

Committee:	Cabinet	Date:
Title:	Budget Outturn 2020/21	Thursday, 1 July 2021
Portfolio Holder:	Councillor 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 financial performance relating to the General Fund, Housing Revenue Account and Capital Programme. It is based upon actual expenditure and income for the financial year 2020/21.
2. The General Fund has an underspend of £161,000; this is mainly due to the net financial impact of the commercial property investments and associated financing.
3. The Housing Revenue Account has a net operating underspend of £2,815,000 which is due to a change in the accounting relating to the Minimum Revenue Provision; after allowing for in year reserves adjustments this gives an overall budget deficit of £26,000
4. The Capital Programme is reporting an overspend of £107,484,000; after allowing for requested slippage of £9,111,000 to be carried forward to 2021/22, this gives an actual full year overspend of £116,595,000. The overspend is due to the purchase of the Commercial investment properties.
5. In accordance with statutory regulations, the draft 2020/21 Statement of Accounts are consistent with the 2020/21 results reported here.
6. All figures are subject to a full external audit and the Final Audited Accounts will be submitted to the Governance, Audit and Performance Committee for approval. In the event of any amendments to the figures identified by the auditors an updated position will be presented to members.

Recommendations

7. The Cabinet is recommended to approve;
 - The General Fund, Housing Revenue Account and Capital Programme outturn positions including the updated use of reserves and requested slippage for the Capital Programme
 - The allocation of the underspend/deficit
 - i. General Fund underspend is allocated to the Waste Reserve
 - ii. Housing Revenue deficit to the Potential Development Reserve

Financial Implications

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

Background Papers

9. None

Impact

- 10.

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

Covid-19 Public Health Emergency

11. The Covid-19 pandemic has had a significant impact on the Council and the way it delivers its services to residents and businesses in the district.
12. Government have provided two direct funding streams to support council service delivery and to compensate direct income losses for sales fees and charges, which has mitigated the financial impact on the revenue budgets. These funding streams are separate to the specific grant funding provided for direct activities, for example Track and Trace and Containing Outbreak Management Fund.
13. The income losses related to Business Rates and Council Tax were not included in any funding support during 2020/21, although any deficits arising from reduced collection rates will be split over 3 years (normally offset in full in the next financial).
14. This report only includes the direct impact of Covid-19 on the budget and does not take account of any indirect costs, for example accumulated flexi, annual leave or time being spent on other tasks and duties that are not normally part of normal service delivery.
15. In line with Government guidance on the lockdown and social distancing the Council has made significant changes to the way it works, the key area being staff are now working from home, with only a skeleton presence in the offices. This has generated some incidental savings and allowed a programme of change to be implemented.

General Fund Revenue Account

16. The net operating expenditure is £7,535,000 underspent and after adjusting for the associated use of reserves, this gives an overall net underspend of £161,000. The following table provides a summary of the budget outturn and full details of service income and expenditure is set out in Appendix A.

£'000	2019/20	2020/21			
	Outturn	Original Budget	Current Budget	Outturn	Variance
Communities & Partnerships	1,221	914	917	1,041	125
Housing & Economic Development	1,487	1,855	1,869	1,557	(312)
Environmental Services	3,271	5,065	5,106	4,791	(315)
Finance & Administration	5,912	7,037	6,980	5,914	(1,066)
Portfolio (Service) Budgets	11,891	14,871	14,871	13,303	(1,568)
Net Corporate investment Income	0	3	3	(2,039)	(2,041)
Net Investment Income (Aspire (CRP))	(1,749)	(2,124)	(2,124)	(1,500)	625
Investment Income	(1,749)	(2,122)	(2,122)	(3,538)	(1,417)
Corporate Items	(160)	953	6,511	8,828	2,317
Net Direct Expenditure	9,982	13,703	19,261	18,592	(668)
Funding	(7,864)	(7,251)	(7,251)	(14,118)	(6,867)
Net Operating Expenditure	2,118	6,452	12,010	4,474	(7,535)
Transfers to/(from) Reserves	3,539	(495)	(6,053)	1,321	7,374
OVERALL NET POSITION	5,657	5,957	5,957	5,796	(161)

Budget Movements (original to current)

17. The capital financing current budget has been updated to reflect the slippage brought forward from the 2019/20 capital programme. The total slippage approved by Members at their July meeting was £6,488,000 of this amount £5,558,000 is being financed during 2020/21, with the remainder deferred to future years. The current budget is £7,230,000 and is the sum of the original budget of £1,672,000 and the slippage of £5,558,000.
18. The current budget in reserves has also been updated and this reflects the projects which are directly supported by a reserve contribution and where they have slipped the reserve budget has been updated and will be released in line with the capital spend.

Investment Income

19. The Council has invested in number of commercial properties to generate income to support the general fund revenue account (cost details are set out in the capital programme Appendix E).
20. The gross amount of rental income generated from the Council investments (excluding Aspire (CRP)) is £2,253,769 this is offset against the cost of specialist property management support giving a net income of £2,038,772.

21. The total income received from the investment in Aspire (CRP) is £2,306,420, showing a lower income receipt in year of £605,780 when compared to the expected budget of £2,912,180. The income is based on the interest received from the loans the Council makes to its wholly owned company Aspire (CRP) to support the development of Chesterford Research Park.
22. The budgeted income is based on estimated timelines of the funding requirement and with all large and complex projects these are subject to change. The new build units and refurbishments are subject to external factors and delays and subsequently the funding was drawn down later than budgeted and this reduced the actual amount of interest received. During 2020/21 Building 60 was refurbished and fully let and the refurbishment of Building 300 commenced with completion scheduled for late summer 2021. Already one of the new units in Building 300 has been pre-let.
23. The total net income generated during the 2020/21 financial year for all the Council's commercial investments is £3,370,958. The following table sets out the gross income and associated costs.

