

---

**REPORT TO THE EXECUTIVE – 4 NOVEMBER 2020****PORTFOLIO: FINANCE****REPORT FROM: AD RESOURCES (SECTION 151 OFFICER)****SUBJECT: QUARTER 2 2020/21 FINANCIAL MANAGEMENT REPORT****1 DECISION BEING RECOMMENDED**

- 1.1 To note the Quarter 2 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 2 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 Assistant Director, Resources, where appropriate.

**3 OVERALL FINANCIAL POSITION**

- 3.1 The latest revenue budget for 2020/21 is £10.87m which is an increase of £1.08m compared to the original budget of £9.79m. 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 Q2 is £10.92m, which is a overspend of £0.054m, 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 £1.011m 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 have also introduced a scheme to reimburse LAs for an element of its lost income. The Council has made a claim for £0.287m for the period April to July; there will be two further application windows 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 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit	Of which: Salary Variance	Of which: Non Salary Variance
Leader	3,145	3,188	344	2,938	(250)	(214)	(36)
Finance	1,127	1,707	2,214	1,720	13	(116)	128
Enterprise	(675)	(683)	209	44	726	(32)	758
Planning	428	595	19	574	(21)	(69)	48
Environment	3,041	3,118	1,117	3,212	93	(40)	133
IT and Communications	1,330	1,322	626	1,312	(10)	(9)	(1)
Community	1,597	1,689	223	1,949	260	(92)	352
	<b>9,992</b>	<b>10,937</b>	<b>4,753</b>	<b>11,748</b>	<b>811</b>	<b>(571)</b>	<b>1,382</b>
<b>Corporate Adjustments</b>	-	-	-	-	-	-	-
Cost of Living Increase (1)	-	130	92	184	54	54	-
Vacancy Factor (2)	(200)	(200)	-	-	200	200	-
COVID Grant (3)	-	-	(1,011)	(1,011)	(1,011)	-	(1,011)
<b>TOTAL</b>	<b>9,792</b>	<b>10,867</b>	<b>3,834</b>	<b>10,921</b>	<b>54</b>	<b>(317)</b>	<b>371</b>

**(1) Cost of Living Increase**

A cost pressure of £54,000 is forecast across the Council due to an anticipated 2020/21 staff pay award of 2.75% against a budgeted 2% increase.

**(2) 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.

**(3) Covid Grant Income**

£1.011m 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 related pressures incurred across individual service areas detailed in the relevant portfolio areas below.

**Portfolio Variances****Salary Variances**

- 3.7 Overall, excluding the impact of the pay award detailed separately above, there are projected salary savings of £571,000 against a budgeted vacancy factor of £200,000, giving rise to a £371,000 positive variance. The increase compared to Q1 is mainly due to the decision to hold the Managing Director post vacant for the remainder of the year.

**Non-Salary Variances**

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

**Leader**

- Reduction in income of £32,000 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£90,000 due to the cancellation of elections in 2020/21
- Saving of £6,000 on the apprenticeship levy due to reduced staffing costs.
- Loss of £13,000 staff parking income due to COVID-19
- Saving of £10,000 in franking costs due to less post being sent out and £6,000 saving on paper.
- Savings of £7,700 on allowances for Fire Marshalls, First Aiders, Health and Safety Reps and other various budgets with Health & Safety.
- £45,000 in new costs relating to pressures resulting directly from COVID-19, this includes an initial support payment of £12,750 for leisure services referred

to within the Community Portfolio below, £15,000 allocated to costs to support the provision of a community hub and £11,000 for additional litter picking.

- Various smaller savings across the portfolio equating to £20,000.

### **Finance**

- Housing Subsidy budgets are forecasting to be overspent by £22,000, these are variable and will continue to change throughout the year.
- £141,000 reduction in share-back income from preceptors for the Council Tax Sharing Agreement is projected due to the impact of COVID-19 on collection rates.
- An additional £41,000 in Local Council Tax Support set up funding has been received
- Anticipated £5,000 underspend in Council Tax Court Costs and court cost income.
- Actual LCTS administration subsidy is £9,000 less than budgeted.
- Due to proposed changes in the delivery of the payroll function it is anticipated that there will be an £11,000 income pressure, which will be offset by additional savings included in the salaries variance position.
- Additional £10,900 income from business rates related to renewable energy.

### **Enterprise**

- Parking income is expected to be under budget by £728,000 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.
- £30,000 loss of local land charges income is projected based on Quarter 2 actuals.

### **Planning**

- Planning income is forecast to be £48,700 under budget due to the impact of COVID-19.
- Building Control income is forecast to be £45,000 under budget due to the impact of COVID-19.
- A £10,000 underspend on dangerous structures expenditure is forecast.
- £19,000 savings in Development management including £9,000 consultancy advice saving and £5,000 advertising saving.

- £13,000 of smaller budget savings across Planning Policy and Economic Development.

