

CABINET – 1st JULY 2021

Report of the Head of Financial Services Lead Member: Councillor Barkley

Part A

ITEM 9 REVENUE OUTTURN 2020/21 AND CARRY FORWARD OF BUDGET

Purpose of Report

This report is to inform Cabinet of the Revenue Outturn position of the General Fund and Housing Revenue Account (HRA) for 2020/21 compared with the revised budgets and request budget carry forwards of £171k for the General Fund and £16k HRA detailed below.

Recommendations

1. That the Revenue Outturn positions of the General Fund and Housing Revenue Account for 2020/21 be noted.
2. That five General Fund carry forwards budgets amounting to £171k as per paragraph 38 and HRA £16k paragraph 37 funded from specific underspent budgets in 2020/21 are approved.

Reasons

1. To enable the information to be used when considering future budgets and the Medium Term Financial Strategy.
2. To enable the budgets to be carried forward to cover costs of committed services in 2021/22.

Policy Justification and Previous Decisions

Financial resources are required to carry out all the aims and strategies of the Council.

Implementation Timetable including Future Decisions and Scrutiny

This report will be considered by the Finance & Performance Committee on 22nd June 2021. The budget amounts to be carried forward, if approved and subject to there being no call-in, will be added to the 2021/22 budget.

Report Implications

The following implications have been identified for this report.

Financial Implications

The financial implication of this report is that, if the carry forward requests are approved, there will be funding in 2021/22 of £171k General Fund and £16k for the HRA. There are sufficient reserves to cover this request from within the overall General Fund and Housing Revenue Account Budgets from 2020.

Risk Management

There are no specific risks associated with the decisions requested.

Key Decision: Yes

Background Papers: None

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Part B

Executive summary

- A. The financial year 2020/21 was exceptionally unusual – certainly in the context of previous years - due to the impact of COVID-19. Restrictions on society were in place to a greater or lesser extent throughout this year requiring the Council to undertake new activities around the support of residents and businesses and also resulting in significant changes to funding, income and expenditure patterns.
- B. Due to the impact of the pandemic, and changes in income and expenditure patterns, it was considered appropriate to set a revised budget for the year which was approved in November 2020. In terms of net set service expenditure, the following General Fund outturn resulted (figures in £m):

<i>Original budget 2020/21</i>	<i>Revised budget 2020/21</i>	<i>Outturn</i>	<i>Variance vs Original Budget</i>	<i>Variance vs Revised Budget</i>
19.0	22.6	20.4	(1.4) - Adverse	2.2 - Favourable

- C. The favourable outturn against the Revised Budget is clearly welcome but the adverse variance against the Original Budget indicates that the Council's underlying structural challenges within its finances remain.
- D. Further detail on the outturn of individual income and expenditure lines is provided within the body of this report. Commentary and comparisons are generally presented with respect to the Revised Budget amounts.
- E. Notwithstanding COVID-19 the outturn shows that the Council actually increased the General Fund Working Balance by some £1.3m in the year, compared to budgeted use of reserves of £0.9m and £1.7m within the Original and Revised Budgets respectively.
- F. The Council adopts a prudent approach to the recognition of the Council's share of business rate income that it can take into reserves. A key element of the overall increase in reserves arises due to one-off factors set out below:
- Release of a creditor set up to cover business rate payments due to the Leicester and Leicestershire Economic Partnership (LLEP) of £1.2m; this has been enabled by the finalisation of the agreement covering the allocation of business rates arising from the Enterprise Zone between the Council, Leicestershire County Council, the Combined Fire Authority and the LLEP
 - Additional business rates income arising from the Council's participation in a 75% business rate retention pilot scheme in 2019/20 of £0.3m; in common with most aspects of business rates accounting the final settlement only becomes apparent well after the end of the financial year of transactions
 - Other timing differences within the business rates element of the collection fund

- G. This principal variances between the revised budget and outturn (actual) funding, income and expenditure elements are summarised below:

(Figures £m)	Versus REVISED BUDGET	
		£m
Budgeted GF working Balance at 31 March 2021		1.82
Outturn variance versus Net Service Expenditure	FAVOURABLE	2.26
Interest receivable	FAVOURABLE	0.04
NNDR Pilot gain	FAVOURABLE	0.31
NNDR - EZ contribution	FAVOURABLE	0.65
LLEP - net release of creditor re finalisation of EZ agreement	FAVOURABLE	1.10
Other reserve movements including RCCO	ADVERSE	(0.37)
Outturn GF working Balance at 31 March 2021		5.81

- H. Within the outturn it may be noted that a new revenue reserve of £7m has been created. This reflects a technical issue arising from a timing difference between the receipt of s31 grant monies compensating the Council for additional COVID-related business rate reliefs, and the subsequent application of those reliefs on individual business rate accounts. It is expected that the timing difference will reverse and the reserve will significantly reduce or disappear in this current financial year; it does not therefore represent additional funding that is available for general expenditure. Generally, due to the large sums of money associated with business rate collection, the complexity of the collection and retention regime, and governments ability to alter the rules flowing through the system, there is inherent volatility within this element of the Council's funding.
- I. The Councils other revenue reserves have also increased during the year by some £0.9m. This is principally explained by the creation of the commercialisation reserve associated with the development of the commercial property portfolio (£0.4m), receipt of s106 monies on account (£0.2m) and contribution from the LLEP towards capital projects (£0.2m).
- J. The HRA remained generally stable throughout the year, although certain operations (particularly repairs) were inevitably affected by the pandemic creating the major part of the outturn underspend. HRA income held up well and was in line with budgets whilst bad debts proved (at least initially) less prevalent than may have been expected.

