

## BABERGH DISTRICT COUNCIL

<b>COMMITTEE:</b> Cabinet	<b>REPORT NUMBER:</b> BCa/21/29
<b>FROM:</b> Councillor Simon Barrett, Cabinet Member for Finance	<b>DATE OF MEETING</b> 6 December 2021
<b>OFFICER:</b> Katherine Steel, Assistant Director, Corporate Resources	<b>KEY DECISION REF NO.</b> CAB275

### GENERAL FUND FINANCIAL MONITORING 2021/22 – QUARTER 2

#### 1. PURPOSE OF REPORT

- 1.1 This report considers the revenue and capital financial performance for the period April to September as well as the impact of COVID19 on the Council's finances and highlights significant variances expected for the financial year 2021/22. As at 30<sup>th</sup> September a surplus position of £320k is forecast.

#### 2. OPTIONS CONSIDERED

- 2.1 At this stage in the year, the financial position is for noting only.

#### 3. RECOMMENDATIONS

- 3.1 That, subject to any further budget variations that arise during the rest of the financial year, the surplus position of £320k, referred to in section 6.6 and Appendix A of the report, be noted;
- 3.2 The revised 2021/22 Capital Programme referred to in Appendix E and section 6.16 be noted.

#### REASON FOR DECISION

**To ensure that Members are kept informed of the current budgetary position for both General Fund Revenue and Capital.**

#### 4. KEY INFORMATION

##### Strategic Context

- 4.1 In February 2021 Babergh District Council approved the General Fund Budget 2021/22 and Four-Year Outlook. The budget was prepared during one of the most challenging and uncertain times due to the impacts of COVID19 on the Council's finances, staff, residents, and local economy. Income streams were reviewed when setting the budget and revised where appropriate and any COVID19 related costs were assumed to be funded from the £1.171m in the COVID19 reserve.

- 4.2 The financial impact of COVID19 for 2021/22 and beyond remains difficult to predict, therefore regular monitoring and reporting to MHCLG of the financial impact continues during this financial year.

#### Comprehensive Spending Review

- 4.3 The Government's three-year Comprehensive Spending Review (CSR) was planned to conclude in July 2020, however, on 24 March 2020 the Chancellor announced that the CSR would be delayed 'to enable the Government to remain focussed on responding to the public health and economic emergency'. On 21<sup>st</sup> October 2020, the Chancellor announced the decision to provide a one-year Spending Review (SR) to prioritise the response to COVID19 and focus on supporting jobs. Details of this SR20 were published on 25<sup>th</sup> November 2020.
- 4.4 The spending review for 2022/23 was announced on 27<sup>th</sup> October 2021 and covers the three years 2022/23 to 2024/25. The Chancellor announced £1.5bn growth in grant funding for 2022/23 with no further increases in 2023/24 or 2024/25. Details of the funding allocations for individual authorities, and whether these will cover the 3-year period, will not be known until the provisional settlement in December 2021.

#### Business rates review and revaluation

- 4.5 The Fair Funding Review, Business Rates Review and business rates reset have been delayed. The Chancellor's Budget on 27<sup>th</sup> October announced several measures around the business rates system, including reducing the burden for some sectors, introducing new reliefs to support property improvements and green investment and de-carbonisation of properties and confirmation that revaluations would take place every 3 years from 2023. To support stability leading up to the next revaluation, it was announced that transitional relief would be extended for a further year,

### 5. IMPACT OF COVID19

#### **Government support schemes**

- 5.1 The Council continues to administer the business restart and back to business grants as well as self-isolation payments in 2021/22.
- 5.2 The table below shows the amount of grants that have been paid out in the first half of the year.

<b>COVID SUPPORT ADMINISTERED BY BABERGH</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Balance at 1 April 21</b>	<b>Received from Government</b>	<b>Paid out</b>	<b>Balance at 30 Sept 21</b>
<b>Business Grants</b>				
Local Restrictions Support Grant Funding (LRSG)	2,382		(348)	2,035
Additional Restrictions Funding (ARG), Restart and Back to Business Grants	1,232	6,547	(7,389)	390
	<b>3,615</b>	<b>6,547</b>	<b>(7,737)</b>	<b>2,424</b>
<b>Self isolation payments</b>				
MHCLG Self Isolation Funding payments	37	28	(47)	18
	<b>37</b>	<b>28</b>	<b>(47)</b>	<b>18</b>

