

Committee:	Cabinet	Date:	Wednesday, 9 September 2020
Title:	Budget Forecast Outturn - 2020/21 Quarter 1		
Portfolio Holder:	Cllr Neil Hargreaves, Portfolio Holder for Finance and Budget		
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision:	No

Summary

1. This report details the financial performance of the General Fund, Housing Revenue Account, Capital Programme and Treasury Management. It is based upon actual expenditure and income from April to June and predicts a forecast for the end of the 2020/21 financial year.
2. The General Fund is predicting a net operating underspend of £4,926,000 which is due mainly to the additional S31 grant to support the expanded Business Rates reliefs. After allowing for reserve adjustments this give a bottom line underspend of £341,000.
3. The Housing Revenue Account has a net operating deficit of £707,000; after in year reserves adjustments this gives an overall predicted budget deficit of £37,000.
4. The Capital Programme has a current year underspend of £1,811,000; this is due to requested slippage of £1,762,000 to be carried forward to 2021/22, giving an actual full year predicted underspend of £49,000.

Recommendations

5. The Cabinet is recommended to approve The General Fund, Housing Revenue Account and Capital Programme forecast outturn positions including the updated use of reserves and requested slippage for the Capital Programme

Financial Implications

6. Included in the main body of the report

Background Papers

7. None

Impact

Communication/Consultation	Corporate Management Team (CMT) and Joint Executive Team (JET) plus all service budget managers have provided information to support the full year forecasts
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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

Covid-19 Financial Impact

8. The impact of the pandemic has affected all areas of Finance, and this is reflected in the budgets and the forecast outturn positions presented in this report.
9. The forecast position in this report is based on information available at the end of quarter 1 (30 June) and is in line with the Ministry for Housing, Communities and Local Government (MHCLG) monthly return on the financial impact of Covid-19.
10. These predictions are subject to change as the situation and circumstances evolve, these events and the subsequent financial impacts are outside the council's control and influence.

Key Risks to the forecast outturn

11. The Local Plan and Garden Communities budgets to reflect the new process and requirements in delivering a new Local Plan and this could have a material impact on the budget.
12. The uncertainty of the Covid-19 situation and the potential for a second spike later in the year increases the risks of material fluctuations in the following areas:
 - The sales, fees and charges income has been predicted based on a continuing downturn in the economy
 - Decreases in collection rates for both Council Tax and Business Rates due to unemployment and business unable to continue trading
 - Increase in Local Council Tax Support and Exceptional Hardship Support if unemployment increases when the furlough scheme ends

General Fund Revenue Account

13. The net operating expenditure is £4,926,000 underspent and after adjusting for the associated use of reserves, this gives an overall net underspend of £341,000. The following table provides a summary of the budget outturn and full details of service income and expenditure is shown in Appendix A

£'000	2019/20	2020/21			Variance
	Outturn	Original Budget	Current Budget	Outturn	
Communities & Partnerships	1,221	914	914	1,059	145
Housing & Economic Development	1,487	1,855	1,855	1,974	119
Environmental Services	3,271	5,065	5,065	7,084	2,019
Finance & Administration	5,912	7,040	7,040	7,663	623
Portfolio (Service) Budgets	11,891	14,874	14,874	17,780	2,906
Corporate Items	(1,909)	(1,171)	5,317	5,189	(128)
Net Direct Expenditure	9,982	13,703	20,191	22,969	2,779
Funding	(7,864)	(7,251)	(7,251)	(14,956)	(7,705)
Net Operating Expenditure	2,118	6,452	12,940	8,013	(4,926)
Transfers to/(from) Reserves	3,539	(495)	(6,983)	(2,397)	4,585
OVERALL NET POSITION	5,657	5,957	5,957	5,616	(341)

Direct Services Net Expenditure

14. Direct Services are reporting a net overspend of £2,906,000, after adjusting for government funding to support the impact of Covid-19 the actual position shows a £165,000 net underspend. This is set out in the table below and the variances have been set out in categories, normal service activity and items directly related to Covid-19.

15. After allowing for the Covid-19 variance of a net £2,854,000 this gives a net variance for normal service activity of £52,000 overspend.

£'000	Normal Service Activity Savings/Additional Income		Normal Service Activity Increased costs/Decreased Income		Covid -19 Service Impact		Other Immaterial	Total Net Variance
	One off	Ongoing	One off	Ongoing	Savings Additional Income	Increased Cost Decreased Income		
Communities & Partnerships	(23)	(21)	117	7	(29)	95	(2)	145
Housing & Economic Development	(106)	(41)	11	26	(10)	240	(1)	119
Environmental Services	(167)	(91)	201	15	(103)	2,165	1	2,019
Finance & Admin	(470)	(347)	779	165	(206)	704	(1)	623
Total Service Variances	(766)	(500)	1,108	214	(349)	3,203	(2)	2,906
Use of reserves					0			0
Government Funding					(2,716)			(2,716)
Collection Fund Section 31 Grant					(355)			(355)
Actual Service Variances net of reserves/funding	(766)	(500)	1,108	214	(3,420)	3,203	(2)	(165)

16. The following table details the expenditure and income losses directly attributed to the Covid-19 emergency. These costs reflect the direct impact on the councils finances and do not include the full cost, an example being staff currently employed who have been redirected to supporting the emergency are not included.

