



Cabinet

Tuesday, 10 November 2020

Revenue and Capital Budget Monitoring 2020/21 – Financial and Covid Update Quarter 2

Report of the Executive Manager – Finance and Corporate Services

Cabinet Portfolio Holder for Finance and Corporate Services, Councillor Gordon Moore

1. Purpose of report

- 1.1. This report presents the budget position for revenue and capital as at 30 September 2020. This report provides an update to the report to Cabinet on 8 September 2020 and includes the in-year variances along with variances resulting from Covid-19.
- 1.2. Given the current financial climate, particularly relating to the impact of Covid-19, it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to ensure a balanced budget is maintained.
- 1.3. As previously reported to Cabinet, the effects of Covid-19 have and will continue to have a negative impact on the Council's finances. The anticipated budget gap caused by the pandemic is partially offset by additional government grants and in-year efficiencies with an overall net in-year position of £0.244m budget gap. This position does not take into account the effects of the implementation of further restrictions from 14 October 2020 nor does it include potential income from the reimbursement of lost fees and charges. Further updates will be reported to Cabinet at Q3.
- 1.4. As previously reported the Capital Programme shows a planned underspend of £23.8m largely due to slippage in two major schemes (Bingham Hub and Crematorium) and uncommitted funds in the Asset Investment Strategy.
- 1.5. The report will request approval to formally carry forward Capital Provisions totalling £18.465m. Of which £17.965m to 2021/22 Capital Programme and £500k to 2022/23 Capital Programme.

2. Recommendation

It is RECOMMENDED that the Cabinet approve the attached report noting:

- a) the projected net effect of in-year efficiencies (£0.497m) and Covid-19 pressures (£2.355m) and Covid Government funding (£1.614m) resulting in an expected net revenue deficit for the year of £0.244m;
- b) a projected £3.017m net surplus on Business Rates as a result of additional S31 reliefs to be transferred to the Organisation Stabilisation Reserve to offset the expected Collection Fund deficit in later years;

- c) the £0.723m receipts are transferred to reserves as follows - £0.523m to Organisation Stabilisation and £0.2m to the Development Corporation Reserve;
- d) the capital underspend of £23.8m of which £18.465m to be carried forward: £17.965m to 2021/22 Capital Programme and £500k to 2022/23 Capital Programme;
- e) the projected Special Expenses position with a projected deficit of £0.082m for the year to be financed by a loan from the Council as agreed by the West Bridgford CIL and Special Expenses Group; and
- f) the six-month trial to engage Waste Investigations Support and Enforcement to deliver enforcement of environmental crimes (following on from Communities Scrutiny Group discussions).

3. Reasons for Recommendation

To demonstrate good governance in terms of scrutinising the Council's on-going financial position and compliance with Council Financial Regulations.

4. Supporting Evidence

Revenue Monitoring

- 4.1 The revenue monitoring statement by service area is attached at **Appendix A** with detailed variance analysis as at 30 September 2020 attached at **Appendix B**. For *this financial year* the budget gap including Covid related pressures and in-year efficiencies is expected to be at least £0.244m (expected position) and up to a worst case scenario of £0.9m (both scenarios take into account current Government funding of £1.614m). The recent announcement to move onto a tiered system of local lockdowns (and latterly to Tier 3) will have further financial impact on the projections and government have recently announced a package of new measures to support this. The Council's allocation is £0.1m and this is included in the above projections. The financial impact of the tiered lockdown announced in October is not yet known and will be included in both the Q3 and Q4 reports when further data is available. Table 1 below summarises the main variations from revenue efficiencies and Covid related pressures.

Table 1: Main Items Impacting on Current Revenue Budget

	Pressure/(Saving) (£m) 2020/21
<i>Reductions in income</i>	1.152
Hire of Facilities	0.155
Car Parking	0.310
Development Control	0.200
Council Tax Summons	0.100
Land Charges	0.050
Commercial Activity	0.170
Other Lost Income	0.167

Additional Costs	1.466
Anti-social behaviour/PPE	0.052
Leisure	1.008
Waste Collection/Street Cleansing	0.174
Homelessness	0.021
Increase in Bad Debt Provision	0.100
Other Costs	0.111
Total Covid Related Budget Pressure	2.618
Covid related savings	(0.214)
Furlough	(0.049)
Government funding	(1.614)
Total additional funding/savings	(1.877)
Net Budget Pressure	0.741
Projected In year costs/(savings):	
Pay award additional 0.75%	0.070
Vacancies	(0.307)
Rental Income (new property)	(0.122)
Garden Waste Income	(0.076)
Housing Benefit Subsidy	(0.123)
Diesel (price reduction)	(0.043)
Investment Income	(0.081)
Discretionary grants (Special Expenses)	(0.030)
Other revenue costs	0.215
Total projected in-year efficiency savings	(0.497)
Total Net Projected Budget Gap	0.244