## Financial Impact for the Council

- 5.3 The impacts of COVID19 for 2021/22 continue to remain a risk for the Council's finances as the pandemic continues to have an impact nationally and locally. The long-term effects and speed of recovery is still unknown at this stage.
- 5.4 As the Council did not use all of the £2.5m Government funding during 2020/21 it was able to top up the existing COVID19 reserve by £891k giving a total reserve balance of £1.171m to mitigate the financial impacts and support recovery in 2021/22 along with a further £414k of COVID funding received in 2021/22.
- 5.5 The main areas where support is currently anticipated during 2021/22 are additional costs for public health, leisure, and business support but this will be kept under review throughout the year.
- 5.6 The full year impact forecast at the second quarter of the year is additional costs relating to COVID19 of £620k and a loss of income of £360k as shown in the table below.

<b>COVID FINANCIAL IMPACT ON BABERGH</b>		<b>£'000</b>
Amounts carried forward as creditors from 2020/21		(107)
COVID Reserve		(1,171)
<b>Total Funding at 1st April 2021</b>		<b>(1,278)</b>
<b>LOSS OF INCOME</b>		
<b>Sales, fees &amp; charges income losses</b>		
Garden waste		204
Trade waste		29
Car Park Income		7
Licensing		22
<b>Total sales, fees &amp; charges loss</b>		<b>262</b>
<b>Other income losses</b>		
Council tax - income from court fees		98
<b>Total loss of Income</b>		<b>360</b>
<b>COVID COSTS</b>		
Housing - rough sleeping accomodation and support		23
Public Health - Testing, contact tracing and outbreak management		95
Compliance and Enforcement		6
Leisure centres - support		216
ICT & remote working		1
Additional external audit costs		40
Additional staff costs - Home But Not Alone and Business grants		83
Cost of hiring venue for council meetings and screens for EH		24
Recovery support for Businesses		50
Elections costs		4
Additonal Contractor costs for Capital works		22
Supplies and materials including Personal Protective Equipment		56
<b>Total COVID costs</b>		<b>620</b>
<b>GENERAL FUND IMPACT BEFORE FUNDING</b>		<b>980</b>
<b>NEW FUNDING</b>		
COVID-19 Local Authority Support Grant		(414)
Containment outbreak management fund		(107)
Test & Trace		(59)
<b>TOTAL NEW FUNDING</b>		<b>(580)</b>
<b>Current forecast balance 31st March 2022</b>		<b>(878)</b>
Specific grants to be carried forward		(172)
Balance remaining in COVID Reserve		(705)

## 6. 2021/22 OUTTURN POSITION

6.1 The report covers:

- The General Fund Revenue Budget
- The General Fund Capital Programme.

6.2 Budget monitoring is a key tool and indicator on the delivery of the Council's plans and priorities for the year. There will, of course, always be reasons why there are variances such as:

- Economic conditions and those services that are affected by demand
- Uncertainties relating to funding or other changes that were not known at the time the budget was approved.

6.3 Taking each area in turn, the position on key aspects of the 2021/22 budget is summarised below:

### **General Fund Revenue Account**

6.4 In relation to funding:

- (a) Council Tax (£5.8m): at the end of June, the collection rate was 56.80%, compared with 56.47% for the same period the previous year.
- (b) Government Grants: baseline business rates of £1.6m and New Homes Bonus (NHB) of £835k were forecast in the 2021/22 budget. NHB is fixed but the actual amount of business rates will vary.
- (c) Business Rates: at the end of September the collection rate was 52.12% compared with 56.58% for the same period the previous year. Collection rates have been impacted by COVID19. This will be reviewed and monitored during the year. It is anticipated that any financial impact of this will be mitigated by the £133k compensation payments received from Government in 2020/21 for 75% of irrecoverable loss of council tax and business rates, which was put into the Business Rates and Council Tax reserve to be used this year.

6.5 Based upon financial performance and information from April to September (with emerging trends extrapolated to the end of the financial year) and discussions with budget managers and the Senior Leadership Team, key variations on expenditure and income compared to budget have been identified.

6.6 A tolerance level of 10% based on full year actual to budget has been used to identify those variances where further narrative is provided. Appendix A shows the main items that are included in the overall variance of £320k. The forecast variances identified within this report will be taken into consideration when setting the budgets for 2022/23.

