over the past year various cost pressures and savings have arisen and the Council has a revised budget position in this first draft:

	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Budget gap	408	89	137	466

The table shows a larger budget gap during 2017-18 which mainly results from timing changes of the four year Moving Forward programme. The programme remains on track to deliver the necessary savings over the four year term and individual projects will flex throughout this time and budgets will be adjusted as required to adapt to this flexing.

- 1.6 The Council has various options available to it to fund this budget gap and these opportunities will be investigated and decided on before presentation of the final budget in February 2017:
- ARP Trading are due to deliver a dividend in 2016-17, this dividend could be carried forward into 2017-18 to part fund the budget gap in that year.
  - One off reserve funding or the current year below budget spend/windfall income could be carried forward to support the 2017-18 budget gap.
  - Additional NNDR growth (above that already included in the Moving forward programme) could potentially be achieved through work by the inward investment team. This is unlikely to be achieved until 2020-21.
  - Levels of council tax for the medium term
  - Additional efficiency targets could be incorporated in the Moving Forward programme for Organisational Design from 20-21 following completion of our digitalisation agenda. Currently savings of 10% are already included in the programme.
  - A review of fees and charges levels over the medium term

## Capital

- 1.7 The draft capital programme for 2017-18 through to 20-21 is:

	<b>2017-18 to 20-21</b>
Programmed spend	£12,992k
Forecast Receipts	(£3,143k)
Forecast Funding	(£4,525k)
<b>Net Spend</b>	<b>£5,324k</b>
Forecast Reserves as at 01.04.2017	(£4,755k)
<b>Shortfall in funding</b>	<b>£569k</b>

This shows a shortfall in capital funding of £569k, which can be funded via internal borrowing based on the draft budgets. The availability and scope for future projects is therefore limited unless additional receipts or funding is generated, or the spend supports a business case including borrowing. Details of the capital programme are included at appendix H.

## 2.0 OPTIONS

- 2.1 That the draft capital and revenue budget estimates, the medium term financial plan and the capital strategy are reviewed
- 2.2 There are no alternative options presented
- ## 3.0 REASONS FOR RECOMMENDATION(S)
- 3.1 To comply with budgetary and policy framework

#### 4.0 **EXPECTED BENEFITS**

4.1 To set an affordable and balanced budget for 2017-18 which delivers on the Council's priorities.

#### 5.0 **IMPLICATIONS**

##### 5.4 **Corporate Priorities**

5.4.1 The budget supports the Council's priorities and the final budget will be considered alongside the Corporate Plan

##### 5.7 **Financial**

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

##### 5.10 **Risk Management**

5.10.1 Risk has been considered and is included within the appendices

##### 5.11 **Stakeholders / Consultation / Timescales**

5.11.1 Consultation is included within the appendices

##### 5.14 **Transformation Programme**

5.14.1 The budget and transformation programme are intrinsically linked and information on the Moving Forward programme is included as necessary within the report and appendices.

##### 5.14 **Other**

5.15.1 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 DCLG – Department for Communities Local Government

7.4 DWP – Department for Work & Pensions

7.5 LABV – Local Asset Backed Vehicle

7.6 LCTRS – Localised Council Tax Reduction Scheme

7.7 NHB – New Homes Bonus

7.8 NNDR/NDR – National Non-Domestic Rates (Business Rates)

7.9 PFI – Public Finance Initiative

7.10 PRP – Performance Related Pay

7.11 RSG – Revenue Support Grant

7.12 S31 – Section 31

7.13 VFM – Value for Money

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Background papers:- [N/A](#)

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**Lead Contact Officer**

Name and Post: Alison Chubbock, Chief Accountant  
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**Key Decision:** No

**Exempt Decision:** No

**This report refers to a 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 Programme



## Budget Setting Report and Financial Medium Term Plan 2017-18

This appendix is the combined budget estimates and medium term plan 2017-21. 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 2017-18 compared to the 2016-17 position:

Description	2016-17	2017-18	Increase/ (Decrease)
Breckland precept requirement	£3,041,456	£3,167,084	4.13%
Council Tax Band D	£73.98	£75.42	1.95%
Band D cost per week	£1.42	£1.45	2.11%
Grant settlement (excluding NNDR)	£2,028,243	£1,451,202	(28.45%)
Income to investment fund	£467,085	£655,986	40.44%
Retained NNDR (incl S31 grants)	£4,543,936	£4,885,262	7.51%
Other non-ring fenced grants	£469,522	£379,118	(19.25%)
New Homes Bonus	£3,005,221	£2,720,871	(9.46%)
New Homes Bonus to Reserves	£455,505	£720,871	58.26%
Special expenses account	£69,661	£73,885	6.06%
Transformation target	Nil	£407,509	100%

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 £1.29 a week towards the District services we provide.

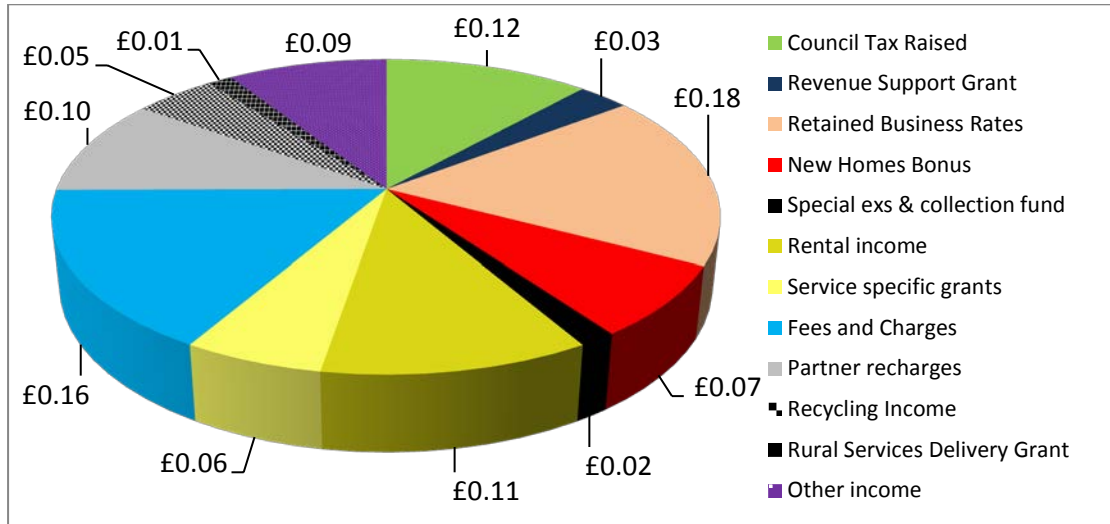
The following table details the Band D Council Tax levels for all precepting authorities over the last ten years:

	Norfolk County Council £	Norfolk Police Authority £	Breckland (Excl special expenses) £	Parish £	Total £	Increase/ (Decrease) %
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	1,190.79	212.94	73.98	81.09	1,558.80	3.9
2017-18	tbc	tbc	tbc	tbc	tbc	tbc

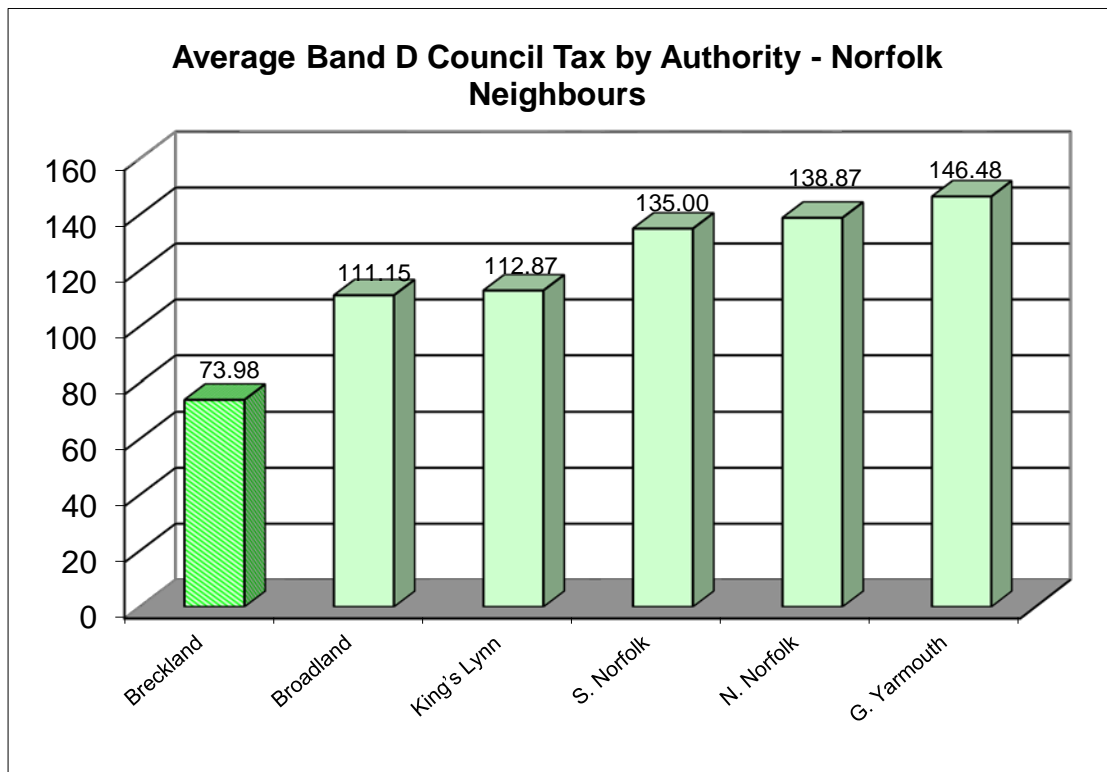
The budget report recommends an annual increase in council tax of just under 2% for 2017-18 (£0.96 for a Band A). For the purposes of the medium term plan it is proposed that just under a 2% inflationary increase is built in to future years council

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 chart shows the average Band D Council Tax levels (excluding parish precepts) for all Norfolk district and borough authorities in 2016-17.