4.2 **Appendix A** shows projected net revenue efficiency for the year to date of £0.497m and a pressure of £2.355m relating to Covid-19 totalling £1.858m. The Council has received £1.614m in additional Covid-19 support to bring the net projected budget gap to £0.244m. A surplus of £3.017m is anticipated for Business Rates relating to additional S31 grants (see paragraph 4.14). Furthermore, NDR Nottinghamshire pool receipts of £0.723m are anticipated. As discussed at paragraph 4.18 £0.2m is required to support the existing £0.1m Development Corporation Reserve. The remaining £0.523m is to be transferred to the Organisation Stabilisation Reserve. The overall revenue budget variation is £3.505m. This represents (30%) against the net expenditure budget and we currently anticipate £4.9m to be transferred to the Organisation Stabilisation Reserve the majority of which are to meet the anticipated future Business Rates reductions caused by Covid-19 referred to in the Q1 report and in paragraph 5.3.

4.3 **Appendix A** includes a Minimum Revenue Provision (MRP) of £1m. This is a provision that the Council is required to make each year to cover the internal borrowing costs for the Arena which will be funded by the New Homes Bonus. The MRP includes an element of Voluntary Repayment Provision (VRP) and Governance Scrutiny Group recommended to Council on 30 July 2020 that the option be made to withhold the VRP element to potentially use to support the

budget gap created by Covid-19. The Q1 report projected that the budget gap could be supported by the temporary use of reserves without the need to utilise the VRP and this remains the case, however the recent announcement for tighter local restrictions may result in a change to this position.

- 4.4 As documented at **Appendix B**, the financial position to date reflects a number of positive variances totalling £0.890m including additional rent from new property acquisitions (£0.147m), additional garden waste income (£0.076m), housing benefit subsidy (£0.123m) and efficiencies as a result of not delivering activities across the borough (£0.127m). There are several adverse variances totalling £2.667m. The majority of the adverse variances arise from lost income from reduced demand relating to Covid such as facility hire (£0.139m), planning applications (£0.200m), reduced car parking income (£0.310m) and additional payments to Parkwood (£1.008m).
- 4.5 On 14 October 2020 the Government announced further lockdown measures to help stop the spread of the virus. Further financial support packages were also announced aimed at supporting residents of the borough and the Council as a result of tighter restrictions:
- Test and Trace payments of £500 (to be administered by the Council) see paragraph 4.16;
 - Up to £3000 for four weeks for businesses that are forced to close in Tier 3;
 - LA's to get share of £1bn in a 4th tranche of funding. The Council have been allocated £0.1m. This is included in the above projections and is the lowest level of support received in Nottinghamshire by any of the districts; and
 - A 'per head' payment dependant on the local restrictions in place amounting to £20 per head of population for Business Support and £8 per head for enforcement.
- 4.6 **Appendix F** shows the Q2 position on the Special Expenses budget. Budgets within the Special Expenses area have been impacted by Covid-19, particularly on the loss of income from hire of venues and bar sales. These projections are included in the overall £1.858m projected revenue budget gap. The expected budget deficit for the year is £0.082m. This deficit is net of a proportion of Covid Government funding intended as reimbursement for lost income. The net deficit will be repaid by way of a loan which was agreed by the West Bridgford CIL and Special Expenses Group on 25 September 2020. The Special Expenses Budget will be approved by both Cabinet and Full Council (respectively in February and March 2021) with the Council's Medium Term Financial Strategy.

Capital Monitoring

- 4.7 The updated summary of the Capital Programme monitoring statement and funding position is shown at **Appendix C** as at 30 September 2020. **Appendix D** provides further details about the progress of the schemes, any necessary re-phasing and highlights efficiencies. The projected variance at this stage is £23.8m.
- 4.8 The original Capital Programme of £18.936m has been supplemented by a net brought forward and in-year adjustments of £19.435m giving a revised total of £38.371m. The net expenditure efficiency position of £23.8m is primarily due to the following:

- a) Bingham Leisure Hub £11.352m – £11m to carry forward to 2021/22;
- b) Crematorium £4.917m – £4.5m to carry forward to 2021/22;
- c) Support for RSLs: £1.080m – Commitments total £532k for Phase II Garage Sites and a contribution of £52k to Next Steps for Rough Sleepers. £1m of the projected underspend to carry forward: £500k to 2021/22 and £500k to 2022/23;
- d) Total carry forwards of 18.465m are requested. Details of the schemes are set out in **Appendix E**; and
- e) Asset Investment Strategy £3.828m – this is uncommitted and will be recommended to Council, as part of the MTFS 2021/22, to be removed from the Capital Programme.

