

Committee:	Cabinet	Date:	Tuesday, 4 March 2020
Title:	Budget Outturn 2019/20 - Qtr. 3 Forecast		
Portfolio Holder:	Portfolio Holder for Finance and Budget		
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision:	N

Summary

1. This report details financial performance relating to the General Fund, Housing Revenue Account, Capital Programme and Treasury Management. It is based upon actual expenditure and income from April to December and predicts a forecast for the end of the 2019/20 financial year.
2. The General Fund is forecasting a £10,000 underspend, made up of net variances in direct services and net reductions in capital financing.
3. The Housing Revenue Account is forecasting a net operating surplus of £640,000; after in year reserves adjustments this gives an overall budget surplus of £385,000.
4. The Capital Programme is forecasting a current year underspend of £7,059,000; this is due to requested slippage of £7,027,000 to be carried forward to 2020/21. This leaves an actual underspend of £32,000.
5. Treasury management activity has been in accordance with the Strategy.

Recommendations

6. The Cabinet is recommended to approve the General Fund, Housing Revenue Account and Capital Programme outturn forecast position and the updated use of reserves.

Financial Implications

7. Any financial implications are contained in the body of this report.

Background Papers

8. No background papers have been referred to in the preparation of this report.

Impact

9.

Communication/Consultation	Budget Managers and Corporate Management Team
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

General Fund Revenue Account

10. The net operating expenditure is £3,422,000 underspent and after adjusting for the associated use of reserves, this gives an overall net underspend of £10,000. The following table provides a summary of the budget outturn and full details of service income and expenditure is shown in Appendix A.

£'000	2018/19	2019/20			
	Outturn	Original Budget	Current Budget	Forecast Outturn	Variance
Communities & Partnerships	778	895	853	1,290	437
Housing & Economic Development	1,485	1,792	1,792	1,664	(127)
Environmental Services	2,454	3,481	4,123	4,074	(49)
Finance & Administration	5,507	6,781	6,181	5,775	(406)
Portfolio (Service) Budgets	10,224	12,948	12,948	12,803	(145)
Corporate Items	(1,736)	(1,705)	4,031	835	(3,195)
Total Net Budget	8,487	11,243	16,979	13,638	(3,341)
Funding	(5,614)	(7,609)	(7,609)	(7,690)	(82)
Net Operating Profit	2,874	3,634	9,370	5,948	(3,422)
Transfers to/(from) Reserves	2,457	2,023	(3,713)	(301)	3,413
OVERALL NET POSITION	5,331	5,657	5,657	5,647	(10)

Budget Movements (original to current)

11. The original budget for 2019/20 approved by Council on 25 February 2019 has been updated and this is reflected in the current budget. The adjustments relate to the following items:

- Services (Portfolio's) – No changes to the overall budget total for services. To allow for more transparency and clarity of spending relating to Garden Communities a new cost centre has been set up. The total budget movements are £909,000, this will now all be managed and reported within Garden Planning (GGP), the budget virements are as follows:
 - £600,000 from Corporate Team for Garden Communities delivery
 - £309,000 from Planning Policy for Development Plan Document preparation
- Capital Financing – the increase in the current budget from the original of £5,736,000 is the financing of the capital programme slippage brought forward from 2018/19 as approved at July Cabinet.

Variations

12. The forecast position for quarter 3 shows a bottom line variance of £10,000 underspend compared to the quarter 2 position of £7,000 overspend, giving a decrease in net expenditure of £17,000 compared to quarter 2.

13. The services budget is predicting a net underspend of £145,224, after adjusting for the associated reserves movements the actual variance in direct services is a net underspend of £126,704.

14. The table below gives a summary of the under and overspends related to each portfolio service area. The table also identifies whether these are for one year only or expected to continue in future years (ongoing) and the reserves movements directly associated to service activities. Further details of the reserves movements can be found in paragraph 21.

	Savings/Additional Income		Increased costs/Decreased		Other Immaterial	Total Net Variance
	One off	Ongoing	One off	Ongoing		
Communities & Partnerships	(99)	(48)	525	66	(6)	437
Housing & Economic Development	(393)	(30)	306	0	(9)	(127)
Environmental Services	(949)	(543)	1,070	363	10	(49)
Finance & Admin	(828)	(2,158)	613	1,948	19	(406)
Total Service Variances	(2,269)	(2,780)	2,513	2,377	14	(145)
Use of reserves						
Grants & Contributions			(500)			
Corporate Management	185					
Planning Policy	52		(101)			
Development Control			(25)			
Legal Services			(12)			
Garden Communities	341		(85)			
Homelessness	116		(24)			
Private Finance Init	60					
Health Improvement	12					
Actual Service Variances net of reserves	(1,503)	(2,780)	1,766	2,377	14	(127)

15. The key variances greater than £30,000 that are not funded through the use of reserves are detailed below:

Overspends/Reduced income

- Development Control, £352,000 - this relates to the increase in planning appeals and the professional fees and legal costs related to the undetermined Stansted Airport planning application
- Waste and Recycling – £111,000 additional processing/disposal fees due to an increase in cost per tonne from the original budget
- Building Surveying, £89,000 - income has decreased due to decline in applications for the service
- Offices - £52,000 increased costs of unplanned repairs to council owned buildings

Underspends/Increased income

- Housing Benefits Subsidy - £221,000 - subsidy income originally calculated at 98% of expenditure due to updated information and accuracy rates this has been uplifted to 99%
- Waste and Recycling - £85,000 is due to the reduced cost of diesel and providing the bin delivery service in house
- Public Health, £83,000 - additional income due to higher levels of food imports through the Border Inspection Post at Stansted Airport
- Planning Policy, £55,000 - service restructure reduced staffing by 1 full time post
- Financial Services, £48,000 - insurance renewal (all categories) has generated a reduced annual premium
- Council Tax Discounts - £38,000 predicted increase in the income from the Essex Sharing Agreement for additional tax base growth in year
- Central Services, £33,000 underspend - staff vacancy

16. The variance of £3,195,000 in the Corporate costs relate to the following items:

- Capital Financing – £3,079,000 mainly relates to the decreased cost of financing for two capital projects, the New Depot Site and the Superfast broadband project, this has no bottom line budget impact as both these are funded directly from the reserves where there is a contra entry
- Investment Income/charges – the net increase of £116,000 (reduction in borrowing costs and increase in income) is due to the re-profiling of the additional loans to Aspire (CRP) Ltd

Key Risks

17. The outturn forecast is the most informed prediction we have at this point in time and is reliant on estimates and assumptions provided by service managers.

