

Report to Cabinet



Date of Meeting	9th February 2021
Portfolio	Cabinet Member for Corporate Delivery
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Finance Update Report 2020/21 Period 8

Executive Summary

1. To inform Cabinet and the Corporate Overview and Scrutiny Committee of the Council's forecast 2020/21 financial position as at the end of November 2020, and additional Covid-19 funding received.
- 1.1 The Finance Update report contains details of the following:
 - The forecast Revenue outturn position, which is an in-year saving of £2,162k. The General Fund net pressure relating to Covid-19 is £559k, largely offset by the use of government funding. Non-Covid-19 in-year savings are currently reported at £2,721k. The net saving of £2,162k is an increase of £417k from the period 6 position.
 - There continues to be a pressure on the High Needs Block Dedicated Schools Grant (DSG). The 2020/21 in-year pressure is £1,700k which will leave a closing 2020/21 deficit position on the DSG reserve of £4,900k which will require addressing going forward.
 - Savings plans of £4,169k ongoing and £280k one off were included in the 2020/21 budget. There is a balance to address of £367k relating to the impact of Covid-19, which is £523k less than the period 6 forecast, due to mitigating actions in Adult care service
 - An update on the Health & Social Care Pool Fund position, which, after the application of Covid 19 Emergency funding, will leave a breakeven position.

- Forecast Capital expenditure of £60,393k, after re-phasing of £11,017k and Capital budget changes of £722k.
- The forecast 2020/21 Collection Fund position of a deficit of £27,741k, which will be partially mitigated by increased government Section 31 grant of £21,324k, leaving a residual pressure of £6,417k, the Council's share being £5,852k, relating to the impact of Covid-19. This is a favourable movement of £3,083k due to an improvement in forecast debt collection, reduced discounts given, and increase in the Section 31 grant.

Recommendations

- 2.1 Cabinet notes the forecast 2020/21 financial positions for Revenue, DSG, Capital, and the Collection Fund as at the end of November 2020, as detailed in section 4.
- 2.2 Cabinet approves the utilisation of New Burdens Administration grants to cover costs incurred for administering grants related to Covid 19 of £209k, and government funding of £1,759k to compensate for lost Sales, Fees & Charges income due to Covid 19, as shown in section 4.1.
- 2.3 Cabinet notes the £1,793k Waste Levy reserve refund which has been received from Greater Manchester Combined Authority (GMCA) as detailed in 4.1.2.
- 2.4 Cabinet notes the requests for a new reserve for Children's Services, relating to the No Wrong Door initiative, and 2 reserves to earmarked for Covid 19 costs which have not been incurred in 20/21 but are expected to materialise in future years; and for the budget carry forward of Neighbourhoods underspends to ring-fence £170k of in-year savings for the provision of school meals, as detailed in 4.1.
- 2.4 Cabinet notes the forecast Health & Social Care Pool Budget position as detailed in section 4.2.
- 2.5 Cabinet approves the Budget Pressure requests detailed in section 4.3.
- 2.6 Cabinet notes the forecast unachieved Savings target in section 4.4.
- 2.7 Cabinet notes the net Capital budget changes of £722k detailed in section 4.6.1.
- 2.8 Cabinet approve the amendment to the purpose of the Property Growth Fund capital scheme detailed in 4.6.2.
- 2.9 Cabinet notes the Capital re-phasing of £11,017k detailed in section 4.6.3.
- 2.10 Cabinet approves the requests to switch budgets within Economy Service as detailed in section 4.6.4, noting that the switch of £3,230k from the Property Growth Fund to the Rochdale Riverside Phase 2, and Town Centre Residential schemes has been approved by the Property Growth Fund Sub-Committee.

Reason for Recommendation

3. Cabinet Members should be kept updated on the financial position of the authority, as effective budget management is critical to ensuring financial resources are spent in line with the budget and are targeted towards the Council's priorities.

This report focuses on the forecast 2020/21 financial position as at the end November 2020.

Key Points for Consideration

4. Revenue Budget 2020/21

The budget set by Budget Council on 26th February 2020 was £224,127k. Increases in budget in this financial year up to period 8 are detailed in the following table:

4.1

Approved by	When	Reason for change	Amount (£'000)
Budget Council	Mar-20	Approved budget	224,127
Cabinet	Apr-20	Emergency Covid-19 Funding tranche 2	6,116
Cabinet	Apr-20	Hardship Funding	3,064
Cabinet	Apr-20	S31 - Covid-19 Grant Business Rates relief compensation	20,950
Cabinet	Jul-20	Emergency Covid-19 Funding tranche 3	2,416
Cabinet	Jul-20	Business Rates Top up Grant - final settlement adjustment	677
Cabinet	Jul-20	New Burdens grant relating to Covid 19	170
Cabinet	Jul-20	S31-Business Rates Grant Relief adjustment	292
Cabinet	Oct-20	Emergency Covid-19 Funding tranche 4	6,199
Pending	Oct-20	New Burdens Funding – Admin Support Grant	39
Pending	Nov-20	Loss of sales, fees & charges income compensation	1,759
		GRAND TOTAL	265,810

The following amounts have increased the Council's Revenue budget since the period 6 Finance Update report was finalised:

- £39k New Burdens funding for administration support relating to Covid-19
- £1,759k income to compensate for the loss of sales, fees and charges Income as a result of the Covid 19 pandemic.

