

MID SUFFOLK DISTRICT COUNCIL

COMMITTEE: Cabinet	REPORT NUMBER: MCa/22/6
FROM: Councillor John Whitehead, Cabinet Member for Finance	DATE OF MEETING: 4 July 2022
OFFICER: Melissa Evans, Assistant Director, Corporate Resources	KEY DECISION REF NO. CAB347

GENERAL FUND FINANCIAL OUTTURN 2021/22

1. PURPOSE OF REPORT

- 1.1 This report summarises the 2021/22 financial outturn for the General Fund Revenue and Capital Programme. The Revenue outturn position is an overall surplus of £1.208m as detailed in Appendix A and the Capital Programme for the year is underspent by £16.719m as shown in Appendix B.
- 1.2 This is subject to the external auditors' report on the Statement of Accounts for the year, which will be presented to the Joint Audit and Standards Committee once the audit is complete.

2. OPTIONS CONSIDERED

- 2.1 The recommended option is set out in the Recommendations. There are no other available options.

3. RECOMMENDATIONS

- 3.1 That the 2021/22 General Fund financial outturn of £1.208 m surplus as set out in this report be noted.
- 3.2 That the revenue carry-forward requests totalling £399k be noted.
- 3.3 That the following transfers be approved;
 - a) Surplus of £193k be transferred to the Growth and Efficiency Fund
 - b) £500k be transferred to a new Inflationary Pressure Reserve
 - c) £361k to be transferred to the Planning Legal Reserve.
 - d) £154k to be transferred to the Waste Reserve
- 3.4 That the total Capital carry-forward of £20.16m be noted.

REASON FOR DECISION

To ensure that Members are kept informed of the outturn position for both General Fund Revenue and Capital and to approve earmarked reserve transfers.

4. KEY INFORMATION

Executive Summary

- 4.1 The General Fund outturn position for 2021/22 is an underspend against the budget set in February 2021 of £1.208 m. The underspend is as a result of a combination of factors detailed in Appendix A. This includes staff vacancies against a backdrop of nationwide recruitment issues, less impact on planning income from the COVID pandemic than expected and delays to planned work, now due to take place in 2022/23.
- 4.2 Managing the range of initiatives instigated by the Government, aimed at helping businesses and individuals through the pandemic in key areas such as housing, communities, economic development, and the Shared Revenues Partnership, supported by back-office services such as finance, commissioning and procurement has continued to impact the Councils capacity to drive forward other planned initiatives within the Strategic Priorities.
- 4.3 However, the underspend position enables the Council to allocate an additional £193k to deliver the Council's strategic priorities via the Growth & Efficiency Fund.
- 4.4 Inflation is currently high, with the rate for the Consumer Price Index (CPI) at 9% for the year to April 2022. This is expected to have an impact on costs in 2022/23 and create a pressure against the 2022/23 budget which was approved in February 2022. It is therefore proposed that £500k is transferred to a new Inflationary Pressures Reserve to mitigate against these pressures in 2022/23. The impact of inflation on the Council's finances will be closely monitored.
- 4.5 It is also proposed to allocate an additional £361k to the Planning Legal Reserve and £154k to the Waste Reserve to smooth fluctuating costs in future years.
- 4.6 The capital programme was also impacted by the pandemic, with schemes being suspended for a period during the initial lockdown, influencing the level of expenditure for the year. The final position was spending of £13.3m against a programme of £30.03m. With contractual commitments and carry forward requests of £20.5m, the overall adverse variance is a saving of £3.8m. This saving is primarily as a result of CIL funded expenditure for open spaces, infrastructure (total £1.99m) and at Woolpit Health Centre (£0.6m), and projects for public sector decarbonisation and solar car ports (£1.2m funded from external grants).

Covid Context

- 4.7 The finances of the Council were less severely impacted during 2021/22 than in 2020/21. There was a continuing reduction in income for garden waste, trade waste and car parking and additional costs for areas including public health, rough sleeping and administering grants to businesses. Section 5 below provides further detail, but due to an improving position and additional administration funding being provided by the Government at the end of the year, the Council was able to place an additional £173k into the COVID19 earmarked reserve to finance further recovery activity in 2022/23.
- 4.8 In February 2021 Mid Suffolk 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 COVID19 reserve.

