



## OVERVIEW AND SCRUTINY COMMISSION

04 NOVEMBER 2021

### SUPPLEMENTARY PAPERS

**TO: ALL MEMBERS OF THE OVERVIEW AND SCRUTINY COMMISSION**

The following papers have been added to the agenda for the above meeting.

These were not attached to the rest of the agenda in error.

Kevin Gibbs  
Executive Director: Delivery

|  | <b>Page No</b> |
|--|----------------|
| <b>6. CONTEXT FOR BUDGET PROPOSAL CONSULTATION FOR 2022</b>  | <b>3 - 22</b>  |
| The Commission has invited guests to address the meeting before considering key issues and discussing how to prepare for the upcoming budget proposal consultation.  |                |
| <ul style="list-style-type: none"><li>• Stuart McKellar, Executive Director: Resources, will provide an update on the in-year budget monitoring as well as impact of the financial settlement details expected on 27 October 2021.</li><li>• Councillor Heydon, Executive Member for Transformation and Finance will explain how these issues are being addressed and the resulting actions.</li></ul> |                |
| <b>Evidence pack:</b>  |                |
| <ul style="list-style-type: none"><li>• Financial Update</li><li>• Report on the impact of rising energy costs on the council</li><li>• Briefing note on the staffing cost of supporting the overview and scrutiny function</li></ul>  |                |

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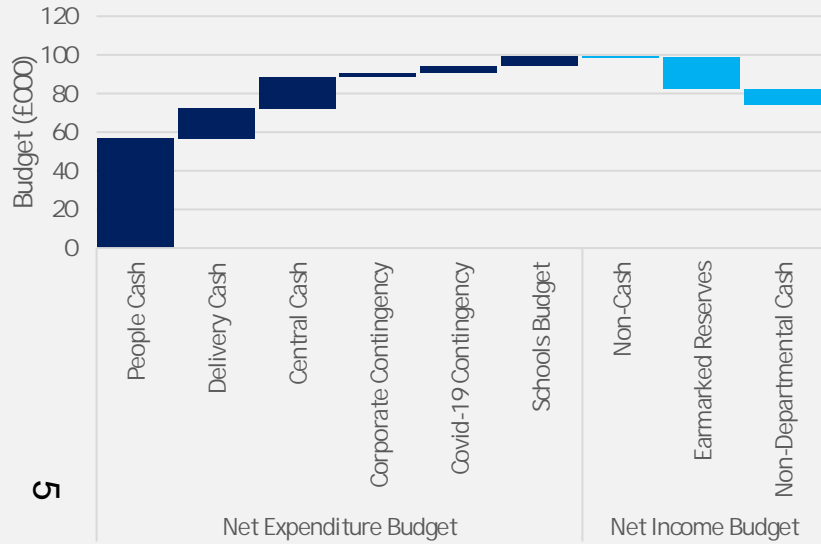
Budget Monitoring  
2021/22 End of Year Projections  
From July 2021 Actuals

The variances reported by directorates indicate expenditure above the approved budget (£2.217m Best Case and £4.448m Worst Case) after taking into account the Corporate Contingency (£1.155m) and Government compensation for loss of income for the first quarter.

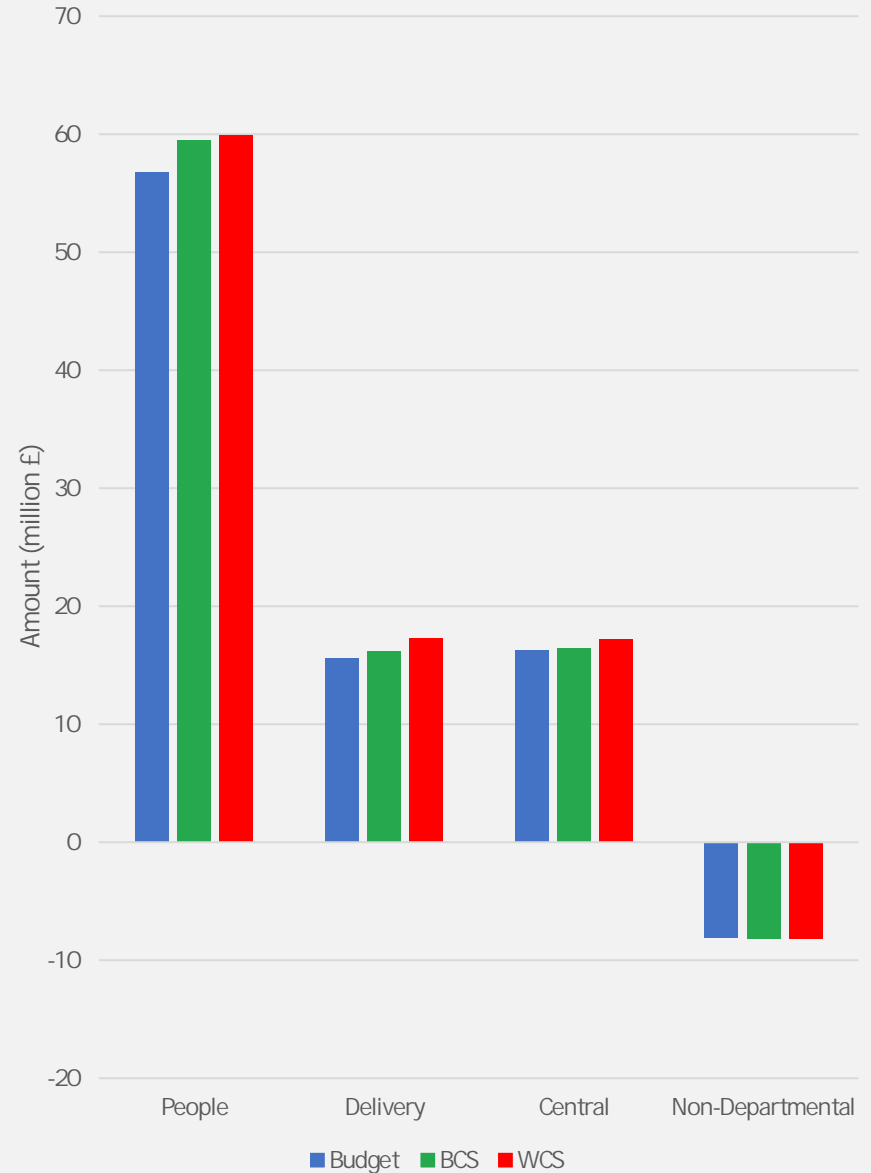
This figures exclude use of the £3.417m balance on the COVID-19 Contingency which would produce an overall variance of -£1.200m Best Case and +£1.031m Worst Case.

