

APPENDIX 2a

The change in the 2019/20 base budget for total net expenditure when compared with the 2018/19 revised estimate is primarily a consequence of the following items:

	Change (£)
The 2018/19 budget included savings of £1.7mil, which have been achieved through the business strategy. The first phase of savings totalling £1.32mil. savings were achieved in 2018/19, with a balance of savings of £0.38mil achieved during the second phase in 2019/20.	382,700
The cost to the Council of Discretionary Housing Payments (DHPs) that are funded by a Government grant are now disclosed separately.	135,000
The 2019/20 Base Budget includes a £200,000 vacancy rate target as opposed to £300,000 in the 2018/19 revised estimate. This is intended to better reflect the level of staff turnover and recruitment within the Organisation.	100,000
New Homes Bonus to be received from central government in 2019/20 is lower than in 2018/19.	63,600
The 2019/20 base estimate includes an increased Minimum Revenue Provision charge in respect of the Council's General Fund borrowing in accordance with the Council's MRP policy.	28,550
Third Party payments in 2019/20 will be lower than 2018/19 due to a number of establishment changes including the termination of the shared service arrangement for Revenues, Benefits and Customer Services (£87,000) agreed by Policy and Performance Committee on 12 December 2018. The costs arising from such measures will be included within employees expenses.	(98,250)
The distribution from the Bramcote Crematorium will increase from £400,000 in 2018/19 to £500,000 in 2019/20. The costs of cemeteries and welfare funerals of £107,700 are offset by the distributed achieved at Bramcote Crematorium.	(100,000)

Finance and Resources Portfolio - Revenue Budgets		
Cost Centre	2018/19 Revised Budget (as at December)	2019/20 Base Budget (as at December)
Employees	4,556,600	4,512,530
Premises	276,250	233,550
Transport	45,750	31,600
Supplies & Services	1,547,021	1,968,270
Transfer Payments	21,555,683	20,587,250
Third Party Payments	173,000	94,750
Central Support Recharges	3,465,600	3,513,890
Capital Charges	3,938,150	3,876,750
Income	(12,010,431)	(11,814,337)
Income (Benefits)	(21,627,811)	(20,559,550)
	1,919,812	2,444,703