

TITLE OF REPORT: **Provisional Revenue Outturn 2020/21**

REPORT OF: **Darren Collins, Strategic Director, Resources and Digital**

Purpose of the Report

1. This report sets out the outturn position on the 2020/21 revenue budget. Cabinet is asked to
 - i. note the contents of the report;
 - ii. agree budget virements as set out in the report;
 - iii. recommend to Council an amendment to the net budget to £221.286m;
 - iv. recommend to Council appropriations to and from reserves consistent with previous decisions, accounting policies, the principles set out in the Medium Term Financial Strategy (MTFS) and requirements of the Accounting Code of Practice; and
 - v. agree and recommend to Council the proposed changes to strategic reserves following the outcome of a review of Council reserves, as set out in this report and appendices.

Background

2. As part of the Council's budget and policy framework Cabinet receives quarterly reports on the agreed revenue budget so that any variances can be identified and addressed at appropriate pace with Councillor oversight. This report sets out the final revenue monitoring position for 2020/21 on a consistent basis to the Revenue Monitoring Framework.
3. The Council's Medium-Term Financial Strategy (MTFS) to 2025/26 presented an extremely challenging financial position over the medium term and identified an estimated funding gap of £58.4m over the five-year period (£16.9m in 2022/23). The impacts of the pandemic on demand, costs and income will be long lasting and this will increase the challenge to the medium to long term sustainability of the Council.
4. Council agreed the original revenue budget for 2020/21 on 27 February 2020. This was set at £220.761m Further amendments were agreed by Cabinet on 15 September 2020 and 17 November 2020. Following a review of the accounting treatment of temporary grant support Cabinet are recommended to agree to revert back to original budget including permanent virements to a net revenue budget of £221.286m for monitoring purposes.
5. The Council's Dedicated Schools Grant (DSG) budget for 2020/21 is £105.673m, with £1.212m held in reserve.
6. The Housing Revenue Account (HRA) budget 2020/21 was agreed by Council 27 February 2020. This was set as a use of £4.452m of the reserve.

Proposal

7. It is proposed that Cabinet notes the provisional outturn and agrees the recommended budget virements. It is also proposed that Cabinet recommends that Council revises the 2020/21 revenue budget to £221.286m and also agrees the appropriations to and from reserves as outlined.

Virements

8. Virements have been actioned during the final quarter to reflect the operations of the Council and previously approved use of contingency. Cabinet are asked to agree the following budget virements over £250,000:
 - a. £0.405m virement to move the Emergency Duty Team budget from Children's Social Care to Adult Social Care, as part of Group restructure.
 - b. £0.254m realignment of Early Help between Education, Schools and Inclusion and Children's Social Care.

Council Revenue Outturn 2020/21

9. The overall outturn position for the Council including non-service budgets and financing results in an overall Council revenue position for 2020/21 of a surplus of £7.908m. (-4% net budget) The provisional outturn position is shown in appendices 1 to 3 and is subject to external audit.
10. It is important to note that this position results from the timing of government funding received and that it masks significant financial challenges. Temporary government grants and compensation received in 2020/21 during national lockdown will likely cease in 2021/22. Therefore, it is critical that budgets are kept under review and sustainable plans are put in place now to ensure agreed savings and budgets are delivered from existing agreed resources.
11. Budget savings of £0.400m for 2020/21 in relation to a contract review and corporate landlord have not been achieved in the financial year. The undelivered savings will contribute to the budget pressures in 2021/22 and will be monitored alongside the 2021/22 £8.117m agreed savings programme. Progress will be closely monitored.
12. The Council have reviewed and included provision where possible of all of the Council's known financial risks so that plans can be put in place to manage financial pressures during 2021/22.

Schools Outturn and Dedicated Schools Grant (DSG) 2020/21

13. The projected DSG outturn is £104.644m compared to the budget of £105.673m, an under spend of £1.029m.
14. The DSG reserve is currently £1.212m, it is projected that the balance at the 31 March 2021 will increase to £2.241m.
15. Schools LMS reserve forms part of the general reserve but is ringfenced for schools and this has increased at outturn by £3.433m to £8.912m. This is due to increased DSG allocations to schools and £1m additional COVID-19 related grants that were unbudgeted for and decreased expenditure in some areas due to COVID-19 restrictions.

