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|--------------------------|--|----------------------|-------------------------|
| Committee: | Cabinet | Date: | Tuesday 19 October 2021 |
| Title: | Budget Forecast Outturn - 2021/22 Quarter 1 | | |
| 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 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 2021/22 financial year.
2. The General Fund is predicting a net overspend of £563,000, the key reasons are due to the impact of the change in the Waste and Recycling market and an increase in planning appeals.
3. The Housing Revenue Account has a net budget deficit of £19,000 which is due to additional revenue contributions to the HRA capital programme.
4. The Capital Programme has a current year net overspend of £112,578,000; after adjusting for requested slippage of £573,000 to be carried forward to 2022/23 (detailed later in this report), this leaves an actual full year predicted net overspend of £113,151,000. The overspend is due to the commercial investments which were undertaken after the budget setting process was completed for 2021/22.

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) |
| 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 direct impact of the Covid 19 pandemic has lessened and we are now in the recovery phase. The first three months of the financial year was focused on supporting businesses and organisations in the initial phased recovery period and the council continued to administer the Grant schemes made available by the Government.
9. The council continues to receive some direct service grants to support specific areas, such as Homelessness, Health and Wellbeing, Environmental Health and the track and trace payments to encourage people to self-isolate.
10. The forecast position in this report is based on information available at the end of quarter 1 (30 June) and is consistent with the Ministry for Housing, Communities and Local Government (MHCLG) monthly returns on the financial impact of Covid-19.
11. These forecasts 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

12. There is still uncertainty on the longer-term impact of the Covid-19 pandemic as normal service activity begins to return to normal and the key areas at risk of fluctuations in income and expenditure are:
 - The sales, fees and charges income has been budgeted based on the information available in December 2020 and the outturn is based on a steady recovery.
 - Council Tax and Business Rates income collection may decline as the Government support packages come to an end.

- Local Council Tax Support and Exceptional Hardship payments increase as unemployment and the number of households with reduced incomes increases.

General Fund Revenue Account

13. The net operating expenditure is £4,557,000 underspent and after adjusting for the associated use of reserves, this gives an overall net overspend of £563,000. The following table provides a summary of the budget outturn and a detailed budget summary and the predicted position for each service is shown in Appendix A.

| £'000 | 2020/21 | 2021/22 | | | |
|------------------------------------|---------------|-----------------|----------------|---------------|----------------|
| | Outturn | Original Budget | Current Budget | Outturn | Variance |
| Communities & Partnerships | 1,041 | 1,097 | 1,097 | 1,087 | (10) |
| Housing & Economic Development | 1,557 | 2,677 | 2,677 | 2,627 | (50) |
| Environmental Services | 4,791 | 4,265 | 4,265 | 4,585 | 320 |
| Finance & Administration | 5,914 | 7,697 | 7,697 | 7,694 | (3) |
| Portfolio (Service) Budgets | 13,303 | 15,736 | 15,736 | 15,993 | 258 |
| Net Corporate investment Income | (2,039) | (6,951) | (6,951) | (7,837) | (885) |
| Corporate Items | 7,328 | 4,333 | 5,629 | 4,320 | (1,309) |
| Net Direct Expenditure | 18,592 | 13,117 | 14,413 | 12,477 | (1,937) |
| Funding | (14,118) | (1,230) | (1,230) | (3,850) | (2,620) |
| Net Operating Expenditure | 4,474 | 11,888 | 13,184 | 8,626 | (4,557) |
| Transfers to/(from) Reserves | 1,482 | (5,729) | (7,025) | (1,905) | 5,120 |
| OVERALL NET POSITION | 5,957 | 6,159 | 6,159 | 6,721 | 563 |

14. A summary table of all the General Fund variances reconciling to the final overspend of £563,000 has been detailed in the following table.

| Quarter 1 budget underspend analysis | | |
|--|---------|--|
| | £'000 | £'000 |
| Normal Service Activity | 331 | |
| Covid Related Service Activity | (73) | |
| Direct Services Variance | | 258 |
| Investment Income - Commercial Assets | (765) | |
| | | (765) |
| Investment Income - Aspire (Chesterford Research Park) | (121) | |
| Capital Financing | (784) | |
| Treasury Management Cost of Borrowing | (525) | |
| Corporate Services Variance | | (1,430) |
| Business Rates | (2,620) | |
| Funding Variance | | (2,620) |
| Business Rates | 3,959 | As above |
| Capital Financing | 777 | As above |
| Lease Income | 373 | This is now accounted for as direct lease income as per paragraphs 18 and 19, so released from the reserve |
| Other | 11 | |
| Movement in Reserves Variance | | 5,120 |
| General Fund net variance | | 563 |

Direct Services Net Expenditure

15. Direct Services are reporting a net overspend of £258,000, after adjusting for associated reserves movements and expenditure supported from prior year capital slippage the actual service position shows a £228,000 net underspend as set out in the table below.

| £'000 | Normal Service Activity | | | | Covid -19 Service Impact | | Other Immaterial | Total Net Variance |
|--|---------------------------|--------------|----------------------|------------|---------------------------|----------------------|------------------|--------------------|
| | Savings/Additional Income | | Costs/Reduced Income | | Savings/Additional Income | Costs/Reduced Income | | |
| | One off | Ongoing | One off | Ongoing | | | | |
| Communities & Partnerships | (12) | (40) | 61 | 32 | (84) | 36 | (4) | (10) |
| Housing & Economic Development | (52) | (19) | 16 | 4 | (260) | 262 | 0 | (50) |
| Environmental Services | (243) | (56) | 332 | 305 | (154) | 138 | (3) | 320 |
| Finance & Admin | (556) | (115) | 357 | 326 | (51) | 39 | (2) | (2) |
| Total Service Variances | (864) | (230) | 766 | 667 | (548) | 475 | (9) | 258 |
| Expenditure supported from Capital Financing | (53) | | | | | | | (53) |
| Net reserves allocations | (91) | | 2 | | (41) | 153 | | 23 |
| Net Direct Service Expenditure | (1,008) | (230) | 768 | 667 | (589) | 628 | (9) | 228 |

16. The direct services variances are made up of a number of over and underspends and full details of variances over £20,000 are shown in Appendix B.

17. The key areas of overspend which are not supported by compensating savings are explained below;

Waste and Recycling – Is reporting a total net overspend of £170,000.

- The disposal fee for recyclable materials is predicted to cost an additional £118,000, due to an increase in the gate fee from £34.66 to £47.81 per tonne. The recycling market is particularly volatile and subject to changes in fees throughout the year which are out of our control, we expect this fee to be reduced in quarter two, current predictions show that the gate fee will be lowered in August to £38.73 per tonne and reduce the overspend to £65,000. These figures are based on annual recycling of 9,000 tonnes.
- Trade Waste income is reporting an income loss of £93,000 this is due to one of our larger customers who ceased trading in 2020/21. As the economy recovers it is hoped that the service will be able to gain new contracts to mitigate the loss. There is also a risk that if the economy does not recover to the expected levels the trade waste service could lose further income.

Now that restrictions have been lifted and businesses are operating as normal, a targeted campaign is being put in place to gain new trade waste customers and minimise the current loss of income.

- Garden Waste subscriptions have increased and this has generated additional income of £41,000. The garden waste service does not aim to make a profit and additional income will be reinvested in the service. An increase in customers after a certain level will require additional resources to deliver the service.

Planning Appeals – Is reporting an increased cost of £155,000

- The Council has received notification of three public inquiries to date and are awaiting confirmation of a possible fourth one. All the inquiries will require Queens Counsel, Planning and Landscape consultants and some may also require Heritage and Air Quality studies.

The Legal Service has begun the recruitment of the additional Solicitor posts (approved as part of the 2021/22 Budget), once in place it is expected to have the knowledge, expertise and experience within the team minimising the need for support and advice from external legal consultants and Queens Counsel.

