
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	25th NOVEMBER 2021	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	VICKI SUMMERFIELD Victoria.summerfield@southderbyshire.gov.uk	DOC: s/finance/committee/2021-22/Nov
SUBJECT:	GENERAL FUND REVENUE MONITORING 2021/22	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM08

1.0 Recommendations

- 1.1 That the latest revenue financial position for 2021/22 as detailed in the report is considered and approved.

2.0 Purpose of the Report

- 2.1 To provide an update on performance against budget for 2021/22.
- 2.2 The report details performance up to 30 September 2021 unless otherwise stated and is an update of income and expenditure for 2021/22.
- 2.3 The report covers the General Fund income and expenditure and an update to the MTFP.
- 2.4 To provide an update on the Council's additional costs due to the COVID-19 pandemic.

3.0 Detail

- 3.1 Apart from Council housing, day-to-day revenue income and expenditure for Council services is accounted for through the General Fund. The net expenditure is financed through the Council's Core Spending Power which includes:

- General Government Grant
- Council Tax
- Retained Business Rates
- New Homes Bonus

- 3.2 The Base Budget for 2021/22 approved in February 2021 estimated a budget deficit of £100,984. As reported in August, the budgeted deficit was increased to £379,116

due to a review of contingent sums. A further update has now been made due to the potential pay award for employees of £151,713 which is currently under negotiation for 2021/22. The deficit is now estimated at £530,289.

- 3.3 In November 2020, the Government published the Spending Review 2020. As part of the response to the economic impact of the COVID-19 pandemic, the Chancellor announced that public sector pay increases would be paused for 2021/22, with the exception of NHS staff.
- 3.4 Negotiations regarding public sector pay have been undertaken during 2021 and the National Employers have offered a settlement for the 2021/22 financial year. This has not yet been agreed by the Unions and is still in negotiation. Nothing was included in the MTFP for a pay award in 2021/22 after the Chancellor's announcement and the potential impact to the financial position is significant.
- 3.5 An update to the General Fund financial position as a result of the potential pay is listed within the MTFP in **Appendix 1**. This shows that the General Reserve Balance is now projected to be at approximately £833,408 by 2025/26, assuming projected deficits will be financed from General Reserves between 2021 and 2026. This balance is now below the minimum requirement of £1.5m. On these projections, the balance then falls into deficit by 2027 so the financial position needs to be kept under close review.
- 3.6 The biggest uncertainty remains future Government funding and further details are awaited ahead of the financial settlement for 2022/23.
- 3.7 A summary of the current MTFP position is listed in the following table.

	Budget £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27
RESERVE BALANCE B/FWD	-13,193,524	-11,614,027	-9,706,039	-7,108,402	-4,180,307	-833,408
NET SERVICE EXPENDITURE	13,738,682	14,211,376	14,590,431	14,958,492	15,349,963	15,769,070
CONTINGENT SUMS	511,802	683,367	898,116	821,101	849,985	888,125
TOTAL PROJECTED SPENDING	14,250,484	14,894,743	15,488,547	15,779,593	16,199,947	16,657,195
TOTAL FINANCING	-13,720,196	-13,503,754	-13,406,910	-13,366,498	-13,374,548	-13,675,822
CAPITAL CONTRIBUTIONS	1,049,208	517,000	516,000	515,000	521,500	528,000
DEFICIT FOR THE YEAR	1,579,497	1,907,989	2,597,637	2,928,095	3,346,899	3,509,373
RESERVE BALANCE C/FWD	-11,614,027	-9,706,039	-7,108,402	-4,180,307	-833,408	2,675,965

- 3.8 Contingent sums held within the MTFP are detailed in the following table.

	£
Provision for "off-payroll" payments	10,000
Waste Collection and Recycling	50,000
Potential Pay Award	151,173
Growth	32,630
Pension Earmarked Reserve Drawdown	-41,122
Administration of Child Care Vouchers	1,750
Licensing Post Upgrade	2,445
PCI Compliance	17,235
Payroll Service Outsourcing	32,376
Parish and Concurrent Functions	13,488
Local Plan Provision	15,000
Temporary Post Adjustments	-16,447
Operational Services Growth	243,274
Total	511,802

Position as at September 2021

3.9 A summary of the financial position for the year compared to the Base Budget for each Policy Committee is shown in the following table.

COMMITTEE SUMMARY - BUDGET MONITORING SEPTEMBER 2021

Summary by Policy Committee

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect
	Budget	Actual	Variance		on GF
	£	£	£	£	£
Environmental and Development Services	6,227,089	6,154,602	72,487	51,101	21,386
Housing and Community Services	2,650,462	2,181,328	469,134	477,810	-8,676
Finance and Management	6,038,722	3,366,555	2,672,168	2,427,553	244,616
TOTAL	14,916,273	11,702,484	3,213,789	2,956,464	257,326

3.10 The above table shows that net expenditure is expected to be £3,213,789 lower than budget but transfers to Earmarked Reserves of £2,956,464 due to grant income and external contributions received under Section 106 agreements for projects which stretch beyond the current financial year are required. This funding is transferred to specific reserves and drawn down to finance expenditure when it is incurred.