# Overall Summary

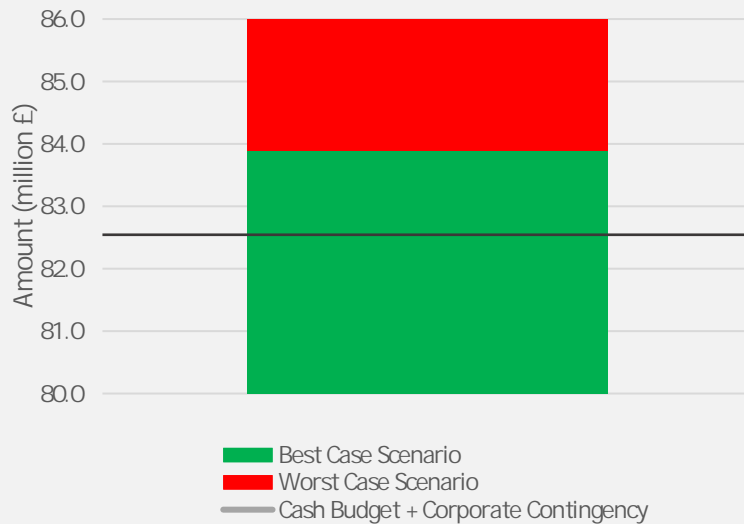
## Budget Breakdown



## Cash Budgets and Forecasts

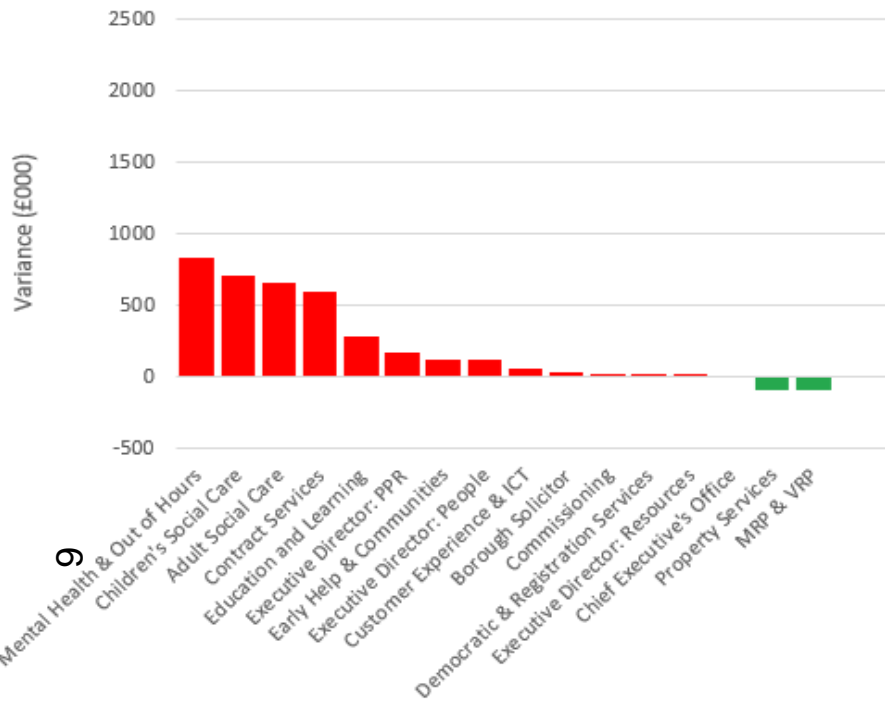


## Council Forecast Outturn and Budget

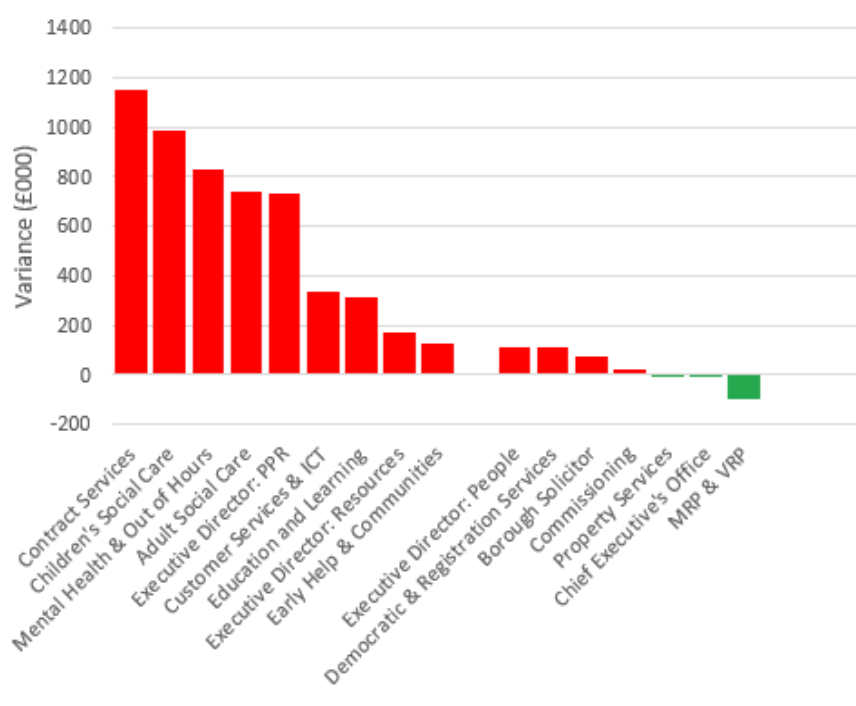


# Cash Budget Summary

## Best Case Scenario Variances



## Worst Case Scenario Variances



# Summary – Assistant Director Level

|   | Original Cash Budget (£'000) | Virements & Budget C/Fwds (£'000) | Current Approved Cash Budget (£'000) | Variance – BCS (£'000) |              | Variance – WCS (£'000) |              |
|---|------------------------------|-----------------------------------|--------------------------------------|------------------------|--------------|------------------------|--------------|
|   |                              |                                   |                                      | Last Month             | This Month   | Last Month             | This Month   |
| Director: Place, Planning & Regeneration    |                              |                                   |                                      | 250                    | 160          | 768                    | 733          |
| Director: Resources                         |                              |                                   |                                      | 35                     | 10           | 193                    | 171          |
| Chief Executive's Office                    |                              |                                   |                                      |                        |              |                        |              |
| <b>CENTRAL</b>                              | <b>14,853</b>                | <b>1,418</b>                      | <b>16,271</b>                        | <b>272</b>             | <b>157</b>   | <b>934</b>             | <b>900</b>   |
| Executive Director of Delivery              |                              | -3                                |                                      |                        |              |                        |              |
| Assistant Director: Customer Services & ICT |                              |                                   |                                      | 49                     | 49           | 339                    | 339          |
| Assistant Director: Property Services       |                              |                                   |                                      |                        |              | -3                     |              |
| ✓ Borough Solicitor                         |                              |                                   |                                      | 25                     | 25           | 74                     | 74           |
| Head of Democratic & Registration Services  |                              |                                   |                                      | 18                     | 18           | 111                    | 111          |
| Assistant Director: Contract Services       |                              |                                   |                                      | 606                    | 594          | 1,184                  | 1,151        |
| <b>DELIVERY</b>                             | <b>15,501</b>                | <b>86</b>                         | <b>15,587</b>                        | <b>605</b>             | <b>593</b>   | <b>1,705</b>           | <b>1,672</b> |
| Executive Director of People                |                              |                                   |                                      | 88                     | 114          | 88                     | 114          |
| Education and Learning                      |                              |                                   |                                      | 322                    | 271          | 370                    | 316          |
| Children's Social Care                      |                              |                                   |                                      | 440                    | 702          | 727                    | 982          |
| Contribution to Costs from Schools Budget   |                              |                                   |                                      |                        |              |                        |              |
| Commissioning                               |                              |                                   |                                      |                        | 20           |                        | 20           |
| Adult Social Care                           |                              |                                   |                                      | 716                    | 659          | 796                    | 739          |
| Mental Health & Out of Hours                |                              |                                   |                                      | 633                    | 832          | 633                    | 832          |
| Early Help & Communities                    |                              |                                   |                                      | 117                    | 120          | 122                    | 124          |
| Public Health                               |                              |                                   |                                      |                        |              |                        |              |
| <b>PEOPLE</b>                               | <b>56,108</b>                | <b>642</b>                        | <b>56,750</b>                        | <b>2,316</b>           | <b>2,717</b> | <b>2,736</b>           | <b>3,126</b> |