## 2. 2016-17 Estimates

The table below shows the budget estimates for 2016-17 and 2017-18 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**.

		<b>2016-17</b>	<b>2017-18</b>	<b>Variance</b>	<b>Variance</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>%</b>
1	Staffing Costs (BC & 3 <sup>rd</sup> Party)	9,997,770	9,644,887	(352,883)	(3.53)
2	Premises	2,384,385	2,523,645	139,260	5.84
	Transport	265,310	297,480	32,170	12.13
3	Supplies & Services	14,097,707	14,051,013	(46,694)	(0.33)
	Drainage board levies	78,850	79,390	540	0.68
4	Transfer Payments	34,894,205	32,538,678	(2,355,527)	(6.75)
5	Support services	3,824,432	3,920,949	96,517	2.52
6	Capital charges	4,170,175	2,273,928	(1,896,247)	(45.47)
7	Capital financing	(5,508,978)	(2,391,203)	3,117,775	56.59
	<b>Total Expenditure</b>	<b>64,203,856</b>	<b>62,938,767</b>	<b>(1,265,089)</b>	<b>(1.97)</b>
8	Rents/service charges	(2,848,367)	(2,994,590)	(146,223)	(5.13)
9	Fees and charges	(3,927,439)	(4,463,206)	(535,767)	(13.64)
10	Grants	(35,598,855)	(33,243,890)	2,354,965	6.62
11	Other	(6,950,169)	(6,413,133)	537,036	7.73
	<b>Total Income</b>	<b>(49,324,830)</b>	<b>(47,114,819)</b>	<b>2,210,011</b>	<b>4.48</b>
12	Transformation	68,711	(441,642)	(510,353)	
	Less trading units	(3,714,662)	(3,716,849)	(2,187)	
	<b>Budget Requirement</b>	<b>11,233,075</b>	<b>11,665,457</b>	<b>432,382</b>	<b>3.85</b>

Notes:

- 1 – The decrease in employee costs is a result of programmed and achieved efficiencies as part of the Moving Forward transformation programme.
- 2 – Forecast additional costs relating to maintenance works at Breckland Business Centre in Thetford which is fully offset by service charge income held in reserves.
- 3 – Reduced costs on contracts, programmed Moving Forward efficiencies and reduced Housing Benefit bad debt provision as a result of lower claimant levels.
- 4 – Transfer Payment costs are mostly Housing Benefit payments and these have reduced as claimant levels have reduced. The reduction is offset by reduced grant income, leading to a net increase in the budget compared to previous years.
- 5 – Reduced service costs resulting from the Moving Forward transformation programme are reflected in reduced support service recharges. These are offset in 2017-18 only by increased costs to allow for the changes to ICT provision during the year.
- 6 – This reduction relates to changes 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 2017-18 reflects the changes in capital charges (see note 6) and also funding from reserves for one off costs.
- 8 – Changes to accounting entries leading to increased income in rents and reduced income in interest.
- 9 – Additional income relating to the new ARP Enforcement service of £351k plus increased planning forecasts and other smaller increases in service income.
- 10 – Reduced grant income resulting from reduced Housing Benefit claims (see note 4).
- 11 – Reduced interest income as a result of revised interest rate forecasts and reduced Housing Benefit grant.

**12** – Transformation targets are included within the relevant service budget lines where possible. At this stage of the budget process there is a further £408k efficiency to be identified for 2017-18 and this will be worked up further as the budget progresses.

### **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, in addition the Government have also announced

their intention to phase out RSG over the medium term. 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). An element of investment income 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. The budgeted values are shown in the table on the following page, giving an additional total of £2.6m to the investment fund over the medium term.

The rural services delivery grant was previously included within the RSG, however the government have separated this grant out from 2016-17, recognising the additional pressures rural authorities face.

Under the retained NNDR scheme 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. 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 13% 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 forecast amounts collectable following the 2017 revaluation process, 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 the long term budget forecast, but is open to risk of increase or decrease in all years. The Norfolk business rates pool formed in 2014-15 is continuing in its current form. 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.

Previously the 'New Homes Bonus' (NHB) was budgeted for six years from 2012-13 at the year one level plus future years allocations. Consultation took place earlier this year to look at potential changes to this scheme and the local government finance settlement consultation proposes changes to the scheme which include:

- Reducing the number of years NHB is paid to 5 years in 17-18, falling to 4 years there after
- Setting a baseline increase level at which point NHB is only paid above this level of growth (0.40%)

Responses will be made to this consultation, particularly around the transitional arrangements and baseline level. Some NHB is required for delivery of services to new homes in the area, however 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. The budgeted values are shown in the table below, giving an additional total of **£1.6m to the growth fund over the medium term**.

The table below shows the level of budgeted central grants.

	16-17 £m	17-18 £m	18-19 £m	19-20 £m	20-21 £m
Local Gov't Settlement	(2.028)	(1.451)	(1.071)	(0.646)	Nil
Income cont'n to investment fund	0.467	0.656	0.853	0.646	Nil
Retained Business Rates	(3.863)	(4.185)	(5.381)	(5.542)	(5.623)
S31 grants in lieu of NDR	(0.681)	(0.700)	-	-	-
Rural Services Delivery grant	(0.470)	(0.379)	(0.292)	(0.379)	(0.379)
New Homes Bonus	(3.005)	(2.721)	(2.388)	(2.008)	(1.755)
NHB to growth fund	0.456	0.721	0.388	0.008	Nil
Total	(9.124)	(8.059)	(7.891)	(7.921)	(7.757)
% -/(+)		11.7%	2.1%	(0.4%)	2.1%

## **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 small surplus for Council Tax of £39k in total (taking 2015-16 balance and 2016-17 forecast) and Breckland's share of this for 2017-18 would be around £4k (surplus of £452k for 2016-17).

For Business Rates a surplus is forecast of £878k in total and Breckland's share of this for 2016-17 would be around £339k (deficit of £3.6m for 2016-17).

## **6. Tax Base**

The tax base is assumed to rise by 0.66% in future years, using forecasts based on current planning permissions. 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 2017-18 to 2020-21, 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 (2016-17) 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:

	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>	<b>19-20</b>	<b>20-21</b>
Combined PRP and BPI	1.00%	<b>1.35%</b>	1.35%	1.35%	1.35%
Staffing salary level	96%	<b>96%</b>	96%	96%	96%
ARP cost of living increase	1.00%	<b>1.00%</b>	1.00%	1.00%	1.00%
ARP staffing salary level	97.5%	<b>97.5%</b>	97.5%	97.5%	97.5%
Pension contribution rate	14%	<b>14%</b>	14%	14%	14%
Pension lump sum cont'n	£666k	<b>£816k</b>	£956k	£1,102k	£1,248k
Return on cash investments	0.90%	<b>0.30%</b>	0.38%	0.75%	0.75%
Tax base	41,112	<b>41,991</b>	42,268	42,547	42,828

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 DWP has announced the Universal Credit (UC) full service roll out schedule for new claims, which ranges from October 2017 through to September 2018. This change will affect all working age customers who would otherwise make a claim for Housing Benefit, but it does not affect pensioners and largely does not affect our existing customers. The future of universal credit and its impact on budgets is still un-quantifiable in budget terms.

100% business rates retention by local authorities is planned for 2020. This change will provide additional reward and risk to local authorities resulting from business rates income. At this early stage the detail of the scheme is still being worked on and therefore no changes are included in the budget.

Changes to the New Homes Bonus funding are proposed as part of the local government finance settlement 2017-18. The draft budget has been prepared based on the levels consulted on, however any changes to these will be updated in the final budget in February 2017.

### **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 digital 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:

- o Annual audit letter
- o Financial plan
- o Governance and Audit Committee reports
- o Annual Governance Statement (AGS)
- o Grants returns submitted to deadlines
- o 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. 2016-17 Outturn**

An assessment of the 2016-17 out turn will inform the reliance we can place on the baseline we use for setting the 2017-18 estimates. Based on the position at the December 2016, 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 2017-18 services have reflected the on-going pressures and efficiencies in their new budget estimates.

### **11. Budget Requirement and Forward Estimates**

Outline estimates through to 2020-21 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 all years with no ongoing reliance on reserves. 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 and Watton. 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.

	<b>Dereham</b>	<b>Thetford</b>	<b>Watton</b>	<b>Attleborough</b>	<b>Swaffham</b>
Special Expense	£10,307.03	£47,172.87	£16,405.53	-	-
2017-18 tax base	5,505.8	6,242.6	2,459.4	-	-
Band D equivalent	£1.65	£6.65	£5.87	-	-
2016-17 band D	£1.70	£5.34	£7.97	-	-
Direct charge 17-18	-	-	-	£18,262	£15,571

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.

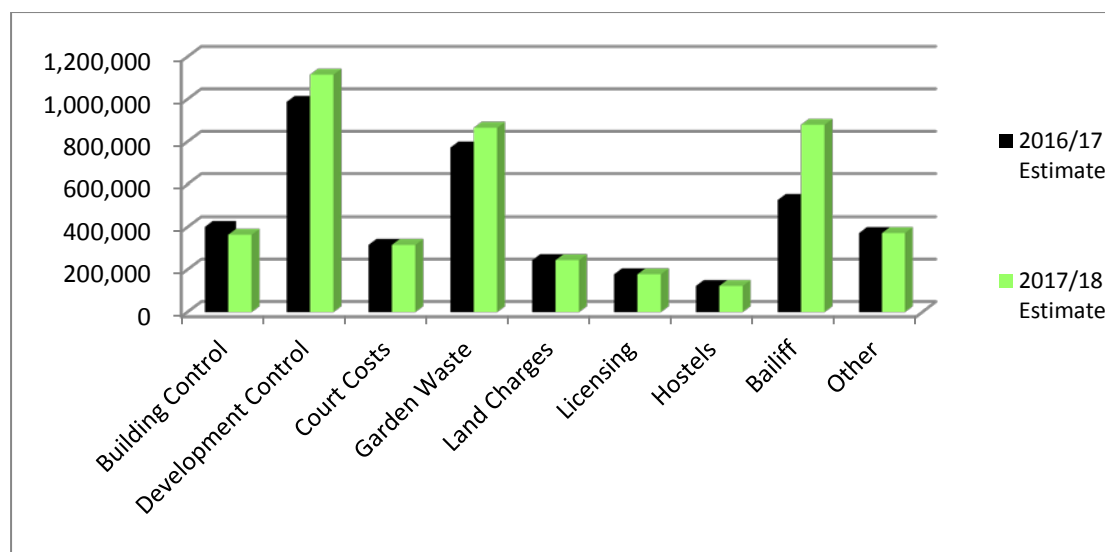
As part of our overall income strategy we will seek to:

- 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 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 £4.5m is due from fees and charges in the 2017-18 budget. The chart below shows the main categories of budgeted fee income in 2017-18 (and 2016-17 for comparison).