Covid-19 impact detailed analysis			Variance details
	£'000	£'000	
	Expenditure	Income	
Day Centre	(27)	46	Utilities savings and no room hire income received
Grants (Fairycroft income share)	(27)		Income share reduction to Pig Market Charity matched to expected actual income loss
Museum	6	15	Emergency staffing costs due to volunteers shielding and loss of admission fees
Building Surveying		223	Loss of income from inspections
Car Parks Income share saving	(76)	780	Parking income loss, plus reduction in the income share to Fairycroft, Rose & Crown and Craiton Green
Development Control		889	No pre or planning applications received and predicted 75% income loss
Licensing	(8)	155	Reduced income in applications for licences and some associated costs
Public Health	(15)	29	Loss of inspection income and overall saving in costs due to reduced services
Planning Management		27	Loss of income for Street naming and numbering
Benefits Administration	20	(39)	Additional costs for administration of additional work for Covid plus allocation of new burdens grant
Central Services (scanning, stationary, postage)	(81)	10	Savings due to staff vacancy and reduced postage cost with lost income for sales and printing
HR	(35)		Training and consultancy not required/available during lockdown and ongoing limited contact
IT	47		Additional cost of resources and supplies to support the organisation in new ways of working
Land Charges	(11)	59	Loss of income for searches and associated reduction in costs
Legal Services		20	Loss of income mainly from S106 agreements
Local Taxation		50	Loss of income as recovery action is frozen for first half of the year
Offices	(16)	5	Savings in utility costs for the building and loss of wedding income
Essex Council Tax sharing agreement		147	Loss of share back income based on the increased level of non payment of council tax
Waste and Recycling	122	162	Additional staff costs to support service in lockdown and employees shielding, plus expected loss of income in recycling and Trade Waste
LCTS additional gov support	325		Additional government support for residents in support of LCTS, this cost is supported by S31 grant
Homelessness	12		Additional resources to support the vulnerable and homeless
Net minor income and expenditure	40		
	<u>276</u>	<u>2,578</u>	
Total impact on revenue		<u>2,854</u>	

17. The main financial impact to the council is the loss of income with the current prediction showing a full year loss of £2,578,000. This lost income is supported in part from Government funding and is explained in paragraph 25.
18. The direct costs are reporting £276,000, of which the LCTS additional hardship support of £325,000 is included, but this cost is fully reimbursed by the Government via a S31 grant and after adjusting for this income the actual position is a reduction in expenditure of £49,000.
19. The expenditure reduction is due to savings generated from the new way of working, e.g. reduced travel costs, utility costs and the implementation of 'Essential Spend only' put in place in late March.

Corporate Costs

20. The capital financing original budget of £1,672,000 has increased by £6,488,000 this reflects the slippage requests from the 2019/20 Capital Programme as reported and approved by members at the July Cabinet meeting.
21. The key items of slippage which are now included in the 2020/21 budget are the New Depot site and Superfast Broadband, both of which are funded from reserves and has a net nil bottom line impact.
22. The investment interest charge variance is due to the decreased rates of interest for short term borrowing.

Funding

23. Business Rates have not at this point shown a significant drop in collection and this is due to the extension of business rates reliefs put in place by the government to support businesses affected by the lock down.
24. These reliefs along with other reliefs already in place cover a majority of the businesses in the Uttlesford District and the council receives 100% reimbursement for these reliefs via a Section 31 grant.
25. An additional £4,718,000 of Section 31 grant has been received to reimburse the council for the new reliefs and discounts, these are detailed in the following points:
- Retail Discount – increased to 100% for all eligible retail properties and extended to include Hospitality and Leisure properties; no limit on rateable value (Originally set at £51,000)
 - Nursery Relief – 100% relief for Early Learning providers
 - Pub Relief – increased discount to £5,000 for pubs up to RV £100,000 (This became irrelevant when the RV cap of £51,000 was removed for retail properties, as pubs are classified in this category)
 - Local Council Tax Discount (LCTS) discounts hardship support
Additional support for residents in receipt of LCTS; giving a maximum of £150 discount on their council tax liability.
26. The collectable income for business rates is accounted for in arrears and this means the impact of any changes to our income will be accounted for in the following year. To ensure we match the funding to the expenditure the business rates element of the additional S31 grant has been added to reserves for future year deficits.
27. The council has received additional financial support for the impacts of Covid-19 totalling £2,716,000 and this is made up of the following:
- £1,047,000 direct support, this is a fixed sum and will not change and is not subject to any criteria or pay back.
 - £1,669,000 relates to the loss of income on sales, fees and charges only and does not include any income losses for Council Tax or Business Rates. The funding is payable on 95% of the lost income and of this the council will receive funding at 75%.

Reserves

28. The balance of reserves at the 1 April 2020 was £20,958,000 and the original budgeted net use of reserves was £495,000.
29. The reserves have been updated to reflect the £6,488,000 approved capital slippage as discussed in paragraph 18; this now gives a current budget net use of reserves at £6,983,000.
30. The actual forecast position includes the capital slippage and the additional S31 grant funding discussed in paragraph 26.