# Summary – Assistant Director Level

|  | Original Cash Budget (£'000) | Virements & Budget C/Fwds (£'000) | Current Approved Cash Budget (£'000) | Variance – BCS (£'000) |              | Variance – WCS (£'000) |              |
|--|------------------------------|-----------------------------------|--------------------------------------|------------------------|--------------|------------------------|--------------|
|  |                              |                                   |                                      | Last Month             | This Month   | Last Month             | This Month   |
| Interest and Investment Income         |                              |                                   |                                      |                        |              |                        |              |
| Minimum & Voluntary Revenue Provisions |                              |                                   |                                      |                        |              |                        |              |
| Council Wide Items                     |                              |                                   |                                      |                        |              |                        |              |
| New Homes Bonus Grant                  |                              |                                   |                                      |                        |              |                        |              |
| Covid-19 LA Support Grant              |                              |                                   |                                      |                        |              |                        |              |
| Local Council Tax Support Grant        |                              |                                   |                                      |                        |              |                        |              |
| Business Rates Income Growth & Grants  |                              |                                   |                                      |                        |              |                        |              |
| Other                                  |                              |                                   |                                      |                        |              |                        |              |
| <b>NON-DEPARTMENTAL</b>                | -7,499                       | -595                              | -8,094                               | -95                    | -95          | -95                    | -95          |
| <b>∞ TOTAL</b>                         | <b>78,963</b>                | <b>1,551</b>                      | <b>80,514</b>                        | <b>3,098</b>           | <b>3,372</b> | <b>5,280</b>           | <b>5,603</b> |
| <b>CORPORATE CONTINGENCY</b>           | <b>2,250</b>                 | <b>-220</b>                       | <b>2,030</b>                         | <b>-1155</b>           | <b>-1155</b> | <b>-1155</b>           | <b>-1155</b> |
| <b>COVID-19 CONTINGENCY</b>            | <b>3,417</b>                 | <b>0</b>                          | <b>3,417</b>                         | <b>0</b>               | <b>0</b>     | <b>0</b>               | <b>0</b>     |
| <b>TOTAL</b>                           | <b>84,630</b>                | <b>1,331</b>                      | <b>85,961</b>                        | <b>1,943</b>           | <b>2,217</b> | <b>4,125</b>           | <b>4,448</b> |
| <b>EARMARKED RESERVES</b>              | <b>-15,168</b>               | <b>-1,331</b>                     | <b>-16,499</b>                       | <b>0</b>               | <b>0</b>     | <b>0</b>               | <b>0</b>     |
| <b>OVERALL TOTAL</b>                   | <b>69,462</b>                | <b>0</b>                          | <b>69,462</b>                        | <b>1,943</b>           | <b>2,217</b> | <b>4,125</b>           | <b>4,448</b> |
| <b>NON-CASH BUDGETS</b>                | <b>-546</b>                  | <b>0</b>                          | <b>-546</b>                          | <b>0</b>               | <b>0</b>     | <b>0</b>               | <b>0</b>     |
| <b>SCHOOL BUDGET</b>                   | <b>5,170</b>                 | <b>0</b>                          | <b>5,170</b>                         |                        |              |                        |              |
| <b>OVERALL TOTAL</b>                   | <b>74,086</b>                | <b>0</b>                          | <b>74,086</b>                        |                        |              |                        |              |



# Cash Budget Summary – Significant Variances This Month

The variances reported by directorates, indicate expenditure above the approved budget (£2.217m Best Case and £4.448m Worst Case) after taking into account the Corporate Contingency (£1.155m) and income compensation for the first quarter. The figures exclude use of the £3.417m balance on the COVID-19 Contingency which would produce an overall variance of -£1.200m Best Case and +£1.031m Worst Case. This is a deterioration (£0.274m Best Case / £0.323m Worst Case) compared to last month.

## CENTRAL

### Significant Variances

- A proportion of highway maintenance works were to be funded through the DfT highway maintenance grant reducing reliance on the revenue budget. This is a capital grant and to date suitable works which are capital in nature have not been identified which means the costs will be charged to the revenue budget (£0.100m Worst Case).
- Within planning, income projections have improved (-£0.090m Best Case and -£0.130m Worst Case) reducing the overall spend position to £0.080m Best Case and £0.230m Worst Case.
- Income projections for The Look Out have improved bringing the worst case projection to a £0.266m overspend which is close to the Best Case scenario of 0.260m (-£0.084m Worst Case).



## DELIVERY

### Significant Variances

- An improved position on Car Parking mainly due to higher than anticipated income (-£0.012m Best Case and -£0.033m Worst Case).

## PEOPLE

### Significant Variances

- Within Children's Social Care placement costs increased by £0.016m. Although six changes have occurred, this reflects total places at the end of July remaining unchanged at a very low 121 (recent 4 year average 129). The DSB has a forecast increase in spend of £0.077m, mainly because of additional agency costs. The total variance which also includes overspends on client disability car needs (£0.112m), legal fees (£0.023) and special guardianship orders (£0.027m) is £0.262m Best Case and £0.255m Worst Case.
- Within Mental Health and Out of Hours, a net increase is care package costs (£0.148m) and an increase in agency costs within the Mental Health Team (£0.047m).
- A reduction in the overspend on Education and Learning, mainly due to under spends on expenditure budget, in particular building costs, at the Open Learning Centre.

# Cash Budget Summary – Significant Variances This Month

The variances reported by directorates, indicate expenditure above the approved budget (£2.217m Best Case and £4.448m Worst Case) after taking into account the Corporate Contingency (£1.155m) and income compensation for the first quarter. The figures exclude use of the £3.417m balance on the COVID-19 Contingency which would produce an overall variance of -£1.200m Best Case and +£1.031m Worst Case. This is a deterioration (£0.274m Best Case / £0.323m Worst Case) compared to last month.

## NON DEPARTMENTAL

### Significant Variances

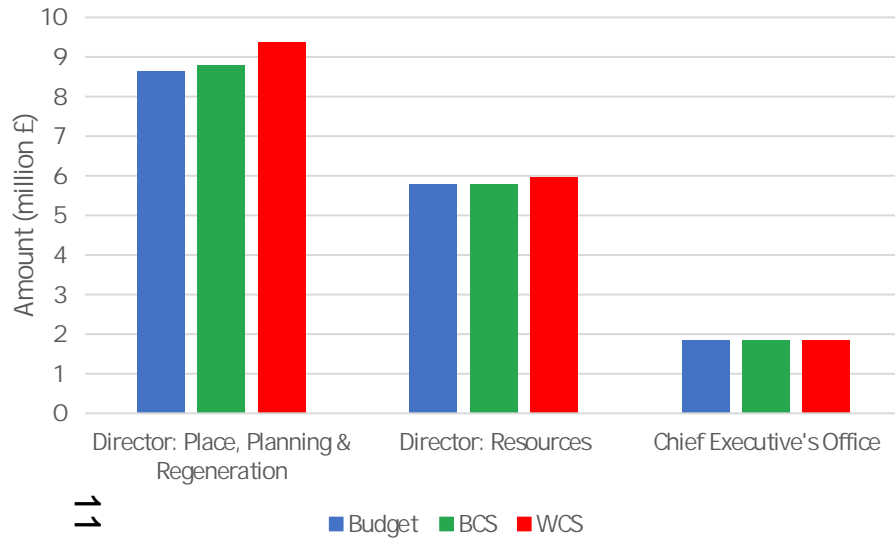
- None reported this month.