### **Environment**

- Waste collection contract budget savings of £9,500.
- Bulky Waste income is expected to be under budget by £7,400 due to the impact of COVID-19.
- The Material Recycling Facilities (MRF) contract expenditure is showing a pressure of £148,000 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, therefore the risk reported at Q1 will now be realised by the Council.

### **Community**

- There is a gross pressure of £199,000 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 will be 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 £10,000.
- £20,000 loss of income through weddings at the Windmill and Old House is projected for 2020/21 due to the impact of COVID-19.
- 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's Portfolio).

## **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 2 is £1.824m. 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 vehicles fleet spend which will be requested to carry forward into 2021/22, mobile device spend which is expected to be lower than budget due to the impact of COVID-19, and car parking resurfacing

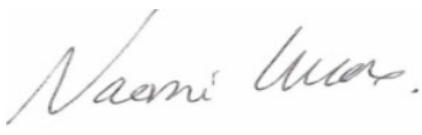
works are also currently forecast to be underspent. The Disabled Facilities Grant is also forecasting an underspend against budget as COVID-19 has delayed works in the first half of the year; however an increased integration approach with CCG partners is anticipated to increase works carried out from 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. This will continue to be closely monitored over the financial year, with assumptions being updated for budget setting as appropriate. 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:  \_\_\_\_\_

**ASSISTANT DIRECTOR, RESOURCES (SECTION 151 OFFICER)**

---

**Background Papers:-**

None.

For further information please contact Naomi Lucas on:-

Phone: 01702 546366 x 3517

Email: [Naomi.Lucas@rochford.gov.uk](mailto:Naomi.Lucas@rochford.gov.uk)

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

## Appendix 1

### YEAR TO DATE RESERVE DRAWDOWNS 2020/21

<i>Description</i>	<i>Amount</i>	<i>Reason</i>	<i>Authorisation</i>
<b>Community</b>		-	
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
Transformation/Innovation Fund	25,000	Leisure contract open book and contract negotiations	The Executive
<b>Environment</b>		-	
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
<b>Finance</b>		-	
Transformation/Innovation Fund	68,036	Asset Delivery Programme	Investment Board/ Full Council
Hard/Soft Infrastructure	214,900	Asset Delivery Programme	Investment Board/ Full Council
Audit Reserve	1,200	Asset Valuations	Section 151 Officer
Connect Reserve	293,000	Connect project	The Executive
<b>Governance</b>		-	
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
HB New Burdens	5,985	Academy System Changes / Upgrades	Section 151 Officer
Business Rates Smoothing Reserve	12,670	Fusion Lifestyle financial support - COVID 19	Section 151 Officer
CTAX New Burdens	2,490	System upgrades / amendments	Section 151 Officer
ND New Burdens	600	Discretionary Relief review of policy	Section 151 Officer
Legal Reserve	15,000	Temporary staff costs	Section 151 Officer

## Appendix 1

<b>Description</b>	<b>Amount</b>	<b>Reason</b>	<b>Authorisation</b>
CTAX New Burdens	6,766	Hardship fund software changes	Section 151 Officer
HB New Burdens	400	Housing Benefit Information annual conference	Section 151 Officer
Legal Reserve	5,000	Counsel advice	Angela Law
Legal Reserve	3,000	Counsel advice	Angela Law
Business Rates Smoothing Reserve	25,000	Voluntary grants	Section 151 Officer
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
<b>Leader</b>		-	
Health & Safety reserve	7,400	COVID 19 - PPE	Section 151 Officer
Member Services	2,500	Member training sessions	Section 151 Officer
IT reserve	12,500	To cover additional telephony costs due to COVID-19	Section 151 Officer
Pension Reserve	34,321	Financial strain costs	Section 151 Officer
<b>Planning</b>		-	
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

## Appendix 2

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

#### 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 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Reception	D Tribe	141,350	152,650	49,417	149,149	(3,501)
Support Services	D Tribe	193,785	191,585	64,256	149,306	(42,279)
Legal Services	A Law	158,300	185,100	84,485	189,331	4,231
Licensing	L Moss	82,650	79,850	12,137	38,390	(41,460)
Customer Services	D Tribe	353,450	346,150	153,524	316,698	(29,452)
Hackney Carriage	L Moss	(105,400)	(105,400)	(45,359)	(74,198)	31,202
Human Resources	S Scrutton	177,500	174,800	80,535	188,524	13,724
Member & Committee Services	A Law	409,350	444,671	207,422	426,459	(18,212)
Corporate Management	S Scrutton	185,050	184,550	-896,072	219,694	35,144
Assistant Directors	S Scrutton	672,280	663,280	302,844	664,168	888