4.9 The Council was due to receive capital receipts of £20m in the year, primarily from the disposal of surplus operational and investment property: Abbey Road Depot, Land at Hollygate Lane and also from an overage agreement in place for Sharphill Wood site. Covid-19 has impacted on the progress of these schemes with receipts projected to be £4.4m in 2020/21. Significant delays or reductions to capital receipts will affect the funding of the capital programme and may lead to either internal or external borrowing earlier than planned dependant on the progress of the capital programme and any slippage. Alternatively projects could be delayed or not proceed if deemed economically unviable. The current projected overall variance is likely to mean that any borrowing requirement can be met from internal resources with no recourse to borrow externally this financial year.

Covid-19 Update

4.10 The position in relation to Covid-19 was included in the Q1 report to Cabinet on 8 September 2020 and the paragraphs below provide an update to that position where necessary.

4.11 The retail and hospitality sector appeared to improve as a result of the 'Eat Out to Help Out' scheme in June 2020. However further local lockdowns announced in October 2020 will likely further impact on consumer confidence with further lockdowns potentially resulting in closure of parts of the sector. All five of our Leisure centres have re-opened with reduced capacity in most areas with bookings for group classes above 70% of capacity. The fitness suites have seen a slower recovery with between 20% and 45% of capacity currently being used. Swimming has recommenced however there is currently no casual swimming which is having an adverse impact on income receipts. Further lockdown measures will impact on demand for the leisure centres and the Council remains in close dialogue with its leisure providers.

4.12 It had previously been reported that as at 31 March 2020 the value of the Council's Multi Asset investments had dropped in value by £1.238m with an improvement of £0.643m to the end of July 2020. The recent increase in Covid cases and local measures implemented across the Country have had a further negative impact on the value of the investments. As at the end of September 2020, the improvement in the position has reduced to £0.578m. These are investments held for the long term and over time the expectation is that they will recover in value.

4.13 Data to 16 October 2020 shows collection rates for Council Tax has reduced by 0.9% equating to approximately £0.796m of cash not received. Business Rates

are currently behind by £0.57m (2.57%), although £0.6m of this relates to a newly rated property .The aforementioned reductions in cash received will create a deficit and a burden on future income streams albeit the County Council will take a significant proportion of the Council Tax deficit . Recent government announcements mean this deficit can now be spread over three years and this should reduce the burden in each year, nonetheless the burden will still be there.

- 4.14 The Council has paid out £18.025m in BEIS grants equating to 90.7% of approximately 1,700 eligible businesses. This scheme has now closed. Hardship Fund allocations committing in excess of £441k in relation to Council Tax support have also been made, i.e. circa 2600 payments and 86% of the £515k budget.
- 4.15 The Council commenced the discretionary grant scheme on 1 June 2020 with the criteria reviewed and expanded from 15 July 2020. The scheme has now closed. The Council had received 189 claims and paid 82 totalling £0.972m (all of the total available funds).
- 4.16 The Test and Trace scheme entitles eligible individuals to a Test and Trace Support Payment or discretionary support payment of £500 and aims to support people on low incomes who are unable to work from home if they are told to self-isolate by NHS Test and Trace and will lose income as a result. The Council went live with the scheme on 9 October 2020. The scheme will last until 31 January 2021 and Rushcliffe received funding of £30k for the main scheme and £18k for the discretionary scheme along with £24k for the set-up and administering the scheme for the four months it is in place. Additional funding can be requested only for the main scheme. At the time of writing 88 claims have been received, 27 payments made (totalling £13,500) and 29 applications rejected.
- 4.17 The government announced in July 2020 that it would be reimbursing local authorities for lost income from sales fees and charges under a 'co-payment scheme'. Councils are expected to absorb 5% of the losses and can then claim 75% of remaining losses incurred. There are exclusions such as commercial income and lost income where the Council contracts a third party provider. The first submission has been made for April to July 2020 losses and the Council estimates a reimbursement of £0.29m for this period; however, at the time of writing this has not yet been confirmed. Further submissions will be made in November and March 2021 with the reimbursement dependant on losses incurred.