## CONTINGENCY

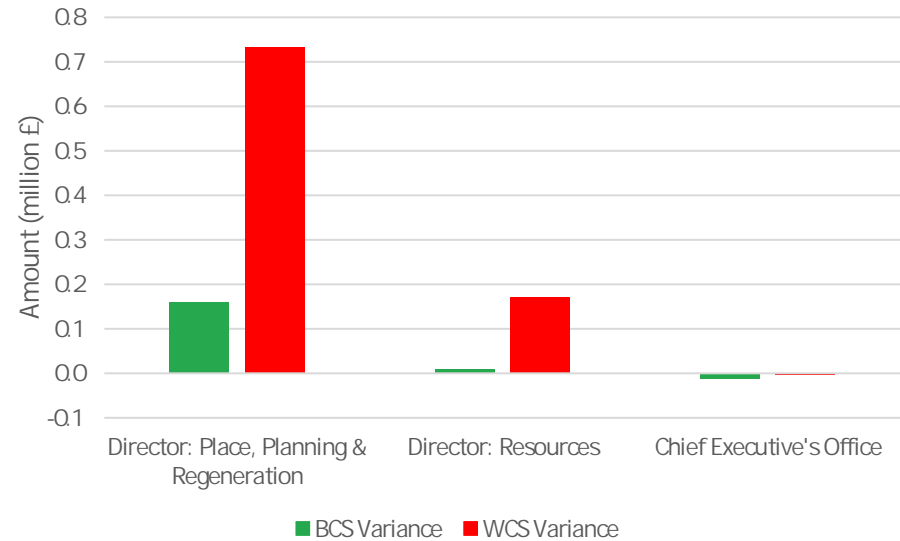
- Allocations have been made from the Contingency to provide one-off funding for staffing pressures in the SEN team (£0.164m) and Independent Quality Assurance relating to Children's Social Care (£0.056m). £0.875m has also been set aside for the 2021/22 pay award (an extra £0.125m this month based on an improved offer of 1.75%). This leaves a balance of £1.155m which has been shown as an under spend.

# Central Directorate Summary

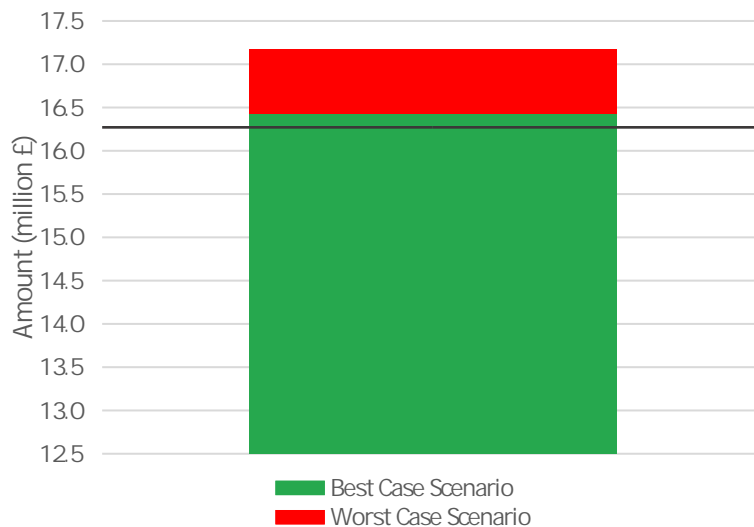
## Central Directorate Budgets and Forecasts



## Central Directorate Variances



## Central Directorate Forecast Outturn and Budget



## Summary and Significant Cumulative Variances

A forecast overspend of between £0.157m (Best Case) and £0.900m (Worst Case). This is an improvement of £0.115m Best Case / £0.034m Worst Case compared to last month.

The most significant cumulative variances are:

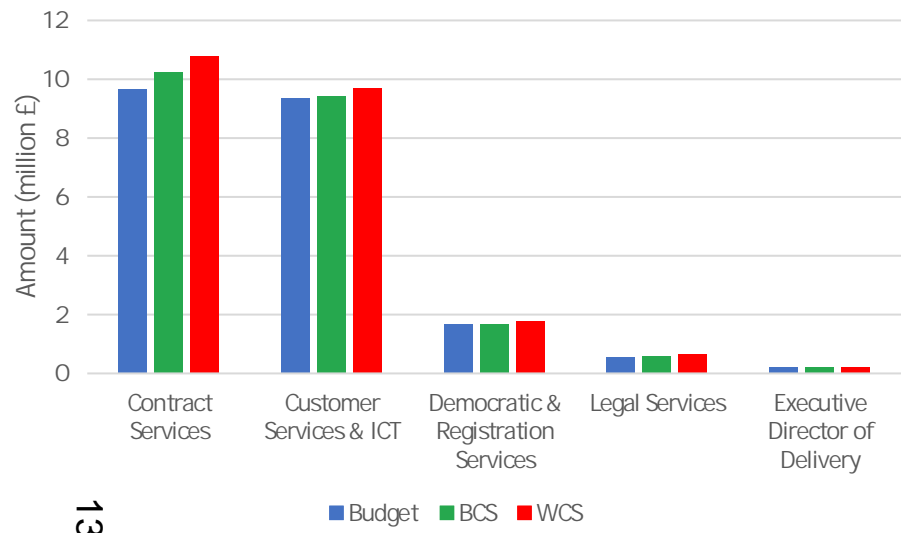
- An overspend is projected for The Look Out dependant on the implementation of the new operating model (£0.260m Best Case and £0.266m Worst Case).
- Within Planning income is under budget and there are additional Legal and Consultancy Fees. The Best Case assumes the potential recovery of appeals costs and an improvement in income (£0.080m Best Case and £0.230m Worst Case).
- Additional costs within the Traffic Service with income also being below budget (£0.080m Best Case and £0.100m Worst Case).
- Due to delays in the planning of events there will be an under spend on the one-off budget created to support town centre in 2020/21 (-£0.300m both scenarios). An audit of trees is expected to result in additional works on public land (£0.080m both scenarios).
- Pressure on the DSB due to insufficient vacancies to cover the managed vacancy factor of £0.387m (£0.322m Worst Case).
- Highways maintenance costs to be capitalised (£0.100m Worst Case).

# Central Directorate Significant Movements this Month

| Department                                       | Description  | BCS (£'000) | WCS (£'000) |
|--|--|-------------|-------------|
| CENTRAL  | Variances Previously Reported  | 272         | 934         |
| PPR: Head of Planning                            | Income projections have been reviewed and are currently estimated to be £-0.090m BCS/ -£0.130m WCS. This takes the overall overspend position to £0.080m BCS and £0.230m WCS.  | -90         | -50         |
| PPR: Reactive Maintenance                        | A proportion of highway maintenance works were to be funded through the DfT highway maintenance grant reducing reliance on the revenue budget. This is a capital grant and to date suitable works which are capital in nature have not been identified which means the costs will be charged to the revenue budget.  | 0           | 100         |
| PPR: Parks and Countryside                       | Projections for income at The Look Out have improved, bringing the worst case projection to a £0.266m overspend, which is closer to the best case scenario of £0.260m:<br><br>Car parking income -£0.054m.<br>Discovery centre admissions -£0.014m<br>Catering -£0.016m  | 0           | -84         |
| DIRECTOR RESOURCES<br>Finance                    | Computer software budgets will be overspent with the above inflationary increases to be incorporated in 2022/23 budget proposals.  | 39          | 39          |
| DIRECTOR RESOURCES<br>Human Resources            | Income received from the Schools SLA has exceeded the budget.  | -24         | -24         |
| DIRECTOR RESOURCES<br>Organisational Development | A projected underspend on centralised training budgets based on expenditure April to July and in prior years.  | -40         | -15         |
| DSB  | Posts will be required to be held vacant if this is to be met but based on early projections there are currently insufficient vacancies to meet the target which will result in an overspend.<br><br>Resources -£0.022m, taking reported overspend to £0.091m<br>PPR -£0.001m, taking reported overspend to £0.257m<br>CEX £0.023m taking projected underspend to -£0.020m | 0           | 0           |
| CENTRAL  | Final Variances  | 157         | 900         |

