



**Cabinet**

**Tuesday 12 July 2022**

**Revenue and Capital Outturn 2021/22**

## **Report of the Director – Finance and Corporate Services**

### **Cabinet Portfolio Holder for Finance and Customer Access, Councillor G Moore**

#### **1. Purpose of report**

- 1.1. The purpose of this report is to outline the year-end financial outturn position for 2021/22, linked to the closure of accounts process and previous financial update reports.
- 1.2. The draft Statement of Accounts has been prepared and is due to be published on 31 July 2022.
- 1.3. The statutory deadline for approval of the accounts has been extended as a result of the Covid-19 pandemic, to publication of the draft financial statements 31 July 2022, with approval of the audited statements by 30 November 2022. Despite the additional work pressures as a result of Covid-19, the draft accounts will be produced and approved in line with the statutory deadline.
- 1.4. With regards to the revenue budget this shows an overall revenue efficiency position of £0.211m (having taken into account movements to reserves and the need for carry forward amounts to meet various service pressures and risks).
- 1.5. The Capital Programme shows an overall underspend position of £10.946m consistent with reporting during the year. This is mainly due to larger schemes such as the Crematorium and Bingham Leisure Hub due to complete later in 2022/23.

#### **2. Recommendation**

It is RECOMMENDED that Cabinet:

- a) notes the 2021/22 revenue position and efficiencies identified in **Table 1**, the variances in **Table 2** and approves the carry forwards and appropriations to reserves in **Appendix E**;
- b) approves the other changes to the earmarked reserves as set out at **Appendix B**;
- c) notes the re-profiled position on capital and approves the capital carry forwards outlined in **Appendix C**; and
- d) notes the update on the Special Expenses outturn at paragraph 4.12 and in **Appendix D**.

### 3. Reasons for Recommendations

To accord with good financial governance and the Council's Financial Regulations.

### 4. Supporting Information

- 4.1 The Council is required to categorise its income and expenditure as either revenue or capital. The General Fund account deals with the Council's revenue income and expenditure, where spend is incurred on day to day expenditure or on items used within the year. Capital income and expenditure is included in the Capital Programme. The Financial Outturn, for both Revenue and Capital, is presented below.

#### *Revenue Outturn*

- 4.2 The net revenue position in Table 1 below shows a transfer to reserves of £1.452m (originally planned to be a transfer from reserves of £3.787m (adjusted up to £4.767m to reflect carry forward commitments) a significant net increase of £6.2m. The approved budget reflected a temporary reduction where it was expected that the legacy impact of Covid would remain; however, as reported throughout the year performance has been resilient in the face of ongoing financial challenges. This has resulted in a surplus in the year. In-year savings and service efficiencies (some of which are requested to be carried forward) combine to a net revenue surplus of £1.662m. The main variances are shown in Table 2. Other variances consist of National Non-Domestic Rates (NNDR) income £4.4m consisting of Covid Additional Relief Fund (CARF) grants (related to additional Covid reliefs) of £4m and the net transfer from the Nottinghamshire NNDR Pool of £0.38m. The additional funds received for NNDR and CARF reliefs will be transferred to the Collection Fund Reserve, the balance to be released in 2022/23 and 2023/24 to offset the deficit arising in later years (amounting to £3.2m). The balancing and reconciling of these balances does add extra complexity to the closure of accounts process. The £1.254m of 'grant spent charged to revenue' reflects Covid grants paid out with the grant income received hence the additional £1.372m on this line.

**Table 1: Revenue Outturn Position**

	Original Budget excluding Recharges £'000	Revised Budget £'000	Revised Outturn	Revised Variance
Chief Execs	2,055	1,956	1,808	(148)
Development and Economic Growth	6	197	(36)	(233)
Finance & Corporate	4,292	4,563	3,753	(810)
Neighbourhoods	6,920	7,374	6,903	(471)
<b>Sub Total</b>	<b>13,273</b>	<b>14,090</b>	<b>12,428</b>	<b>(1,662)</b>
Capital Accounting Reversals	(1,768)	(1,768)	(1,768)	0
Minimum Revenue Provision	1,074	1,074	1,074	0
<b>Total Net Service Expenditure</b>	<b>12,579</b>	<b>13,396</b>	<b>11,734</b>	<b>(1,662)</b>
Grant Spent charged to revenue	0	0	1,254	1,254

Grant Income (including New Homes Bonus & rsg)	(2,762)	(2,599)	(3,971)	(1,372)
Business Rates (including SBRR)	(2,820)	(2,820)	(7,264)	(4,444)
Council Tax	(7,255)	(7,255)	(7,255)	0
Collection Fund Deficit	4,045	4,045	4,050	5
<b>Total Funding</b>	<b>(8,792)</b>	<b>(8,629)</b>	<b>(13,186)</b>	<b>(4,557)</b>
<b>Net Transfer to/(-)from Reserves</b>	<b>(3,787)</b>	<b>(4,767)</b>	<b>1,452*</b>	<b>6,219</b>
<b>Carry forward requests (Appendix E)</b>				(845)
<b>Reserves required</b>				(5,163)
<b>Net Surplus after c/fs and reserve transfers</b>				<b>211</b>

\*Of the £1.452m transfer to reserves £0.242m is required for Capital resources – Net transfer to reserves £1.210m