- K. Overall, the Council's financial position has proved resilient in an unprecedented operating environment. Underlying structural issues – ongoing expenditure running ahead of income and funding streams – remain but the one-off boost to the Council's reserves in the year is clearly welcome. Going forward this will enable the Reinvestment Reserve to be replenished to provide additional support for the Councils ongoing transformation programme.

Background - Outturn for General Fund and HRA

1. The General Fund Revenue Outturn for 2020/21, as summarised in Appendix 1, shows Actual Net Service Expenditure of £20,385k against the Revised Budget of £22,643k producing a favourable variance of £2,258K, 10% of the Revised Budget.

The Original Net Service Expenditure Budget of £19,038k was approved at Council in February 2020 before the Covid19 pandemic, subsequently a revised budget approved in September 2020 which reduced all Income Budgets and Expenditure budgets with very little knowledge of how the pandemic would impact the 2020/21 budget, this budget against the Actual of £20,385k would have produced an adverse variance of £1,347k.

2. Main variances between revised budget and outturn in terms of the total borough expenditure are as follows:

- Net Service Expenditure – The Net Service Expenditure underspend £2,258K as per Appendices 1 and 2. Major variances within this figure are explained in paragraphs 6 to 17 of this report.
- Revenue Contribution to Capital ('RCCO') - £182K relates to IT Capital costs funded from the one off Emergency Covid Grant, this was essential to enable staff to work remotely from home during the pandemic.
- NDR Pilot Gain £309k is a one off NDR Pilot gain is due to be received from NDR Leicestershire pool, this is a one off amount from the 2019/20 Pilot.
- NDR Enterprise Zone £652k retained Income relating to unwinding of Collection Fund for the Enterprise Zone. Contributions are to be made to the LLEP for both 2019/20 and 2020/21. A Enterprise Zone creditor account has been set up so that payments can be made based on the new Enterprise Agreement with the LLEP.
- Interest Received on Balances £42k received higher than revised budget of £300k, the Original Budget set was £500k but reduced due to current low interest rates. The budget for 2021/22 has been also set £300k due to the sustained low interest rate forecast.
- Interest Paid £240k costs are in line with the revised budget set, which relates to a £2m loan, this will be repaid in 2024, and therefore will generate an ongoing budget savings from 2024.

3. The General Fund Reserve Balances (Appendix 1)

The working balance reserve at 31st March 2021 is £5,816k, which compared to the Revised Budget of £1,820k being £3,996k favourable, the revised budget set has created large variances across all service areas these are summarised in the table below, this one off increase in reserve levels and will help the Council plan with its future plans to sustain its ongoing financial position.

	Variance Underpends £'000s	
Summary Major Variances		
Leisure & Cultural	127	Town Hall Closure/Other Events Clousre
Neighbourhood Services	74	Sports, Crime reductions , and other savings
Environmental Services	256	Garden Bin/Trade Waste/ Other reductions in service costs
Planning/Building Services	535	Planning/Building Control Income
Net Managed Vacancy Savings	116	Balance of Revised Managed Vacany Saving
Bad Debt Provsion	122	Reduction in Bad Debts Provison
Total Carry forward requests	171	Covid Emergency Fund and other requests
Income transferred to Reserves	857	Commercial Income £408K, S106 Maintenance Income £233k, Homelessness £198k, other net Reserves
Controllable Variances/Appendix 2		
	2,258	
Revenue Contribution to Capital one off	(182)	IT Costs to support Working From Home
NDR Pilot Gain one off	309	LCC payment 2019/20 NDR Pilot Gain
NDR Enterprise Zone Collection Fund/LLEP Account	652	Unwinding NDR Collection Fund LLEP
Interest	42	Additional Interest earned above revised budget
Total Borough Expenditure Variance	3,079	

The Housing Revenue Account Outturn for 2020/21 (Appendix 4) shows a surplus of £3,395k compared with a budgeted deficit of £793k. The HRA general balances at the end of the year were £609k following a transfer of £3,396k to the HRA Financing Fund. This gave the HRA Financing Fund a balance at the end of the year of £11,631k.

4. The General Fund and Housing Revenue Account are both provisional as the Statement of Accounts are currently in production and will need to be audited before being finalised and signed off.