Comprehensive Spending Review

- 4.9 The Government's three-year Comprehensive Spending Review (CSR) was planned to conclude in July 2020, however, on 24th 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 21st 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 25th November 2020.
- 4.10 The spending review for 2022/23 was announced on 27th 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. Provisional funding allocations for 2022/23 were announced in December 2021 and were for one year only.

Business rates review and revaluation

- 4.11 The Fair Funding Review, Business Rates Review and business rates reset have been delayed. The Chancellor's Budget on 27th October announced several measures around the business rates system, including reducing the burden for some sectors from April 2022, introducing new reliefs to support property improvements and green investment and de-carbonisation of properties from April 2023 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.

Government support schemes

- 4.12 The Council continued to administer the business restart and back to business grants as well as self-isolation payments in 2021/22, with £8.7m being paid out to support businesses and residents. These schemes are now closed.

Financial Impact for the Council

- 4.13 COVID19 continued to have an impact on the Council's finances during 2021/22.
- 4.14 A COVID19 reserve balance of £862k was available at the start of the year to mitigate the financial impacts and support recovery in 2021/22 along with a further £862k of COVID funding received in 2021/22.
- 4.15 The main areas where support was required during 2021/22 are additional costs for public health, rough sleeping, and business support. Additional costs relating to COVID19 totalled £440k.
- 4.16 The Council continued to see a loss of income for garden and trade waste, car parking and income from court fees relating to Council Tax, totalling £249k.
- 4.17 The overall impact is a balance of £1.035m in the COVID Reserve at 31st March 2022.

- 4.18 Work is underway on utilising the remaining balance in the COVID19 reserve on support and recovery initiatives where it's needed the most.

Business Rates and Council Tax Impact

- 4.19 Despite the COVID19 situation, business rates and council tax income for 2021/22 was on budget. This is due to the basis on which the budget is currently prepared, with the business rate and council tax demand from the Collection Fund being guaranteed in-year and the provision of section 31 grants to cover business rate retail holidays and reductions announced by Government.
- 4.20 Section 31 grants for retail discounts totalling £2.3m were received in 2021/22 and £2.1m will be carried forward in the Business Rates and Council Tax reserve to match the corresponding losses on the Collection Fund that will be realised over the next 3 years.
- 4.21 Due to court actions being suspended during the COVID19 pandemic, income from the recovery of legal costs was £126k lower than budgeted.

5. 2021/22 OUTTURN POSITION

- 5.1 The report covers:

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

- 5.2 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.

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

General Fund Revenue Account

- 5.4 In relation to funding:

- (a) Council Tax (£6.3m): at the end of March, the collection rate was 98.14%, compared with 97.82% for the same period the previous year. Collection rates have been impacted by COVID19, but due to the way that the Collection Fund operates, the financial impact will be in 2022/23.
- (b) Government Grants: baseline business rates of £1.597m and New Homes Bonus (NHB) of £1.061m were forecast in the 2021/22 budget. NHB is fixed but the actual amount of business rates varies, with an outturn favourable variance of £12k. This resulted from a favourable variance on the Suffolk

pooling income and additional income from renewable energy schemes offset by an adverse levy position.

- (c) Business Rates: at the end of March, the collection rate was 97.46% compared with 94.96% for the same period the previous year. As with council tax, collection rates have been impacted by COVID19. Any impact in 2022/23 will be mitigated to some degree by the additional government support as outlined in section 5.9 of this report.

5.5 Details of the financial position at the end of the year are outlined in the table below.

Service Area	Budget	Outturn 2021/22	Variance to Budget (favourable) / adverse
	£'000	£'000	£'000
Corporate Resources	1,859	2,257	397
Economic Development and Regeneration	344	126	(218)
Environment and Commercial Partnerships	3,301	3,110	(191)
Housing	532	454	(78)
Law and Governance	904	885	(19)
Senior Leadership Team	660	658	(2)
Assets and Investments	621	698	77
Communities & Wellbeing	994	720	(274)
Customers, Digital Transformation and Improvement	2,075	1,622	(453)
Planning & Building Control	1,498	596	(902)
Net expenditure on services ***	12,787	11,126	(1,662)
Recharge to HRA	(1,192)	(1,296)	(104)
Recharge to Capital	(4)	(4)	0
Capital financing costs	(2,152)	(2,008)	144
Transfers to (from) reserves not included in above	2,060	2,112	52
Carry forwards	0	399	399
Total budget requirement ***	11,499	10,329	(1,171)
Council Tax	(6,382)	(6,375)	7
Collection fund (Surplus)	(31)	(31)	(0)
Business Rates less Tariff	(2,901)	(2,805)	96
Business Rates - Pooling Benefit	(458)	(566)	(108)
20/21 distribution of deficit	1,598	1,613	15
Rural Services Delivery Grant	(454)	(454)	0
S31 Grant	(1,409)	(1,453)	(44)
New Homes Bonus	(1,061)	(1,061)	0
Lower Tier Services Grant and Council Tax Support Grant	(401)	(404)	(3)
Total funding	(11,499)	(11,537)	(37)
Total variance	0	(1,208)	(1,208)
Proposed movements to reserves:			
Growth & Efficiency Fund			193
Inflationary Pressures Reserve			500
Planning Legal Reserve			361
Waste Reserve			154
			1,208