## Staff Vacancies

- 6.7 Staff vacancies are a component of the surplus position at 30th September 2021. The table below shows the vacancies at that point in time compared to the full-time equivalent number of posts included in the 2021/22 budget.

	Budget 2021/22 F.T.E.*	Current vacancies F.T.E.*	Vacancy rate %
Assets & Investments	4.33	0.84	19%
Communities & Wellbeing	9.50	3.00	32%
Corporate Resources	19.11	1.06	6%
Customers, Digital Transformation & Improvement	25.64	3.19	12%
Economic Development & Regeneration	4.90	1.00	20%
Environment & Commercial Partnerships	28.13	3.12	11%
Housing	23.05	6.90	30%
Law & Governance	18.59	4.68	25%
Planning & Building Control	47.09	6.97	15%
Senior Leadership Team	5.00	0.00	0%
<b>Total</b>	<b>185.35</b>	<b>30.77</b>	<b>17%</b>

## Business Rates Retention Pilot

- 6.8 Following the successful bid by the 8 local authorities in Suffolk to become a pilot area for the retention of 100% business rates growth in 2018/19, for one year only, Appendix B provides further details of the schemes and spend as at September 2021. A separate report will be prepared for Cabinet setting out proposals for use of the unallocated balance for feasibility work under the three themes of the Economic Strategy and Recovery Plan.

## Strategic Priorities Reserve (Previously Transformation Fund)

- 6.9 The table below provides a high-level summary of the anticipated movement in the Strategic Priorities Reserve during 2021/22. It does not include the £320k surplus, as this is likely to change as the year progresses and will comprise a number of other transfers to and from reserves. These will be approved as part of the outturn report. A more detailed breakdown of the expenditure from the Fund is shown in Appendix C.

Strategic Priorities Reserve	£'000
<b>Revised Balance Available 31st March 2021</b>	<b>1,146</b>
Actual spend 2021/22 - Appendix C	(49)
Other Commitments - Appendix C	(491)
<b>Total spend &amp; commitments</b>	<b>(540)</b>
<b>Remaining unallocated balance</b>	<b>606</b>

- 6.10 Commitments in 2021/22 will continue to be reviewed to ensure the key priorities are supported.

### **Earmarked Reserves**

- 6.11 Earmarked reserve balances forecast to the end of March 2022 were £7.243m as at 1<sup>st</sup> October 2021 excluding the £4.541m S31 grants received in 2020/21 that will be used to cover the cost of retail, hospitality and leisure reliefs during 2021/22 through the Collection Fund. Appendix D outlines the specific earmarked reserve movements that are included within the full year forecast for Quarter 2.
- 6.12 Earmarked reserves are for a particular purpose or known requirements that affect more than one financial year. The Council can increase its earmarked reserves when underspends occur, income has exceeded costs or where grant monies or other sources of funding are received for specific purposes. For those service areas that are now incurring expenditure in 2021/22 in relation to these grants / funding, it is possible to make a transfer from those reserves. They include Community Housing Fund (£26k), Temporary Accommodation (£14k), and Well-being (£56k). There are also transfers to reserves for Homelessness (£25k), Elections (£20k), and Neighbourhood Planning Grants (£45k).

### **Capital**

- 6.13 Use of capital and one-off funds is critical and needs to be linked into our future delivery plans.
- 6.14 With complex capital schemes it is difficult to accurately assess the level of payments that will be made during the financial year. The Council continues to embark on new projects relating to investments and commercial delivery where it is difficult to accurately predict how payments will fall. Members should therefore focus on whether overall outcomes are being achieved because of the capital investment rather than variances against the plan for a particular year.
- 6.15 Capital expenditure for the period April to September 2021 totals £1,543k, against a revised programme (including carry forwards) of £20.79m, as set out in Appendix E. The profile of the anticipated spend for 2021/22 is difficult to assess at this stage of the year and it is likely that there will be slippage in the delivery of some programmes due to the ongoing effects of COVID19, issues with obtaining some supplies and based on previous years outturns.
- 6.16 Some items in the capital programme, such as the Strategic Investment Fund, Regeneration Fund and Belle Vue are unlikely to be fully spent in year, so the figures in Appendix E anticipate that a request will be made to carry forward any unspent balance at year-end.
- 6.17 There is an anticipated total overspend of £978k of which £928k relates to additional items of expenditure that have been approved since the budget was set to be funded from CIL, S106 monies or additional grants receivable.