Commercial and Investment Income

18. The following table provides an analysis of the investment income generated from both the Council's commercial assets and the investment in Chesterford Research Park, through Aspire (CRP) Ltd. The net income available to the General Fund revenue account after all associated costs have been incurred is predicted to be £1,364,000 higher than expected when setting the budget.

| Investment Income Analysis | Budget | Forecast | Variance |
|---|----------------|-----------------|-----------------|
| | £'000 | £'000 | £'000 |
| Income | | | |
| Aspire (CRP) | (2,316) | (2,436) | (120) |
| Commercial Investment Portfolio | (4,905) | (5,620) | (715) |
| | (7,221) | (8,056) | (835) |
| Costs | | | |
| Commercial Consultancy and Fees | 270 | 220 | (50) |
| | 270 | 220 | (50) |
| Treasury Management Costs | | | |
| Interest charged | 1,814 | 1,289 | (525) |
| Broker Fees | 170 | 165 | (5) |
| External Treasury Advice on long term borrowing options | 0 | 51 | 51 |
| | 1,984 | 1,505 | (479) |
| Total Net Revenue Income | (4,967) | (6,331) | (1,364) |

19. The increase in the net investment income is due to the following;

- The council received a compensation payment at completion of the purchase for the Vets in Scotland for a rent-free period. Initially this was held in the reserves to be released over a three year period. An adjustment to the accounting treatment now includes this within the actual lease income, the contra entry for this is shown in the reserves.
- The income for the Amazon site has been reprofiled to reflect the forecast completion date.
- The investment income has increased due to two additional loans to Aspire (CRP) Ltd (these are set out in paragraph 40) and fluctuations in interest rates available for cash flow activities.
- The cost of borrowing (interest charged) has decreased due to the use of short term borrowing being extended for the whole financial year. Rates for short term borrowing remain extremely low with the average interest rate at 0.10%.

Corporate Costs

20. The total corporate costs are showing an underspend of £1,430,000; this includes the reduced cost of borrowing and the additional investment income which are discussed in paragraph 19 above.

21. The remaining underspend relates to the Capital financing, the revenue cost of the capital programme. The underspend of £784,000 is the cost of budgeted projects being slipped to future year/s and a reduction in Minimum Revenue Provision to reflect the change in the level of internal borrowing required. £777,000 of this in year underspend has been added to the Capital Slippage reserve to align with the projected capital spend in future year/s. This gives a bottom line net impact of £7,000 actual underspend.

Funding

22. The Government extended the Covid support scheme for rate reliefs available to businesses and organisations until the 31 July. The Council are compensated in full for all reliefs awarded via the S31 grant. This grant is received in the current year and

the impact of the reliefs are accounted for in the following year, the grant is held in reserves and drawn down as required to match expenditure in the year it is incurred. Full details of the actual reserves position are discussed in paragraphs 26 and 27.

23. Business Rates is currently showing a net positive variance of £2,620,000; this is offset against the S31 grant funding held in reserves as discussed in the above paragraph. Full details of the actual corresponding reserves movements are discussed in paragraphs 26 and 27.

Reserves

24. The original budget included a net draw on reserves of £5,729,000 and following the year end outturn for 2020/21 the slippage related to the financing of the capital programme for the previous year has now been added to the capital slippage reserve. This gives an updated budgeted use of reserves of £7,025,000.
25. The outturn for quarter 1 shows a predicted net reduction of £5,120,000 in the use of reserves giving a final predicted net drawdown of £1,905,000. The following table sets out the movements in reserves from the original budget to the current position and full details of all the reserves has been set out in Appendix C.

| Forecast in year Movement in Reserves | | | |
|---|--------------|--------------|--|
| | £'000 | £'000 | £'000 |
| | Drawdown | Additions | |
| Original Budget (net use of reserves) | | | (5,729) |
| <i>Year end adjustment for 2020/21 Capital Slippage</i> | | | <u>(1,296)</u> |
| Revised Budget (net use of reserves) | | | (7,025) |
| Health and Wellbeing | (7) | | Draw down of prior year grant funds to support the Food bank services |
| Homelessness | (7) | | Draw down of prior year grant funds to provide rent deposits to residents in financial hardship |
| Benefits Administration (MTFS reserve) | (7) | | Draw down of prior year new burdens funding to support the administration of Track and Trace scheme |
| Development Management | (29) | | Allocation of reserve to support the additional agency required |
| Transformation Reserve | (52) | | Allocation of Transformation reserve to support the costs of change in Chief Executive |
| Transformation Reserve | (10) | | Allocation to support the implementation of the Customer Services booking system |
| Housing Strategy | | 2 | Reduced funds required - allocated to reserve for future use |
| Elections | | 29 | MHCLG grant - Covid specific funding will be drawn down as required |
| Revenues (MTFS reserve) | (20) | 124 | New burdens funding for business grant administration c/fwd to support future year costs and drawdown of prior year funding to support residents in exceptional hardship |
| Direct Service - Reserve in year movement | (132) | 155 | 23 |
| Capital Slippage | | 777 | Adjustment to capital slippage updated to reflect the year end final position for 2020/21 and the forecast for 2021/22 |
| Planning | (12) | | Contribution to support the ArcGIS software as per capital programme |
| Lease Income (MTFS reserve) | | 373 | Rent compensation held in reserve, this is now accounted for the direct services lease income |
| Business Rates | | 3,959 | Net allocation of S31 grant for years 2020/21 and 2021/22 - please see further explanation in paragraphs 26 and 27 |
| Other Reserve in year movement | (12) | 5,109 | 5,097 |
| Forecast net use of reserves | | | <u>(1,905)</u> |

26. The Business Rates reserve shows a net movement of £3,959,000 and this is the Section 31 grant provided by MHCLG for the reimbursement of business rate reliefs awarded.
27. The cost of the reliefs on our collection fund account are not accounted for until the following financial year; reliefs awarded in 2020/21 are accounted for in the budget for 2021/22. The grant payments are made in the year the reliefs are awarded and we

hold the grant funds in reserves to be matched against the associated income losses in the correct accounting year.

- The original budget predicted a required drawdown of £6,123,000 relating to 2020/21 reliefs and reduced collection rates, the actual cost at the year-end was £4,837,000 (S31 grant received to match this), this reduced the level of reserve funds required by £1,286,000.
- An addition to reserves of £2,673,000 has been applied and this will be released in the next financial year to match the cost of the current year reliefs to be accounted for in 2022/23.

Housing Revenue Account (HRA)

Covid-19 Impact

28. The housing services are currently impacted by any covid related pressures. There has been a significant increase in people presenting as homeless but the resources to manage this are supported in full by the Homelessness Grant received from MHCLG.

Service Delivery

29. The HRA is predicting a net operating surplus of £69,000 and after adjusting for funding contributions and reserves the bottom line impact is forecast at £19,000 deficit. The following table provides a summary of the budget and the full budget is set out in Appendix D.

| £'000 | 2020/21 Outturn | 2021/22 | | | |
|---------------------------------------|--------------------|--------------------|-------------------|---------------------|-------------|
| | | Original Budget | Current Budget | Forecast Outturn | Variance |
| Total Service Income | (16,139) | (16,170) | (16,170) | (16,210) | (40) |
| Total Service Expenditure | 4,749 | 4,821 | 4,821 | 4,792 | (28) |
| Total Corporate Costs | 8,362 | 10,523 | 10,523 | 10,523 | (0) |
| OPERATING (SURPLUS)/DEFICIT | (3,028) | (827) | (827) | (895) | (69) |
| Funding of Capital Programme from HRA | 952 | 650 | 3,235 | 3,484 | 249 |
| Use of Reserves | 2,102 | 177 | (2,408) | (2,568) | (160) |
| Total Use of Reserves/Funding | 3,054 | 827 | 827 | 916 | 89 |
| (SURPLUS)/DEFICIT | 26 | 0 | 0 | 19 | 19 |

30. The key variances relating to the direct service delivery are detailed below:

- Rental Income of £30,000 for Newport Depot, information for this income stream was not available when setting the original budget
- Housing Repairs additional costs of £26,000 for a historical invoice received which related to a prior financial year
- Staff vacancies show one off saving in Housing Services of £35,000 and £19,000 for Sheltered Housing.

31. An increased contribution from revenue of £249,000 has been made to support the capital programme of works and this is funded from the Capital Projects reserve.

