

## APPENDIX 3

### Projected Income Losses

High Value Risk Area's	2020/21 Budget	Month 1-4	Months 4 - 12	Full year Impact
Planning Income	1,011,800	15%	20%	£185,497
Building Control Income	223,100	90%	50%	£141,297
Land Charges Income	135,700	50%	15%	£36,187
Licences	115,300	25%	10%	£17,295
HB Subsidy/overpayment recovery		0%		£126,000
Markets	36,300	100%	75%	£30,250
Commercial Waste Services (excl GW)	518,000	50%	10%	£120,867
Green Waste 3 month refund	889,000	100%	0%	£296,333
Health and Wellbeing - TAC	186,100	100%	75%	£167,158
Wellbeing	460,700	25%	25%	£115,175
Car Parks	294,900	100%	50%	£209,657
Crematorium	467,900	25%	10%	£70,185
Tenants Rents	440,400	75%	20%	£168,820
Commercial Property Portfolio	1,662,800	50%	25%	£554,267
Treasury Management	270,000	50%	40%	£117,000
Enforcement	68,400	100%	50%	£70,400
<b>FEES AND CHARGES/RENTS</b>				<b>2,426,386</b>

### Projected additional costs

Expenditure Risk 3 months	20-21	Realistic	Total
Waste additional resources	21,000	100%	21,000
Leisure Contract staffing	78,000	100%	60,000
Additional Cost of Homelessness	5,000	50%	£25,000
Additional Costs of ICT wfh	25,000	100%	£25,000
Contracts paid but reduced/no provision	5,000	60%	£3,000
Overtime	0		£50,000
Extension of resources due to project delay			£27,000
Capital Salaries for deferred projects	80,000	60%	£48,000
Direct Cost of Admin Business Grants (excl officer time)	25,000	100%	£25,000
Increased cost of capital on borrowing £7m	130,000		£130,000
Capital Delay re ERP	80,000		£80,000
Delay on Leisure Centre			
Covid - capital impact	60,000		£60,000
Faster Payments			£5,100
Letters to Vulnerable Actuals			£9,874
PPE estimate + sanitisers			£52,300
Letters to Businesses			£1,168
<b>TOTAL ADDITIONAL EXPENDITURE</b>	<b>509,000</b>		<b>£622,442</b>

## BUSINESS RATES RISK

LGF

### Taxbase composition

- The table to the right shows the rateable value taxbase split, by risk category for the individual authorities and the area overall (which is also the county percentages).
- Lincoln has the highest % of higher risk RV, at 35%, with West Lindsey the lowest.
- North Kesteven has the highest % of lowest risk RV at 56%.
- It is important to remember that these assessments are only based on the categories shown in the rating list and not individual assessments of sites / businesses.

	Percentage of taxbase in each risk category		
	Higher	Medium	Lower
Boston	23%	28%	48%
East Lindsey	21%	46%	33%
Lincoln	35%	28%	37%
North Kesteven	19%	25%	56%
South Holland	25%	30%	45%
South Kesteven	22%	28%	50%
West Lindsey	18%	34%	48%
Lincolnshire	24%	31%	44%
<b>Area Wide</b>	<b>24%</b>	<b>31%</b>	<b>44%</b>

### Authority Level: Tax base Profile & Individual authority projection

LGFUTURES

- The report looks at each authority in turn, examining its business rates base (by category) and what impact reductions to income would have on resources. Each of the 362 VOA categories that the business rates base is broken down into by the VOA by have been risk classified by LGFutures (low, medium & high risk).
- Three scenarios have then been applied to the risk categories in order to determine the potential reduction in business rates income.
- The table below shows how the three scenarios applied to the respective risk categories.
- It is felt unlikely that scenario 3 (worst of those considered) would occur at this stage; given that some of the higher risk sites are in receipt of full relief in 2020/21. However, circumstances that included closed retail businesses no longer being eligible for relief could potentially arise under a prolonged lockdown period and significant economic downturn post lockdown.

Scenario	Higher Risk	Medium Risk	Lower Risk
1	-10%	-3%	0%
2	-15%	-6%	-1%
3	-25%	-15%	-4%