Housing Revenue Account Outturn 2020/21

16. The provisional HRA outturn for 2020/21 is a net operating cost of £0.249m compared to the budgeted cost of £4.452m, this is a reduction of £4.202m.
17. The outturn on the HRA capital programme is £20.766m which represents slippage of £2.455m on the original budget. This reflects a prudent risk adjustment associated with the potential impact of COVID-19.
18. The HRA reserve has decreased by £0.249m to £30.786m and will be carried forward into 2021/22.

Strategic Reserves - Balance Review and Proposal

19. Local authorities need to hold sufficient reserves to deal with known future needs and the financial risks. Therefore, reserve levels are a key measure of the financial sustainability of an authority over the medium-term.
20. At the MTFs and outturn reporting points, general fund balances and strategic earmarked reserves are reviewed to ensure balances are adequate, fit for purpose and contribute to long term financial sustainability.
21. It is proposed that the following changes are made to strategic earmarked reserves at outturn:
 - a. Creation of a new Pandemic Service Impacts Reserve to hold £17.991m of funding in support of mitigating increased cost and lost income impacts in 2021/22 and beyond.
 - b. Creation of a new Pandemic Collection Fund Impacts Reserve. This reserve is to hold £28.239m of funding passed to the Council by the Government in 2020/21 and will be used to finance the revenue budget in 2021/22 as per CIPFA and government guidance. The Council's revenue budget was set in February with this intention. Thus, a significant transfer to reserves is required this year relating to Section 31 grants in support of the Collection Fund deficit. The grants are one-off and will be held in reserve and utilised to support the Collection Fund deficit that will be faced by the Council in 2021/22 due to the pandemic measures.
 - c. Creation of a new strategic Budget Sustainability and Thrive reserve £5.000m. This reserve will help support the timings of achieving significant budget savings and Thrive outcomes whilst still dealing with pandemic impacts.
22. The outcome of the review on the Council element of the general fund reserve is that the remaining balance will be £13.967m. This equates to 5.8% of 2021/22 net revenue budget (£238.758m) and assessed as appropriate in the current climate.
23. The remaining reserve balances following the proposed review are shown in Appendix 3 for information.

Recommendations

24. It is recommended that Cabinet:

- (i) recommend to Council an amendment to the net budget to £221.286m.
- (ii) notes the Council's 2020/21 revenue outturn position as an underspend of £7.908m, subject to audit.
- (iii) agree budget virements as set out in the report.
- (iv) agree and recommend to Council the appropriations to and from reserves.
- (v) agree and recommend to Council the proposed changes to strategic reserves following the outcome of a review of Council reserves as set out in this report and appendices.

For the following reason;

To contribute to sound financial management and the long-term financial sustainability of the Council.

APPENDIX 1

Policy Context

1. This report meets the standards required to comply with the Accounts and Audit Regulations 2015. It is also consistent with the Council's objectives of making Gateshead a place where everyone thrives by assisting in ensuring a sustainable financial position for the long term.

Background

2. The Accounts and Audit Regulations 2015, which represent financial management good practice, recommend that councillors should receive regular reports on performance against revenue and capital budgets. The frequency of the reports is determined following a risk assessment of the budget, and Cabinet currently receives a report on a quarterly basis.
3. This report and appendices set out the final outturn position on the 2020/21 revenue budget.
4. Council agreed the original revenue budget for 2020/21 on 27 February 2020. This was set at £220.761m. Further amendments were agreed by Cabinet on 15 September 2020 and 17 November 2020. This report recommends an amendment to the net revenue budget for 2020/21 from £243.507m to £221.286m following a review of the accounting treatment of temporary grant support.
5. The Council's Dedicated Schools Grant (DSG) budget for 2020/21 is £105.673m, with £1.212m held in reserve.
6. The Housing Revenue Account (HRA) budget 2020/21 was agreed by Council 27 February 2020. This was set as a use of £4.452m of the HRA reserve.