Reserves

32. The reserve balances at 1 April 2021 were £4,381,000 and the predicted net use of reserves is £2,568,000, this leaves a forecast yearend balance of £1,813,000. The detailed reserves balances are set out in Appendix E.

33. The movement in reserves is made up of the following;

- £2,618,000 net drawdown to support capital projects as set out in the capital programme.
- £50,000 added to reserves to meet the working balance requirement. The council is required to ensure that a minimum level of contingency reserve is maintained and this is a specified calculation based on the levels of income and expenditure.

Capital Programme

34. The current budget for the 2021/22 Capital Programme is £15,945,000 and this is made up of the original budget of £8,420,000 and the slippage of £7,525,000 brought forward from 2020/21 as set out in the Final Outturn report as approved at the Cabinet meeting in July.

35. The forecast outturn spend is predicted to be £128,523,000 against the current budget of £15,945,000, this gives a total net overspend of £112,578,000. After allowing for current year requested slippage of £573,000 this leaves an actual net overspend of £113,151,000.

36. The overspend is due to the net effect of the following capital projects/programmes of work;

General Fund

- £111,024,000 additional spend for the commercial investment purchases which were not included in the original capital programme budget. All purchases will be fully financed from the direct income generated from the associated commercial activity of each purchase.
- £183,000 – reprofiling of the waste vehicle replacement scheme.
- £2,034,000 additional spend for the continued refurbishment of the Little Canfield site and the additional spend includes development of the commercial areas.

Housing Revenue Account

- £241,000 additional spend on right to buy schemes relating to Gold Close and £104,000 on the sheltered schemes at Alexia House and Parkside.

- £493,000 reduced spend on HRA general repairs, this is the current position as advised by the Uttlesford Norse partnership and these costings are subject to variations.

37. The slippage of £573,000 relates to the Superfast broadband contract which is unlikely to complete until late in the next financial year (2022/23).

38. The full Capital Programme is set out in Appendix F; this provides a summary of all the schemes for the Commercial Investments, General Fund and HRA, along with the balances for S106 funds.

Investments

39. The Council has directly purchased six commercial properties and through its wholly owned company Aspire (CRP) Ltd purchased a 50% share in Chesterford Research Park, this was in line with the requirements of the Commercial Strategy approved by Members in February 2021.

40. The details of the loans to Aspire (CRP) Ltd are set in the Treasury Management section of this report at paragraphs 47 and 48. The direct commercial property investments are listed in the table below along with the purchase price (excluding stamp duty, Land Registry fees and insurance) and the predicted income.

| Commercial Asset | Purchase Price | Income | Income |
|---|----------------|--------------|--------------|
| | | 2021/22 | Future Years |
| | £'000 | £'000 | £'000 |
| Skyway House - Takeley | 20,000 | 1,142 | 1,170 |
| Veterinarian Practice - Livingstone, Scotland | 5,925 | 332 | 373 |
| Waitrose Distribution Centre - Chorley | 55,000 | 2,272 | 2,508 |
| Amazon - Gloucestershire | 42,514 | 1,088 | 2,270 |
| MOOG - Tewksbury | 35,000 | 786 | 1,429 |
| Stane Retail Park (phase 1), Colchester | 30,424 | 0 | 1,784 |
| TOTAL | 188,863 | 5,620 | 9,534 |

41. The forward funding acquisition of the new build logistics unit at Gloucester, pre-let to Amazon, is on schedule with the tenant taking occupation by 1 November 2021.

42. The forward funding acquisition of the new build headquarters for Moog Controls Ltd is on schedule to complete in May 2022.

43. Stane Retail Park located in Colchester is an out of town retail development, phase one is forward funding of the site and two stores have been pre-let to Aldi and B&Q. Completion is scheduled for October 2021.

44. All of the tenant leases have upward only increases in their leases, which in most cases are compounded five yearly and therefore will increase the rental income in 2025/26.

Treasury Management

45. 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 G.

46. The average rates of interest for the period April to December;

- Investments – 0.03%
- Borrowing – 0.10%

47. 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 the investments to date and the terms of borrowing:

| Drawdown Date | Amount £'000 | Loan Term | Rate % | Repayment Basis | 2021/22 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 months | 4.0 | Interest Only | 101 |
| 09/06/2020 | 1,250 | 20 years | 4.5 | Principal & Interest | 50 |
| 01/07/2020 | 2,600 | 20 years | 4.5 | Principal & Interest | 104 |
| 20/08/2020 | 3,000 | 20 years | 4.5 | Principal & Interest | 116 |
| 15/03/2021 | 2,975 | 21 years | 4.5 | Principal & Interest | 121 |
| 26/08/2021 | 780 | 20 years | 4.5 | Principal & Interest | 20 |
| Total of Loans | 60,596 | | | | 2,411 |

48. The council has two long term loans:

- I. £37,000,000 with Phoenix Life Limited over 40 years for the investment in Aspire (CRP) Ltd. The loan was drawn down in 3 separate stages and the final sum was drawn down in July 2021. No principal repayments will be made until 5th January 2022 and is at a fixed rate of interest @ 2.86% for all 3 drawdowns.
- II. Housing Revenue Account (HRA) borrowed £88,407,000 in 2012 to fund the purchase of the council's housing stock; this is a mix of fixed and variable rate loans over a period of 30 years, with no principal repayment for the first five years to allow for increased HRA housing development. The annual interest payment is £2,604,000 with a current annual principal repayment of £2,000,000. As at 31 March 2021 the sum of £80,407,000 remains outstanding.

Risk Analysis

49.

| Risk | Likelihood | Impact | Mitigating actions |
|--|------------------------------------|--|---|
| Actual income and expenditure will vary from forecast, requiring | 2 – some variability is inevitable | 2 – budget will be closely monitored and prompt action | Budgetary Monitoring and monthly analysis of the financial position |

| | | | |
|---|--|------------------------------|--|
| adjustments to budget and/or service delivery | | taken to deal with variances | |
|---|--|------------------------------|--|