Investment Income Analysis		
	£'000	£'000
Income		
Aspire (CRP)	(2,306)	
Commercial Investment Portfolio	<u>(2,254)</u>	(4,560)
Costs		
Commercial Consultancy and Fees	215	
Interest charged	<u>807</u>	1,022
Investment Income net of costs		(3,538)
<i>Broker Fees (included in finance service cost)</i>		167
Total Net revenue income		(3,371)

24. The income generated from the commercial investments supports the financial plans as set out in the Medium-Term Financial Strategy supporting service delivery and ensuring the council can continue to support its residents and local economy.

Direct Services Net Expenditure

25. Direct Services are reporting a net underspend of £1,568,000. After adjusting for government funding to support the impact of Covid-19 and associated reserves movements, the actual position shows a £3,429,000 net underspend. This is set out in the table below and the variances have been set out in categories relating to normal service activity and items directly related to Covid-19.

£'000	Normal Service Activity				Covid -19 Service Impact		Other Immaterial	Total Net Variance
	Savings/Additional Income One off	Increased costs/Decreased Income Ongoing	One off	Ongoing	Savings/Additional Income	Costs/Decreased Income		
Communities & Partnerships	(67)	(57)	32	30	(49)	250	(14)	125
Housing & Economic Development	(391)	(52)	72	64	(122)	148	(31)	(312)
Environmental Services	(1,226)	(1,079)	1,938	236	(223)	1,031	(992)	(315)
Finance & Admin	(2,567)	(441)	1,213	726	(880)	888	(5)	(1,066)
Total Service Variances	(4,251)	(1,629)	3,255	1,056	(1,275)	2,317	(1,041)	(1,568)
Net reserves allocations							(167)	(167)
Government Funding					(1,694)			(1,694)
Actual Service Variances net of reserves/funding	(4,251)	(1,629)	3,255	1,056	(2,969)	2,317	(1,208)	(3,429)

26. The table above shows that the direct service outturn position includes reserves movements, details of all the reserves are set out in the following table.

Reserve to support direct services	Additions to reserves £'000	Draw from reserves £'000
Members priorities for Climate change	300	Members priorities additional funds reallocated to climate change reserves (makes up part of the total allocation of £380k)
Highways panel	204	Funding c/fwd to support highways work in the district with ECC
New homes Bonus		(5) Use of prior year underspend for the members ward grant
Economic Development	116	C/fwd of unused funds for action plan submitted to Council on 8 December 2020
Homelessness grant	121	Grant received in year but c/fwd unused balances to support ongoing work programmes
Unused 20% fees	64	Additional fee income c/fwd in line with spending plans
S106		(13) Release of funds in line with associated agreement
Airport Appeals		(332) Funds drawdown to support the Airport appeal with the requirement to use specialist consultants and
Airport Appeals		(706) associated legal fees
Housing Strategy - Consultants		(3) Cost of consultant support in year
DCLG grant	45	C/fwd of grants related to covid work to continue in next financial year
Neighbourhood plan		(4) Balance of in year unused funds
Benefits covid grant	28	C/fwd of grants related to covid work to continue in next financial year
S31 council tax covid grant	20	C/fwd of grants related to covid work to continue in next financial year
	898	(1,064)
Total net service reserves		(167)

27. The Covid 19 restrictions were initially expected to have a significant impact on our service delivery and on the expected levels of income. Over the course of the financial year the income collection rates have improved, the quarter 1 financial impact of Covid 19 predicted a net direct loss of £2,854,000.

28. As at the 31 March 2021 the actual net direct losses due to Covid 19 are £1,041,000. This includes some incidental savings generated which reflected the way we are working and delivering services. The following table sets out the service savings and income losses.

Covid-19 impact detailed analysis				
	£'000	£'000	£'000	Variance details
	Savings/increased Income	Costs/decreased income	Net Service Impact	
Benefits Administration	(100)	26	(75)	Additional costs for administration of additional work for Covid plus allocation of new burdens grant
Car Parks	(47)	527	481	Parking income loss, plus reduction in the income share to Faircroft, Rose & Crown and Crafton Green
Central Services (scanning, stationary, po	(71)	9	(62)	Savings due to staff vacancy and reduced postage cost with lost income for sales and printing
Corporate Management	(79)		(79)	Covid delayed progress from the dedicated members priorities budget
Council Tax Discounts	(296)	419	124	Additional support for LCTS funded by MHCLG & loss of share back income based on the increased level of non payment of council tax
Day Centre	(30)	47	18	Utilities savings and no room hire income received
Democratic Services	(22)		(22)	Members expenses, travel and other expenses reduced
Economic Development	(15)	13	(2)	Grant received for opening the High Street safely - offset against costs of supporting safe practices and initiatives
Grants and Contributions	(10)	16	7	Reduction in car park income share/grant allocations delayed as organisations not open
Health Improvement	(14)	17	3	Grant received to support the community and cost of emergency supplies
Homelessness	(58)	117	58	Additional resources to support the vulnerable and homeless
Housing Benefits	(24)	169	145	Reduction in overpayment recovery and increased bad debt
HR	(34)		(34)	Training and consultancy not required/available during lockdown and ongoing limited contact
IT	(3)	79	76	Additional cost of resources and supplies to support the organisation in new ways of working
Licensing	(17)	85	67	Reduced income in applications for licences and some associated costs
Local Taxation		117	117	Loss of income as recovery action is frozen for first half of the year
Museum	(7)	24	17	Additional costs to ensure safe opening and some minor incidental savings due to closures
Offices	(15)	5	(10)	Savings in utility costs for the building and loss of wedding income
Private Finance Initiative		162	162	Rental income waived from April to December
Public Health	(99)	78	(21)	Loss of inspection income and overall saving in costs due to reduced services
Revenues Administration	(244)	34	(211)	New Burdens funding to support additional workloads for Business and Council tax grant support
Street Cleaning	(32)	19	(13)	Reduction in disposal costs of street sweeping and delayed recruitment plus loss of recycling income
Waste and Recycling		295	295	Additional staff costs to support service in lockdown and employees shielding, plus expected loss of income in recycling and Trade Waste
Net minor income and expenditure	(59)	59	0	
Total impact on revenue	(1,276)	2,317	1,041	