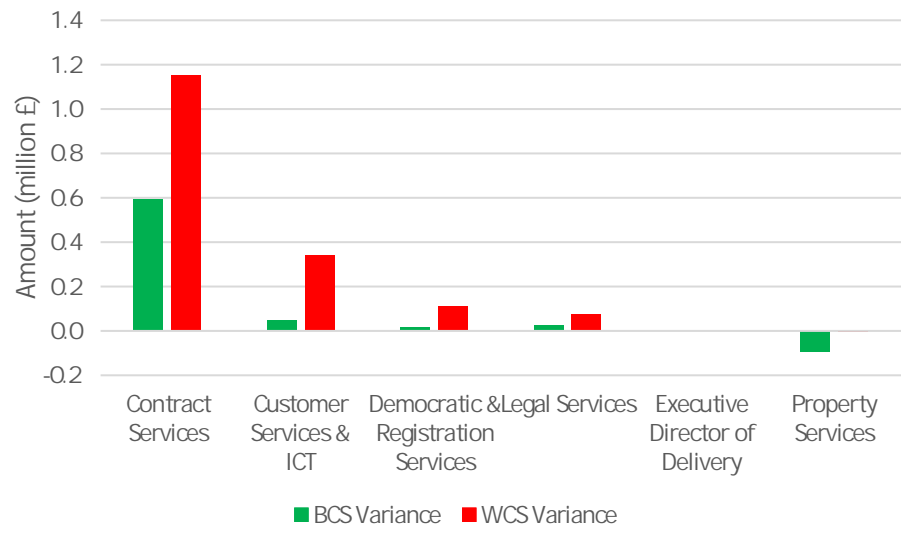
# Delivery Directorate Summary

## Delivery Directorate Budgets and Forecasts

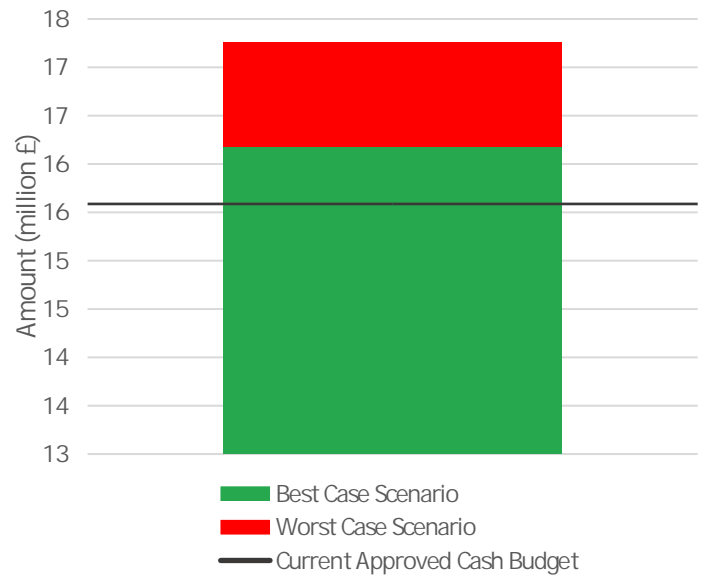


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## Delivery Directorate Variances



## Delivery Directorate Forecast Outturn and Budget



## Summary and Significant Cumulative Variances

A forecast overspend of between £0.593m (Best Case) and £1.672m (Worst Case). This is an improvement of £0.012m Best Case / £0.033m Worst Case compared to last month.

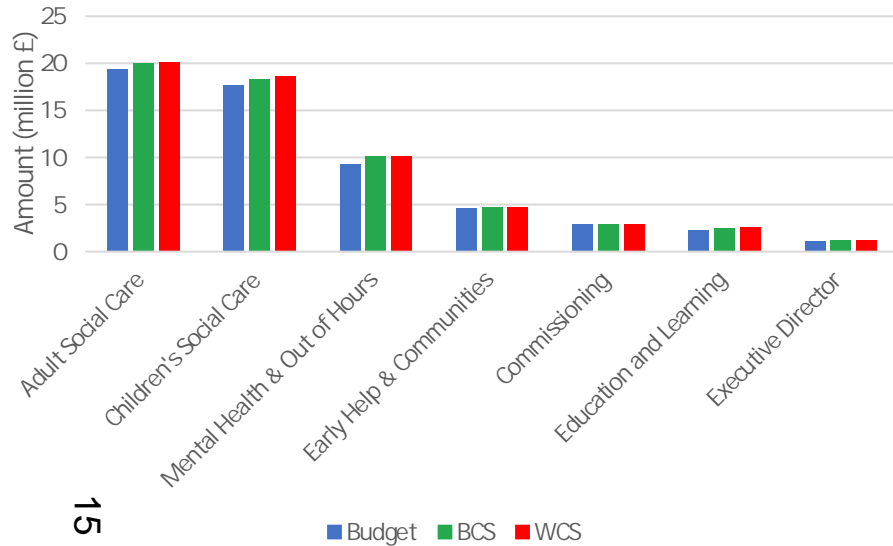
- The most significant cumulative variances are:
- Leisure where a best case scenario assumes income to be 50% of budget and a worst case scenario assumes 35% of budget (£0.623m Best Case and £0.818m Worst Case).
  - Car Parking where the overall pressure is estimated to be between -£0.065m (Best Case) and £0.100m (Worst Case) after allowing for income support.
  - Digital and IT Services – the Best Case scenario assumes an underspend on Consultants' Fees (-£0.030m) and the Worst Case scenario that additional Licences, Software and Maintenance costs cannot be absorbed. (-£0.030m Best Case and £0.160m Worst Case).
  - Registration of Electors/Elections – additional costs from neighbourhood referendums and implementing new computer software in the Worst Case (£0.065m Best Case and £0.104m Worst Case).
  - An overspend on Home to School Transport (£0.190m Worst Case).
  - Additional Waste PFI tonnages (£0.097m Worst Case).
  - An under-recovery of Cemetery and Crematorium income in the scenario (£0.100m Worst Case).
  - Pressure on the DSB due to insufficient vacancies to cover the managed vacancy factor and additional costs arising from agency staff (£0.132m both scenarios).

# Delivery Directorate Significant Movements This month

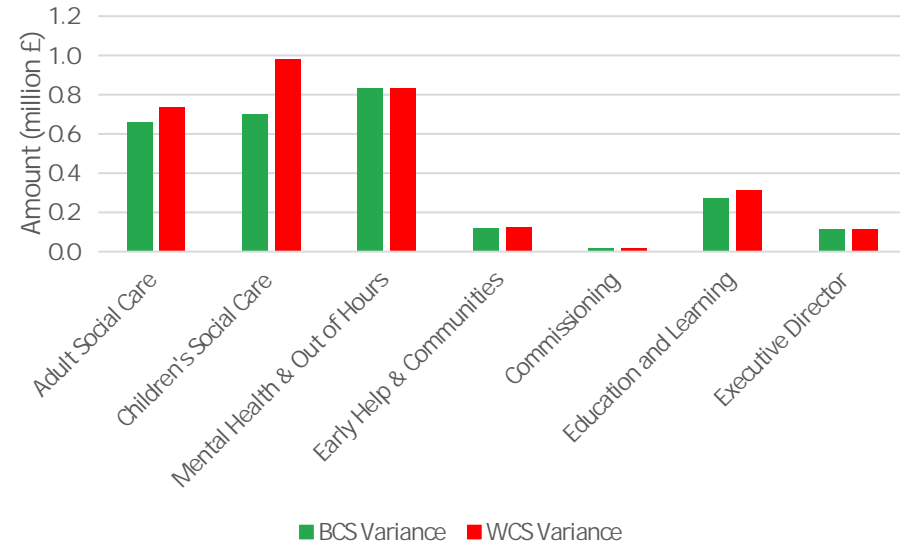
| Department                                 | Description  | BCS (£'000) | WCS (£'000) |
|--|--|-------------|-------------|
| DELIVERY                                   | Variences Previously Reported  | 605         | 1,705       |
| CONTRACT SERVICES<br>On/Off Street Parking | Higher than anticipated car parking income and reduced cost of the contract. | -12         | -33         |
| DELIVERY                                   | Final Variences  | 593         | 1,672       |