## Appendix 2

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Strategic Director	S Scrutton	133,700	131,200	61,997	131,194	(6)
Managing Director	S Scrutton	167,700	164,500	76,306	100,716	(63,784)
Conducting Elections	A Law	172,700	171,200	40,809	74,234	(102,439)
Registration of Electors	A Law	107,850	106,350	39,858	100,877	
Health & Safety	M Harwood – White	50,550	57,450	20,436	45,721	(11,729)
Information	A Law	26,250	25,650	13,127	27,005	1,355
Overview	A Law	51,250	50,250	23,257	39,248	(11,002)
Leadership Support Team	A Law	86,550	84,850	37,318	80,662	(4,188)
Civics	A Law	80,400	79,100	17,557	70,944	(8,156)
	<b>TOTAL</b>	<b>3,145,265</b>	<b>3,187,786</b>	<b>343,855</b>	<b>2,938,123</b>	<b>(249,663)</b>

## Appendix 2

### PORTFOLIO HOLDER: FINANCE, CLLR S P SMITH

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Audit	N Lucas	132,550	130,650	39,947	94,334	(36,316)
Financial Services	N Lucas	488,800	480,700	238,444	454,159	(26,541)
Non-Distributed Costs	N Lucas	659,000	659,000	1,290,864	656,486	(2,514)
Projects	N Lucas	0	579,386	22,313	579,386	0
Council Tax	N Lucas	(126,100)	(120,662)	(102,123)	(1,571)	119,090
Business Rates	N Lucas	(59,200)	(60,100)	(89,246)	(68,386)	(8,286)
Procurement	M Harwood – White	75,050	76,350	27,565	54,610	(21,740)
Housing Benefit Administration	N Lucas	255,050	259,928	10,662	226,258	(33,671)
Housing Benefits Payments	N Lucas	(298,300)	(298,300)	775,494	(275,647)	22,653
	<b>TOTAL</b>	<b>1,126,850</b>	<b>1,706,953</b>	<b>2,213,920</b>	<b>1,719,628</b>	<b>12,675</b>

## Appendix 2

### PORTFOLIO HOLDER: ENTERPRISE, VACANT\*

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Off St Parking	M Harwood – White	(1,045,600)	(1,048,500)	28,415	(353,012)	695,488
Office Accommodation Rayleigh	M Harwood – White	84,500	84,100	49,572	91,709	7,609
Office Accommodation Rochford	M Harwood – White	241,450	240,850	114,259	257,019	16,169
Estate Management Services	M Harwood – White	184,338	181,038	81,708	157,587	(23,451)
Local Land Charges	A Law	(140,000)	(140,000)	(64,727)	(109,750)	30,250
	<b>TOTAL</b>	<b>(675,312)</b>	<b>(682,512)</b>	<b>209,227</b>	<b>43,554</b>	<b>726,066</b>

\* Enterprise Portfolio Holder role is currently vacant. Temporary arrangements are in place as follows;

- Off Street Parking – Cllr D Efde
- Office Accommodation Rayleigh – Cllr S E Wootton
- Office Accommodation Rochford – Cllr S E Wootton
- Estate Management Services – Cllr S E Wootton
- Local Land Charges – Cllr S E Wootton

## Appendix 2

### PORTFOLIO HOLDER: PLANNING, CLLR I H WARD

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Development Management	M Hotten	152,550	160,113	(104,628)	129,146	(30,966)
Building Control Client Account	M Hotten	238,150	234,450	109,803	221,216	(13,234)
Building Control Fee Account	M Hotten	(220,000)	(220,000)	(109,126)	(175,000)	45,000
Planning Policy & Eco Dev	S Scrutton	257,300	420,558	123,289	398,894	(21,664)
	<b>TOTAL</b>	<b>428,000</b>	<b>595,121</b>	<b>19,338</b>	<b>574,256</b>	<b>(20,865)</b>

## Appendix 2

### PORTFOLIO HOLDER: ENVIRONMENT, CLLR A L WILLIAMS

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Highways/ Roads Routine	M Harwood – White	(700)	10,977	(76,689)	(7,064)	(18,041)
Cemeteries & Churchyards	M Hotten	(116,950)	(117,350)	(106,047)	(128,631)	(11,281)
Street Cleansing	M Hotten	730,200	745,200	242,822	741,027	(4,173)
Public Conveniences	M Hotten	37,850	46,850	17,745	46,836	(14)
Coast Protection	M Hotten	2,300	2,300	0	2,300	0
Depot	M Hotten	37,750	37,750	32,942	36,791	(959)
Recycling Collection	M Hotten	2,148,600	2,185,313	696,166	2,172,566	(12,747)
Recycling Disposal	M Hotten	(627,500)	(627,500)	(129,183)	(476,787)	150,713
Parks & Open Spaces	M Hotten	776,700	783,135	419,816	777,063	(6,072)
Emergency Planning	M Harwood – White	52,317	51,817	19,372	47,497	(4,320)
	<b>TOTAL</b>	<b>3,040,567</b>	<b>3,118,492</b>	<b>1,116,944</b>	<b>3,211,598</b>	<b>93,106</b>