In addition to fees and charges the council has also invested £23m in commercial properties, plus our new investment in Thetford Riverside (completed 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 £2.6m in 2017-18, excluding service charges, offices rental and finance lease adjustments (£2.6m in 2016-17). As part of the Moving Forward transformation programme work is being 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 during 2016-17 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:

<b>General Fund</b>	<b>16-17 £m</b>	<b>17-18 £m</b>	<b>18-19 £m</b>	<b>19-20 £m</b>	<b>20-21 £m</b>
Brought forward	2.851	<b>2.851</b>	2.851	2.851	2.851
In	-	-	-	-	-
Out	-	-	-	-	-
Carried forward	2.851	<b>2.851</b>	2.851	2.851	2.851

<b>Specific Reserves</b>	<b>16-17 £m</b>	<b>17-18 £m</b>	<b>18-19 £m</b>	<b>19-20 £m</b>	<b>20-21 £m</b>
Brought forward	15.468	<b>7.008</b>	5.428	4.742	3.609
In	1.178	<b>1.669</b>	1.389	0.764	0.133
Out	(9.638)	<b>(3.249)</b>	(2.075)	(1.897)	(0.038)
Carried forward	7.008	<b>5.428</b>	4.742	3.609	3.704

These are the observations from the review of reserves for the 2017-18 budget:

- The Council holds £0.714m of unallocated funds within a match funding reserve for both capital and revenue match funding projects. If spend continues at £300k per year the reserve would run out around 2021-22.
- The organisational development reserve contains £1.2m of unallocated funds which will be used for invest to save initiatives that will be required to drive revenue costs down to achieve a balanced and sustainable budget over the longer term.
- An un-allocated sum of £1.7m is held in a Revenue & Benefits 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 £1.47m of earmarked funds due to be spent on community related projects (including £950k for Broadband).
- The growth fund is created from NHB received over and above our required level of £2m, and will be used to secure housing and employment growth generating an on-going revenue return.
- The investment fund reserve will be used to purchase assets which will generate 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:

<b>Risk</b>	<b>Likeli- hood</b>	<b>Impact</b>	<b>Action</b>
Low income levels from fees and charges	Low	Medium	Revise spending plans
Continuation of low interest rates	High	Medium	Market advice and forecasting. Mitigation by diversification

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Action</b>
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
Additional bad debts as a result of economic circumstances	Low	Low	Pro-active debt management and pre-pay fee policies
New Homes Bonus grant income less than budgeted due to changes to Government policy resulting from the consultation	Medium	Low	Review levels each year to ensure estimate is as accurate as possible & growth fund mitigates amount used for services
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	Low	Vary the service specification within the affordability envelope
Net budget of the Housing Benefit claims is costlier than budgeted if error threshold breached	Medium	Low	Use of reserve to fund any in year additional costs/income shortfall
Reduction in S106 funding resulting from changes to legislation	Medium	Low	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

<b>Risk</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Action</b>
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
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.
NNDR revaluations in 2017 and re-basing in 2020 could reduce the Council's retained NNDR income through increased appeals	Medium	Medium	Use of reserve if necessary to provide 1-2 years funding whilst savings identified
Transformation programme is not delivered to the expected time frames	Low	Medium	Continued monitoring & reporting and programme delivery manager in place

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**

This draft budget is put out to consultation to Overview & Scrutiny Committee and on the website, inviting 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 executive 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 was set last year, the Council produced the Moving Forward transformation programme alongside the budget, with a final efficiency of £2.472m to be delivered. This programme has been refreshed as part of this years budget and the current budget includes the following amounts which are either due to be delivered through the transformation programme or have been delivered:

	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000
Digitalisation	(27)	(28)	(28)	(28)
Commercialisation (incl. procurement)	(911)	(1,133)	(1,260)	(1,260)
Organisational Design	(257)	(583)	(908)	(908)
Return on investment fund	(25)	(126)	(160)	(186)
Return on growth fund	(9)	(65)	(81)	(82)
Aligning public services	(61)	(81)	(81)	(81)
<b>TOTAL</b>	<b>(1,290)</b>	<b>(2,016)</b>	<b>(2,518)</b>	<b>(2,545)</b>

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 is providing an extra income stream for the partner authorities from 2016-17 and has expanded for 2017-18.

## **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 2019-20 unless additional capital receipts are generated, revenue reserves are used, existing projects are removed from the programme or further borrowing takes place. 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	2015/16 ACTUAL £	2016/17 ESTIMATE £	2017/18 ESTIMATE £	2018/19 ESTIMATE £	2019/20 ESTIMATE £	2020/21 ESTIMATE £
<b>COUNCIL</b>							
	Employee Related Expenses	9,880,305	9,997,770	9,644,887	9,057,844	8,930,982	9,020,292
	Premises Related Expenses	2,143,212	2,384,385	2,523,645	2,302,055	2,353,050	2,400,110
	Transport Related Expenses	278,701	265,310	297,480	297,510	297,540	297,540
	Supplies & Services	17,307,397	14,097,707	14,051,013	13,708,046	13,696,372	13,828,299
	Transfer Payments	34,395,834	34,973,055	32,618,068	32,544,218	32,472,708	33,122,162
	Support Services	4,169,320	3,824,432	3,920,949	3,782,230	4,956,123	4,956,123
	Capital Financing Costs	(361,615)	4,170,175	2,273,928	1,249,982	2,099,961	2,099,961
	Other Income	(20,280,304)	(15,312,110)	(15,436,136)	(15,145,571)	(15,342,266)	(15,649,111)
	Housing Benefit Income	(33,563,143)	(34,012,720)	(31,678,683)	(31,678,683)	(31,678,683)	(32,312,257)
<b>COUNCIL TOTAL</b>		<b>13,969,707</b>	<b>20,388,004</b>	<b>18,215,151</b>	<b>16,117,631</b>	<b>17,785,787</b>	<b>17,763,120</b>
<b>Appropriations:</b>							
	Revenue Contributions towards Capital Programme	462,531	950,000	0	0	950,000	0
	IAS 19 Contra Entry	(129,000)	(122,120)	190,990	326,610	466,870	476,207
	Reffcus Contra Entry	(1,212,400)	(3,406,370)	(1,807,577)	(790,000)	(1,740,000)	(1,740,000)
	Depreciation Contra Entry	(859,374)	(763,805)	(466,351)	(459,982)	(359,961)	(359,961)
	MRP	541,321	563,810	580,210	600,910	622,820	646,320
	Reversal Of Holiday Pay Accrual	(11,950)	0	0	0	0	0
	Reversal of Impairments/Movements in Value	2,433,389	0	0	0	0	0
	Capital Grants & Contributions	787,732	0	0	0	0	0
	Mitigating Treatment for Finance Leases	68,815	63,100	173,582	31,796	(17,826)	(19,440)
	Contribution To Reserves	3,276,264	106,490	292,071	148,214	109,447	125,240
	Contribution From Reserves	(2,397,377)	(2,900,083)	(1,255,417)	(834,423)	(1,242,930)	(37,500)
<b>COUNCIL SUBTOTAL</b>		<b>16,929,659</b>	<b>14,879,026</b>	<b>15,922,659</b>	<b>15,140,756</b>	<b>16,574,207</b>	<b>16,853,986</b>
	Less Trading Units	4,038,625	3,714,662	3,716,849	3,581,640	4,760,753	4,760,753
<b>NET COST OF SERVICES</b>		<b>12,891,034</b>	<b>11,164,364</b>	<b>12,205,810</b>	<b>11,559,116</b>	<b>11,813,454</b>	<b>12,093,233</b>