29. The following table sets out the key variances over £50,000 in direct services.

Quarter 4 budget underspend analysis	
	£'000
Development Control income	(127) Income levels exceeded budget - high levels of applications received
Airport Appeal	1,034 Cost of Airport appeal specialist consultants and legal fees - costs offset against reserve drawdown
Planning Policy/Garden Communities	(1,956) Realignment of the budget requirement for the Local Plan, reserves adjusted to c/fwd required funds to match MTFs future years
Local Plan support - Members Priorities	(380) Funds set aside to support Local Plan - redirected to Climate Change
Highways Panel	(200) Budget c/fwd to match future spending 2 year spending plan
Disabled Facilities Grant	(27) Grant unallocated - cannot c/fwd undspent funds
Grants and Contributions	(55) Grants/Contingency not allocated as organisations not in position to operate during the year
Economic Development	(106) ED Plan not fully allocated as per the normal programme
Public Health	(144) Increased income and net effect of staff vacancy against agency cost
Housing Benefit/Local Taxation	(274) Historic reconciliation and release of prior years accruals
Waste services	110 Net of waste vehicle related cost of hire and maintenance of fleet, plus lost trade waste income not covid related
Financial Services	138 Treasury Management fee increases due to additional borrowing related to Commercial Investment programme
Legal Services	81 Legal Service cost net impact against Assistant Director vacancy
Norse Joint Venture Mgt Fees	(204) Actual Mgt Fees for UNL joint venture are reduced and the additional cost of building repairs
Establishment vacancies	(174) Communications, Customer Services and Human Resources - where there is no cost of temp or agency cover
Building Surveying	(50) Staff vacancy vs agency and establishment/post changes net saving
Net of expenditure and income losses due to Covid-19	1,041 Actual financial Impact on the direct services directly attributable to Covid-19 - full details set out in paragraph 23
Net minor variances	(275)
Direct Services Variance	<u>(1,568)</u>

Capital Financing

30. The total corporate items are showing a net overspend of £2,941,000. This is mainly due to the increased capital financing requirement of a net £2,269,620. This additional financing is for the purchase of the commercial investments and the associated allowable capitalised costs for specialist advice and legal fees. The purchase of the new depot site and offices in Little Canfield is included in the overspend, this is offset with the additional allocation from reserves set out in the revised MTFs approved by Council in December 2020.

Funding

31. Business Rates have shown a drop in collection rates, but this is mitigated by the extension of the business rates reliefs put in place by the Government to support businesses affected by the lock down and trading restrictions.

32. These additional reliefs along with other reliefs already in place as part of the 2020/21 finance settlement cover most of the businesses in the Uttlesford District and the Council receives 100% reimbursement for these reliefs via a Section 31 grant.

33. An additional £4,801,335 of Section 31 grant has been received to reimburse the Council for the new reliefs and discounts, these are:

- I. 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)
- II. Nursery Relief – 100% relief for Early Learning providers

- III. 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)
 - IV. 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 (this is now included in the direct service Revenue budget to match the expenditure costs)
34. 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 to offset the future year deficits.
35. The Council receives additional financial support for the impacts of Covid-19 set out above in paragraph 20. The funding received totals £1,693,691 and this is made up of the following:
- £1,146,918 direct support, this is a fixed sum and will not change and is not subject to any criteria or pay back
 - £546,773 relates to the actual loss of income on sales, fees and charges only and does not include any income losses for Council Tax or Business Rates. The Government compensates the Council for 75% of the loss after the first 5% is excluded. This means that the Council has to absorb the first 5% of loss and then 25% of the remaining loss.

General Fund Reserves

36. The balance of all reserves on 1 April 2020 was £20,958,000 and after adjusting for the net movement in reserves, the total balance as at 31 March 2021 is £22,280,000. The complete reserves position is set out in Appendix B.
37. The original budget had an estimated £495,000 net use of reserves; after adjusting for the capital slippage from 2019/20 this gave an updated current budget net use of reserves at £6,053,000.
38. The final budget position shows a total net addition to reserves of £1,321,000, although this shows reserves have increased, this total includes the £4,801,000 of Covid-19 Business rates funding which is ring fenced and will be drawn down in the next financial year as set out in paragraph 33.
39. If the Business rates funding had not been included this would show that the Council have drawn down £3,480,000 of usable reserves to support the 2020/21 budget. The following table provides full details of the net use of reserves.

