
REPORT TO THE EXECUTIVE – 3 FEBRUARY 2021**PORTFOLIO: FINANCE****REPORT FROM: ASSISTANT DIRECTOR, RESOURCES (SECTION 151 OFFICER)****SUBJECT: QUARTER 3 2020/21 FINANCIAL MANAGEMENT REPORT****1 DECISION BEING RECOMMENDED**

- 1.1 To note the Quarter 3 2020/21 revenue budget and capital position set out in sections 3 and 4 and detailed in Appendices 1 to 4.

2 REASON/S FOR RECOMMENDATION

- 2.1 The purpose of this report is to set out the forecast revenue and capital budget positions as at end of Quarter 3 2020/21.
- 2.2 The commentary does not attempt to cover all budgetary changes but draws attention to the key factors affecting net expenditure for that service area.
- 2.3 Allocations from the general balance for supplementary estimates (endorsed unplanned expenditure) or proposals to return underspends to the general balance will be recommended for approval by the Section 151 Officer, where appropriate.

3 OVERALL FINANCIAL POSITION

- 3.1 The latest revenue budget for 2020/21 is £11.043m which is an increase of £1.251m compared to the original budget of £9.792m. The changes to the original budget are due to drawdowns from reserves which are detailed in Appendix 1. The forecast outturn for general fund expenditure as at Q3 is £10.889m, which is an underspend of £0.154m, after application of the Council's COVID-19 grant allocation, but before any additional funding from the government's income compensation scheme.
- 3.2 In common with most Local Authorities, the COVID-19 pandemic is expected to have a significant impact on the Council's financial position, both in 2020/21 and future years, although the full impact is not yet clear and will depend on how quickly the wider economy recovers. The projections within this report are based on assumptions which have a high degree of uncertainty and will therefore be subject to close monitoring and refinement over the course of the financial year and beyond.
- 3.3 The Council has/is expecting to incur additional unplanned expenditure in several areas, such as support for leisure services, the provision of a community hub, and increased litter collection. It also expects to face losses

across most income lines, most notably car parking. These budget pressures are shown gross within the relevant portfolio lines, to enable monitoring of the movements against budget, with the grant income shown separately beneath.

- 3.4 The Council has so far received £1.111m from Central Government to contribute towards COVID-19 related pressures. It is required to report monthly on its expected financial pressures relating to the pandemic. Central Government has also introduced a scheme to reimburse LAs for an element of their lost income. The Council has made a claim for £0.458m for the period April to November; there will be one further application window over the course of the financial year and the total claim will be subject to a final verification at year-end. This additional funding is not yet included in the projected year end position as it will be applied at year-end once the final amount is confirmed. The Council will seek to mitigate any residual losses through in-year savings as far as possible but if there is an overall deficit at year-end it may draw on reserves as a last resort. If there is any surplus this will be put into reserves to mitigate the expected future impact of COVID-19 in 2021/22.
- 3.5 Portfolio Holders, supported by Assistant Directors, are accountable for any budget variations within their services and the associated responsibility to ensure expenditure and income are managed within agreed budgets. To make sure that this is successfully achieved, it is essential that Assistant Directors identify any significant emerging variances, develop action plans (endorsed by Portfolio Holders) to address these, and review them throughout the financial year, so that overall expenditure is contained within the available budget.
- 3.6 A breakdown of the revenue position by portfolio is set out in Appendix 2 and summarised in the table below.

Portfolio	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit	Of which: Salary Variance	Of which: Non Salary Variance
Leader/ Deputy Leader	3,146	3,260	2,122	3,050	(210)	(222)	12
Financial Services	1,127	1,807	2,034	1,855	48	(91)	139
Commercial, Business, Local Economy & Leisure	750	841	690	1,196	355	2	352
Strategic Planning	427	684	51	480	(204)	(79)	(124)
Environment & Place	2,989	3,074	1,647	3,111	37	(51)	88
IT, Tourism, Housing & Parking	1,037	1,037	854	1,822	785	(46)	831
Community	516	541	237	486	(54)	(53)	(1)
	9,992	11,243	7,635	12,000	757	(540)	1,297
Corporate Adjustments	-	-	-	-	-	-	-
Vacancy Factor (1)	(200)	(200)	-	-	200	200	-
COVID Grant (2)	-	-	(1,111)	(1,111)	(1,111)	-	(1,111)
TOTAL	9,792	11,043	6,524	10,889	(154)	(340)	186

(1) Vacancy Factor

The Council budgeted for a vacancy factor saving of £200,000 across all portfolios due to natural turnover of staff during the financial year. The actual projected salary savings are shown within each portfolio line.

(2) COVID-19 Grant Income

£1.111m of grants have been allocated to the Council by central government in relation to COVID-19. This is un-ringfenced funding which will be used to offset COVID-19 related pressures incurred across individual service areas detailed in the relevant portfolio areas below. The Council has received a number of other COVID related grants for specific purposes; however, these are not reflected in the general fund position as if these are not fully spent they will either be returned, or held in earmarked reserves at year-end.

Portfolio Variances**Salary Variances**

- 3.7 Overall there are Council-wide projected salary savings of £535,000 against a budgeted vacancy factor of £200,000, giving rise to a £335,000 positive variance. This includes a cost pressure of £54,000 due to a 2020/21 staff pay award of 2.75% against a budgeted 2% increase. The salary savings by portfolio are split out in the table above.

Non Salary Variances

- 3.8 In addition to the salaries underspends the following significant variances are projected.

Leader / Deputy Leader (£12,000 Non-Salaries Overspend)

- £45,000 in new cost pressures resulting directly from COVID-19; this includes an initial support payment of £12,750 for leisure services referred to within the Commercial Portfolio below, £15,000 allocated to costs to support the provision of a community hub and £11,000 for additional litter picking.
- Reduction in income of £37,000 for Hackney Carriage and £10,000 in other licensing income due to fewer applications as a result of COVID-19.
- Savings on cost of elections budget of c£78,000 due to the cancellation of elections in 2020/21.
- Saving of £7,000 on the apprenticeship levy.
- Loss of £13,000 staff parking income due to COVID-19.