3.11 Excluding transfers to specific reserves, the above table shows that based on current spending, there is a projected decrease in expenditure across services of approximately £257,326 which would reduce the overall deficit noted at 3.2.

3.12 An analysis by the main service areas is shown in the following table with more detail by specific cost centre included in **Appendix 2**.

COMMITTEE SUMMARY - BUDGET MONITORING SEPTEMBER 2021

Summary by Service Area

REVENUE	ANNUAL			RESERVES	
	Full Year	Projected	Projected	Earmarked	Net effect on GF
	Budget £	Actual £	Variance £		
Economic Development	344,350	343,947	403	0	403
Environmental Services	809,185	794,931	14,254	153	14,101
Highways & Parking	61,801	56,348	5,453	0	5,453
Licensing & Land Charges	-1,566	127,031	-128,598	0	-128,598
Planning	638,628	474,830	163,798	33,000	130,798
Street Scene	1,194,076	1,125,838	68,239	17,948	50,291
Waste & Transport	3,180,615	3,231,677	-51,062	0	-51,062
Community Development & Support	698,302	688,088	10,214	11,950	-1,736
Recreational Activities	152,990	158,386	-5,397	0	-5,397
Leisure Centres & Community Facilities	757,807	424,455	333,353	331,305	2,047
Parks & Open Spaces	577,272	576,948	324	0	324
Private Sector Housing	464,091	333,451	130,640	134,555	-3,915
Central Support Services	4,075,360	4,006,725	68,635	6,772	61,863
Corporate & Democratic Costs	534,770	509,771	24,998	0	24,998
Elections & Registration	228,425	186,605	41,820	0	41,820
Parishes, Interest, S106 Receipts & Provisions	769,221	-1,630,470	2,399,691	2,378,281	21,411
Estate Management	-245,318	-284,009	38,691	0	38,691
Revenues & Benefits	676,265	577,932	98,333	42,500	55,833
	14,916,273	11,702,484	3,213,789	2,956,464	257,326

3.13 The main reasons for the projected variance are summarised in the following table and detailed in the commentary.

GENERAL FUND VARIANCE TO BUDGET SEPTEMBER 2021

	£'000
Salary savings (vacancies, maternity etc.) - E&D	796
Salary savings (vacancies, maternity etc.) - F&M	203
Salary savings (vacancies, maternity etc.) - H&C	155
Total Employee	1,154
Increased Planning Fee Income	167
Waste Disposal	150
Election Savings	42
Professional Fees - Finance and NNDR Collection	40
Commercial Income	28
Investment Income	21
Unbudgeted Grant Income	16
Extra Refuse Collections	10
PSAA Audit Rebate	8
Members Allowance, Room Hire and Training	8
Total Favourable Variances	1,644
Responsive Tree Works in Churchyards	-6
Emergency Fire Support and Flood Mitigation	-8
Bank Charges	-10
Freighter Parking Charges	-12
Legal Support for Tender	-12
Recycling Calendars	-13
Telephone and Data Charges	-14
Bin and Sack Purchases	-15
Head of Service Recruitment	-17
PWC Vision Reform	-19
Fuel	-20
Vehicle Spare Parts	-30
Vehicle Hire	-84
Agency and Consultancy Costs	-1,123
Other Variances (net)	-4
Total Adverse Variances	-1,387
TOTAL - OVERALL PROJECTED VARIANCE	257

3.14 Salary savings in year relate to vacancies and maternity but these savings are mainly offset by agency and consultancy to support services. Recruitment costs of £17k for the new Head of Culture and Community Services were not budgeted for but are partially offset by a saving of £7k for the vacancy within Community Centres. The following table shows the expected costs and savings on staffing in year.

	Employee Saving £'000	Agency Cost £'000	Variance £'000	
Recycling	330	-390	-60	Recruitment in progress
Parks and Open Spaces	120	-117	3	Recruitment in progress
Street Scene	106	-51	55	Recruitment in progress
Planning	95	-136	-41	Vacancies
Direct Services Administration and Management	81	-78	3	Recruitment in progress
Legal	69	-26	47	Recruitment in progress
Land Charges	61	-180	-119	Vacancies - Lichfield DC supporting
Revenues and Customer Services	58	0	58	Vacancies
Economic Development	53	-54	-1	Vacant post
Waste and Transport	47	-30	17	Vacancy plus sickness
Property and Public Buildings	38	-2	36	Vacancies
Democratic	29	0	29	Long-term sickness
Organisational Development	28	-5	23	Vacancy recruited
Rosliston	22	-13	9	Vacant post
Environmental	14	-6	8	Vacancy recruited
Community Centres	12	-5	7	Vacant post
Licensing	10	-24	-14	Maternity cover
Business Change	4	-6	-2	Long-term sickness
Finance	-23	0	-23	Professional fees offset cost
	1,154	-1,123	35	