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 | 2020/21 Outturn | Quarter 1 April to June 2021/22 | | | 2021/22 | | | |
|--|--------------------|---------------------------------|--------------------|---------------------|--------------------|-------------------|----------------|----------------|
| | | Current Budget | Actuals to Date | Variance to Date | Original Budget | Current Budget | Outturn | Variance |
| Portfolio Budgets | | | | | | | | |
| Community & Partnerships | 1,041 | 243 | 512 | 268 | 1,097 | 1,097 | 1,087 | (10) |
| Housing & Economic Development | 1,557 | 281 | 107 | (174) | 2,677 | 2,677 | 2,627 | (50) |
| Environmental | 4,791 | 596 | 101 | (495) | 4,265 | 4,265 | 4,585 | 320 |
| Finance & Administration | 5,914 | 567 | 2,594 | 2,027 | 7,697 | 7,697 | 7,694 | (3) |
| Subtotal - Direct Portfolio Budgets | 13,303 | 1,687 | 3,314 | 1,627 | 15,736 | 15,736 | 15,993 | 258 |
| Net Corporate investment Income | (2,039) | (1,151) | (1,661) | (510) | (4,635) | (4,635) | (5,400) | (765) |
| Total - Net service costs | 11,264 | 537 | 1,653 | 1,117 | 11,100 | 11,100 | 10,593 | (507) |
| Corporate Items | | | | | | | | |
| Capital Financing Costs | 9,499 | | | | 3,626 | 4,922 | 4,138 | (784) |
| PFI interest cost | 372 | | | | 360 | 360 | 360 | 0 |
| External borrowing interest charges | 807 | | | | 1,814 | 1,814 | 1,289 | (525) |
| Profit shares | (3) | | | | 0 | 0 | (3) | (3) |
| Financial Investment Income | (2,306) | | | | (2,316) | (2,316) | (2,436) | (120) |
| Exceptional corporate items | 7 | | | | 0 | 0 | 3 | 3 |
| Pension Fund - Added Years | 86 | | | | 85 | 85 | 85 | 0 |
| Pension Triennial Payment | 582 | | | | 0 | 0 | 0 | 0 |
| Corporate Core HRA Share | (405) | | | | (385) | (385) | (385) | 0 |
| Recharge to HRA | (1,310) | | | | (1,167) | (1,167) | (1,167) | 0 |
| Subtotal - Corporate Items | 7,328 | | | | 2,017 | 3,313 | 1,883 | (1,430) |
| Subtotal - General Fund | 18,592 | | | | 13,117 | 14,413 | 12,477 | (1,937) |
| Funding | | | | | | | | |
| Council Tax - Collection Fund Balance | (20) | | | | 55 | 55 | 55 | 0 |
| Business Rates - Collection Fund Balance | 8 | | | | 4,785 | 4,785 | 4,837 | 53 |
| Business Rates - UDC Share (net of tariff) | (2,475) | | | | (1,068) | (1,068) | (1,112) | (44) |
| Business Rates - Levy/(Safety Net) Payment | 380 | | | | 393 | 393 | 523 | 129 |
| Business Rates - Renewable Energy Schemes | (104) | | | | (107) | (107) | (134) | (27) |
| Collection fund - Section 31 Funding | (6,298) | | | | (1,282) | (1,282) | (4,013) | (2,731) |
| Rural Services Delivery Grant | (279) | | | | (293) | (293) | (293) | 0 |
| New Homes Bonus | (3,635) | | | | (2,823) | (2,823) | (2,823) | 0 |
| Covid impact funding | (1,694) | | | | (890) | (890) | (890) | 0 |
| Subtotal - Funding | (14,118) | | | | (1,230) | (1,230) | (3,850) | (2,620) |
| Net Operating Expenditure | 4,474 | | | | 11,888 | 13,184 | 8,626 | (4,557) |
| Transfer to/(from) Reserves | | | | | | | | |
| Business Rates | 4,801 | | | | (6,123) | (6,123) | (2,164) | 3,959 |
| Departments for Work and Pensions | 0 | | | | 0 | 0 | 0 | 0 |
| Licensing | (45) | | | | 13 | 13 | 13 | 0 |
| Capital Slippage | 203 | | | | 0 | (1,296) | (519) | 777 |
| Working Balance | 127 | | | | (38) | (38) | (38) | 0 |
| Medium Term Financial Strategy | 48 | | | | (473) | (473) | (3) | 470 |
| Transformation | (3) | | | | 0 | 0 | (62) | (62) |
| EU Exit | 0 | | | | 0 | 0 | 0 | 0 |
| Income Protection | 0 | | | | 0 | 0 | 0 | 0 |
| Emergency Response | 500 | | | | 794 | 794 | 794 | 0 |
| Economic Development | 216 | | | | 660 | 660 | 660 | 0 |
| Elections | 25 | | | | 30 | 30 | 59 | 29 |
| Homelessness | 121 | | | | 102 | 102 | 95 | (7) |
| Health and Wellbeing | 13 | | | | 0 | 0 | (7) | (7) |
| Planning and Development | (916) | | | | (15) | (15) | (55) | (40) |
| Strategic Initiatives Fund | 203 | | | | 0 | 0 | 0 | 0 |
| Garden Communities | 0 | | | | 0 | 0 | 0 | 0 |
| Sustainable New Communities | 7 | | | | (640) | (640) | (640) | 0 |
| Pension Reserve | 0 | | | | 0 | 0 | 0 | 0 |
| New Homes Bonus Ward Members | (6) | | | | 0 | 0 | 0 | 0 |
| Voluntary Sector | 0 | | | | 0 | 0 | 0 | 0 |
| Waste Depot Relocation Project | (4,343) | | | | 0 | 0 | 0 | 0 |
| Waste Management | 0 | | | | 0 | 0 | 0 | 0 |
| Private Finance Initiative | 0 | | | | 0 | 0 | 0 | 0 |
| Sports reserve | 150 | | | | 0 | 0 | 0 | 0 |
| Climate Change | 380 | | | | (40) | (40) | (40) | 0 |
| Subtotal - Movement in General Fund Reserves | 1,482 | | | | (5,729) | (7,025) | (1,905) | 5,120 |
| COUNCIL TAX REQUIREMENT | 5,957 | | | | 6,159 | 6,159 | 6,721 | 563 |
| Council Tax (precept levied on Collection Fund) | (5,957) | | | | (6,159) | (6,159) | (6,159) | 0 |
| OVERALL NET POSITION (Under) / Over spend | 0 | | | | 0 | 0 | 563 | 563 |

Appendix A continued...

Portfolio Service Variances

| £'000 | 2020/21 Outturn | 2021/22 | | | |
|-------------------------|--------------------|--------------------|-------------------|--------------|-------------|
| | | Original Budget | Current Budget | Outturn | Variance |
| Community Information | 48 | 51 | 51 | 49 | (2) |
| Day Centres | 105 | 95 | 95 | 47 | (47) |
| Emergency Planning | 29 | 34 | 34 | 34 | 0 |
| Grants & Contributions | 363 | 568 | 568 | 614 | 46 |
| Leisure & Performance | 43 | 47 | 47 | 45 | (2) |
| Saffron Walden Museum | 229 | 240 | 240 | 229 | (11) |
| New Homes Bonus | 82 | 78 | 78 | 78 | 0 |
| Private Finance Init | 168 | 11 | 11 | 17 | 6 |
| Communities Partnership | 0 | 0 | 0 | 0 | 0 |
| Renovation Grants | (27) | (27) | (27) | (27) | 0 |
| Portfolio Total | 1,041 | 1,097 | 1,097 | 1,087 | (10) |

Housing & Economic Development

| £'000 | 2020/21 Outturn | 2021/22 | | | |
|--------------------------|--------------------|--------------------|-------------------|--------------|-------------|
| | | Original Budget | Current Budget | Outturn | Variance |
| Building Surveying | (41) | (11) | (11) | (20) | (9) |
| Committee Admin | 265 | 308 | 308 | 308 | 0 |
| Customer Services Centre | 493 | 569 | 569 | 569 | (0) |
| Democratic Represent | 321 | 358 | 358 | 351 | (7) |
| Economic Development | 148 | 611 | 611 | 611 | 0 |
| Energy Efficiency | 13 | 424 | 424 | 414 | (10) |
| Health Improvement | 172 | 193 | 193 | 200 | 7 |
| Homelessness | 172 | 143 | 143 | 141 | (2) |
| Lifeline | (164) | (160) | (160) | (160) | 0 |
| Communications | 178 | 241 | 241 | 213 | (28) |
| Portfolio Total | 1,557 | 2,677 | 2,677 | 2,627 | (50) |

Portfolio Service Variances**Environmental Services**

| £'000 | 2020/21 Outturn | 2021/22 | | | |
|------------------------|--------------------|--------------------|-------------------|--------------|------------|
| | | Original Budget | Current Budget | Outturn | Variance |
| Animal Warden | 4 | 6 | 6 | 8 | 1 |
| Grounds Maintenance | 368 | 364 | 364 | 363 | (0) |
| Car Park | (188) | (573) | (573) | (578) | (5) |
| Development Control | 748 | (270) | (270) | (56) | 215 |
| Depots | 56 | 56 | 56 | 56 | (0) |
| Garden Planning | 131 | 0 | 0 | 0 | 0 |
| Street Cleansing | 388 | 422 | 422 | 408 | (14) |
| Housing Strategy | 46 | 60 | 60 | 59 | (2) |
| Highways | 9 | 8 | 8 | 5 | (4) |
| Local Amenities | (12) | (13) | (13) | (13) | (0) |
| Licensing | (155) | (261) | (261) | (254) | 7 |
| Vehicle Management | 416 | 491 | 491 | 478 | (14) |
| Public Health | 521 | 718 | 718 | 647 | (71) |
| Planning Management | 396 | 422 | 422 | 424 | 2 |
| Planning Policy | 463 | 1,660 | 1,660 | 1,658 | (3) |
| Planning Specialists | 203 | 210 | 210 | 210 | (0) |
| Waste Management | 775 | 315 | 315 | 485 | 170 |
| Community Safety | 341 | 398 | 398 | 398 | 0 |
| Street Services | 281 | 250 | 250 | 287 | 37 |
| Portfolio Total | 4,791 | 4,265 | 4,265 | 4,585 | 320 |