- 4.3 The above table shows a positive outcome in what has been another challenging year. Service efficiencies and prudent budgeting for Covid losses has mitigated the overall impact and the improved outturn position enables the Council to continue to achieve its corporate objectives and support any future budget deficit position arising from future issues (particular given the current economic issues with inflation increases). A number of transfers were agreed by Cabinet 8 March 2022, which are included in the final carry forward request totalling £6m (paragraph 4.10) and shown in Appendix E. The remaining surplus of £0.211m will be transferred to the Organisation Stabilisation Reserve to support future financial pressures.
- 4.4 At the end of 2019/20 the Council's Treasury Investments had been negatively impacted by the pandemic and had suffered a reduction in value. This improved during 2020/21 with values almost recovering to pre-pandemic levels. As at 31 March 2022 the value of the investments now shows an increase in value of £0.173m. This movement has been credited to the revenue account in accordance with statute and reversed through reserves and therefore does not affect the bottom-line revenue position. As expected for assets held over a long period, there is still a risk that these values can fluctuate in response to market conditions, particularly with the continued uncertainty brought about by the war in Ukraine and inflation increases. The statutory override (allowing the reversal of price fluctuations through reserves) is due to expire on 31 March 2023 after which any movements will affect the general fund. The position on the investments at the time of writing shows that balances have now again reduced. In order to mitigate any potential impact on the general fund after March 2023 it is proposed to appropriate £0.2m to reserves. The position will be closely monitored and if necessary, recommendation to withdraw from the funds will be reported to Cabinet and Governance Scrutiny Group as part of ongoing monitoring of the Council's Treasury Management position.
- 4.5 As documented at Appendix A, the financial position to date reflects a number of positive variances totalling £2.1m (plus other minor variances of £0.4m) These include; Interest receipts (£0.215m); saving on contingency (£0.267m); EGC feasibility Study (£0.25m); Planning Income (£0.4m) and Car parking receipts (£0.143m) There are several adverse variances totalling £0.861m. The majority of the adverse variances arise from additional costs of waste collection in relation to overtime and agency (£0.173m Covid related) fuel and vehicle repairs (£0.161m) and planning agency costs (£0.234m). Many of these have

been reported to Cabinet in previous update reports. Table 2 below summarises the key variances:

**Table 2: Main Items Impacting on the Current Revenue Budget**

<b>Adverse variances</b>	<b>Main Variances</b>	<b>£'000</b>
<b>Employee Expenses</b>	Planning staff and Depot agency and overtime	403
<b>Supplies &amp; Services</b>	Econ Dev and Env Health (spending of grant) and additional costs of Bed and Breakfast due to social distancing	256
<b>Transport Related Expenses</b>	Vehicle repairs and hire and increased costs of diesel	167
<b>Premises Related Expenditure</b>	Resposive Works Open Spaces and Footpaths	35
<b>Total</b>		<b>861</b>
<b>Favourable variances</b>	<b>Main Variances</b>	<b>£'000</b>
<b>Capital Financing Costs</b>	Borrowing costs not incurred	(45)
<b>Employee Expenses</b>	Vacancies in Economic development and Revenues and Benefits	(62)
<b>Income</b>	Planning income, investment income, grant income (offsetting expenditure) and car parking	(1,260)
<b>Premises Related Expenses</b>	Utilities (to be carried forward)	(84)
<b>Supplies &amp; Services</b>	EGC feasibility study and contingency not required	(593)
<b>Third Party Payments</b>	EGC improved performance	(70)
<b>Total</b>		<b>(2,114)</b>
<b>Other Minor variances</b>		<b>(409)</b>
<b>Total Variances</b>		<b>(1,662)</b>

### *Business Rates*

- 4.6 The Council ensured that applicable business rates reliefs were applied, including Covid related reliefs, resulting in 1118 businesses benefitting from over £6.069m of additional rates relief.
- 4.7 The Council has also administered a number of grants to support the local economy and these were referenced in the Covid update report to Cabinet in May 2022. Some funding was carried forward from 2020/21 and has either been spent in the year or returned. Total grants amounted to £10.8m with £6.5m (including £106k of RBC funded grants) paid to businesses (60%). Grant underspend is generally a result of the Council receiving more resources than it needed (given the Government, when estimating resources, did not know the

level of demand). These largely relate to mandatory grants which the Council has no control over in terms of the criteria for award.

### *Test and Trace*

- 4.8 During 2020/21 and 2021/22, the Council helped to help support individuals who were self-isolating and on low incomes and could not work from home with £500 payments from government funding. The scheme ended on 6 April 2022, although funds may still be distributed after this date to eligible applicants. 533 payments have been made totalling £0.265m (as at 31 March 2022).

### *Reserves*

- 4.9 There are a number of movements in revenue reserves largely agreed as part of the budget setting process and budget monitoring for 2021/22. A net transfer to earmarked reserves of £1.210m comprises: £1.452m transferred to reserves from revenue less £0.242m reserves used for capital. The overall net movement on revenue reserves are detailed at **Appendix B**. The key points to note are:

- There are a number of 'transfers out' or use of reserves totalling £6.909m including: £1.074m from the New Homes Bonus reserve, which is used to offset the Minimum Revenue Provision (MRP) arising from internal borrowing to fund the Arena and Cotgrave Masterplan.
- £1.663m is transferred out from the Organisation Stabilisation Reserve. £0.91m released to meet revenue 2019-20 carry forward commitments and £0.75m to meet the budgeted revenue deficit.
- Transfer of £4m to meet the collection fund deficit.
- There are a number of 'transfers in' totalling £8.36m that increases reserves. Significant items comprise: £1.6m New Homes Bonus receipts; £1.87m net efficiencies and Covid related grants; Collection Fund surplus £3.2m relating to reimbursement of additional reliefs given to businesses in 2021/22, net £0.091m to support increased planning service delivery challenges and creation of a £1m Vehicle Replacement Reserve approved as part of the MTFS by Full Council.
- The New Homes Bonus (NHB) Reserve balance of £8.979m is largely earmarked to fund internal borrowing in relation to capital projects such as the Arena and Cotgrave Masterplan.
- The Collection Fund Reserve balance of £5.14m is earmarked to offset the business rates deficit in 2022/23 of £1.8m and in 2023/24 of £3.2m.
- The Organisation Stabilisation Reserve Balance of £3.994m will partly be used to fund the carry forward requests of £0.845m (Appendix E). This includes the potential impact of reduced income due to delays in the Bingham Hub and the Crematorium.
- The Climate Change Reserve (£0.8m is to be topped up to £1m in 2022/23) will support projects in 2022/23 and beyond that contribute to the Council's ambitions to become carbon neutral. Projects are assessed on an individual basis and recommendations made to fund from the reserve will be presented to Cabinet. Projects currently in the pipeline include Bingham Arena and the Crematorium (both of which incorporate energy efficiency and carbon reduction measures) and the West Bridgford Infrastructure project. During 2021/22 the Council has delivered projects for energy efficiency lighting, Electric Vehicle Networks and Local Authority Delivery (LAD) green energy grants; however, as

these projects were fully funded by grants there is no recourse to draw from the reserve in 2021/22.

- Overall, whilst the level of Earmarked Reserves is a healthy £23.575m, there are risks going forward in terms of the continuing financial pressures from inflationary and pay increases, uncertainty regarding Fairer Funding and Business Rates systems and further reductions and commitments from reserves to capital projects. This includes the repayment of internal borrowing for the Arena and Cotgrave Masterplan, which was reliant on NHB receipts and these are predicted to cease at the end of 2022/23.
- The General Fund balance of £2.604m accords with the Council's approved Medium Term Financial Strategy.

#### *Revenue carry forward requests and Reserve Commitments*

- 4.10 The Council is committed to growing the Borough, ensuring it maximises available opportunities, particularly linked to the impact of both growth and the economic recovery of the borough, following the pandemic. In addition there is additional anticipated one-off cost pressures to facilitate the transfer of the Streetwise Grounds Maintenance function to an in-house model and costs associated with the upgrade of the Council's website. Requests for the use of reserves in 2022/23 (from 2021/22 efficiencies) for both supporting the recovery process and delivery of the Council's priorities are shown in **Appendix E**.

#### *Capital*

- 4.11 The year-end Capital Programme provision totalled £27.222m (see Table 3 and Appendix C). Actual expenditure in relation to this provision totalled £16.276m (54% of the budget) giving rise to a variance of £10.946m, £10.710m of which is recommended to be carried forward. This position is as expected and as reported throughout the year. Significant commitments have been made with regard to Bingham Hub and The Crematorium. Re-profiling of these schemes has been required due to supply chain issues and the residual impact of Covid. The wider issues surrounding the Covid pandemic has impacted upon the delivery of some of the schemes and a decision was taken to defer those which would pose no immediate Health and Safety Risks (some leisure centre and investment property enhancement works). Bingham Hub and The Crematorium will be completed in 2022/23 with both opening in the early autumn.

The main variations are as follows:

- Bingham Leisure Hub and Offices £5.673m – to meet expenditure in line with projected cash flow in 2022/23.
- The Crematorium £2.973m – to meet build and equipment costs in 2022/23.
- Cotgrave Regeneration Scheme Phase II £0.378m – 21/22 works primarily completed with this saving. It is proposed to re-allocate £0.2m of the saving to support the revised expected costs of Rushcliffe Country Park enhancement works to be carried out in 2022/23.
- LAD2 Green Energy Grants £0.407m – carry forward request as the deadline for completion of works has been extended to 30 June .2022,

- IT Systems underspend of £0.233m – of this £0.133m is requested to be carried forward to meet commitments; £0.1m budget efficiencies are as a result of the Skype for Business Office Migration.
- Streetwise Loan £0.150m – not drawn down, the proposal is to carry this forward in contingency to support any emerging capital costs of Streetwise insourcing.

**Appendix C** highlights the main variances and summarises the carry forward amounts (£10.710m); efficiency savings (£0.316m); overspends (£16k); and acceleration (£64k). Details of variances can be found on **Appendix F**.

**Table 3: Capital Summary**

<b>EXPENDITURE SUMMARY</b>	<b>Current Budget £000</b>	<b>Actual £000</b>	<b>Variance £000</b>
Development and Economic Growth	21,078	11,928	(9,150)
Neighbourhoods	5,328	4,121	(1,207)
Finance & Corporate Services	610	227	(383)
Contingency	206	0	(206)
	<b>27,222</b>	<b>16,276</b>	<b>(10,946)</b>
<b>FINANCING ANALYSIS</b>			
Capital Receipts	(8,092)	(7,787)	305
Government Grants	(3,360)	(2,156)	1,204
Use of Reserves	(399)	(242)	157
Grants/Contributions	(530)	(523)	7
Section 106 Monies	(3,841)	(3,068)	773
Borrowing	(11,000)	(2,500)	8,500
	<b>(27,222)</b>	<b>(16,276)</b>	<b>10,946</b>
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>

4.12 **Appendix D** shows the Outturn position on the Special Expenses budget. Budgets within the Special Expenses area have been impacted by Covid for part of the year with community facilities losing income and Gresham being used as a vaccination centre. These losses are included in the Council services overall net budget surplus of £1.662m (see Table 1). The Special Expenses outturn budget deficit for West Bridgford is £0.037m. This deficit is net of a proportion of Covid Government funding received by the Council as reimbursement for lost sales, fees and charges income in relation to quarter one only. The total net deficit as at 31 March 2022, is £0.124m comprising of an opening deficit of £0.087m and the in year deficit of £0.037m. The budgets are set using estimates and the timing of expenditure can result in variances against the budget and has resulted in the £0.087m deficit. The budget going forward will aim to ensure deficits are recovered.