***Reserve Movements Included in Service Lines:

	(66)	428
Transfers to (from) reserves as above:	2,060	2,112
	<u>1,994</u>	<u>2,540</u>

- 5.6 A tolerance level of £20k 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 £1.208m.

Community Infrastructure Levy (CIL)

- 5.7 CIL income received by the Council in the year 2021/22 is £13.771m. Following any necessary expenditure and adjustments for the 5% administration charge, there is a requirement to transfer any surplus to the Capital Grants Unapplied Account for spend on infrastructure in accordance with the Regulation 123 list in 2022/23 and beyond.

Earmarked Reserves

- 5.8 Earmarked reserve balances were £20.422m at 1 April 2021. 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. The Council has also made contributions both to and from earmarked reserves as set out in the table below.

Transfers to/from reserves

Reserve	Balance 31/03/2021 £'000	Budget Transfers to / (From) £'000	Budget Balance 31/03/21 £'000	Movement 2021/22 £'000	Proposed To/(From) £'000	Balance 31/03/22 £'000
Business Rates & Council Tax	4,859	(622)	4,237	(692)		4,166
Business Rates Retention Pilot (BRRP)	814	(92)	722	(107)		706
Carry Forwards	717	(717)	-	(717)		-
Climate Change and Biodiversity	500	500	1,000	461		961
Commercial Development Risk Management	2,500	1,631	4,131	1,631		4,131
Community Housing Fund	217	(26)	192	(33)		185
Commuted Maintenance Payments	638	(63)	576	(60)		579
COVID 19	862	438	1,300	173		1,035
COVID 19 Business Recovery		-	-			-
Elections Equipment	35	-	35	113		148
Elections Fund	49	20	69	70		119
Government Grants	234	5	239	113		347
Growth and Efficiency Fund	6,849	742	7,590	1,179	164	8,192
Homelessness	328	(90)	237	151		478
Joint Local Plan	100	-	100	-		100
Neighbourhood Planning Grants	109	(32)	78	(1)		109
Planning (Legal)	572	225	797	250	361	1,183
Planning Enforcement	45	50	95	-		45
Repair & Renewals	293	-	293	-		293
Rough Sleepers	26	-	26	9		35
Strategic Planning	50	-	50	31		81
Temporary Accommodation	258	80	338	26		284
Waste	115	-	115	-	154	269
Welfare Benefits Reform	7	-	7	-		7
Well-being	248	(56)	191	(57)		191
Inflationary Pressures Reserve	-	-	-	-	500	500
Total	20,422	1,994	22,416	2,540	1,179	24,141

- 5.9 Approval of carry forwards from 21/22 into 22/23 has been delegated to the Section 151 Officer in consultation with the Cabinet Member for Finance. Carry forward requests totalling £399k for specific funding for projects continuing in 2022/23,

summarised in the table below, have been approved by the Section 151 Officer and are included in the overall outturn position.

Area	Amount £000's
Communities & Wellbeing	156
Corporate Resources	40
Economic Development & Regeneration	77
Environmental & Commercial Partnerships	30
Planning & Building Control	85
Other	10
Grand Total	399

Capital

- 5.10 Use of capital and one-off funds is critical and needs to be linked into our future delivery plans.
- 5.11 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.
- 5.12 Capital expenditure for 2021/22 totals £13.31m, against a revised programme (including carry forwards) of £30.03m, as set out in Appendix B.