Other budget issues

- 4.18 Development Corporation – This is covered in a separate report on this agenda. The proposals are to establish an interim vehicle of a dedicated and focussed team to develop the business case and progress development of the site. Rushcliffe's funding commitment is proposed to be £0.5m over three years, which is conditional on being match funded. This funding will consist of the current balance in the Development Corporation Reserve (£0.1m) further increased by £0.2m from the NDR pool surplus anticipated for 2020/21 (see paragraph 4.2) plus an allocation of £0.2m from the Climate Change Reserve.
- 4.19 The Communities Scrutiny Group requested that the Council look at how Enviro-Crime enforcement is resourced. Officers have assessed the current levels of

enviro-crime (particularly fly-tipping) and the resources available. It was identified that current resources are insufficient in light of the increase in fly tipping incidents in the borough. Two options were considered: additional staff resources (cost of £36k) and use of an external company: Waste Investigations Support and Enforcement (WISE) which would be a cost neutral solution where the Company retains income in relation to fixed penalty notices issued. The latter solution is considered better value for money for the Council and is the recommended way forward. WISE will be engaged on a six month trial to undertake enviro-crime enforcement. This company guarantee their services can be provided on a cost neutral basis as their costs are recovered from fixed penalty notices. The success or otherwise of this trial will be reported to Corporate Overview Group in a future performance management report.

4.20 Conclusion

4.20.1 The financial position for revenue has improved with a manageable anticipated budget gap of £0.244m (£0.422m at Q1). This is derived from Covid-19 pressures offset by in-year efficiencies and government funding. The situation is currently fluid and will be impacted upon by tightened restrictions and subsequent government funding. As detailed in the Covid Budget Update report on 8 September 2020, the Covid risks prevail beyond this current financial year and have to be managed. It is likely that income levels will not return to pre-covid levels for some time and therefore the Council must ensure it can support the shortfall.

4.20.2 To meet the current year projected deficit an appropriation from the Organisation Stabilisation Reserve will suffice without the need to use the VRP element of MRP. The Council is in a fortunate position that it has healthy reserves and can fund the budget gap in this way. However we will still aim to replenish reserves in future years to help manage both downside and upside risks.

4.20.3 The position on capital is currently positive and the delays in the capital programme means that it is not anticipated to externally borrow this financial year. Further opportunities and challenges can arise during the year, as demonstrated by the Tier 3 lockdown currently in place which will impact on the projected year-end position.

4.20.4 There remain external financial pressures from existing issues such as the uncertainty surrounding business rates retention, the fair funding review and comprehensive spending review that have now been delayed for a second year. The impact of BREXIT is still to be determined. Furthermore there are the Council's own challenges such as meeting its own environmental objectives. Against such a background, it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from changing income streams, maintains progress against its Transformation Strategy and retains a healthy reserves position.

5 Risk and Uncertainties

5.1 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.

- 5.2 Areas such as income can be volatile and are particularly influenced by public confidence and the general economic climate and Government legislation. This has been clearly evidenced by the impact of Covid and highlighted in Table 1.
- 5.3 Business rates is subject to specific risks given the volatile nature of the tax base with a small number of properties accounting for a disproportionate amount of tax revenue, notably in Rushcliffe Ratcliffe-on-Soar power station. Furthermore, changes in central government policy influences business rates received and their timing, for example policy changes on small business rates relief. Again Covid is likely to have a large impact on the Business Rates position as reported in the Q1 report to Cabinet hence the need to appropriate the in-year NDR surplus to smooth deficits in later years.
- 5.4 The Council is committed to improving the environment and reducing its carbon footprint. Addressing such risks will require funding with the Climate Change Reserve now created to facilitate such opportunities.
- 5.5 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 such reserves to support projects where there is 'upside risk' or there is a change in strategic direction.

6 Implications

6.1 Financial Implications

Financial implications are covered in the body of the report.

6.2 Legal Implications

The Council must set and maintain a balanced budget and must take steps to deal with any projected overspends and identify savings or other measures to bring budget pressures under control as detailed in this report.

6.3 Equalities Implications

None

6.4 Section 17 of the Crime and Disorder Act 1998 Implications

None

7. 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	

8. Recommendation

It is RECOMMENDED that the Cabinet approve the attached report noting:

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- (b) a projected £3.017m net surplus on Business Rates as a result of additional S31 reliefs to be transferred to the Organisation Stabilisation Reserve to offset the expected Collection Fund deficit in later years;
- (c) the £0.723m receipts are transferred to reserves as follows - £0.523m to Organisation Stabilisation and £0.2m to the Development Corporation Reserve;
- (d) the capital underspend of £23.8m of which £18.465m to be carried forward: £17.965m to 2021/22 Capital Programme and £500k to 2022/23 Capital Programme;
- (e) the projected Special Expenses position with a projected deficit of £0.082m for the year to be financed by a loan from the Council as agreed by the West Bridgford CIL and Special Expenses Group; and
- (f) the six month trial to engage Waste Investigations Support and Enforcement to deliver enforcement of environmental crimes (following on from Communities Scrutiny Group discussions).