- Saving of £5,000 in franking costs due to less post being sent out and £6,000 saving on paper.

Financial Services (£139,000 Non-Salaries Overspend)

- Within Council Tax there is a £67,000 reduction in income from the Council Tax Sharing Agreement due to the impact of COVID-19 on collection rates.
- Within Non Distributed Costs, investment income is forecast to be £80,000 under budget due to current low interest rates.
- Housing Subsidy budgets are forecasting to be overspent by £22,000; these are demand led and therefore subject to fluctuation.
- Additional income of £10,900 is expected from renewable energy business rates.

Commercial, Business, Local Economy & Leisure (£352,000 Non-Salaries Overspend)

- A £430,000 pressure in relation to financial support to the Council's Leisure contract to enable leisure centres to re-open following COVID-19 has been partly offset by a saving of £57,000 on business rates payable on leisure premises and an £11,750 saving on events (note £12,750 of the overall pressure is reported within the COVID-19 costs shown in the Leader / Deputy Leader's portfolio).
- £23,000 loss of local land charges income is projected based on the year to date position.
- Savings of £7,400 on allowances for Fire Marshalls, First Aiders, Health and Safety Reps and other various budgets within Health & Safety.

Strategic Planning (£124,000 Non-Salaries Underspend)

- Overall planning income is forecast to over-achieve against budget by £97,500 due to a number of large applications received in the last quarter.
- Building Control income is forecast to be £26,000 under budget due to the impact of COVID-19.
- A £10,000 underspend on dangerous structures expenditure.
- Due to a historical VAT adjustment, verge income has increased by £11,000.
- £10,000 underspend on flood prevention.

Environment & Place (£88,000 Non-Salaries Overspend)

- Within Recycling Disposal, the Material Recycling Facilities (MRF) contract expenditure is showing a pressure of £163,000 due to the significant decline in the value of the recycling rebate over the last quarter. The Council's contract tracks market rates on a quarterly basis and the position at October indicates that prices have significantly declined since the start of the financial year.
- Street Cleansing is forecast to underspend by £14,000.
- Recycling Collection is forecast to underspend by £9,000.
- Additional income for Cemeteries of £69,000 due to increased demand.
- Parks and Open spaces is forecast to overspend by £15,000 due to COVID-19 pressures including additional litter collection.

IT, Tourism, Housing & Parking (£831,000 Non-Salaries Overspend)

- Parking income is expected to be under budget by £836,000 based on current assumptions due to COVID-19. This will be partly offset by the Government income compensation scheme, which will be applied at year-end once the final amount is confirmed.
- There is a gross pressure of £167,000 on temporary accommodation costs relating to the additional cost of providing accommodation for homeless families in the district since the start of the pandemic, as mandated by government legislation. This has been offset by an expected increase in Housing Benefit income, and a saving on the Incentive and Prevention budget, resulting in an overall cost saving compared to budget of £21,000.
- £23,000 loss of income through weddings at the Windmill and Old House is projected for 2020/21 due to the impact of COVID-19.

4 CAPITAL PROGRAMME

- 4.1 The original Capital Programme for 2020/21 was reprofiled in Q1 and the revised budget is now £1.969m.
- 4.2 The forecasted outturn on the Council's capital programme as at Quarter 3 is £1.590m. The table at Appendix 3 summarises the projected position by service area.
- 4.3 The major items with slippage against the revised 2020/21 budget are: an anticipated £70,000 reduction in vehicle fleet spend, mobile device spend which is expected to be lower than budget due to the impact of COVID-19, reduced IT and equipment expenditure due to reduced tender costs, play space programme, due to an in year receipt of match funding and car parking

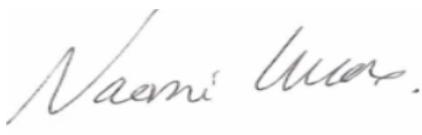
resurfacing works are also currently forecast to be underspent. The Disabled Facilities Grant is also forecasting an underspend against budget as COVID-19 has delayed works in the first half of the year; however, an increased integration approach with CCG partners is anticipated to increase works carried out from Q4 onwards.

- 4.4 The overall forecast outturn can be contained within the funds earmarked for the 2020/21 Capital Programme and is largely funded by grants and the capital receipts reserve.

5 RISK IMPLICATIONS

- 5.1 The Council already faced a challenging situation to balance the budget from 2021/22 onwards, so the impact of Covid-19 on future years budgets will be considered carefully as part of the Council's MTFS process. In particular any reductions in Council Tax and Business Rates collected during 2020/21 will impact on the Collection Fund position for the Council's 2021/22 budget, although Government has indicated that it will allow any losses to be spread over three years to help smooth this pressure.
- 5.2 There is also a possibility that some of the income losses/cost pressures experienced in 2020/21 could have a long tail, with impacts still being felt into 2021/22 and beyond. Government has announced as part of the Local Government Finance Settlement that the income compensation will continue into the start of next financial year. The Council is likely to have to take difficult decisions to ensure its financial sustainability in the medium term, unless significant additional ongoing resources are agreed for Local Authorities in a multi-year budget settlement following the Comprehensive Spending Review expected in the late autumn.
- 5.3 The Council continues to work with the District Councils Network and other sectoral bodies to lobby Government for appropriate funding to ensure any Covid-19 losses are fully compensated. It has provided detailed estimates of all its pressures to MHCLG each month to inform the governmental analysis of the impact of the pandemic on Local Government finances.
- 5.4 Delays in completing the items on the Capital Programme could prevent the Council from achieving its strategic objectives and lead to adverse publicity.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

LT Lead Officer Signature:  _____

Naomi Lucas

Assistant Director, Resources

Background Papers:-

None.