18. Detailed below are the areas which are deemed as **HIGH** risk and have the potential to materially affect our year-end financial position.

- **Planning** - The Council has received the letter from the Inspectors examining the Local Plan, it expresses concerns that the Garden Communities proposals are insufficiently justified and have not been shown to have a reasonable prospect of being delivered as submitted. Work is currently being undertaken to ascertain whether to withdraw the plan and prepare a new one, as the inspectors suggest, rather than submit a considerable amount of new evidence for consideration by the inspectors on the current plan
- **Planning Appeals** - Forecasting whether decisions will be appealed is difficult to assess, and costs could continue to escalate above the overspend currently reported
- **Business Rates Retention** - the total business rate income recognised in the Council's account is subject to change, due to the difficulty in estimating the year end business rate levy, realisation of appeals and the impact of revaluations carried out by the Valuation Office Agency (VOA). The Council is reliant on the VOA to release these figures and for UDC's consultant to assess the potential impact on the appeals provision at year end promptly. The actual position is not known until year end and it is difficult to estimate this during the year.
- **Housing Benefit Subsidy Income Claims** – due to the complexity of the subsidy claim, a change in number of claimants throughout the year and the high financial value of the subsidy income, even a small % change can have a significant impact on the budget. For example a 1% change to caseload can increase or decrease the bottom line by approximately £68k.

General Fund Reserves

19. The balance of all reserves at 1 April 2019 was £17,420,000, with a predicted net drawdown of £301,000 this leaves an estimated year-end balance of £17,119,000. The complete reserves position is set out in Appendix B.

20. Within 'all reserves' are usable reserves which had a balance of £13,033,000 at 1 April 2019 with a predicted net drawdown of £916,000 this leaves a year-end balance of £12,117,000.

21. The current budget had an estimated £3,713,000 net use of reserves; the current forecast shows a net reduction of £3,413,000 in the amount of reserves required in-year. The changes to and (from) reserves are detailed in the following table:

Movement in Reserves	Change £ to/(from)	Details of transfer
Grants & Contributions	(500)	Funds allocated for Carver Barracks Grant
Planning Policy	259	Reduced requirement in current year for funding of Local Plan consultancy
Development Control	(25)	Drawdown to cover reduced S106 funds in year
Transformation	(12)	Funding for additional resource for review of the governance process
Garden Communities	(53)	Allocation of MHCLG grant to support revenue costs
Corporate Management	185	Government funding for additional work relating to EU Exit
Homelessness	112	Government funding for programme of work to support homelessness
Private Finance Init	60	Additional income to support predicted future year deficits
Health Improvement	12	External funding to support programme of work for health and wellbeing
Service Movement to / (from) Reserves	38	
Business Rates	111	Estimated surplus to support future years deficits
Capital Slippage	707	Funding Contribution for superfast broadband not required in year
New Homes Bonus Ward Members	16	Release of grant income as per criteria for council new administration
Waste Depot Relocation Project	2,563	Funding of the depot not required in line with the slippage in the capital programme
Working Balance	(22)	Adjustment to reflect actual net expenditure
Total Movement to / (from) Reserves	3,413	

Housing Revenue Account (HRA)

22. The HRA is forecasting a net operating surplus of £640,000, after allowing for revenue funding for the Capital Programme and reserve transfers an overall surplus of £385,000 is predicted. A detailed budget analysis is attached as Appendix C and the following table gives a summary of the key items of income and expenditure.

£'000	2019/20			
	Original Budget	Current Budget	Forecast Outturn	Variance
Total Service Income	(15,352)	(15,352)	(15,869)	(517)
Total Service Expenditure	4,491	4,491	4,504	13
Total Corporate Items	10,710	10,710	10,726	16
OPERATING (SURPLUS)/DEFICIT	(150)	(150)	(640)	(488)
Funding of Capital Programme from HRA	2,690	2,690	2,612	(78)
Use of Reserves	(2,539)	(2,539)	(2,358)	181
Total Use of Reserves/Funding	151	151	254	104
(SURPLUS)/DEFICIT	0	0	(385)	(385)

23. The key variances are related to increased income and are detailed below;

- £139,000 - rental income due to Reynolds Court being completed and units being tenanted earlier than anticipated.

- £112,000 – charges for services and facilities have been adjusted to match actual costs
- £267,000 – compensation claim relating to the infrastructure works at Stansted Airport and the financial impact on the housing stock values

24. The HRA reserves position as at the 1 April 2019 is £3,042,000; after allowing for in-year forecast drawdowns on reserves of £358,000 this leaves an estimated year-end balance of £2,684,000. Full details of all the reserves can be seen in Appendix D.

Capital Programme

25. The Capital Programme original budget was set at £11,772,000 after allowing for capital slippage from 2018/19 of £11,034,000 (approved by Cabinet in the Budget Outturn report presented on 15 July) this gives an updated current budget of £22,806,000. Full details of the capital programme are shown in Appendix E; this includes tables detailing the Section 106 balances.

26. The total predicted spend for the year is £15,747,000 generating a net underspend of £7,059,000; after allowing for in year slippage of £7,027,000 this leaves an actual underspend of £32,000.

27. The key project where slippage is being requested for 2019/20 to be carried forward to 2020/21 relate to the following:

General Fund

- Depot Relocation, £2,563,000 – the application was heard at Planning Committee on 15 January 2020 and was refused. The landowner is currently reviewing his options on the way forward and the slippage is reflective of this decision
- Superfast Broadband, £600,000 – Gigaclear have announced that the completion of the rollout of full fibre broadband for Uttlesford has been delayed until December 2021

Housing Revenue Account

- The Moors, £1,960,000 – the formal processes of planning approval and the subsequent contractor procurement process took longer than anticipated, as of 4th November a contract has been awarded
- Walden Place, £1,762,000 – A Joint Venture was being reviewed as an option for delivery, it has now been agreed the council will carry out the works directly. Discussions have been ongoing with planners and the conservation service to work up plan drawings to allow a Pre-App to be submitted

Treasury Management

28. Treasury Management Activities have been in accordance with the strategy. Full details of all the council's investments and borrowing is attached as Appendix F.