Revenue Outturn 20/21

7. The overall outturn position for the Council including non-service budgets and financing results in an overall Council revenue position for 2020/21 of a surplus of £7.908m. (-4% net budget). This position includes COVID-19 related costs and savings throughout the year.
8. The position is testament to the collective approach taken by groups and services to identify pressures early in the financial year and ensuring that action was taken in a timely manner to ensure the threat to a balanced budget was addressed. Namely proactive budget management by budget holders including a capital budget review of priorities leading to savings to revenue, agreeing to pause invest to save projects during the year and more scrutiny on recruitment.
9. The overall outturn position is shown in Appendix 2. Although the outturn is positive, the position masks overspends in some services and includes a number of year-end transactions that have impacted on the final position. The positive outturn remains a significant achievement given the financial pressures faced by the services and enables the Council's sound financial position to be maintained within an extremely challenging economic and financial context.

10. The following table provides a breakdown of the COVID-19 funding applied to support outturn:

| Funding | £m |
|--|-----------------|
| Outbreak Management Funding | (0.459) |
| Test and Trace | (0.395) |
| The Winter Economy Plan | (0.121) |
| ASC Rapid Testing Fund | (0.182) |
| ASC Infection Control | (1.219) |
| Workforce Capacity Fund | (0.567) |
| Winter Grant Scheme | (0.740) |
| Support to residents in severe financial hardship | (0.274) |
| Rough sleepers in self-isolation | (0.062) |
| Coronavirus Job Retention Scheme | (1.657) |
| Irrecoverable Sales, Fees and Charges Compensation | (5.853) |
| Community Champions Fund | (0.112) |
| Hardship Funding | (2.578) |
| Admin Grant for Test and Trace Support | (0.039) |
| Various New Burdens Funding | (0.514) |
| Total | (14.772) |

11. There are several one-off areas of expenditure and income included in this position, most of which have been accounted for in Other Services, these include:

| | £'m |
|---|------------|
| Reinstatement of redundancy provision | 4.6 |
| Reinstatement and increase to Councils bad debt provision | 0.5 |
| Loss on Trinity Square student accommodation | 1.0 |
| Airport Loan Notes (compound interest on funds owed) | (0.9) |
| Changes to the Insurance Fund provision | (0.7) |
| Total | 4.5 |

12. Budget savings of £0.400m for 2020/21 in relation to a contract review and corporate landlord have not been achieved in the financial year. The undelivered savings will contribute to the budget pressures in 2021/22 and will be monitored alongside the 2021/22 £8.117m agreed savings programme. Progress will be closely monitored.
13. The Council have reviewed and included provision where possible of all of the Council's known financial risks so that plans can be put in place to manage financial pressures during 2021/22.
14. During 2020/21 the Council and its residents have been impacted by the COVID-19 Public Health crisis. The lives and livelihoods of all residents have been severely affected by the measures that have been put in place to control the infection. From a financial perspective some of the cost pressures and loss of income will have both an immediate and longer-term impact on the Council's finances. As a result, it is more important than ever that the Council accelerates

work on a priority driven approach to the budget and resource redirection that will deliver outcomes consistent with Thrive principles, retaining the commitment to providing support to our local communities and the most vulnerable in the borough.

15. Strong financial management is critical moving into 2021/22, as many of the 2020/21 drivers for pressures continue, these have arisen from:
- Unachieved agreed budget savings in 2020/21 that have become an added pressure into 2021/22.
 - The timing of the delivery of some aspects of the £8.117m 2021/22 agreed savings programme, to the extent that achievement of some savings may be at risk.
 - Continued increase in demand in Adult and Children's Social Care services combined with no national funding reforms to address this.
 - Unfunded pay pressures, such as public sector pay award and the Governments National Living Wage aspirations, which also impacts on negotiations with care providers and commissioning costs.
 - The performance of traded and investment income linked to the wider economy.
 - Significant uncertainties in relation to the pandemic impact on income from business rates and council tax.
 - The financial impacts of the UK's vote to leave the European Union (EU) and the current uncertainty, which is likely lead to instability in the short to medium-term.
 - Addressing the health, employment and poverty inequalities that the pandemic has added to.
 - Increased demand for welfare, mental health services and debt advice.
 - Increased demand for business advice and support.

Group and Service Outturn

16. 2020/21 has been a complex and unique year for financial planning and monitoring the main variances on a group basis are set out below including narrative on COVID-19 impacts;

Children, Adults & Families - £3.421m underspend

Adult Social Care have an underspend of £4.310m due to the Discharge to Assess Model introduced in response to COVID-19. This resulted in packages of care being funded as part of the national response, which reduced council costs.