31. The following table sets out the changes to the use of reserves and full details of all the reserves and current balances are set out in Appendix B.

	£'000
Original net use of reserves	(495)
Section 31 Grant (Business Rates)	4,635
New Depot	(4,504)
Capital Slippage (inc. Superfast Broadband)	(1,984)
Working Balance (to reflect current net budget)	(49)
Forecast net use of reserves	(2,397)

Housing Revenue Account (HRA)

Covid-19 Impact

32. The key impact of covid-19 on the HRA is in rental income and the current predicted loss of income for the year is expected to be £1.240m.

33. Officers continue to support Tenants and recover arrears where possible but recovery action is limited due to the government guidance preventing any court action.

34. The impact on the HRA is an increased bad debt provision of approximately 30%, this is included in the corporate items at a sum of £0.390m. The remaining balance will sit in debtors on the balance sheet.

Service Delivery

35. The HRA is predicting a net operating deficit of £707,000 and after adjusting for funding contributions and reserves the bottom line impact is forecast at £37,000 deficit. The following table provides a summary of the budget and the full budget is set out in Appendix C.

£'000	2020/21			
	Original Budget	Current Budget	Forecast Outturn	Variance
Total Service Income	(15,979)	(15,979)	(16,078)	(99)
Total Service Expenditure	4,564	4,564	4,971	407
Total Corporate Items	11,203	11,203	11,602	399
OPERATING (SURPLUS)/DEFICIT	(212)	(212)	495	707
Funding of Capital Programme from HRA	1,325	1,325	2,629	1,304
Use of Reserves	(1,113)	(1,113)	(3,087)	(1,974)
Total Use of Reserves/Funding	212	212	(458)	(670)
(SURPLUS)/DEFICIT	0	0	37	37

36. The key service variances relating to the operating deficit are detailed below:

- Service income – Collectable rental income has increased against budget by £81,000 due to an increase in available properties
- Service Expenditure - Housing Repairs transitional costs of £421,000 relating to the Uttlesford Norse Joint Venture first year management costs and finalisation of existing contractor payments
- Corporate Costs – Bad Debt provision increase of £390,000 relating to rent arrears as discussed in paragraphs 32-34.

Reserves

37. The reserves balances at 1 April 2020 were £2,279,000 and the predicted net use of reserves is £1,587,000 to support capital projects, this leaves a forecast year end balance of £692,000. The detailed reserves balances are set out in Appendix D

Capital Programme

38. The current budget for the 2020/21 Capital Programme is £19,299,000 and this is made up of the original budget of £8,887,000 and the slippage of £10,412,000 brought forward from 2019/20 as set out in the Final Outturn report approved at the July Cabinet.
39. The forecast outturn spend is predicted to be £17,488, with requested slippage of £1,762,000 in the HRA and this relates to Walden Place being reprofiled to 2021/22.
40. The full Capital Programme is set out in Appendix E, this provides a summary of all the schemes for the General Fund and HRA, along with the balances for S106 funds.

Investments

41. During the first quarter the Council completed on the purchase of a commercial property investment, this was in line with the requirements of the Commercial Strategy approved by Members in February 2020.
42. The purchase of Skyway House, Parsonage Road, Takeley for an initial purchase price of £17,000,000 (excludes stamp duty, Land Registry fees and insurance). A further 3 instalments are due totalling £3,000,000 as future performance milestones are met.
43. The annual rental income is £1,128,000 and for 2020/21 this is £845,000 for the period 1 July 2020 – 31 March 2021

Treasury Management

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

45. The average rates of interest for the period April to June:

- Investments – 0.08%
- Borrowing – 0.31%

46. The council's long term investments relate to the loans 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 £'000	Loan Term	Rate %	Repayment Basis	Annual Interest Receivable £'000
03/05/2017	47,250	50 Years	4.0	Interest Only	1,890
26/03/2018	223	49 years 1 month	4.0	Interest Only	9
02/01/2019	2,518	48 years 4 month	4.0	Interest Only	101
09/06/2020	1,250	20 years	4.5	Principal & Interest	56
01/07/2020	2,600	20 years	4.5	Principal & Interest	117
20/08/2020	3,000	20 years	4.5	Principal & Interest	135

47. The additional funds to Aspire (CRP) Ltd are for the refurbishment and refit of 2 units on the site.

48. The council has two long term loans:

- £37,000,000 with Phoenix Life Limited over 40 years for the investment in Aspire (CRP) Ltd
 - The loan is to be drawn down in 3 separate stages
 - £10,000,000 on the 3rd July 2017
 - £12,000,000 on the 3rd July 2020
 - £15,000,000 on the 3rd July 2021
 - No principal repayments will be made until 5th January 2022.
 - Fixed rate of interest @ 2.86% for all 3 drawdowns.
- Housing Revenue Account borrowed £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

49.

