

## APPENDIX 2a

## FINANCE AND RESOURCES PORTFOLIO – REVENUE BUDGETS

Classification	Revised Estimate 2021/22 £	Base Budget 2022/23 £
Employees	4,857,829	5,189,540
Premises	252,010	275,730
Transport	33,010	32,650
Supplies & Services	2,810,285	2,490,230
Transfer Payments	15,215,150	14,914,910
Third Party Payments	229,500	266,020
Corporate Recharges	(1,493,932)	(1,734,940)
Capital Charges	2,899,700	3,300,753
Income	(6,882,801)	(7,150,400)
Income Benefits	(14,929,570)	(14,587,440)
<b>TOTAL</b>	<b>2,991,181</b>	<b>2,997,053</b>

The changes in the 2022/23 base budget for total net expenditure when compared with the 2021/22 revised estimate is primarily a consequence of the following items:

Classification	Change (£)
Employees – Increase in cost due to anticipated pay awards, anticipated rise in employers' National Insurance contributions and the full-year impact of market supplements. Also included is an increase in the cost of temporary agency staff in Legal Services to cover maternity leave (£70,000). This will be reversed in the following year.	331,700
Premises – This increase is primarily due to an rise in Business Rates (NNDR) costs from land and property acquisitions and a review of NNDR allocation to Council services.	23,700
Supplies and Services – A decrease in net costs which is largely due to the following changes: <ul style="list-style-type: none"> <li>• A carry forward of £381,000 into 2021/22 relating to Track and Trace and Hardship Covid grants will drop out of the 2022/23 base budget.</li> <li>• An expected increase in recovery action for unpaid Council Tax and Business Rates in 2022/23 will see an increase in court costs of £25,000.</li> <li>• A net increase in software maintenance costs of £33,000 across Finance and Resources.</li> </ul>	(320,000)

Classification	Change (£)
<ul style="list-style-type: none"> <li>Also a rise in audit fees of £13,000 is offset by a similar reduction of in the cost of electoral registration.</li> <li>Revenue growth submissions of £10,000 for the Queens Jubilee celebrations and £3,300 for health and Safety equipment have been included here. Additional details can be found below.</li> </ul>	
<p>Transfer Payments – This relates to Rent Allowances, Rent Rebates and Discretionary Housing Payment costs). The 2021/22 revised estimate for transfer payments is largely offset by Government subsidy totalling. The 2022/23 base budget estimate for transfer payments is also expected to be largely offset by Government grants.</p>	(300,250)
<p>Third Party Payments – A budget is included in respect of an agreement with Newark and Sherwood District Council for it to provide ICT development support to Broxtowe for a variety of applications.</p>	36,500
<p>Corporate Recharges – A net reduction in recharges for services within the General Fund and HRA for costs including ICT Services, Finance, Legal, Human Resources, Health and Safety, Payroll, Creditors, Debtors, Support Services and Internal Audit.</p>	(241,000)
<p>Capital Charges – Additional Minimum Revenue Provision (MRP) charged to the General Fund, mainly in respect of the new Cinema development, and an increase in overall external borrowing costs linked to the capital programme (the majority of which will be met by the HRA).</p>	401,000
<p>Income – Additional net income between the 2020/21 revised and 2022/23 base budgets is primarily due to:</p> <ul style="list-style-type: none"> <li>A net increase on Central Support Recharges to the HRA based on actual activity from 2020/21;</li> <li>A £333,000 increase in New Homes Bonus anticipated to be received in 2022/23;</li> <li>A £275,000 increase in the Item 8 charge to the HRA relating to capital financing costs; and</li> <li>The increase is partially offset by a £551,000 decrease in government grants, for Covid related grants that were included in the previous year.</li> </ul>	(267,600)
<p>Income Benefits partly offset the expenditure included in Transfer payments above. As this expenditure is expected to reduce the related grants are also reduced.</p>	342,150

### Revenue Developments

In addition to the budget above, a number of revenue developments have been requested by services within the Finance and Resources portfolio. The details below have been extracted from the request documents submitted by the services. **These have been provisionally added to the budgets above, pending approval.**

#### Events – Queen’s Platinum Jubilee - £10,000

A one-off budget of £10,000 is proposed in 2022/23 to fund a variety of events in celebration of the Queen’s Platinum Jubilee.

#### Health and Safety - Hand Arm Vibration Monitoring – £3,300

A hand arm vibration (HAV) meter is needed on an annual basis to test the vibration magnitude emitted by each piece of equipment. These figures are needed to prevent employees from being exposed to damaging levels of vibration. There is also a statutory requirement to manage employee’s exposure to vibration.

In the past this equipment has been borrowed from another local authority or hired from an equipment provider. As such, the Council only has access to the equipment when it is available; it restricts the time allowed to carry out the testing; it can be restricted by weather (testing cannot be done when it is inclement); and faulty machinery is not immediately retested after repair as it would be impracticable to hire a device to test one machine.

The purchase of a unit would alleviate all of these issues. The initial cost to purchase in 2022/23 is £3,300 with £400 maintenance required per annum thereafter.