### *Covid-19 ongoing impact and other factors*

- 4.13 The Council's leisure providers have been reporting an improvement in usage throughout the year. Whilst footfall is slightly below pre-pandemic levels the performance overall is in line with the budget projections. However, with the recent increase in energy bills, wages (particularly affected by the increase in National Living Wage) and recent opening of a budget gym financial challenges remain for 2022/23 and beyond. Such challenges are not unique to Rushcliffe and is effecting the whole of the leisure sector.
- 4.14 The NNDR surplus of £4.4m in Table 1 arises from S31 grant received in 2021/22 in advance due to the introduction of Covid Additional Relief Fund (CARF). This will be used to offset future collection fund deficits.
- 4.15 The 2020/21 Council Tax deficit reported in last years accounts was £0.144m and as per statutory accounting arrangements was spread over three years (2021/22 to 2023/24). The charge to the 2021/22 accounts is therefore £48k which is offset by Council Tax Income compensation of £46k The deficit relating to 2021/22 is £0.159m.
- 4.16 The Council has received a payment relating to April to June 2021 of £0.109m from the fees and charges income reimbursement scheme. A proportion of the reimbursement has been allocated to the Special Expense fund to support the lost income from closure of facilities in the West Bridgford area (see paragraph 4.12). Final reconciliations for the 2020/21 payments have been submitted bringing the total reimbursement received, since the scheme's inception, to £0.247m.

### *Financial Outturn Conclusion*

- 4.17 The financial impact of Covid in 2021/22 was not as significant as anticipated; however, new and emerging issues present significant financial challenges moving forward. The Comprehensive Spending Review and both the business rates revaluation and the Fairer Funding reviews (which have already been delayed twice) are now unlikely to take place before 2024/25. Cost pressures (such as inflationary increases and planning service demands) and uncertainty over government resource allocations will make financial planning even more challenging.
- 4.18 The Council continues to drive efficiency and innovation and the Transformation Plan incorporates projects over the medium term that continually review Council processes. One such project is the in-sourcing of the Streetwise function planned autumn 2022/23 and it is anticipated that this will deliver efficiency savings in support of ongoing financial budget efficiencies.
- 4.19 A healthy position on reserves is necessary to insulate the Council against significant financial risks, enabling it to withstand short-term financial shocks. This is demonstrated by the Council's positive financial position in the aftermath of Covid-19; a position many other councils are not as fortunate to be in. A healthy reserves position is vital to the Council's financial resilience and enables the Council to deliver its corporate priorities, to improve services and invest and grow the Borough and support its environmental objectives. A number of commitments, both revenue and capital, are identified in the report to be



resourced from the improved reserve position, particularly linked to the Council's growth and improving the environment objectives.

- 4.20 The year-end Financial Statements are subject to audit by Mazars and will be considered by the Governance Scrutiny Group in November 2022.

## **5. Alternative options considered and reasons for rejection**

There are no other options identified, subject to the views of Cabinet.

## **6. Risks and Uncertainties**

- 6.1 Failure to comply with Financial Regulations in terms of reporting on both revenue and capital budgets could result in criticism from stakeholders, including both Councillors and the Council's external auditors.

- 6.2 The transfer of the net surplus to reserves will support the budget deficit created by additional business rates relief issued in 2021/22. Carry forward of budget efficiencies will assist the Council to meet its priorities to support and grow the borough. A healthy reserves position is essential to provide resilience against continued pressures and uncertainty from emerging risks such as the increase in inflation as referenced in paragraph 4.13.

- 6.3 During 2021/22 the Ratcliffe-on-Soar Power Station was successful in an appeal back dated to 2017. The liability of over £6m was largely absorbed by the appeals provision in the collection fund. The impact going forward is a reduction in retained rates from £2.9m to £1.6m with the Council's annual share approximately £0.5m. The MTFs continues to reflect this risk and the potential impact of the Freeport on business rates.

- 6.4 Following the successful appeal from the Power Station the proportion of the rates applicable to it has reduced and subsequently the risk has reduced. Furthermore, changes in Central Government policy influences business rates received and their timing, for example policy changes on small business rates relief.

- 6.5 There is a risk of further delays to the opening of Bingham Hub and the Crematorium and if further budget is required this will be included in our normal financial reporting arrangements to Cabinet and Corporate Overview Group.

- 6.6 The Council needs to be properly insulated against such risks hence the need to ensure it has a sufficient level of reserves, as well as having the ability to use reserves to support projects where there is 'upside risk' or there is a change in strategic direction. The Council continues to ensure it is financially resilient at this most difficult of times.

## **7. Implications**

### **7.1. Financial Implications**

Financial implications are contained within the body of the report with commentary on revenue (Sections 4.2 to 4.5), Business Rates (section 4.6) reserves (section 4.9), capital (section 4.11).

## 7.2. Legal Implications

There are no direct legal implications arising from this report.