Risk	Likelihood	Impact	Mitigating actions
Actual income and expenditure will vary from forecast, requiring adjustments to budget and/or service delivery	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 Budget Summary

£'000	2019/20 Outturn	Quarter 1 April to June			2020/21			
		Current Budget	Actuals to Date	Variance to Date	Original Budget	Current Budget	Forecast	Variance
Portfolio Budgets								
Community & Partnerships	1,221	222	336	115	914	914	1,059	145
Housing & Economic Development	1,487	267	165	(101)	1,855	1,855	1,974	119
Environmental	3,271	631	946	315	5,065	5,065	7,084	2,019
Finance & Administration	5,912	1,736	3,061	1,324	7,040	7,040	7,663	623
Total - Portfolio Budgets	11,891	2,855	4,508	1,652	14,874	14,874	17,780	2,906
Corporate Items								
Capital Financing Costs	1,854				1,672	8,160	8,083	(77)
PFI interest cost	0				372	372	372	0
Interest Charges	417				788	788	687	(101)
Investment Income	(2,167)				(2,912)	(2,912)	(2,867)	45
Exceptional corporate items	(108)				0	0	5	5
Pension Fund - Added Years	113				85	85	85	0
Pension Triennial Payment					571	571	571	0
Corporate Core HRA Share	(376)				(372)	(372)	(372)	0
Recharge to HRA	(1,643)				(1,375)	(1,375)	(1,375)	0
Subtotal - Corporate Items	(1,909)				(1,171)	5,317	5,189	(128)
Subtotal - Budgets	9,982				13,703	20,191	22,969	2,779
Funding								
Council Tax - Collection Fund Balance	(67)				(20)	(20)	(20)	0
Business Rates - Collection Fund Balance	(1,052)				(26)	(26)	8	34
Business Rates - UDC Share (net of tariff)	(2,205)				(2,440)	(2,440)	(2,475)	(35)
Business Rates - Levy/(Safety Net) Payment	481				690	690	421	(269)
Business Rates - Renewable Energy Schemes	(126)				(133)	(133)	(133)	(0)
Collection fund - Section 31 Funding	(1,646)				(1,408)	(1,408)	(6,126)	(4,718)
Rural Services Delivery Grant	(279)				(279)	(279)	(279)	0
New Homes Bonus	(2,969)				(3,635)	(3,635)	(3,635)	0
Covid impact proposed funding	0				0	0	(2,716)	(2,716)
Subtotal - Funding	(7,864)				(7,251)	(7,251)	(14,956)	(7,705)
Net Operating Expenditure	2,118				6,452	12,940	8,013	(4,926)
Transfer to/(from) Reserves								
Business Rates	1,052				197	197	4,831	4,634
Departments for Work and Pensions	0				0	0	0	0
Licensing	(11)				34	34	34	0
Capital Slippage	108				0	(1,984)	(1,984)	0
Working Balance	39				0	0	(49)	(49)
Medium Term Financial Strategy	191				0	0	0	0
Transformation	(27)				(3)	(3)	(3)	0
EU Exit	385				0	0	0	0
Funding	1,060				0	0	0	0
Contingency Reserves	0				0	0	0	0
Emergency Response	0				0	0	0	0
Economic Development	185				0	0	0	0
Elections	(55)				25	25	25	0
Homelessness	65				102	102	102	0
Health and Wellbeing	46				0	0	0	0
Planning and Development	305				(15)	(15)	(15)	0
Strategic Initiatives	(500)				0	0	0	0
Garden Communities	0				0	0	0	0
Development Projects	623				(835)	(835)	(835)	0
Pension Reserve	0				0	0	0	0
New Homes Bonus Ward Members	22				0	0	0	0
Voluntary Sector	0				0	0	0	0
Waste Depot Relocation Project	(59)				0	(4,504)	(4,504)	0
Waste Management	49				0	0	0	0
Private Finance Initiative	60				0	0	0	0
Subtotal - Movement in General Fund Reserves	3,539				(495)	(6,983)	(2,397)	4,585
COUNCIL TAX REQUIREMENT	5,657				5,957	5,957	5,616	(341)
Council Tax (precept levied on Collection Fund)	(5,657)				(5,957)	(5,957)	(5,957)	0
OVERALL NET POSITION (Under) / Over spend	0				0	0	(341)	(341)

Appendix A continued...

Portfolio Service Variances

Communities and Partnerships

£'000	2019/20 Outturn	2020/21			Variance
		Original Budget	Current Budget	Forecast Outturn	
Community Information	50	51	51	49	(2)
Day Centres	77	91	91	104	13
Emergency Planning	29	26	26	33	6
Grants & Contributions	823	394	394	447	52
Leisure & Performance	43	43	43	42	(1)
Saffron Walden Museum	206	227	227	249	21
New Homes Bonus	57	78	78	78	0
Private Finance Init	(44)	3	3	78	75
Communities Partnership	0	0	0	0	0
Renovation Grants	(19)	0	0	(20)	(20)
Portfolio Total	1,221	914	914	1,059	145

Housing & Economic Development

£'000	2019/20 Outturn	2020/21			Variance
		Original Budget	Current Budget	Forecast Outturn	
Building Surveying	(56)	7	7	205	198
Committee Admin	354	288	288	268	(20)
Customer Services Centre	448	547	547	506	(42)
Democratic Represent	334	352	352	339	(13)
Economic Development	141	272	272	262	(10)
Energy Efficiency	24	34	34	35	0
Health Improvement	106	169	169	181	12
Homelessness	112	107	107	125	19
Lifeline	(163)	(158)	(158)	(158)	0
Communications	187	237	237	211	(26)
Portfolio Total	1,487	1,855	1,855	1,974	119