Favourable Variances

- 3.15 Planning applications are significantly higher than forecast and have picked up considerably in the past few months after a lower number during 2020/21. There is no slowdown in applications expected at this stage.
- 3.16 Contributions from Derbyshire County Council are higher than budget on waste disposal due to higher levels of green waste and recycling due to the pandemic. This is in line with the outturn position in 2020/21 where higher levels of income were seen due to stock piling of food during the pandemic. Extra collections are also higher than budget in line with the receipt for waste disposal but an increase in provision of bins and sacks more than offsets this additional income.
- 3.17 In addition to the increased income for waste disposal, the costs of recycling were over accrued at the year-end resulting in any costs received in 2021/22 being offset against the accrual. This will leave a favourable variance for the first half of the year at approximately £60k which is included within the £150k favourable variance noted in the table at 3.12.
- 3.18 Savings are expected on Conducting Elections (£22k) and Registration of Electors (£20k). Grant income of £31k was received for COVID safe practices during the recent elections of which costs of only £9k have been incurred. Changes to the canvas has also been implemented resulting in no casual staffing costs.
- 3.19 Professional fee savings are being seen in Finance (£38k) due to the payroll service remaining in-house at this stage. Costs are being incurred for the unbudgeted payroll

post, but this is covered by the saving. An additional saving of £2k is also being seen in NNDR Collection due to over budgeting for expected costs.

- 3.20 Income from letting industrial units (£18k) and collection of trade waste (£10k) are exceeding budget. This is not expected to alter at this stage but is being kept under review in light of potential business failures due to the pandemic.
- 3.21 Investment income is greater than budget due to the large value of cash deposits held by the Council. £4m is currently invested in a longer-term high interest account with an average return of 4%. The budget for investment income is prudently based on a low interest receivable percentage and is therefore likely to exceed the budget.
- 3.22 Grant income has been received for the administration of Housing Benefits. Costs have already been incurred against this sum in year due to resourcing for changes brought on by the pandemic but the remaining balance of £16k is expected to be surplus.
- 3.23 Savings are being made due to vacancies and training costs for elected Members. It is expected that costs will be incurred as the year progresses with a small saving overall.
- 3.24 Public Sector Audit Appointments have issued a rebate of £8k to the Council which was unbudgeted.

Adverse Variances

- 3.25 Emergency tree works have been undertaken in churchyards to ensure health and safety measures are in place (£8k) and other emergency works on flood mitigation in Melbourne and equipment for a serious fire in Hilton have also been required (£6k).
- 3.26 Due to the additional number of transactions being processed through the Council's bank account, higher costs than budgeted are being incurred. These costs are covered however by the increase in investment income.
- 3.27 Recycling costs have been incurred for the annual calendars which was unbudgeted. Additional costs for fuel in excess of the budget approved in August (£20k) are being seen and costs for parking of the Recycling freighters are being incurred due to there being no room at the Depot to store the vehicles overnight. This cost is expected to continue. Legal charges were also incurred for support for the tender for the new recycling contract (£12k).
- 3.28 Costs in excess of the budget are being seen on mobile and land line telephones. Mobile data usage (£7k) has increased over the last 18 months due to working from home and the Council is incurring additional line charges for the land lines (£7k). This is currently under investigation.

Risk Areas

Recycling Contract

- 3.29 As reported in early August to the Committee, the recycling service went out to tender during 2021 and three contractors were appointed for bulking, transportation and disposal of waste with the Council's Operational Services team to continue with recycling collection.

- 3.30 The approval includes a risk share of the sales price of materials disposed of by the two main contractors. Sales prices are determined and based on the Letsrecycle.com website and full analysis of the risk was presented to the Committee in August.
- 3.31 Although the contract and revised way of working did not officially start until 7 October 2021, the table below confirms how the Council would have performed on income generation in the first quarter had the change to service delivery occurred at the start of the financial year.

Quarter 1	Tonnes	£
Mixed papers	725.68	-61,442
Aluminium cans	55.00	-46,865
Steel cans	101.21	-19,208
Clear blue PET	0.72	-173
HDPE natural	281.73	-66,193
PTT - pots, tubs, trays	0.00	0
Glass	969.83	-5,399
General waste	95.64	9,373
Lets Recycle Income Generation		<u>-189,906</u>

- 3.32 As can be seen above, income on materials for the first quarter of 2021/22 performed well and the Council would have seen income above the required amount for the service to be within the approved expenditure budget. As part of the tender, general waste is chargeable to the Council, but it is expected that as the contract progresses, the tonnage for general waste will reduce as the contractor will find more of the materials previously considered as general waste to be recyclable.
- 3.33 To ensure the recycling costs are kept within the approved budget of £920k, an income of approximately £400k needs to be generated in the year.
- 3.34 Past performance is of course no guarantee of future performance, but it is hoped that the continued growth in recycling will remain and result in a benefit longer-term to the General Fund. £300,000 has been set-aside in earmarked reserves to protect against a fall in prices and an additional £50,000 provision has been updated within the MTFP over the life of the plan.
- 3.35 It is intended to update the Committee each quarter with details of the recycling contract identifying any risks and potential benefits as the new service model begins.