Finance & Admin

| £'000 | 2020/21 Outturn | 2021/22 | | | |
|------------------------|--------------------|--------------------|-------------------|--------------|------------|
| | | Original Budget | Current Budget | Outturn | Variance |
| Asset Management | 0 | 94 | 94 | 82 | (12) |
| Benefits Admin | 266 | 353 | 353 | 333 | (19) |
| Corporate Management | 1,140 | 1,998 | 1,998 | 2,101 | 103 |
| Conveniences | 0 | 0 | 0 | 0 | 0 |
| Central Services | 374 | 463 | 463 | 409 | (53) |
| Corporate Team | (1,987) | 0 | 0 | 0 | 0 |
| Conducting Elections | (1) | 4 | 4 | (51) | (55) |
| Electoral Registration | 20 | 38 | 38 | 38 | 0 |
| Financial Services | 1,149 | 1,176 | 1,176 | 1,235 | 59 |
| Housing Benefits | (747) | 104 | 104 | 104 | 0 |
| Human Resources | 289 | 374 | 374 | 387 | 13 |
| Internal Audit | 146 | 159 | 159 | 158 | (1) |
| Information Technology | 1,472 | 1,585 | 1,585 | 1,587 | 2 |
| Land Charges | (71) | (63) | (63) | (63) | 0 |
| Legal Services | 343 | 374 | 374 | 345 | (29) |
| Local Taxation | 471 | (100) | (100) | (150) | (50) |
| Norse Partnership | 0 | 384 | 384 | 384 | 0 |
| Non Domestic Rates | (69) | (146) | (146) | (149) | (3) |
| Office Cleaning | 215 | 0 | 0 | 0 | 0 |
| Offices | 494 | 211 | 211 | 383 | 172 |
| Revenues Admin | 397 | 671 | 671 | 519 | (153) |
| Council Tax Discounts | (26) | 18 | 18 | 42 | 24 |
| Portfolio Total | 3,875 | 7,697 | 7,697 | 7,694 | (3) |

Appendix B

General Fund Variances

| Direct Services Variance analysis | | |
|---|-------|---|
| | £'000 | Reason for Variance |
| Normal Service Activity | | |
| Development Management | 29 | Net cost of staff vacancies and agency to support the service |
| | 20 | Additional cost of Service Level Agreement with Essex County Council to provide historic building advice |
| Grants and Contributions | 46 | One off additional grants allocated, funded from the underspend on the Community Projects capital grant |
| Green Waste | (41) | Higher than expected subscriptions to the green waste collections |
| Corporate Management | 56 | Cost of Assistant Director Legal & Governance, replaces the Legal Manager Post, saving shown below |
| | 100 | Consultancy costs for Interim Chief Executive - offset against savings in substantive post below and the remainder to be funded from the Transformation Reserve |
| | (48) | Vacancy saving on Chief Executive substantive post |
| Legal Services | 97 | Agency cost to support the service whilst recruitment is in progress |
| | (53) | Pro rata saving for 2x Solicitors, assumes appointments will be made by November |
| | (73) | Legal Manager post replaced by Assistant Director Legal & Governance as above |
| Planning Appeals | 155 | Increased cost due to 3 new appeal inquiries which require QC support |
| Public Health | (46) | One off saving for staff and agency costs due to reduced activity at the airport |
| Revenues | (50) | Increased court fee income, as recovery processes for Council Tax and Business Rates is reinstated |
| | (167) | New Burdens funding for additional support for the administration of business grants (£124,000 transferred to reserves to cover future years costs) |
| | 46 | Additional cost of resources to support Business Grant administration - funded from the New burdens funding above |
| Waste and Recycling | 118 | Increased gate fee for the disposal of domestic recycling |
| | 93 | Loss of Trade Waste Income due to the closure of the Winfresh Site |
| Waste Management | 37 | Post not budgeted for in prior year restructure |
| Net minor variances | 12 | |
| | | 331 |
| Covid Related Activity | | |
| Council Tax Discounts | 20 | Funds allocated from prior year grant to the Exceptional Hardship Fund |
| Central Services | (11) | Reduction in cost of postage |
| Public Health | (16) | Service saving on travel expenses |
| Conducting Elections | (29) | MHCLG Grant to support the safe delivery of electoral functions and activity - this will be added to reserves |
| Day Centres | (48) | Outcome of review has not been reflected in this forecast and this subject to update and figures may change in qtr.2 |
| Net minor variances | 11 | |
| | | (73) |
| Quarter 1 - Direct Service variance - (under)/over spend | | 258 |

Appendix C

General Fund Reserves

| £'000 | Balance 1st April 2022 | Transfer From General Fund | Transfer to General Fund | Transfer Between Reserves | Balance 31st March 2023 |
|---|---------------------------|-------------------------------|-----------------------------|------------------------------|----------------------------|
| <u>RINGFENCED RESERVES</u> | | | | | |
| Business Rates | 7,634 | 2,673 | (4,837) | | 5,470 |
| Departments for Work and Pensions | 71 | | | | 71 |
| Licensing | 35 | 13 | | | 48 |
| Capital Slippage | 1,483 | 204 | (723) | | 964 |
| Working Balance | 1,438 | | (38) | | 1,401 |
| TOTAL RINGFENCED RESERVES | 10,661 | 2,890 | (5,598) | 0 | 7,954 |
| <u>USABLE RESERVES</u> | | | | | |
| <u>Financial Management Reserves</u> | | | | | |
| Medium Term Financial Strategy | 1,576 | 124 | (127) | 200 | 1,773 |
| Transformation | 1,139 | | (62) | | 1,077 |
| EU Exit | 513 | | | | 513 |
| Income Protection | 1,060 | | | | 1,060 |
| | 4,287 | 124 | (188) | 200 | 4,423 |
| <u>Contingency Reserves</u> | | | | | |
| Emergency Response | 540 | 794 | | | 1,334 |
| | 540 | 794 | 0 | 0 | 1,334 |
| <u>Service Reserves</u> | | | | | |
| Economic Development | 463 | 1,000 | (340) | | 1,123 |
| Elections | 70 | 59 | | | 129 |
| Homelessness | 404 | 188 | (93) | | 499 |
| Health and Wellbeing | 131 | | (7) | | 124 |
| Planning | 669 | | (12) | | 657 |
| Neighbourhood Planning | 54 | | (15) | | 39 |
| Housing Strategy | 22 | 2 | | | 24 |
| Development Control | 146 | | (29) | | 117 |
| Strategic Initiatives Fund | 1,863 | | | (200) | 1,663 |
| Garden Communities | 0 | | | | 0 |
| Sustainable New Communities | 1,781 | | (640) | | 1,141 |
| Pension Reserve | 0 | | | | 0 |
| New Homes Bonus Ward Members | 16 | | | | 16 |
| Voluntary Sector | 0 | | | | 0 |
| Waste Depot Relocation Project | 247 | 500 | (500) | (161) | 86 |
| Waste Management | 250 | | | 161 | 411 |
| Private Finance Initiative | 307 | | | | 307 |
| Sports reserve | 150 | 150 | (150) | | 150 |
| Climate Change | 380 | 300 | (340) | | 340 |
| | 6,953 | 2,198 | (2,126) | (200) | 6,825 |
| TOTAL USABLE RESERVES | 11,780 | 3,116 | (2,314) | 0 | 12,582 |
| TOTAL GENERAL FUND RESERVES | 22,441 | 6,007 | (7,912) | 0 | 20,536 |