**GENERAL FUND SUMMARY AND PRECEPT REQUIREMENT**

	2015/16 ACTUAL £	2016/17 ESTIMATE £	2017/18 ESTIMATE £	2018/19 ESTIMATE £	2019/20 ESTIMATE £	2020/21 ESTIMATE £
<b>NET COST OF SERVICES</b>	12,891,034	11,164,364	12,205,810	11,559,116	11,813,454	12,093,233
Transformation programme (contribution to reserve for future project spend)	0	98,711	(98,711)	0	0	0
Contribution from General Fund	0	0	0	0	0	0
<b>INVESTMENT AND GROWTH</b>						
Spend from Growth Fund Reserve	0	924,939	720,871	387,619	8,300	0
Contribution from Growth Fund Reserve	0	(924,939)	(720,871)	(387,619)	(8,300)	0
Spend from Investment Fund Reserve	0	1,969,741	1,174,681	852,942	646,265	0
Contribution from Investment Fund Reserve	0	(1,969,741)	(1,174,681)	(852,942)	(646,265)	0
<b>FINANCIAL SUSTAINABILITY</b>						
Transformation - programmed service reviews	0	0	0	0	0	0
Transformation - programmed commercialisation	0	(5,000)	0	(65,000)	(104,520)	(104,520)
Transformation - programmed retn on investment fund	0	0	(24,884)	(125,777)	(159,895)	(185,746)
Transformation - programmed retn on growth fund	0	0	(9,249)	(65,832)	(81,337)	(81,669)
Transformation - programmed Aligning Public Services projects	0	(25,000)	0	0	0	0
<i>Efficiency to be achieved through draft budget process</i>			(407,509)	(89,390)	(137,338)	(466,307)
<b>BRECKLAND BUDGET REQUIREMENT</b>	<b>12,891,034</b>	<b>11,233,075</b>	<b>11,665,457</b>	<b>11,213,117</b>	<b>11,330,364</b>	<b>11,254,991</b>
<b>FINANCING</b>						
Retained Business Rates (Less tariff Payable)	(4,251,967)	(4,391,243)	(4,491,607)	(5,316,130)	(5,482,983)	(5,481,002)
Retained Business Rates - Renewable Energy	(180,322)	(158,295)	(393,917)	(806,129)	(824,532)	(841,023)
Collection Fund - NNDR Levy Payment on Growth	218,451	686,992	700,568	741,538	765,552	699,356
Revenue Support Grant	(2,786,979)	(2,028,243)	(1,451,202)	(1,070,950)	(646,265)	0
Other Non Specified Grants	(29,601)	(469,522)	(379,118)	(291,629)	(379,118)	(379,118)
Contribution to investment fund	0	467,085	655,986	852,942	646,265	0
New Homes Bonus (applied in year)	(2,374,555)	(3,005,221)	(2,720,871)	(2,387,619)	(2,008,300)	(1,755,096)
New Homes Bonus - Excess contributed to growth fund	393,210	455,505	720,871	387,619	8,300	0
Council Tax Freeze Grant	(31,663)	0	0	0	0	0
NNDR S31 Grant - 2% rates cap	(64,149)	(75,069)	(76,000)	0	0	0
NNDR S31 Grant - Small Business Rates Relief	(589,529)	(599,022)	(621,281)	0	0	0
NNDR S31 Grant - Long Term Empty, Retail Reliefs & in lieu of transitional	(262,874)	(7,299)	(3,025)	0	0	0
Collection Fund - Council Tax	(167,810)	(452,299)	(25,819)	0	0	0
Collection Fund - NNDR	39,615	1,454,673	(339,073)	0	0	0
Special Expenses raised through Council Tax	(56,689)	(60,828)	(65,052)	(65,052)	(65,052)	(65,052)
Special Expenses funded from LCTS grant	(8,833)	(8,833)	(8,833)	(8,833)	(8,833)	(8,833)
<b>BRECKLAND PRECEPT REQUIREMENT</b>	<b>2,737,339</b>	<b>3,041,456</b>	<b>3,167,084</b>	<b>3,248,874</b>	<b>3,335,398</b>	<b>3,424,223</b>
<b>BRECKLAND BAND D COUNCIL TAX</b>	<b>69.03</b>	<b>73.98</b>	<b>75.42</b>	<b>76.86</b>	<b>78.39</b>	<b>79.95</b>
<b>PERCENTAGE INCREASE</b>			<b>1.95%</b>	<b>1.91%</b>	<b>1.99%</b>	<b>1.99%</b>
<b>Tax Base</b>	<b>39,654</b>	<b>41,111.8</b>	<b>41,991.1</b>	<b>42,268.2</b>	<b>42,547.2</b>	<b>42,828.0</b>



## PARISH/WARD TAX BASE REPORT 2017-18

PARISH WARD/NAME	PROPERTIES TAX BASE	PARISH WARD/NAME	PROPERTIES TAX BASE
ASHILL	463.50	LEXHAM	48.00
ATTLEBOROUGH	3584.10	LITCHAM	206.40
BANHAM	500.50	LONGHAM	84.80
BAWDESWELL	268.90	LOPHAM NORTH	249.20
BEACHAMWELL	130.50	LOPHAM SOUTH	169.70
BEESTON	198.30	LYNFORD	51.70
BETLEY	519.60	LYNG	287.70
BESTHORPE	253.20	MATTISHALL	875.60
BILLINGFORD	88.60	MERTON	49.20
BINTREE	113.80	MILEHAM	219.60
BLO NORTON	104.50	MUNDFORD	485.70
BRADENHAM	241.80	NARBOROUGH	350.30
BRETENHAM & KILVERSTONE	218.80	NARFORD	12.30
BRIDGHAM	124.40	NECTON	699.10
BRISLEY	119.40	NEWTON BY CASTLEACRE	16.20
BUCKENHAM NEW	182.40	OVINGTON	89.20
BUCKENHAM OLD	489.30	OXBOROUGH	94.10
BYLAUGH	33.50	PICKENHAM NORTH	157.80
CARBROOKE	620.10	PICKENHAM SOUTH	38.30
CASTON	188.50	QUIDENHAM	174.60
COCKLEY CLEY	40.30	RIDDLESWORTH & GASTHORPE	53.10
COLKIRK	252.70	ROCKLANDS	275.20
CRANWICH	21.00	ROUDHAM & LARLING	109.90
CRANWORTH	173.30	ROUGHAM	43.60
CRESSINGHAM GREAT	81.30	SAHAM TONEY	579.40
CRESSINGHAM LITTLE	69.60	SCARNING	860.50
CROXTON	187.20	SCOULTON	84.20
DEREHAM	5505.80	SHIPDHAM	712.60
DIDLINGTON	25.90	SHROPHAM	148.00
DUNHAM GREAT	120.90	SNETTERTON	77.90
DUNHAM LITTLE	107.80	SOUTHACRE	11.80
ELLINGHAM GREAT	406.40	SPARHAM	109.00
ELLINGHAM LITTLE	93.20	SPORLE WITH PALGRAVE	320.40
ELMHAM NORTH	462.30	STANFIELD	60.70
ELSING	103.30	STANFORD	3.20
FOULDEN	141.00	STOW BEDON	129.70
FOXLEY	112.50	SWAFFHAM	2436.30
FRANSHAM	157.80	SWANTON MORLEY	691.70
GARBOLDISHAM	288.80	THETFORD	6242.60
GARVESTONE	263.70	THOMPSON	154.80
GATELEY	26.40	TITTLESHALL	137.20
GOODERSTONE	145.20	TUDDENHAM EAST	170.90
GRESSENHALL	364.60	TUDDENHAM NORTH	115.00
GRISTON	185.80	TWYFORD	16.40
GUIST	70.40	WATTON	2459.40
HARDINGHAM	109.90	WEASENHAM ALL SAINTS	67.00
HARLING	814.00	WEASENHAM ST. PETER	59.90
HILBOROUGH	81.00	WEETING WITH BROOMHILL	519.70
HOCKERING	217.10	WELLINGHAM	19.20
HOCKHAM	230.30	WENDLING	105.40
HOE & WORTHING	99.60	WHINBURGH & WESTFIELD	142.70
HOLME HALE	180.30	WHISSONSETT	167.00
HORNINGTOFT	59.90	WRETHAM	131.80
ICKBURGH	83.60	YAXHAM	303.20
KEMPSTONE	6.30		
KENNINGHALL	379.30		
		TOTAL TAX BASE	<b>41991.10</b>

## Fees and Charges 2017-18

The lines highlighted in blue are new or amended charges for 2017-18

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge 2016/17 (excl VAT)	Proposed Charge 2017/18 (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 renewal	B	D	20.00	20.00	
	Lotteries grant	B	S	40.00	40.00	
	Gambling Act 2005	B	S	Variable	Variable	
	Riding establishment licence (plus appropriate vet fees)	B	D	314.65	323.50	
	Tattooing and Piercing regs	B	D	212.14	218.10	
	Dog Breeders licences (plus appropriate vet fees)	B	D	253.86	265.50	
	Animal Boarding Establishment Act 1963	B	D	161.71	166.20	
	Pet Animals Act - Pet Shops	B	D	179.35	184.40	
	Dangerous Wild Animals	B	D	352.83	362.70	
	<i>Zoo Inspections</i>					
	Zoo Inspections - Applications & Renewal	B	D	150.00	154.00	
	Zoo Inspections - Inspection	B	D	0.00	0.00	
	<i>Sex Establishments &amp; Sex Entertainment Venues</i>					
	Sex establishments & Sex Entertainment Venues - new application	B	D	1541.48	1569.20	
	Sex establishments & Sex Entertainment Venues - Renewal (no objection)	B	D	813.38	828.00	
	Sex establishments & Sex Entertainment Venues - renewal (objections)	B	D	1252.48	1275.00	
	Sex establishments & Sex Entertainment Venues - Transfers & Variations	B	D	481.76	490.00	
	<i>Street Traders</i>					
	Street Traders - New application	B	D	408.00	419.00	
	Street Traders - Renewal	B	D	408.00	419.00	
	<i>Tables/Chairs</i>					
	Section 115 Tables & Chairs	B	D	187.02	192.20	
	Tables & Chairs Renewal	B	D	160.42	164.90	
	<i>Hackney Carriage &amp; Private Hire Licences :</i>					
	HCV (plus test)	B	D	125.82	129.30	
	HCV Renewal (plus test)	B	D	125.82	129.30	
	PHV Renewal (plus test)	B	D	148.65	152.80	