## Appendix 2

---

### PORTFOLIO HOLDER: IT AND COMMUNICATIONS CLLR D S EFDE

Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Communications	S Scrutton	77,350	75,750	36,863	75,360	(390)
Computer Services	D Tribe	1,252,328	1,246,428	589,377	1,236,631	(9,797)
	<b>TOTAL</b>	<b>1,329,678</b>	<b>1,322,178</b>	<b>626,240</b>	<b>1,311,991</b>	<b>(10,187)</b>

## Appendix 2

### PORTFOLIO HOLDER: COMMUNITY, CLLR M WEBB

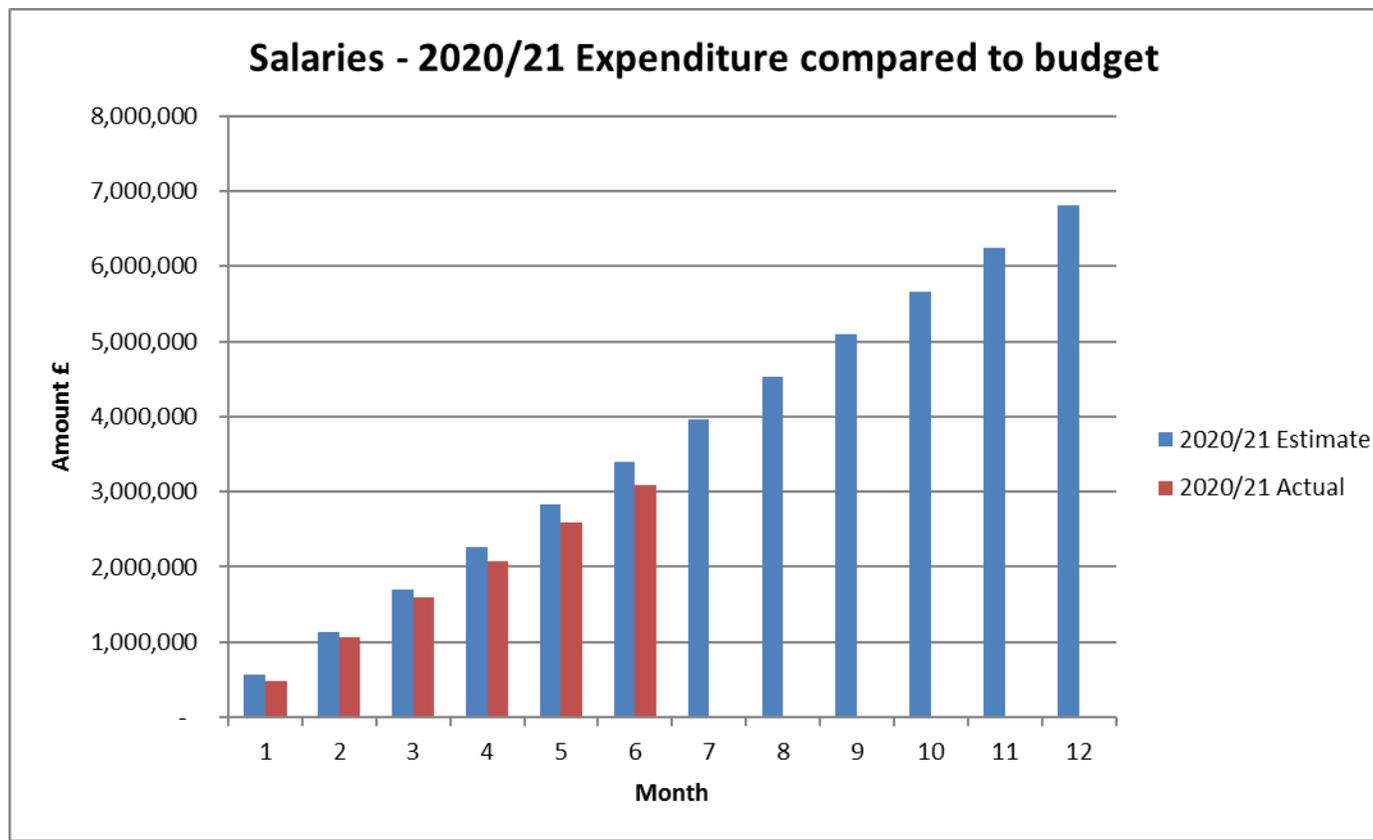
Service Area	Lead Officer	2020/21 Original Budget	2020/21 Latest budget	Quarter 2 Actual YTD	End of Year Forecast	Actual Variance (surplus) / Deficit)
Housing Strategy	L Moss	9,900	9,900	9,500	10,000	100
Private Sector Housing Renewal	L Moss	66,750	65,750	24,498	65,691	(59)
Homelessness	L Moss	738,890	732,690	(5,905)	693,250	(39,440)
Corporate Policy & Partnership	L Moss	126,500	150,400	3,249	144,772	(5,628)
Community Safety	L Moss	36,450	35,650	1,883	33,939	(1,711)
Public Health	M Hotten	25,100	25,100	5,883	25,100	0
Environmental Health	L Moss	314,100	308,200	67,947	254,860	(53,340)
Culture & Heritage – Windmill	M Harwood – White	(11,431)	(11,431)	(9,053)	7,705	19,136
Sports Development & Promotion	M Harwood – White	3,150	2,150	6,982	52,039	49,889
Leisure Premises	M Harwood – White	266,436	350,276	76,998	606,719	256,443
Leisure Client Account	M Harwood – White	7,600	6,900	36,876	43,261	36,361
Safeguarding	L Moss	13,450	13,250	4,209	11,668	(1,582)
	<b>TOTAL</b>	<b>1,596,895</b>	<b>1,688,835</b>	<b>223,067</b>	<b>1,949,004</b>	<b>260,169</b>