For further information please contact Naomi Lucas on:-

Phone: 01702 546366 x 3517

Email: Naomi.Lucas@rochford.gov.uk

If you would like this report in large print, Braille or another language please contact 01702 318111.

YEAR TO DATE RESERVE DRAWDOWNS 2020/21**Appendix 1**

<i>Description</i>	<i>Amount</i>	<i>Reason</i>	<i>Authorisation</i>
<u>Leader/ Deputy Leader</u>		-	
IT reserve	12,500	To cover additional telephony costs due to COVID-19	Section 151 Officer
Health & Safety reserve	7,400	COVID 19 - PPE	Section 151 Officer
Legal Reserve	15,000	Temporary staff costs	Section 151 Officer
Member Services	2,500	Member training sessions	Section 151 Officer
Legal Reserve	5,000	Counsel advice	Angela Law
Legal Reserve	3,000	Counsel advice	Angela Law
Legal Reserve	3,750	Counsel advice	Section 151 Officer
Legal Reserve	2,650	Temporary staff costs	Angela Law
Legal Reserve	3,450	Asset Programme	Section 151 Officer
Pension Reserve	34,321	Financial strain costs	Section 151 Officer
Pension Reserve	20,421	Financial strain costs	Section 151 Officer
Legal Reserve	6,500	Legal representation	Section 151 Officer
Legal Reserve	6,140	Consultancy advice	Section 151 Officer
<u>Financial Services</u>		-	
CTAX New Burdens	2,782	Reliefs policy review	Section 151 Officer
HB New Burdens	6,094	Works for Local Authority Data Share	Section 151 Officer
Transformation/Innovation Fund	68,036	Asset Delivery Programme	Investment Board/ Full Council
Hard/Soft Infrastructure	214,900	Asset Delivery Programme	Investment Board/ Full Council
ND New Burdens	600	Discretionary Relief review of policy	Section 151 Officer
Audit Reserve	1,200	Asset Valuations	Section 151 Officer
CTAX New Burdens	6,766	Hardship fund software changes	Section 151 Officer
HB New Burdens	400	Housing Benefit Information annual conference	Section 151 Officer
Connect Reserve	293,000	Connect project	The Executive
HB New Burdens	5,985	Academy System Changes / Upgrades	Section 151 Officer

Description	Amount	Reason	Authorisation
Audit Reserve	3,375	VAT Consultancy	Section 151 Officer
Hard/Soft Infrastructure	20,000	Asset Delivery Programme	Investment Board/ Full Council
ND New Burdens	1,000	Recovery Consultancy	Section 151 Officer
CTAX New Burdens	2,490	System upgrades / amendments	Section 151 Officer
HB New Burdens	995	Benefits Subscription	Section 151 Officer
Business Rates Smoothing Reserve	12,670	Fusion Lifestyle financial support - COVID 19	Section 151 Officer
HB New Burdens	800	Benefits Training	Section 151 Officer
Hard/Soft Infrastructure	46,550	Asset Delivery Programme	Section 151 Officer
CTAX New Burdens	150	IRRV Seminar	Section 151 Officer
HB New Burdens	2,450	National Fraud Initiative	Section 151 Officer
ND New Burdens	1,100	Business Grant policy work	Section 151 Officer
Strategic Planning		-	
LDF Reserve	60,358	Raise order for LDF work	The Executive
Planning Reserve	17,963	Planning application checks	Marcus Hotten/Section 151 Officer
LDF Reserve	80,000	Raise orders for Future High Streets Fund works (to be compensated by grant funding)	The Executive
Planning Reserve	10,000	Coastal community project	Strategic Director
Transformation/Innovation Fund	15,000	Funding for Beagle Event	Section 151 Officer
LDF Reserve	30,000	Local Development Framework	Section 151 Officer
Brexit Funding Reserve	9,000	BREXIT Support	Section 151 Officer
Planning Reserve	21,489	Agency staff	Section 151 Officer
Environment & Place		-	
R&M reserve	9,000	Utility & adhoc R&M works	Marcus Hotten/Section 151 Officer
Burial Equipment reserve	12,677	Use of a carry forward for equipment planned to be purchased in 19/20.	Marcus Hotten/Section 151 Officer
Contractor Provision	4,500	Depot Works	Marcus Hotten/Section 151 Officer
R&M Reserve	9,535	Utility & adhoc R&M works	Section 151 Officer
Pickles Grant Reserve	49,513	Waste contract tender support	Section 151 Officer/ Leader
R&M Reserve	3,500	Utility & adhoc R&M works	Section 151 Officer

<i>Description</i>	Amount	Reason	Authorisation
R&M Reserve	1,600	Utility & adhoc R&M works	Section 151 Officer
R&M Reserve	3,275	Utility & adhoc R&M works	Section 151 Officer
Community		-	
General Fund	46,700	External support for Leisure Contract Reprocurement	The Executive
R&M Reserve	12,140	Condition survey on leisure premises	Section 151 Officer
Business Rates Smoothing Reserve	25,000	Voluntary grants	Section 151 Officer
Transformation/Innovation Fund	25,000	Leisure contract open book and contract negotiations	The Executive

FORECAST YEAR-END POSITION FOR 2020/21 AS AT END OF DECEMBER 2020

Appendix 2

PORTFOLIO HOLDER: LEADER/DEPUTY LEADER, CLLR S E WOOTTON & CLLR C E ROE

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Reception	D Tribe	141,350	153,850	79,399	150,828	(3,022)
Support Services	D Tribe	193,785	193,785	107,571	159,291	(34,494)
Legal Services	A Law	158,300	200,340	132,341	168,015	(32,325)
Human Resources	A Hutchings	177,500	177,500	135,081	201,139	23,639
Communications	D Tribe	77,350	77,350	56,832	77,632	282
Licensing	L Moss	82,650	83,350	28,739	48,279	(35,071)
Customer Services	D Tribe	353,450	353,450	237,647	330,352	(23,098)
Hackney Carriage	L Moss	(105,400)	(106,100)	(67,926)	(68,968)	37,132
Corporate Management	A Hutchings	185,050	187,000	135,206	225,149	38,149
Member & Committee Services	A Law	409,350	446,671	337,549	455,271	8,600
Assistant Directors	A Hutchings	672,280	672,280	474,521	678,823	6,543
Strategic Director	A Hutchings	133,700	133,700	96,484	138,679	4,979
Managing Director	A Hutchings	167,700	188,121	122,605	127,664	(60,457)
Civics	A Law	80,400	80,400	38,771	67,181	(13,219)
Conducting Elections	A Law	172,700	172,700	60,687	92,503	(92,503)
Registration of Electors	A Law	107,850	107,850	64,619	95,545	