## 7. LINKS TO THE CORPORATE PLAN

7.1 Ensuring that the Council makes best use of its resources is what underpins the ability to achieve the priorities set out in the Corporate Plan. Specific links are to financially sustainable Councils, managing our corporate and housing assets effectively, and property investment to generate income.

## 8. FINANCIAL IMPLICATIONS

8.1 These are detailed in the report.

## 9. LEGAL IMPLICATIONS

9.1 There are no specific legal implications.

## 10. RISK MANAGEMENT

10.1 This report is most closely linked with the Council's Significant Risk No. 13 – We may be unable to respond in a timely and effective way to financial demands and Corporate Risk No. 5E05 – if the Finance Strategy is not in place with a balanced position over the medium term the Councils will not be able to deliver the core objectives and service delivery may be at risk of not being delivered. Other key risks are set out below:

<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Mitigation Measures</b>
If the forecast savings and efficiencies are not delivered, then it will have a detrimental impact on the resources available to deliver services and the strategic priorities	3 - Probable	2 - Noticeable	Monitored throughout the year by Finance Teams, Corporate Managers, Assistant Directors and the Senior Leadership Team
If economic conditions and other external factors like COVID19 are worse than budgeted for it could have an adverse effect on the Councils 2021/22 and medium-term financial position	3 - Probable	2 - Noticeable	Focus is on monitoring key income and expenditure streams – but Government changes and economic conditions continue to affect costs and income for a number of services. COVID19 reserve used to offset these costs and maintain sufficient minimum reserve level to withstand the impact.

## **11. CONSULTATIONS**

11.1 Consultations have taken place with Assistant Directors, Corporate Managers and other Budget Managers as appropriate

## **12. EQUALITY ANALYSIS**

12.1 An equality analysis has not been completed because there is no action to be taken on service delivery as a result of this report.

## **13. ENVIRONMENTAL IMPLICATIONS**

13.1 There are a number of areas that as a result of COVID19 have had a positive effect on the Council's environmental impact as well as the financial position. They include for example, reduced travel, less printing and reduced utility costs.

## **14. APPENDICES**

Title	Location
Detailed Variances (Revenue)	APPENDIX A
Business Rates Retention Pilot	APPENDIX B
Strategic Priorities Reserve	APPENDIX C
Earmarked Reserves	APPENDIX D
Detailed Variances (Capital)	APPENDIX E

## **15. BACKGROUND DOCUMENTS**

6 September 2021 General Fund Financial Monitoring 2021/22 - Quarter 1 - BCa/21/18

23 February 2021 General Fund Budget 2021/22 and Four-Year Outlook – BC/20/24

## REVENUE DETAILED VARIANCES

Area	Full Year Budget £000's	Q2 Full Year Forecast £000's	Q2 Forecast Variance (favourable) / adverse £000's	Comment
<b>Assets &amp; Investments</b>	<b>393</b>	<b>355</b>	<b>-37</b>	
Chilton Depot	24	42	19	Additional costs for fixing a water leak at the site and charges for cleaning waste vehicles.
Navigation House	2	-14	-16	Budgeted expenses on repairs & consultancy work not utilised.
Endeavour House - HQ	245	213	-32	Reduced Service Charge negotiated along with savings associated with rent reduction on giving up members area.
South Suffolk Business Centre	-19	-38	-19	Based on information Apr-Aug, occupancy has not tailed off due to COVID as expected when the budget was set.
Other Variances			11	
<b>Communities &amp; Wellbeing</b>	<b>754</b>	<b>733</b>	<b>-21</b>	
Community Development	393	356	-37	Staff vacancies
Other Variances			16	
<b>Corporate Resources</b>	<b>1,632</b>	<b>2,181</b>	<b>549</b>	
Treasury Management	22	32	10	Fees for timing of one off investments for companies
External Audit	80	122	42	Finalisation of 2019/20 audit fees, which were higher than previously estimated. Shortfall will be funded from COVID19 Reserve.
Pay Inflation and Increment Costs	-414	0	414	Adjustment to reflect centrally budgeted salary savings realised within service areas.
Council Tax Collection	-181	-101	80	Budget for Recovery of legal costs on collections will not be realised due to change in availability of court time which reduces the amount of costs added to outstanding debts. Shortfall will be funded from COVID19 Reserve.
Other Variances			4	
<b>Customers, Digital Transformation &amp; Improvement</b>	<b>1,720</b>	<b>1,598</b>	<b>-122</b>	
ICT	867	745	-122	Carry forward for specific fixed term posts not recruited to until Q2. Will need to carry into 22/23.
Other Variances			0	
<b>Economic Development &amp; Regeneration</b>	<b>320</b>	<b>319</b>	<b>-2</b>	