## 7.3. Equalities Implications

None.

## 7.4. Section 17 of the Crime and Disorder Act 1998 Implications

None.

## 8. Link to Corporate Priorities

Quality of Life	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.
Efficient Services	
Sustainable Growth	
The Environment	

## 9. Recommendation

It is RECOMMENDED that Cabinet:

- a) notes the 2021/22 revenue position and efficiencies identified in **Table 1**, the variances in **Table 2** and approves the carry forwards and appropriations to reserves in **Appendix E**;
- b) approves the other changes to the earmarked reserves as set out at **Appendix B**;
- c) notes the re-profiled position on capital and approves the capital carry forwards outlined in **Appendix C**; and
- d) notes the update on the Special Expenses outturn at paragraph 4.12 and in **Appendix D**.

<b>For more information contact:</b>	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Council 4 March 2021 – 2021-22 Budget and Financial Strategy; Cabinet September 2021 – Revenue and Capital Budget Monitoring Q1 Cabinet December 2021 – Revenue and Capital Budget Monitoring Q2 Cabinet 8 March 2022 – Revenue and Capital Budget Monitoring Q3
<b>List of appendices:</b>	<b>Appendix A</b> – Revenue Variance Explanations <b>Appendix B</b> – Movement in Reserves <b>Appendix C</b> – Capital Variance Explanations <b>Appendix D</b> – Special Expenses Position <b>Appendix E</b> – Carry forward and reserve commitments

**Revenue Variance Explanations (over £25k)**

<b>Service</b>	<b>Income / Expenditure Type</b>	<b>Reason</b>	<b>Projected Outturn Variance £'000</b>
<b>Depot &amp; Contracts</b>	Employee Expenses	Waste Collection - Overtime £21k and agency £121k	142
<b>Depot &amp; Contracts</b>	Transport Related Expenses	Waste Collection - Repairs to aging vehicles £106k, Diesel £33k, Transport hire £28k	167
<b>Economic Development</b>	Supplies & Services	Contribution to feasibility study in relation to pedestrianisation of West Bridgford Town Centre	63
<b>Environmental Health</b>	Employee Expenses	Agency Staff covering sickness and backlogs caused by covid restrictions	27
<b>Environmental Health</b>	Supplies & Services	Covid Enforcement / Street Patrols £71k (offset by COMF income) Test and trace Grants £51k	122
<b>Planning &amp; Growth</b>	Employee Expenses	Agency cover for vacancies and extra work covered by increased income from planning applications	234
<b>Property Services</b>	Premises	Resposive Works Open Spaces and Footpaths	35
<b>Strategic Housing</b>	Supplies & Services	Additional B&B accommodation expenditure due to social distancing requirements and government schemes targeting rough sleeping.	71
<b>TOTAL ADVERSE VARIANCES &gt; £25k</b>			<b>861</b>

**Revenue Variance Explanations (over £25k)**

<b>Service</b>	<b>Income / Expenditure Type</b>	<b>Reason</b>	<b>Projected Outturn Variance £'000</b>
<b>Community Development</b>	Income	All weather pitch - Gresham	(26)
<b>Depot &amp; Contracts</b>	Income	Car Parking £101k, Leisure profit share £64k, tanker £35k and recycling credits £39k	(239)
<b>Depot &amp; Contracts</b>	Third Party Payments	Edwalton Golf Club, forecasting to break even - no fee payable	(70)
<b>Depot &amp; Contracts</b>	Supplies & Services	EEdwalton Golf Club Feasibility Study not required £270k (20k required of IRO redevelopment works)	(270)
<b>Economic Development</b>	Employee Expenses	Vacancy and maternity	(30)
<b>Environmental Health</b>	Income	COMF grant income (£147k), Test & Trace income £51k	(198)
<b>Financial Services</b>	Capital Financing Costs	Savings from interest which would have been incurred on external borrowing	(45)
<b>Financial Services</b>	Income	Holding larger investment balances and the average rate of return on these balances is higher than budgeted for	(215)

Service	Income / Expenditure Type	Reason	Projected Outturn Variance £'000
Financial Services	Supplies & Services	Original contingency not required £267k. Decrease in bad debt provision £30k	(297)
Planning & Growth	Income	Income levels have increased to pre covid levels some of this income will fund extra staff costs needed to accommodate the extra work	(399)
Planning Policy	Supplies & Services	The local plan examination didn't go ahead	(26)
Property Services	Income	Costs recovered at The Point from previous tenant	(28)
Property Services	Premises	Spend on utilities unknown so £61k to be carried forward as best guess also £23k underspend reflects NDR appeal	(84)
Revenues & Benefits	Net Income	Outturn rent allowances offset by housing benefits subsidy	(27)
Revenues & Benefits	Employee Expenses	Staff vacancies	(32)
Strategic Housing	Income	£27k COMF grant income, £69k Additional Homelessness Support Grant income, £32k Domestic Violence grant income.	(128)
<b>TOTAL ADVERSE VARIANCES &gt; £25k</b>			<b>(2,114)</b>
<b>OTHER MINOR VARIANCES</b>			<b>(409)</b>
<b>TOTAL VARIANCE</b>			<b>(1,662)</b>