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Overview	A Law	51,250	51,250	23,842	24,810	(26,440)
Leadership Support Team	A Law	86,550	86,550	57,574	77,681	(8,869)
	TOTAL	3,145,815	3,260,047	2,121,542	3,049,874	(210,173)

PORTFOLIO HOLDER: FINANCIAL SERVICES, CLLR S P SMITH

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Housing Benefit Administration	N Lucas	255,050	269,323	(38,146)	243,341	(25,982)
Housing Benefits Payments	N Lucas	(298,300)	(298,300)	302,691	(275,647)	22,653
Audit	N Lucas	132,550	132,550	60,666	92,786	(39,764)
Financial Services	N Lucas	488,800	493,375	330,954	457,749	(35,626)
Non Distributed Costs	N Lucas	659,000	659,000	1,318,031	727,880	68,880
Projects	N Lucas	0	645,936	199,042	645,936	0
Council Tax	N Lucas	(126,100)	(113,912)	(113,584)	(27,385)	86,527
Business Rates	N Lucas	(59,200)	(56,500)	(67,890)	(64,450)	(7,950)
Procurement	A Law	75,050	75,050	42,128	54,701	(20,349)
	TOTAL	1,126,850	1,806,523	2,033,892	1,854,912	48,389

PORTFOLIO HOLDER: COMMERCIAL, BUSINESS, LOCAL ECONOMY & LEISURE, CLLR D BELTON

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Office Accommodation Rayleigh	M Harwood – White	84,500	84,000	57,116	86,901	2,901
Office Accommodation Rochford	M Harwood – White	241,450	241,450	143,361	249,334	7,884
Estate Management Services	M Harwood – White	184,338	184,338	127,628	171,499	(12,839)
Sports Development & Promotion	M Harwood – White	3,150	3,150	28,914	51,622	48,472
Leisure Premises	M Harwood – White	266,436	350,276	303,564	607,506	257,230
Leisure Client Account	M Harwood – White	7,600	7,600	71,662	45,641	38,041
Emergency Planning	M Harwood – White	52,317	52,317	35,828	52,140	(177)
Local Land Charges	D Tribe	(140,000)	(140,000)	(109,478)	(116,715)	23,285
Health & Safety	M Harwood – White	50,550	57,950	31,859	47,710	(10,240)
	TOTAL	750,341	841,081	690,453	1,195,637	354,556

PORTFOLIO HOLDER: STRATEGIC PLANNING, CLLR I H WARD

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Highways/ Roads Routine	M Hotten	(700)	11,977	(56,074)	(20,909)	(32,886)
Development Management	M Hotten	152,550	192,001	(109,077)	36,666	(155,335)
Building Control Client Account	M Hotten	238,150	238,150	164,610	223,404	(14,746)
Building Control Fee Account	M Hotten	(220,000)	(220,000)	(158,020)	(194,000)	26,000
Planning Policy & Eco Dev	M Hotten	257,300	461,658	209,961	434,992	(26,666)
	TOTAL	427,300	683,786	51,400	480,154	(203,632)

PORTFOLIO HOLDER: ENVIRONMENT AND PLACE, CLLR A L WILLIAMS

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Cemeteries & Churchyards	M Hotten	(116,950)	(117,350)	(143,990)	(186,170)	(68,820)
Street Cleansing	M Hotten	730,200	745,200	422,306	731,577	(13,623)
Public Conveniences	M Hotten	37,850	47,350	24,544	47,336	(14)
Coast Protection	M Hotten	2,300	2,300	0	2,300	0
Depot	M Hotten	37,750	37,750	33,930	36,791	(959)
Recycling Collection	M Hotten	2,148,600	2,202,613	1,261,908	2,178,114	(24,498)
Recycling Disposal	M Hotten	(627,500)	(642,500)	(454,878)	(477,163)	165,337
Parks & Open Spaces	M Hotten	776,700	798,770	502,726	778,365	(20,405)
TOTAL		2,988,950	3,074,133	1,646,547	3,111,150	37,017

PORTFOLIO HOLDER: IT, TOURISM, HOUSING & PARKING, CLLR D S EFDE

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Off St Parking	M Harwood – White	(1,045,600)	(1,045,600)	(162,400)	(238,485)	807,115
Housing Strategy	L Moss	9,900	9,900	9,500	10,000	100
Private Sector Housing Renewal	L Moss	66,750	66,750	34,739	67,064	314
Homelessness	L Moss	738,890	738,890	157,958	703,464	(35,426)
Computer Services	D Tribe	1,252,328	1,252,328	800,024	1,241,644	(10,684)
Culture & Heritage – Windmill	M Harwood – White	(11,431)	(11,431)	(6,825)	10,623	22,054
Information	A Law	26,250	26,250	20,769	27,891	1,641
	TOTAL	1,037,087	1,037,087	853,765	1,822,202	785,115

PORTFOLIO HOLDER: COMMUNITY, CLLR M WEBB

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 3 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Corporate Policy & Partnership	L Moss	126,500	151,500	94,493	148,003	(3,497)
Community Safety	L Moss	36,450	36,450	11,477	34,499	(1,951)
Public Health	M Hotten	25,100	25,100	13,262	25,100	0
Environmental Health	L Moss	314,100	314,100	110,492	266,307	(47,793)
Safeguarding	L Moss	13,450	13,450	7,715	12,324	(1,126)
	TOTAL	515,600	540,600	237,439	486,234	(54,366)