## REVENUE DETAILED VARIANCES

Area	Full Year Budget £000's	Q2 Full Year Forecast £000's	Q2 Forecast Variance (favourable) / adverse £000	Comment
<b>Environment &amp; Commercial Partnerships</b>	<b>3,889</b>	<b>3,714</b>	<b>-175</b>	
Food & Safety (General)	251	223	-28	Staff vacancies, partly offset by agency costs.
Animal Welfare Licensing	-8	3	11	Agency cost to cover vacant post
Environmental Protection	325	281	-44	Staff vacancies, partly offset by agency costs.
Public Conveniences	126	88	-38	£16k partial refund of NNDR; £17k iDverde contract - costed up until October. Underspend will contribute towards BDC staff costs of bringing service in-house
Street & Major Road Cleansing	476	466	-10	A small saving is expected on the ending of the IDEVERDE contract with roles being brought in house from 1st November
Open Spaces	647	637	-10	A small saving is expected on the ending of the IDEVERDE contract with roles being brought in house from 1st November
Sudbury Car Parks	184	248	65	Car park income still down on budget with effect of lock downs. Rates on car parks ahead of budget.
Domestic Waste	1,901	1,776	-125	A favourable variance of £105k on MRF disposal as volumes significantly up on prior year. Further savings against budget of £61k from the sale of Twin Bins largely to new property developments. Offset by additional costs of £40k on additional delivery rounds due to year on year property growth.
Trade Waste	-216	-201	16	£41k reduction in Trade Waste income, partially offset by £26k reduction in Trade Waste Disposal costs;
Garden Waste	-409	-448	-39	£9k increase in Garden Waste Disposal costs; £5k increase in write-off costs related to Covid. £13k increase to Serco contract; £56k increase in Garden Waste Collection income - renewal of existing customers and additional subscribers; £10k increase in Recycling credits
Licensing Staff Costs	82	64	-18	Staff vacancies
Alcohol, Entertainments & Late Night Refreshment Licensing	-82	-65	17	Drop in income relating to Alcohol licences, as many businesses not reopening post Covid
Other Variances			31	
<b>Housing</b>	<b>553</b>	<b>554</b>	<b>1</b>	
Homelessness Private Sector	63	74	11	Expected cost increase as furlough scheme ends and Private Rented Sector evictions take place
Rent Deposit Scheme	57	44	-13	Lower Rent in Advance Payments than expected
Homeless Prevention Fund	232	260	28	Increase in staff and Contractor Grants & Loans, to be covered by reserves.
Rough Sleeper Accommodation Programme	0	-29	-29	Funding applied for after budgets set
Other Variances			5	

## REVENUE DETAILED VARIANCES

Area	Full Year Budget £000's	Q2 Full Year Forecast £000's	Q2 Forecast Variance (favourable) / adverse £000	Comment
<b>Planning &amp; Building Control</b>	<b>1,122</b>	<b>722</b>	<b>-400</b>	
Development Management	161	-95	-256	£100k staff vacancies offset by £1.3k agreed overtime overspend. £22.5k underspend on training. £3k overspend on mileage costs due to increased volume in applications. £156k favourable variance on income due to strength in applications - expected to fall back to normal levels in Q3 and Q4.
Pre App Charging	-39	-50	-11	Increase in pre application fees in first half of year with Q3 & Q4 forecast to come back to expected levels.
Planning Performance Agreement	-10	13	23	Current activity is not seeing PPAs being concluded in relation to major sites at the current time
Building Regs Chargeable Services	-32	-104	-72	£28k staff vacancies. £3k overspend on mileage - increased site visits as result of increased development £47k increase in Building Notice Fees - Increase in applications and slight increase in market share on top
Street Naming & Numbering	5	-6	-11	£2.4 k Saving on Senior BC post; Trainee BC Surveyor; Business Development Officer post £10k increase in Street Name and Numbering income - reflection of increase in new developments.
Conservation	104	73	-30	Staff vacancies
Planning Enforcement	167	136	-31	Staff vacancies
Other Variances			-12	
<b>Senior Leadership Team</b>	<b>673</b>	<b>673</b>	<b>0</b>	
<b>Funding</b>	<b>264</b>	<b>151</b>	<b>-113</b>	
Business Rates Pooling Benefit	-312	-556	-244	Benefit from changed pooling arrangement for this year agreed by the Public Sector Leaders. One-off as likely to revert to the previous method of allocation for 22/23.
Business Rates Levy	576	706	131	Increase in levy.
<b>Grand Total</b>	<b>12,306</b>	<b>11,987</b>	<b>-320</b>	

