

GENERAL FUND REVENUE SUMMARY

(1) Actual Spend 2017/18 £'000	(2) Original Estimate 2018/19 £'000	(3) Forecast 2018/19 £'000		(4) Gross Expend. 2019/20 £'000	(5) Gross Income 2019/20 £'000	(6) Original Estimate 2019/20 £'000
Service Requirements						
495.5	588.7	605.0	Chief Executive's Office	2,291.3	(1,559.1)	732.2
7,241.5	2,725.9	2,300.0	Community & Leisure	3,904.8	(1,679.7)	2,225.1
5,451.4	4,926.8	4,867.5	Environmental Service	8,312.5	(3,293.7)	5,018.8
(5,878.9)	(5,763.3)	(4,026.1)	Estates & Economic Development	7,614.9	(12,762.5)	(5,147.6)
0.2	0.5	26.7	Finance	887.3	(887.3)	0.0
1,685.6	2,835.3	2,100.2	Housing & Environmental Health	5,729.2	(2,540.0)	3,189.2
29.4	0.2	29.2	I.T.	1,424.3	(1,424.3)	0.0
459.7	346.8	281.7	Legal & Democratic	1,506.7	(1,506.7)	0.0
2,162.0	1,731.5	1,862.5	Planning & Building	3,462.9	(1,800.5)	1,662.4
1,454.1	1,290.6	1,164.8	Revenues	3,046.3	(680.1)	2,366.2
13,100.5	8,683.0	9,211.5		38,180.2	(28,133.9)	10,046.3
Other Requirements						
(137.6)	(200.0)	(459.5)	Net Cost of Benefit Payments	31,230.0	(31,430.0)	(200.0)
3,323.5	4,270.7	4,301.2	Corporate & Democratic Core	6,922.9	(4,152.3)	2,770.6
16,286.4	12,753.7	13,053.2	Net Cost of Services	76,333.1	(63,716.2)	12,616.9
Corporate Requirements						
0.0	441.6	178.1	Contingency Provision	612.8	0.0	612.8
(6,065.5)	(4,847.2)	(4,248.8)	Depreciation Reversal and Deferred Charges	0.0	(4,659.8)	(4,659.8)
(527.8)	(426.8)	(637.6)	Investment Income	0.0	(568.1)	(568.1)
0.0	157.5	26.3	Borrowing Costs	158.1	0.0	158.1
0.0	130.8	0.0	Minimum Revenue Provision	130.6	0.0	130.6
(53.6)	0.0	0.0	Transition Grant	0.0	0.0	0.0
(1,210.0)	(1,201.8)	(1,375.4)	Small Business Rate Relief	0.0	(1,390.9)	(1,390.9)
(420.5)	(273.3)	(309.2)	Other Government Grants	0.0	(848.0)	(848.0)
(4,921.3)	(3,836.7)	(3,836.7)	New Homes' Bonus	0.0	(3,788.2)	(3,788.2)
2,528.6	1,931.2	1,977.9	Provision for NDR surplus 'levy'	2,037.8	0.0	2,037.8
0.0	0.0	0.0	Levy surplus allocation	0.0	(35.9)	(35.9)
(903.2)	(454.0)	(454.0)	100% Retention of NDR from Renewable Energy	0.0	(436.2)	(436.2)
16.7	0.0	0.0	Year End Write Offs	0.0	0.0	0.0
4,729.8	4,375.0	4,373.8	Net General Fund Expenditure	79,272.4	(75,443.3)	3,829.1
6,391.0	3,337.4	4,023.4	Transfer to Earmarked Reserves	4,056.6	(807.1)	3,249.5
421.1	2,117.1	1,252.6	Transfer to Asset Management Reserve	2,117.1	0.0	2,117.1
1,888.6	3,078.9	3,181.5	Transfer to Capital Balances	2,706.1	0.0	2,706.1
(974.3)	0.0	0.0	Transfer to Pension Reserve	0.0	0.0	0.0
0.0	0.0	0.0	Transfer to / (from) General Reserves	0.0	0.0	0.0
12,456.2	12,908.4	12,831.3	General Fund Requirements	88,152.2	(76,250.4)	11,901.8
(417.5)	(56.0)	(56.0)	Revenue Support Grant	0.0	0.0	0.0
(4,524.4)	(5,236.6)	(5,159.4)	Business Rates Retained	16,875.7	(21,452.1)	(4,576.4)
1,403.5	1,508.7	1,508.7	Parish Precepts	1,599.2	0.0	1,599.2
(132.9)	(112.7)	(112.7)	Surplus on Previous Years' Collection Fund - Ctax	0.0	(111.9)	(111.9)
(634.4)	(407.6)	(407.6)	(Surplus)/Deficit on Previous Years' Collection Fund - NDR	57.6	0.0	57.6
8,150.5	8,604.2	8,604.2	Council Tax Requirement	106,684.7	(97,814.4)	8,870.3
(6,454.2)	(6,798.9)	(6,798.9)	Test Valley Borough Council precept	0.0	(6,924.3)	(6,924.3)
(1,403.5)	(1,508.7)	(1,508.7)	Parish Precepts	0.0	(1,599.2)	(1,599.2)
(292.8)	(296.6)	(296.6)	Andover Special Expenses Levy	0.0	(346.8)	(346.8)
(8,150.5)	(8,604.2)	(8,604.2)	Summary of Council Tax Requirement	0.0	(8,870.3)	(8,870.3)