Quarter 3 Capital Monitoring Report 2020/21

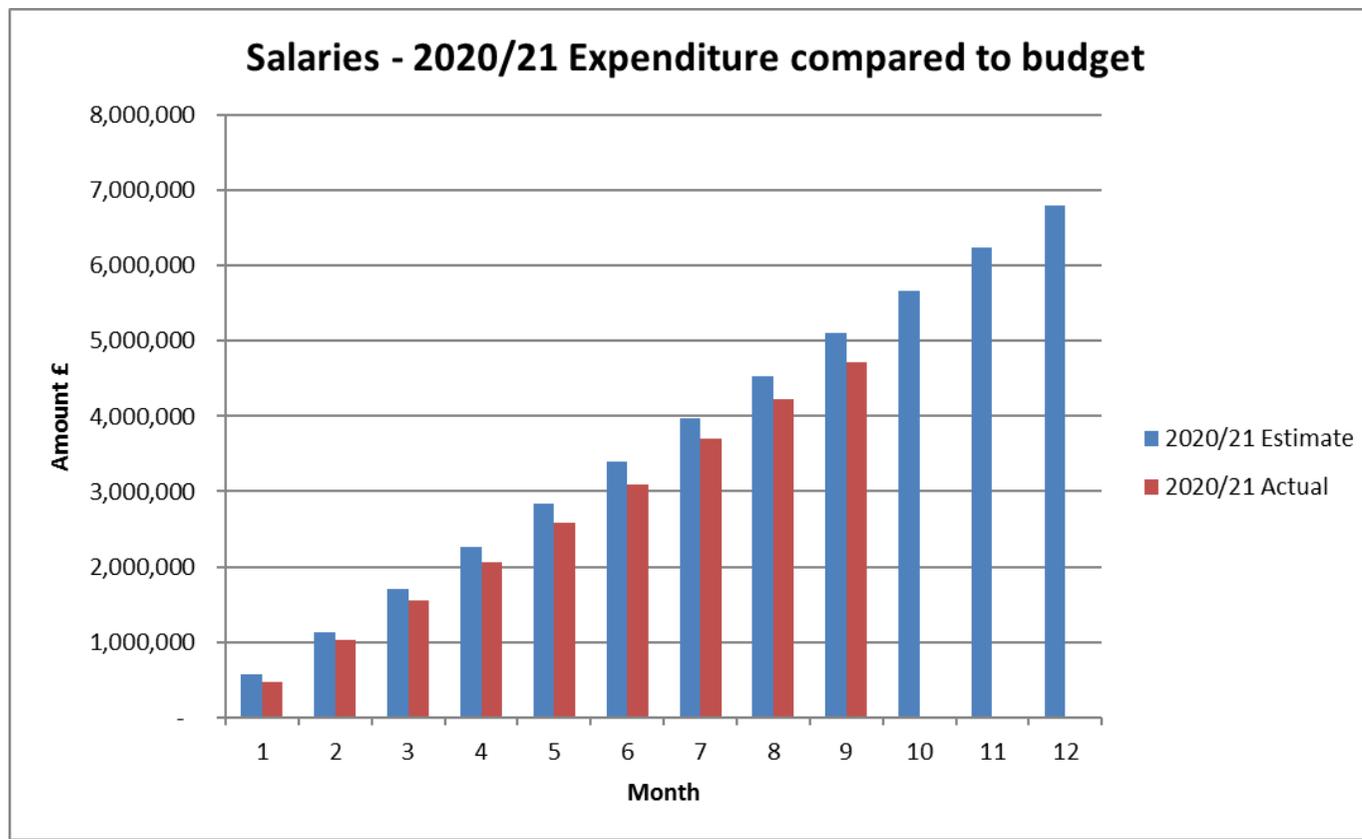
Appendix 3

Item	2020/21 REVISED BUDGET	2020/21 TOTAL SPENT AND COMMITTED TO DATE	2020/21 UNCOMMITTED TO DATE	2020/21 PROJECTION FOR REMAINDER OF YEAR	FULL YEAR FORECAST SPEND	PROJECTED VARIANCE UNDERSPEND/(OVERSPEND)	Commentary
Commercial, Business, Local Economy and Leisure							
Asset Strategy works on Freight House	-	-	-	-	-	-	Works expected to commence in 2021/22
Rochford Accommodation works from surveys and inspections	22,022	19,667	2,355	-	19,667	2,355	
Rayleigh Accommodation works from surveys and inspections	16,952	12,509	4,443	-	12,509	4,443	C19 caused Civic suite to close early
Windmill works from surveys and inspections	9,700	1,194	8,506	6,000	7,194	2,506	
Energy Efficient Street Lighting	17,000	1,212	15,788	6,000	7,212	9,788	Resource planning
Rochford Day Centre and CAB Replacement Doors, Windows and internal upgrade.	32,000	500	31,500	31,500	32,000	-	Delay due to resource in the year.
Car Parks resurfacing programme	137,215	16,669	120,546	96,000	112,669	24,546	However awaiting final awarding of Back Lane. Variance due to difference in tender to budget. Res
Cherry Orchard Car Park Works	280	-	280	-	-	280	
	235,169	51,751	183,418	139,500	191,251	43,918	
Environment & Place							
Play Spaces Programme	196,082	150,832	45,250	10,000	160,832	35,250	Budget has been increased by £45.4k to reflect match funding received. Small residual overspend compared to revised budget.
Open Spaces - replacements of furniture	44,880	17,080	27,800	27,800	44,880	-	
Parks and Open Spaces Resurfacing works							
Pavilions works following condition survey	169,474	32,503	136,971	118,500	151,003	18,471	Lower costs on tenders to budget
Waste Bins replacement	19,488	25,000	5,512	-	25,000	5,512	Income is received to fund Wheelie Bin Purchases, and there is a balance of £46,000 available.
Vehicle Fleet replacement	140,000	-	140,000	70,000	70,000	70,000	Due to a forthcoming review of the Street Cleansing contract, the purchase of a mechanical sweeper is now postponed.
Groundworks - Installation of Head Beams							
Cemeteries works	29,977	29,977	1	-	29,977	-	
Toilet Refurbishments	110,000	6,806	103,194	90,000	96,806	13,194	
Condition Survey	-	-	-	-	-	-	
Electric Charging Points	12,462	462	12,000	12,000	12,462	-	
	722,363	262,660	459,703	328,300	590,960	131,403	
IT, Tourism, Housing & Parking							
Mobile Working device refresh	77,121	35,915	41,206	7,000	42,915	34,206	Rolling programme to replace laptops continues.
ICT Software - new products/ upgrades	29,000	-	29,000	-	-	29,000	£10k carried forward tonext year