Full year net use of reserves additions / (drawdown)		
	£'000	£'000
Ringfenced Reserves		
Section 31 Grant (Business Rates)	4,801	S31 grant - to match future years actual income losses
Working Balance	<u>127</u>	Statutory contingency calculation to reflect actual income and expenditure
	4,928	
Usable Reserves		
Waste Depot relocation	(5,504)	Current spend on new site purchase and development
Airport Appeal	(1,039)	Drawdown to match predicted spend on appeals (external experts) and Neighbourhood plan cost
Licensing	(45)	Alignment of 3 and 5 year taxi licence income and expenditure account
Economic Development	216	Unspent funds for December action plan and additional support for district support
Capital Slippage (current year)	203	Financing of capital programme c/fwd to 2021/22 in line with capital outturn spend
Strategic Initiatives Fund	203	UDC allocation of Highways panel funding not spent in year
Homelessness	121	Support for service resources
Planning	80	DCLG grant c/fwd
Development Control	50	Net effect of c/fwd for committed spend for 20% fee income and draw from S106
Medium Term Financial Strategy	48	Holding reserve for the unspent Covid grants for Housing Benefit and S31 grant for Council Tax
Elections	25	Annual contribution to support the costs of the election cycle
Health and Wellbeing	13	Grant funding to support future years spend
Other reserves	<u>(8)</u>	Minor changes to reserves less than £10k
	(5,637)	
MTFS Mid Year Reserve Additions		
Emergency Response	500	Support for effects of the Pandemic on cash flow balances
Sports Reserve	150	Local sport funding for district
Climate Change	380	To provide funds to deliver an effective climate change action plan
Waste Depot relocation	1,000	Additional funds allocated to support Little Canfield Business Park site
	2,030	
Forecast net use of reserves	<u>1,321</u>	

40. The reserves balance excludes the 2020/21 surplus of £161,000 and it is recommended that this is allocated to the Waste Reserve to support the proposed national changes to waste collection which are currently under consultation.

Housing Revenue Account - Covid-19 Impact

41. At the beginning of the pandemic, it was predicted that there would be a loss in the dwelling rental income of £1,240,000. The bad debt provision was increased to £370,000 to take account of the estimated amount that would not be recoverable.

42. The collection of rental income improved significantly and by the year end the actual arrears position showed uncollected rental income of £416,000. It is expected that of this approx.. 30% will not be recoverable and the bad debt provision has been reduced to £113,000.

Housing Revenue Account (HRA)

43. The HRA is reporting a net operating surplus of £3,028,000, after allowing for adjustments for capital funding from revenue and reserve transfers, the overall deficit for the year is £26,278. A detailed budget analysis is attached as Appendix C and the following table gives a summary of the income and expenditure.

£'000	2020/21			
	Original Budget	Current Budget	Outturn	Variance
Total Service Income	(15,979)	(15,979)	(16,139)	(160)
Total Service Expenditure	4,564	4,564	4,749	185
Total Corporate Items	11,202	11,202	8,362	(2,840)
OPERATING (SURPLUS)/DEFICIT	(213)	(213)	(3,028)	(2,815)
Use of Revenue funding and Reserves to support Capital Programme	213	213	3,054	2,841
(SURPLUS)/DEFICIT	0	0	26	26

44. The net operating variance of £2,815,000, includes the unapplied Minimum Revenue Provision (MRP) of £2,000,000. There is no requirement to charge MRP on the self-financing payments in the HRA, the contra entry is shown in the Capital receipts contribution. This gives a net nil impact on the revenue account; the unused capital receipt will be held in the reserve to be released as funding into the HRA to support the action plan and future developments.

45. The net variances that make up the deficit are detailed in the table below

£'000	Details of Variance
Income	
Dwelling Rents (131)	Lower void rate than anticipated, plus rent for additional calendar week
Charges for services and facilities 44	Sewerage fees lower than anticipated
Contribution to charges and services (82)	Reimbursement for insurance and UNL Invoices paid by UDC
Other minor variances <u>8</u>	
	(160)
Expenditure	
Housing Repairs 292	Costs relating to prior year invoices received late, offset by £100k reserves funding
Housing Services (58)	Vacant Post and reduction in subscriptions
Sheltered Housing Services (41)	Vacant Post and reduced requirement in supplies and services e.g careline equipment
Other minor variances <u>(7)</u>	
	185
Corporate Items	
Depreciation (transfer to MRR) (739)	Reduction in valuation of housing stock - this is transferred to the Major Repairs reserve
Profit Shares (66)	Joint Venture (UNL) profit share for 2020/21
Other minor variances <u>(35)</u>	
	(840)
Revenue funding of capital items (373)	Capital programme items slippage and associated funding not required in year
Movement in Reserves <u>1,214</u>	Increase in draw on reserves - see reserves table for
	841
Total variances	<u>26</u>

46. The HRA reserves position at the 1 April 2020 was £2,279,000; after allowing for in-year forecast addition to reserves of £2,102,000 this leaves an estimated year-end

balance of £4,381,000. Full details of all the reserves position are set out in Appendix D.

47. The reserves balance excludes the 2020/21 deficit of £26,278 and it is recommended that this is allocated to the Potential Development Reserve.

Capital Programme

48. The Capital Programme original budget was set at £8,887,000 after allowing for capital slippage from 2019/20 of £5,908,000 (approved by Cabinet in the Budget Outturn report presented on July 2020) this gives an updated current budget of £14,795,000. Full details of the capital programme are shown in Appendix E; this includes tables setting out the Section 106 balances.

49. The total spend for the year is £122,279,000 generating a net overspend of £107,484,000; after allowing for in year slippage of £9,111,000 this leaves an actual overspend of £116,595.