Members are asked to approve the use of:

- New Burdens funding of £209k (£170k previously received & £39k received October 2020) to help to offset the increased administration costs for the issuing of grants relating to Covid 19.
- Loss of Sales, Fees & Charges income compensation of £1,759k relating to Covid 19, which is being claimed from the Government.

The Revenue Budget Table in 4.1.2 provides detail of budget allocations and the estimated 2020/21 financial position.

4.1.1 The forecast position as at the end of November 2020 is a General Fund in-year saving of £2,162k:

- Non Covid-19 in-year savings are forecast currently at £2,721k.
- The pressure attributable to Covid-19 is £559k, net of government funding; this includes £367k of 2020/21 savings proposals that are not currently achievable. Budget will be allocated to Directorates to offset the pressures related to Covid-19.

The forecast position is a movement of £417k from that reported to December Cabinet, of which:

- £851k relates to non-Covid 19 increased in-year saving, mainly relating to Children's Services, and Finance Control. The table in section 4.1.2 provides further detail of the movements by directorate since December Cabinet.
- £434k relates to increased forecasts for Covid-19. Most of the variation is due to a reduced forecast relating to compensation receivable from the government relating to loss of Sales, Fees & Charges income.

4.1.2 GMCA has returned £20m of Waste reserves to the nine Greater Manchester waste districts. The Council has received £1,793k which has been transferred to the Equalisation reserve.

The table below provides detail by Directorate:

Directorate/Detail	Current Controllable Net Budget	Forecast Controllable Outturn P8	Forecast In-Year Saving (Overspend)	Previous Monitoring Report P6	Movement since September Cabinet
	£'000	£'000	£'000	£'000	£'000
Adult Care	57,611	57,611	-	-	-
Children's	49,514	48,336	1,178	756	422
Economy	15,235	15,420	(185)	-	(185)
Neighbourhoods	49,773	49,495	278	159	119
Public Health	19,299	19,299	-	-	-
Resources	14,221	14,019	202	161	41
Total Services Spending	205,653	204,180	1,473	1,076	397
Contribution from Integrated Pool Budget	(102,339)	(102,339)	-	-	-
Contribution to Integrated Pool Budget	102,339	102,339	-	-	-
Total Pooled Budgets	0	0	-	-	-
Finance Control Corporately Held Budgets	32,921	33,673	1,248	794	454
Covid-19 Emergency Funding	22,231	22,790	(559)	(125)	(434)
Finance Control Budget Pressures	576	576	-	-	-
Total Finance Control Spending	55,728	55,039	689	669	20
Net Expenditure	261,381	261,219	2,162	1,745	417
Uncontrollable Budget Spend	4,429	4,429	-	-	-
Total Budget	265,810	265,648	2,162	1,745	417

The variations to controllable Revenue budget, by service, which are not related to Covid-19 are detailed below, and further detail may be found in Appendix A:

Service	Narrative	Amount £'000
Adult Care	The core service provision is expected to break even with pressures from commissioned placements being matched by in-year savings, mainly from staff turnover.	0
Children's	<p>General Fund - Children's Social Care (CSC) has an underspend of £1,178k, as at 30th November 2020, Cared for children's numbers showed a net increase of 4 children, and a net reduction of 51 at Child Protection level since 1st April 2020. Cared for numbers are slightly increasing, however this still remains a positive position given the pandemic as cared for numbers continue to remain low. This is a critical time for CSC, the service are seeing an increase in referrals and complex cases. Should CSC be able to hold or continue to reduce Cared for and Child Protection numbers then the Covid projected costs could be significantly reduced. There is a pressure within SEND Transport which is in line with the growth throughout 2019/20 now having full year impact and continued growth within 2020/21.</p> <p>DSG - There continues to be a pressure on the High Needs Block dedicated schools grant due to the continued growth in Education Health Care Plans and SEN Support. The Period 8 position is a £1,695k deficit; all special schools within the borough are now at maximum capacity therefore any further requests for places will ultimately have to be placed out of borough at independent schools which is a high cost provision. The service are working with schools at both primary and secondary level to increase SEND provision within the borough. The High needs cumulative deficit position is £4,900k.</p>	1,178
Economy	The Economy Directorate is reporting a forecast in-year pressure of £185k. There are pressures within Properties as a result of contract changes and increased property charges which are currently being reviewed.	(185)

Service	Narrative	Amount £'000
Neighbourhoods	The Neighbourhoods Directorate is reporting a forecast in-year saving of £278k. There are forecast in-year savings due to staff vacancies and net savings on supplies and services. There is a request to ring-fence £170k of the Neighbourhood Directorate in year savings to cover costs associated with Facilities Management Services in 2021/21, this will allow the service to offer a competitive service whilst operational strategies are developed.	278
Finance Control	An in-year saving of £1,248k is forecast due to continued internal borrowing and rephasing of the capital programme being partially offset by reduced investment income.	1,248
Public Health	The service is forecasting in line with budget	0
Resources	The Resources Directorate is reporting a potential in-year saving of £202k from current year employee savings due to vacant posts, temporary arrangements and one-off funding. These savings are being used to mitigate pressures within the Legal Shared Service with Manchester which are currently under discussion, and a pressure on HR budgets as a result of funding issues within the Organisational Development Team. A budget pressure request is being submitted at period 8 to fund the recurrent pressure within the HR/OD Team.	202
Total		2,721

4.1.3 A request has been made to create a reserve for Children's Services relating to the No Wrong Door initiative to ring-fence unutilised government funding, due to delays in the project. No Wrong Door is a programme currently funded by the Department for Education.