## BABERGH – BUSINESS RATES PILOT

<b>Scheme Description</b>	<b>BRR Funding £'000</b>	<b>Actual Spend 2018/19 £'000</b>	<b>Actual Spend 2019/20 £'000</b>	<b>Actual Spend 2020/21 £'000</b>	<b>Actual Spend 2021/22 £'000</b>	<b>Cumulative Spend to 2021/22 £'000</b>
Hamilton Road Quarter, Borehamgate & Belle Vue Site	500	46	118	131	21	<b>316</b>
Angel Court Housing Development	200	-	123	30	-	<b>153</b>
Workspace & Grow-on Commercial	200	20	65	3	-	<b>87</b>
Inclusive Growth Engagement Officer	60	-	-	-	-	-
Establishment of a Central Suffolk Chamber of Commerce	42	30	-	12	-	<b>42</b>
St Peters Church Regeneration	100	-	-	100	-	<b>100</b>
Business Innovation Grants	158	-	-	-	-	-
Unallocated	159	-	-	-	-	-
<b>BRRP Total</b>	<b>1,419</b>	<b>96</b>	<b>305</b>	<b>275</b>	<b>21</b>	<b>698</b>

## Strategic Priorities Reserve

Project	Total Budget £'000	Council's Share of Budget £'000	Cumulative Expenditure to 2020/21 £'000	Expenditure 2021/22 (to Q2) £'000	Total Expenditure £'000	Commitments £'000
<b>Business Growth</b>						
<b>Town Visioning &amp; Investment work</b> - the Economic Development Team will engage with key town stakeholders to create and maintain sustainable partnerships for the delivery of a range of projects and programmes that benefit the towns future development and growth. These vital partnerships in the form of Vision or Invest Boards will promote our places through a single voice to stimulate investment, support our businesses and create jobs, enhance and grow our cultural offer, and create opportunities to raise skills levels and aspiration in our communities, making our 5 key market towns desirable places to live and work in. (BDC - 21%, MSDC - 79%)	209	44	11	11	21	23
<b>Hadleigh A1071 Workspace Scheme</b> - to undertake the necessary site diligence and preliminary marketing work including surveys, costs and ground investigations, detailed design concept work-up and retail agent fees.	100	100	0	0	0	100
<b>Community Capacity Building</b>						
<b>Members Locality Budgets</b> (£64k in 2020/21 and 2021/22)	128	128	46	5	51	77
<b>Efficient Organisation</b>						
<b>Planning Resources</b>						
Additional resources to enable Senior Planning Officer level to be released to support delivery of the planning transformation programme (BDC -50%, MSDC - 50%)	205	103	56	0	56	47
<b>Public Realm</b> - transition to combined in-house delivery	98	49	34	5	40	9
<b>Housing Delivery/Business Growth</b>						
<b>Key Sites</b> - commissioning of external specialist feasibility / viability work on key sites as required, to be able to move them forward for approval and development to support economic and housing growth	475	259	194	0	194	65
<b>Environment</b>						
<b>Solar PV multi-function carport including battery storage &amp; vehicle charging points</b>						
Funding required for technical feasibility and viability appraisal for installations at two Leisure Centres & Council carparks in Sudbury and Stowmarket. Also, a third flexibly deployable option to be worked up as part of the study. This can support external investment opportunities and delivery against environmental and economic priorities, including transitioning towards carbon neutral districts by 2030.	40	20	11	1	12	8
<b>Sustainable travel officer post &amp; licence for commonplace engagement software regarding cycling and walking routes</b>	45	23	1	5	6	17
Funding for the above post as approved by Cabinets and matched by the IECCG Wellbeing funding together with software license to enable stakeholder engagement						
<b>Solar PV multi-function carport including battery storage &amp; vehicle charging points</b>	223	112	0	0	0	112
Funding for capital expenditure 2021/22						
<b>General Transformation - other projects</b>						
<b>Trees for Life</b> (BDC - 40%, MSDC - 60%)	23	9	3	0	3	7
<b>Sports strategy refresh</b> - consider the impact of new housing growth planned on current sports/leisure provision. Identify the priority areas and opportunities for future investment to meet current and future demand. Ascertain gaps in specific sports/leisure activities which meet the Councils and wider Sport England priorities to get more people to develop healthy and active lifestyles.	40	20	10	7	16	4
<b>HR Business Partner</b>	52	26	0	16	16	9
<b>CCTV - mobile camera</b> (BDC only): £4,600 p/a for 3 years	14	14	0	0	0	14
<b>Total</b>	1,651	905	365	49	415	491