## Appendix 3 - QUARTER 2 CAPITAL MONITORING REPORT 2020/21

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
<b>Enterprise</b>							
Asset Strategy works on Freight House	-	-	-	-	-	-	Works expected to commence in 2021/22
Rochford Accommodation works from surveys and inspections	18,022	15,142	2,880	7,000	22,142	4,120	
Rayleigh Accommodation works from surveys and inspections	16,952	12,303	4,649	4,000	16,303	649	
Windmill works from surveys and inspections	18,700	700	18,000	18,000	18,700	-	
Energy Efficient Street Lighting	17,000	-	17,000	14,000	14,000	3,000	
Rochford Day Centre and CAB Replacement Doors, Windows and internal upgrade.	32,000	-	32,000	29,000	29,000	3,000	
Car Parks resurfacing programme	137,215	14,932	122,283	101,000	115,932	21,283	
Cherry Orchard Car Park Works	280	280	-	-	280	-	
	<b>240,169</b>	<b>43,357</b>	<b>196,812</b>	<b>173,000</b>	<b>216,357</b>	<b>23,812</b>	
<b>Environment</b>							
Play Spaces Programme	196,082	150,832	45,250	50,000	200,832	4,750	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	18,380	26,500	26,500	44,880	0	
Parks and Open Spaces Resurfacing works							
Pavilions works following condition survey	169,474	40,972	128,502	112,000	152,972	16,502	
Waste Bins replacement	19,488	22,295	2,807	-	22,295	2,807	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	This vehicle is required but cannot be purchase this financial year due to capacity. Will be rolled into 2021/22.
Groundworks - Installation of Head Beams	20,977	20,978	1	-	20,978	1	
Cemeteries works							
Toilet Refurbishments	110,000	4,729	105,271	105,000	109,729	271	
Condition Survey	4,000	-	4,000	2,000	2,000	2,000	
Electric Charging Points	12,462	462	12,000	12,000	12,462	-	
	<b>717,363</b>	<b>258,648</b>	<b>458,715</b>	<b>377,500</b>	<b>636,148</b>	<b>81,215</b>	
<b>IT and Communications</b>							
Mobile Working devise refresh	77,121	27,606	49,515	30,000	57,606	19,515	Rolling programme to replace laptops continues.
ICT Software - new products/ upgrades	29,000	20,840	8,160	9,000	29,840	840	
IT Migration Project	45,270	39,978	5,293	5,293	45,270	-	Project now ended
Telephony Network - New Phone Kits							
Telephone System Cloud Ready Platform	60,000	-	60,000	60,000	60,000	-	
Flat Bed Scanners	50,000	-	50,000	50,000	50,000	-	Covid 19 restoration project has recommended that a room is available with a scanner for all staff to use. This scanner will be put into this room. 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
New Print Room Printer							
Caseload Software	-	-	-	-	-	-	
Infrastructure	58,072	30,652	27,420	20,000	50,652	7,420	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
	<b>319,463</b>	<b>119,076</b>	<b>200,387</b>	<b>174,293</b>	<b>293,368</b>	<b>26,095</b>	
<b>Community</b>							
Disabled Facilities Grant	355,064	170,852	184,212	161,000	331,852	23,212	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	6,000	14,101	3,000	C-19 dependencies on working in homes etc. will impact on numbers going forward. Marginal increase in enquiries noted in Q2.
Air Quality Grant Expenditure	305,532	298,277	7,254	7,255	305,532	1	
Wallasea Island - Match Funding	14,112	17,812	3,700	8,901	26,713	12,601	Budget requires further reprofiling (original budget allocation for 20/21 was £37,079). Overall the project is forecasting an underspend across financial years
Temporary Accommodation	-	-	0	-	-	0	
	<b>691,809</b>	<b>495,042</b>	<b>196,767</b>	<b>183,156</b>	<b>678,198</b>	<b>13,611</b>	
<b>TOTAL</b>	<b>1,968,804</b>	<b>916,123</b>	<b>1,052,681</b>	<b>907,948</b>	<b>1,824,071</b>	<b>144,732</b>	

**KEY FINANCIAL INDICATORS AS AT END OF QUARTER 2**

**Salaries**



**Commentary**

The original budget for salaries was set at £6.80m, less an estimated vacancy factor of £200,000. At Q2 there is a projected underspend of c.£517,000 at year end, giving rise to a £317,000 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.