29. The HM Treasury increased the interest rates by 1% on Public Works Loan Board (PWLB) lending from the 7 October on new borrowing only. The following is an extract from the HM Treasury correspondence.

'PWLB lending is offered at a fixed margin above the Government's cost of borrowing, as measured by gilt yields. The Treasury raised the margin over gilts to 100bps (one percentage point) in 2010, to better reflect the availability of capital finance, and lowered it to 80bps over gilts in 2013 for qualifying authorities.

Some local authorities have substantially increased their use of the PWLB in recent months, as the cost of borrowing has fallen to record lows. HM Treasury is therefore restoring interest rates to levels available in 2018, by increasing the margin that applies to new loans from the PWLB by 100bps (one percentage point) on top of usual lending terms.

This restoration of normal PWLB lending rates will apply to all new loans with immediate effect. The Government will monitor the impact of this change and keep rates policy under review.'

30. The average rates of interest for the period April to December are shown in the table below; this also shows the change in the average rate between quarters.

	Quarter 1	Quarter 2	Quarter 3
Investments short term	0.55%	0.54%	0.56%
Borrowing short term	0.75%	0.69%	0.71%

31. The council's long term investments relate to the loan to Aspire (CRP) Ltd for the purchase of the 50% share of Chesterford Research Park and the ongoing development of the park. The table below provides details of both the actual investments to date and future agreed amounts:

Drawdown Date	Amount	Term	Rate	Basis	Annual Interest Receivable
	£'000		%		£'000
03/05/2017	47,250	50 years	4	Interest only	1,890
26/03/2018	223	49 years 1 months	4	Interest only	8,920
02/01/2019	2,518	48 years 4 months	4	Interest only	100,720
20/08/2019	3,000	20 years	4.5	Principal and Interest	78,750
TBC	1,250	Ending on 20/08/39	4.5	Principal and Interest	0

32. The additional funds to Aspire (CRP) Ltd are for the refurbishment and refit of the Newnham building.

33. The council has two long term loans

- General Fund, £10,000,000 with Phoenix Life Ltd as the first tranche of funding for the council's investment in Aspire (CRP) Ltd on an interest only basis. The fixed rate of interest of 2.86%, gives an annual interest payment of £286,000.
- Housing Revenue Account, £84,807,000 to fund the purchase of the council's housing stock; this is a mix of fixed and variable rate loans. The annual

interest payment is £2,604,000 with a current annual principal repayment of £2,000,000.

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery. Detailed risks are set out in paragraphs 16 - 20 in the main body of the report.	2 – some variability is inevitable	2 – budget will be closely monitored and prompt action taken to deal with variances	Budgetary Monitoring and monthly analysis of the financial position

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.

Appendix A

General Fund Summary – 2019/20

£'000	2018/19 Outturn	April to December			2019/20			
		Current Budget	Actuals to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast to Budget Variance
Portfolio Budgets								
Community & Partnerships	778	635	1,055	420	895	853	1,290	437
Housing & Economic Development	1,485	1,351	924	(427)	1,792	1,792	1,664	(127)
Environmental	2,454	2,994	2,326	(668)	3,481	4,123	4,074	(49)
Finance & Administration	5,507	4,527	3,789	(738)	6,781	6,181	5,775	(406)
Total - Portfolio Budgets	10,224	9,507	8,094	(1,413)	12,948	12,948	12,803	(145)
Corporate Items								
Capital Financing Costs	1,704				1,892	7,628	4,549	(3,079)
Interest Charges	382				495	495	469	(26)
Investment Income	(1,971)				(2,119)	(2,119)	(2,209)	(91)
Impairment allowance	8				0	0	0	0
Pension Fund - Added Years	87				85	85	85	0
Corporate Core HRA Share	(374)				(366)	(366)	(366)	0
Recharge to HRA	(1,572)				(1,693)	(1,693)	(1,693)	0
Subtotal - Corporate Items	(1,736)				(1,705)	4,031	835	(3,195)
Subtotal - Budgets	8,487				11,243	16,979	13,638	(3,341)
Funding								
Council Tax - Collection Fund Balance	(14)				(67)	(67)	(67)	0
Business Rates - Collection Fund Balance	384				(941)	(941)	(1,052)	(111)
Business Rates - UDC Share (net of tariff)	(2,201)				(2,577)	(2,577)	(2,205)	372
Business Rates - Levy/(Safety Net) Payment	762				566	566	447	(119)
Business Rates - Section 31 Funding	(1,274)				(1,212)	(1,212)	(1,441)	(229)
Business Rates - Renewable Energy Schemes	(126)				(129)	(129)	(124)	5
Rural Services Delivery Grant	(279)				(279)	(279)	(279)	0
New Homes Bonus	(2,864)				(2,969)	(2,969)	(2,969)	0
Subtotal - Funding	(5,614)				(7,609)	(7,609)	(7,690)	(82)
Net Operating Expenditure	2,874				3,634	9,370	5,948	(3,422)
Transfer to/(from) Reserves								
Business Rates	280				941	941	1,052	111
Licensing	90				24	24	24	0
Capital Slippage	205				0	(1,173)	(466)	707
Working Balance	(49)				28	28	6	(22)
Medium Term Financial Strategy	336				0	0	0	0
Transformation	(9)				0	0	(12)	(12)
EU Exit	128				200	200	385	185
Funding	0				1,060	1,060	1,060	0
Economic Development	46				0	0	0	0
Elections	25				(55)	(55)	(55)	0
Homelessness	92				(20)	(20)	92	112
Health and Wellbeing	26				0	0	12	12
Planning and Development	(183)				(309)	(309)	(75)	234
Strategic Initiatives	0				0	0	(500)	(500)
Development Projects	1,152				0	0	(53)	(53)
New Homes Bonus Ward Members	(16)				(16)	(16)	0	16
Waste Depot Relocation Project	280				0	(4,563)	(2,000)	2,563
Waste Management	(14)				170	170	170	0
Private Finance Initiative	67				0	0	60	60
Subtotal - Movement in General Fund Reserves	2,457				2,023	(3,713)	(301)	3,413
COUNCIL TAX REQUIREMENT	5,331				5,657	5,657	5,647	(10)
Council Tax (precept levied on Collection Fund)	(5,330)				(5,657)	(5,657)	(5,657)	0
(Surplus)/Deficit	0				0	0	(10)	(10)

Appendix A continued...