IT Migration Project	45,270	39,955	5,315	-	39,955	5,315	Project now ended -Small piece of work outstanding for Sharepoint.
Telephony Network - New Phone Kits							
Telephone System Cloud Ready Platform	60,000	8,453	51,547	16,000	24,453	35,547	Came in lower than budgeted
Flat Bed Scanners							
	50,000	-	50,000	20,000	20,000	30,000	Covid 19 restoration project has recommended that a room is available with a scanner for all staff to use.
New Print Room Printer							Multi-functional devices throughout the buildings in South Street will be reduced and one large printer will be purchased with pin number functionality for use by all staff
Infrastructure	58,072	30,652	27,420	15,000	45,652	12,420	Work has started to replace switches in the racking. Further work will take place to ensure resilience and to ensure decant from South Street is made technically as simple as possible
Disabled Facilities Grant	355,064	170,852	184,212	121,000	291,852	63,212	Demand in Q1-2 - direct impact of C-19 restrictions on site/visits/need. Unknown risk of some latent demand. Increased integration approach with CCG partners anticipated to impact on expenditure Q4 onwards.
Private Housing Renewal Programme	17,101	8,101	9,000	2,000	10,101	7,000	C-19 dependencies on working in homes etc. will impact on numbers going forward. Marginal increase in enquiries noted in Q2.
Temporary Accommodation	-	0	0	-	-	0	
	691,628	293,928	397,700	181,000	474,928	216,700	
Community							
Air Quality Grant Expenditure	305,532	302,832	2,700	2,700	305,532	0	
Wallasea Island - Match Funding	14,112	27,333	13,222	-	27,333	13,222	Budget requires further reprofiling (original budget allocation for 20/21 was £37,079). Overall the project is forecasting an underspend across financial years
	319,643	330,165	10,522	2,700	332,865	13,222	
TOTAL	1,968,804	938,505	1,030,299	651,500	1,590,005	378,799	

KEY FINANCIAL INDICATORS AS AT END OF QUARTER 3

Appendix 4

Salaries



Commentary

The original budget for salaries was set at £6.80m, less an estimated vacancy factor of £200,000. At Q3 there is a projected underspend of c.£535,000 at year end, giving rise to a £335,000 variance.

Expenditure on salaries is managed corporately to both reduce employment costs and improve services through better job design.

* 2020/21 Actual includes costs for 2.75% Cost of Living increase.

* 2020/21 Budget includes 2% budgeted Cost of Living Increase.

Planning Fees



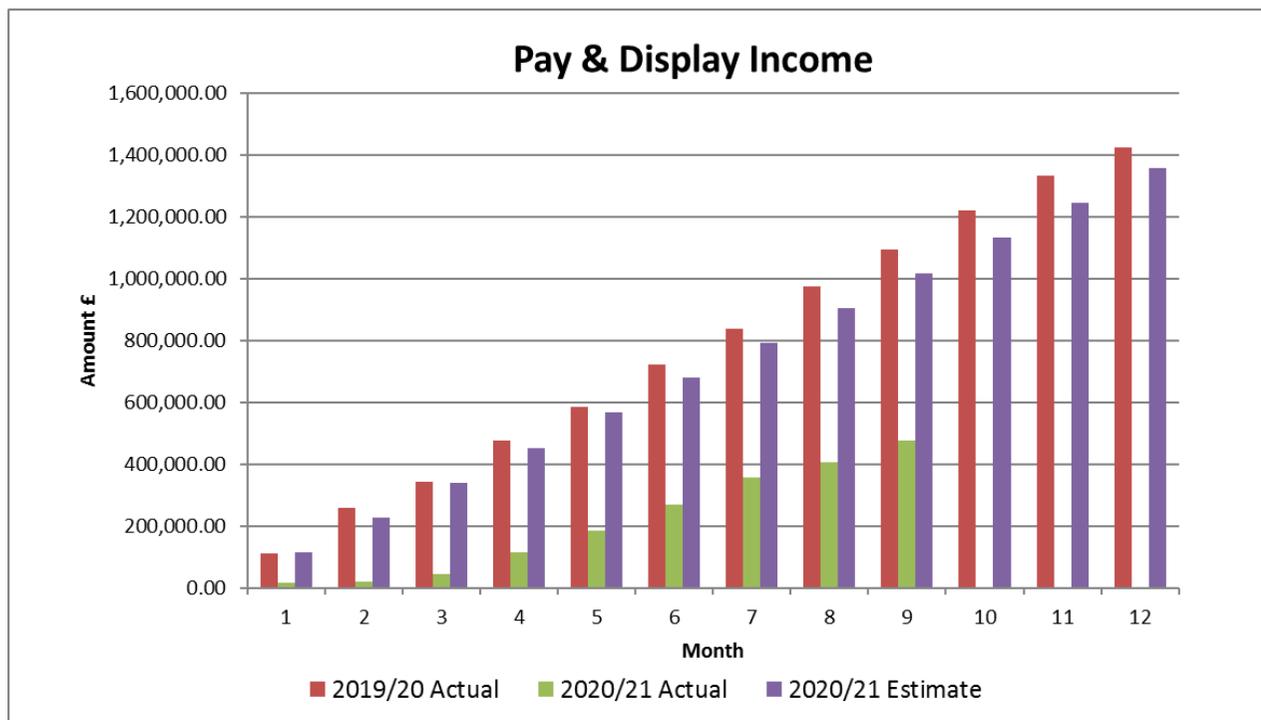
Commentary

The original budget for planning fee income was £450,000. This was based on officer assumptions on Planning Applications for 2020/21.