SUMMARY OF CORPORATE CHALLENGE SAVINGS OPTIONS

Service / Ref	Service	Function	Savings Option Proposed	2019/20 £	2020/21 £	2021/22 £
<i>Efficiency Savings:</i>						
HEH01	Housing & Environmental Health	Supplies and Services	Reduce equipment and vet's fees budgets	2,000	2,000	2,000
HEH02	Housing & Environmental Health	Supplies and Services	Delete building maintenance budget and charge to the Asset Management Plan if needed	4,000	4,000	4,000
CL01	Community & Leisure	Employee costs	Delete vacant salary budget following minor restructure	25,200	25,200	25,200
IT01	IT	Supplies and Services	Savings in corporate software costs	8,700	8,700	8,700
IT02	IT	Supplies and Services	Budget for consultancy fees relating to Graphical Information System (GIS) aerial mapping no longer required	6,500	6,500	6,500
REV01	Revenues - Local Taxation	Employee costs	Delete two vacant posts	39,300	39,300	39,300
REV02	Revenues - Customer Services	Employee costs	Reduce hours for vacant post	4,250	4,250	4,250
ENV01	Environmental	Street Scene	Reduce budget for hiring of standpipes following review	5,000	5,000	5,000
				94,950	94,950	94,950
<i>Budget Realignment Savings:</i>						
FIN01	Finance	Transfer Payments	Reduce added years pension budget to align with actual cost due to natural attrition	21,000	21,000	21,000
HEH03	Housing & Environmental Health	Transport	Align officers' travelling and car allowance budgets to actual costs	4,480	4,480	4,480
HEH04	Housing & Environmental Health	Licences	Increase Animal Welfare Licence fee budget to match income received	2,000	2,000	2,000
IT03	IT	Storage Area Networks (SANS) and Servers	Budget reduced due to historic overprovision	2,000	2,000	2,000

SUMMARY OF CORPORATE CHALLENGE SAVINGS OPTIONS

Service / Ref	Service	Function	Savings Option Proposed	2019/20 £	2020/21 £	2021/22 £
				29,480	29,480	29,480
Total Saving Options in October Budget Strategy				124,430	124,430	124,430
Total Saving Options in January Budget Update				0	0	0
Total Saving Options in this Budget Update				0	0	0
Total Saving Options				124,430	124,430	124,430