CAPITAL PROGRAMME 2021/22 - Position as at 31 March 2022	£'000
Revised Capital Programme	30,028
Actual Expenditure	13,309
Contractual Commitments (Paragraph 5.14)	377
Carry forward requests (Paragraph 5.15)	20,156
Total Expenditure and carry forward requests	33,842
Net capital programme (favourable) / adverse variance	3,814

- 5.13 The main variances that contribute to the £3,814k adverse position are set out below:
- Adverse variances were due to additional expenditure funded from external grants £1,148k and from CIL/S106 monies £2,563k and £34k from Reserves
 - An adverse variance of £47k for additional recycling bins due to housing growth and the take up of garden waste collection service. This will have generated additional revenue income for the Council.
 - Other items (net) – an adverse variance of £22k

- 5.14 Contractual commitments are detailed in the table below. These funds were committed in 2021/22 and will be spent in 2022/23. The resources to fund these commitments will also be transferred to 2022/23.

Contractual Commitments	£'000
Mandatory Disabled Facilities Grant	168
Needham Lake Visitors Centre	141
Renovation/Home Repair Grant(formerly Discretionary Housing Grants)	48
Empty Homes Grant	20
Total Contractual Commitments	377

- 5.15 The following items are schemes where no contractual commitment yet exists, but they represent either plans or aspirations for investment, for which carry forward to the 2022/23 capital programme is requested, again with the requisite capital resources to fund this. It is proposed that these capital resources are carried forward into 2022/23 and reviewed as part of the Corporate Plan to assess whether the original requirements still exist, how they contribute to the strategic priorities and hence whether the resources can be redirected or removed.

Carry Forward Requests	£'000
Gateway 14	12,750
Strategic Investment Fund	2,929
Stowmarket Leisure Centre - Repairs and Renewals	1,336
Regeneration Fund - Former Council Offices	688
Stradbroke Pool - Repairs and Renewals	571
Grants for Affordable Housing	340
Mandatory Disabled Facilities Grant	290
Planned Maintenance / Enhancements - Car Parks	288
Empty Homes Grant	249
Community Development Grants	181
Play Equipment	150
Total Customers, Digital Transformation and Improvement	109
Other Corporate Buildings	105
Stowmarket Leisure Centre - Extension and Refurbishment	86
Streetcare - Vehicles and Plant Renewals	64
Wingfield Barns	20
Total Carry Forward Requests	20,156

6. LINKS TO THE CORPORATE PLAN

- 6.1 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.

7. FINANCIAL IMPLICATIONS

- 7.1 These are detailed in the report.

8. LEGAL IMPLICATIONS

- 8.1 There are no specific legal implications.

9. RISK MANAGEMENT

- 9.1 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:

Risk Description	Likelihood	Impact	Mitigation Measures
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 Announcement about additional Covid19 funding from the Government into 2021/22. Maintain sufficient minimum reserve level to withstand the impact

10. CONSULTATIONS

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

11. EQUALITY ANALYSIS

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

12. ENVIRONMENTAL IMPLICATIONS

- 12.1 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.

- 12.2 Assistant Directors, Corporate Managers and other Budget Managers continue to consider the environmental impact of their budgets and take the opportunity to reduce their carbon footprint as opportunities arise.
- 12.3 Into 2022/23 In support of the Council's commitment to be Carbon Neutral by 2030, several initiatives have and are being undertaken from a combination of the Council's own resources and those secured from external sources. Some of these are set out below.
- 12.4 A solar multi-function carport to generate electricity is being installed at Stowmarket Leisure Centre. The CO₂ savings are nearly 9 times the volume of the Royal Albert Hall and it will generate enough power to supply 52 average homes in Stowmarket.
- 12.5 The Council's leisure centres have been successfully transferred to certified low carbon tariffs for electricity use.
- 12.6 £1m of funding has been secured from the Government's Public Sector Decarbonisation Fund for carbon-saving measures at council leisure centres including solar panels and air source heat pumps.
- 12.7 The new Needham Market Lake visitors centre & café has been designed to complement the surrounding natural environment with several green features including bird boxes, solar panels, sustainable drainage, an air source heat pump, and the use of sustainable building materials.