## Appendix 4

### Planning Fees



### Commentary

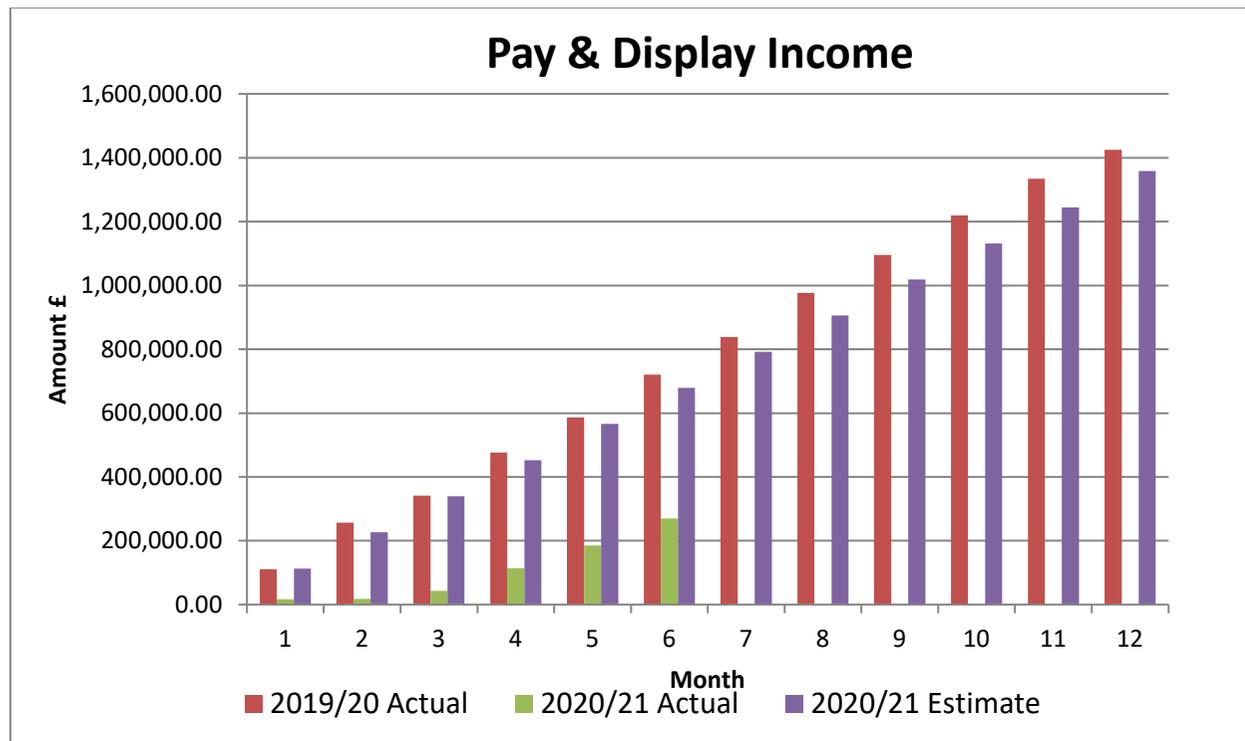
The original budget for planning fee income was £450,000. This was based on officer assumptions on Planning Applications for 2020/21.

At this stage, the year to date position is £251,200. A favourable variance against the year to date budget of c£26,200 however this is due to an individual large application, 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 £30,000 under budget due to the impact of COVID-19