Neighbourhoods directorate request to ring-fence £170k of in-year saving reported by the service through the budget carry forward process, to fund the future plans for school meals in Facilities Management, due to delays in the restructure of the services offered.

4.1.4 The variations to controllable Revenue budget, by service, which are related to Covid-19 are detailed below:

Expenditure	£'000s
Adult Social Care	8,578
Children's Social Care	2,869
Education	100
Highways and transport, Public Health & Housing	5,579
Cultural & Related	2,970
Environmental and regulatory services	1,842
Finance & Corporate	5,844
Other services	1,113
Estimated Total Spending Pressure	28,895
Less funding received for Infection Control, Test & Trace, Hardship Fund and Health (via CCG)	(17,839)
Estimated Funding Pressure	11,056
Income	£'000s
Sales, fees and charges	3,674
Commercial Income	10,619
Estimated Total reduction in Income	14,293
Total Estimated Pressure	25,349
Government Emergency Funding	(22,231)
Forecast Government compensation re: Sales, Fees & Charges Income, and use of Reserves	(2,559)
Residual Pressure	559

The Government has developed an income compensation scheme for lost sales, fees and charges for 2020/21 as a result of the impact of Covid 19. The Council will be submitting claims that meet the criteria of the scheme to reduce the residual pressure. The current forecast for 2020/21 income that has been unachievable as a result of the pandemic is £1,759k, although this is subject to change during the remainder of the financial year. The scheme does not compensate the Council for any commercial income losses.

Work continues to assess the financial impact and timeframe involved relating to Covid-19. The longer term implications are being considered to support the Council in its financial planning going forward.

Two reserves are to be set up to earmark funds to be used to offset the post 2020/21 impact of Covid 19, recognising that some of the forecast financial impact of the pandemic in table 4.1.4 will not materialise until 2021/22 and future years. The 2 reserves being established for demand led and economic pressures and the Government Emergency funding will be applied as and when the pressure materialises in future years.

The amount to be transferred to the reserves will be finalised as part of the year end process, and is dependent on ongoing developments relating to the Covid 19 pandemic.

The Council will, with other Greater Manchester councils, continue to lobby the government to provide further funding to offset the ongoing financial impact of Covid-19.

4.2 Health & Social Care Pool Budget

As at the end of November 2020, the forecast gap in the Pooled Fund for 2020/21 is £4,800k, this being net of specific grants and relates wholly to Covid-19 pressures in the Council. This pressure will be funded by Government emergency funding, leaving a balanced position.

The CCG are forecasting a balanced budget position as there has been a reduction of £1,000k previously reported within the pooled fund forecast gap. This is due to the continuation of the 'command and control' approach used by NHS organisations in response to significant emergencies.

4.3 Budget Pressures

The Budget Pressure Fund for 2020/21 reported to September Cabinet was £576k; the following table details adjustments and requests received to the end of November 2020:

Service	Ongoing £000s	One off £000's	Total £000s	Narrative
Opening Balance 2020/21 Period 8	492.7	83.1	575.8	The balance brought forward is net of previously approved allocations
Period 8 Requests:				
Resources	18.8		18.8	£18.8k in 2020/21 increasing to £75k in future years to provide recurrent funding for Organisational Development post & HR Business Partner post, previously funded from one off monies.
Remaining Balance 2020/21	473.9	83.1	557.0	Total of remaining pressures budget
2021/22				
Resources	56.2		56.2	£18.8k in 2020/21 increasing to £75k in future years to provide recurrent funding for Organisational Development post & HR Business Partner post, previously funded from one off monies.
Neighbourhoods	60.5		60.5	To establish a Grade 10 ICT Security post to deal with cyber security issues to help mitigate the increasing level of risk to the Council

If the requests are approved the balance remaining for budget pressures in 2020/21 is £557k; £474k ongoing and £83k one off.

4.4 **Savings**

The overall savings target for Services for 2020/21 is £4,451k (£4,171k recurrent, and £280k one-off). Services have identified savings proposals which have a balance to address relating to Covid-19 of £367k (which is included in the reported pressure of £559k in 4.1.2) as shown in the table below. The change from P6 is the mitigating actions within Adults of £524k.