Vacancies

- 3.36 As can be seen at the table in 3.13, there are a significant number of vacant posts within the General Fund. Whilst a number of these are in the process of being recruited, there are areas where significant costs are being incurred to support services.
- 3.37 The main financial risk to note is that due to the current economic climate, there are vacant roles within service areas that may be difficult to recruit into due either to a shortage of candidates or market salary levels being greater than the Council's core evaluated pay structure.
- 3.38 This is an area being kept under review by the Leadership Team.

Land Charges

- 3.39 The Council has been in discussion with Lichfield District Council regarding the delivery of the service for some time.
- 3.40 Currently and as can be seen from the table at 3.13, there are full vacancies for the service as Lichfield are overseeing this area whilst the negotiations are underway. The cost of support from Lichfield is escalating month on month since the support began and on current estimates, is expected to be approximately £180k by March.
- 3.41 Alongside the costs from Lichfield, additional costs for computer licences have been incurred of £5k to access the new system which were unbudgeted.
- 3.42 Land searches however have increased during the year and there is expected to be a favourable outturn of approximately £14k on income.
- 3.43 Overall, whilst negotiations are ongoing and based on the current monitoring data, the Council is likely to incur costs of approximately £110k over the approved budget in 2021/22.

Housing Benefit

- 3.44 The Council has an allowance for errors for awarding housing benefit incorrectly and generally keeps within this limit each year.
- 3.45 If errors are less than or equal to 0.48% of total benefit awarded, the Council is able to keep 100% of the benefit issued through the subsidy. If errors are between 0.49% and 0.54%, the Council retains 40% of the total error awarded.
- 3.46 In 2021/22, one particularly difficult claim has resulted in a benefit error of £15k going back to 2015. This now creates a risk to the overall error rate reported through the subsidy system. The Council has an error rate of around £40k per annum which is generally fully reclaimable, but this one large error could potentially put us above the 0.54% error rate in year.
- 3.47 The Benefits team is working on processes and is hopeful that they will still fall below the 0.54% error rate. If however this is not achieved, a reduction in subsidy of up to £60k could be seen in year which would be an unbudgeted General Fund cost.

COVID-19 Funding

- 3.48 The Government has issued £490k of additional funding in quarter one to assist with additional expenditure due to the Pandemic.
- 3.49 During 2020/21, the Council received four tranches of funding for expenditure pressures totalling just over £1.4m. A carry forward of £181k into 2021/22 was approved as part of the outturn report in July 2021.
- 3.50 The following table shows the funding received, the carry forward from 2020/21 and the expected expenditure during 2021/22.

	£
Bought Forward 2020/21	-181,218
Grant Payment Q1	-490,231
Total Funding	-671,449
Agency	86,255
ICT and Home Working	59,761
Discretionary Grant Awards	75,072
Recycling Costs	-11,257
Overtime	31,670
Committee Sound System and Chairs	42,430
Car Parking Deficit	7,222
Kennelling Costs	36,805
Bank Charges	5,970
Audit Fees	12,941
PPE	13,059
Election Costs	-5,360
Cleaning of Public Buildings	3,986
Vehicle Hire	8,979
Total Predicted Impact	367,534
Remaining Funding	<u>-303,915</u>

- 3.51 Expenditure as noted above is a prediction of potential costs in 2021/22. It is assumed that agency and vehicle hire will continue until at least the year-end.
- 3.52 Costs for kennelling animals under the Animal Welfare Act are no longer being incurred as the court case has now been heard. The animals have been rehomed and therefore there will be no further costs to offset.
- 3.53 Overtime costs are being incurred for additional work related to the Business Grant schemes and Test and Trace. It is expected based on current data that these schemes will wind down by the Winter. In addition to the overtime, banking costs are being incurred for same day payments for the schemes. These are now being offset against the Covid funding.
- 3.54 The cleaning regime currently in place in Public Buildings is expected to continue for the remainder of the year and PPE expenditure is likely to remain at a higher level for at least the first two quarters.
- 3.55 Most employees are now set up to work from home where they are able to but there are still potentially areas of cost yet to be seen. This will be kept under review pending a decision on future working arrangements.
- 3.56 The Council set-aside £100k for discretionary grant purposes where businesses and charitable organisations did not qualify for a mandatory Business Grant. As at 30 September, £24,928 of this fund has been utilised. It is assumed that the remainder will be spent in year.
- 3.57 A larger deficit for car parking penalties than is usually incurred in 2020/21 has been charged to the Council after the Accounts have been concluded by the County Council. After analysis it is believed that the larger than normal deficit is due to the

lack of car parking across the District over the pandemic resulting in less parking fines being issued.