Appendix D

Housing Revenue Account Budget Summary

| £000 | 2020/21 Outturn | Quarter 1 April to June 2021/22 | | | 2021/22 | | | |
|--|--------------------|---------------------------------|--------------------|---------------------|--------------------|-------------------|-----------------|--------------|
| | | Current Budget | Actuals to Date | Variance to Date | Original Budget | Current Budget | Outturn | Variance |
| Housing Revenue Account Income | | | | | | | | |
| Dwellings Rent | (14,797) | (3,719) | (3,432) | 287 | (14,875) | (14,875) | (14,905) | (30) |
| Garage Rents | (224) | (58) | (50) | 8 | (233) | (233) | (233) | 0 |
| Land Rents | (1) | (0) | (1) | (1) | (1) | (1) | (1) | 0 |
| Charges for Services & Facilities | (1,035) | (265) | (245) | 20 | (1,061) | (1,061) | (1,068) | (7) |
| Contributions Towards Expenditure | (82) | 0 | (3) | (3) | 0 | 0 | (3) | (3) |
| Total Service Income | (16,139) | (4,043) | (3,732) | 311 | (16,170) | (16,170) | (16,211) | (40) |
| Housing Finance & Business Management | | | | | | | | |
| Rents, Rates & Other Property Charges | 68 | 20 | 102 | 82 | 80 | 80 | 80 | 0 |
| | 68 | 20 | 102 | 82 | 80 | 80 | 80 | 0 |
| Housing Maintenance & Repairs Services | | | | | | | | |
| Common Service Flats | 194 | 56 | 17 | (39) | 224 | 224 | 224 | 0 |
| Uttlesford Norse Partnership | 0 | 843 | 0 | (843) | 0 | 3,370 | 3,370 | 0 |
| Estate Maintenance | 196 | 1 | 0 | (0) | 200 | 2 | 2 | 0 |
| Housing Repairs | 2,741 | 0 | 26 | 26 | 2,626 | 0 | 26 | 26 |
| Housing Sewerage | 62 | 3 | 12 | 9 | 61 | 13 | 13 | 0 |
| Newport Depot | 3 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| Property Services | 366 | 12 | 8 | (5) | 436 | 49 | 50 | 1 |
| | 3,561 | 915 | 65 | (850) | 3,547 | 3,659 | 3,686 | 27 |
| Housing Management & Homelessness | | | | | | | | |
| Housing Services | 470 | 134 | 126 | (8) | 536 | 536 | 501 | (35) |
| Sheltered Housing Services | 650 | 136 | 116 | (20) | 658 | 546 | 526 | (19) |
| | 1,119 | 270 | 242 | (28) | 1,194 | 1,082 | 1,027 | (55) |
| Total Service Expenditure | 4,749 | 1,205 | 408 | (797) | 4,821 | 4,821 | 4,792 | (28) |
| Corporate Costs | | | | | | | | |
| Bad Debt Provision | 113 | | | | 100 | 100 | 100 | 0 |
| Depreciation - Dwellings (to MRR) | 3,881 | | | | 4,230 | 4,230 | 4,230 | 0 |
| Depreciation - Non-Dwellings (to MRR) | 0 | | | | 51 | 51 | 51 | 0 |
| Interest / Costs - HRA Loan | 2,584 | | | | 2,601 | 2,601 | 2,601 | 0 |
| Repayment of Loan | 0 | | | | 2,000 | 2,000 | 2,000 | 0 |
| Investment Income | 0 | | | | (2) | (2) | (2) | 0 |
| Uttlesford Norse Partnership Profit Share | (66) | | | | 0 | 0 | 0 | 0 |
| Recharge from General Fund | 1,310 | | | | 1,167 | 1,167 | 1,167 | 0 |
| HRA Share of Corporate Core | 405 | | | | 385 | 385 | 385 | 0 |
| Pension Fund - Added Years | 18 | | | | 0 | 0 | 0 | 0 |
| Pension Fund - Deficit | 128 | | | | 0 | 0 | 0 | 0 |
| Right to Buy Admin Cost Allowance | (10) | | | | (10) | (10) | (10) | 0 |
| Total Corporate Costs | 8,362 | | | | 10,523 | 10,523 | 10,523 | 0 |
| TOTAL EXPENDITURE | 13,111 | | | | 15,344 | 15,344 | 15,315 | (28) |
| OPERATING (SURPLUS)/DEFICIT | (3,028) | | | | (827) | (827) | (895) | (69) |
| Funding from Capital Receipts Reserve for HRA Loan | 0 | | | | 0 | 0 | 0 | 0 |
| Funding of Capital Programme from HRA | | | | | | | | |
| Funding of Capital from Revenue | 952 | | | | 650 | 3,235 | 3,484 | 249 |
| | 952 | | | | 650 | 3,235 | 3,484 | 249 |
| Transfers to/from (-) Reserves | | | | | | | | |
| Capital Projects Reserve | 897 | | | | 216 | 216 | (33) | (249) |
| Potential Developments (New Builds) | (100) | | | | 0 | 0 | 0 | 0 |
| Sheltered Housing Reserve | | | | | 0 | 0 | 0 | 0 |
| HRA Capital Slippage Reserve | (302) | | | | 0 | (2,585) | (2,585) | 0 |
| Revenue Projects | 1,650 | | | | 0 | 0 | 0 | 0 |
| Transformation Reserve | 0 | | | | 0 | 0 | 0 | 0 |
| Working Balance | (43) | | | | (40) | (40) | 50 | 89 |
| | 2,102 | | | | 177 | (2,408) | (2,568) | (160) |
| Total Use of Reserve / Funding | 3,054 | | | | 827 | 827 | 916 | 89 |
| (SURPLUS)/DEFICIT | 26 | | | | 0 | 0 | 19 | 19 |

Appendix E

Housing Revenue Account Reserves

| Reserve £'000 | Actual Balance 1st April 2021 | Forecast transfer from HRA | Forecast Transfer to HRA | Transfer between Reserves | Estimated Balance 31st March 2022 |
|------------------------------------|----------------------------------|-------------------------------|-----------------------------|------------------------------|--------------------------------------|
| <u>RINGFENCED RESERVES</u> | | | | | |
| Working Balance | 471 | 50 | | 0 | 521 |
| | 471 | 50 | 0 | 0 | 521 |
| <u>USABLE RESERVES</u> | | | | | |
| <u>Revenue Reserves</u> | | | | | |
| Transformation / Change Management | 180 | 0 | | 0 | 180 |
| Revenue Projects | 60 | 0 | | 0 | 60 |
| | 240 | 0 | 0 | 0 | 240 |
| <u>Capital Reserves</u> | | | | | |
| Capital Projects | 910 | 216 | (249) | 0 | 877 |
| Potential Development Projects | 110 | 0 | | 0 | 110 |
| Sheltered Housing Projects | 0 | 0 | | 0 | 0 |
| HRA Slippage Reserve | 2,650 | 0 | (2,585) | 0 | 65 |
| | 3,670 | 216 | (2,834) | 0 | 1,052 |
| TOTAL USABLE RESERVES | 3,910 | 216 | (2,834) | 0 | 1,292 |
| TOTAL RESERVES | 4,381 | 266 | (2,834) | 0 | 1,813 |

| Reserve with conditions £'000 | Actual Balance 1st April 2021 | Forecast transfer from HRA | Forecast Transfer to HRA | Estimated Balance 31st March 2021 |
|--|----------------------------------|-------------------------------|-----------------------------|--------------------------------------|
| Capital Receipt Reserve - RTB | 2,157 | 1,600 | (2,199) | 1,558 |
| Capital Receipt Reserve - Other | 29 | 0 | 0 | 29 |
| Capital Receipt Reserve - Total | 2,186 | 1,600 | (2,199) | 1,587 |

Capital Programme expenditure

| Scheme | ORIGINAL BUDGET | SLIPPAGE FROM | CURRENT BUDGET | FORECAST | FORECAST | SLIPPAGE REQUESTED |
|----------------------------------|-----------------|---------------|----------------|----------------|----------------|-----------------------|
| | 2021/22 | 2020/21 | 2021/22 | OUTTURN | VARIANCE | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Commercial Investments | 500 | 0 | 500 | 111,524 | 111,024 | 0 |
| Community and Partnerships | 110 | 60 | 170 | 170 | 0 | 0 |
| Environmental Services | 190 | 1,634 | 1,824 | 2,007 | 183 | 0 |
| Finance and Administration | 1,745 | 772 | 2,517 | 4,574 | 2,057 | 0 |
| Housing and Economic Development | 280 | 701 | 981 | 443 | (538) | 573 |
| Total General Fund | 2,325 | 3,167 | 5,492 | 7,194 | 1,702 | 573 |
| Housing Revenue Account | 5,595 | 4,358 | 9,953 | 9,805 | (148) | 0 |
| TOTAL CAPITAL PROGRAMME | 8,420 | 7,525 | 15,945 | 128,523 | 112,578 | 573 |