Service	Nature of Saving	Savings Target - Ongoing	Savings Target - One Off	Achieved	On-Target	Mitigating Actions	Total Balance to Address	Balance to Address relating to Covid-19	Balance to Address Non Covid-19
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Sub Total Adults	1,284	60	255	565	524	-	-	-
	Sub Total Children's	166	-	-	166	-	-	-	-
Economy	N1 Riverside Utilisation Income	35	-	-	-	-	35	35	-
	Sub Total Economy	60	-	25	-	-	35	35	-
Neighbourhoods	Capitalisation of Building Support Team and reduction in Training Budget	100	-	-	45	-	55	55	-
Neighbourhoods	Waste Vehicle cleaning	17	-	-	-	-	17	17	-
Neighbourhoods	Additional SIMS income from schools outside Borough	20	-	-	-	-	20	20	-
Neighbourhoods	Income generation from advertising / Digital advertising screens	7	-	-	-	-	7	7	-
Neighbourhoods	Place based asset management system	100	-	-	-	60	40	40	-
	Sub Total Neighbourhoods	499	100	276	58	126	139	139	0

Service	Nature of Saving	Savings Target - Ongoing	Savings Target - One Off	Achieved	On-Target	Mitigating Actions	Total Balance to Address	Balance to Address relating to Covid-19	Balance to Address Non Covid-19
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Public Health	System wide prevention review (including YP Substance Misuse and Sexual Health Contract review)	129	-	26	-	-	103	103	-
	Sub Total Public Health	230	0	127	0	0	103	103	0
Resources	Early Payment Initiative	-	120	30	-	-	90	90	-
	Sub Total Resources	1,932	120	1,927	-	35	90	90	0
Savings Grand Total with Balance to Address		4,171	280	2,776	623	685	367	367	0

4.5 Transformation Fund

The following schemes were due to achieve savings during 2020/21, but have been impacted by the Covid-19 pandemic:

- Adult Care, Accommodation Strategy - There has been a delay to the progression of the Accommodation Strategy as consultancy support has been refocused to Covid-19 work, meaning that expenditure will be reduced from £120k to £66k, resulting savings of £54k will not be realised until 2021-22.
- Resources, Invoice Processing/Oxygen Project – the initiative has been impacted by the decision at the end of March 2020 to make immediate payment to suppliers with the intention of ensuring service continuity and supporting suppliers as the impact of Covid-19 progressed. 2020/21 savings are forecast to be £30k rather than the original £120k. At 27th October Cabinet it was agreed to resume standard supplier payment terms of 30 days.
- Neighbourhoods, Place Based Asset Management – delays with the project. Projected savings of £100k have been partially mitigated by £60k in year savings within Neighbourhoods service, and the remaining £40k is forecast not to be achieved due to the impact of Covid-19.

4.6 Capital Budget 2020/21

The forecast position for the 2020/21 Capital Budget is £60,393k, with spend to date of £24,921k (41.3% of budget). The table below shows a summary of the budget movements to the end of November 2020:

	2020/21	2021/22	2022/23
	£'000s	£'000s	£'000s
BUDGET AS AT END OF SEPTEMBER 2020	70,688	110,757	45,444
Capital Budget Changes	722	-	-
Rephasing Requests P8	(11,017)	11,017	-
BUDGET AS AT END OF NOVEMBER 2020	60,393	121,774	45,444

The 2021/22 budget as at the end of September 2020, as reported to December 2020 Cabinet, has been reduced by £950k, due to the rephasing of £950k of Climate Change budget which had been held in 2021/22 and has now been reallocated to 2025/26.

4.6.1 Capital Budget Changes

Details of the increases to capital budgets are shown in the table below

Service	Narrative	Funding Method	Capital Budget Increases £000's
Children's	Greater Manchester Combined Authority Grant received	External Funding	40
Economy	Minor adjustment to P6	Prudential Borrowing	(9)
Neighbourhoods	S106 grants	External Funding	688
Resources	New HR & Payroll System- Overspend of £3k will be funded by Revenue Contribution to Capital (RCCO).	RCCO	3
Total Capital Budget Increases			722

4.6.2 A request to change the nature of Property Growth Fund scheme in Economy is sought. This will re-categorise the scheme due to the nature of works taking place. Members are asked to approve the following narrative in relation to the scheme: Acquisition and development of property with the primary aims of strategic regeneration, business growth, job creation and enhancing social or economic value, with secondary aims of portfolio diversification and the achievement of a financial return in order to cover the costs of investment and provide for whole-life asset maintenance costs and future fluctuations in property investment income.

4.6.3 Capital Re-phasing requests to the end of November 2020 which have been approved by the Chief Finance Officer are shown in the table below.

Further re-phasing of capital budget into future years later in 2020/21 is likely. Schemes will be affected by the impact of the on-going Covid 19 pandemic on the ability to progress and complete works, and also by contract issues and the winter weather.