For more information contact:	Peter Linfield Executive Manager – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 7 March 2019 – 2019-20 Budget and Financial Strategy; Cabinet 8 September 2020 – Revenue and Capital Budget Monitoring Q1 Council 24 September 2020 - Covid 19 Budget 2020/21 and Medium-Term Financial Implications
List of appendices (if any):	Appendix A – Revenue Outturn Position 2020/21 – September 2020 Appendix B – Revenue Variance Explanations Appendix C – Capital Programme 2020/21 – September 2020 Position Appendix D – Capital Variance Explanations Appendix E – Capital Slippage details Appendix F – Special Expenses Monitoring

Revenue Outturn Position 2020/21 – September 2020

	Original Budget £'000	Revised Budget £'000	Projected Outturn £'000	Projected Outturn Variance £'000
Communities	2,907	2,927	3,460	533
Finance & Corporate Services	3,443	3,521	3,414	(107)
Neighbourhoods	6,521	6,524	8,081	1,557
Transformation	2	171	46	(125)
Sub Total	12,873	13,143	15,001	1,858
Capital Accounting Reversals	-2,131	-2,131	-2,131	0
Minimum Revenue Provision	1,000	1,000	1,000	0
Total Net Service Expenditure	11,742	12,012	13,870	1,858
Grant Income	-2,329	-2,329	-3,952	-1,623
Business Rates (including SBRR)	-3,984	-3,984	-7,724	-3,740
Council Tax	-6,991	-6,991	-6,991	0
Collection Fund Surplus	-444	-444	-444	0
Total Funding	-13,748	-13,748	-19,111	-5,363
Surplus (-)/Deficit on Revenue Budget	-2,006	-1,736	-5,241	-3,505
Capital Expenditure financed from reserves	147	147	147	0
Net Transfer to (-)/from Reserves	-1,859	-1,589	-5,094	-3,505

Revenue Variance Explanations (over £15k)

ADVERSE VARIANCES in excess of £15,000	Reason	Projected Outturn Variance £'000
Communities		
COMMUNITY DEVELOPMENT	Loss of income from facility hire and additional responsive works costs	139
PLANNING & GROWTH	Loss of planning income	369
PLANNING POLICY	Loss of land charges income and additional staff costs	72
Finance & Corporate Services		
DEMOCRATIC SERVICES	Additional equipment for remote/virtual meetings	50
FINANCIAL SERVICES	Increase in bad debt provision and increased bank commission charges	130
ICT	Maintenance Contracts	24
Neighbourhoods		
ENVIRONMENTAL HEALTH	Loss of licensing income	45
LEISURE CONTRACTS & CAR PARKS	Increased payments to Parkwood and loss of car parking income	1,377
STRATEGIC HOUSING	Emergency Accommodation and social distancing costs for homeless	74
WASTE & FLEET MANAGEMENT	Additional agency costs and increase to cleansing of Recycling Bays	251
Transformation		
PROPERTY SERVICES	Reduced rental income from current tenants and loss of rental income on planned acquisition	136
Total Adverse Variances		2,667

Revenue Variance Explanations (over £15k)

FAVOURABLE VARIANCES in excess of £15,000		Projected Outturn Variance £'000
Communities		
COMMUNITY DEVELOPMENT	Savings on activity costs and furlough income	-127
PLANNING POLICY	Contribution to Strategic Site Delivery Officer post (NCC)	-30
PLANNING & GROWTH	Vacancies	-21
Finance		
REVENUES & BENEFITS	Increase in HB subsidy	-123
FINANCIAL SERVICES	Investment Income	-81
PERFORMANCE, REPTN & COMMS	External Printing	-20
Neighbourhoods		
STRATEGIC HOUSING	Vacancies	-20
WASTE & FLEET MANAGEMENT	Additional garden waste income, savings on vacant posts and price of diesel plus additional glass recycling	-226
Transformation		
BSU	Vacancies	-51
LEGAL	Vacancies	-44
PROPERTY SERVICES	Increased occupation of property and new acquisition rent	-147
Total Favourable Variances		-890
Sum of Minor Variances		81
TOTAL VARIANCE		1,858