- 3.58 The Council has been notified of additional external audit fees in relation to increased work around the Council's going concern and valuations for the 2019/20 audit due to the COVID-19 pandemic.
- 3.59 A credit amount for Recycling is now sitting within the summary table due to an over accrual at the year-end for the contract. This in effect was a bigger draw down than required in 2020/21 and is to be rectified in 2021/22.
- 3.60 A credit has also been seen for Elections costs. These costs were expected to be funded by the additional COVID grant received by the Council during 2020/21 but the Council has since received a large grant for Election safety as noted earlier in the report.
- 3.61 Income losses are not yet included within the table. Analysis is continually being carried out and most of the losses are expected to be recouped by the year-end. Any shortfall on income that is directly related to the pandemic will be offset against the grant income at the year-end.

Core Grants and Funding

- 3.62 The Council's central funding, besides Business Rates, is fixed for the year and is shown in the following table.

	£
Council Tax	5,915,215
Retained Business Rates	3,779,996
Lower Tier Services Grant	519,414
New Homes Bonus	3,381,517
Collection Fund Surplus	124,054
Total Funding	<u>13,720,196</u>

- 3.63 The final amount retained for Business Rates will depend upon income and expenditure during the year, which includes provisions and any return from the Derbyshire Business Rates Pool.
- 3.64 Performance of the Pool is reported quarterly to all Derbyshire S151 Officers, but nothing has yet been reported on the second quarter performance. There is a risk due to the pandemic that the Business Rates position for authorities across Derbyshire and potential losses in income will be seen which will impact on better performing authorities. It is still unknown at this stage how the Council will be impacted in 2021/22.

4.0 Financial Implications

- 4.1 Detailed in the report.

5.0 Corporate Implications

Employment Implications

5.1 None.

Legal Implications

5.2 None.

Corporate Plan Implications

5.3 There are no specific targets within the Corporate Plan but ensuring sustainability of the Council's financial position enables services to deliver targets included with the Plan.

Risk Impact

5.4 None.

6.0 Community Impact

Consultation

6.1 None.

Equality and Diversity Impact

6.2 None.

Social Value Impact

6.3 None.

Environmental Sustainability

6.4 None.

7.0 Background Papers

7.1 None.

GENERAL FUND MEDIUM TERM FINANCIAL PLAN
BUDGET & PROJECTION as at NOVEMBER 2021

	Budget £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27
BASE BUDGET						
Environmental & Development	6,227,089	6,460,107	6,626,586	6,797,424	6,971,713	7,153,047
Housing & Community	2,650,462	2,792,946	2,844,411	2,897,581	2,951,322	3,021,669
Finance & Management	6,038,722	6,198,526	6,366,623	6,536,299	6,707,819	6,881,426
Net Service Expenditure	14,916,273	15,451,579	15,837,621	16,231,304	16,630,853	17,056,142
Accounting Adjustments						
Reverse out Depreciation	-1,435,413	-1,435,413	-1,435,413	-1,435,413	-1,435,413	-1,435,413
Minimum Revenue Provision (MRP)	181,932	174,654	167,668	160,962	154,523	148,342
Voluntary Revenue Provision (VRP - Recycling Bins & Grove Active Zone)	75,891	20,556	20,556	1,639	0	0
	13,738,682	14,211,376	14,590,431	14,958,492	15,349,963	15,769,070
Add: Known Variations						
Vehicle Maintenance Plan (Tyres and Spare Parts)	0	23,000	20,000	55,000	55,000	55,000
Operational Services - Allocated Growth Excluded From Base Budget	243,274	146,652	382,329	160,367	164,376	168,486
Growth Provision Drawdown	0	0	-172,294	0	0	0
Licensing Posts Regrade - approved July 2021	2,445	3,893	6,200	8,536	8,735	8,953
PCI Compliance Reported January 2021	17,235	17,235	17,235	17,235	17,235	17,235
Parish Concurrent Functions and Grants to Voluntary Bodies	13,488	13,488	13,488	13,488	13,488	13,488
Payroll Service Transfer Reported June 2021	32,376	-39,119	-39,019	-38,905	-38,779	-38,779
Local Plan Review	15,000	15,000	0	0	0	0
Potential Pay Award	151,173	154,952	158,826	162,797	166,867	171,038
Incremental Salary Increases	0	21,842	22,388	22,948	23,522	0
Investment Income	0	11,000	51,000	68,040	70,000	70,000
Administration of Childcare Vouchers	1,750	1,750	1,750	1,750	1,750	1,750
Temporary Posts, Rosliston and Grants	-16,447	-100,298	-86,943	-95,844	-80,410	0
Potential Cost of New Waste Disposal Site	0	47,560	49,938	52,435	55,057	57,809
Potential Loss of Industrial Unit Income	0	190,000	190,000	190,000	190,000	190,000
Pension Earmarked Reserve Drawdown	-41,122	-43,589	-6,783	0	0	0
District Election May 2023	0	0	125,000	0	0	0
TOTAL ESTIMATED SPENDING	14,157,854	14,674,743	15,323,547	15,576,339	15,996,803	16,484,051
Provisions						
Provision for Employer's NIC on "off-payroll" payments	10,000	10,000	10,000	10,000	10,000	10,000
Contingent Sum - Growth	32,630	160,000	105,000	143,254	143,144	113,144
Waste and Recycling	50,000	50,000	50,000	50,000	50,000	50,000
TOTAL PROJECTED SPENDING	14,250,484	14,894,743	15,488,547	15,779,593	16,199,947	16,657,195