Service	Narrative	Rephasing Requested £000s
Children's Service	New Place Planning- The Service is in discussions with the Department for Education about wider sufficiency within the Borough and working on placements going forward over the next five years. The building schemes to increase the number of pupil places at Brownhill Learning Community ASC school and to increase dining capacity at Falinge Park High School will be completed in the next financial year.	4,500
Economy Service	Asset Development Fund - Rephase request from current year to 2021/22 to reflect the delayed start of projects.	2,002
Economy	East Lancashire Railway: Work to undertake improvements at Heywood station, including the provision of additional car parking and signage have been put on hold whilst East Lancashire Railway have temporarily ceased operations during the pandemic. It is expected these works will now be undertaken during 2021/22 when services resume.	22
Economy	Lower Falinge: Government grant funding was awarded to support the preparation of the Lower Falinge Supplementary Planning Document. The remaining funding is to support a further consultation on a revised document which will take place during 2021/22 before being presented to Members for final adoption.	4
Economy	Heywood South/Junction 19: The rephase request will support further feasibility work on the delivery of the South Heywood link road. Implementation of the highway link road scheme was delayed during 2020 but will now commence on site during February 2021.	44
Economy	Northern Gateway Feasibility & Study: The rephasing of this budget is required to match fund an allocation of GMCA Evergreen funding awarded to Rochdale and Bury Councils to progress work on Northern Gateway with a deadline for spend of the grant by December 2021. The awarding of this funding has reduced Council forecast spend during 2020/21.	91

Service	Narrative	Rephasing Requested £000s
Economy	Metrolink Feasibility: Work to progress further feasibility on the Metrolink was delayed during 2020/21. Subject to the adoption of the 2040 Transport Delivery Plan by GMCA in early 2021 it is expected further work will commence with Transport for Greater Manchester (TfGM) on the project during 2021/22	50
Economy	Town Centre East Feasibility: £100k to be rephased from 2020/21 - to be utilised in 2021/22.	100
Neighbourhoods Service	New Cemetery Sites - Request to rephase budgeted contribution towards the cost of toilet provision in Denehurst Park (£33k) and to also rephase budget into 2021/22 to cover the cost of replacing the cremators at Rochdale Cemetery (£497k). The timeframe for the tendering of both of these contracts has been protracted due the impact of Covid-19.	530
Neighbourhoods Service	Section 106 - Environmental Management - A request is made to rephase budget into 2021/22 to facilitate the completion of the Hollin, Alkington, Balderstone Park, Stansfield and Robinson's Common play schemes.	474
Neighbourhoods Service	Townships Capital - Environmental Management - Request to rephase budgeted contribution towards the cost of toilet provision in Denehurst Park	10
Neighbourhoods Service	Vehicle Replacement Programme - The process to replace a number of fleet vehicles is currently underway. During the procurement process it has been established that, in the current economic climate, the time taken to purchase vehicles has extended beyond the normal timeframes and a request is therefore made to rephase budget into 2021/22.	800
Neighbourhoods Service	GM Full Fibre Programme - The majority of the scheme will now be completed in 2021/22.	250
Neighbourhoods Service	CCTV Upgrade - A request is made to rephase budget into 2021/22 as there has been a delay in implementing the scheme	172
Neighbourhoods Service	Townships Capital Programme - A request is made to rephase back £140k from 2021/22 to fund ongoing commitments in 2020/21.	(140)

Service	Narrative	Rephasing Requested £000s
Public Health	Link4Life Capital Projects: - Request to rephase budget to 2021/22 due to delays caused by Covid.	608
Resources	Investment Fund- Corporate Fund – not expected to be called upon in 2020/21, therefore a request is being made to rephase into 2021/22.	1,500
	Total Rephasing	11,017

4.6.4 The following budget switches are requested to fund expenditure:

Service	Scheme	Budget Switches £000s
Economy	Middleton Town Centre Phase 3: This budget was initially removed during the capital realignment programme, but is needed as part of grant match funding requirements. Budgets to be switched in 2020/21 from Hopwood Hall Feasibility £50k and from Hopwood Hall Refurbishment £36k	86
Economy	Hopwood Hall Refurbishment : To be switched to Hopwood Hall Emergency works scheme	(36)
Economy	Hopwood Old Hall Feasibility: Now included as part of the Town Centre Capital Programme. £50k to be switched to Hopwood Hall Emergency scheme	(50)
Economy	Town Hall Adaptation and Restoration: The tenders for the Phase 1 Town Hall works came in over budget and the additional budget is needed to cover these increased tender costs.	300
Economy	Town Centre Schemes 2016/17: The additional Towns Fund and European Regional Development Fund (ERDF) funding received for this project allows budget to be switched to support the Phase 1 Town Hall works.	(300)
Economy	Drake Street Phase 2: The South Parade and lower Drake Street property improvement works are partly funded from the 3 Year Strategy budget. Work is due to start on site in Q4 of 2020/21 and the switch from Rochdale Town Centre 3 Year Strategy scheme will ensure effective delivery.	600