Capital Programme Summary September 2020

CAPITAL PROGRAMME MONITORING - SEPTEMBER 2020				Explanations
EXPENDITURE SUMMARY	Current	Projected	Projected	
	Budget	Actual	Variance	
	£000	£000	£000	
Transformation	22,921	5,673	(17,248)	£16.450m to be slipped to 21/22 primarily for Bingham Hub and The Crematorium. Some works on Investment Properties also deferred.
Neighbourhoods	3,846	1,792	(2,054)	£1.565m to be slipped to 21/22 and 22/23. Of which £1m Support for Registered Housing Providers not wholly committed; some planned vehicle acquisitions and KLC Roof works deferred to 21/22. DFG grant releases in first half of year slow due to COVID19 impact.
Communities	2,487	1,973	(514)	£400k to be slipped to 21/22 primarily for RCP Visitor Centre enhancements and some Community Hall works. Balance of Skate park grants £80k potential saving.
Finance & Corporate Services	8,967	5,084	(3,883)	£50k IT scheme slipped to 21/22. Balance of the Asset Investment Strategy £3.828m to be removed from the programme.
Contingency	150	0	(150)	Capital Contingency balance not yet allocated.
	38,371	14,522	(23,849)	
FINANCING ANALYSIS				
Capital Receipts	(12,866)	(7,740)	5,126	Intention to use capital receipts to fund expenditure before recourse to internally/externally borrow.
Government Grants	(3,298)	(512)	2,786	
Use of Reserves	(1,075)	(607)	-	

CAPITAL PROGRAMME MONITORING - SEPTEMBER 2020

Explanations

Grants/Contributions	(610)	(610)	2,818	
Section 106 Monies	(4,052)	(1,234)	468	
Borrowing	(16,470)	(3,819)	12,651	Intention to use capital receipts to fund expenditure before recourse to internally/externally borrow.
	(38,371)	(14,522)	23,849	
NET EXPENDITURE	-	-	-	

Capital Programme 2020/21 – September 2020 Position

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
TRANSFORMATION							
Manvers Business Park Surface/Drain		42			35	(7)	Contractor appointed; site commencement delayed COVID19. Works nearing completion, invoice to follow.
Colliers Business Park Surface/Drain		46			30	(16)	Contractor appointed; site commencement delayed COVID19. Works completed and invoice to follow - works to make foul sewer connection packaged together and £17k provision merged from Colliers Scheme below.
Cotgrave Phase 2		2,389	1,195	299	1,819	(570)	Main contractor appointed; site commencement delayed COVID19. Site construction starting end July with projected completion

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							Feb 21. £570k to be slipped to 21/22.
Bingham Leisure Hub	10,000	14,408	500	296	3,056	(11,352)	Build contract out to tender 01.09.20. SUD funding provisional award of £1.6m, final bid submitted. Detailed cost plans keep projected overall expenditure within the £20m budget. £11m to be slipped to 21/22.
Manvers Business Park Roof Refurbishment		200				(200)	Provision to be slipped to 21/22
Manvers Business Park Roller Shutters		100				(100)	Provision to be slipped to 21/22
Bridgford Park Public Toilets		25			20	(5)	Site commencement delayed COVID19. Start on site w/c 14th Sept - completion anticipated mid October.
Water Course Improvements	60	60				(60)	Provision to be slipped to 21/22
The Point CP Security Gate	20	20				(20)	Provision to be slipped to 21/22

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
The Point		15	15	14	14	(1)	Waterproofing works to Car Park complete.
Colliers Way Industrial Units							Brought forward provision of £17k merged with Colliers BP Surface Drain above.
Abbey Road Redevelopment		340	170	150	340		Continuance of remedial works to site prior to disposal.
Bingham Market Place Improvements	75	89	40	9	89		Tree replacement and incidental paving work complete (£22k in 19/20 and £10k in 20/21). Buttercross design/procurement planned for late summer/early autumn.
Bridgford Hall Enhancements		20			20		Contingency allocation for roof and external decoration enhancements.
The Crematorium	4,800	5,167			250	(4,917)	Land acquired 19/20. Cabinet report 14.07.20 for approval to progress to design stage. Build likely 21/22.