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge		Proposed	
				2016/17	(excl VAT)	Charge 2017/18	(excl VAT)
	PHV New (plus test)	B	D	148.65		152.80	
	Driver - Grant (plus CRB)	B	D	156.51		160.80	
	Driver - Renewal (plus CRB)	B	D	156.51		160.80	
	PHO	B	D	144.45		148.50	
	PHO Renewal	B	D	144.56		148.50	
	Replacement Breckland Stags	B	D	37.71		0.00	
	Replacement Vehicle Plate	B	D	47.08		48.40	
	Replacement Drivers Badge	B	D	39.31		40.40	
	Replacement Licence	B	D	36.71		37.75	
	Replacement Internal Sticker	B	D	31.20		32.10	
	Transfer existing licensed vehicle to new owner	B	D	53.49		55.00	
	Replacement Platform	B	D	20.83		21.40	
	Trailer Permission	B	D	106.23		109.20	
	Trailer Renewal	B	D	106.23		109.20	
	Health Export	B	D	57.02		0.00	
	<i>Scrap Metal</i>						
	Scrap Metal - new Site	B	D	317.43		326.30	
	Scrap Metal - new Collector	B	D	222.98		229.20	
	Scrap Metal - renew Site	B	D	219.68		225.80	
	Scrap Metal - renew Collector	B	D	106.98		110.00	
	Scrap Metal - change of licence	B	D	57.53		59.10	
	Scrap Metal - variation to licenced site	B	D	60.66		62.32	
	Scrap Metal - change of site manager	B	D	39.23		40.30	
	Scrap Metal - variation change from site to collector	B	D	58.71		60.31	
	Scrap Metal - copy of licence	B	D	14.68		15.08	
	Scrap Metal - variation from collector to site	B	D	188.37		193.51	
<b>Dog Warden</b>							
	Dog Collection Fines (first time)	B	S	51.67		53.00	
	Dog Collection Fines (second time)	B	S	72.50		75.00	
	Dog Collection Fines (third time)	B	S	91.67		93.00	
	Dog Micro chipping	S	D	10.80		10.80	
	Dog Training	S	D	41.67		41.67	
<b>Environmental Health</b>							
	<i>Food Safety Course Fees:</i>						
	Level 2 FS Course	E	D	55.00		55.00	
	Refresher Course Fee	E	D	38.00		40.00	
	Level 2 HACCP FS Course	E	D	70.00		70.00	
	on site Level 2 course:						

## Environmental Services

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge 2016/17 (excl VAT)	Proposed Charge 2017/18 (excl VAT)
	up to 10 people	E	D	475.00	495.00
	Thereafter (10 people)	E	D	40.00	40.00
	On site Level 2 refresher course:				
	up to 10 people	E	D	300.00	350.00
	Thereafter (10 people)	E	D	27.50	30.00
	Food/H&S E Coli Course	E	D	25.00	120.00
	Food/H&S Practical On Site Training	E	D	30.00	30.00
	£75- Level 3 Allergen Management ( per person)	E	D	75.00	75.00
	Examination re-sits	E	D	2.00	15.00
	£25- Allergen workshop ( per person)	E	D	25.00	0.00
	Food/H&S Factual Statement-minimum charge	E	D	75.00	85.00
	Food/H&S Factual Statement-Hourly Charge	E	D	45.00	55.00
	Primary Authority Hourly Charge	E	D	50.00	50.00
	Export Certificates ( charge per hour)	E	D	65.00	85.00
	Food Safety E-courses	E	D	0.00	Variable
	Food Hygiene Rating Score	B	D	0.00	150.00
	<i>Health &amp; Safety:</i>				
	Food/H&S Factual Statement-minimum charge	E	D	75.00	85.00
	Food/H&S Factual Statement-Hourly Charge	E	D	45.00	55.00
	Health & Safety/Fire Safety E-courses Various Fees Non Published)	E	D	Variable	Variable
	Primary Authority work- Hourly rate	B	D	50.00	50.00
	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	44.00
	Waste Collection and Disposal - non domestic properties 240 litre bin green &black (per annum)	S	D	505.01	505.01
	Waste Collection and disposal - non domestic properties 1,100 litre bin green &black (per annum)	S	D	1007.86	1007.86
	Waste Collection and disposal - non domestic properties 240 litre bin green & 1100 litre black (per annum)	S	D	646.39	646.39
	Waste Collection and disposal - non domestic properties 240 litre bin black only (per annum)	S	D	253.26	253.26
	Waste Collection and Disposal - non domestic properties 1,100 litre bin black only (per annum)	S	D	453.36	453.36
	Waste Collection Only - non domestic properties 240 litre bin green &black (per annum)	S	D	441.71	441.71
	Waste Collection Only - non domestic properties 1,100 litre bin green &black (per annum)	S	D	724.48	724.48
	Waste Collection - non domestic properties 240 litre bin green & 1100 litre black (per annum)	S	D	583.09	583.09
	Waste Collection - non domestic properties 240 litre bin black only (per annum)	S	D	253.26	253.26
	Waste Collection - non domestic properties 1,100 litre bin black only (per annum)	S	D	453.36	453.36
	Waste Collection - Existing Schools 240 litre bin green &black (per annum)	S	D	253.26	253.26
	Waste Collection - Existing Schools 1,100 litre bin green &black (per annum)	S	D	453.36	453.36
	Waste Collection - Existing Schools 240 litre bin green & 1100 litre black (per annum)	S	D	253.26	253.26

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge 2016/17 (excl VAT)	Proposed Charge 2017/18 (excl VAT)
	Prescribed Clinical Collection Group E - annual charge	S	D	521.30	521.30
	Prescribed Clinical Collection Group E - per bag charge	S	D	1.08	1.08
	Charge for Wheeled bins for new developments	S	D	62.00	62.00
<b>Car Parking</b>	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
	<b>Fines</b>	B	D	50.00	0.00
<b>Local Elections/Registration of Electors</b>					
	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	174.50	179.00
	Sale of full register - data plus £1.50 per 1,000 entries (Monthly updates)	S	D	103.50	274.00
	Sale of full register - paper plus £5 per 1,000 entries	S	D	£5 per 1,000	£5 per 1,000
<b>Development Control &amp; Land Charges</b>					
	Planning Application Fees	B	S	Variable	Variable
	S106 agreement income	S	D	Nil	Nil
	Charges for Services - general	S	D	Nil	Nil
	Discharge of planning conditions	S	D	Variable	Variable
	<i>Search Fees :</i>				
	Standard search fees:	B/S	D	114.20	114.20
	Extra Parcel (including Con 29 & LLC1 parcel fees (£9.70+£4.00))	B	D	13.70	13.70
	Extra parcel fee for enquiry number 22 (each)	B	S/D	Nil	Nil
	Additional Solicitor's own Enquiries	B	D	12.50	12.50
	LLC1 (Official Certificate of Search)	B	D	26.00	26.00
	Each additional parcel			Nil	Nil
	LLC1 in any one part of the register			Nil	Nil
	<i>Search Fees :</i>				
	Con 29O - part 2 enquire 4-21	S	D	8.50	8.50
	Con 29O - part 2 enquire 22	S	S/D	17.00	17.00
	Con 29R - part 1 enquiry	S	D	88.20	88.20
	Personal Searches	B	S	Nil	Nil
	Each additional parcel (up to a maximum of £16.00)	B	D	Nil	Nil
	Registration of a charge in Part 11 of the Register (Light Obstruction Notice)			Nil	Nil
	Filing a definitive certificate of the Lands Tribunal under rule 10(3) of the Local Land Charges Rules 1977			Nil	Nil
	Filing a judgement, order or application for the variation or cancellation of any entry in Part 11 of the			Nil	Nil

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge 2016/17 (excl VAT)	Proposed Charge 2017/18 (excl VAT)
	Inspection of documents filed under rule 10 in respect of each parcel of land			Nil	Nil
	Office copy of any entry in the register (not including a copy or extract of any plan or document filed)			Nil	Nil
<b>Building Control</b>					
	Building Regs - Plan deposits	S	S	Variable	Variable
<b>Sustainable Communities</b>					
	All Holiday Activities are individually priced		D	2.00	0.00
<b>Forward Planning, Countryside and Street Naming</b>					
	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
<b>Strategic Housing</b>					
	HMO Licence Fees	B	D/S	399.00	399.00
	HMO Enforcement Fees	B	S	215.25	215.25
	Caravan Site Inspection Fee	B	S	Variable	Variable
	Hostel Room Charges - Rent	B	S	69.37	69.37
	Hostel Room Charges - Service Charge	B	S	20.63	20.63
	Flat charges - Rent	B	S	63.48	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	90.00	90.00
	Breckland Key Select - Members Landlords charge	S	D	65.00	65.00
	Breckland Key Select - Membership Fee - based on stock holding	S	D	6,580.00	6,580.00
	Nightly stopping charge per unit	B	D	Nil	Nil
	Per caravan per night	B	D	5.25	5.25
	Per caravan per week	B	D	36.75	36.75
	2 caravans per family charged as follows:				
	per night	B	D	5.25	5.25
	per week	B	D	10.50	10.50
<b>Environmental Protection</b>					
	Sampling Fees (split of fees below)				
	Sampling plus analysis Domestic	S	D	100.00	150.00
	Sampling plus analysis Domestic per additional sample at same location	S	D	0.00	30.00
	Sampling plus analysis Commercial	S	D	0.00	225.00
	Sampling plus analysis Commercial per additional sample at same location	S	D	0.00	38.40
	Granting an authorisation	S	D	100.00	100.00
	Investigation following sample failure	S	D	100.00	100.00
	Resample charge Reg 10 supplies	S	D	0.00	30.00

Dept	Charge Description	VAT Rate	Statutory/ Discretionary	Current Charge	Proposed
				2016/17 (excl VAT)	Charge 2017/18 (excl VAT)
	Resample charge Reg 9 supplies	S	D	0.00	38.40
	Sampling plus analysis reg 11 Large domestic / commercial premises	S	D	340.00	409.00
	Sampling reg 11 additional sample at the same location	S	D	0.00	222.00
	Sampling Radiation where required	S	D	0.00	500.00
	Risk Assessment Fee (variable based on actual time so average fee shown)	B	S	81.25	238.00
	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
<b>Human Resources</b>	Delivery of external training	S	D	Variable	Variable
<b>Commercial Property</b>	Anglia Room full day	S	D	200.00	200.00
	Anglia Room half day	S	D	125.00	125.00
	Anglia Room evening	S	D	150.00	150.00
	Norfolk Room full day	S	D	100.00	100.00
	Norfolk Room half day	S	D	60.00	60.00
	Norfolk Room evening	S	D	75.00	75.00
	Dereham Room full day	S	D	40.00	40.00
	Dereham Room half day	S	D	25.00	25.00
	Dereham Room evening	S	D	30.00	30.00