Community and Partnerships

£'000	2018/19 Outturn	2019/20			
		Original Budget	Current Budget	Forecast Outturn	Variance Qtr.3
Community Information	48	47	47	50	2
Day Centres	67	73	73	84	11
Emergency Planning	1	26	26	32	6
Grants & Contributions	351	358	358	851	493
Leisure & Performance	67	83	41	43	2
Saffron Walden Museum	186	215	215	213	(1)
New Homes Bonus	96	78	78	78	0
Private Finance Init	(32)	15	15	(47)	(62)
Communities Partnership	0	0	0	0	0
Renovation Grants	(5)	0	0	(14)	(14)
Portfolio Total	778	895	853	1,290	437

Housing and Economic Development

£'000	2018/19 Outturn	2019/20			
		Original Budget	Current Budget	Forecast Outturn	Variance Qtr.3
Building Surveying	(40)	(126)	(126)	(19)	107
Committee Admin	294	346	346	342	(4)
Customer Services Centre	379	451	451	447	(4)
Democratic Represent	324	361	361	342	(20)
Economic Development	225	265	265	266	1
Energy Efficiency	26	34	34	30	(4)
Health Improvement	119	155	155	120	(35)
Homelessness	89	234	234	118	(116)
Lifeline	(155)	(159)	(159)	(159)	0
Communications	224	229	229	177	(52)
Portfolio Total	1,485	1,792	1,792	1,664	(127)

Appendix A continued...

Environmental Services

£'000	2018/19 Outturn	2019/20			
		Original Budget	Current Budget	Forecast Outturn	Variance Qtr.3
Animal Warden	29	16	16	7	(9)
Grounds Maintenance	296	333	333	344	11
Car Park	(732)	(661)	(661)	(710)	(49)
Development Control	(499)	(241)	(245)	115	361
Depots	45	51	51	51	(0)
Garden Planning	0	0	909	654	(256)
Street Cleansing	411	403	403	432	29
Housing Strategy	50	54	54	56	2
Highways	(0)	4	4	3	(1)
Local Amenities	8	(12)	(12)	(12)	(0)
Licensing	(257)	(375)	(375)	(391)	(16)
Vehicle Management	496	477	477	456	(22)
Public Health	584	669	669	565	(104)
Planning Management	345	385	392	381	(11)
Planning Policy	437	1,334	1,022	964	(58)
Planning Specialists	145	151	151	150	(1)
Waste Management	578	363	363	448	84
Community Safety	235	286	328	315	(13)
Street Services	284	244	244	247	3
Portfolio Total	2,454	3,481	4,123	4,074	(49)

Appendix A continued...

Finance and Administration

£'000	2018/19 Outturn	2019/20			
		Original Budget	Current Budget	Forecast Outturn	Variance Qtr.3
Benefits Admin	224	301	301	285	(16)
Corporate Management	1,070	1,291	1,291	1,108	(183)
Conveniences	20	20	20	20	0
Central Services	449	444	444	399	(45)
Corporate Team	40	682	82	117	35
Conducting Elections	1	101	101	117	16
Electoral Registration	31	55	55	44	(11)
Financial Services	1,098	1,111	1,111	1,064	(47)
Housing Benefits	(5)	72	72	(149)	(221)
Human Resources	299	280	280	284	3
Internal Audit	126	139	139	141	2
Information Technology	1,362	1,402	1,402	1,420	18
Land Charges	(86)	(88)	(88)	(61)	27
Legal Services	186	179	179	186	7
Local Taxation	(108)	(90)	(90)	(90)	0
Non Domestic Rates	(144)	(144)	(144)	(146)	(2)
Office Cleaning	179	208	208	207	(1)
Offices	376	377	377	433	56
Revenues Admin	536	582	582	575	(7)
Council Tax Discounts	(150)	(141)	(141)	(180)	(38)
Portfolio Total	5,507	6,781	6,181	5,775	(406)

Appendix B

General Fund Reserves

£'000	Balance 1st April 2019	Forecast Transfer From General Fund	Forecast Transfer to General Fund	Forecast Transfer Between Reserves	Forecast Balance 31st March 2020
<u>RINGFENCED RESERVES</u>					
Business Rates	1,781	1,052			2,833
Departments for Work and Pensions	71				71
Licensing	90	57	(33)		114
Capital Slippage	1,171		(466)		705
Working Balance	1,272	6			1,278
TOTAL RINGFENCED RESERVES	4,387	1,115	(499)	0	5,002
<u>USABLE RESERVES</u>					
<u>Financial Management Reserves</u>					
Medium Term Financial Strategy	1,336	450	(450)		1,336
Transformation	1,168		(12)		1,157
EU Exit	128	385			513
Funding	0	1,060			1,060
	2,632	1,895	(462)	0	4,065
<u>Contingency Reserves</u>					
Emergency Response	40				40
	40	0	0	0	40
<u>Service Reserves</u>					
Economic Development	61				61
Elections	100	25	(80)		45
Homelessness	218	116	(24)		310
Health and Wellbeing	72	12			84
<i>Planning</i>	1,247	52	(75)		1,224
<i>Neighbourhood Planning</i>	70		(27)		43
<i>Housing Strategy</i>	25				25
<i>Development Control</i>	159		(25)		134
Strategic Initiatives	2,160		(500)		1,660
Development Projects	1,152		(53)		1,099
New Homes Bonus Ward Members	0		0		0
Waste Depot Relocation Project	4,649		(2,000)		2,649
Waste Management	201	170			371
Private Finance Initiative	247	60			307
	10,361	435	(2,784)	0	8,012
TOTAL USABLE RESERVES	13,033	2,330	(3,246)	0	12,117
TOTAL GENERAL FUND RESERVES	17,420	3,445	(3,745)	0	17,119