# People Directorate Summary

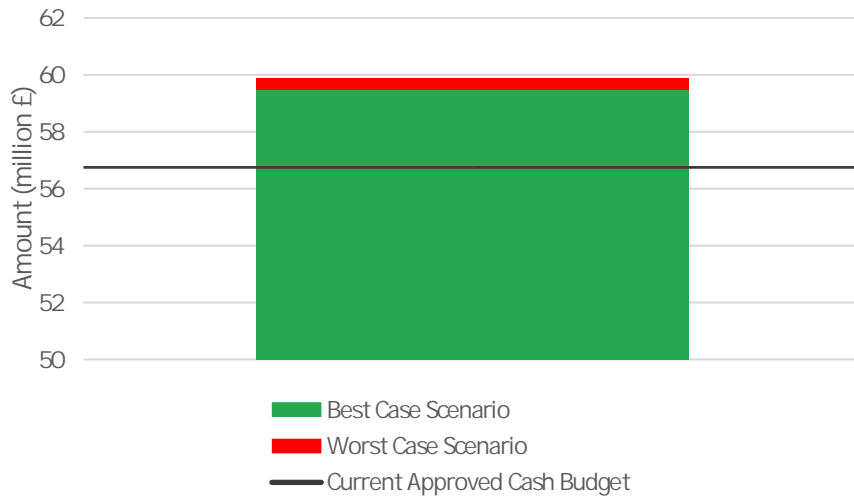
## People Directorate Budgets and Forecasts



## People Directorate Variances



## People Directorate Forecast Outturn and Budget



## Summary and Significant Cumulative Variances

A forecast overspend of between £2.717m (Best Case) and £3.126m (Worst Case). This is a deterioration of £0.401m Best Case / £0.390m Worst Case compared to last month.

The most significant cumulative variances are:

- Education and Learning – Additional staffing costs and loss of income, in particular at the Open Learning Centre (£0.271m Best Case and £0.316m Worst Case).
- Within Children's Social Care the Transformation Project on CLA placements remains in a developmental stage with no savings currently forecast. The Worst Case scenario also assumes additional CLA placements and a knock-on effect on associated costs (£0.702m Best Case and £0.982m Worst Case).
- Overspend on care packages (£0.837m) and equipment (£0.186m) within Adult Social Care partly offset by underspends on staffing costs. The combined impact is between £0.659m (Best Case) and £0.739m (Worst Case).
- Mental Health & Out of Hours – An overspend of £0.832m (both scenarios) primarily relating to care packages (£0.431m), agency costs (£0.109m) and Forestcare (£0.269m).

# People Directorate Significant Movements This Month

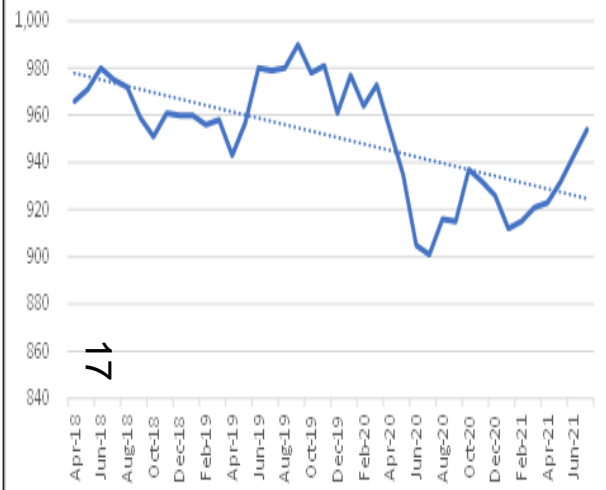
| Department                   | Description  | BCS<br>(£'000) | WCS<br>(£'000) |
|------------------------------|--|----------------|----------------|
| PEOPLE                       | Variiances Previously Reported   | 2,316          | 2,736          |
| EXECUTIVE DIRECTOR           | Interim AD: Education & Learning to be retained part time from Sept - Dec 2021.  | 26             | 26             |
| EDUCATION & LEARNING         | The DSB overspend has increased (£0.070m), most significantly in in Ed Psychology (+£0.048m) where the service has appointed 3 part time trainees. Ed Psychology Service is generating extra income from schools (-£0.057m), mainly as catch up from 2020/21 and impact of covid.<br>An underspending (-£0.061m) is forecast on non-income items at the OLC, most significantly on reduced building costs        | -51            | -54            |
| CHILDREN'S SOCIAL CARE       | CLA placement costs increased by £0.016m. Although 6 changes have occurred, this reflects total places at end of July remaining unchanged at a very low 121 (recent 4 year average 129). The DSB has a forecast increase in spend of £0.077m, mainly as a result of additional agency costs. Overspends on client disability car needs (£0.112m), legal fees (£0.023) and special guardianship orders (£0.027m). | 262            | 255            |
| COMMISSIONING                | Adverse variance (£0.016m) in Quality Assurance as includes additional agency costs for a Child Protection Conference Chair.   | 20             | 20             |
| ADULT'S SOCIAL CARE          | Net reduction in care costs (-£0.039m) plus a reduction in equipment costs (-£0.026m) based on usage to date, pro-rata.  | -57            | -57            |
| MENTAL HEALTH & OUT OF HOURS | An increase in CMHTOA care packages costs (£0.209m) offset by a reduction in CMHT (-£0.061m). An increase in CMHT management costs (£0.047m) due to agency backfill of vacant posts and additional locum agency extended for 3 months  | 198            | 198            |
| EARLY HELP & COMMUNITIES     | No new significant new variiances to report.   | 3              | 2              |
| PEOPLE                       | Final Variiances   | 2,717          | 3,126          |



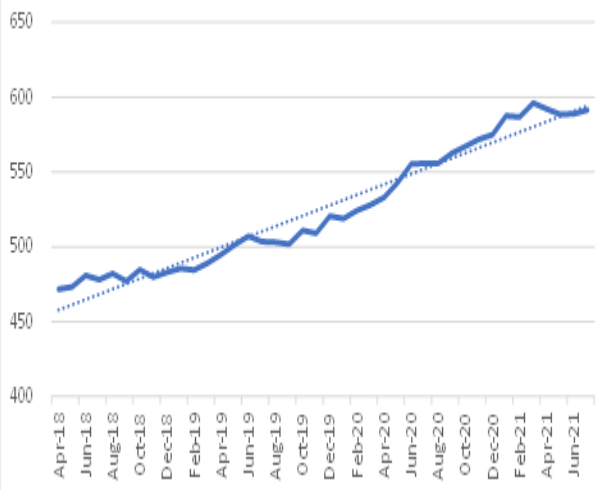
## Adult Social Care

### All Clients

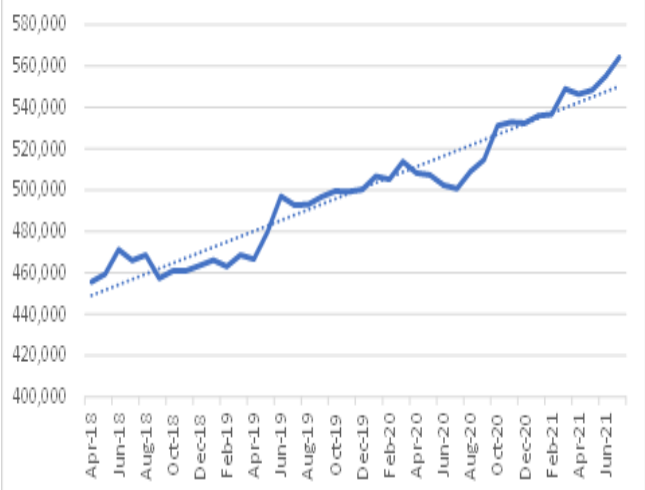
No. of clients



Average weekly cost (i.e. unit cost - £)