## Movement in Reserves

Movement in Reserves	Balance at 31.03.21	Transfers in	Transfers out	Balance at 31.03.22	Transfers in notes	Transfers out notes
	£000	£000	£000	£000		
<b>Investment Reserves</b>						
<b>Regeneration and Community Projects</b>	1,887	188	(178)	1,897	£48k Special Expenses Annuity Charges; £50k in year transfer for WB Play Areas Capital; £20k to Sinking Fund Hook Skatepark; £20k to sinking fund RCP skate park; £50k to sinking fund Gresham pitches	
<b>Council Assets and Service Delivery</b>	0	0	0	0		
<b>Investment Properties</b>	212	271	(57)	426	From Investment Properties income	
<b>New Homes Bonus</b>	8,420	1,633	(1,074)	8,979	Receipt in year	£1.074m to offset the impact of MRP
<b>Invest to Save</b>	0		0	0		
<b>Corporate Reserves</b>						
<b>Organisation Stabilisation</b>	3,786	1,871	(1,663)	3,994	£1.662m from in-year efficiencies to meet c/f and reserve appropriations	£753k budgeted general fund deficit plus £910k agreed carry forwards cabinet xxx 21
<b>Climate Change</b>	800		0	800		
<b>Collection Fund S31 Reserve</b>	5,990	3,179	(4,024)	5,145	S31 Grant reimbursements for additional business rates relief in 21/22 to offset future deficits arising from timing differences	Planned release of grant to cover deficit in collection fund

Movement in Reserves	Balance at 31.03.21	Transfers in	Transfers out	Balance at 31.03.22	Transfers in notes	Transfers out notes
						arising from additional reliefs in 20/21
Development Corporation	400	0	(70)	330		Transfer to revenue to cover expenditure incurred
Risk and Insurance	100			100		
Planning Appeals	349			349		
Elections	101	50		151	Agreed in year top-up of reserve	
Operating Reserves	0			0		
Planning	209	169	(78)	300	To support cost pressures	
Leisure Centre Maintenance	111		(7)	104		
Planned Maintenance	0			0		
Vehicle Replacement Reserve	0	1,000	0	1,000	Creation of Reserve agreed by Council 4.3.22	
<b>TOTAL</b>	<b>22,365</b>	<b>8,361</b>	<b>(7,151)</b>	<b>23,575</b>		
General Fund Balance	2,604			2,604		



## Capital Programme Summary March 2022

CAPITAL PROGRAMME MONITORING - MARCH 2022						
	Original Budget	Current Budget	Actual YTD	Variance	Carry fwd (C)/ Saving (S)/ Overspend (O)/ Acceln (A)	Notes
	£000	£000	£000	£000	£000	
<b>DEVELOPMENT AND ECONOMIC GROWTH</b>						
<b>Manvers Business Park Surface/Drain</b>		10	10			Complete
<b>Energy Efficiency LED Lighting Schemes</b>		103	99	(4)	S	Works complete, small saving.
<b>U10 Moorbridge Security 21-22</b>		22	19	(3)		Works complete, small saving.
<b>Colliers BP Enhancements</b>		14	6	(8)	C	Opportunity to install new water supply pipework to mitigate liability issues, currently considering best options. £8k carry forward. £17k to be requested from Capital Contingency in 22/23.
<b>Cotgrave Phase 2</b>	570	547	169	(378)	S	21/22 works complete. <b>Request to carry forward £200k of this to support RCP enhancements.</b> Balance of £178k can be given up as a saving. £500k in 22/23 all of which will not be required. Some fit out and electrical works still to do. Potential water supply to Business Hub.

<b>Bingham Leisure Hub</b>	16,000	16,240	10,567	(5,673)	C	Re-profile against the programme due to supply chain issues and COVID. Balance to be carried forward to meet commitments in 22/23. A saving is anticipated and will be given up on completion of the project.
<b>Manvers Business Park Roof Refurbishment</b>	200					£200k has been deferred to 22/23.
<b>Manvers Business Park Roller Shutters</b>	100					£100k has been deferred to 22/23
<b>Water Course Improvements</b>	210	1		(1)	S	£60k has been deferred to 22/23; £1k saving.
<b>The Point</b>	150	50	10	(40)	C	Car Park Roller Shutter/Water ingress addressed 21/22. Carry forward balance to meet commitments in 22/23.
<b>Bingham Market Place Improvements</b>		68		(68)	C	Poor response to initial procurement. Scheme to be re-tendered on an open basis. Works now planned for Autumn. Provision needs to be carried forward to meet this commitment.
<b>Bridgford Hall Enhancements</b>		11	9	(2)	S	Works complete.
<b>The Crematorium</b>	6,500	4,012	1,039	(2,973)	C	Total provision including purchase of the land £8.5m. Works commenced. Potential cost pressures for materials and skilled labour. Final construction costs and fit-out expected in summer 22. £3m has already been deferred. Unspent provision to be carried forward.
	<b>23,730</b>	<b>21,078</b>	<b>11,928</b>	<b>(9,150)</b>		
<b>NEIGHBOURHOODS</b>						
<b>Vehicle Replacement</b>	730	587	563	(24)	C & S	3 Refuse Vehicles acquired. £22k Contingency allocation to buy BARTEC units to be carried forward. Balance remaining is a saving.