## General Fund Earmarked Reserves

Reserve	Balance 31/03/2021 £'000	Transfers £'000	Forecast transfers to £'000	Forecast transfers from £'000	Forecast Balance 31/03/22 £'000
Business Rates & Council Tax	6,106	-	77	(4,541)	1,642
Business Rates Retention Pilot (BRRP)	862	-	-	(21)	841
Carry Forwards	571	-	-	(571)	-
Climate Change and Biodiversity	200	-	143	-	343
Community Housing Fund	178	-	-	(26)	153
Commuted Maintenance Payments	820	-	23	-	842
COVID 19	1,171	-	414	(2,291)	(705)
Elections Equipment	35	-	-	-	35
Elections Fund	40	-	20	-	60
Government Grants	164	-	5	-	169
Homelessness	159	-	60	(35)	184
Joint Local Plan	100	-	-	-	100
Neighbourhood Planning Grants	49	-	68	(23)	94
Planning (Legal)	323	-	-	-	323
Planning Enforcement	93	-	-	-	93
Rough Sleepers	26	-	-	-	26
Strategic Planning	40	-	-	-	40
Strategic Priorities	1,147	-	-	(540)	607
Temporary Accommodation	145	-	-	(14)	131
Waste	87	-	-	-	87
Well-being	253	-	-	(56)	197
<b>Total</b>	<b>12,569</b>	<b>-</b>	<b>810</b>	<b>(8,118)</b>	<b>5,262</b>

## 2021/22 Capital Programme

BABERGH DC CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend to date	Full Year Forecast at Q2	Potential Carry Forward	Full Year Forecast LESS Budget (favourable)/ adverse Variance	Comments
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>General Fund Housing</b>								
<b>Mandatory Disabled Facilities Grant</b>	760	747	1,507	241	760	747	-	There was a backlog of cases from Orbit which SCC OT's are working through. In addition some cases have now been outsourced to a private provider. Expect to spend 2021/22 allocation in the year and carry forward the remainder.
<b>Renovation/Home Repair Grant (formerly Discretionary Housing Grants)</b>	100	37	137	67	87	50	-	An empty homes officer is to be appointed which will speed the assessment and awarding of these grants.
<b>Empty Homes Grant</b>	100	142	242	1	20	222	-	Expect to carry forward unspent allocation.
<b>Grants for Affordable Housing</b>	-	400	400	(0)	200	200	-	A report is to be made to Cabinet with proposals for awarding grants and expect to carry forward unspent allocation.
<b>Total General Fund Housing</b>	<b>960</b>	<b>1,326</b>	<b>2,286</b>	<b>309</b>	<b>1,067</b>	<b>1,218</b>	<b>-</b>	
<b>Environment and Projects</b>								
<b>Recycling Bins</b>	65	-	65	100	115	-	50	Increased spend due to housing growth and take up of garden waste collection service (generating additional revenue income)
<b>HVO Storage Tank</b>	50	-	50	33	33	-	(17)	Cost of tanks less than anticipated. To be financed from CIL
<b>Public Sector Decarbonisation</b>	-	-	-	212	398	-	398	It is expected that expenditure will be incurred before the cut off date of 25/11/21 specified in the conditions of the grant received.
<b>Total Environment and Projects</b>	<b>115</b>	<b>-</b>	<b>115</b>	<b>345</b>	<b>546</b>	<b>-</b>	<b>431</b>	