Children's Social Care had an overspend of £1.432m due to high cost external placements for looked after children (LAC). LAC numbers rose 9% on 2019/20's figures and were significantly impacted by COVID-19 with a spike after the first lockdown, representing the highest number of LAC the authority has ever seen. Over the last five years LAC numbers have increased by 17%.

Public Health & Wellbeing - £0.486m overspend

Unachieved income, mainly relating to the closure of leisure facilities, room hire and the reduction in events due to the pandemic and the restrictions in place, which was partly offset by the fees and charges claim process.

Due to the closure of facilities employees were either furloughed or redeployed from the group to COVID Response activities across the council, funded through Contain Outbreak Management Fund which offset costs of £0.300m. The furlough claim for 2020/21 totalled £1.657m.

In addition, there was an increase in expenditure relating to PPE and mortuary costs of £1.116m

Economy, Innovation and Growth - £2.145m overspend

The Capital Programme was reviewed as a result of the pandemic, this resulted in the pausing and delaying of scheme, in turn this reduced Design fees by £1.145m.

There was a reduction in rents received from tenants, which reduced profit from PSP by £0.400m. There was also a reduction in licencing, planning and building control and energy income due to pandemic and the restrictions in place.

Housing, Environment and Healthy Communities - £1.247m underspend.

Most of the services within the group have experienced reduced income levels due to the pandemic, in some cases this has been offset by reduced expenditure in relation to employee costs and supplies and services. Lost income has also been offset by the fees and charges claim process.

There has been an underspend on highways maintenance due to the cessation of works during the initial lockdown period, a reduction in bridge maintenance and street lighting costs.

There has also been an unexpected increase in income from bus lane enforcement due to the relocation of the cameras within the borough.

Corporate Services and Governance - £0.139m underspend

Legal and Democratic Services achieved the majority of the underspend within the group. This was due to reduced expenditure on elections as they were delayed as a result of the pandemic. There was a further underspend on democratic services and members allowances due to increased income and a vacancy respectively.

The underspends were offset by reduced income from the Print Unit due to reduced income and service closure as a result of the pandemic. Where possible income was recovered via the fees and charges claim process, but this did not recover the lost income from internal recharges.

Resources and Digital - £3.890m underspend

The main area of underspend relates to the adjustment of the housing benefit bad debt provision, the required provision has been reviewed and the resulting reduction has created a one-off cash benefit to the Council.

Other services within the group have underspent on supplies and services and employee costs. Customer Experience and Digital have benefited from the fees and charges claim process to offset unachieved income and have received grant

funding to offset the costs of administering various COVID-19 funding streams that the Council have received.

Virements

17. Budget virements Cabinet are asked to recommend to Council are:
 - £0.405m virement to move the Emergency Duty Team budget from Children's Social Care to Adult Social Care, as part of Group restructure.
 - £0.254m realignment of Early Help between Education, Schools and Inclusion and Children's Social Care.

Collection Fund – Council Tax and Business Rates

18. The move towards localism has meant that reliance on council and business rate funding to finance the Council budget in future years is high risk. Many variables can impact on this funding stream outside Council control such as performance of the wider local and national economy, appeals to the valuation office and the number of people claiming council tax support.
19. The Council have experienced a drop in collection rates of both business rates and council tax income. Council tax collection rate was 95.9% in 2019/20 compared to 94.1% in 2020/21. Business rates collection rate was 97.5% in 2019/20 compared to 88.4% in 2020/21.
20. The local council tax support caseload for working age claimants has increased from 12,272 to 13,349 as at 31 March 2021.
21. In 2020/21 funding of £2.672m was received by the Council with the expectation that billing authorities would provide all recipients of working age Council Tax Support (CTS) with a further reduction in their annual council tax bill of £150, using their discretionary powers to reduce the liability of council tax payers outside of their formal CTS scheme during 2020/21.
22. Grant conditions also allowed councils to use some funding to deliver increased financial assistance through other local support mechanisms, having considered local circumstances. The guidance allowed councils to provide:
 - Council tax relief using existing discretionary discount and hardship policies.
 - Additional support outside the council tax system through Local Welfare or similar schemes.
 - A higher level of council tax reduction for those working age LCTS recipients whose annual liability exceeds £150.
23. To date Council Tax Hardship funding has been allocated to over 16,000 accounts in receipt of council tax support with over 10,000 claimants liability reduced to nil.
24. The estimated 2020/21 outturn for the Collection Fund Business Rates is an in-year deficit of £45.685m of which the council's 49% share is £22.385m. This deficit is offset by the receipt of additional Section 31 grant due to the additional business rate reliefs.