## Appendix 4

### Parking Fees



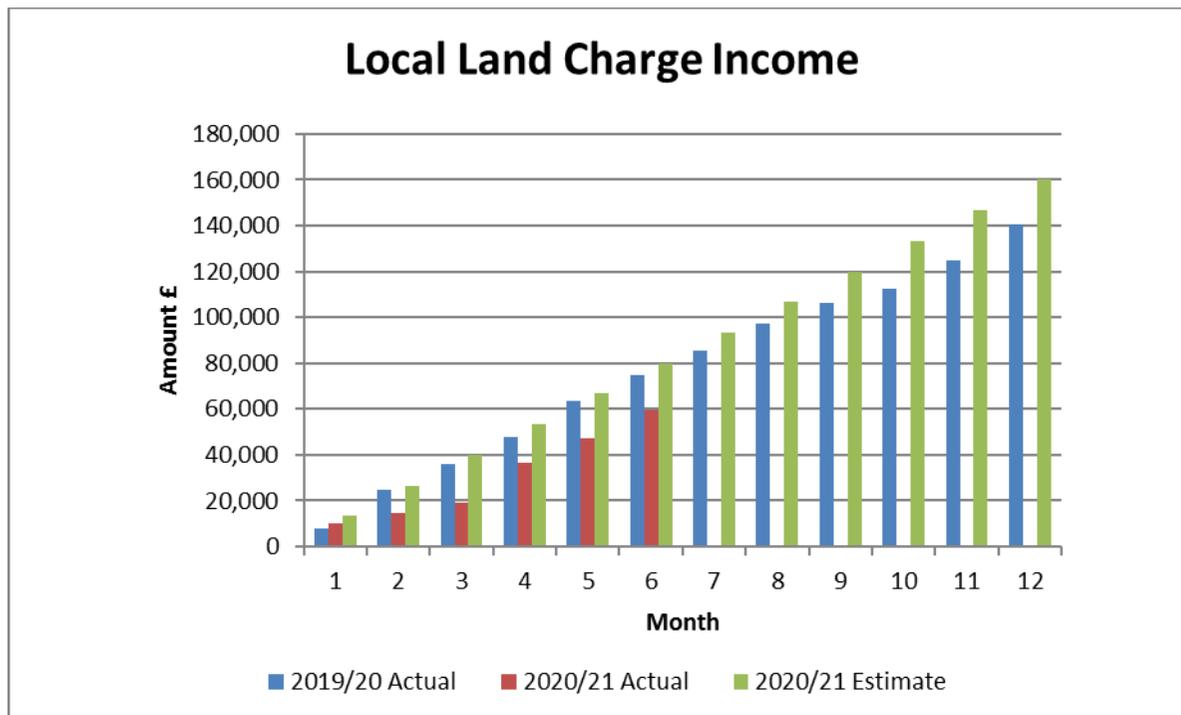
### Commentary

Income to date is £269,650 against a year to date target income of £679,050.

The full year budget for 2020/21 is £1,358,100. Due to COVID-19 it is estimated that actual income will be c£712,800

## Appendix 4

### Local Land Charges



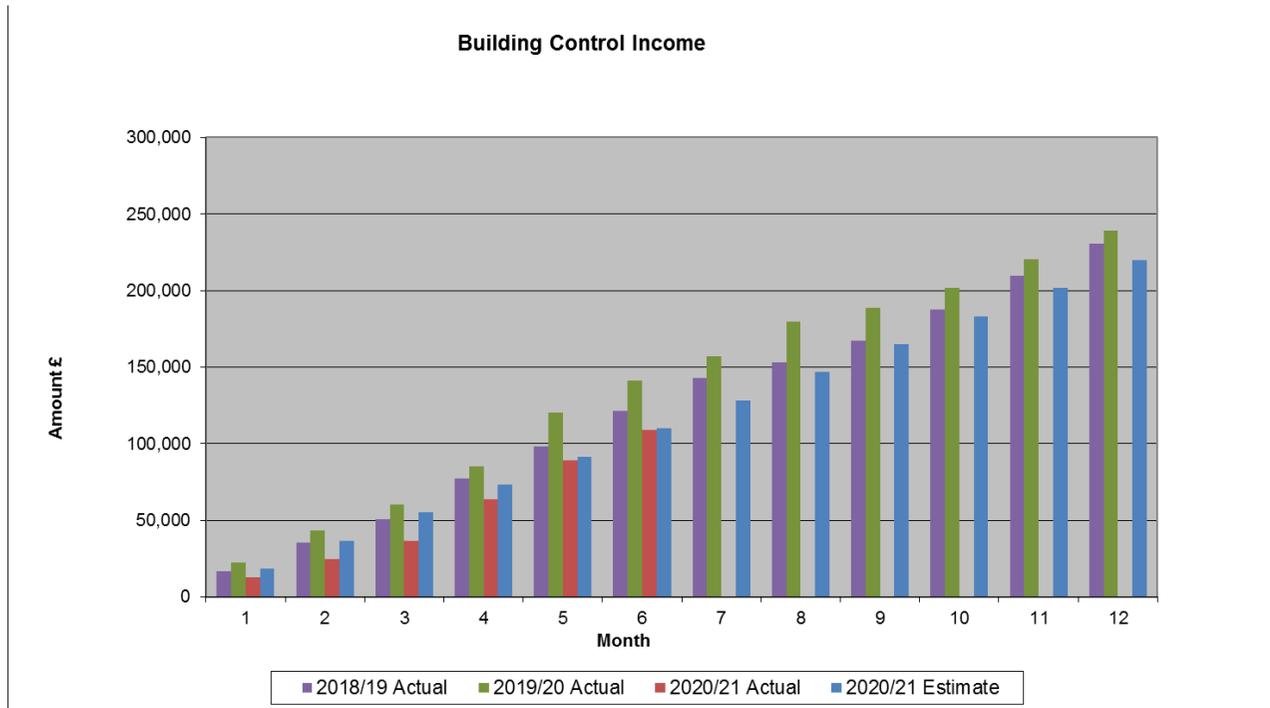
### Commentary

Income to date is £59,474 against a year to date target of £80,000..This is down by 20% compared to the same position last year, where income was £74,631 as at Q2.