**GENERAL FUND MEDIUM TERM FINANCIAL PLAN
BUDGET & PROJECTION as at NOVEMBER 2021**

	Proposed Budget £ 2021.22	Projection £ 2022.23	Projection £ 2023.24	Projection £ 2024.25	Projection £ 2025.26	Projection £ 2026.27
FINANCING						
Business Rates Retention	-3,779,996	-3,779,996	-3,779,996	-3,779,996	-3,779,996	-3,779,996
Lower Tier Services Grant Allocation	-519,414	-2,388,033	-3,159,592	-2,843,633	-2,559,270	-2,559,270
New Homes Bonus	-3,381,517	-1,122,625	0	0	0	0
Council Tax Income	-5,915,215	-6,158,100	-6,412,322	-6,687,869	-6,980,282	-7,281,557
Core Spending Power	-13,596,142	-13,448,754	-13,351,910	-13,311,498	-13,319,548	-13,620,822
Add Estimated Collection Fund Surplus - Council Tax	-124,054	-55,000	-55,000	-55,000	-55,000	-55,000
TOTAL FINANCING	-13,720,196	-13,503,754	-13,406,910	-13,366,498	-13,374,548	-13,675,822
Revenue Surplus (-) / Deficit	530,289	1,390,989	2,081,637	2,413,095	2,825,399	2,981,373
Capital Contributions						
Melbourne Sports Park Drainage	166,020	0	0	0	0	0
IT and Digital Strategy	166,000	160,000	160,000	160,000	166,500	173,000
Purchase of Town Centre Land	44,335	0	0	0	0	0
Community Partnership Scheme	264,853	0	0	0	0	0
Rosliston Forestry Centre - Play Project	50,000	0	0	0	0	0
Asset Replacement and Renewal Fund	358,000	357,000	356,000	355,000	355,000	355,000
TOTAL CAPITAL CONTRIBUTION	1,049,208	517,000	516,000	515,000	521,500	528,000
TOTAL GENERAL FUND DEFICIT	1,579,497	1,907,989	2,597,637	2,928,095	3,346,899	3,509,373
GENERAL FUND RESERVE BALANCE						
Balance b/fwd	-13,193,524	-11,614,027	-9,706,039	-7,108,402	-4,180,307	-833,408
Revenue Surplus (-) / Deficit	530,289	1,390,989	2,081,637	2,413,095	2,825,399	2,981,373
Capital Contributions	1,049,208	517,000	516,000	515,000	521,500	528,000
Balance c/fwd	-11,614,027	-9,706,039	-7,108,402	-4,180,307	-833,408	2,675,965

ENVIRONMENTAL & DEVELOPMENT SERVICES - BUDGET MONITORING SEPTEMBER 2021

SUMMARY OF PERFORMANCE

	Budget £	Projected Actual £	Variance £	RESERVES		
				Earmarked £	General Fund £	
Tourism Policy, Marketing & Development	61,071	61,071	0		0	
Promotion and Marketing of the Area	273,252	272,849	403		403	Fav pay £53k, subsistence £1k; adv agency £54k
Community Development	10,027	10,027	-0		-0	
ECONOMIC DEVELOPMENT	344,350	343,947	403	0	403	
Food Safety	81,771	79,394	2,378		2,378	Fav pay £8k; adv agency £6k
Pollution Reduction	410,289	393,282	17,007		17,007	Fav pay £12k, consultancy income £5k
Pest Control	15,752	11,280	4,472		4,472	Fav pay £4k
Public Health	0	0	-0		-0	
Public Conveniences	30,367	30,486	-119		-119	
Community Safety (Safety Services)	173,485	183,122	-9,637		-9,637	Adv pay £10k
Environmental Education	95,721	95,568	153	153	0	
Welfare Services	1,800	1,800	0		0	
ENVIRONMENTAL SERVICES	809,185	794,931	14,254	153	14,101	
Environmental Maintenance (Other Roads)	-70,557	-70,557	0		0	
Public Transport	29,001	23,549	5,452		5,452	No contract cleaning of bus shelters
Off-Street Parking	103,357	103,356	0		0	
HIGHWAYS & PARKING	61,801	56,348	5,453	0	5,453	
Local Land Charges	-3,539	106,453	-109,992		-109,992	Fav pay £61k, fee income £14k; adv Lichfield support £180k, software licence £5k
Licensing	1,973	20,579	-18,606		-18,606	Fav pay £10k; adv agency £24k, fee income £5k
LICENSING & LAND CHARGES	-1,566	127,031	-128,598	0	-128,598	