25. It is highly likely that the full impacts relating to council tax support and business rates are yet to be felt, as the furlough scheme does not end until September and the grant support to business will cease following the lifting of restrictions.
26. Government have provided compensation in the way of a Section 31 grant for the losses experienced by the Authority on business rates and council tax following the changes Government made in response to the pandemic. £28.239m will be held in reserve and utilised to finance the income deficit that will be faced in 2021/22 budget due to these measures.
27. The impact of COVID-19 upon the Collection Fund will continue to be closely monitored.

Schools and Dedicated schools Grant (DSG) Outturn 2020/21

28. The projected DSG outturn is £104.644m compared to the budget of £105.673m, an under spend of £1.029m.
29. The DSG reserve is currently £1.212m, it is projected that the balance at the 31 March 2021 will increase to £2.241m.
30. Schools LMS reserve forms part of the general reserve but is ringfenced for schools and this has increased at outturn by £3.433m to £8.912m. This is due to increased DSG allocations to schools and £1m additional COVID-19 related grants that were unbudgeted for and decreased expenditure in some areas due to COVID-19 restrictions.
31. Legislation came into force in November 2020 meaning where a local authority has a deficit in respect of its schools budget for a financial year beginning on 1 April 2020, 2021 or 2022, the authority can no longer hold a deficit earmarked DSG reserve and must instead transfer any DSG deficit balance to a new account (in unusable reserves). This position will be kept under review.
32. Schools have incurred additional expenses due to COVID-19 and received additional grants from the Department for Education (DfE). These have included COVID Emergency Funding for additional premises, school meal and cleaning costs, COVID-19 workforce Grant for schools and colleges that had additional staffing costs above a threshold and the COVID Catchup Premium which is an academic year grant.
33. Some grants such as the additional cost of providing food parcels rather than a free school meal (FSM) during the autumn term where children were self-isolating will be claimed and paid in 2021/22 and the allocations for this funding are still unknown.
34. Whilst most school's outturns were positive for 31 March 2021, during 2020/21 an additional two schools are now in deficit, five schools have increased their deficit and five schools have decreased their deficits. Schools in deficit will be supported to complete and keep under review a deficit recovery plan.
35. On 1 March 2021 there were two schools which transferred to an Academy St Oswalds RCP and St Albans RCP.

Housing Revenue Account

36. The provisional HRA outturn for 2020/21 is a net operating cost of £0.249m compared to the budgeted cost of £4.452m, this is a reduction of £4.202m.
37. The outturn on the HRA capital programme is £20.766m which represents slippage of £2.455m on the original budget. This reflects a prudent risk adjustment associated with the potential impact of COVID-19.
38. The HRA reserve has decreased by £0.249m to £30.786m and will be carried forward into 2021/22.

Reserves

39. Transfers from earmarked reserves that have previously been agreed to meet spend at outturn are as follows:

| Reserve | £m |
|--|-------|
| Financial Risk and Resilience reserve | 0.394 |
| Economic, Housing and Environmental Investment reserve | 2.417 |
| Poverty, Health and Equality Investment reserve | 0.451 |
| Unapplied revenue grants reserve | 7.710 |
| Developer contributions, Section 106 and Section 38 agreements | 0.956 |
| Public Health reserve (ringfenced) | 0.543 |

40. Transfers to earmarked reserves that have previously been agreed, unless indicated, to meet spend at outturn are as follows:

| Reserve | £m |
|--|----------|
| Financial Risk and Resilience reserve | (0.562) |
| Economic, Housing and Environmental Investment reserve | (1.836) |
| Poverty, Health and Equality Investment reserve | (0.050) |
| Unapplied revenue grants reserve | (0.112) |
| Developer contributions, Section 106 and Section 38 agreements | (1.325) |
| Public Health reserve (ringfenced) | (0.765) |
| Dedicated Schools Grant (DSG) reserve (ringfenced) | (1.029) |
| Pandemic Service Impacts Reserve (proposed) | (17.991) |
| Pandemic Collection Fund Impacts Reserve (proposed) | (28.239) |
| Budget Sustainability and Thrive Reserve (proposed) | (5.000) |