## 2021/22 Capital Programme

BABERGH DC CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend to date	Full Year Forecast at Q2	Potential Carry Forward	Full Year Forecast LESS Budget (favourable)/ adverse Variance	Comments
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Communities and Public Access</b>								
<b>Planned Maintenance / Enhancements - Car Parks</b>	55	79	134	3	134	-	-	Works includes replacement parking meters. Expect budget to be fully utilised but rate of spend will be affected by staff time and supply issues, so timing of expenditure is uncertain.
<b>Vehicle and Plant Renewals</b>	715	-	715	138	715	-	-	Plant and vehicles have been ordered for new in-house service with delivery expected in Nov/Dec 21
<b>CCTV Cameras Hadleigh and Sudbury</b>	-	-	-	141	141	-	141	To be financed from CIL
<b>Total Community Services</b>	<b>770</b>	<b>79</b>	<b>849</b>	<b>282</b>	<b>990</b>	<b>-</b>	<b>141</b>	
<b>Economic Development and Regeneration</b>								
<b>Belle Vue</b>	-	2,000	2,000	19	-	2,000	-	Still going through the planning process, so expenditure more likely to be in 2022/23.
<b>Total Economic Development and Regeneration</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>19</b>	<b>-</b>	<b>2,000</b>	<b>-</b>	
<b>Sustainable Communities</b>								
<b>Play Equipment</b>	129	77	206	-	70	136	-	In 2021/22 improvement plans for 3 play areas. The balance is expected to be spent on 3 further play areas in 2022/23.
<b>S106 Open Spaces Grants</b>	-	-	-	54	54	-	54	Financed from S106 monies
<b>Community Development Grants</b>	117	79	196	61	196	-	0	There is a high demand for grants. Expect to spend the full allocation but some of the projects are being delayed due to supply issues.
<b>Total Sustainable Communities</b>	<b>246</b>	<b>156</b>	<b>402</b>	<b>114</b>	<b>320</b>	<b>136</b>	<b>54</b>	

## 2021/22 Capital Programme

BABERGH DC CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend to date	Full Year Forecast at Q2	Potential Carry Forward	Full Year Forecast LESS Budget (favourable)/ adverse Variance	Comments
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Leisure Contracts</b>								
Kingfisher Leisure Centre - Improvements	100	627	727	31	727	-	-	Improvement programme to be reviewed at the end of this year and carry forwards will be for clearly identified projects which need to be undertaken.
Hadleigh Pool and Leisure - Improvements	50	353	403	-	403	-	-	
Kingfisher Leisure Centre Refurbishment	-	-	-	-	-	-	-	
Hadleigh Pool and Leisure - New Pool and Refurbishment	-	346	346	87	150	-	(196)	
Battery Storage and Solar Car Ports	600	-	600	-	700	-	100	£100k Additional funding received from LEP
<b>Total Leisure Contracts</b>	<b>750</b>	<b>1,326</b>	<b>2,076</b>	<b>118</b>	<b>1,980</b>	<b>-</b>	<b>(96)</b>	
Planned Maintenance / Enhancements - Corporate Buildings	30	-	30	0	30	-	-	
CIL Funded Infrastructure Grants	-	-	-	252	252	-	252	To be financed from CIL
Strategic Investment Fund	-	3,000	3,000	-	-	3,000	-	Investigating further opportunities for investment.
Regeneration Fund	64	6,411	6,475	94	170	6,305	-	Asset reviews are being undertaken to plan spend.
Regeneration Fund - Former Council Offices	2,979	181	3,160	(0)	-	3,160	0	Still going through planning process. Likely start will be in 2022/23.
<b>Total assets and Investments</b>	<b>3,073</b>	<b>9,592</b>	<b>12,665</b>	<b>346</b>	<b>452</b>	<b>12,465</b>	<b>252</b>	
Total Customers, Digital Transformation and Improvement	250	150	400	9	200	200	-	
<b>Total General Fund Capital Spend</b>	<b>6,164</b>	<b>14,628</b>	<b>20,792</b>	<b>1,543</b>	<b>5,555</b>	<b>16,020</b>	<b>782</b>	