SUMMARY OF CORPORATE CHALLENGE INCOME GENERATION PROPOSALS

Service / Ref	Service	Function	Savings Option Proposed	2019/20 £	2020/21 £	2021/22 £
PB01	Planning and Building	CIL	Additional income from Community Infrastructure Levy (CIL) admin fee	25,000	30,000	35,000
PB02	Planning and Building	Building Control	Increase budget for building control deposits	35,000	35,000	35,000
ENV02	Environmental	Street Scene	Increase expected level of income from collection of abandoned shopping trolleys	7,000	7,000	7,000
ENV03	Environmental	Vehicle Workshop	Increase charge for private MOT testing (first increase in six years)	2,500	2,500	2,500
ENV04	Environmental	Garden Waste	Increase subscription charge by £1.75	22,500	22,500	22,500
ENV05	Environmental	Waste Collection	Increase charge for black bin by £4	5,000	5,000	5,000
CORP01	Project Enterprise	Income	Additional unbudgeted income from property investments	22,000	22,000	22,000
CORP02	Project Enterprise	Income	Anticipated net income from property investments during the year	100,000	100,000	100,000
Total Income Generation Proposals in October Budget Strategy				219,000	224,000	229,000

Income Generation Proposals in January Budget Update:

ENV07	Environmental	Income	Additional income from increased numbers of Green Waste subscribers and sale of bins	52,500	52,500	52,500
CORP04*	Project Enterprise	Income	Additional income from acquisitions in 2018/19 and end of rent deferral period	67,500	67,500	67,500
CORP05*	Estates & Economic Development	Income	Additional Income from other corporate properties partly offset by reversal of draw from Income Equalisation Reserve	216,900	190,900	171,400
HEH06 *	Housing & Environmental Health	Income	Ringfenced Homelessness Grant	233,400	0	0

SUMMARY OF CORPORATE CHALLENGE INCOME GENERATION PROPOSALS

Service / Ref	Service	Function	Savings Option Proposed	2019/20 £	2020/21 £	2021/22 £
				570,300	310,900	291,400
Movement on reserves:						
CORP05*	Estates & Econ Development	Income	Reverse draw from Income Equalisation Reserve	(45,500)	(19,500)	0
HEH06 *	Housing & Environmental Health	Income	Ringfenced Homelessness Grant	(233,400)	0	0
				(278,900)	(19,500)	0
Total Income Generation Proposals in January Budget Update				291,400	291,400	291,400
Total Income Generation Proposals in this Budget Update				0	0	0
Total Income Generation Proposals				510,400	515,400	520,400

SUMMARY OF REVENUE PRESSURES

Service / Ref	Service	Item	2019/20 £	2020/21 £	2021/22 £
<i>Pressures previously identified in February 18 Budget Strategy:</i>					
FIN02	ALL	Increase in Employers' pension contributions resulting from 2016 Pension Fund actuarial revaluation	126,000	126,000	126,000
REV03	Revenues	Reduction in Housing Benefits Administration grant	40,100	40,100	40,100
REV04	Revenues	Reduction in Council Tax Support Administration grant	27,900	27,900	27,900
ENV06	Environmental	Incremental cost of additional waste collection coverage re. new properties	20,000	40,000	60,000
ALL	ALL	Additional transfer to Asset Management Reserve to cover expected peak in work programme in 2018-2020.	900,000	0	0
			1,114,000	234,000	254,000
<i>Draw from reserves to offset pressures:</i>					
FIN02a	ALL	Draw from Pension Equalisation Reserve	(100,000)	0	0
			(100,000)	0	0

N.B. All of the above costs have already been included in the budget forecasts as the budget was approved in February 2018.