41. Local authorities need to hold sufficient reserves to deal with known future needs and the financial risks. Therefore, reserve levels are a key measure of the financial sustainability of an authority over the medium-term.
42. At the MTFs and outturn reporting points, general fund balances and strategic earmarked reserves are reviewed to ensure balances are adequate, fit for purpose and contribute to long term financial sustainability.
43. It is proposed that the following changes are made to strategic earmarked reserves at outturn:

- a. Creation of a new Pandemic Service Impacts Reserve to hold £17.991m of funding in support of mitigating increased cost and lost income impacts in 2021/22 and beyond.
- b. Creation of a new Pandemic Collection Fund Impacts Reserve. This reserve is to hold £28.239m of funding passed to the Council by the Government in 2020/21 and will be used to finance the revenue budget in 2021/22 as per CIPFA and government guidance. The Council's revenue budget was set in February with this intention. Thus, a significant transfer to reserves is required this year relating to Section 31 grants in support of the Collection Fund deficit. The grants are one-off and will be held in reserve and utilised to support the Collection Fund deficit that will be faced by the Council in 2021/22 due to the pandemic measures.
- c. Creation of a new strategic Budget Sustainability and Thrive reserve £5.000m. This reserve will help support the timings of achieving significant budget savings and Thrive outcomes whilst still dealing with pandemic impacts.

44. The outcome of the review on the Council element of the general fund reserve is that the remaining balance will be £13.967m. This equates to 5.8% of 2021/22 net revenue budget (£238.758m) and assessed as appropriate in the current climate.
45. The remaining reserve balances following the proposed review are shown in Appendix 3 for information.

Consultation

46. The Leader of the Council has been consulted on this report.

Alternative Options

47. There are no alternative options proposed.

Implications of Recommended Option

48. **Resources:**

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms these are as set out in the report and appendices.
- b) **Human Resources Implications** – There are no direct Human Resource implications as a consequence of this report.
- c) **Property Implications** - There are no direct property implications as a consequence of this report.

49. **Risk Management Implication -**

Regular budget monitoring and the associated action planning that arise from this activity assists in reducing the risk of the Council overspending its agreed budget. This enables effective financial planning which allows the Council to deploy resources in line with priorities.

50. **Equality and Diversity Implications - Nil**

51. **Crime and Disorder Implications** – Nil
52. **Health Implications** - Nil
53. **Climate Emergency and Sustainability Implications** - Nil
54. **Human Rights Implications** - Nil
55. **Ward Implications** - Revenue spending supports the delivery of services across the whole of Gateshead.
56. **Background Information**
 - Budget and Council Tax Level 2020/21, 25 February 2020
 - Revenue Budget – First Quarter Review 2020/21, 15 September 2020
 - Revenue Budget – Second Quarter Review 2020/21, 17 November 2020
 - Revenue Budget – Third Quarter Review 2020/21, 19 January 2021