## Reserve statement

Appendix E

Reserve	01/04/16 £000's	IN £000's	OUT £000's	01/04/17 £000's	IN £000's	OUT £000's	01/04/18 £000's	IN £000's	OUT £000's	01/04/19 £000's	IN £000's	OUT £000's	01/04/20 £000's	IN £000's	OUT £000's	01/04/21 £000's
<b>Commercial Assets</b>	(566)	(69)	714	79	(69)	135	144	(69)	21	96	(69)	24	51	(69)	18	0
Purpose - Money received from tenants to provide funding for Commercial Property repairs and maintenance																
<b>Community Projects</b>	(1,471)	0	347	(1,124)	0	54	(1,071)	0	54	(1,017)	0	1,004	(14)	0	14	0
Purpose - To provide funds for community projects																
<b>General Fund</b>	(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																
<b>Growth Fund</b>	(469)	(456)	925	0	(721)	721	0	(388)	388	0	(8)	8	0	0	0	0
Purpose - To provide funds for economic growth within the region to provide an on-going revenue return																
<b>Insurance</b>	(46)	(5)	10	(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																
<b>Investment</b>	(2,021)	(467)	1,970	(519)	(656)	1,175	0	(853)	853	0	(646)	646	0	0	0	0
Purpose - To fund purchase of Assets to generate an ongoing income																
<b>John Room House Major Replacements</b>	(36)	(8)	0	(43)	(8)	6	(45)	(8)	6	(46)	(8)	6	(48)	(8)	6	(49)
Purpose - To meet commitments not covered by the annual maintenance programme																
<b>LABGI</b>	(18)	0	18	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To fund schemes that encourage business growth and development																
<b>LD5</b>	(96)	0	96	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To provide funds for planning related projects																
<b>Organisational Development</b>	(4,630)	(147)	2,508	(2,268)	(111)	694	(1,685)	(67)	428	(1,324)	(28)	194	(1,158)	(52)	0	(1,210)
Purpose - To provide funding for one off corporate projects or invest to save initiatives																
<b>PFI</b>	(35)	0	35	0	0	0	0	0	0	0	0	0	0	0	0	0
Purpose - To provide funding for future benchmarking costs for the leisure facility																
<b>Revenue &amp; Benefits</b>	(2,965)	0	1,296	(1,669)	0	0	(1,669)	0	0	(1,669)	0	0	(1,669)	0	0	(1,669)
Purpose - To cover housing benefit local authority error threshold, business rate losses and council tax pressures																
<b>Revenue Grants</b>	(1,518)	(27)	1,338	(207)	0	166	(41)	0	26	(15)	0	15	0	0	0	0
Purpose - To hold specific grants which cross over more than one financial year																
<b>Revenue Match Funding</b>	(1,596)	0	282	(1,314)	0	300	(1,014)	0	300	(714)	0	0	(714)	0	0	(714)
Purpose - To provide funds for community projects																
<b>Waste &amp; Recycling</b>	0	0	100	100	(100)	0	0	0	0	0	0	0	0	0	0	0
Purpose - To provide specific funding as budgeted																
<b>Total</b>	<b>(18,319)</b>			<b>(9,859)</b>			<b>(8,278)</b>			<b>(7,592)</b>			<b>(6,459)</b>			<b>(6,554)</b>



## 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 2017-18 would be around £1,446k (or an 11.6% reduction in overall business rates).

An allowance for lost income relating to Business Rates appeals is incorporated into the estimated retained income. The appeals level in future years is estimated as 1.5% of overall rates income. Each 0.5% change in the appeals level equates to an overall change of £192k (around £77k 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.

Avg rate of return	Average cash balances				
	11,000,000	16,000,000	21,000,000	26,000,000	31,000,000
	Annual investment income				
<b>0.300%</b>	33,000	48,000	63,000	78,000	93,000
<b>0.800%</b>	88,000	128,000	168,000	208,000	248,000
<b>1.300%</b>	143,000	208,000	273,000	338,000	403,000

### **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 2017-18 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	26,219	52,438	78,656	104,875
Leisure PFI	11,184	22,368	33,552	44,736
Planning & Building Control	11,575	23,149	34,724	46,299
NCC ICT	3,509	7,018	10,526	14,035
<b>TOTAL</b>	<b>52,486</b>	<b>104,973</b>	<b>157,459</b>	<b>209,945</b>

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.

<b>Capital Spend Amount</b>	<b>Additional Cost to Revenue Budget</b>		
	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
£250,000	£750	£950	£1,875
£500,000	£1,500	£1,900	£3,750
£1,000,000	£3,000	£3,800	£7,500

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:

	<b>Year 1</b>	<b>Cumulative 10 year</b>
Interest (based on PWLB rate of 1.71%)	17,100	96,441
Provision for repayment of principal	92,544	1,000,000
<b>Total Revenue Cost</b>	<b>109,644</b>	<b>1,096,441</b>



<b>Capital Strategy</b> <b>2016/17 – 2020/21</b>
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## 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*

.....“Breckland Council has always been a forward-thinking, entrepreneurial authority. We continue to strive for excellence and we deliver great value for money for our residents while making the most of the huge opportunities for economic growth in the district”.....

.....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 2017 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,

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

**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);
- 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:

- Treasury Management and Investment Strategy
- Medium Term Financial Plan
- ICT Strategy
- Corporate Asset Management Strategy
- Risk Management Policy

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 Inward Investment 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 and help promote economic growth.

### **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. Given the scale of change in the commercial markets since 2012, the effects of the government's drive for efficiency from the public estate via initiatives like the One Public Estate and the successful initiation of the local asset backed partnership, Breckland Bridge Ltd – the strategy requires a review to bring it up to date in line with these changes and this is planned for 2017/18.

The Council has now split the management of its Operational Assets into the Place portfolio and the Investment Assets into the Commercialisation portfolio to recognise the different requirements of the asset base. For the investment asset portfolio 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 Council's Investment Assets are valued at £24m @ 01.04.2016 and the Council's other Land and Property are valued at £30m @ 01.04.2016. The Corporate Asset Management Strategy informs the revenue budget and capital programme.

The Authority continually seeks to identify assets that are surplus and to undertake disposals accordingly. 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. In particular in 2016/17 this exercise has been conducted on the investment assets portfolio. Assets that fail to meet the required yield that will be sought to be disposed of so that the capital receipt can be re-invested into other more higher performing assets to create a stronger return profile. The new local asset backed vehicle, known as Breckland Bridge Ltd is required to undertake direct development of assets to create financial improvement in the asset base as well as

regeneration and economic development. Breckland Bridge Ltd's initial business plan is focused on three main projects initially, leaving scope for remaining sites to be included in the partnership at a later date.

Table 1 – Breckland Council's Fixed Assets

Asset Type	Valuation	
	£'000s 2016	£'000s 2015
Community	314	308
Heritage	200	187
Infrastructure	1,110	33
Investment	23,825	22,775
Intangible	1,100	770
Property Plant & Equipment	31,581	29,413
<b>Total</b>	<b>58,130</b>	<b>53,486</b>

This table sets out the gross value of assets by category as at 31<sup>st</sup> 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. A new specification is proposed for ICT from 2017/18 in light of changing service delivery requirements and funding is allocated for this in the capital programme

### **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 December 2016. Without borrowing, by 2019/20 the Council has an underlying need to borrow as shown in table 2. There is little scope for further capital investment unless additional capital receipts or funding is generated or external borrowing takes place. The Council will support the principle of borrowing to lend on to Breckland Bridge 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\*

	16/17	17/18	18/19	19/20	20/21
	£000's	£000's	£000's	£000's	£000's
Capital resources available @ start of year	(374)	(2,517)	(453)	(130)	254
Movement in year	(2143)	2,064	323	384	315
<b>Capital Financing Requirement</b>	<b>(2517)</b>	<b>(453)</b>	<b>(130)</b>	<b>254</b>	<b>569</b>

\* based on assumed levels of activity at December 2016



## 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 its 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 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 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. Working with public and private sector partners we are able to make better use of Council money. 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 1<sup>st</sup> April 2016, an unallocated sum of £1.596m 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 and enables internal borrowing and cashflow to be managed. However, reserves are mostly earmarked for specific projects which limits funding for new initiatives.

## 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 with post project reviews taking place depending on the scale of the project.
- 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) if deemed appropriate.

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 4 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 and ongoing returns/capital receipts
- 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**

3.7 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.

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 use appropriate project management tools in accordance with the size of the project.

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.

### **3.8 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.

### **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**

Breckland Council recognises and values 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.

<b>Author</b>	Margaret Bailey
<b>Review Date</b>	September 2016
<b>Next Review</b>	September 2017
<b>Document Version</b>	V1

Capital programme

SCHEMES		2016/17 budget	2016/17 Forecast	carry over to 17/18	2017/18	2018/19	2019/20	2020/21	Total budget 2016/17 - 2020/21	2016/17 Funding	2017/18 Funding	2018/19 Funding	2019/20 Funding	2020/21 Funding	Total Funding 2016/17 - 2021/22	Net Breckland contribution	Comments	Revenue	Bid document?
<b>Strategy and Governance - Funding Released</b>																			
Shared Management ICT	GK	29,551	-						-	-					-	-	Budget returned to Unallocated ICT Strategy budget to support new ICT infrastructure (report to Cabinet 22/11/2016)	no	n/a
ICT Strategy Projects	GK	105,823	-						-	-					-	-	Budget returned to Unallocated ICT Strategy budget to support new ICT infrastructure (report to Cabinet 22/11/2016)	no	n/a
Digital Strategy	GK	131,867	26,290					26,290	26,290	-					-	26,290	Budget returned to Unallocated ICT Strategy budget to support new ICT infrastructure (report to Cabinet 22/11/2016)	no	n/a
Disaster Recovery (DRBC) 16/17	GK	52,020	-						-	-					-	-	Budget returned to Unallocated ICT Strategy budget to support new ICT infrastructure (report to Cabinet 22/11/2016)	no	n/a
Superfast Broadband	GK	950,000	-	950,000			950,000	950,000	950,000	-			(950,000)	(950,000)	(950,000)	-		no	n/a
<b>Total Strategy and Governance - Released</b>		<b>1,269,261</b>	<b>26,290</b>	<b>950,000</b>	<b>-</b>	<b>-</b>	<b>950,000</b>	<b>-</b>	<b>976,290</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(950,000)</b>	<b>-</b>	<b>(950,000)</b>	<b>26,290</b>			
<b>Strategy and Governance - Funding NOT Released</b>																			
ICT Strategy /refresh	GK	365,980	658,951				200,000	858,951	858,951	(29,551)					(29,551)	829,400	Report to Cabinet 22/11/2016 to release funding to support new ICT specification. Additional £200k required in 2019/20 (also recommended to be released)	yes - linked to new contract arrangements	n/a Separate report to cabinet 22/11/2016
<b>Total Strategy and Governance - Not Released</b>		<b>365,980</b>	<b>658,951</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>-</b>	<b>858,951</b>	<b>(29,551)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(29,551)</b>	<b>829,400</b>			
<b>Total Strategy and Governance</b>		<b>1,635,241</b>	<b>685,241</b>	<b>950,000</b>	<b>-</b>	<b>-</b>	<b>1,150,000</b>	<b>-</b>	<b>1,835,241</b>	<b>(29,551)</b>	<b>-</b>	<b>-</b>	<b>(950,000)</b>	<b>-</b>	<b>(979,551)</b>	<b>855,690</b>			