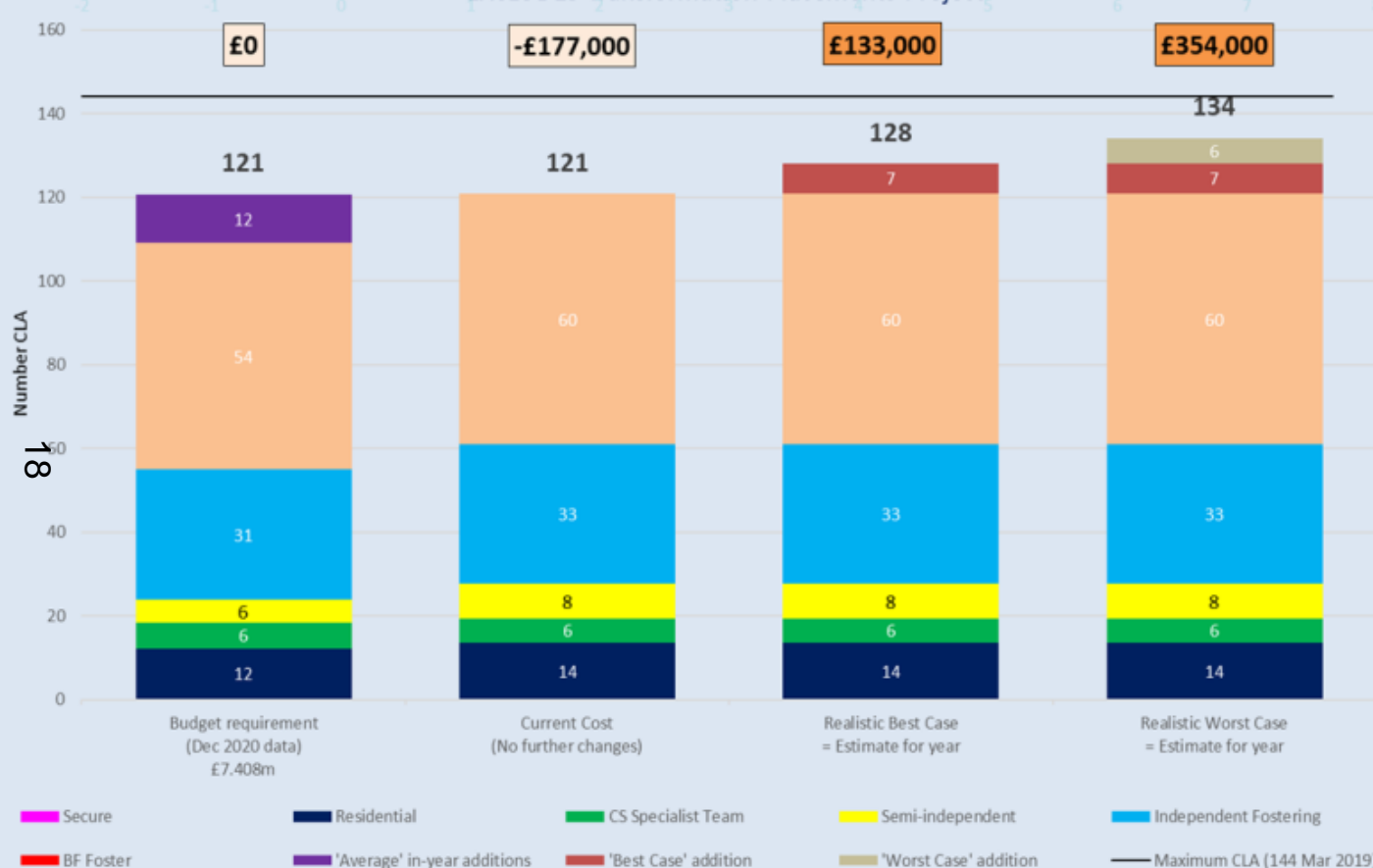


Total Net Weekly cost (£)



## Children's Social Care

CLA Numbers (expected average FTE for year - not headcount) and forecast budget variances - EXCLUDES Transformation Placements Project



### Key Messages (head count NOT fte data):

1. At 121, no. CLA at historically low numbers. The 4 year average has been 129
2. Trend suggests average 128 CLA for the year and £133k over spend
3. At 58, placements in BF fostering at historically low levels. 4 year average is 69
4. At 14, residential placements are slightly below the 4 year average of 15
5. Average cost of all places is £59.8k and 1.4% above budget assumption

# Schools Budget

| SCHOOLS BUDGET             | Budget   | Variance – BCS<br>(£'000) |            | Variance – WCS<br>(£'000) |            |
|----------------------------|----------|---------------------------|------------|---------------------------|------------|
|                            |          | Last Month                | This Month | Last Month                | This Month |
|                            |          | Schools Block             | 82,681     | -10                       | -20        |
| High Needs Block           | 23,941   | 7,813                     | 7,865      | 8,272                     | 8,208      |
| Early Years Block          | 7,561    | -20                       | -20        | -20                       | -20        |
| Contribution from BFC      | 227      | 0                         | 0          | 0                         | 0          |
| 19 Dedicated Schools Grant | -109,240 | 0                         | 0          | 0                         | 0          |
| TOTAL                      | 5,170    | 7,783                     | 7,825      | 8,242                     | 8,168      |

## THE SCHOOLS BUDGET

The Schools Budget is a ring fenced account, fully funded by external grants, the most significant of which is the Dedicated Schools Grant (DSG). There are financial concerns regarding the size of the deficit forecast for the High Needs Block and the available options. This is a national issue, recognised by the DfE through the introduction of legislation confirming any accrued debt rests with the DfE and not LAs.

### Current BEST CASE forecast:

1. £7.825m over spend, adverse movement of £0.042m compared to last month. £2.126m in excess of the £5.699m overspend anticipated when the budget was presented to the Schools Forum in March 2021.

### Summary significant issues to date:

#### **1. High Needs Block (£7.865m over spend):**

The significant SEN placement costs are charged to this part of the accounts. The nature of the forecasts is subject to regular change as actual placements and charges become confirmed to individual institutions and final decisions are taken. At this stage of the year, the SEN Team are continuing to update pupil data.

The forecast placement costs have been calculated from costed student lists, with a provision for future cost increases that are not yet known, but considered likely from previous trends on what is a volatile, high cost budget area. Whilst the significant majority of summer term costs are known, new academic year costs are more variable, with a number of providers still to confirm placements and prices meaning there are still a number of estimates within the projections that will change.