50. The overspend is due to the commercial investment purchases made during the financial year;

- i. Skyway House, Parsonage Road, Takeley – Offices
- ii. Deer Park Road, Livingston, Scotland – Veterinarian Practice
- iii. Stane Retail Park, Colchester – Retail Park
- iv. Chorley – Regional Distribution Centre
- v. Gloucester – Distribution Centre
- vi. Tewkesbury – Offices and warehouse

51. The key projects where slippage is being requested for 2020/21 to be carried forward to 2021/22 relate to the following:

General Fund

- Vehicle Replacement Programme – reprofiling of the vehicle fleet to reflect the needs of the service
- Superfast Broadband –The Council have committed £500,000 towards the costs of provision of broadband installation to parts of the district. This contract is managed by ECC Superfast Essex and is due to complete on 31/12/2021.

Housing Revenue Account

- Walden Place – The current proposals for the development of the site are awaiting a planning decision.
- Three further schemes have also been slipped due to the impact of Covid-19 on supplies and contractor availability;
 - The Moors
 - Thaxted Road
 - Great Chesterford

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Adjustments or amendments are required by external auditors to the final accounts	1- there may be some minor changes	2 – may change the surplus position	Multiple checks are carried out on all aspects of the accounts to minimise the impact of any potential amendments

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 – 2020/21

£'000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Outturn	Variance
Portfolio Budgets					
Community & Partnerships	1,221	914	917	1,041	125
Housing & Economic Development	1,487	1,855	1,869	1,557	(312)
Environmental	3,271	5,065	5,106	4,791	(315)
Finance & Administration	5,912	7,037	6,980	5,914	(1,066)
Subtotal - Direct Portfolio Budgets	11,891	14,871	14,871	13,303	(1,568)
Net Corporate investment Income	0	3	3	(2,039)	(2,041)
Total - Net service costs	11,891	14,874	14,874	11,264	(3,610)
Corporate Items					
Capital Financing Costs	1,854	1,672	7,230	9,499	2,270
PFI interest cost	0	372	372	372	0
External borrowing interest charges	417	788	788	807	19
Profit shares	0	0	0	(3)	(3)
Financial Investment Income	(2,167)	(2,912)	(2,912)	(2,306)	606
Exceptional corporate items	(108)	0	0	7	7
Pension Fund - Added Years	113	85	85	86	1
Pension Triennial Payment	0	571	571	582	11
Corporate Core HRA Share	(376)	(372)	(372)	(405)	(33)
Recharge to HRA	(1,643)	(1,375)	(1,375)	(1,310)	65
Subtotal - Corporate Items	(1,909)	(1,171)	4,387	7,328	2,941
Subtotal - General Fund	9,982	13,703	19,261	18,592	(668)
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	380	(310)
Business Rates - Renewable Energy Schemes	(126)	(133)	(133)	(104)	29
Collection fund - Section 31 Funding	(1,646)	(1,408)	(1,408)	(6,298)	(4,890)
Rural Services Delivery Grant	(279)	(279)	(279)	(279)	0
New Homes Bonus	(2,969)	(3,635)	(3,635)	(3,635)	(0)
Covid impact funding	0	0	0	(1,694)	(1,694)
Subtotal - Funding	(7,864)	(7,251)	(7,251)	(14,118)	(6,867)
Net Operating Expenditure	2,118	6,452	12,010	4,474	(7,535)
Transfer to/(from) Reserves					
Business Rates	1,052	197	197	4,801	4,604
Departments for Work and Pensions	0	0	0	0	0
Licensing	(11)	34	34	(45)	(79)
Capital Slippage	108	0	(1,054)	203	1,257
Working Balance	39	0	0	127	127
Medium Term Financial Strategy	191	0	0	48	48
Transformation	(27)	(3)	(3)	(3)	0
EU Exit	385	0	0	0	0
Income Protection	1,060	0	0	0	0
Emergency Response	0	0	0	500	500
Economic Development	185	0	0	216	216
Elections	(55)	25	25	25	0
Homelessness	65	102	102	121	19
Health and Wellbeing	46	0	0	13	13
Planning and Development	305	(15)	(15)	(916)	(901)
Strategic Initiatives Fund	(500)	0	0	203	203
Garden Communities	0	0	0	0	0
Sustainable New Communities	623	(835)	(835)	7	842
Pension Reserve	0	0	0	0	0
New Homes Bonus Ward Members	22	0	0	(6)	(6)
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
Sports reserve	0	0	0	150	150
Climate Change	0	0	0	380	380
Subtotal - Movement in General Fund Reserves	3,539	(495)	(6,053)	1,321	7,374
COUNCIL TAX REQUIREMENT	5,657	5,957	5,957	5,796	(161)
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	(161)	(161)

Communities and Partnerships

£'000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Outturn	Variance
Community Information	50	51	51	48	(3)
Day Centres	77	91	92	105	13
Emergency Planning	29	26	26	29	3
Grants & Contributions	823	394	394	363	(31)
Leisure & Performance	43	43	44	43	(1)
Saffron Walden Museum	206	227	229	229	0
New Homes Bonus	57	78	78	82	4
Private Finance Init	(44)	3	3	168	165
Communities Partnership	0	0	0	0	0
Renovation Grants	(19)	0	0	(27)	(27)
Portfolio Total	1,221	914	917	1,041	125