Outturn – General Fund 2020/21

Directorate Controllable Costs Outturn (Appendix 2)

5. Appendix 2 shows an underspend of £2,258K for the General Fund controllable revised budgets at Service level. Controllable costs are those that budget officers have direct responsibility for managing and these exclude year-end recharges. Paragraphs 6 to 17 below explains the major General fund variances within this figure.
6. Head of Strategic and Private Sector Housing – underspends of £329k (41% of revised budget) include grant income received in year of £78k Next Steps Accommodation, Homelessness Reduction Act £79k, £41k Rapid Rehousing Grant transferred to earmarked reserves to be allocated to be spent in the new

financial year. License Fee income in Housing Standards totaled £73k. There were also underspends in various legal budgets £12k, Tenant Finder £12k , CBC Lettings Salaries £27k and the balance from various underspends £7k.

7. Head of Landlord Services – overspend of £10k (4.2% of revised budget) due to a lower level of income for lifeline units than anticipated.
8. Head of Planning & Regeneration – underspend of £622k (34% of revised budget). Due to Covid19 revised Income Budgets were reduced, however both Planning and Building Control continued to provide a fully operated service over this period. Additional Planning Income £369K, Building Control income £64k and an additional £103k received from NorthWest shared services for work in progress. An underspend on Local Plans budget of £38K of which carry forward requests for four items of expenditure have been made, plus a balance of £48k being other underspends in this service area.

Below is an analysis of both Planning & Building Control Income budgets over the last 3 years.

Planning Fee Income	Original Budget	Actual Income	Variance
			(Overspend)/ Underspend
	£'000	£'000	£'000
2018/19	1,344	993	(351)
2019/20	1,351	1,053	(298)
2020/21 (Original Budget)	1,351	1,112	(239)
2020/21 (Revised Budget)	743	1,112	369
2021/22	1,058		
Building Control Fee Income	Original Budget	Actual Income	Variance
			(Overspend)/ Underspend
	£'000	£'000	£'000
2018/19	276	191	(85)
2019/20	276	185	(91)
2020/21 (Original Budget)	196	159	(37)
2020/21 (Revised Budget)	95	159	64
2021/22	196		

9. Head of Waste, Engineering & Open Spaces – underspend of £256k (4% of revised budget) additional Garden Bin Income £125k, Bulky Waste £83k and Serco contract & variation net savings & KPI income £40k. Building R&M of Sports grounds and Idverde contract Income for sports bookings £38k.

Other underspends being additional car park income at the Outwoods £20k. cemetery and crematorium income as well as various underspends £39k, these savings are part offset by overspends of £31k, due to the late delivery of the new Environmental Services contract fleet and £27k on essential building and play

equipment repairs at Queens Park, and the balance being various overspends of £31K.

10. Head of Leisure and Culture - underspend of £127k (6% of revised budget)
The Town Hall was closed all year due to covid19 restrictions, careful control of expenditure including reduced utility costs, resulting in an overall saving of £80k. Town centre events were severely impacted, scaled down or cancelled including the Loughborough fair resulting in an overall saving of £33k. Various other underspends within this service area including markets and public conveniences make up the remaining £14k .
11. Head of Neighbourhood Services – underspend of £74k (5% of revised budget).
Sports & leisure saving £32k mainly on instructor fees, facility hire and mainstream activities/holiday programmes, limited activities did take place on-line but were free of charge due to covid19 restrictions. Crime reduction underspend £27k, several projects were reduced due to covid19 restrictions including the Hub co-ordinator costs, various crime prevention products and the lease negotiations regarding Thorpe Acre Community Hub were delayed. Various other underspends within this service area, including community grants and CCTV make up the remaining £15k
12. Head of Financial Services – Underpsend of £237k (19% of revised budget)
Managed vacancy saving (MVS) net £116k underspend is included in this service area and at the end of the year a sweep of the underspent salary budgets was transferred against the MVS budget, and a reduction in the general provision of of Bad Debts £122K.
13. Head of Customer Experience – Underspend of £27k (0.5% of revised budget)
Rent Allowance payments included costs approximately £987k more than the amount of subsidy which relates to Supported Living accommodation costs which is £63k more than the revised budget, this is offset by additional Benefits Admin grant and Universal Credit transition grant.
14. Head of Regulatory Services – Overspend of £119k (9% of revised budget). Due to Covid19, reduction in Licensing application income £28K. Reduction in Car Parking income by £186K. Careful control of expenditure including reduced utility costs and associated Car parking and Street Management costs resulting in a saving of £42k, other small underspends being Pest Control £19K, Food Hygiene £7K, Dog Control £6K, Occupational Health £12K and Environmental Health £9K.
15. Head of Strategic Support – Underspend of £184k (8% of revised budget) this relates to an underspend in Internal Auditors fees £55K and a carry forward request of £107K for the Covid 19 Emergency Planning fund. Various other underspends within this service area, including Canvassing Fees, Printing and Copying charges make up the remaining balance £22k
16. Head of Organisational Development – Overspend of £40k (3% of revised budget). £29K relate to additional new Commercial Property insurance. Various

other overspends within this service area, including Publicity, Software charges make up the remaining balance of £11k.

17. Strategic Director Commercial Development, Assets & Leisure – Underspend £346k, (67% of revised budget) Commercialisation Income generated £408k additional income, and the Vaccination Centre £82k above the revised budget, this was offset by loss of income in the Industrial Units £44k, and essential building repair works £89K, balance of £11k other small overspends. The £408k additional Commercialisation Income has been transferred to an earmarked reserve to off any future losses that may arise.