Service	Scheme	Budget Switches £000s
Economy	Rochdale Town Centre 3 Year Strategy : This is to be switched to fund expenditure on the Drake Street scheme	(600)
Economy	Town Centre Residential Strategy: The design work on the Neighbourhood Rochdale residential scheme is being progressed quicker than originally envisaged and will incur spend during 2020/21. The current 2020/21 budget will be increased from other budgets which will then be reconciled when the additional budget of £2,200k for the Residential Strategy becomes available in 2021/22	1,100
Economy	Rochdale Riverside Phase 2: £2,430k to be switched from the Property Growth Fund budget to cover enabling works costs	2,430
Economy	Milkstone Road Master Plan: £200k to be switched to Town Centre Residential Strategy scheme	(200)
Economy	Rochdale Market : The costs of the works to the building are less than envisaged allowing a budget to be switched to support the Town Centre Residential Strategy scheme	(100)
Economy	Property Growth Fund: Funding switch of £2,430k to Rochdale Riverside Phase Two and £800k to Neighbourhood Rochdale (TC Residential Strategy) for one year only as agreed by PGF Sub-Committee	(3,230)
Neighbourhoods	Section 106 - Environmental Management - A funding switch is requested from the cashless system school catering to support s106 - Environmental Balderstone project	6
Neighbourhoods	Cashless System School Catering - A funding switch is requested to support s106 - Environmental Balderstone project	(6)
	Total	0

4.6.5 Capital Receipts

Capital receipts are received on the sale of various assets including land, buildings and vehicles. The forecast movements in the Capital Receipts Reserve during 2020/21, and provisionally for 2021/22 to 2022/23 are included in the table below.

Description	2020/21	2021/22	2022/23
	£000's	£000's	£000's
Capital Receipts balance as at 1st April 2020	11,142	10,772	2,325
Use of Capital Receipts to fund 2020/21 Capital Programme, including prior year schemes rephased into 2020/21	(2,914)	-	-
Use of Capital Receipts to fund provisional 2021/22 and 2022/23 Capital Programmes, and 2020/21 rephasing into future years	-	(6,392)	(44)
Earmarked use of receipts to fund other future commitments	-	(3,540)	-
Capital Receipts income	2,544	1,485	600
Forecast Capital Receipts balance as at 31st March 2021	10,772	2,325	2,881

4.6.6 The forecast uncommitted Capital Receipts Reserve balance as at the end of 2022/23 is £2,881k.

4.7 **Collection Fund**

4.7.1 The forecast Collection Fund outturn position for 2020/21 is a deficit of £27,741k, comprising:

- £24,265k deficit relating to Business Rates, partially offset by Section 31 grant of £21,324k;
- £3,476k deficit relating to Council Tax.

The 2020/21 Collection Fund is forecast to be significantly impacted by the impact of Covid-19 and Government initiatives. This will impact on the Council's General Fund in 2021/22, and there is expected to be a longer term impact on the level of Business Rates and Council Tax income.

4.7.2 Table 1 shows the forecast 2020/21 Collection Fund position, and the allocation between precepting authorities.

Table 1 – 2020/21 Collection Fund forecast deficit

	Business Rates		Council Tax		Total
	%	£'000	%	£'000	£'000
Forecast Collection Fund (surplus)/deficit at 31/03/21		24,265		3,476	27,741
<u>Preceptors' Share of 2020/21 outturn</u>					
Rochdale BC	99	24,022	84.61	2,941	26,963
GMCA Mayoral Police & Crime Commissioner	0	0	10.71	372	372
GMCA Mayoral General (including Fire Services)	1.00	243	4.68	163	406
Total forecast outturn (surplus)/deficit	100	24,265	100	3,476	27,741

The Council's share of the forecast Collection Fund deficit is £26,963k, which will be partially offset by Government Section 31 grant funding of £21,111k, leaving a net deficit position of £5,852k.

The following table provides the explanation of variances relating to Business Rates:

Explanation of variance	Variation to budget, £'000
Decreased net Business Rates income principally due to the government decision to give 100% relief to the Retail, Leisure and Hospitality sectors for 2020/21, linked to the Covid19 pandemic; Section 31 grant to offset the discount given is received in the Council's General Fund. Reduced levels of gross income and higher levels of Empty Property discount are also forecast, linked to the impact of the pandemic.	23,299
Increased charge relating to the bad debt provision due to the likely impact of Covid19 on debt collection.	1,732
Actual surplus brought forward from 2019/20 is £766k higher than had been forecast as part of the 2020/21 Budget process.	(766)
2020/21 Deficit	24,265

The following table provides an explanation of variances relating to Council Tax:

Explanation of variance	Variation to budget, £000
Reduced level of discounts given partially offset by reduced Council Tax income raised.	(323)
Forecast increased level of Local Council Tax Support discount given due to increased numbers of claimants, partially offset by government Hardship Funding.	1,426
Increased charge relating to the bad debt provision as a result of anticipated impact of Covid 19 on debt collection.	759
A deficit of £937k brought forward from 2019/20 instead of the £(677)k surplus forecast as part of the 2020/21 Budget process. This was mainly due to the decision to increase the level of the Bad Debt provision as a consequence of the likely impact of Covid19.	1,614
2020/21 Forecast Deficit	3,476

The Council's share of any 2020/21 Collection Fund deficit will be partially brought into the Council's General Fund budget for 2021/22. The government has implemented a scheme which will spread any Council Tax or Business Rates deficit for 2020/21 over the three financial years 2021/22 to 2023/24, to partially mitigate the impact of any deficit on 2021/22.