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							Project Management/design team appointed. £4.5m to be slipped to 21/22.
	14,955	22,921	1,920	768	5,673	(17,248)	
NEIGHBOURHOODS							
Vehicle Replacement	612	612	184	182	182	(430)	32t Refuse Freighter bought; £330k acquisitions to be slipped to 21/22; £100k balance is uncommitted.
Support for Registered Housing Providers	216	1,612			532	(1,080)	£480k contribution committed for second phase garage sites to deliver 30 units of affordable housing. Start on site date to be confirmed. £52k committed for 2 units of Next Steps accommodation for Rough Sleepers and remodelling of Elizabeth House. £1m to be slipped to future years.

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
Assistive Technology	12	17	8		17		Provision for Home alarm units for the vulnerable.
Discretionary Top Ups	57	57	28		25	(32)	Grant activity slowed in first quarter due to COVID19 impact. Likely underspend.
Disabled Facilities Grants	490	627	258	133	450	(177)	Grant activity slowed in first quarter due to COVID19 impact. Likely underspend.
Hound Lodge Access Control System		25			25		Scheme not yet commissioned but completion anticipated by year end.
Hound Lodge Annexe Patio Doors	35	35			20	(15)	Scheme designed; out to tender end July; site works projected for completion by November. Contractor appointed; works on site Oct/Nov.
Bowls Hall Replacement Furniture	15	15				(15)	Provision to be slipped to 21/22
Arena Enhancements		115	57	5	115		Residual provision to deal with emerging enhancement, health and safety works.

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
Car Park Resurfacing		215			215		Design to commence shortly; procurement will follow. Works on site Mar/Apr.
Car Park Improvements - Lighting WB		48			48		Scheme designed; procurement delayed by Covid. Works on site anticipated Feb/Mar.
Car Park Improvements - Lighting Other		102			102		Scheme designed; procurement delayed by Covid. Works on site anticipated Feb/Mar.
CLC Changing Village Enhancements		12			12		Provision for Fire Doors, installation complete. Payment to be processed.
CLC Pool Lining		25	25	24	24	(1)	Allocation from Capital Contingency to undertake work during COVID19 closure. Works complete.
BLC Improvements		109			25	(84)	Residual provision to deal with emerging health and safety enhancement works prior to construction of new leisure centre. £25k

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							committed for high level cladding to Sports Hall.
KLC Refurb Pitched/Flat Roof Areas	220	220				(220)	Provision to be slipped to 21/22
	1,657	3,846	560	344	1,792	(2,054)	
COMMUNITIES							
Gresham Pitches and 3 G Lighting	1,000	1,295			1,295		Contractor appointed. Scheme funded by grant from Football Foundation (up to £500k) £760k from Section 106 Developer Contributions, £35k Capital Receipts for lighting. Increased FF bid to be submitted in order to do grass pitches. If approved, the total provision will increase.
Gamston Community Centre Toilets	45	45				(45)	Provision to be slipped to 21/22
Lutterell Hall Kitchens and Toilets	50	50			50		Scheme paused temporarily whilst operation and operator are reviewed. Additional

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							works may need to be undertaken which will be met by acceleration provision made in 21/22 Capital Programme.
Gresham Upgrade 3G Pitch Lighting	35						To ensure uniformity of lighting and ease of maintenance, Property decided that lighting to existing pitch will be replaced in tandem with installation of lighting to new pitch - scheme budget merged with that for new pitch above.
RCP Front Footpath Improvements	15	15				(15)	Provision to be slipped to 21/22
RCP Visitor Centre	250	285				(285)	£35k transferred from Education Building. Provision to be slipped to 21/22.
VE 75th Commemoration	20	20				(20)	Celebrations on hold due to COVID.
RCP Toilets and Educational Building		10			10		Mini refurb on 'log cabin' public toilets planned in this calendar year to

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							maintain standard balance £35k transferred to RCP Visitor Centre for more substantial upgrade to facilities.
Capital Grant Funding		59			50	(9)	2 grants approved £20k, 2 pending applications £30k, £9k unallocated can be given up as a saving.
RCP Vehicle Access Controls		15				(15)	Provision to be slipped to 21/22
Play Areas - Special Expense	50	69			69		£81k allocated to Boundary Road Cycle Track. Design options for the balance of this provision for a scheme to be delivered January 21.
Boundary Rd Cycle Track Special Expense		81			81		£81k allocated from the provision for Play Areas. Scheme scoped and out to tender September. Works likely late September/October.