Capital Programme financing

| FINANCING SUMMARY 2020/21 | INVESTMENTS | GENERAL FUND | HOUSING REVENUE ACCOUNT |
|-----------------------------|----------------|--------------|-------------------------|
| | £'000 | £'000 | £'000 |
| Borrowing | 109,814 | 0 | 0 |
| Grants and Contributions | 0 | 266 | 342 |
| Revenue Contribution (RCCO) | 1,710 | 780 | 899 |
| Internal Borrowing | 0 | 5,133 | 0 |
| Reserves | 0 | 745 | 2,585 |
| S106 | 0 | 0 | 0 |
| Capital Receipts | 0 | 270 | 1,775 |
| Major Repairs Reserve | 0 | 0 | 4,204 |
| | 111,524 | 7,194 | 9,805 |
| Total Financing | | | 128,523 |

Appendix F continued...

Capital Programme Investment Properties

| SCHEME | COST CENTRE | ACTUAL TO JUNE | ORIGINAL BUDGET 2021/22 | SLIPPAGE FROM 2020/21 | VIREMENTS | CURRENT BUDGET 2021/22 | FORECAST | FORECAST TO BUDGET VARIANCE | REQUESTED SLIPPAGE TO 2022/23 |
|------------------------------|-------------|----------------|----------------------------|--------------------------|-----------|---------------------------|----------------|--------------------------------|-------------------------------------|
| INVESTMENT PROPERTIES | | | | | | | | | |
| Skyway House | CIN001/6826 | 0 | 500 | 0 | 0 | 500 | 0 | (500) | |
| Deer Park Road | CIN002/6826 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Stane Retail Park Phase 1 | CIN003/6826 | 0 | 0 | 0 | 0 | 0 | 21,637 | 21,637 | |
| Waitrose Distribution Centre | CIN004/6826 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Amazon, Gloucester | CIN005/6826 | 2,327 | 0 | 0 | 0 | 0 | 36,251 | 36,251 | |
| MOOG | CIN006/6826 | 3,854 | 0 | 0 | 0 | 0 | 18,426 | 18,426 | |
| Stane Retail Park Phase 2 | | 0 | 0 | 0 | 0 | 0 | 35,210 | 35,210 | |
| | | 6,182 | 500 | 0 | 0 | 500 | 111,524 | 111,024 | 0 |

Capital Programme General Fund

| SCHEME | COST CENTRE | ACTUAL TO JUNE | ORIGINAL BUDGET 2021/22 | SLIPPAGE FROM 2020/21 | VIREMENTS | CURRENT BUDGET 2021/22 | FORECAST | FORECAST TO BUDGET VARIANCE | REQUESTED SLIPPAGE TO 2022/23 |
|---|-------------|----------------|----------------------------|--------------------------|-----------|---------------------------|--------------|--------------------------------|-------------------------------------|
| GENERAL FUND | | | | | | | | | |
| COMMUNITY AND PARTNERSHIPS | | | | | | | | | |
| Community Project Grants | CGF502/6842 | 18 | 110 | 53 | | 163 | 163 | 0 | |
| Tree Planting | CGF533/6841 | 0 | 0 | 7 | | 7 | 7 | 0 | |
| TOTAL COMMUNITY AND PARTNERSHIPS | | 18 | 110 | 60 | 0 | 170 | 170 | 0 | 0 |
| ENVIRONMENTAL SERVICES | | | | | | | | | |
| White Street Car Park | CGF108/6801 | 0 | 0 | 25 | | 25 | 25 | 0 | |
| Household Bins | CGF300/6822 | 32 | 70 | 0 | | 70 | 70 | 0 | |
| Trade Waste Bins | CGF301/6822 | 13 | 30 | 0 | | 30 | 30 | 0 | |
| Kitchen Caddies | CGF304/6822 | 4 | 10 | 0 | | 10 | 10 | 0 | |
| Garden Waste Bins | CGF308/6822 | 11 | 20 | 0 | | 20 | 20 | 0 | |
| Car Parking Machine Replacement | CGF321/6822 | 0 | 0 | 92 | | 92 | 92 | 0 | |
| Electric Car Charges | CGF323/6822 | 8 | 15 | 0 | | 15 | 15 | 0 | |
| Vehicle Replacement Programme | CGF602/6823 | 55 | 45 | 1,517 | | 1,562 | 1,745 | 183 | |
| TOTAL ENVIRONMENTAL SERVICES | | 123 | 190 | 1,634 | 0 | 1,824 | 2,007 | 183 | 0 |

Appendix F continued...

Capital Programme General Fund

| SCHEME | COST CENTRE | ACTUAL TO JUNE | ORIGINAL BUDGET 2021/22 | SLIPPAGE FROM 2020/21 | VIREMENTS | CURRENT BUDGET 2021/22 | FORECAST | FORECAST TO BUDGET VARIANCE | REQUESTED SLIPPAGE TO 2022/23 |
|---|-------------|----------------|----------------------------|--------------------------|-----------|---------------------------|--------------|--------------------------------|-------------------------------------|
| FINANCE AND ADMINISTRATION | | | | | | | | | |
| Minor Items IT | CGF401/6834 | 16 | 20 | 20 | | 40 | 40 | 0 | |
| Revenues and Benefits IT | CGF410/6834 | 0 | 0 | 20 | | 20 | 20 | 0 | |
| PCI Compliance | CGF413/6834 | 0 | 20 | 34 | | 54 | 54 | 0 | |
| PSN CoCo Works | CGF425/6824 | 0 | 30 | 58 | | 88 | 88 | 0 | |
| Asset Management System | CGF437/6824 | 0 | 0 | 30 | | 30 | 30 | 0 | |
| Cyber Security | CGF438/6824 | 0 | 20 | 52 | | 72 | 72 | 0 | |
| Grounds Maint & Vehicle System | CGF439/6824 | 0 | 0 | 43 | | 43 | 43 | 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 | 10 | 0 | 12 | | 12 | 24 | 12 | |
| Postal Software | CGF446/6824 | 0 | 0 | 27 | | 27 | 27 | 0 | |
| Scanner Replacement | CGF447/6824 | 0 | 0 | 30 | | 30 | 30 | 0 | |
| Sharepoint | CGF448/6824 | 0 | 0 | 30 | | 30 | 30 | 0 | |
| Wifi | CGF449/6824 | 0 | 0 | 50 | | 50 | 50 | 0 | |
| Northgate Housing Assets | CGF450/6824 | 0 | 0 | 20 | | 20 | 20 | 0 | |
| Telephony System (8x8) | CGF451/6824 | 2 | 0 | 0 | | 0 | 0 | 0 | |
| Corporate Mobile Refresh - Cap Pur IT | CGF452/6824 | 0 | 40 | 0 | | 40 | 40 | 0 | |
| ICT - New Sites - Cap Pur IT | CGF453/6824 | 0 | 400 | 0 | | 400 | 400 | 0 | |
| Web-to-Print Solutions - Cap Pur IT | CGF454/6824 | 0 | 18 | 0 | | 18 | 18 | 0 | |
| Appointment Reservation | CGF455/6824 | 0 | 0 | 0 | | 0 | 10 | 10 | |
| TOTAL FINANCE AND ADMINISTRATION | | 1,739 | 1,745 | 772 | 0 | 2,517 | 4,574 | 2,057 | 0 |
| HOUSING AND ECONOMIC DEVELOPMENT | | | | | | | | | |
| Private Sector Renewal Grant | CGF500/6841 | 0 | 70 | 67 | | 137 | 137 | 0 | |
| Disabled facilities Grant | CGF503/6841 | 2 | 200 | 24 | | 224 | 259 | 35 | |
| Empty Dwellings | CGF505/6841 | 0 | 10 | 10 | | 20 | 20 | 0 | |
| Superfast Broadband | CGF528/6841 | 0 | 0 | 600 | | 600 | 27 | (573) | 573 |
| TOTAL HOUSING AND ECONOMIC DEVELOPMENT | | 2 | 280 | 701 | 0 | 981 | 443 | (538) | 573 |

Appendix F continued...