Portfolio Service Variances**Environmental Services**

£'000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Forecast Outturn	Variance
Animal Warden	6	8	8	4	(3)
Grounds Maintenance	332	355	355	355	0
Car Park	(730)	(668)	(668)	43	711
Development Control	235	(125)	(125)	762	887
Depots	50	53	53	53	0
Garden Planning	286	1,638	1,638	1,638	0
Street Cleansing	434	415	415	413	(2)
Housing Strategy	48	57	57	46	(11)
Highways	1	6	6	6	0
Local Amenities	(13)	(12)	(12)	(13)	(1)
Licensing	(321)	(282)	(282)	(154)	129
Vehicle Management	474	483	483	483	0
Public Health	502	678	678	631	(47)
Planning Management	379	407	407	435	27
Planning Policy	547	910	910	910	0
Planning Specialists	153	218	218	218	0
Waste Management	334	311	311	643	332
Community Safety	302	370	370	369	(1)
Street Services	250	240	240	240	0
Portfolio Total	3,271	5,065	5,065	7,084	2,019

Portfolio Service Variances**Finance & Admin**

£'000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Forecast Outturn	Variance
Benefits Admin	269	343	343	325	(18)
Corporate Management	1,132	1,907	1,907	1,704	(203)
Conveniences	20	0	0	0	0
Central Services	399	457	457	373	(84)
Corporate Team	238	49	49	547	498
Conducting Elections	130	1	1	5	4
Electoral Registration	45	55	55	46	(9)
Financial Services	1,059	1,024	1,024	1,148	124
Housing Benefits	(57)	(77)	(77)	(77)	0
Human Resources	272	377	377	290	(87)
Internal Audit	140	150	150	150	0
Information Technology	1,303	1,532	1,532	1,581	49
Land Charges	(65)	(66)	(66)	(17)	48
Legal Services	226	182	182	239	57
Local Taxation	(114)	(100)	(100)	(50)	50
Non Domestic Rates	(147)	(146)	(146)	(142)	4
Office Cleaning	214	213	213	213	0
Offices	503	688	688	368	(320)
Revenues Admin	560	597	597	599	2
Council Tax Discounts	(215)	(148)	(148)	360	508
Portfolio Total	5,912	7,040	7,040	7,663	623

Appendix B

General Fund Reserves

£'000	Balance 1st April 2020	Transfer From General Fund	Transfer to General Fund	Transfer Between Reserves	Balance 31st March 2021
<u>RINGFENCED RESERVES</u>					
Business Rates	2,833	4,831			7,664
Departments for Work and Pensions	71				71
Licensing	80	34			113
Capital Slippage	1,279		(1,984)		(705)
Working Balance	1,311		(49)		1,263
TOTAL RINGFENCED RESERVES	5,574	4,865	(2,033)	0	8,407
<u>USABLE RESERVES</u>					
<u>Financial Management Reserves</u>					
Medium Term Financial Strategy	1,527				1,527
Transformation	1,142		(3)		1,139
EU Exit	513				513
Funding	1,060				1,060
	4,242	0	(3)	0	4,239
<u>Contingency Reserves</u>					
Emergency Response	40				40
	40	0	0	0	40
<u>Service Reserves</u>					
Economic Development	247				247
Elections	45	25			70
Homelessness	283	150	(48)		385
Health and Wellbeing	118				118
<i>Planning</i>	1,628				1,628
<i>Neighbourhood Planning</i>	58		(15)		43
<i>Housing Strategy</i>	25				25
<i>Development Control</i>	96				96
Strategic Initiatives	1,660				1,660
Development Projects	1,774		(835)		940
New Homes Bonus Ward Members	22				22
Waste Depot Relocation Project	4,590		(4,504)		86
Waste Management	250				250
Private Finance Initiative	307				307
	11,102	175	(5,402)	0	5,876
TOTAL USABLE RESERVES	15,384	175	(5,405)	0	10,155
TOTAL GENERAL FUND RESERVES	20,958	5,040	(7,437)	0	18,561