<b>Support for Registered Housing Providers</b>	500	237	301	64	A	Commitments: £160k for 10 units of affordable housing on Garage Sites Ph 2 (£80k paid); £44k for accommodation Next Steps Rough Sleepers(paid); and 177k to provide a 3 bedroomed adapted bungalow to meet a local housing need(paid). Timing of release of the contributions depends on Start on Site dates and an acceleration of £64k is required from 22/23. RBC has received £3.8m for land north of Bingham. The future draft capital programme has been to reflect these additional resources. Options are being assessed for commitment of these funds.
<b>Assistive Technology</b>	16	40	22	(18)	C	Purchases complete for 21/22. Carry forward to meet DFG spending pressures in 22/23.
<b>Discretionary Top Ups</b>	57	100	32	(68)	C	Proposal to increase Discretionary threshold from £10k to £20k has been approved although, given funding pressures, this may need to revert back to £10k. Carry forward to support DFG spending pressures in 22/23.
<b>Disabled Facilities Grants</b>	515	751	795	44	Net of BCF C	The appointment of a 2nd grant officer has increased the delivery of DFGs. The overspend of £44k will be met by underspends on other BCF schemes giving a net £56k to be carried forward.
<b>Hound Lodge Access Control System</b>						£25k was originally deferred to 22/23 pending outcome of asset review. This review will now take place in 23/24 so the provision will need to be re-profiled.
<b>Bowls Hall Replacement Furniture</b>	15					Cabinet 13.07.21 approved £15k virement to Bowls Hall Conversion scheme.

<b>Arena Enhancements</b>		80		(80)	C	Carry forward for external cladding enhancements and to meet emerging commitments.
<b>Car Park Resurfacing</b>		120		(120)	C	Scope of works being finalised - £95k already deferred to 22/23. £120k will also need to be carried forward. Works in conjunction with EV Charge Points.
<b>CLC Changing Village Enhancements</b>	300					Provision initially deferred to 22/23 and it has now been agreed to re-profile this to 23/24.
<b>CLC Refurbish Roofs to Sports and Pool Halls</b>	150					Provision initially deferred to 22/23 and it has now been agreed to re-profile this to 23/24.
<b>KLC Refurbish Pool Hall and Changing Village</b>	250					Provision initially deferred to 22/23 and it has now been agreed to re-profile this to 23/24.
<b>Bowls Centre Conversion/Enhancements</b>	75	15		(15)	S	£75k previously deferred to 22-23. Conversion works to Bowls Hall undertaken by LEX. £15k saving.
<b>BLC Improvements</b>		104	7	(97)	C	Roofing enhancement works and glazing upgrade. Balance to support any emerging Health and Safety enhancements.
<b>KLC Refurb Pitched/Flat Roof Areas</b>	220					Provision initially deferred to 22/23 and it has now been agreed to re-profile this to 23/24.
<b>RBC EV Network</b>		13	13			Payment processed. This scheme is fully funded by Government Grant.
<b>Gresham Sports Park Redevelopment</b>		1,258	1,207	(51)	C	Works primarily completed, EV Charge Points to go in Car Park. Scheme funded by S106 Developer Contributions and Football Foundation (FF) Grant. 2nd grant claim to FF submitted and funds received. Final claim submitted. Future commitment to improving the swale.

<b>Gamston Community Centre Enhancements Special Expense</b>	115	115	102	(13)	C	Works are completed with the exception of a small area of high level decoration.
<b>Lutterell Hall Enhancements Special Expense</b>	225	150	73	(77)	C	Boiler replacement, external roofing, and decoration work completed; toilet refurbishment carried out by tenant and met from RBC Contribution. Balance to be carried forward to meet thermal efficiency improvements.
<b>LAD2 Green Energy Grants</b>		635	228	(407)	C	Newly emerge spending opportunity, fully funded by Government Grant. Scheme to facilitate external wall insulation, solar PV panels, and loft insulation in homes of non-standard construction. Commencing November, to be delivered in partnership with EON. Timescale has been extended due to COVID19, completion now allowed by 30 June 22 and paperwork by 31 July 22.
<b>Gresham Sports Pavilion</b>	125	125	93	(32)	C	Provision comprises: £100k refurbishment, and £25k plant upgrade. Carry forward to enable upgrade to shower areas and the meeting room floor in 22/23.
<b>RCP Front Footpath Improvements</b>	15	15		(15)	C	Aim to procure this work at the same time as substantive development. This work will be rolled into the EV charging scheme. Carry forward required.
<b>RCP Visitor Centre</b>	285	344	149	(195)	C	Phase I Enabling/Civils work £90k complete. Phase 2 New Rangers Vehicle Store/Workshop installed on site total cost £21k. Phase 3 main building refurbishment retendered and requires budget increase; commencement on site planned for mid April. Wind turbines decommissioned. Spend/completion will run into 22/23. Expected completion in July 22.

<b>External Door/Window Upgrades Various Sites</b>	50	15	4	(11)	C	Walkers Yard window replacement £3k and Gamston £2k; £11k to be c/fwd to 22/23 to meet commitments.
<b>Abbey Park Play Area Special Expense</b>		75	69	(6)	S	Complete, underspend to offset overspend on Alford Road.
<b>Alford Rd Play area Special Expense</b>		75	83	8	O	Complete, underspend from Abbey Park to offset this overspend.
<b>Covid Memorial Garden</b>		20	26	6	O	Complete, overspend arises from agreed higher specification of marine grade stainless steel.
<b>Capital Grant Funding</b>		40	20	(20)	C & S	£35k committed of which £15k will need to be carried forward pending completion of the work. Saving of £5k.
<b>RCP Vehicle Access Controls</b>	15	15		(15)	C	Scope of works being finalised: tender preparation to follow alongside main works. Carry forward required.
<b>Play Areas - Special Expense</b>	50					Allocated to Abbey Park and Alford Road Play Areas.
<b>Boundary Rd Cycle Track Special Expense</b>		78	65	(13)	C	Complete. £3.9k for height restriction gate installation. Carry forward £13k for Adbolton Play Area 22/23.
<b>RCP Skatepark</b>		144	146	2	O	Works complete and ROSPA Safety report signed off. Minor overspend.
<b>West Park Public Toilet Upgrade Special Expense</b>						£20k has been deferred to 22/23.
<b>West Park Julien Cahn Pavilion Special Expense</b>	115					Scheme originally deferred to 22/23 but will now be undertaken in 23/24 and the provision re-profiled.