Managed Vacancy Saving

18. A revised managed vacancy salary savings budget of £415k was set, and by partly freezing some vacant posts has achieved a MVS of £531k for the year giving a net underspend of £116k.

Contributions from/to Reserves (Appendix 1)

19. The revised Working Balance brought forward balance of £4,498k plus the in the year transfer to working balance surplus of £1,318K, gives a balance held of £5,816k as at March 2021. This is above the approved minimum level of required reserves held of £2m.

The revised working balance brought forward of £4,498k is lower than the Original Budget set £5,900k due to the 2019/20 Outturn working balance being adverse (9th July 2020 Cabinet).

20. The Reinvestment Reserve has been used in accordance with the Council's financial procedures to help achieve corporate aims through service improvements, the balance is £591k which is currently within the approved £500K minimum level for this reserve.
21. The Other Revenue Reserve balances are Capital Plan Reserves £2.4m balance which can be used to fund either Capital or Revenue costs. Other earmarked revenue reserves retained and ring fenced for specific purpose are those listed below £2m.

In addition the the £2m Earmarked reserve balance tabled below, £7m has been received from DCLG to cover the level of NDR deficit in 2020/21 due to Covid. A one off S31 Covid earmarked reserve has been set up to offset for this to offset this deficit in 2021/22.

Other Revenue Reserves	Brought Fwd £'000	Balance 31st March 2021 £'000	Amounts Reieved/(Used in Year) £'000
Mausoleum Compensation Reserve	(44,506)	(47,170)	2,663
Crime Prevention CCTV Scheme	(5,237)	(5,237)	0
Town Funds	(154,989)	(91,072)	(63,917)
Planning LLEP Grant Income	0	(178,112)	178,112
Neighbourhood Planning	(34,578)	(19,293)	(15,285)
DCLG Planning Reserve	(105,850)	(105,850)	0
LCG Rough Sleepers Grant	(45,396)	(78,233)	32,838
Section 106 Agreement	(321,814)	(554,543)	232,729
Flexible Homlessness Support	(169,118)	(175,892)	6,774
Rogue Landlord Reserve	(56,500)	(56,500)	0
Homelessness Reserve	(219,849)	(216,627)	(3,222)
Next Steps	0	(78,344)	78,344
Commercialisation Reserve	0	(408,374)	408,374
Total Revenue Reserves	(1,157,837)	(2,015,248)	857,411

Loughborough Special Expenses (Appendix 4)

22. The actual Loughborough Special Expense costs were £1,289k; against an original budget of £1,291k, being £2K underspent (0.17% of the original budget).

The main underspends are Loughborough Cemetery £10k, mainly as a result of additional burial fees £7k, and consultant fees £3k which were not required this year for the new cemetery project. Mario Tinenti Centre, Altogether Place, Community Hubs £14k, this is mainly due to a saving on the Hub co-ordinator costs due to the current covid19 restrictions as well as the continued delay in progressing the lease negotiations regarding the development of the Thorpe Acre Community Hub £6.5K, which will now not be progressing further.

Sports Grounds £15k underspend delays in Building Repair and Maintenance and Electrical works not carried out due to covid19 restrictions. Town Centre Management £17K, saving of £38k being a 6 months vacant post of Assistant Operations officer, event costs, equipment purchase etc and £3k less direct time spent on Town Centre events, offset by a loss of income £24k, no major events took place in 2020 due to Covid 19 restrictions.

These savings are part offset by an overspend on the Fair £51k, due to Covid19 restriction the Fair did not take place in 2020/21 which resulted in a loss of income £95K, part offset running cost savings of £44k.

23. This underspend will be carried forward within the Loughborough Special Expense Account and reflected in future year's Loughborough Special Levy.