13. APPENDICES

Title	Location
Detailed Variances (Revenue)	APPENDIX A
Detailed Variances (Capital)	APPENDIX B

14. BACKGROUND DOCUMENTS

18 February 2021 General Fund Budget 2021/22 and Four-Year Outlook – MC/20/24

6 September 2021 General Fund Financial Monitoring 2021/22 - Quarter 1 - MCa/21/17

6 December 2021 General Fund Financial Monitoring 2021/22 - Quarter 2 - MCa/21/29

7 March 2022 General Fund Financial Monitoring 2021/22 - Quarter 3 - MCa/21/39

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Assets & Investments	621	698	77	
Strategic Property	540	603	63	
Stowmarket Football Ground	15	56	42	£40k legal fees for surrender of lease. This is within the overall budget envelope for the timespan of the lease but shows as an overspend in the current year, with savings in future years.
Other Variances			21	
The Councils' Companies	82	96	14	
Communities & Wellbeing	994	720	(274)	
Communities	994	720	(274)	
Community Development	382	297	(86)	Staff vacancies resulting from delays in implementation of new structure throughout 21/22. £60k Business Rate Retention Pilot reserve funding not required.
Grants & Contributions	528	454	(74)	Community grants fully committed, any underspend to be carry forward for payment. Locality Awards offset by reserve movement from Growth & Efficiency Fund
Other Variances			(114)	

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Corporate Resources	1,859	2,257	397	
Finance, Commissioning & Procurement	1,402	1,797	395	
Treasury Management	27	51	24	Overspend due to fees for one off investments
Pay Inflation and Increment Costs	(489)	0	489	Adjustment to reflect centrally budgeted salary savings realised within service areas.
GF Non-Specific Grant Income	(406)	(502)	(95)	Grants related to Council Tax & new burdens
Other Variances			(22)	
HR & Organisational Development	457	459	2	
Customers, Digital Transformation & Improvement	2,075	1,622	(453)	
Communications	175	155	(20)	
Communications	175	155	(20)	£19k underspend on staff costs and £6k underspend on printing costs, offset by social media management costs (addressed in 22/23 budget)
Customer Operations	572	502	(70)	
Customer Services	572	502	(70)	Underspend of £70k on staff costs
ICT	1,111	786	(325)	
ICT	1,111	786	(325)	Carry forwards from 21/22 not used due to recruitment delay, £60k favourable variance from release of historic accrual for MS Office licenses due to change in billing by SCC. £25k favourable variance from switch to Pay360 and £25k favourable variance from re-profiling of software costs. Offset by agency costs in Q4 and costs for one off equipment not meeting capital threshold

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Economic Development & Regeneration	344	126	(218)	
Open for Business	344	126	(218)	
Economy & Business	175	134	(41)	Staff vacancies
Regeneration	85	64	(21)	Staff vacancies
Innovate Local SIGIF	0	(45)	(45)	Carry forward of unspent contribution
Returning to High Street Safely	0	(56)	(56)	Expenditure funded by Welcome Back Funding - excess balance to be re-purposed and carried forward
Other Variances			(54)	
Environmental & Commercial Partnerships	3,301	3,310	9	
Car Parking	(196)	(180)	16	
Car Parks General	(200)	(260)	(60)	£82K Favourable variance on Income, overspend £6K on repairs and solar machines in addition to £15K annual service charge to Hub contracted services.
Civil Parking Enforcement	(7)	71	78	Net adverse variance to budget on Car Parking Enforcement with West Suffolk and Ipswich Borough Council.
Other Variances			(2)	
Health & Safety, Business Continuity and Emergency Planning	204	178	(26)	
Other Variances			(26)	
Leisure Contracts	142	344	202	
Leisure Contract	142	343	200	Gas & Electricity costs £336K to be paid by MSDC for Mid Suffolk Leisure Centre Stowmarket are offset against £117K of contributions normally budgeted to be provide by MSDC and £25K Supplies & Services costs .

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Public Protection	662	587	(75)	
Food & Safety (General)	288	234	(54)	Additional funding in Period 12 from Suffolk County Council for 10% salary costs attributable to COVID work £13K. Further unbudgeted income from DEFRA towards industry specific training.
Other Variances			(20)	
Public Realm	1,029	1,049	21	
Recycling, Waste & Fleet	1,429	1,301	(128)	
Domestic Waste	1,881	1,730	(151)	153K underspend on Materials Recovery Facility disposal gate fees. 38K overperformance due to the sale of twin bins. 17K overperformance on sale of refuse sacks. 9K overperformance of bulky collections. 65K A >3% overspend on refuse collection contract ,13K overspend for the use of agency part year.
Trade Waste	(191)	(158)	34	38K Adverse Costs of trade waste disposal against budgeted due to price fluctuations against time budgeted - this is 23% adverse.
Garden Waste	(342)	(285)	57	Excluding income which was £7K Adverse against a £1.1M income budget service costs were 6% Adverse at £56K. The increases in engagement of garden collection and the logistical costs of meeting collections were controlled within a reasonable percentage of allowance.
Other Variances			(68)	