There will be a longer term impact on Collection Fund income which is dependent on the recovery of businesses and households. This will impact on the Council's core funding for services. Work is ongoing to assess the longer term impact on the Council's financial position.

4.9 **Alternatives considered**

- 4.9.1 Not reporting on financial performance puts at risk the achievement of the Council's Medium Term Financial Plan. Effective budget management is critical to ensuring financial resources are spent in line with the budget and are targeted towards the Council's priorities. Monitoring enables the early identification of variations against the plan and facilitates timely corrective action.

Costs and Budget Summary

5. **Financial Implications**

The main body of the report provides a detailed analysis of the forecast 2020/21 Finance Outturn position.

Risk and Policy Implications

6. There are no significant legal implications arising as a result of this Report to the Cabinet and the Corporate Overview and Scrutiny Committee, but it should be noted that debts, which are recoverable, can be enforced by Court action in accordance with the Court Procedure Rules.

The impact of Covid-19 pressures relating to additional expenditure and lost income is estimated to have a very significant impact on the Council's financial position both in 2020/21 and in the medium term. The Council has completed a review of its reserves to assess whether some of the financial pressure may be mitigated in both the short and longer term. The use of reserves to address pressures as a result of the Covid-19 outbreak is a one off solution which cannot be sustained in the long term. The Council has indicated that any reserves deployed would require replenishing to their original value. The Council is continuing to lobby the government to provide further funding to offset the pressures.

Unresolved appeals against the revaluation assessments for 2005, 2010 and 2017 cause uncertainty and financial risk for the Business Rates income retained by the Council. The situation is monitored on a monthly basis to ensure that any changes in the trend for successful appeals are recognised due to the future impact on Business Rates income and the impact for the provision for any backdated elements.

The Valuation Office Agency (VOA) alters rating assessments if new information comes to light indicating that the valuation is inaccurate. These could relate to a demolition, new property builds or other physical changes to a property. The number of alterations, financial impact and timing of the revaluations are not within the control of the Council. There is an on-going risk that issues decided nationally by the VOA could potentially impact on Rochdale BC's Business Rates income.

The future level of collection of Corporate Debt, Business Rates and Council Tax debt is a potential financial risk, particularly with the impact of the Covid-19 pandemic. Collection performance is being monitored on a monthly basis to ensure that debt is recovered as efficiently and effectively as possible, whilst making adjustments to reflect the current circumstances being imposed on businesses and residents, and so that any trends may be highlighted and action taken as necessary, at the appropriate time. Debt collection is likely to be significantly affected by the impact of Covid-19 both in this financial year and future years, and the forecast 2020/21 bad debt charges and provisions have been increased to reflect the increased risk of non-collection.

Consultation

7. All services engage with the production of the directorate based financial information within this report. The Leadership Team, the Leader, Cabinet Member for Finance, and Opposition Portfolio holder for Finance have been informed of the forecast 2020/21 financial position of the Council and its implications for future years. The report has been presented to the Corporate Overview and Scrutiny Committee on 8th February 2021.

Background Papers	Place of Inspection
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8. For further information about this report or access to any background papers contact Samantha Smith	No1 Riverside Floor 2
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For Further Information Contact:	Samantha Smith, Samantha.Smith@rochdale.gov.uk Tel : 01706 924198
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Appendix A – Revenue Budget ‘Variations to budget’ narrative – November 2020

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Adult Care	Management :- In-year pressures relating to staffing, Service Level Agreements and ICT costs	6,634	6,707	(73)
Adult Care	Neighbourhoods:- Forecast pressure from commissioned places for service users	41,729	41,882	(153)
Adult Care	Boroughwide Services:- Forecast pressures from commissioned places for service users	3,675	3,741	(66)
Adult Care	In House Provider Services:- Forecast in-year saving due to staff turnover	925	657	268
Adult Care	Governance Business Support & Home Improvement Agency:- Forecast in-year saving due to staff turnover	873	748	125
Adult Care	Commissioning:- In-year pressure from delay in achievement of savings from Prevention contracts, mitigated by savings elsewhere in the service	2,364	2,475	(111)
Adult Care	Statutory Functions:- minor variations	830	820	10
Adult Care	Adult Care Variation to Budget	57,030	57,030	0
Children's	Cared for Children:- Underspend related to a reduction in placement costs as cared for children's numbers have been reducing steadily since April, numbers have increased by a net 4 in November however not all cared for children attract placement costs as some children are placed within the family/friends network. Deflections budget of £511k now added back to the placements budget which has helped to improve the position.	26,668	25,972	696

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Children's	Practice Improvement: - Underspend largely due to one off savings related to current vacant posts/delays in recruitment £259k and additional income achieved on ASYE.	1,960	1,668	292
Children's	Early Help/Sure Start: - Savings in relation to vacant posts and delays in recruitment, the service are in the final stages of a restructure.	5,043	4,785	258
Children's	School Support: - Overachievement of income on Personnel and Governors Service and underspends on bus passes.	1,391	1,133	258
Children's	Special Educational Needs and Disability (SEND):- The significant growth within SEND is putting increased pressure on SEND transport. This is in line with the pressure on the High Needs Dedicated Schools Grant. Both budgets are now feeling the pressure of full year impact of the growth in SEND numbers in 2019/20 and continued growth in 2020/21.	6,402	6,788	(386)
Children's	Youth Service: - Underspends relating to vacant posts and activities as events cannot happen in the same format due to Covid.	71	11	60
Children's	High Needs Block - Pressure due to the full year impact of 2019/20 growth of Education Health Care Plans and the continued growth within 2020/21. Rochdale special schools are now at full capacity so all future requests for places will result in out of borough Independent schools which is a high cost provision. The service and schools are working together to increase in-borough provision.	0	1695	(1695)