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. £30,250

## Appendix 4

### Building Control Income



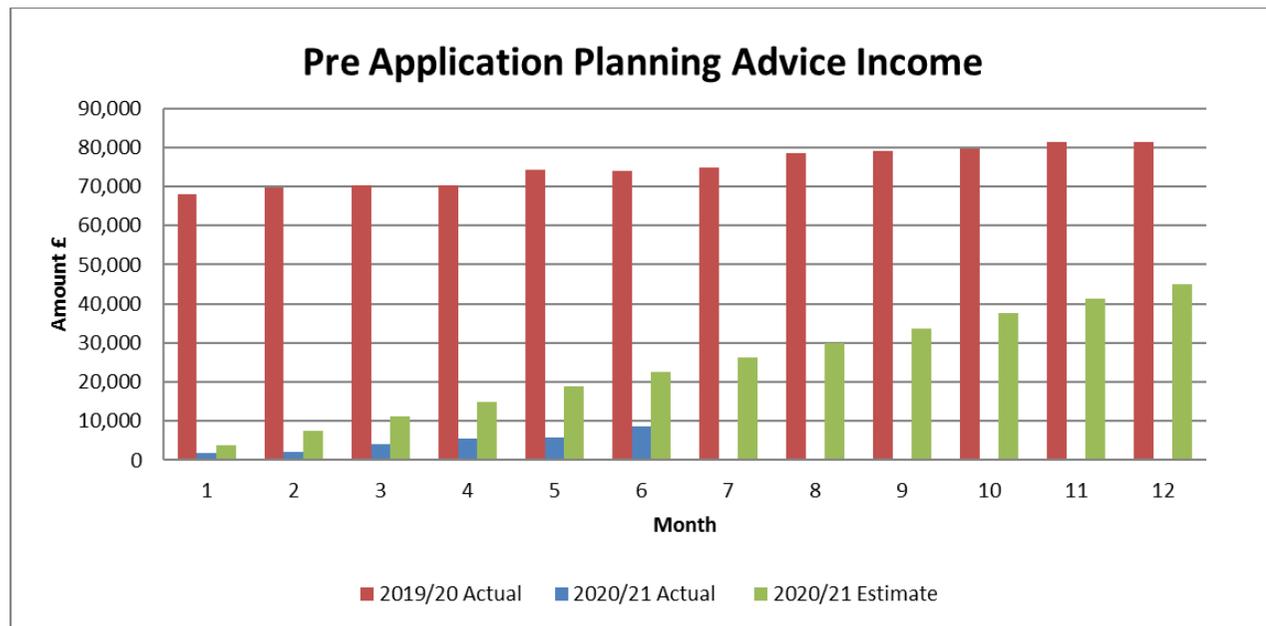
### Commentary

Income to date is £109,100 against a year to date target of £110,000.

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£175,000

## Appendix 4

### 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 £8,747 against a year to date target of £22,500. It is currently forecasted that income for the year will be £25,600.

## Appendix 4

<b>Car Park</b>	<b>Financial Year</b>	<b>Income Received Q1</b> £	<b>Income Received Q2</b> £	<b>Income Received Q3</b> £	<b>Income Received Q4</b> £
<b>Webster's Way</b>	<b>2019/20</b>	134,109	151,809	145,814	123,085
	<b>2020/21</b>	17,700	99,620		
<b>Castle Road</b>	<b>2019/20</b>	57,989	62,220	61,244	54,158
	<b>2020/21</b>	7,250	37,040		
<b>Back Lane</b>	<b>2019/20</b>	38,896	42,707	43,612	40,885
	<b>2020/21</b>	4,747	21,319		
<b>Market Car Park</b>	<b>2019/20</b>	22,742	24,556	25,167	20,837
	<b>2020/21</b>	2,576	12,369		
<b>Bellingham Lane</b>	<b>2019/20</b>	42,306	47,656	47,719	42,077
	<b>2020/21</b>	5,053	24,741		
<b>Southend Road</b>	<b>2019/20</b>	14,897	16,981	16,760	14,067
	<b>2020/21</b>	1,496	5,776		
<b>The Approach</b>	<b>2019/20</b>	14,133	15,877	18,703	18,567
	<b>2020/21</b>	2,037	12,247		
<b>Hockley Woods</b>	<b>2019/20</b>	6,324	8,267	6,330	5,985
	<b>2020/21</b>	1,811	7,692		
<b>Freight House</b>	<b>2019/20</b>	7,656	6,266	7,314	6,648
	<b>2020/21</b>	790	3,829		

## Appendix 4

<b>Old Ship Lane</b>	<b>2019/20</b>	2,363	2,551	2,711	2,515
	<b>2020/21</b>	282	1,279		
<b>Total</b>	<b>2019/20</b>	<b>341,416</b>	<b>378,891</b>	<b>375,376</b>	<b>328,825</b>
	<b>2020/21</b>	<b>43,741</b>	<b>225,912</b>		