Housing Revenue Account Outturn 2020/21

24. Housing Revenue Account outturn for 2020/21 is a surplus of £3,395k compared with a budgeted deficit of £793k, an increase of £4,188k. This gives HRA general balances at the end of the year of £609k following a transfer of £3,396k to the HRA Financing Fund. This transfer gives the HRA Financing Fund a balance at the end of the year of £11,631k. The Council's preferred minimum level of balances is £110 per property.
25. The HRA Balances at 31st March 2021, are overall £15,450k. The HRA contributed to the Major Repairs Reserve of £3,464k via Depreciation. This reserve has a balance at 31 March 2021 of £3,210k compared with £3,111k at 31 March 2020. This balance is the unspent amount carried forward to 2021/22. This reserve finances capital expenditure and the repayment of debt, in accordance with the HRA Business Plan.
26. The Housing Financing Fund balance at 31 March 2021 was £11,631k. The HRA owes £79m in loans following the self-financing settlement in 2012 and, as well as paying the interest due, the principal amounts borrowed will either, in time, need to be refinanced or paid back. The first loan to be paid back following the self-financing settlement is in 2024. The money required to pay back the debt will be from HRA Reserves. The total HRA Balances at 31 March 2021 are £15,450k.
27. Supervision and Management (excluding recharges – Appendix 5) £454k underspend (11.1% of the revised budget). This includes salaries £267k, underspending on legal costs £37k, Gas £29k, Community Projects £24k, and Furniture in Sheltered Courts £22k, Surveys £16k to be carried forward and the balance being smaller underspends £59k.
28. Repairs and Maintenance (excluding recharges – Appendix 5) £322k underspend (5% of the revised budget) This includes underspending salaries £77k, Electrical Works of £183k, as well as underspend of ultimately disputed Electrical Works invoices of £74k relating to prior year. Other underspends include £45k, in Consultants Fees in Capital Team/Planned Maintenance and Fire Risk Assessments £106k. These were offset by overspends of £32k on Relet Repairs and £75k, Door Entry Maintenance and Planned Maintenance £96k, plus other smaller underspends £40k.
29. Net Recharges to the HRA were £37k (2%) greater than the budget. These exclude Pension recharges totaling £97k and Accumulated Absences £112k which do not impact on the bottom-line of the HRA. The Depreciation of £3,464k was credited into the Major Repairs Reserve to and the capital programme. Revaluations were reversed out and do not affect the HRA outturn position.
30. The 2020/21 rent income for dwellings was £17k (0.8%) higher than the budget due to fewer house sales than budgeted. Right to buy sales were budgeted at 40 sales, compared with 26 actual sales. An additional 20 properties were added to the HRA. Void loss was 3.8% against a budget of 3.7%.

31. As at 31 March 2021 rent arrears were £1,094k compared with £1,078k at 31 March 2020. Court costs arrears were £98k at 31 March 2021 compared with £107k at 31 March 2020. These are a net increase of £7k. As a percentage of dwelling rents the total arrears including court costs is 5.79% compared with 5.63% in 2019/20.
32. The total amount of HRA debt written off in the year was £163k compared to £236k in 2019/20. Although Bad Debt top-up at £175k is £418k (70%) lower than the Revised Budget, all outstanding income debts are covered by the HRA Bad debt provision which totals approximately £1.3m at 31 March 2021. Rent and court costs write-offs totaling £155k in 2020/21 compared with £184k in 2019/20.
33. Current dwelling rent arrears increased by £55k between the end of March 2020 and the end of March 2021. Former tenant arrears reduced by £43k over the same period. Former tenant arrears cash collected over the year was £59k. Rent collection for the year (including arrears brought forward) was 96.33% compared with 96.29% at the end of the previous year.
34. The numbers of tenants receiving universal credit (UC) continues to rise but the rate of change over the year slowed down compared to the two previous years: during the year numbers increased by 356 to 1,427 at the end of March 2021. As expected, and in line with the experience of other landlords, UC rent arrears have increased and the average debt of a tenant receiving universal credit at the end of the year was £641 compared to £592 at the end of March 2020. UC is paid to the claimant as a single monthly payment in arrear. It takes at least five weeks for the Department for Work and Pensions to assess a claim and for tenants to receive their first payment of the benefit. A rent debt is often accrued as a result. In some instances, on receipt of the benefit tenants do not pay the rent to the council. Advice and support is offered to all tenants moving to universal credit by the landlord services financial inclusion and tenancy support teams. Where tenants have vulnerabilities and/or owe eight or more weeks' rent our universal credit officer makes applications to the DWP to switch payment of the housing element of UC from the tenant to the council. Rent recovery action is taken where necessary.
35. The Council's ability to take legal action for non-payment of rent was constrained for much of the year due to the protection for tenants from eviction provided by the Coronavirus Act 2020
36. Appendix 5 details the controllable cost outturn for the HRA as at 31 March 2021. This shows the controllable budgets and actuals as they were presented within the monitoring reports during the year. The descriptions of Employee related expenditure include all employee related costs, not just salaries. Some costs such as insurance costs and business rates must be shown in Rents, Rates and Other Charges, within the Income and Expenditure account of the Statement of Accounts.
37. Housing Revenue Account Carry Forward Request

£16k Star Survey budget – currently being procured.

38. General Fund Carry Forward Requests £171k

Supplier	£	Carry Forward Requests
NWLDC	8,133.00	Charnwood's contribution towards - Housing & Economic Needs Assessment
NWLDC	8,947.00	Charnwood's contribution towards - Strategic Growth Options and constraints mapping
LCC	8,572.00	Charnwood's contribution towards - Strategic Transport Assessment
Urban Foresight Ltd	12,169.80	2030 Carbon Neutral Refresh Plan
Idverde	23,200.00	Maintenance of Trees & Shrubs work delayed due to Covid 19
Myriad Consulting LTD	3,000.00	Unit 4 Making Tax Digital Project
Covid Grant income	107,000.00	Covid Compliance and Work to support Homelessness/Community Hub
	171,021.80	