Appendix C

Housing Revenue Account Summary - 2019/20

£000	April to December			2019/20			
	Current Budget	Actuals to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance to Current Budget
<u>Housing Revenue Account Income</u>							
Dwellings Rent	(10,610)	(10,692)	(82)	(14,147)	(14,147)	(14,287)	(139)
Garage Rents	(168)	(168)	(0)	(224)	(224)	(224)	(0)
Land Rents	(3)	(2)	1	(3)	(3)	(3)	(0)
Charges for Services & Facilities	(733)	(832)	(99)	(977)	(977)	(1,089)	(112)
Contributions Towards Expenditure	0	(4)	(4)	0	0	(267)	(267)
Total Service Income	(11,514)	(11,698)	(184)	(15,352)	(15,352)	(15,869)	(517)
<u>Housing Finance & Business Management</u>							
Business & Performance Management	0	0	0	0	0	0	0
Rents, Rates & Other Property Charges	56	98	42	75	75	102	27
	56	98	42	75	75	102	27
<u>Housing Maintenance & Repairs Services</u>							
Common Service Flats	153	103	(50)	204	204	204	0
Estate Maintenance	114	96	(18)	152	152	152	0
Housing Repairs	1,920	2,124	204	2,561	2,561	2,583	22
Housing Sewerage	43	44	1	58	58	58	0
Newport Depot	18	15	(3)	24	24	24	0
Property Services	239	249	10	318	318	328	10
	2,488	2,632	144	3,317	3,317	3,350	32
<u>Housing Management & Homelessness</u>							
Housing Services	352	308	(44)	470	470	435	(34)
Sheltered Housing Services	472	441	(31)	629	629	617	(13)
Supporting People	0	0	0	0	0	0	0
	824	749	(75)	1,099	1,099	1,052	(47)
Total Service Expenditure	3,368	3,479	111	4,491	4,491	4,504	13
<u>Corporate Items</u>							
Bad Debt Provision	0	0	0	100	100	100	0
Depreciation - Dwellings (to MRR)	0	0	0	3,888	3,888	3,888	0
Depreciation - Non-Dwellings (to MRR)	0	0	0	91	91	91	0
Impairment - Non-Dwellings	0	0	0	0	0	0	0
Interest / Costs - HRA Loan	1,313	1,313	(0)	2,604	2,604	2,604	0
Repayment of Loan	0	0	0	2,000	2,000	2,000	0
Investment Income	0	0	0	(42)	(42)	(26)	16
Recharge from General Fund	0	0	0	1,695	1,695	1,695	0
HRA Share of Corporate Core	0	0	0	366	366	366	0
Pension Fund - Added Years	0	0	0	19	19	19	0
Pension Fund - Deficit	0	0	0	0	0	0	0
Right to Buy Admin Cost Allowance	(8)	0	8	(10)	(10)	(10)	0
Total Corporate Items	1,305	1,313	8	10,710	10,710	10,726	16
TOTAL EXPENDITURE	4,673	4,792	118	15,201	15,201	15,230	29
OPERATING (SURPLUS)/DEFICIT	(6,840)	(6,906)	(66)	(150)	(150)	(640)	(488)
Funding from Capital Receipts Reserve for HRA Loan	0	0	0	(2,000)	(2,000)	(2,000)	0
<u>Funding of Capital Programme from HRA</u>							
Funding of Action Plan Capital Items	0	0	0	0	0	0	0
Funding of Capital from Revenue	0	0	0	2,690	2,690	2,612	(78)
	0	0	0	2,690	2,690	2,612	(78)
<u>Transfers to/from (-) Reserves</u>							
Capital Projects Reserve	0	0	0	(153)	(153)	0	153
Potential Developments (New Builds)	0	0	0	(355)	(355)	0	355
Sheltered Housing Reserve	0	0	0	0	0	0	0
HRA Capital Slippage Reserve	0	0	0	0	0	(370)	(370)
Transformation Reserve	0	0	0	0	0	0	0
Working Balance	0	0	0	(31)	(31)	12	43
	0	0	0	(539)	(539)	(358)	181
Total Use of Reserve / Funding	0	0	0	2,151	2,151	2,254	104
(SURPLUS)/DEFICIT	(6,840)	(6,906)	(66)	0	0	(385)	(385)

Appendix D

Housing Revenue Account Reserves

Reserve	Actual Balance	Forecast transfer	Forecast Transfer	Transfer between	Estimated Balance
£'000	1st April 2019	from HRA	to HRA	Reserves	31st March 2020
<u>RINGFENCED RESERVES</u>					
Working Balance	489	12	0	0	501
	489	12	0	0	501
<u>USABLE RESERVES</u>					
Revenue Reserves					
Transformation / Change Management	180	0	0	0	180
Revenue Projects	60	0	0	0	60
	240	0	0	0	240
Capital Reserves					
Capital Projects	13	0	0	60	73
Potential Development Projects	0	0	0	0	0
Sheltered Housing Projects	0	0	0	0	0
HRA Slippage Reserve	2,300	508	(878)	(60)	1,870
	2,313	508	(878)	0	1,943
TOTAL USABLE RESERVES	2,553	508	(878)	0	2,183
TOTAL RESERVES	3,042	520	(878)	0	2,684

Reserve with conditions	Actual Balance	Forecast transfer	Forecast Transfer to	Estimated Balance
£'000	1st April 2019	from HRA	HRA	31st March 2020
Capital Receipt Reserve - RTB	3,226	1,440	(3,672)	994
Capital Receipt Reserve - Other	40	470	(500)	10
Capital Receipt Reserve - Total	3,266	1,910	(4,172)	1,004
Major Repairs Reserve (MRR)	473	3,979	(3,875)	577