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SCHEMES		2016/17 budget	2016/17 Forecast	carry over to 17/18	2017/18	2018/19	2019/20	2020/21	Total budget 2016/17 - 2020/21	2016/17 Funding	2017/18 Funding	2018/19 Funding	2019/20 Funding	2020/21 Funding	Total Funding 2016/17 - 2021/22	Net Breckland contribution	Comments	Revenue	Bid document?
<b>Place - Funding Released</b>																			
Match Funding - Bawdeswell Village Hall	RR	2,500	2,500						2,500						-	2,500		no	n/a
Match Funding - Shipdham Church	RR	8,052	8,052						8,052						-	8,052		no	n/a
Match Funding Project - Harling Play Area	RR	1,475	-						-						-	-		no	n/a
Match Funding Project - Carbrooke Blenheim play area	RR	15,000	15,000						15,000						-	15,000		no	n/a
Car park resurfacing 15/16	RR	3,000	3,000		-				3,000						-	3,000		no	n/a
Car Parks resurfacing 16/17	RR	182,000	182,000						182,000						-	182,000		no	n/a
Transfer of Play Areas - Thetford	RR	38,510	38,510						38,510	(38,510)					(38,510)	-		no	n/a
Transfer of play Areas Dereham	RR	13,431	13,431						13,431						-	13,431		no	n/a
Disability Adaptations (DFG's/Re-Able)	RBg																Breckland's contribution in 16/17 has been reduced from £644,645 to £255,448 saving £389,197. The gross spend has only reduced by £2,299 because Breckland's funding has been replaced with additional Better care Funding DFG's are being fasttracked by adding an additional admin fee that will be charged to capital and credited to 263 **** ** 94/18 to create a budget that will fund Occupational Health Hired Services to deal with the claims. An ongoing budget of £790,000 is still requested. The plan is that the future years budget of £790k per annum will be passed to a newly formed Home Improvement Company (HIC)- Breckland owned, to administer the funding.	Yes - admin fee income plus business case for HIC not presented yet - income targets in revenue not certain(see pro B)	n/a
Decent Homes Grants	RBg	165,546	165,546						165,546	(165,546)					(165,546)	-		no	No bid form - fully funded
Affordable Housing	MH	182,423	182,423						182,423	(182,423)					(182,423)	-		no	n/a
Necton S106	MB	3,657	3,657						3,657	(3,657)					(3,657)	-		no	n/a
<b>Total Place - Released</b>		<b>1,794,791</b>	<b>1,791,017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,791,017</b>	<b>(1,311,586)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,311,586)</b>	<b>479,431</b>			
<b>Place - Funding NOT Released</b>																			
Disability Adaptations (DFG's/Re-Able)	RBg																Breckland's contribution in 16/17 has been reduced from £644,645 to £255,448 saving £389,197. The gross spend has only reduced by £2,299 because Breckland's funding has been replaced with additional Better care Funding DFG's are being fasttracked by adding an additional admin fee that will be charged to capital and credited to 263 **** ** 94/18 to create a budget that will fund Occupational Health Hired Services to deal with the claims. An ongoing budget of £790,000 is still requested. The plan is that the future years budget of £790k per annum will be passed to a newly formed Home Improvement Company (HIC)- Breckland owned, to administer the funding. The business case for the HIC is being prepared and the arrangement would commence September 2017 subject to approval	Housing review assumed income of 10k 17/18, 20k 18/19 & 30k 19/20 from HIC - need business case to confirm this will be achieved & why a co is reqd	Bid form received
Roof replacement Joint use Agreement	RR																E200k has been allocated for some time to the Dual Use centres to predominately cover the liability for the Leisure Centre roof at Swaffham. £33k released for Attleborough 16/17 (subject to approval) and talks are ongoing regarding Swaffham. Officers are meeting with the Academies to determine the budget impact on Breckland. The leisure centre roof at Swaffham remains an issue. Meetings have taken place with Attleborough Academy who have sourced funding for larger Capital spend items such as the boilers but may require contribution to improve the dated changing rooms. Risk that when more detailed discussions occur, further funding will be required.		Bid form received
PFI Additions 16/17	RR																		
Affordable Housing	MH																Of the £292,301 S106 funding, £205,970 has to be spent by Sept 2018 hence gross spend is planned for 17/18. Spend is dependent on outcome of new housing strategy, yet to be agreed. There is a risk that funding is not sufficient and/or there are revenue costs associated with the strategy.	New Housing Strategy May result in revenue costs	Bid form received
Car Parks resurfacing 17/18	RR																Current 5 yr programme of works ends 2017/18 and the £110,000 is to finish Cherry tree car park (subject to release). A further programme of works covering the next 3 yrs is proposed. Strategic property manager has confirmed this work does not compromise any work Breckland Bridge is doing on car parks		Bid form received
Adoption of roads	RR	669,535							669,535								A bid has been made for a new resource in facilities to undertake feasibility/project planning for adoption of roads and other commercial projects. The figure shown is based on last yrs bid form for Tower Meadows and Brooks Road, Swaffham - no update on figures until project planning complete - risk that this figure is not enough - moved to 2017/18	check trams' resource has approved funding	Bid form received
Better care Fund	Brag	386,898	-						-										
Red castle Mound	RR								50,000										Bid form received
<b>Total Place - Not Released</b>		<b>2,074,010</b>	<b>35,000</b>	<b>1,652,112</b>	<b>2,637,112</b>	<b>1,005,000</b>	<b>866,500</b>	<b>815,000</b>	<b>5,358,612</b>	<b>-</b>	<b>(826,853)</b>	<b>(534,552)</b>	<b>(534,552)</b>	<b>(534,552)</b>	<b>(2,430,509)</b>	<b>2,928,103</b>			
<b>Total Place</b>		<b>3,868,801</b>	<b>1,826,017</b>	<b>1,652,112</b>	<b>2,637,112</b>	<b>1,005,000</b>	<b>866,500</b>	<b>815,000</b>	<b>7,149,629</b>	<b>(1,311,586)</b>	<b>(826,853)</b>	<b>(534,552)</b>	<b>(534,552)</b>	<b>(534,552)</b>	<b>(3,742,095)</b>	<b>3,407,534</b>			

SCHEMES		2016/17 budget	2016/17 Forecast	carry over to 17/18	2017/18	2018/19	2019/20	2020/21	Total budget 2016/17 - 2020/21	2016/17 Funding	2017/18 Funding	2018/19 Funding	2019/20 Funding	2020/21 Funding	Total Funding 2016/17 - 2021/22	Net Backlund contribution	Comments	Revenue	Bid document?
<b>Commercialisation - Funding Released</b>																			
Commercially Sensitive Project	RB	700,000	-						-						-	-		no	
Commercial Property Rolling Maintenance 15/16	RB	16,789	16,789						16,789							16,789		no	
Commercial property Rolling Maintenance 16/17	RB	100,000	100,000						100,000	(46,645)					(46,645)	53,355		no	
LABV- Riverside Regeneration	RB	5,137,418	5,137,418						5,137,418							5,137,418		no	
Land Purchase (ship ham) - Cabinet 22/9	RB	91,375	91,375						91,375	(6,225)					(6,225)	85,150		no	
Swaffham purchase of units	RB	458,450	458,450						458,450							458,450		no	
Anchor Beams	RB	10,083	10,083						10,083	(10,083)					(10,083)	-		no	
<b>Total Commercialisation - Released</b>		<b>6,514,115</b>	<b>5,814,115</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,814,115</b>	<b>(62,953)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62,953)</b>	<b>5,751,162</b>			
<b>Commercialisation - Funding NOT Released</b>																			
Commercial property Rolling Maintenance	RB	90,000	90,000		150,000	150,000	150,000	150,000	690,000						-	690,000	Backlog maintenance is identified as £300k which has reduced from previous estimates so annual sum has been reduced accordingly. Funding from Roof and Asphalt reserve will be applied if appropriate but as units have not been identified no sums are included at this stage.	no	Bid form received
Major Infrastructure		1,695,537	-						-						-	-			
Land Investment (TEP)	TM	-	-		1,000,000				1,000,000						-	1,000,000	Land investment in respect of TEP project. Not substantiated - £1m could increase/decrease	250k red for planning spend. 450k to pigeon from KNDR (agreed?)	no bid form received
Reinvestment Strategy	RB	581,550	-	581,550	1,141,550				1,141,550						-	1,141,550	Total income of 1.6m is included in receipts resulting from disinvestment strategy. In 16/17 458,450 was released for purchase of units at Swaffham, the balance of 1,141,550 is budgeted to be spent in 17/18 subject to the disinvestment occurring to fund the spend. Capital should be fully funded therefore and revenue income should be enhanced through the disinvestment strategy.	CP income should be enhanced - not quantified	No bid form required
Industrial Estate Car Parking - Thetford	RB	195,000	-						-						-	-	Removed on the basis that this spend wont enhance the location or improve income.		
Breckland House, Thetford (DWP)	RB	-	-		200,000				200,000	(200,000)					(200,000)	-	Relocation of DWP to Thetford offices - costs are based on Elizabeth House move - fully funded by DWP but short term cashflow issue for the Council. Separate report being prepared - may require release 16/17 (via Council report)	Additional revenue income from lease - no details yet	Bid form received
<b>Total Commercialisation - Not Released</b>		<b>2,562,087</b>	<b>90,000</b>	<b>581,550</b>	<b>2,491,550</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>3,031,550</b>	<b>-</b>	<b>(200,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(200,000)</b>	<b>2,831,550</b>			
<b>Total Commercialisation</b>		<b>9,076,202</b>	<b>5,904,115</b>	<b>581,550</b>	<b>2,491,550</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>8,845,665</b>	<b>(62,953)</b>	<b>(200,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(262,953)</b>	<b>8,582,712</b>			