Housing and Economic Development

£'000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Outturn	Variance
Building Surveying	(56)	7	10	(41)	(50)
Committee Admin	354	288	290	265	(26)
Customer Services Centre	448	547	551	493	(58)
Democratic Represent	334	352	352	321	(31)
Economic Development	141	272	273	148	(124)
Energy Efficiency	24	34	34	13	(22)
Health Improvement	106	169	171	172	1
Homelessness	112	107	108	172	64
Lifeline	(163)	(158)	(158)	(164)	(6)
Communications	187	237	238	178	(60)
Portfolio Total	1,487	1,855	1,869	1,557	(312)

Environmental Services

£'000	2019/20 Outturn	2020/21			Variance
		Original Budget	Current Budget	Outturn	
Animal Warden	6	8	8	4	(4)
Grounds Maintenance	332	355	357	368	11
Car Park	(730)	(668)	(668)	(188)	480
Development Control	235	(125)	(119)	748	867
Depots	50	53	53	56	3
Garden Planning	286	1,638	1,639	131	(1,508)
Street Cleansing	434	415	417	388	(29)
Housing Strategy	48	57	58	46	(12)
Highways	1	6	7	9	2
Local Amenities	(13)	(12)	(12)	(12)	(0)
Licensing	(321)	(282)	(280)	(155)	125
Vehicle Management	474	483	484	416	(69)
Public Health	502	678	684	521	(163)
Planning Management	379	407	410	396	(15)
Planning Policy	547	910	912	463	(448)
Planning Specialists	153	218	219	203	(16)
Waste Management	334	311	321	775	453
Community Safety	302	370	372	341	(30)
Street Services	250	240	242	281	39
Portfolio Total	3,271	5,065	5,106	4,791	(315)

Finance and Administration

£'000	2019/20 Outturn	2020/21			Variance
		Original Budget	Current Budget	Outturn	
Benefits Admin	269	343	347	266	(81)
Corporate Management	1,132	1,907	1,827	1,140	(687)
Conveniences	20	0	0	0	0
Central Services	399	457	459	374	(85)
Corporate Team	238	47	47	51	4
Conducting Elections	130	1	1	(1)	(2)
Electoral Registration	45	55	55	20	(35)
Financial Services	1,059	1,024	1,028	1,149	122
Housing Benefits	(57)	(77)	(77)	(747)	(671)
Human Resources	272	377	379	289	(90)
Internal Audit	140	150	152	146	(5)
Information Technology	1,303	1,532	1,535	1,472	(63)
Land Charges	(65)	(66)	(65)	(71)	(6)
Legal Services	226	182	183	343	159
Local Taxation	(114)	(100)	(100)	471	571
Non Domestic Rates	(147)	(146)	(146)	(69)	77
Office Cleaning	214	213	213	215	3
Offices	503	688	688	494	(195)
Revenues Admin	560	597	602	397	(205)
Council Tax Discounts	(215)	(148)	(148)	(26)	122
Portfolio Total	5,912	7,037	6,980	5,914	(1,066)

Appendix B

General Fund Reserves – 2020/21

£'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	4,801			7,634
Departments for Work and Pensions	71				71
Licensing	80	25	(70)		35
Capital Slippage	1,279	351	(148)		1,483
Working Balance	1,311	127	0		1,438
TOTAL RINGFENCED RESERVES	5,574	5,304	(218)	0	10,661
<u>USABLE RESERVES</u>					
<u>Financial Management Reserves</u>					
Medium Term Financial Strategy	1,527	48			1,575
Transformation	1,142		(3)		1,139
EU Exit	513				513
Income Protection	1,060				1,060
	4,242	48	(3)	0	4,287
<u>Contingency Reserves</u>					
Emergency Response	40	500			540
	40	500	0	0	540
<u>Service Reserves</u>					
Economic Development	247	216			463
Elections	45	25			70
Homelessness	283	150	(29)		404
Health and Wellbeing	118	39	(26)		131
<i>Planning</i>	1,628	80	(1,039)		669
<i>Neighbourhood Planning</i>	58		(4)		54
<i>Housing Strategy</i>	25		(3)		22
<i>Development Control</i>	96	64	(13)		146
Strategic Initiatives Fund	1,660	203			1,863
Garden Communities	0				0
Sustainable New Communities	1,774	775	(768)		1,781
New Homes Bonus Ward Members	22	16	(22)		16
Waste Depot Relocation Project	4,590	1,000	(5,504)		86
Waste Management	250				250
Private Finance Initiative	307				307
Sports reserve	0	150			150
Climate Change	0	380			380
	11,102	3,098	(7,408)	0	6,792
TOTAL USABLE RESERVES	15,384	3,646	(7,411)	0	11,619
TOTAL GENERAL FUND RESERVES	20,958	8,950	(7,629)	0	22,280