Appendix E

General Fund Capital Programme

£'000	Cost Code	Actual to December	Budget adjustment as agreed by Cabinet/Other budget virements			Current Budget 2019/20	Forecast Outturn	Forecast to Budget Variance	Requested Slippage to 2020/21
			Original Budget 2019/20	Slippage from 2018/19					
Total HRA		6,187	9,769	3,086	0	12,855	8,977	(3,878)	3,742
Total General Fund		3,126	2,003	7,948	0	9,951	6,770	(3,181)	3,285
CAPITAL PROGRAMME TOTAL		9,313	11,772	11,034	0	22,806	15,747	(7,059)	7,027
£'000	Cost Code	Actual to December	Original Budget 2019/20	Slippage from 2018/19	Budget adjustment as agreed by Cabinet/Other budget virements	Current Budget 2019/20	Forecast Outturn	Forecast to Budget Variance	Requested Slippage to 2020/21
Community and Partnerships									
S/W Motte & Bailey Castle	CGF119/6801	73	0	54		54	110	56	
Community Project Grants	CGF502/6842	46	110	0		110	110	0	
Total Community and Partnerships		119	110	54	0	164	220	56	0
Environmental Services									
White Street Car Park	CGF108/6801	0	0	25		25	25	0	
Household Bins	CGF300/6822	36	70	0		70	70	0	
Trade Waste Bins	CGF301/6822	35	30	0		30	35	5	
Kitchen Caddies	CGF304/6822	4	10	0		10	5	(5)	
Garden Waste Bins	CGF308/6822	11	20	0		20	20	0	
Car Parking Machine Replacement	CGF321/6822	0	0	92		92	0	(92)	92
Electric Car Charges	CGF323/6822	14	0	0		0	10	10	
Grounds Maintenance Equipment	CGF307/6822	16	0	0		0	16	16	
Vehicle Replacement Programme	CGF602/6823	2,322	822	2,174		2,996	2,996	0	
Total Environmental Services		2,438	952	2,291	0	3,243	3,177	(66)	92
Housing and Economic Development									
Compulsory Purchase Order	CGF125/6821	0	0	0		0	0	0	
Private Sector Renewal Grants	CGF500/6841	0	70	0		70	70	0	
Disabled Facilities Grants	CGF503/6841	133	260	0		260	260	0	
Empty Dwellings	CGF505/6841	0	10	0		10	10	0	
Air Quality Monitoring SW	CGF322/6822	13	15	0		15	15	0	
Superfast Broadband	CGF528/6841	0	0	600		600	0	(600)	600
Total Housing and Economic Development		146	355	600	0	955	355	(600)	600

Appendix E continued...

£'000	Cost Code	Actual to December	Budget adjustment as agreed by Cabinet/Other budget virements			Current Budget 2019/20	Forecast Outturn	Forecast to Budget Variance	Requested Slippage to 2020/21
			Original Budget 2019/20	Slippage from 2018/19					
Finance & Administration									
IT Schemes									
Minor Items IT	CGF401/6834	3	20	0		20	20	0	
PCI Compliance	CGF413/6834	34	20	28		48	48	0	
New members IT equipment	CGF416/6824	33	30	0		30	30	0	
PSN CoCo Works	CGF425/6824	0	30	20		50	50	0	
Core Switches - replacement	CGF433/6824	5	0	24		24	24	0	
Replacement Electoral System	CGF434/6824	0	0	60		60	30	(30)	
Hot Desking/Mobile working	CGF435/6824	96	90	6		96	96	0	
Asset Management System - Cap Pur IT	CGF437/6824	0	0	30		30	30	0	30
Cyber Security - Cap Pur IT	CGF438/6824	0	20	12		32	32	0	
Grounds Maint & Vehicle Sys - Cap Pur IT	CGF439/6824	0	0	95		95	95	0	
Idox Additional Modules - Cap Pur IT	CGF441/6824	0	0	5		5	5	0	
Licensing - Lalpac to Idox Uni - Cap Pur IT	CGF442/6824	0	0	16		16	16	0	
ArcGIS Upgrade - Cap Pur IT	CGF443/6824	0	0	21		21	21	0	
Mobile / Web Payments - Cap Pur IT	CGF444/6824	40	40	0		40	40	0	
Network Monitor&Threat Protect - Cap Pur IT	CGF445/6824	0	30	0		30	30	0	
Postal Software - Cap Pur IT	CGF446/6824	0	27	0		27	27	0	
UDC Asset work									
London Rd Office Building works	CGF112/6801	27	173	0		173	257	84	
New Depot	CGF103/6801	68	0	4,563		4,563	2,000	(2,563)	2,563
Day Centres Cyclical Improvements	CGF115/6801	17	46	27		73	45	(28)	
Guildhall Works	CGF116/6801	18	0	0		0	18	18	
Museum Buildings work	CGF123/6801	42	45	4		49	49	0	
London Rd Office Heating	CGF315/6822	0	0	36		36	0	(36)	
London Rd Office Electrical	CGF316/6822	29	15	56		71	45	(26)	
White Street Car Park - Lighting	CGF108/6822	11	0	0		0	10	10	
Total Finance & Administration		424	586	5,003	0	5,589	3,018	(2,571)	2,593

Housing Revenue Account Capital Programme

£'000	Cost Code	Actual to December	Budget adjustment			Current Budget 2019/20	Forecast Outturn	Forecast to Budget Variance	Requested Slippage to 2020/21
			Original Budget 2019/20	Slippage from 2018/19	as agreed by Cabinet/Other budget virements				
Housing Revenue Account									
HRA Repairs		2,077	3,445	54		3,499	3,438	(61)	
UPVC Fascia's and Guttering	CHR223/6812	2	100	0		100	100	0	
Light Vans Replacement Programme	CHR300/6823	0	0	183		183	0	(183)	0
HRA IT - Sheltered Digital Upgrade	CHR400/6841	0	0	20		20	0	(20)	20
Cash Incentive Scheme Grants	CHR500/6841	20	50	0		50	50	0	
Business Plan Items									
Resurfacing access roads	CHR111/6801	0	0	133		133	90	(43)	
Market Properties	CHR105/6801	0	0	0		0	0	0	
New Builds (RTB 1-4-1)									
Unidentified	CHR105/6801	0	2,425	0	(2,425)	0	0	0	
Market Properties	CHR106/6801	1,350	0	0	975	975	1,650	675	
Sheds Lane	CHR112/6801	15	15	0		15	15	0	
Newton Grove	CHR113/6801	247	134	188		322	322	0	
Frambury Lane	CHR114/6801	354	168	370		538	538	0	
The Moors	CHR116/6801	46	2,432	759		3,191	270	(2,921)	1,960
Thaxted Road	CHR117/6801	0	0	0	150	150	150	0	
Great Chesterford	CHR118/6801	1,342	0	0	1,300	1,300	1,350	50	
Redevelopment Scheme									
Sheltered Schemes									
Reynolds Court	CHR107/6801	58	0	110		110	110	0	
Hatherley Court	CHR108/6801	666	0	482		482	869	387	
Walden Place	CHR109/6801	10	1,000	787		1,787	25	(1,762)	1,762
Total HRA		6,187	9,769	3,086	0	12,855	8,977	(3,878)	3,742