<b>Skateboard Parks</b>		112	72	(40)	C	£72k released for RCP Skatepark; £40k offered to Keyworth Parish Council. Works have commenced, and an extension granted for completion of works to early Sept 22. Carry forward required. To be released when KPC submit their final claim.
<b>Warm Homes on Prescription</b>	25	65	51	(14)	C	Carry forward to support DFG spending pressures in 22/23. This scheme will not take place in 22/23 as provision required for mandatory DFG expenditure.
	<b>3,848</b>	<b>5,328</b>	<b>4,121</b>	<b>(1,207)</b>		
<b>FINANCE &amp; CORPORATE SERVICES</b>						
<b>Information Systems Strategy</b>	330	460	227	(233)	C & S	£133k carry forward required. £100k savings most significantly from Skype/Team Business Migration.
<b>Streetwise Loan 21/22</b>	150	150		(150)	C	To be carried forward into Contingency to support Streetwise insourcing.
	<b>480</b>	<b>610</b>	<b>227</b>	<b>(383)</b>		
<b>CONTINGENCY</b>						
<b>Contingency</b>	100	206		(206)	C	£100k original estimate; £150k brought forward from 20/21 total £250k. £22k allocation for U10 Moorbridge Security Works. £22k allocation to Vehicle Replacement programme for BARTEC units. Carry forward the balance to support the 22/23 Capital Programme.
	<b>100</b>	<b>206</b>		<b>(206)</b>		
<b>TOTAL</b>	<b>28,158</b>	<b>27,222</b>	<b>16,276</b>	<b>(10,946)</b>		

## Special Expenses Outturn 2021/22

	2021/22 Original Budget	Outturn Actuals	Outturn Variance	Reasons for variance
	£	£	£	
<b><u>West Bridgford</u></b>				
Parks & Playing Fields	413,600	430,579	16,979	Overspend on Play Area Repairs
West Bridgford Town Centre	91,400	83,052	(8,348)	Reduced number of events due to covid restrictions.
Community Halls	56,900	105,584	48,684	Loss of income - Gamston Community Hall used as a covid vaccination centre £22,500 & other halls reduced usage & income due to covid restrictions
Annuity Charges	80,700	80,700	0	
RCCO	50,000	50,000	0	
Sinking Fund (The Hook)	20,000	20,000	0	
Government Income Loss reimbursement	0	(19,900)	(19,900)	Quarter 1 income loss claim
<b>Total</b>	<b>712,600</b>	<b>750,015</b>	<b>37,415</b>	
<b><u>Keyworth</u></b>				
Cemetery and Annuity Charges	9,200	10,235	1,035	GPR Survey St Mary Magdalene Church Yard
<b>Total</b>	<b>9,200</b>	<b>10,235</b>	<b>1035</b>	
<b><u>Ruddington</u></b>				
Cemetery & Annuity Charges	11,100	9,823	(1,277)	Responsive Works
<b>Total</b>	<b>11,100</b>	<b>9,823</b>	<b>(1,277)</b>	
<b>TOTAL SPECIAL EXPENSES</b>	<b>732,900</b>	<b>770,073</b>	<b>37,173</b>	



## Carry Forwards and Reserve Commitments

Carry forward to 22/23	Revenue		Total
Planning Policy Local Plan work	39,000		39,000
Strategic Growth Board work priorities	122,000		122,000
Jubilee Grants to support Town and Parish Councils	16,000		16,000
To support planning costs for the introction of Bio-diversity Net Gain requirements	10,000		10,000
Cost of upgrade to the Council's income receipting system	11,000		11,000
Edwalton Golf Course Feasibility	20,000		20,000
Tour Of Britain Contribution	83,000		83,000
Streetwise in-house transfer	300,000		300,000
Streetwise uplift to meet salary pressures	20,000		20,000
Update of the Council's Website	80,000		80,000
Economic Development Feasibility Study	50,000		50,000
Neighbourhood Planning Grant - Ruddington	20,000		20,000
Year 1 of Conservation post (3 years planned)	39,000		39,000
Legal employee costs - vacancy cover	35,000		35,000
	<b>845,000</b>	<b>0</b>	<b>845,000</b>
Appropriation to Reserves	O/S Reserve	Specific	Total
Collection fund		3,179,000	3,179,000
Vehicle Replacement Reserve		1,000,000	1,000,000
Planning Operating		169,000	169,000
Rushcliffe Arena - Utilities	61,100		61,100
Potential reduction in value of diversified investment portfolio	200,000		200,000

<b>Crematorium lost income from delay</b>	135,000		135,000
<b>Bingham Hub lost income from delay</b>	32,000		32,000
<b>Fuel &amp; Utilites</b>	120,000		120,000
<b>Domestic Violence Grant (Ringfenced)</b>	16,400		16,400
<b>Pay inflation to meet potential increases beyond the budget assumption (2%)</b>	250,000		250,000
	<b>814,500</b>	<b>4,384,000</b>	<b>5,162,500</b>
<b>Total</b>	<b>1,659,500</b>	<b>4,348,000</b>	<b>6,007,500</b>