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Service Improvements -Environment & Projects	31	31	(0)	
Housing	532	454	(78)	
Building Services	(141)	(61)	80	
PV Panels	(141)	(61)	80	£71k Reduction in solar panel income due to record low sunshine in August and £9k split with HRA for first time
Housing Solutions	673	515	(158)	
Housing Standards	157	96	(61)	£31k Vacancies not immediately filled following small restructure, £28k Funding from East Suffolk Council to cover Employment and agency costs
Homelessness Private Sector	43	(25)	(68)	£37k savings on B&B costs, £8k Removal costs and £22k increase in Housing Benefit
Strategic Housing	116	95	(21)	Staff vacancies
Other Variances			(7)	
Law & Governance	904	885	(19)	
Electoral Services & Land Charges	62	26	(36)	
Other Variances			(36)	
Governance & Civic Off	376	403	26	
Cost of Democracy	154	179	25	Workshops and online training to support members and hire of venue for Annual General Meeting.
Other Variances			1	

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Shared Legal Service	375	371	(4)	
Planning & Building Control	1,498	596	(902)	
Building Control	126	82	(43)	
Street Naming & Numbering	2	(23)	(25)	vacancy savings and increased income for street name and numbering - reflection of increase in new sites.
Other Variances			(18)	
Service Improvement (Sustainable Communities)	35	35	0	
Strategic Planning	539	532	(7)	
Development Management, Heritage & Enforcement	798	(54)	(852)	
Development Management	207	(407)	(614)	Cfwd of staffing costs from 20/21 and 21/22 savings from various vacancies, £500k extra planning income extra planning income to reserves to cover foreseeable reduction in planning fee income associated with decision making ref JLP settlement hierarchy and associated appeals. Large Valley Ridge and Gateway 14 costs.
Planning Enforcement	281	176	(105)	£44k staffing underspend, £19k training budget underspend
Senior Leadership Team	660	658	(2)	

REVENUE DETAILED VARIANCES

Explanation of Major Variances	Revised Full Year Budget (000's)	Sum of Actuals (000's)	Variance to Budget (000's)	Comment
Senior Leadership Team	660	658	(2)	
Senior Leadership Team	618	623	4	Cost for mediation referrals (£3k) and East of England talent bank offset by underspend on salary costs for in year vacancies and Covid salary contribution income
Corporate Management	42	35	(6)	Apprenticeship Levy - based on number of staff
Other Variances			(2)	
Grand Total	12,787	11,126	(1,662)	

Net expenditure on services	12,787	11,126	(1,662)
Recharge to HRA	(1,192)	(1,296)	(104)
Recharge to Capital	(4)	(4)	0
Capital financing costs	(2,152)	(2,008)	144
Transfers to (from) reserves not included in above*	2,060	2,112	52
Carry forwards	0	399	399
Total budget requirement	11,499	10,329	(1,171)
Council Tax	(6,382)	(6,375)	7
Collection fund (Surplus)	(31)	(31)	(0)
Business Rates less Tariff	(2,901)	(2,805)	96
Business Rates - Pooling Benefit	(458)	(566)	(108)
Business Rates - Business Rates Retention Pilot Funding	0	0	0
20/21 distribution of deficit	1,598	1,613	15
Rural Services Delivery Grant	(454)	(454)	0
S31 Grant	(1,409)	(1,453)	(44)
New Homes Bonus	(1,061)	(1,061)	0
Lower Tier Services Grant and Council Tax Support Grant	(401)	(404)	(3)
Total funding	(11,499)	(11,537)	(37)
Total variance	0	(1,208)	(1,208)