Appendix C

Housing Revenue Account – 2020/21

£000	2019/20 Outturn	2020/21			
		Original Budget	Current Budget	Outturn	Forecast Variance to Current Budget
Housing Revenue Account Income					
Dwellings Rent	(14,348)	(14,667)	(14,667)	(14,797)	(131)
Garage Rents	(227)	(230)	(230)	(224)	6
Land Rents	(2)	(3)	(3)	(1)	2
Charges for Services & Facilities	(1,091)	(1,079)	(1,079)	(1,035)	44
Contributions Towards Expenditure	(270)	0	0	(82)	(82)
Total Service Income	(15,938)	(15,979)	(15,979)	(16,139)	(160)
Housing Finance & Business Management					
Business & Performance Management	0	0	0	0	0
Rents, Rates & Other Property Charges	108	75	75	68	(7)
	108	75	75	68	(7)
Housing Maintenance & Repairs Services					
Common Service Flats	200	209	209	194	(15)
Estate Maintenance	143	196	196	196	(0)
Housing Repairs	2,943	2,449	2,449	2,741	292
Housing Sewerage	64	60	60	62	2
Newport Depot	26	0	0	3	3
Property Services	319	356	356	366	10
	3,695	3,270	3,270	3,561	291
Housing Management & Homelessness					
Housing Services	424	528	528	470	(58)
Sheltered Housing Services	603	691	691	650	(41)
	1,027	1,219	1,219	1,119	(100)
Total Service Expenditure	4,829	4,564	4,564	4,749	185
Corporate Items					
Bad Debt Provision	(11)	100	100	113	13
Depreciation - Transfer to MRR	4,357	4,621	4,621	3,881	(739)
Impairment - Non-Dwellings	0	0	0	0	0
Interest / Costs - HRA Loan	2,624	2,613	2,613	2,584	(29)
Repayment of Loan	2,000	2,000	2,000	0	(2,000)
Investment Income	(13)	(13)	(13)	0	13
Profit Shares	0	0	0	(66)	(66)
Recharge from General Fund	1,643	1,375	1,375	1,310	(65)
HRA Share of Corporate Core	376	372	372	405	33
Pension Fund - Added Years	18	19	19	18	(1)
Pension Fund - Deficit	0	126	126	128	2
Right to Buy Admin Cost Allowance	(14)	(10)	(10)	(10)	0
Total Corporate Items	10,979	11,202	11,202	8,362	(2,840)
TOTAL EXPENDITURE	15,809	15,766	15,766	13,111	(2,655)
OPERATING (SURPLUS)/DEFICIT	(129)	(213)	(213)	(3,028)	(2,815)
Funding from Capital Receipts Reserve for HRA Loan	(2,000)	(2,000)	(2,000)	0	2,000
Funding of Capital Programme from HRA					
Funding of Action Plan Capital Items	0	0	0	0	0
Funding of Capital from Revenue	2,891	1,325	1,325	952	(373)
	2,891	1,325	1,325	952	(373)
Transfers to/from (-) Reserves					
Capital Projects Reserve	0	897	897	897	(0)
Potential Developments (New Builds)	110	0	0	(100)	(100)
Sheltered Housing Reserve	0	0	0	0	0
HRA Slippage Reserve (from Reserve)	(997)	0	0	(302)	(302)
HRA Slippage Reserve (to Reserve)	0	0	0	1,650	1,650
Revenue Reserve	100	0	0	0	0
Working Balance	25	(10)	(10)	(43)	(33)
	(763)	888	888	2,102	1,214
Total Use of Reserve / Funding	2,128	2,213	2,213	3,054	841
(SURPLUS)/DEFICIT	(0)	0	0	26	26

Appendix D

Housing Revenue Account Reserves – 2020/21

Reserve	Actual Balance	Forecast transfer	Forecast	Transfer between	Estimated
£'000	1st April 2020	from HRA	Transfer to HRA	Reserves	Balance
					31st March 2021
<u>RINGFENCED RESERVES</u>					
Working Balance	514	0	(43)	0	471
	514	0	(43)	0	471
<u>USABLE RESERVES</u>					
<u>Revenue Reserves</u>					
Transformation / Change Management	180	0	0	0	180
Revenue Projects	160	0	(100)	0	60
	340	0	(100)	0	240
<u>Capital Reserves</u>					
Capital Projects	13	897	0	0	910
Potential Development Projects	110	0	0	0	110
Sheltered Housing Projects	0	0	0	0	0
HRA Slippage Reserve	1,302	1,650	(302)	0	2,650
	1,425	2,547	(302)	0	3,670
TOTAL USABLE RESERVES	1,765	2,547	(402)	0	3,910
TOTAL RESERVES	2,279	2,547	(445)	0	4,381

Appendix E

Capital Programme – 2020/21

Portfolio Summary

£'000	Original Budget 2020-21	Current Budget 2020-21	Outturn	Outturn to Budget Variance	Request Slippage	Under / Over Spend (after slippage)
Total Investment	0	0	107,438	107,438	0	107,438
Total Community and Partnerships	125	155	83	(72)	60	(12)
Total Environmental Services	1,025	1,780	190	(1,591)	1,634	43
Total Finance & Administration	460	979	9,164	8,185	772	8,957
Total Housing and Economic Development	280	960	179	(781)	624	(157)
Total General Fund	1,890	3,874	9,616	5,742	3,090	8,832
Housing Revenue - General	3,747	3,900	3,408	(492)	488	(4)
Business Plan and New Builds (RTB 1-4-1)	3,250	5,210	1,479	(3,731)	3,806	75
Sheltered/redevelopment Schemes	0	1,811	338	(1,473)	1,727	254
Total HRA	6,997	10,921	5,225	(5,696)	6,021	325
CAPITAL PROGRAMME TOTAL	8,887	14,795	122,279	107,484	9,111	116,595

Capital Financing

FINANCING SUMMARY 2020/21	INVESTMENTS	GENERAL FUND	HOUSING REVENUE ACCOUNT
	£'000	£'000	£'000
Borrowing	105,599	0	0
Grants and Contributions	1,840	235	0
Revenue Contribution (RCCO)	0	156	650
Internal Borrowing	0	3,535	0
Reserves	0	5,652	302
S106	0	0	0
Capital Receipts	0	38	644
Major Repairs Reserve	0	0	3,629
	107,438	9,616	5,225
Total Financing			122,279