Emergency Planning and Works	16,000	19,772	-3,772
Building Regulations	35,200	35,200	-0
Dealing with Development Control Applications	281,178	138,923	142,255
Structure and Local Planning	313,807	288,431	25,376
Street Name & Numbering	-7,556	-7,496	-60

	-3,772	Emergency works fire in Hilton
	-0	
33,000	109,255	Fav pay £80k, fee income £200k (20% fee to be earmarked); adv agency £136k, staff advertising £2k
	25,376	Fav pay £15k, grants £10k
	-60	

PLANNING

638,628 474,830 163,798

33,000 130,798

Grounds Maintenance	653,399	613,825	39,573
Countryside Recreation & Management	0	0	0
Street Cleansing (not chargeable to highways)	540,678	512,012	28,665

	39,573	Fav pay £39k
	0	
17,948	10,717	Fav pay £67k; adv agency £51k, bins and sacks £5k

STREET SCENE

1,194,076 1,125,838 68,239

17,948 50,291

Household Waste Collection	1,745,163	1,778,799	-33,637
Trade Waste Collection	-99,563	-109,661	10,098
Recycling	450,835	447,648	3,187
Direct Services Central Admin	323,206	320,191	3,015
Transport Services	760,974	794,699	-33,726

	-33,637	Fav pay £30k, DCC contribution £40k, extra collections £10k; adv agency £30k, vehicle hire £84k
	10,098	Fav fee income £10k, disposal costs £10k; adv bins & sacks £10k
	3,187	Fav DCC contribution £100k, pay £330k; adv agency £390k, vehicle parking £12k, recycling calendars £13k, legal support tender £12k
	3,015	Fav pay £81k; adv agency £78k
	-33,726	Fav pay £16k; adv fuel £20k, spare parts £30k

WASTE & TRANSPORT

3,180,615 3,231,677 -51,062

0 -51,062

6,227,089 6,154,602 72,487

51,101 21,386

HOUSING & COMMUNITY SERVICES - BUDGET MONITORING SEPTEMBER 2021

SUMMARY OF PERFORMANCE

	Budget	Projected Actual	Variance	RESERVES		
	£	£	£	Earmarked £	General Fund £	
General Grants, Bequests & Donations	300,510	300,509	0		0	
Community Centres	210,725	255,101	-44,376	-46,800	2,424	Fav pay £12k; adv agency £5k, fee income £5k
Community Safety (Crime Reduction)	129,952	71,202	58,750	58,750	0	
Defences Against Flooding	56,237	60,094	-3,857		-3,857	Adv flooding works across district
Market Undertakings	878	1,181	-303		-303	Adv trade waste
Village Halls	-0	-0	0		0	
COMMUNITY DEVELOPMENT & SUPPORT	698,302	688,088	10,214	11,950	-1,736	
Arts Development & Support	15,040	15,015	25		25	
Events Management	115,668	115,426	241		241	
Midway Community Centre	13,066	18,770	-5,704		-5,704	Adv fee income due to covid and extension
Stenson Fields Community Centre	9,216	9,175	42		42	
RECREATIONAL ACTIVITIES	152,990	158,386	-5,397	0	-5,397	
Melbourne Assembly Rooms	-1,668	-1,688	20		20	
Get Active in the Forest	31,175	34,021	-2,846	-2,846	-0	
Sports Development & Community Recreation	171,118	-37,785	208,903	208,903	0	
Indoor Sports & Recreation Facilities	537,233	535,205	2,028		2,028	Fav utility over accrual 20/21
Outdoor Sports & Recreation Facilities (SSP)	0	-111,720	111,721	111,720	0	
Play schemes	19,950	6,422	13,528	13,528	-0	
LEISURE CENTRES & COMMUNITY FACILITIES	757,807	424,455	333,353	331,305	2,048	

Allotments	-1,091	-1,075	-16
Rosliston Forestry Centre	249,137	243,164	5,973
Cemeteries	18,950	18,454	496
Closed Churchyards	7,241	13,371	-6,130
Parks and Open Spaces	303,035	303,035	0

	-16	
	5,973	Fav pay £21k, car park income £10k, log cabin income £8k; adv agency £13k, FE contribution £20k
	496	
	-6,130	Adv reactive tree works
	0	Fav pay £120k; adv agency £110k, grant income £3k, tree consultant £7k

PARKS & OPEN SPACES

577,272 576,948 324

0 324

Housing Standards	93,369	91,272	2,097
Housing Strategy	97,880	97,304	576
Administration of Renovation & Improvement Grants	50,298	49,331	967
Bed / Breakfast Accommodation	6,500	3,934	2,566
Pre-tenancy Services	190,421	58,433	131,989
Other Housing Support Costs (GF)	25,623	33,177	-7,554