Appendix C

Housing Revenue Account Budget Summary

£000	April to June			2020/21			
	Current Budget	Actuals to Date	Variance to Date	Original Budget	Current Budget	Forecast Outturn	Forecast Variance to Current Budget
Housing Revenue Account Income							
Dwellings Rent	(3,667)	(4,376)	(710)	(14,667)	(14,667)	(14,748)	(81)
Garage Rents	(57)	(68)	(11)	(230)	(230)	(231)	(1)
Land Rents	(1)	(1)	(0)	(3)	(3)	(3)	(1)
Charges for Services & Facilities	(270)	(300)	(30)	(1,079)	(1,079)	(1,079)	0
Contributions Towards Expenditure	0	(2)	(2)	0	0	(17)	(17)
Total Service Income	(3,995)	(4,747)	(753)	(15,979)	(15,979)	(16,079)	(99)
Housing Finance & Business Management							
Business & Performance Management	0	0	0	0	0	0	0
Rents, Rates & Other Property Charges	19	66	47	75	75	75	0
	19	66	47	75	75	75	0
Housing Maintenance & Repairs Services							
Common Service Flats	52	32	(20)	209	209	209	0
Estate Maintenance	49	1	(48)	196	196	196	0
Housing Repairs	612	0	(612)	2,449	2,449	2,869	421
Housing Sewerage	15	8	(7)	60	60	60	0
Newport Depot	0	10	10	0	0	0	0
Property Services	89	13	(76)	356	356	356	0
	818	65	(753)	3,270	3,270	3,691	421
Housing Management & Homelessness							
Housing Services	132	123	(9)	528	528	512	(16)
Sheltered Housing Services	173	162	(11)	691	691	693	3
Supporting People	0	0	0	0	0	0	0
	305	284	(20)	1,219	1,219	1,206	(13)
Total Service Expenditure	1,141	415	(726)	4,564	4,564	4,971	407
Corporate Costs							
Bad Debt Provision				100	100	490	390
Depreciation - Dwellings (to MRR)				4,555	4,555	4,555	(0)
Depreciation - Non-Dwellings (to MRR)				66	66	66	0
Impairment - Non-Dwellings				0	0	0	0
Interest / Costs - HRA Loan				2,613	2,613	2,613	0
Repayment of Loan				2,000	2,000	2,000	0
Investment Income				(13)	(13)	(2)	11
Recharge from General Fund				1,375	1,375	1,375	(0)
HRA Share of Corporate Core				372	372	372	0
Pension Fund - Added Years				19	19	19	0
Pension Fund - Deficit				126	126	126	0
Right to Buy Admin Cost Allowance				(10)	(10)	(10)	0
Total Corporate Costs				11,203	11,203	11,603	400
TOTAL EXPENDITURE				15,767	15,767	16,574	808
OPERATING (SURPLUS)/DEFICIT				(212)	(212)	496	709
Funding from Capital Receipts Reserve for HRA Loan				(2,000)	(2,000)	(1,500)	500
Funding of Capital Programme from HRA							
Funding of Action Plan Capital Items				0	0	0	0
Funding of Capital from Revenue				1,325	1,325	2,629	1,304
				1,325	1,325	2,629	1,304
Transfers to/from (-) Reserves							
Capital Projects Reserve				897	897	0	(897)
Potential Developments (New Builds)				0	0	(110)	(110)
Sheltered Housing Reserve				0	0	0	0
HRA Capital Slippage Reserve				0	0	(1,302)	(1,302)
Revenue Projects				0	0	0	0
Transformation Reserve				0	0	(170)	(170)
Working Balance				(10)	(10)	(5)	5
				887	887	(1,587)	(2,474)
Total Use of Reserve / Funding				2,212	2,212	1,042	(1,170)
(SURPLUS)/DEFICIT				0	0	37	37

Appendix D

Housing Revenue Account Reserves

Reserve £'000	Actual Balance 1st April 2020	Forecast transfer from HRA	Forecast Transfer to HRA	Transfer between Reserves	Estimated Balance 31st March 2021
<u>RINGFENCED RESERVES</u>					
Working Balance	514	0	(5)	0	509
	514	0	(5)	0	509
<u>USABLE RESERVES</u>					
<u>Revenue Reserves</u>					
Transformation / Change Management	180	0	(170)	0	10
Revenue Projects	160	0	0	0	160
	340	0	(170)	0	170
<u>Capital Reserves</u>					
Capital Projects	13	0	0	0	13
Potential Development Projects	110	0	(110)	0	0
Sheltered Housing Projects	0	0	0	0	0
HRA Slippage Reserve	1,302	0	(1,302)	0	0
	1,425	0	(1,412)	0	13
TOTAL USABLE RESERVES	1,765	0	(1,582)	0	183
TOTAL RESERVES	2,279	0	(1,587)	0	692

Capital Programme expenditure

	Original Budget	Slippage 2019/20	Current Budget	Forecast Outturn	Slippage to 2021/22	Under/Over spend
General Fund Total	1,890	6,488	8,378	8,378	0	0
Housing Revenue Account Total	6,997	3,924	10,921	9,110	1,762	(49)
Total Capital Programme	8,887	10,412	19,299	17,488	1,762	(49)

Capital Programme financing

£'000	GF	HRA
GRANTS AND CONTRIBUTIONS	200	1,664
RCCO	459	142
SLIPPAGE RESERVE	6,488	1,302
OTHER RESERVE	-	110
CAPITAL RECEIPT	261	220
INTERNAL BORROWING	970	-
S106 PAYMENTS	-	-
CAPITAL RECEIPT - RTB	-	975
MRR	-	4,697
SUB TOTAL	8,378	9,110
TOTAL CAPITAL PROGRAMME		17,488

Appendix E continued...