Financing of Capital Programme

	General Fund £'000	Housing Revenue Account £'000
Grants and Contributions	307	72
Revenue Contribution (RCCO)	712	1,743
Internal Borrowing	3,285	0
Reserves	2,466	878
S106	0	602
Capital Receipts	0	1,748
Major Repairs Reserve	0	3,935
	6,770	8,977
Total Financing		15,747

Section 106 Balances

With Conditions	31 March 2019	Income	Adjustment	Drawn Down -	Balance at 31 Dec
	£'000	£'000		Capital/Revenue £'000	2019 £'000
S106 Receipts in Advance					
Priors Green, Takeley	78	-	-	-	78
Land north of Ingrams, Felsted	10	-	-	-	10
Rochford Nurseries/Foresthall Park, Stansted	60	-	-	(40)	20
The Orchard, Elsenham	42	-	-	-	42
Wedow Road, Thaxted	53	-	-	-	53
Sector 4 Woodlands Park, Gt Dunmow	10	-	-	-	10
Keers Green Nurseries, Aythorpe Roding	120	-	-	-	120
Land adjacent to S/W Hospital	31	-	-	-	31
Land at Blossom Hill Farm, Henham	33	-	-	-	33
Land at Webb & Hallett Road, Flitch Green, Felsted	33	-	-	-	33
Land south side of Radwinter Road	49	-	-	-	49
Total	519	-	-	(40)	479

Other Bodies	31 March 2019	Income	Adjustment	Transferred to	Balance at 31 Dec
	£'000	£'000		other bodies £'000	2019 £'000
S106 Receipts in Advance					
Sector 4 Woodlands Park (Helena Romanes School)	165	-	-	-	165
Brewers End, Takeley	31	-	-	-	31
Land adj Hailes Wood, Elsenham	10	-	-	-	10
Land at Flitch Green, Felsted	67	-	-	-	67
Land adjacent to S/W Hospital	16	-	-	(15)	1
Ashdon Road Commercial Centre	26	-	-	-	26
Land south of Stansted Road, Elsenham	53	-	-	-	53
Land south of Ongar Road, Dunmow	17	-	-	-	17
Land at 119 Radwinter Road, adj S/W Hospital	15	-	-	-	15
Land North of Ongar Road, Gt Dunmow	21	-	-	-	21
Land at Bury Water Lane, Newport	29	-	-	-	29
Land south side of Radwinter Road	36	-	-	(36)	-
Land at Elsenham Nurseries	14	-	-	-	14
Bury Water Lane, Newport	26	-	-	-	26
Walpole Farm, Cambridge Road, Stansted	53	375	-	(375)	53
Land at Little Walden Road, Saffron Walden	120	-	-	(120)	-
Land at London Road, Gt Chesterford	-	400	-	(400)	-
Grants and Contributions to Other Bodies	699	775	-	(946)	528

Without Conditions	31 March 2019	Income	Adjustment	Drawn Down -	Balance at 31 Dec
	£'000	£'000		Capital £'000	2019 £'000
S106 Unapplied					
Affordable Housing;	676	-	-	-	676
Drawn Down	-	-	-	-	-
Affordable Housing	676	-	-	-	676
Dunmow Eastern Sector	18	-	-	-	18
Woodlands Park, Gt Dunmow	36	-	-	-	36
Bell College, Saffron Walden	15	-	-	-	15
Priors Green, Takeley	8	-	-	-	8
Foresthall Park, Stansted	33	-	-	-	33
Lt Walden Road/Ashdon Road, Saffron Walden	98	-	-	-	98
Oakwood Park, Takeley	5	-	-	-	5
Total	889	-	-	-	889

Treasury Management 2019/20 – Quarter 3**Investments April – December 2019**

Date of Investment	Counterparty	Amount (£)	Date of Repayment	Interest Rate
01-Apr-19	Coventry City Council	2,500,000	18-Apr-19	0.80%
01-Apr-19	DMO	2,500,000	04-Apr-19	0.50%
02-Apr-19	DMO	1,000,000	04-Apr-19	0.50%
04-Apr-19	DMO	1,500,000	11-Apr-19	0.50%
10-Apr-19	DMO	1,200,000	18-Apr-19	0.50%
15-Apr-19	DMO	1,500,000	18-Apr-19	0.50%
26-Apr-19	DMO	1,500,000	30-Apr-19	0.50%
01-May-19	DMO	1,500,000	09-May-19	0.50%
09-May-19	DMO	3,000,000	17-May-19	0.50%
15-May-19	DMO	2,000,000	17-May-19	0.50%
15-May-19	DMO	1,000,000	20-May-19	0.50%
24-May-19	DMO	1,000,000	03-Jun-19	0.50%
31-May-19	DMO	1,500,000	03-Jun-19	0.50%
03-Jun-19	DMO	1,500,000	05-Jun-19	0.50%
03-Jun-19	DMO	3,000,000	11-Jun-19	0.50%
05-Jun-19	DMO	3,500,000	10-Jun-19	0.50%
11-Jun-19	Thurrock Council	2,000,000	11-Dec-19	0.80%
14-Jun-19	Conwy County Borough Council	2,000,000	16-Dec-19	0.80%
10-Jun-19	DMO	2,000,000	14-Jun-19	0.50%
10-Jun-19	DMO	1,500,000	11-Jun-19	0.50%
12-Jun-19	Surrey County Council	2,000,000	12-Dec-19	0.78%
11-Jun-19	DMO	2,000,000	12-Jun-19	0.50%
11-Jun-19	DMO	2,000,000	19-Jun-19	0.50%
17-Jun-19	DMO	4,500,000	19-Jun-19	0.50%
26-Jul-19	DMO	1,000,000	01-Aug-19	0.50%
01-Aug-19	DMO	1,000,000	05-Aug-19	0.50%
05-Aug-19	DMO	750,000	16-Aug-19	0.50%
15-Aug-19	DMO	4,000,000	16-Aug-19	0.50%
02-Sep-19	DMO	1,000,000	05-Sep-19	0.50%
05-Sep-19	Cornwall Council	2,000,000	05-Dec-19	0.63%
05-Sep-19	DMO	1,000,000	19-Sep-19	0.50%
16-Sep-19	DMO	2,000,000	19-Sep-19	0.50%
08-Oct-19	DMO	1,000,000	18-Oct-19	0.50%
15-Oct-19	DMO	2,500,000	18-Oct-19	0.50%
17-Oct-19	DMO	1,500,000	18-Oct-19	0.50%
06-Nov-19	DMO	1,000,000	19-Nov-19	0.50%
15-Nov-19	DMO	4,000,000	19-Nov-19	0.50%
19-Nov-19	DMO	1,200,000	22-Nov-19	0.50%
05-Dec-19	Cornwall Council	2,000,000	05-Jun-20	0.85%
11-Dec-19	Thurrock Council	2,000,000	11-Jun-20	0.85%
16-Dec-19	Surrey Heath BC	2,000,000	16-Jun-20	0.85%
12-Dec-19	Northumbria Police Authority	2,000,000	07-Jul-20	0.85%
16-Dec-19	DMO	1,000,000	18-Dec-19	0.50%
16-Dec-19	DMO	3,000,000	19-Dec-19	0.50%