Appendices

Appendix 1 – General Fund Outturn 2020/21

Appendix 2 – General Fund Controllable Outturn 2020/21

Appendix 3 – Loughborough Special Expenses Outturn 2020/21

Appendix 4 – HRA Outturn 2020/21

Appendix 5 – HRA Controllable Outturn 2020/21

GENERAL FUND OUTTURN 2020-21					
Actual 2019/20 £000		Original Budget £000	Actual £000	Revised Budget £000	Variance £000
19,176	Net Service Expenditure	19,038	20,385	22,643	2,258
213	Revenue Contribution to Capital	0	182	0	(182)
0	NDR LCC Pilot Levy Gain one off	0	(309)	0	309
0	NDR Enterprise Zone Net LLEP income	0	(652)	0	652
227	Interest Paid	240	240	240	(0)
(562)	Less: Interest on Balances	(500)	(342)	(300)	42
19,054	Total Borough Expenditure	18,778	19,505	22,583	3,078
74	Contribution to (from) Reinvestment Reserve	(36)	(292)	(195)	97
(2,200)	Contribution to/(from) Working Balance	(1,069)	1,175	(1,822)	(2,997)
(173)	Contribution to/(from)Working Balance (Collection Fund)	143	143	143	0
0	Contribution to/(from)Growth Fund	0	(101)	0	101
395	Contribution to/(from) Other Revenue Reserves	(45)	857	(63)	(920)
(213)	Contribution to/(from) Capital Plan Reserve	0	453	500	47
16,937	Precept Requirement	17,771	21,740	21,146	(594)
5,290	NNDR	4,947	4,947	4,947	0
6,893	Council Tax Receipts	7,288	7,288	7,288	0
1,213	Loughborough Special Levy	1,271	1,271	1,271	0
(173)	Collection Fund Surplus/(Deficit)	143	143	143	0
3,731	New Homes Bonus	4,122	4,122	4,122	0
0	DCLG Covid Income Loss Claim	0	1,777	1,191	586
0	DCLG Covid Emergency Grant	0	2,184	2,184	0
(17)	Government Grants	0	8	0	8
16,937	Precept Income	17,771	21,740	21,146	594
Actual 2019/20 £000	Revenue Reserves	Original Budget £'000	Actual £'000	Revised Budget £'000	Variance £'000
2020/21					
6,871	Working Balance 1st April	5,900	4,498	4,498	0
(2,373)	Transfer from General Fund	(926)	1,318	(1,679)	2,997
0	Transfers From/(to) Reinvestment Reserve	(170)	0	0	0
0	Transfer From Growth Support Fund	0	0	101	(101)
0	Transfer From General Fund to EZ LLEP Creditor Account	0	1,224	0	1,224
0	Contribution/Payment to the LLEP Fund	0	(1,224)	(1,100)	(124)
4,498	Balance at 31 March	4,804	5,816	1,820	3,996
809	Reinvestment Reserve 1st April	366	883	883	0
74	Transfers From/(to) General Fund	(36)	(292)	(195)	(97)
0	Committed Reinvestment Reserve	170	0	(270)	270
883	Balance at 31 March	500	591	418	173
2,193	Capital Plan Reserve 1st April	1,288	1,980	1,980	0
0	Transfers From General Fund	0	500	500	0
(213)	Funding of Capital Expenditure	0	(47)	(630)	583
1,980	Balance at 31 March	1,288	2,433	1,850	583
101	Growth Support Fund 1st April	5	101	101	0
0	Transfer to General Fund	0	(101)	(101)	0
101	Balance at 31 March	5	0	0	0
763	Other Revenue Reserves 1st April	700	1,158	1,158	0
395	Transferred from General Fund	(45)	857	(45)	902
1,158	Balance at 31 March	655	2,015	1,113	902
0	NDR S31 Deficit Covid Reserve 2021/22 One Off	0	7,344	0	7,344
8,620	TOTAL BALANCES	7,252	18,199	5,201	12,998

Appendix 2

Charnwood Borough Council		2020-21		
		Actual	Revised Budget	Variance Underspend/(Overspend)
Controllable Service Costs		£000's	£000's	£000's
Community, Planning & Housing Directorate				
	Strategic Director; Community, Planning & Housing	119	120	1
	Head of Strategic and Private Sector Housing	462	791	329
	Head of Landlord Services	(217)	(227)	(10)
	Head of Neighbourhood Services	1,395	1,469	74
	Head of Planning and Regeneration	1,231	1,853	622
	Head of Regulatory Services	1,431	1,312	(119)
		4,420	5,317	897
Environmental & Corporate Services Directorate				
	Head of Waste, Engineering and Open Spaces	5,683	5,940	256
	Strategic Director; Environmental & Corporate Services	119	119	0
	Chief Executive's Team	256	265	8
	Head of Financial Services	1,037	1,274	237
	Organisational Development	1,388	1,348	(40)
	Head of Customer Experience	5,274	5,300	27
	Head of Strategic Support	2,060	2,244	184
		15,817	16,490	672
Commercial Development, Assets & Leisure Directorate				
	Strategic Director; Commercial Development, Assets and Leisure	168	515	346
	Head of Leisure and Culture	1,973	2,101	127
		2,142	2,615	474
	Grand Total	22,379	24,422	2,043
Note: Reconciliation to Appendix 1				
	Grand Total as above	22,379	24,422	2,043
	Adjustment for Non-Controllable Recharges to HRA	(1,993)	(2,037)	(43)
	Budget changes since Revised Budget	0	326	326
	REFCUS L470 J0235		(69)	(69)
	Other	0		0
	Net Service Expenditure per Appendix 1	20,385	22,643	2,258