	2,097	Fav fixed penalties £4k; adv staff advertising £2k
	576	Fav pay £1k
	967	Fav pay £1k
2,566	-0	
131,989	-0	
	-7,554	Adv comp maintenance crossover in charges for upgrade £8k

PRIVATE SECTOR HOUSING

464,091 333,451 130,640

134,555 -3,915

2,650,462 2,181,328 469,134

477,810 -8,676

FINANCE & MANAGEMENT - BUDGET MONITORING SEPTEMBER 2021

SUMMARY OF PERFORMANCE

				RESERVES		
	Budget £	Projected Actual £	Variance £	Earmarked £	General Fund £	
Business Change	98,042	98,231	-189		-189	Fav pay £4k, training £2k; adv agency £6k
Digital Services	153,559	151,658	1,901		1,901	Fav printing £2k
Caretaking	135,993	126,414	9,579		9,579	Fav pay £17k; adv agency £2k, void clean £5k
Senior Management	445,826	462,508	-16,682		-16,682	Adv HoS recruitment £17k
Financial Services	387,047	371,761	15,285		15,285	Fav prof fees £38k; adv pay £23k
Internal Audit	109,307	114,805	-5,499		-5,499	Adv Inflation
Merchant Banking Services	61,200	71,101	-9,901		-9,901	Adv increased banking transactions £10k
ICT Support	732,555	725,607	6,948	20,826	-13,878	Adv mobile phones £7k, land lines £7k
Legal Services	264,534	226,454	38,080		38,080	Fav pay £69k; adv agency £22k, staff advertising £5k, legal support £4k
Performance & Policy	36,720	36,710	10		10	
Personnel/HR	361,327	348,345	12,982	4,946	8,036	Fav pay £15k; adv medical fees £4k, recruitment expenses £3k
Communications	75,667	70,444	5,223		5,223	Fav pay £10k; consultancy support £5k
Customer Services	492,308	470,586	21,722		21,722	Fav pay £20k; stationary £2k
Health & Safety	48,073	44,958	3,114		3,114	Fav pay £3k
Admin Offices & Depot	632,236	646,473	-14,237	-19,000	4,763	Fav utilities £5k
Protective Clothing	28,819	28,545	274		274	
Procurement	12,149	12,124	24		24	
CENTRAL SUPPORT SERVICES	4,075,360	4,006,725	68,635	6,772	61,863	
Democratic Representation & Management	85,473	57,177	28,296		28,296	Fav pay £29k; Cllr investigations £1k
Corporate Management	64,458	83,506	-19,048		-19,048	PWC vision reform
Corporate Finance Management	37,437	29,869	7,569		7,569	PSAA audit rebate
Elected Members	347,401	339,220	8,181		8,181	Fav allows £5k, room hire £1k, mileage £2k
CORPORATE & DEMOCRATIC COSTS	534,770	509,771	24,998	0	24,998	

Registration of Electors	56,531	36,766	19,766
Conducting Elections	171,893	149,840	22,054
ELECTIONS & REGISTRATION	228,425	186,605	41,820

	19,766	Fav canvas saving
	22,054	Fav grant income for covid safety £31k; adv costs of safety measures £9k
	0	41,820

Funded Pension Schemes	280,072	214,030	66,042
Increase/Decrease in Provision for Bad or Doubtful Debts (GF)	175,000	175,000	0
Planning Agreements	0	-2,312,239	2,312,239
Parish Councils	417,607	417,607	0
Interest & Investment Income (GF)	-147,585	-168,997	21,411
External Interest Payable (GF)	500	500	0
Other Operating Income & Expenditure (GF)	43,627	43,628	-1
PARISHES, INTEREST, S106 RECEIPTS & PROVISIONS	769,221	-1,630,470	2,399,691

	66,042	0	Earmark for pension revaluation
		0	
	2,312,239	-0	
		0	
		21,411	Fav investment income
		0	
		0	
	2,378,281	21,411	

Estate Management	-245,318	-284,009	38,691
ESTATE MANAGEMENT	-245,318	-284,009	38,691

		38,691	Fav pay £21k, rent £18k
	0	38,691	

Council Tax Collection	116,327	107,519	8,808
Non Domestic Rates Collection	-84,500	-86,418	1,918
Revenues & Benefits Support & Management	136,633	107,389	29,244
Rent Allowances Paid	53,047	53,048	-1
Net cost of Rent Rebates Paid	81,999	81,999	0
Corporate Fraud	45,474	45,474	0
Housing Benefits Administration	327,285	269,161	58,124
Concessionary Fares	0	-240	240
REVENUES & BENEFITS	676,265	577,932	98,333

		8,808	Fav pay £9k
		1,918	Fav prof fees £2k over budgeted
	22,338	6,906	Fav pay £7k
		-1	
		0	
		0	
	20,162	37,962	Fav pay £22k, grant income £16k
		240	
	42,500	55,833	

6,038,722 3,366,554 2,672,168

2,427,553 244,616