SUMMARY OF REVENUE PRESSURES

Service / Ref	Service	Item	2019/20 £	2020/21 £	2021/22 £
<i>Pressures identified in Budget Strategy:</i>					
CEX01	Chief Executives	New Communications Officer	39,200	39,200	39,200
CORP03	Corporate	Payment of Andover BID Levy on Council-owned properties	22,000	22,000	22,000
IT04	IT	Additional cost of corporate Microsoft Enterprise Licence renewal	25,000	25,000	25,000
ENV08	Environmental	Additional summer Garden Waste Collection round	36,000	36,000	36,000
EST01	Estates & Econ Development	Additional cost of proposed changes to Pay and Display Parking payment methods	62,000	62,000	62,000
PB03	Planning and Building	Permanent establishment of two part-time scanning posts	39,000	39,000	39,000
LD01	Legal and Democratic	Permanent establishment of additional solicitor post	62,750	62,750	62,750
			285,950	285,950	285,950
Total of New Pressures identified in October Budget Strategy			285,950	285,950	285,950
FIN02b	ALL	Adjustment to increase in Employers' pension contributions resulting from 2016 Pension Fund actuarial revaluation	14,000	14,000	14,000

SUMMARY OF REVENUE PRESSURES

Service / Ref	Service	Item	2019/20 £	2020/21 £	2021/22 £
CORP03a	Corporate	Correction to payment of Andover BID Levy on Council-owned properties	(5,100)	(5,100)	(5,100)
CEX02	Chief Executives	Temporary Digital Transformation Manager post made permanent and retitled to Business Transformation Manager	56,700	56,700	56,700
EST02 *	Estates & Economic Development	Two new temporary posts for 22 months as approved by Council 21/11/18 financed from the Capacity Building Reserve	74,290	64,670	0
EST03	Estates & Economic Development	Two new permanent posts as approved by Council 21/11/18 financed from Project Enterprise income	89,870	89,870	89,870
EST04	Estates & Economic Development	One-off additional costs relating to essential works required following building compliance review	93,000	0	0
HEH05 *	Housing & Environmental Health	Continuation of temporary staff financed from the homelessness Reserve	61,700	0	0
LD01	Legal and Democratic	Net cost of borough elections over amount set aside in reserves	47,800	12,000	12,000
PP01 *	Planning Policy	Project Consultancy costs financed from the LDF Reserve	65,000	0	0
REV03a	Revenues	Higher than anticipated Housing Benefits Administration grant	(17,600)	(17,600)	(17,600)
REV04a	Revenues	Higher than anticipated Council Tax Support Administration grant	(23,550)	(23,550)	(23,550)
REV05	Revenues	Reduction in court fee income net of reduction in summons costs	35,000	35,000	35,000
ALL	ALL	Pension auto-enrolment costs	80,000	80,000	80,000
			571,110	305,990	241,320

SUMMARY OF REVENUE PRESSURES

Service / Ref	Service	Item	2019/20 £	2020/21 £	2021/22 £
Draw from reserves to offset pressures:					
EST02*	Estates & Economic Development	Draw from Capacity Building Reserve re two temporary posts	(74,290)	(64,670)	0
HEH05*	Housing & Environmental Health	Draw from Homelessness Grant Reserve	(61,700)	0	0
PP01 *	Planning Policy	Draw from LDF reserve to finance consultancy costs	(65,000)	0	0
			(200,990)	(64,670)	0
Total of New Pressures identified in January Budget Update			370,120	241,320	241,320
REV05a	Revenues	Amend reduction in court fee income net of reduction in summons costs	(20,000)	(20,000)	(20,000)
ENV09	Environmental	Transfer of the maintenance of All Saints Closed Church Yard, Barton Stacey as per Cabinet report 16/1/19	6,650	6,650	6,650
Total of New Pressures identified in this Budget Update			(13,350)	(13,350)	(13,350)
Total of New Pressures			642,720	513,920	513,920