LOUGHBOROUGH SPECIAL EXPENSES						
2019/20		Service	2020/21			
Original Budget	Actual Spend		Original Budget	Actual Spend	Variance (Overspend) /Underpend	% Variance
£	£		£	£	£	
67,800	59,845	Loughborough CCTV	68,400	73,335	(4,935)	(0.07)
81,800	78,196	Community Grants - General / Fearon Hall / Gorse Covert	80,300	79,346	954	0.01
44,900	38,760	Marios Tinetti Centre / Altogether Place / Community Hubs	45,700	32,122	13,578	0.30
9,600	8,567	Charnwood Water Toilets	8,800	7,702	1,098	0.12
34,500	44,476	Voluntary & Community Sector Dev Officer post (75% LSX)	35,300	34,803	497	0.01
4,400	4,447	Biggin Street Toilet - Friday Opening	4,500	1,555	2,945	0.65
120,000	120,046	Contribution towards Loughborough Open Spaces Grounds Maintenance	121,000	120,976	24	0.00
-5,100	(12,009)	November Fair	(8,300)	42,685	(50,985)	6.14
		<u>Parks:</u>				
404,700	417,381	Loughborough - including Loughborough in Bloom	350,400	355,206	(4,806)	(0.01)
68,200	66,108	Gorse Covert and Booth Wood	69,800	66,401	3,399	0.05
		<u>Sports Grounds:</u>				
112,700	122,297	Derby Road	115,300	107,230	8,070	0.07
43,700	41,515	Lodge Farm	43,200	38,455	4,745	0.11
72,900	79,583	Nanpantan	74,300	72,831	1,469	0.02
20,200	21,604	Park Road	19,000	18,163	837	0.04
21,400	21,798	Shelthorpe Golf Course	20,700	24,585	(3,885)	(0.19)
45,100	57,651	Loughborough Cemetery	37,300	27,650	9,650	0.26
52,000	52,396	Allotments - Loughborough	43,300	45,072	(1,772)	(0.04)
15,600	16,648	Carillon Tower	14,000	13,628	372	0.03
51,200	41,678	Festive Decorations and Illuminations	48,400	44,407	3,993	0.08
102,500	97,252	Town Centre Management	99,600	82,659	16,941	0.17
1,368,100	1,378,241	Total	1,291,000	1,288,814	2,186	0.17%

Appendix 4

2019/20 Actual	Housing Revenue Account	2020/21 Original Budget	2020/21 Revised Budget	2020/21 Outturn	2020/21 Variance
£000		£000	£000	£000	£000
	Expenditure				
5,220	Supervision and Management	5,550	5,540	5,421	119
6,718	Repairs and Maintenance	6,769	6,824	6,427	397
191	Rents, Rates and other charges	139	224	261	(37)
270	Provision for Bad Debt and Other Charges	383	593	175	418
3,249	Depreciation	3,189	3,189	3,464	(275)
(17,892)	Net Revaluation increase of non-current assets	0	0	(14,077)	14,077
18	Debt Management Expenses	10	10	18	(8)
(2,226)	Expenditure Sub-total	16,040	16,380	1,689	14,691
	Income				
(20,483)	Dwelling Rent Income	(20,937)	(20,580)	(20,597)	17
(366)	Shops, Land and Garages Rent	(360)	(350)	(412)	62
(55)	Warden Service Charges	(57)	(49)	(52)	3
(355)	Central Heating and Communal Charges	(350)	(323)	(286)	(37)
(143)	Leasehold Flat and Shop Service Charges	(158)	(143)	(143)	0
(26)	Hostel Service Charges	(31)	(30)	(28)	(2)
(11)	Council Tax recharged	(11)	(10)	(9)	(1)
(21,439)	Income Sub-total	(21,904)	(21,485)	(21,527)	42
(23,665)	Net Cost/(income) of service	(5,864)	(5,105)	(19,838)	14,733
(85)	Transfer from General Fund - Grounds Maintenance	(84)	(84)	(82)	(2)
2,709	Interest Payable	2,706	2,709	2,701	8
(124)	Investment Income	(66)	(35)	(45)	10
(21,165)	Net Operating Expenditure/(Income)	(3,308)	(2,515)	(17,264)	14,749
3,659	Revenue Contribution to Capital	3,308	3,308	0	3,308
(556)	Pension Adjustment	0	0	(96)	96
(1)	Accumulated Absence Adjustment	0	0	(112)	112
17,892	Reversal of Gain on Revaluation	0	0	14,077	(14,077)
20,994	Appropriations	3,308	3,308	13,869	(10,561)
(171)	(Surplus)/Deficit for the year	0	793	(3,395)	4,188