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
RCP Skatepark	220	218			218		Out to tender. Works to commence Q4, potential for slippage.
West Park Fencing and Drainage		25			25		Contractor appointed; site commencement delayed COVID19. Works now complete, invoice to follow.
West Park Car Park Lighting		25			25		Scheme designed; procurement delayed by Covid. Works on site anticipated Feb/Mar.
West Park Public Toilet Upgrade		20			20		Scheme design advanced; out to tender in Sept with works on site in Nov.
West Park Julien Cahn Pavilion		40				(40)	Provision to be slipped to 21/22
Skateboard Parks		190			110	(80)	£110k committed to RCP Skate park. Potential new allocation of £35k being assessed. Balance of £45k unallocated and likely to be offered up as a saving.

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
Warm Homes on Prescription	54	25	13	2	20	(5)	Grant activity slowed in first quarter due to COVID19 impact. Likely underspend.
	1,739	2,487	13	2	1,973	(514)	
FINANCE & CORPORATE SERVICES							
Information Systems Strategy	335	435	325	214	380	(55)	Acquisitions under the strategy continue to support business development. £50k provision to be slipped to 21/22 for Edge Switches.
Streetwise Loan 20/21	150	150			150		Loan advance agreed for 30.10.20
Asset Investment Strategy		8,382	2,096	2,083	4,554	(3,828)	£4.554m committed to two acquisition of Business Units in West Bridgford. One now complete with the second due Sept/Oct. Balance of £3.828m to be taken out of the programme.
	485	8,967	2,421	2,297	5,084	(3,883)	
CONTINGENCY							
Contingency	100	150				(150)	Original Estimate £100k plus brought forward £95k less

	Original Budget £000	Current Budget £000	Budget YTD £000	Actual YTD £000	Projected Actual £000	Variance £'000	
							£25k to undertake work to CLC Pool Lining during COVID19 closure; £20k Bridgford Hall Enhancements. Balance not yet committed.
	100	150				(150)	
TOTAL	18,936	38,371	4,914	3,411	14,522	(23,849)	

20/21 Capital Schemes to be slipped:	20/21	21/22	22/23
Transformation			
Cotgrave Phase 2	(570)	570	
Bingham Leisure Hub	(11,000)	11,000	
Manvers Business Park Roof Refurbishment	(200)	200	
Manvers Business Park Roller Shutters	(100)	100	
Water Course Improvements	(60)	60	
The Point CP Security Gate	(20)	20	
The Crematorium	(4,500)	4,500	
Sub-total Transformation	(16,450)	16,450	0
Neighbourhoods			
Vehicle Replacement	(330)	330	
Support for Registered Housing Providers	(1,000)	500	500
Bowls Hall Replacement Furniture	(15)	15	
KLC Refurb Pitched/Flat Roofs	(220)	220	
Sub-total Neighbourhoods	(1,565)	1,065	500
Communities			
Gamston Community Centre Toilets	(45)	45	
RCP Front Footpath Improvements	(15)	15	
RCP Visitor Centre and Education Building	(285)	285	
RCP Vehicle Access Controls	(15)	15	
West Park Julien Cahn Pavilion	(40)	40	
Sub-total Communities	(400)	400	0
Finance and Corporate			
IS Strategy	(50)	50	
Sub-total Finance and Corporate	(50)	50	0
TOTAL	(18,465)	17,965	500

Budget Monitoring for Special Expense Areas - Quarter 2					
	2020/21 Original	2020/21 Revised	Actual to Q2	2020/21 Projected	Reasons for variance
	£	£	£	£	
West Bridgford					
Parks & Playing Fields	404,100	405,000	266,173	493,800	Loss of income from sports hire and additional security on Bridgford Park
West Bridgford Town Centre	55,900	55,900	15,134	55,900	
Community Halls	68,700	69,800	68,560	129,500	Loss of income from facility hire as a result of Covid-19
Seats & Litter Bins	300	300	0	300	
Contingency	14,700	14,700	0	14,700	
Annuity Charges	76,800	76,800	0	76,800	
RCCO	50,000	50,000	0	50,000	
Sinking Fund (The Hook)	20,000	20,000	0	20,000	
Total	690,500	692,500	349,867	841,000	
Keyworth					
Cemetery	8,800	8,800	4,400	8,800	
Annuity Charge	1,300	1,300	0	1,300	
Total	10,100	10,100	4,400	10,100	

Budget Monitoring for Special Expense Areas - Quarter 2

	2020/21 Original	2020/21 Revised	Actual to Q2	2020/21 Projected	Reasons for variance
Ruddington					
Cemetery & Annuity Charges	11,300	11,300	5,650	11,300	
Total	11,300	11,300	5,650	11,300	
Government Income Loss reimbursement	0	0	0	-66,300	
TOTAL SPECIAL EXPENSES	711,900	713,900	359,917	796,100	Budget deficit of £82.2k to be met from loan