GENERAL FUND REVENUE SUMMARY

(1)	(2)	(3)		(4)	(5)	(6)
Actual Spend	Original Estimate	Forecast		Gross Expend.	Gross Income	Original Estimate
2017/18	2018/19	2018/19		2019/20	2019/20	2019/20
£'000	£'000	£'000		£'000	£'000	£'000
			Service Requirements			
297.1	588.7	605.0	Chief Executive's Office	2,291.3	(1,559.1)	732.2
3,455.7	1,689.4	2,582.8	Community & Leisure	2,841.2	(1,679.7)	1,161.5
4,289.9	4,190.0	4,227.7	Environmental Service	7,569.5	(3,293.7)	4,275.8
(6,783.3)	(6,550.1)	(6,104.2)	Estates & Economic Development	7,019.4	(12,762.5)	(5,743.1)
(88.9)	0.5	26.7	Finance	887.3	(887.3)	0.0
1,676.0	1,833.7	1,647.9	Housing & Environmental Health	4,604.1	(2,540.0)	2,064.1
(171.9)	(114.2)	(64.5)	I.T.	1,350.2	(1,424.3)	(74.1)
354.3	346.8	281.7	Legal & Democratic	1,506.7	(1,506.7)	0.0
1,888.2	1,731.5	1,862.5	Planning & Building	3,462.9	(1,800.5)	1,662.4
1,251.0	1,290.6	1,164.8	Revenues	3,046.3	(680.1)	2,366.2
6,168.1	5,006.9	6,230.4		34,578.9	(28,133.9)	6,445.0
			Other Requirements			
(137.6)	(200.0)	(459.5)	Net Cost of Benefit Payments	31,230.0	(31,430.0)	(200.0)
4,340.2	4,223.0	4,254.4	Corporate & Democratic Core	6,864.4	(4,152.3)	2,712.1
10,370.7	9,029.9	10,025.3	Net Cost of Services	72,673.3	(63,716.2)	8,957.1
			Corporate Requirements			
0.0	441.6	178.1	Contingency Provision	612.8	0.0	612.8
(527.8)	(426.8)	(637.6)	Investment Income	0.0	(568.1)	(568.1)
0.0	157.5	26.3	Borrowing Costs	158.1	0.0	158.1
0.0	130.8	0.0	Minimum Revenue Provision	130.6	0.0	130.6
(53.6)	0.0	0.0	Transition Grant	0.0	0.0	0.0
(1,210.0)	(1,201.8)	(1,375.4)	Small Business Rate Relief	0.0	(1,390.9)	(1,390.9)
(420.5)	(273.3)	(309.2)	Other Government Grants	0.0	(848.0)	(848.0)
(4,921.3)	(3,836.7)	(3,836.7)	New Homes' Bonus	0.0	(3,788.2)	(3,788.2)
2,528.6	1,931.2	1,977.9	Provision for NDR surplus 'levy'	2,037.8	0.0	2,037.8
0.0	0.0	0.0	Levy surplus allocation	0.0	(35.9)	(35.9)
(903.2)	(454.0)	(454.0)	100% Retention of NDR from Renewable Energy	0.0	(436.2)	(436.2)
16.7	0.0	0.0	Year End Write Offs	0.0	0.0	0.0
4,879.6	5,498.4	5,594.7	Net General Fund Expenditure	75,612.6	(70,783.5)	4,829.1
6,391.0	3,337.4	4,023.4	Transfer to Earmarked Reserves	4,056.6	(807.1)	3,249.5
421.1	2,117.1	1,252.6	Transfer to Asset Management Reserve	2,117.1	0.0	2,117.1
764.5	1,955.5	1,960.6	Transfer to Capital Balances	1,706.1	0.0	1,706.1
0.0	0.0	0.0	Transfer to General Reserves	0.0	0.0	0.0
12,456.2	12,908.4	12,831.3	General Fund Requirements	83,492.4	(71,590.6)	11,901.8
(417.5)	(56.0)	(56.0)	Revenue Support Grant	0.0	0.0	0.0
(4,524.4)	(5,236.6)	(5,159.4)	Business Rates Retained	16,875.7	(21,452.1)	(4,576.4)
1,403.5	1,508.7	1,508.7	Parish Precepts	1,599.2	0.0	1,599.2
(132.9)	(112.7)	(112.7)	Surplus on Previous Years' Collection Fund - Ctax	0.0	(111.9)	(111.9)
(634.4)	(407.6)	(407.6)	(Surplus)/Deficit on Previous Years' Collection Fund - NDR	57.6	0.0	57.6
8,150.5	8,604.2	8,604.2	Council Tax Requirement	102,024.9	(93,154.6)	8,870.3
(6,454.2)	(6,798.9)	(6,798.9)	Test Valley Borough Council precept	0.0	(6,924.3)	(6,924.3)
(1,403.5)	(1,508.7)	(1,508.7)	Parish Precepts	0.0	(1,599.2)	(1,599.2)
(292.8)	(296.6)	(296.6)	Andover Special Expenses Levy	0.0	(346.8)	(346.8)
(8,150.5)	(8,604.2)	(8,604.2)	Summary of Council Tax Requirement	0.0	(8,870.3)	(8,870.3)