2019/20 Actual	Housing Revenue Account	2020/21 Original Budget	2020/21 Revised Budget	2020/21 Outturn
£000		£000	£000	£000
(613)	HRA Balance at beginning of year	(610)	(610)	(610)
(171)	(Surplus)/Deficit for the year	0	793	(3,395)
174	Transfer to/from Reserves	3	(790)	3,396
(610)	HRA Balance at end of year	(607)	(607)	(609)
(8,061)	HRA Financing Fund at beginning of year	(8,235)	(8,235)	(8,235)
(174)	Transfer to/from Reserves	(3)	790	(3,396)
0	Revenue Contribution to Capital	1,457	1,457	0
(8,235)	HRA Financing Fund at end of year	(6,781)	(5,988)	(11,631)
(3,364)	Major Repairs Reserve at end of year	(3,364)	(3,111)	(3,210)
(12,209)	Overall HRA balances at end of the year	(10,752)	(9,706)	(15,450)

Appendix 5

Charnwood Borough Council HRA Revenue Monitoring Report as at March 2021 Period (202013) Based on Revised Budget	Full Year Budget £000's	Year-to-Date (YTD)			YTD Variance as % of YTD Budget
		Amount	Revised Budget	Variance Under/ (Over)	
		£000's	£000's	£000's	
<i>General Management</i>					
Repairs & Maintenance					
Employee Related Costs	2,668	2,590	2,668	77	2.3%
All Other Controllable Costs	3,410	3,144	3,410	266	2.6%
Controllable Income	(54)	(32)	(54)	(21)	39.8%
Total Repairs & Maintenance	6,024	5,702	6,024	322	2.2%
Allocations & Lettings					
Employee Related Costs	720	668	720	52	6.2%
All Other Controllable Costs	31	23	31	8	6.2%
Controllable Income	(13)	14	(13)	(27)	210.5%
Total Allocations & Lettings	738	705	738	33	2.6%
Housing Strategy					
Employee Related Costs	75	51	75	24	30.9%
All Other Controllable Costs	22	3	22	19	87.0%
Controllable Income	0	0	0	(0)	0.0%
Total Housing Strategy	96	54	96	42	43.1%
Supervision & Management					
Employee Related Costs	2,738	2,471	2,738	267	9.0%
All Other Controllable Costs	1,553	1,308	1,553	245	11.7%
Controllable Income	(248)	(190)	(248)	(58)	23.5%
Total Supervision & Management	4,043	3,590	4,043	454	9.1%
<i>Total General Management</i>					
	10,901	10,050	10,901	851	5.1%
<i>Rents, Rates and Other Charges</i>					
Rents, Rates and Other Charges					
All Other Controllable Costs	224	261	224	(37)	-16.3%
Total Rents, Rates and Other Charges	224	261	224	(37)	-16.3%
<i>Total Rents, Rates and Other Charges</i>					
	224	261	224	(37)	-16.3%
Grand Total					
	11,125	10,311	11,125	2,515	4.7%
Income					
Dwelling Rent Income - Gross	(21,364)	(21,429)	(21,364)	65	0.3%
Dwelling Rent Void loss	785	832	785	(47)	6.0%
Net Dwelling Rent Income	(20,579)	(20,597)	(20,579)	17	0.1%
Non-Dwelling Rent	(484)	(543)	(484)	59	12.2%
Non-Dwelling Rent Void Loss	133	131	133	2	-1.7%
Net Non Dwelling Rent Income	(351)	(412)	(351)	61	17.5%
Charges for Services & Facilities - Charge	(720)	(642)	(720)	(78)	-10.9%
Charges for Services & Facilities - Void Loss	165	123	165	42	-25.4%
Net Charges for Services and Facilities	(555)	(519)	(555)	(36)	-6.6%
Total Income					
	(21,485)	(21,527)	(21,485)	42	0.2%

Reconciliation of HRA Outturn to Revenue Monitoring

Appendix 4 - HRA Outturn	£000
Supervision and Management	5,421
Repairs and Maintenance	6,427
Rents, Rates, Taxes and other charges	261
	<u>12,109</u>
Appendix 5 - Revenue Monitoring	
General Management (above)	10,311
Add Support Service Recharges (costs)	2,926
Add Corporate and Democratic Core	82
Minus Support Service Recharges (income)	(1,210)
	<u>12,109</u>

Reconciliation of HRA Revenue Monitoring to HRA Income and Expenditure Account

Appendix 5 - Revenue Monitoring	£000
General Management (above - Employee/Other Controllable costs)	10,311
Add Support Service Recharges (costs)	2,926
Add Corporate and Democratic Core	82
Minus Support Service Recharges (income)	(1,210)
	<u>12,109</u>
HRA Income and Expenditure Account	
I&E Supervision and Management	6,020
I&E Repairs and Maintenance	5,562
Rents Rates and other taxes	653
Charges for Services and Facilities	(130)
Other Income	(45)
Contributions to Expenditure	(33)
Add Corporate and Democratic Core	82
Total expenditure on Income and Expenditure Account	<u>12,109</u>

Note - the HRA Income and Expenditure Account is published in the 2020/21 Statement of Accounts