2021/22 Capital Programme

CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend	Contractual Commitments	Uncommitted Carry Forwards	Variance after Carry Forwards (favourable)/ adverse	Explanation of major variances
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
General Fund Housing								
Mandatory Disabled Facilities Grant	579	354	932	474	168	290	(0)	In addition to the expenditure to date, the council has already committed a further £241k to fund works that are in progress.
Renovation/Home Repair Grant (formerly Discretionary Housing Grants)	100	24	124	76	48	0	-	
Empty Homes Grant	100	169	269	-	20	249	-	The recently appointed Empty Homes Officer has begun processing applications and it is expected that the volume of grants will increase in 2022/23.
Grants for Affordable Housing	-	340	340	-		340	-	A report is to be made to Cabinet in May 2022 with proposals for awarding grants. Unspent allocation to be carried forward and utilised as per approved policy.
Total General Fund Housing	779	887	1,666	550	236	880	(0)	-
Environment and Projects								
Recycling Bins	100	-	100	147		-	47	Increased spend due to housing growth and take up of garden waste collection service (generating additional revenue income)
EV Charging Points	-	-	-	9		-	9	To be financed from CIL
HVO Fuel Storage Tank	50	-	50	27			(23)	Cost of tanks less than anticipated. To be financed from CIL
Public Sector Decarbonisation	-	-	-	999		-	999	Funded by grant
Total Environmental Services	150	-	150	1,181	-	-	1,031	-
Communities and Public Access								
Streetcare - Vehicles and Plant Renewals	162	139	301	237		64	-	Production and delivery of new vehicles is slow. Expect remaining requirements to be delivered in 2022/23.
Other Plant Renewals	-	-	-	34		-	34	Financed from Bio Diversity Action Plan Reserve
Planned Maintenance / Enhancements - Car Parks	163	226	389	101		288	-	Rate of spend has been affected by lack of staff time and supply issues. There are plans to replace parking machines in 2022/23.
Total Community Services	325	365	690	372	-	352	34	-

2021/22 Capital Programme

CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend	Contractual Commitments	Uncommitted Carry Forwards	Variance after Carry Forwards (favourable)/adverse	Explanation of major variances
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Sustainable Communities								
Play Equipment	65	85	150	-		150	-	There are improvement plans for 3 play areas which will now be done in 2022/23. The balance expected to be spent at Needham Lake.
S106 Open Spaces Grants	-	-	-	98		-	98	All to be financed from S106 monies
Community Development Grants	189	165	354	174		181	-	There is a high demand for grants but some of the projects are being delayed due to supply issues.
Total Sustainable Communities	254	250	504	272	-	331	98	
Leisure Contracts								
Stowmarket Leisure Centre - Repairs and Renewals	405	932	1,337	1		1,336	-	Carry forwards to be used for repairs and renewal requirements identified when the condition survey is completed.
Stradbroke Pool - Repairs and Renewals	212	447	658	87		571	-	
Stowmarket Leisure Centre - Extension and Refurbishment	-	291	291	205		86	-	Refurbishment works did not fully clear back log of maintenance requirements. Carry forward to enable completion.
Solar Car Ports	377	223	600	756		-	157	£150k covered by additional funding received from LEP
Total Leisure Contracts	993	1,892	2,886	1,049	-	1,993	157	

2021/22 Capital Programme

CAPITAL PROGRAMME 2021/22	Original Budget	Carry Forwards / Budget Adjustments	Current Budget	Actual Spend	Contractual Commitments	Uncommitted Carry Forwards	Variance after Carry Forwards (favourable)/ adverse	Explanation of major variances
GENERAL FUND	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Assets and Investments								
Other Corporate Buildings	30	80	110	5		105	-	
CIL Funded Infrastructure Grants	-	-	-	1,888		-	1,888	To be financed from CIL
Strategic Investment Fund	-	3,000	3,000	71		2,929	-	Expenditure is purchase of land at Combs Lane. Investigating further opportunities for investment.
Regal Theatre	-	13	13	-		-	(13)	
Regeneration Fund	-	218	218	809		-	591	Adverse variance mainly relates to Woolpit Health Centre of £568k which is to be financed from CIL. Asset reviews are being undertaken to plan other future spend
Regeneration Fund - Former Council Offices	994	1,321	2,315	1,626		688	-	
Gateway 14	16,003	1,247	17,250	4,500		12,750	-	Planning delays have impacted the start of work on site
Wingfield Barns	20	-	20	-		20	-	
Business Hub Cross Street, Eye	-	-	-	29		-	29	
Needham Lake Visitors Centre	220	587	807	666	141	(0)	-	Centre to be completed and opened in May 2022.
Total Assets and Investments	17,267	6,465	23,732	9,595	141	16,492	2,495	-
Total Customers, Digital Transformation and Improvement	250	150	400	291	-	109	0	The Laptop refresh programme has begun and will continue into 2022/23.
Total General Fund Capital Spend	20,017	10,010	30,028	13,309	377	20,156	3,814	-