Capital Programme General Fund

SCHEME	COST CENTRE	ACTUAL TO JUNE	ORIGINAL BUDGET 2020/21	SLIPPAGE FROM 2019/20	CURRENT BUDGET 2020/21	FORECAST	FORECAST TO BUDGET VARIANCE	REQUESTED SLIPPAGE TO 2021/22
GENERAL FUND								
COMMUNITY AND PARTNERSHIPS								
Community Project Grants	CGF502/6842	24	110	30	140	140	0	
Tree Planting	CGF533/6841	0	15	0	15	15	0	
TOTAL COMMUNITY AND PARTNERSHIPS		24	125	30	155	155	0	0
ENVIRONMENTAL SERVICES								
White Street Car Park	CGF108/6801	0	0	25	25	25	0	
Household Bins	CGF300/6822	12	70	0	70	70	0	
Trade Waste Bins	CGF301/6822	0	30	0	30	30	0	
Kitchen Caddies	CGF304/6822	0	10	0	10	10	0	
Garden Waste Bins	CGF308/6822	6	20	0	20	20	0	
Car Parking Machine Replacement	CGF321/6822	0	0	92	92	92	0	
Electric Car Charges	CGF323/6822	0	15	0	15	15	0	
Vehicle Replacement Programme	CGF602/6823	1	880	638	1,518	1,518	0	
TOTAL ENVIRONMENTAL SERVICES		20	1,025	755	1,780	1,780	0	0
HOUSING AND ECONOMIC DEVELOPMENT								
Private Sector Renewal Grant	CGF500/6841	0	70	70	140	140	0	
Disabled facilities Grant	CGF503/6841	22	200	0	200	200	0	
Empty Dwellings	CGF505/6841	0	10	10	20	20	0	
Superfast Broadband	CGF528/6841	0	0	600	600	600	0	
TOTAL HOUSING AND ECONOMIC DEVELOPMENT		22	280	680	960	960	0	0

Appendix E continued...

Capital Programme General Fund

SCHEME	COST CENTRE	ACTUAL TO JUNE	ORIGINAL BUDGET 2020/21	SLIPPAGE FROM 2019/20	CURRENT BUDGET 2020/21	FORECAST	FORECAST TO BUDGET VARIANCE	REQUESTED SLIPPAGE TO 2021/22
FINANCE AND ADMINISTRATION								
Minor Items IT	CGF401/6834	0	20	0	20	20	0	
PCI Compliance	CGF413/6834	0	20	14	34	34	0	
PSN CoCo Works	CGF425/6824	0	30	32	62	62	0	
Replacement Electoral System	CGF434/6824	17	0	17	17	17	0	
Asset Management System	CGF437/6824	0	0	30	30	30	0	
Cyber Security	CGF438/6824	0	20	32	52	52	0	
Grounds Maint & Vehicle System	CGF439/6824	0	0	95	95	95	0	
Idox Additional Modules	CGF441/6824	0	0	5	5	5	0	
Licensing - Lalpac to Idox Uni	CGF442/6824	0	0	16	16	16	0	
ArcGIS Upgrade	CGF443/6824	0	0	21	21	21	0	
Network Monitor&Threat Protect	CGF445/6824	0	0	30	30	30	0	
Postal Software	CGF446/6824	0	0	27	27	27	0	
Scanner Replacement	CGF447/6824	0	30	0	30	30	0	
Sharepoint	CGF448/6824	0	30	0	30	30	0	
Wifi	CGF449/6824	0	50	0	50	50	0	
Northgate Housing Assets	CGF450/6824	0	20	0	20	20	0	
New Depot Site	CGF103/6801	3	0	4,504	4,504	4,504	0	
London Rd Office Building works	CGF112/6801	0	120	190	310	310	0	
Day Centres Cyclical Improvements	CGF115/6801	0	25	0	25	25	0	
London Rd Office Electrical	CGF316/6822	0	0	10	10	10	0	
London Road - Fire Alarm Upgrade	CGF127/6801	0	50	0	50	50	0	
London Road - LED Lighting	CGF128/6801	0	45	0	45	45	0	
TOTAL FINANCE AND ADMINISTRATION		20	460	5,023	5,483	5,483	0	0

Appendix E continued...

Capital Programme Housing Revenue Account

SCHEME	COST CENTRE	ACTUAL TO JUNE	ORIGINAL BUDGET 2020/21	SLIPPAGE FROM 2019/20	CURRENT BUDGET 2020/21	FORECAST	FORECAST TO BUDGET VARIANCE	REQUESTED SLIPPAGE TO 2021/22
HOUSING REVENUE ACCOUNT								
Cash Incentive Scheme Grants	CHR500/6841	3	50	0	50	50	0	
Sheltered Digital Upgrade	CHR403/6824	0	0	20	20	20	0	
TOTAL CASH INCENTIVE SCHEME GRANTS		3	50	20	70	70	0	0
RIGHT TO BUY SCHEMES								
The Moors	CHR116/6801	3	0	1,960	1,960	1,960	0	
Thaxted Road	CHR119/6801	99	2,350	0	2,350	2,350	0	
Great Chesterford	CHR118/6801	42	900	0	900	900	0	
Auton Court	CHR122/6801	12	0	0	0	0	0	
TOTAL RIGHT TO BUY SCHEMES		156	3,250	1,960	5,210	5,210	0	0
SHELTERED SCHEMES								
Hatherley Court	CHR108/6801	40	0	0	0	0	0	
Reynolds Court	CHR107/6801	0	0	49	49	0	(49)	
Walden Place	CHR109/6801	0	0	1,762	1,762	0	(1,762)	1,762
Alexia House	CHR121/6801	0	0	0	0	0	0	
Parkside	CHR120/6801	9	0	0	0	0	0	
TOTAL SHELTERED SCHEMES		49	0	1,811	1,811	0	(1,811)	1,762
HRA - UTTLESFORD NORSE								
HRA Repairs	Various	0	3,542	0	3,542	3,542	0	
UPVC Fascia's and Guttering	CHR223/6812	0	100	0	100	100	0	
Resurfacing Access Road	CHR111/6801	0	0	133	133	133	0	
Lift Replacement	CHR224/6812	0	55	0	55	55	0	
TOTAL UTTLESFORD NORSE		0	3,697	133	3,830	3,830	0	0
TOTAL HOUSING REVENUE ACCOUNT CAPITAL SCHEMES		207	6,997	3,924	10,921	9,110	(1,811)	1,762

Appendix E continued...