MEDIUM TERM FINANCIAL PLAN

	Original Estimate 2019/20 £'000	Base Changes £'000	Budget Forecast 2020/21 £'000	Base Changes £'000	Budget Forecast 2021/22 £'000
<u>Service Requirements</u>					
Chief Executive's Office	732.2	(125.9)	606.3	0.0	606.3
Community & Leisure	1,161.5	(344.2)	817.3	379.8	1,197.1
Environmental Service	4,275.8	(7.1)	4,268.7	20.0	4,288.7
Estates & Economic Development	(5,743.1)	(229.1)	(5,972.2)	(64.7)	(6,036.9)
Finance	0.0	0.0	0.0	0.0	0.0
Housing & Environmental Health	2,064.1	171.7	2,235.8	0.0	2,235.8
I.T.	(74.1)	0.0	(74.1)	0.0	(74.1)
Legal & Democratic	0.0	(187.9)	(187.9)	0.0	(187.9)
Planning & Building	1,662.4	(5.0)	1,657.4	(5.0)	1,652.4
Revenues	2,366.2	0.0	2,366.2	0.0	2,366.2
Inflation		600.0	600.0	600.0	1,200.0
	6,445.0	(127.5)	6,317.5	930.1	7,247.6
<u>Other Requirements</u>					
Net Cost of Benefit Payments	(200.0)	0.0	(200.0)	0.0	(200.0)
Corporate & Democratic Core	2,712.1	0.0	2,712.1	0.0	2,712.1
Net Cost of Services	8,957.1	(127.5)	8,829.6	930.1	9,759.7
<u>Corporate Requirements</u>					
Contingency Provision	612.8	0.0	612.8	0.0	612.8
Investment Income	(568.1)	0.0	(568.1)	0.0	(568.1)
Borrowing Costs	158.1	(4.5)	153.6	(4.6)	149.0
Minimum Revenue Provision	130.6	3.5	134.1	3.6	137.7
Small Business Rate Relief	(1,390.9)	189.1	(1,201.8)	0.0	(1,201.8)
Other Government Grants	(848.0)	590.5	(257.5)	0.0	(257.5)
New Homes' Bonus	(3,788.2)	1,220.7	(2,567.5)	992.5	(1,575.0)
Provision for NDR Levy	2,037.8	(2,037.8)	0.0	0.0	0.0
Levy surplus allocation	(35.9)	35.9	0.0	0.0	0.0
100% Retention of NDR from Renewable Energy	(436.2)	2.4	(433.8)	0.0	(433.8)
Net General Fund Expenditure	4,829.1	(127.7)	4,701.4	1,921.6	6,623.0
Transfer to Earmarked Reserves	3,249.5	(803.7)	2,445.8	(927.8)	1,518.0
Transfer to Asset Management Reserves	2,117.1	(900.0)	1,217.1	0.0	1,217.1
Transfer to Capital Reserves	1,706.1	(198.4)	1,507.7	0.0	1,507.7
Transfer to General Reserves	0.0	0.0	0.0	0.0	0.0
Total General Fund Expenditure	11,901.8	(2,029.8)	9,872.0	993.8	10,865.8
SURPLUS / (FURTHER SAVINGS) TO BE IDENTIFIED	0.0	38.5	38.5	(749.0)	(710.5)
General Fund Requirements	11,901.8	(1,991.3)	9,910.5	244.8	10,155.3