20. 1. Increase in funding to Kennel Lane Special school mainly as a result of support needs of 7 pupils being increased by £13.7k each (£0.096m). Forecast budget over spend of £0.164m.
2. Increase in funding top-ups to BF schools. Total funding 2020-21 was £1.926m increased to £2.309m for current year. Forecast budget over spend is £0.381m which includes provision for new places.
3. NMSS placements have increased from last year by 17 to 238 and average costs by 19% meaning total spend is forecast to rise by £2.3m to £10.3m. Forecast budget over spend on current clients of £1.090m.
4. No cost updates currently available for education provisions out of school, with interim forecasts assuming similar spend levels to 2020-21 and a £0.056m overspend.
5. Provision for further cost increase of +£0.417m has been included in the Best-Case forecast for external placements – LA and NMSS - and includes cost estimate for 31 additional placements from September (16 other LA, 15 NMSS).
6. The original budget forecast a £5.699m funding shortfall for the year.

The HNB Project Team receives detailed updates on cost / and placement numbers each quarter.

### Summary significant changes this period

#### **High Needs Block (£0.052m) increase in over spend):**

1. The main significant change this month relates to changes in DSG funding as notified by the ESFA:
  - a) There has been a £0.250m increase in HNB DSG funding through updated data (pupil counts / other LA pupil adjustments). This primarily relates to external placements and the increased income is offset against an identical increase to the NMSS budget which has the effect of reducing the reported overspend on this budget
  - b) A new post-16 provider (SCL) has moved onto Sandhurst school from September. As the resident LA, ESFA has transferred £0.184m of BF HNB DSG to fund the expected places. This results in a corresponding new adverse variance. This approach is being queried with the ESFA.

### Addition for WORST CASE forecast:

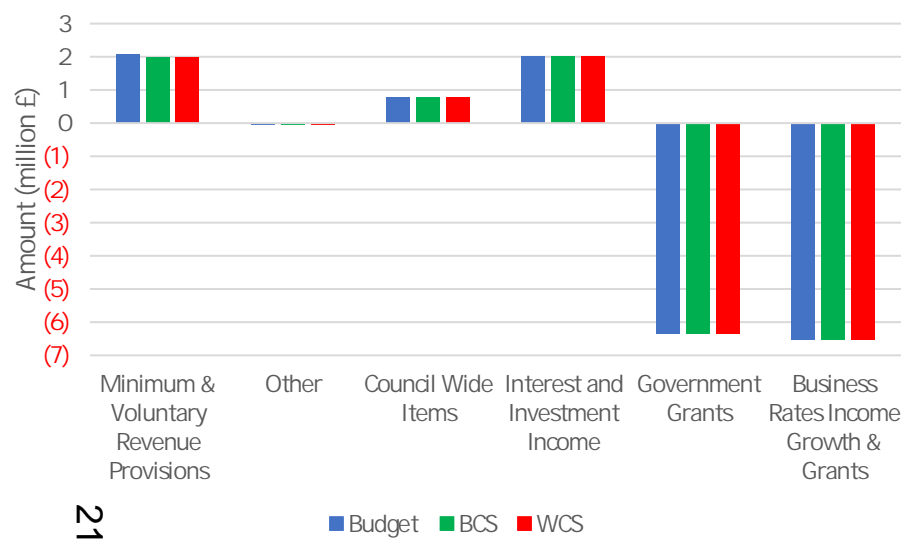
1. Further £0.343m over spend includes cost estimate for 24 additional placements from September (9 other LA, 15 NMSS)

### Future years:

DfE introduced a phased funding reduction to Combined Services. There has been a 20% funding cut from 2020-21, with £0.051m expected to be removed in 2022-23. The expectation is that the full £0.406m will be withdrawn in due course. This part funds educational attainment and school transport for CLA, family support workers, SEN Commissioning, CAF process, Young People in Sport and Education Health Partnerships and has significant implications.

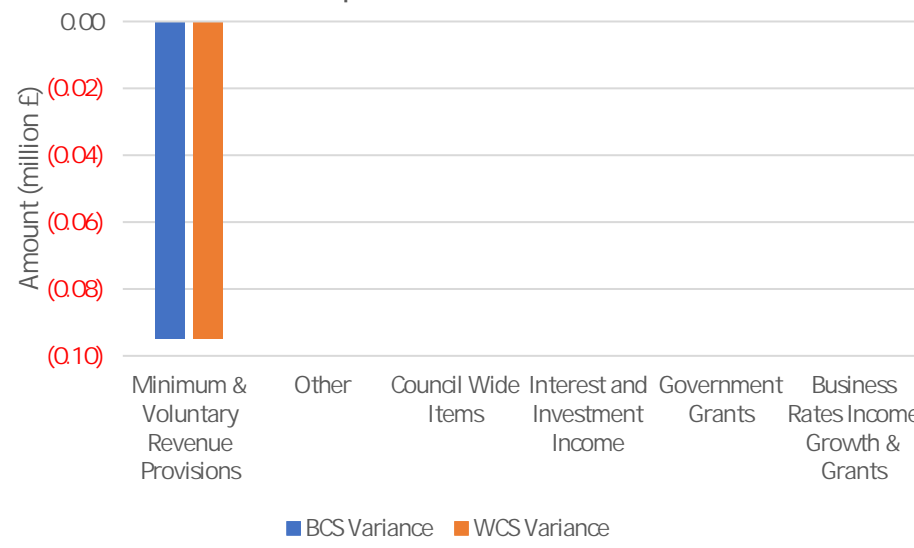
# Non-Departmental Summary

## Non-Departmental Budgets and Forecasts

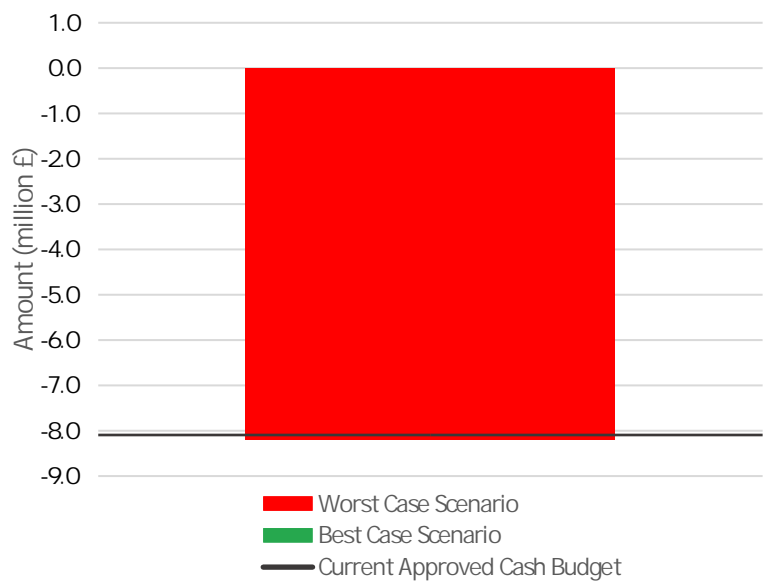


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## Non-Departmental Variances



## Non-Departmental Forecast Outturn and Budget



## Summary and Significant Cumulative Variances

The Collection Fund shows the transactions of the Council in relation to Business Rates and Council Tax.

- Any Collection Fund variances will impact on the 2022/23 budget.
- It has been assumed that Vodafone will continue to pay rates to the Council for the rest of the current financial year, an earmarked reserve exists to cover the risk should this prove not to be the case. Due to the additional reliefs granted by the Government relating to the pandemic, a significant deficit is expected on the Collection Fund. Additional Section 31 grant will be received to compensate councils for the additional reliefs which will be transferred into an earmarked reserve to offset the deficit.
- Current projections suggest that the Local Council Tax Benefit Support Scheme could overspend by £0.400m. This primarily relates to additional relief provided to Council Taxpayers within the area as a result of the pandemic (£0.480m). This will be transferred to the General Fund at year end where a budget £0.500m is available to meet the additional costs.

An underspend on the Minimum Revenue Provision is the only variance on General Fund budgets (-£0.095m both scenarios).

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