Capital Programme by individual scheme

£'000	Original Budget 2020-21	Current Budget 2020-21	Outturn	Outturn to Budget Variance	Request Slippage	Under / Over Spend (after slippage)
Investments						
Skyway House	0	0	20,814	20,814	0	20,814
Deer Park Road	0	0	5,238	5,238	0	5,238
Stane Retail Park	0	0	8,337	8,337	0	8,337
Waitrose Distribution Centre	0	0	58,302	58,302	0	58,302
Amazon, Gloucester	0	0	6,729	6,729	0	6,729
MOOG	0	0	8,018	8,018	0	8,018
Total Investments	0	0	107,438	107,438	0	107,438
Community and Partnerships						
Community Project Grants	110	140	68	(72)	53	(19)
Tree Planting	15	15	15	(0)	7	7
Total Community and Partnerships	125	155	83	(72)	60	(12)
Environmental Services						
White Street Car Park	0	25	0	(25)	25	0
Household Bins	70	70	63	(7)	0	(7)
Trade Waste Bins	30	30	29	(1)	0	(1)
Grounds Maintenance Equipment	10	10	9	(1)	0	(1)
Garden Waste Bins	20	20	24	4	0	4
Car Parking Machine Replacement	0	92	0	(92)	92	0
Electric Car Charges	15	15	63	48	0	48
Vehicle Replacement Programme	880	1,518	1	(1,517)	1,517	0
Total Environmental Services	1,025	1,780	190	(1,591)	1,634	43
Finance & Administration						
IT Schemes						
Minor Items IT	20	20	0	(20)	20	0
Revenues and Benefits IT	20	20	0	(20)	20	0
PCI Compliance	20	34	0	(34)	34	0
PSN CoCo Works	30	62	5	(58)	58	1
Hot Desking/Mobile working	0	17	17	0	0	0
Asset Management System	0	30	0	(30)	30	0
Cyber Security	20	52	0	(52)	52	0
Grounds Maint & Vehicle System	0	95	52	(43)	43	(0)
Idox Additional Modules	0	5	0	(5)	5	0
Licensing - Lalpac to Idox Uni	0	16	0	(16)	16	0
ArcGIS Upgrade	0	21	9	(12)	12	(0)
Network Monitor&Threat Protect	0	30	29	(1)	0	(1)
Postal Software	0	27	0	(27)	27	0
Scanner Replacement	30	30	0	(30)	30	0
Sharepoint	30	30	0	(30)	30	0
Wifi	50	50	0	(50)	50	0
Northgate Housing Assets	0	0	0	0	20	20
Telephony System (8x8)	0	0	11	11	0	11
New Depot Site	0	0	8,927	8,927	0	8,927
London Rd Office Building works	120	310	115	(195)	195	0
Day Centres Cyclical Improvements	25	25	0	(25)	25	0
London Rd Office Electrical	0	10	0	(10)	10	0
London Road - Fire Alarm Upgrade	50	50	0	(50)	50	0
London Road - LED Lighting	45	45	0	(45)	45	0
Total Finance & Administration	460	979	9,164	8,185	772	8,957

Appendix E continued...

£'000	Original Budget 2020-21	Current Budget 2020-21	Outturn	Outturn to Budget Variance	Request Slippage	Under / Over Spend (after slippage)
Housing and Economic Development						
Private Sector Renewal Grants	70	140	3	(137)		(137)
Disabled Facilities Grants	200	200	176	(24)	24	0
Empty Dwellings	10	20	0	(20)		(20)
Superfast Broadband	0	600	0	(600)	600	0
Total Housing and Economic Development	280	960	179	(781)	624	(157)
Housing Revenue Account						
Sheltered Digital Update	0	20	18	(2)		(2)
Cash Incentive Scheme Grants	50	50	17	(33)		(33)
HRA Repairs	3,542	3,542	3,278	(264)	433	169
UPVC Fascia's and Guttering	100	100	96	(4)		(4)
Resurfacing access roads	0	133	0	(133)		(133)
Lift Replacement	55	55	0	(55)	55	0
New Builds (RTB 1-4-1)						
The Moors	0	1,960	1,083	(877)	877	0
Thaxted Road	2,350	2,350	240	(2,110)	2,110	(0)
Great Chesterford	900	900	81	(819)	819	0
Auton Court	0	0	52	52		52
Gold Close	0	0	10	10		10
White Roding	0	0	12	12		12
Redevelopment Scheme						
Sheltered Schemes						
Reynolds Court	0	49	7	(42)		(42)
Hatherley Court	0	0	147	147		147
Walden Place	0	1,762	35	(1,727)	1,727	0
Alexia House	0	0	40	40		40
Parkside	0	0	109	109		109
Total HRA	6,997	10,921	5,225	(5,696)	6,021	325
Total General Fund	1,890	3,874	9,616	5,742	3,090	8,832
Total Investment	0	0	107,438	107,438	0	107,438
CAPITAL PROGRAMME TOTAL	8,887	14,795	122,279	107,484	9,111	116,595

Section 106 Balances – 2019/20

With Conditions	31 March 2020	Income	Adjustment	Drawn Down -	Balance at 31 Mar
	£'000	£'000	£'000	Capital	2021
	£'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	Balance at 31 Mar
	£'000	£'000	£'000	other bodies	2021
	£'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 -	Balance at 31 Mar
	£'000	£'000	£'000	Capital	2021
	£'000	£'000	£'000	£'000	£'000
S106 Unapplied					
Affordable Housing;	327				327
-Land South Side of Great Chalks, Hatfield Broad Oak	-	486	-	-	486
Drawn Down	-	-	-	-	-
Affordable Housing	327	486	-	-	813
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	486	-	-	1,026