<b>Capital loans</b>																			
Breckland bridge Shareholder Loan - Mileham	RB	557,274	557,274						557,274						-	557,274			
Breckland bridge development Loan - Mileham	RB	743,005	743,005						743,005						-	743,005			
Breckland bridge shareholder loan Attleborough	RB	70,239	70,239		393,137				463,376						-	463,376			
		1,370,518	1,370,518	-	393,137	-	-	-	1,763,655	-	-	-	-	-	-	1,763,655			
<b>Total</b>		<b>15,950,762</b>	<b>9,785,891</b>	<b>3,183,662</b>	<b>5,521,799</b>	<b>1,155,000</b>	<b>2,166,500</b>	<b>965,000</b>	<b>19,594,190</b>	<b>(1,404,090)</b>	<b>(1,026,853)</b>	<b>(534,552)</b>	<b>(1,484,552)</b>	<b>(534,552)</b>	<b>(4,984,599)</b>	<b>14,609,591</b>			

Forecast capital receipts	2016/17 budget	2016/17 Forecast	carry over to 17/18	2017/18	2018/19	2019/20	2020/21	Total
				£	£	£	£	£
Land at oak Close		(35,000)						(35,000)
Right to Buy		(186,000)		(186,000)	(186,000)	(186,000)		(744,000)
Disinvestment in underperforming assets		-		(1,600,000)				(1,600,000)
<b>LABV Receipts (exc capital loans)</b>								-
Mileham land receipt		-		-				-
Chapel Road land receipt				(142,786)				(142,786)
Breckland Bridge Loan repayments		(1,370,518)		(393,137)				(1,763,655)
Riverside lease income		-		(110,000)	(111,000)	(113,000)	(115,000)	(449,000)
<b>Total</b>		<b>(1,591,518)</b>		<b>(2,431,923)</b>	<b>(297,000)</b>	<b>(299,000)</b>	<b>(115,000)</b>	<b>(4,734,441)</b>

Funding	2016/17 budget	2016/17 Forecast	carry over to 17/18	2017/18	2018/19	2019/20	2020/21	Total
				£	£	£	£	£
Revenue - Superfast Broadband						(950,000)		(950,000)
Revenue - ICT Strategy		(29,551)						(29,551)
S106 - Play Areas Thetford		(38,510)						(38,510)
Grant - Better Care Fund - Disabled Facilities Grant		(921,450)		(534,552)	(534,552)	(534,552)	(534,552)	(3,059,658)
Grant - Decent Homes		(165,546)						(165,546)
S106 - Affordable Housing		(182,423)						(182,423)
S106 - Affordable Housing				(292,301)				(292,301)
S106 - Necton		(3,657)						(3,657)
S106 - Anchor Beams		(10,083)						(10,083)
Revenue - Land purchase Shipdham		(6,225)						(6,225)
Revenue - Roof & Asphalt Reserve - Commercial Property Rolling Maintenance		(46,645)						(46,645)
Grant - DWP Thetford				(200,000)				(200,000)
<b>Total</b>		<b>(1,404,090)</b>		<b>(1,026,853)</b>	<b>(534,552)</b>	<b>(1,484,552)</b>	<b>(534,552)</b>	<b>(4,984,599)</b>

Capital Financing requirement	16/17	17/18	18/19	19/20	20/21
	£000's	£000's	£000's	£000's	£000's
Capital resources available @ beginning of year	(374)	6,209	8,054	8,148	8,289
Movement (Spend less funding & receipts)	6,583	1,845	93	141	60
CFR	6,209	8,054	8,148	8,289	8,349
PFI Adjustment	(8,726)	(8,507)	(8,278)	(8,035)	(7,780)
	(2,517)	(453)	(130)	254	569

## Overview Scrutiny Work Programme 2016/17 Agenda Item 10

*This is an outline programme only and will be amended as issues arise or priorities change*

Date	Topic	Member / Director / Lead Officer	Objectives & Desired Outcomes
05 January 2017	Consider draft budget	Councillor P Dimoglou / Suzanne Jones	
16 February 2017	PFI Contract Update	Riana Rudland	<i>To review the PFI contract (NB: Members will be briefed at 12.00. Lunch will be provided and Parkwood Leisure invited to attend meeting at 2.00pm</i>
	Disabled Facilities Grant		Review of the grants assessment
	Budget Review		To consider the budget and value for money (e.g. grant given to CAB).
	NCC Budget cuts & impact on Adult Social care		
	Q3 Performance Report	Maxine O'Mahony / Greg Pearson	Opportunity for Members to question quarterly report ensuring performance is on track
	Section 215 - what can Breckland do with unsightly buildings		
30 March 2017	Housing Strategy	Gordon Bambridge / Matthew Hogan	To consider the responses following consultation.
	Service Improvement plan for Capita		
11 May 2017	Q4 Performance Report	Maxine O'Mahony / Greg Pearson	Opportunity for Members to question quarterly report ensuring performance is on track

### Topics to be scheduled (These are topics raised by Members)

Date	Topic	Member / Director / Lead Officer	Objectives & Desired Outcomes
tbc	Norfolk County Council - Schools		Through Local Plan document – more developments will be built over coming years, but our schools are full. How will NCC plan for this?
	Norfolk County Council - Highways		Question - look at levels of roads & drainage & how Highways deal with this.
	consider a project to support encourage market towns to support tourism		

### Questions to be followed up

Question

Owner

Response

### Further Items to follow up for Task & Finish Group

Date	Topic	Member / Director / Lead Officer	Objectives & Desired Outcomes
	Contractual Performance		Review the Planning & Building Control contract

**Overview Scrutiny Work Programme 2016/17**

*This is an outline programme only and will be amended as issues arise or priorities change*

			Review the Environmental Services Contract
	Finance		Review the Council investment Strategy and review what is being looked at to improve / diversify the cash reserves
	Car Park Management		<p>Review the Council's car parking management policy, specifically: Should there be an alternative policy incorporating enforcement or charging that will support the viability of the towns</p> <p>Is there a way the Council can generate income either from charging or by other means</p> <p>New local plans are being put forward for the towns, but there is no provision for car parking? How will the towns deal with the expansion?</p>





**KEY DECISION PLAN**  
**VERSION 12/16**

**Issued –**  
**Effective for Period:**  
**01/01/17 - 31/12/17**

*Representations in respect of all the matters shown should be sent in writing, at least one week before the date or period the decision is likely to be made, to:  
Julie Britton, Democratic Services Officer, Elizabeth House, Walpole Loke, Dereham, Norfolk, NR19 1EE.  
Telephone 01362 656343 Email [democraticservices.gov.uk](mailto:democraticservices.gov.uk)*

**The Key Decision Plan shows all key and significant decisions that are likely to be made over the next **twelve** months**

*The Key Decision Plan is updated on a rolling basis and shows the decisions that will be considered and the date when the decision is expected to be made. .*

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**Key decisions are** Executive decisions involving expenditure or savings exceeding 25% of the budget sum approved for a particular service or function, or a decision which significantly affects the community in two or more wards or electoral divisions.

**Significant decisions are:** 1. A decision made in connection with setting the Council Tax; 2. A decision to approve any matter relating to a Policy or Strategic Plan; 3. Any non-Executive decision which significantly affects the community in two or more wards or electoral divisions. Some of the decisions will be recommendations to full Council, particularly if they impact on the Budget and the Policy Framework (comprising of statutory plans and strategies)

PORTFOLIO HOLDER / SUBJECT	PURPOSE OF DECISION	CONSULTEES AND METHOD OF CONSULTATION	SUPPORTING DOCUMENTS	LIKELY DATE OF DECISION AND WHO WILL MAKE DECISION
Executive Member for Finance  Draft Budget Setting, Medium Term Plan (MTP) and Capital Strategy	To consider the draft capital and revenue budget estimates, the financial medium term plan and the capital strategy	EMT, Strategy Board, Cabinet & OSC	Draft Budget Setting, Medium Term Plan (MTP) and Capital Strategy Draft Budget Setting, Medium Term Plan (MTP) and Capital Strategy	Cabinet 22 Nov 2016

PORTFOLIO HOLDER / SUBJECT	PURPOSE OF DECISION	CONSULTEES AND METHOD OF CONSULTATION	SUPPORTING DOCUMENTS	LIKELY DATE OF DECISION AND WHO WILL MAKE DECISION
Executive Member for Finance  Council Tax Discounts Review				Cabinet 22 Nov 2016
Executive Member for Finance  Budget Setting, Medium Term Plan & Capital Strategy	To consider the capital and revenue budget estimates and proposed council tax, the financial medium term plan and the capital strategy and recommend approval to Full Council	EMT, Strategy Board, Cabinet to Full Council	Budget Setting, Medium Term Plan & Capital Strategy Budget Setting, Medium Term Plan & Capital Strategy	Cabinet 7 Feb 2017
Executive Member for Growth  Housing/Homelessness Strategies	To agree strategy contents and process for consultation	Statutory consultation with Registered Providers, partner agencies and public consultation	Document To Follow	Cabinet 21 Mar 2017

**If you have any comments or queries regarding any of the entries in the Key Decision Plan please contact:**

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