Section 106

With Conditions	31 March 2020	Income	Adjustment	Drawn Down - Capital	Balance at 30 June 2020
	£'000	£'000	£'000	£'000	£'000
S106 Receipts in Advance					
Priors Green, Takeley	78	-	-	-	78
Land north of Ingrams, Felsted	10	-	-	-	10
Rochford Nurseries/Foresthall Park, Stansted	20	-	-	-	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	479	-	-	-	479

Other Bodies	31 March 2020	Income	Adjustment	Transferred to other bodies	Balance at 30 June 2020
	£'000	£'000	£'000	£'000	£'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	1	-	-	-	1
Ashdon Road Commercial Centre	34	-	-	-	34
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 at Elsenham Nuseries	14	-	-	-	14
Bury Water Lane, Newport	26	-	-	-	26
Walpole Farm, Cambridge Road, Stansted	53	-	-	-	53
14 Stortford Road, Gt Dunmow	-	35	-	-	35
Grants and Contributions to Other Bodies	536	35	-	-	571

Without Conditions	31 March 2020	Income	Adjustment	Drawn Down - Capital	Balance at 30 June 2020
	£'000	£'000	£'000	£'000	£'000
S106 Unapplied					
Affordable Housing;	327	-	-	-	327
Drawn Down	-	-	-	-	-
Affordable Housing	327	-	-	-	327
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	540	-	-	-	540

Appendix F

Investments April – June 2020

Date of Investment	Counterparty	Amount (£)	Date of Repayment	Interest Rate %
01-Apr-20	DMO	21,000,000	06-Apr-20	0.055%
06-Apr-20	DMO	1,000,000	07-Apr-20	0.030%
06-Apr-20	DMO	4,000,000	08-Apr-20	0.035%
06-Apr-20	DMO	16,500,000	09-Apr-20	0.045%
09-Apr-20	DMO	1,800,000	14-Apr-20	0.040%
09-Apr-20	DMO	1,000,000	15-Apr-20	0.075%
09-Apr-20	DMO	12,400,000	16-Apr-20	0.080%
16-Apr-20	DMO	4,000,000	20-Apr-20	0.045%
20-Apr-20	DMO	3,000,000	23-Apr-20	0.055%
27-Apr-20	DMO	2,500,000	30-Apr-20	0.055%
15-May-20	DMO	3,400,000	19-May-20	0.040%
11-Jun-20	Thurrock Council	2,000,000	11-Dec-20	0.600%
05-Jun-20	DMO	2,000,000	08-Jun-20	0.020%
08-Jun-20	DMO	1,000,000	15-Jun-20	0.020%
15-Jun-20	DMO	3,800,000	22-Jun-20	0.020%
16-Jun-20	DMO	2,000,000	24-Jun-20	0.010%
22-Jun-20	DMO	1,800,000	25-Jun-20	0.010%
24-Jun-20	DMO	2,000,000	25-Jun-20	0.010%
30-Jun-20	Monmouthshire County Council	3,000,000	06-Apr-21	0.300%
Average interest rate				<u>0.08%</u>

Money Market Funds

Fund Name	Opening Balance (£) 01/04/2020	Closing Balance (£) 30/06/2020	No. of days invested	Average 1 day yield
CCLA - The Public Sector Deposit Fund	1,000,000	2,000,000	91	0.34%
Federated Short-Term Sterling Prime Fund	1,000,000	1,750,000	91	0.31%

Appendix F

Borrowing April – June 2020

Date of borrowing	Institution	Amount (£)	Date of Repayment	Interest Rate %
27/04/2020	Pembrokeshire County Council	5,000,000	27/05/2020	0.50%
01/05/2020	Newport City Council	4,000,000	01/06/2020	0.50%
04/05/2020	Newport City Council	2,000,000	06/07/2020	0.60%
21/05/2020	Northern Ireland Housing Executive	5,500,000	06/07/2020	0.45%
27/05/2020	Pembrokeshire County Council	5,000,000	06/07/2020	0.30%
25/06/2020	Hampshire County Council	5,000,000	25/09/2020	0.15%
25/06/2020	Hampshire Pension Fund	2,500,000	25/09/2020	0.15%
25/06/2020	New Forest District Council	1,500,000	25/09/2020	0.15%
25/06/2020	Hampshire Fire and Rescue Authority	1,000,000	25/09/2020	0.15%
25/06/2020	Medway Council	5,000,000	30/06/2020	0.15%
Average interest rate				<u>0.31%</u>