At this stage, the year to date position is £459,200. A favourable variance against the year to date budget of c£338,000. This is due to two large applications, so it is therefore unlikely that this rate of income will continue for the remainder of the year.

Overall planning income is forecast to be £97,000 over budget, including the pre-application income detailed separately below.

Parking Fees

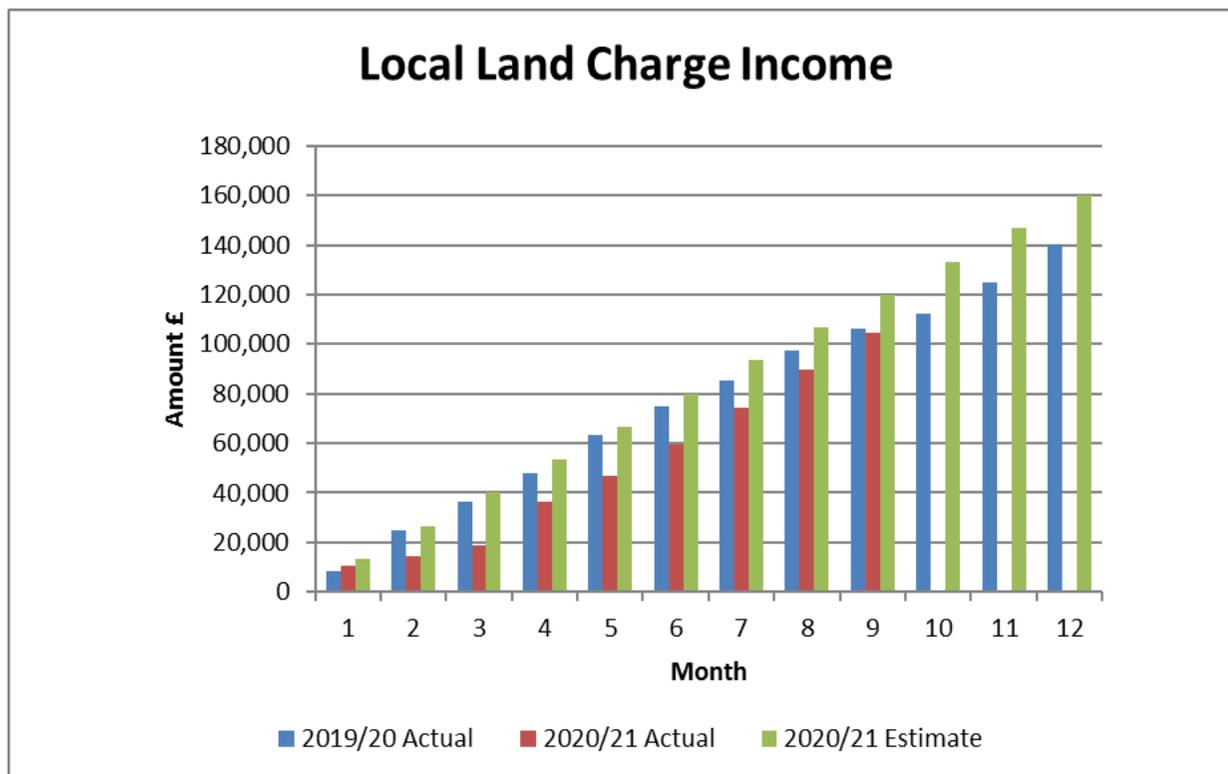


Commentary

Income to date is £474,958 against a year to date target income of £1,018,575.

The full year budget for 2020/21 is £1,358,100. Due to COVID-19 it is estimated that actual income across all parking income will be c£672,800