| Service | Revised Budget £'000 | Projected Outturn £'000 | Variance £'000 |
|--|-------------------------|----------------------------|-------------------|
| <u>Children, Adults & Families</u> | | | |
| Children's Social Care | 33,074 | 34,506 | 1,432 |
| Education, Schools and Inclusion | 3,891 | 3,351 | (540) |
| Quality Assurance & Commissioning | 6,755 | 6,752 | (3) |
| Adult Social Care | 68,628 | 64,318 | (4,310) |
| <u>Public Health & Wellbeing</u> | | | |
| Public Health | 16,542 | 16,542 | (0) |
| Wellbeing | 3,851 | 4,337 | 486 |
| <u>Housing, Environment & Healthy Communities</u> | | | |
| Housing, Compliance and Traded Services | 4,090 | 3,530 | (560) |
| Highways and Waste | 14,159 | 13,883 | (276) |
| Environment & Fleet Management | 2,822 | 2,412 | (410) |
| <u>Economy, Innovation and Growth</u> | | | |
| Business, Employment and Skills | 1,043 | 998 | (45) |
| Planning Policy, Climate Change and Strategic Transport | 2,196 | 2,613 | 417 |
| Major Projects and Corporate Property | (2,652) | (880) | 1,772 |
| <u>Office of the Chief Executive</u> | 1,007 | 1,006 | (1) |
| <u>Corporate Services & Governance</u> | | | |
| Legal & Democratic Services | 3,541 | 3,080 | (461) |
| Human Resources & Workforce Development | 1,439 | 1,422 | (17) |
| Corporate Commissioning & Procurement | 35 | 377 | 342 |
| Public Service Reform | 279 | 276 | (3) |
| <u>Corporate Resources</u> | | | |
| Financial Management | 1,715 | 1,658 | (57) |
| Customer Experience & Digital | 2,808 | 2,304 | (504) |
| Housing Benefits | 200 | (2,840) | (3,040) |
| IT | 3,203 | 3,068 | (135) |
| Commercialisation and Improvement | 1,730 | 1,576 | (154) |
| Other Services & Contingencies | 11,565 | 10,407 | (1,158) |
| Capital Financing Costs | 33,700 | 32,517 | (1,183) |
| Traded & Investment Income | (3,566) | (2,771) | 795 |
| Expenditure Passed outside the General Fund | (1,855) | (1,698) | 157 |
| Levies | 11,086 | 11,081 | (5) |
| NET BUDGET | 221,286 | 213,825 | (7,461) |
| <u>Financed By</u> | | | |
| Settlement Funding Assessment (SFA) | (73,792) | (73,546) | 246 |
| Other Grants | (30,632) | (30,632) | 0 |
| Public Health | (16,541) | (16,541) | 0 |
| Council Tax | (95,671) | (95,671) | 0 |
| Collection Fund (Council Tax) | (1,620) | (1,620) | 0 |
| Earmarked Reserves | (3,031) | (3,031) | 0 |
| COVID Funding | | (692) | (692) |
| TOTAL FUNDING | (221,286) | (221,733) | (447) |
| COUNCIL OUTTURN (Surplus) / Deficit | (0) | (7,908) | (7,908) |

| | Opening Balance Apr-20 £000s | Appropriations and Review £000s | Closing Balance Mar-21 £000s |
|---|---------------------------------------|---------------------------------------|---------------------------------------|
| GENERAL RESERVES | | | |
| General Reserve | (11,058) | (2,909) | (13,967) |
| School Budget Share Reserve* | (5,479) | (3,433) | (8,912) |
| TOTAL GENERAL RESERVE | (16,537) | (6,342) | (22,879) |
| EARMARKED RESERVES | | | |
| STRATEGIC RESERVES | | | |
| Financial Risk and Resilience | (14,161) | (168) | (14,329) |
| <i>Business Rates Reserve</i> | (5,000) | 0 | (5,000) |
| <i>Insurance Reserve</i> | (3,000) | 0 | (3,000) |
| <i>Grant Clawback</i> | (1,000) | 0 | (1,000) |
| <i>Workforce Development</i> | (5,161) | 305 | (4,856) |
| <i>Budget Flexibility</i> | 0 | (473) | (473) |
| Economic, Housing and Environmental Investment | (8,404) | 581 | (7,823) |
| Poverty, Health and Equality Investment | (7,293) | 401 | (6,892) |
| <i>MTFS reallocation to Thrive Priorities</i> | (1,871) | 0 | (1,871) |
| <i>Voluntary Sector Reserve</i> | (337) | 106 | (231) |
| <i>Anti Poverty Reserve</i> | (393) | 245 | (148) |
| <i>Discretionary Social Fund</i> | (486) | 50 | (436) |
| <i>Strategic Revenue Investment</i> | (4,206) | 0 | (4,206) |
| Budget Sustainability and Thrive (Proposed) | 0 | (5,000) | (5,000) |
| Pandemic Services Impact (Proposed) | 0 | (17,991) | (17,991) |
| Pandemic Collection Fund Impact (Proposed) | 0 | (28,239) | (28,239) |
| RINGFENCED RESERVES* | | | |
| Developers' Contributions* | (1,762) | (369) | (2,131) |
| Unapplied revenue grants* | (8,909) | 7,598 | (1,311) |
| Public Health Reserve* | (1,650) | (222) | (1,872) |
| DSG Reserve* | (1,212) | (1,029) | (2,241) |
| TOTAL EARMARKED RESERVES | (43,391) | (44,438) | (87,829) |
| TOTAL RESERVES | (59,928) | (50,780) | (110,708) |