Money Market Funds Investments April – December 2019

Date of Investment	Counterparty	Amount (£)	Date of Repayment	Average daily Interest Rate
01-Apr-19	CCLA	1,000,000	On-going	0.73%
01-May-19	Federated	1,000,000	20-May-19	0.77%
03-Jun-19	Federated	1,000,000	On-going	0.74%
11-Jun-19	Invesco	1,000,000	19-Jun-19	0.75%
01-Jul-19	Invesco	1,000,000	18-Jul-19	0.73%
18-Jul-19	Invesco	500,000	15-Aug-19	0.73%
05-Aug-19	Invesco	500,000	15-Aug-19	0.72%
03-Sep-19	Invesco	700,000	21-Oct-20	0.71%
11-Sep-19	Invesco	300,000	21-Oct-20	0.71%
31-Oct-19	Invesco	1,000,000	On-going	0.72%

Borrowing April – December 2019

Date of Investment	Counterparty	Amount (£)	Date of Repayment	Interest Rate
01-Apr-19	Coventry City Council	2,500,000	18-Apr-19	0.80%
01-Apr-19	DMO	2,500,000	04-Apr-19	0.50%
02-Apr-19	DMO	1,000,000	04-Apr-19	0.50%
04-Apr-19	DMO	1,500,000	11-Apr-19	0.50%
10-Apr-19	DMO	1,200,000	18-Apr-19	0.50%
15-Apr-19	DMO	1,500,000	18-Apr-19	0.50%
26-Apr-19	DMO	1,500,000	30-Apr-19	0.50%
01-May-19	DMO	1,500,000	09-May-19	0.50%
09-May-19	DMO	3,000,000	17-May-19	0.50%
15-May-19	DMO	2,000,000	17-May-19	0.50%
15-May-19	DMO	1,000,000	20-May-19	0.50%
24-May-19	DMO	1,000,000	03-Jun-19	0.50%
31-May-19	DMO	1,500,000	03-Jun-19	0.50%
03-Jun-19	DMO	1,500,000	05-Jun-19	0.50%
03-Jun-19	DMO	3,000,000	11-Jun-19	0.50%
05-Jun-19	DMO	3,500,000	10-Jun-19	0.50%
11-Jun-19	Thurrock Council	2,000,000	11-Dec-19	0.80%
14-Jun-19	Conwy County Borough Council	2,000,000	16-Dec-19	0.80%
10-Jun-19	DMO	2,000,000	14-Jun-19	0.50%
10-Jun-19	DMO	1,500,000	11-Jun-19	0.50%
12-Jun-19	Surrey County Council	2,000,000	12-Dec-19	0.78%
11-Jun-19	DMO	2,000,000	12-Jun-19	0.50%
11-Jun-19	DMO	2,000,000	19-Jun-19	0.50%
17-Jun-19	DMO	4,500,000	19-Jun-19	0.50%
26-Jul-19	DMO	1,000,000	01-Aug-19	0.50%
01-Aug-19	DMO	1,000,000	05-Aug-19	0.50%
05-Aug-19	DMO	750,000	16-Aug-19	0.50%
15-Aug-19	DMO	4,000,000	16-Aug-19	0.50%
02-Sep-19	DMO	1,000,000	05-Sep-19	0.50%
05-Sep-19	Cornwall Council	2,000,000	05-Dec-19	0.63%
05-Sep-19	DMO	1,000,000	19-Sep-19	0.50%
16-Sep-19	DMO	2,000,000	19-Sep-19	0.50%
08-Oct-19	DMO	1,000,000	18-Oct-19	0.50%
15-Oct-19	DMO	2,500,000	18-Oct-19	0.50%
17-Oct-19	DMO	1,500,000	18-Oct-19	0.50%
06-Nov-19	DMO	1,000,000	19-Nov-19	0.50%
15-Nov-19	DMO	4,000,000	19-Nov-19	0.50%
19-Nov-19	DMO	1,200,000	22-Nov-19	0.50%
05-Dec-19	Cornwall Council	2,000,000	05-Jun-20	0.85%
11-Dec-19	Thurrock Council	2,000,000	11-Jun-20	0.85%
16-Dec-19	Surrey Heath BC	2,000,000	16-Jun-20	0.85%
12-Dec-19	Northumbria Police Authority	2,000,000	07-Jul-20	0.85%
16-Dec-19	DMO	1,000,000	18-Dec-19	0.50%
16-Dec-19	DMO	3,000,000	19-Dec-19	0.50%