Local Land Charges

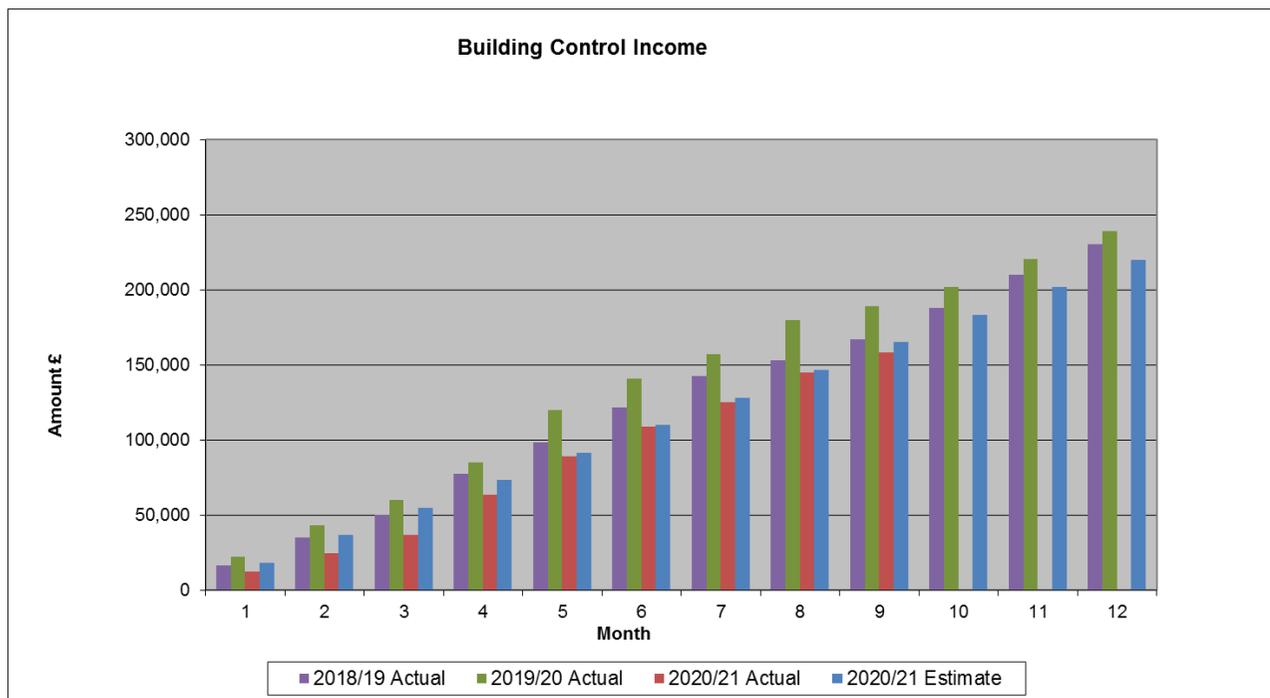


Commentary

Income to date is £104,584 against a year to date target of £120,000. This is down slightly compared to the same position last year, where income was £106,294 as at Q3.

The full year budget for 2020/21 is £160,000. Based on income to date, total income for the year is forecast to be under original budget by c. £23,250

Building Control Income

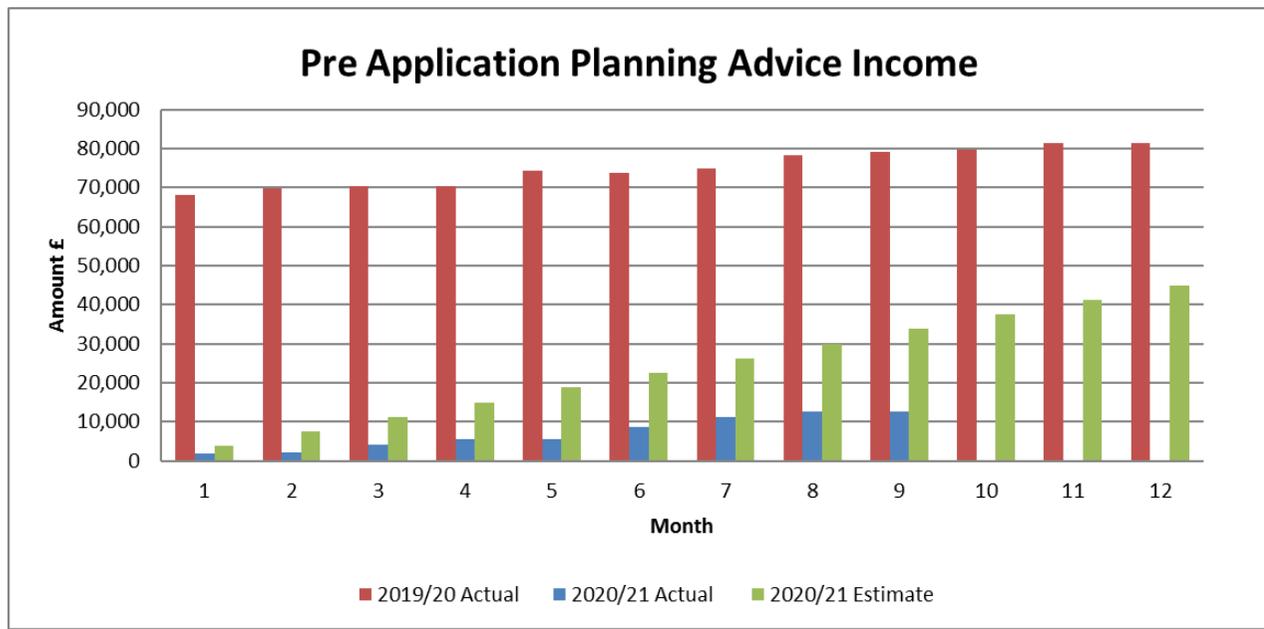


Commentary

Income to date is £158,020 against a year to date target of £165,000.

The full year budget for 2020/21 is £220,000. Due to COVID-19 it is estimated that actual income for the year will be c£194,000.

Pre Planning Application Advice



Commentary

The original budget for 2020/21 was set at £45,000. This was based on officer assumptions on the take up of this service.

Income to date is £12,503 against a year to date target of £37,500. The income for the year is included within the figure shown above for planning income.

Car Park	Financial Year	Income Received Q1 £	Income Received Q2 £	Income Received Q3 £	Income Received Q4 £
Webster's Way	2019/20	134,109	151,809	145,814	123,085
	2020/21	17,700	99,620	81,076	
Castle Road	2019/20	57,989	62,220	61,244	54,158
	2020/21	7,250	37,040	35,817	
Back Lane	2019/20	38,896	42,707	43,612	40,885
	2020/21	4,747	21,319	21,325	
Market Car Park	2019/20	22,742	24,556	25,167	20,837
	2020/21	2,576	12,369	12,907	
Bellingham Lane	2019/20	42,306	47,656	47,719	42,077
	2020/21	5,053	24,741	24,595	
Southend Road	2019/20	14,897	16,981	16,760	14,067

Car Park	Financial Year	Income Received Q1	Income Received Q2	Income Received Q3	Income Received Q4
		£	£	£	£
	2020/21	1,496	5,776	7,255	
The Approach	2019/20	14,133	15,877	18,703	18,567
	2020/21	2,037	12,247	12,174	
Hockley Woods	2019/20	6,324	8,267	6,330	5,985
	2020/21	1,811	7,692	5,270	
Freight House	2019/20	7,656	6,266	7,314	6,648
	2020/21	790	3,829	3,194	
Old Ship Lane	2019/20	2,363	2,551	2,711	2,515
	2020/21	282	1,279	1,691	
Total	2019/20	341,416	378,891	375,376	328,825
	2020/21	43,741	225,912	205,305	