Capital Programme Housing Revenue Account

| SCHEME | COST CENTRE | ACTUAL TO JUNE | ORIGINAL BUDGET 2021/22 | SLIPPAGE FROM 2020/21 | VIREMENTS | CURRENT BUDGET 2021/22 | FORECAST | FORECAST TO BUDGET VARIANCE | REQUESTED SLIPPAGE TO 2022/23 |
|--------------------------------|----------------|----------------|----------------------------|--------------------------|-----------|---------------------------|--------------|--------------------------------|-------------------------------------|
| HOUSING REVENUE ACCOUNT | | | | | | | | | |
| Cash Incentive Scheme Grants | CHR500/6841 | 0 | 50 | 0 | | 50 | 50 | 0 | |
| TOTAL | | 0 | 50 | 0 | 0 | 50 | 50 | 0 | 0 |
| RTB SCHEMES | | | | | | | | | |
| Newton Grove | CHR113/6801 | 20 | 0 | 0 | | 0 | 20 | 20 | |
| Frambury Lane | CHR114/6801 | 21 | 0 | 0 | | 0 | 21 | 21 | |
| The Moors | CHR116/6801 | 198 | 0 | 877 | | 877 | 877 | 0 | |
| Thaxted Road | CHR119/6801 | 317 | 1,350 | 2,110 | | 3,460 | 3,460 | 0 | |
| Great Chesterford | CHR118/6801 | 0 | 650 | 819 | | 1,469 | 1,469 | 0 | |
| Auton Court | CHR122/6801 | 0 | 0 | 0 | | 0 | 0 | 0 | |
| Gold Close | CHR123/6801 | 112 | 0 | 0 | | 0 | 200 | 200 | |
| White Roding | CHR124/6801 | 0 | 0 | 0 | | 0 | 0 | 0 | |
| TOTAL RTB SCHEMES | | 667 | 2,000 | 3,806 | 0 | 5,806 | 6,047 | 241 | 0 |
| SHELTERED SCHEMES | | | | | | | | | |
| Reynolds Court | CHR107/6801 | 0 | 0 | 0 | | 0 | 0 | 0 | |
| Hatherley Court | CHR108/6801 | 18 | 0 | 0 | | 0 | 18 | 18 | |
| Walden Place | CHR109/6801 | 0 | 0 | 0 | | 0 | 0 | 0 | |
| Alexia House | CHR121/6801 | 31 | 0 | 0 | | 0 | 31 | 31 | |
| Parkside | CHR120/6801 | 55 | 0 | 0 | | 0 | 55 | 55 | |
| TOTAL SHELTERED SCHEMES | | 104 | 0 | 0 | 0 | 0 | 104 | 104 | 0 |
| HRA - UTTLESFORD NORSE | | | | | | | | | |
| HRA Repairs | Various | 4 | 3,445 | 497 | 0 | 3,942 | 3,465 | (477) | |
| UPVC Fascia's and Guttering | CHR223/6812 | 0 | 100 | 0 | | 100 | 84 | (16) | |
| Resurfacing Access Road | CHR111/6801 | 0 | 0 | 0 | | 0 | 0 | 0 | |
| Lift Replacement | CHR224/6812 | 0 | 0 | 55 | | 55 | 55 | 0 | |
| TOTAL UTTLESFORD NORSE | | 4 | 3,545 | 552 | 0 | 4,097 | 3,604 | (493) | 0 |

Appendix F continued...

Section 106

SECTION 106 BALANCES

| With Conditions | 31 March 2021 | Income | Adjustment | Drawn Down - Capital | Balance at 30 Jun 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 2021 | Income | Adjustment | Transferred to other bodies | Balance at 30 Jun 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 |
| Land west of Woodside Way, Gt Dunmow | - | 264 | - | - | 264 |
| Grants and Contributions to Other Bodies | 571 | 264 | - | - | 835 |

| Without Conditions | 31 March 2020/21 | Income | Adjustment | Drawn Down - Capital | Balance at 30 Jun 2021 |
|--|-------------------------|---------------|-------------------|-----------------------------|-------------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| S106 Unapplied | | | | | |
| Affordable Housing; | 813 | - | - | - | 813 |
| Drawn Down | - | - | - | - | - |
| Affordable Housing | 813 | - | - | - | 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 | 1,026 | - | - | - | 1,026 |

Appendix G

Investments April – June 2021

| Date of Investment | Counterparty | Amount (£) | Date of Repayment | Interest Rate % |
|------------------------------|--------------------------|------------|-------------------|---------------------|
| 06-Apr-21 | DMO | 6,500,000 | 08-Apr-21 | 0.01% |
| 08-Apr-21 | DMO | 2,800,000 | 12-Apr-21 | 0.01% |
| 12-Apr-21 | DMO | 2,600,000 | 15-Apr-21 | 0.01% |
| 13-Apr-21 | DMO | 1,500,000 | 19-Apr-21 | 0.01% |
| 15-Apr-21 | DMO | 5,400,000 | 20-Apr-21 | 0.01% |
| 20-Apr-21 | Cornwall Council | 3,000,000 | 20-Oct-21 | 0.04% |
| 20-Apr-21 | DMO | 2,200,000 | 26-Apr-21 | 0.01% |
| 26-Apr-21 | DMO | 3,000,000 | 29-Apr-21 | 0.01% |
| 29-Apr-21 | DMO | 2,100,000 | 04-May-21 | 0.01% |
| 21-May-21 | Ashford Borough Council | 3,000,000 | 22-Nov-21 | 0.04% |
| 17-May-21 | DMO | 2,600,000 | 20-May-21 | 0.01% |
| 11-Jun-21 | Thurrock Borough Council | 2,000,000 | 10-Jun-22 | 0.20% |
| 15-Jun-21 | DMO | 5,000,000 | 17-Jun-21 | 0.02% |
| Average interest rate | | | | <u>0.03%</u> |

Money Market Funds

| Fund Name | Opening Balance (£) 01/04/2021 | Closing Balance (£) 30/06/2021 | No. of days invested | Average 1 day yield |
|--|-----------------------------------|-----------------------------------|-------------------------|---------------------------|
| Aberdeen Standard Liquidity Fund (Lux) - Sterling Fund | 500,000 | 1,300,000 | 91 | 0.01% |
| Aviva Investors Sterling Liquidity Fund | 400,000 | 950,000 | 90 | 0.01% |
| CCLA - The Public Sector Deposit Fund | 1,050,000 | 1,250,000 | 91 | 0.03% |
| Federated Short-Term Sterling Prime Fund | 500,000 | 900,000 | 91 | 0.01% |
| Invesco Sterling Liquidity Portfolio (Institutional) | 500,000 | 900,000 | 90 | 0.01% |

Borrowing April – June 2021

| Date of borrowing | Institution | Amount (£) | Date of Repayment | Interest Rate % |
|------------------------------|-----------------------------------|------------|-------------------|---------------------|
| 21-Apr-21 | Hampshire County Council | 3,000,000 | 20-Apr-22 | 0.13% |
| 21-Apr-21 | Devon County Council | 2,500,000 | 20-Apr-22 | 0.13% |
| 30-Apr-21 | London Borough of Newham | 5,000,000 | 29-Apr-22 | 0.13% |
| 30-Apr-21 | Brighton & Hove City Council | 4,000,000 | 29-Apr-22 | 0.13% |
| 20-Apr-21 | West Yorkshire Combined Authority | 3,500,000 | 12-Apr-22 | 0.12% |
| 17-Jun-21 | Newport City Council | 2,000,000 | 01-Jul-21 | 0.02% |
| 21-Jun-21 | Middlesbrough Council | 3,000,000 | 01-Jul-21 | 0.02% |
| Average interest rate | | | | <u>0.10%</u> |