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Children's	Contribution from DSG Reserve: - 2019/20 High Needs deficit £3.2m, including the in-year position this is now £4.9m.	0	(1,695)	1,695
Children's	Children's Services Variation to Budget	41,535	40,357	1,178
Economy	Properties: - In-year pressure as a result of contract changes within Corporate Landlord and increased property charges to Estates. Investigations are currently taking place to understand the issue regarding property charges, which may result in a change to the pressure that is currently being reported.	92	177	(85)
Economy	Property Growth Fund: - In-year pressure due to timescales involved in Direct Development Projects and Commercial Review of existing Industrial Estate assets. These pressures are expected to be short term with projects forecast to perform better than expected in the longer term from the next financial year onwards.	(2,019)	(1,919)	(100)
Economy	Economy Variation to Budget	(1,927)	(1,742)	(185)
Finance Control	Interest: - Continued internal borrowing and rephasing the capital program offset by reduced investment income.	7,311	6,009	1,302
Finance Control	Debt Repayment:- Small ad hoc variations	9,965	10,019	(54)
Finance Control	Finance Control Variation to Budget	17,276	16,028	1,248
Neighbourhoods	Facilities Management:- In-year saving due to staff vacancies within School Trading Accounts and Number One Riverside	2,556	2,458	98

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Neighbourhoods	Environmental Management: - Pressures relating to the under achievement of income targets and to an increase in the rent of the depot. These are offset by in-year savings on supplies and fuel and from delayed filling of vacant posts.	10,909	10,844	65
Neighbourhoods	Coroners: - In-year saving due to delay in the scanning project and reduced activity in the service.	642	562	80
Neighbourhoods	Community & Townships: In-year saving due to staff vacancies within Libraries.	3,936	3,853	83
Neighbourhoods	Strategic Housing: - There is a £476k pressure in respect of housing benefit and homelessness costs which are not fully covered by Government subsidy. Corporate funding has been earmarked to address any shortfall. There is an in-year pressure of £48k in respect of the Discretionary Crisis Fund.	2,239	2,287	(48)
Neighbourhoods	Neighbourhoods Service Variation to Budget	20,282	20,004	278
Resources	Other Managed Budgets: - In-year savings as a result of vacant posts at Head of Service level, plus other temporary arrangements and one-off savings in 2020/21.	4,893	4,582	311
Resources	Revenues and Benefits: - In-year savings as a result of one off funding.	1,270	1,169	101
Resources	Legal Services: - Pressure within the Shared Legal Service with Manchester City Council which is currently under discussion with partners.	1,943	2,228	(285)

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Resources	Human Resources: - There is a recurrent pressure within HR/Organisational Development due to funding issues in relation to two posts. Following a report to Leadership Team, a budget pressure request is being submitted at period 8.	1,860	1,869	(9)
Resources	Internal Audit: - In-year savings related to staffing.	628	614	14
Resources	Governance: - In-year savings related to staffing.	1,805	1,735	70
Resources	Resources Service Variation to Budget	12,399	12,197	202
Grand Total	Total Variation to Revenue Budget - November 2020			2,721

Appendix B – Capital Forecast Spend by Scheme as at November 2020

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Adult Care	Better Care Fund	563	563	-	-	-	563
Adult Care	Disabled Facilities Grant	2,706	2,706	-	2,633	2,633	7,972
Adult Care		3,269	3,269	-	2,633	2,633	8,535
Children's	Aiming High For Disabled Child	-	-	-	42	-	42
Children's	Devolved Formula Capital	1,260	1,260	-	483	483	2,226
Children's	Early Years Capital Grant	40	40	-	19	-	59
Children's	New Place Planning	9,520	5,020	4,500	27,200	5,200	41,920
Children's	Schools Access	2	2	-	-	-	2
Children's	Schools Cap Condition Programme	3,774	3,774	-	2,673	1,833	8,280
Children's	Healthy Pupils Capital Fund	16	16	-	-	-	16
Children's	Special Provision Capital Fund	304	304	-	304	-	608
Children's	CWD Residential Home	30	30	-	1,084	-	1,114
Children's		14,946	10,446	4,500	31,805	7,516	54,267

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Economy	Definitive ROW Improvement Programme	54	54	-	-	-	54
Economy	River Roch Flood Storage	597	597	-	1,000	1,250	2,847
Economy	Rochdale Gateways Environmental Programme	46	46	-	-	-	46
Economy	Stakehill Industrial Estate	1	1	-	50	-	51
Economy	Asset Development Fund	2,713	711	2,002	-	-	2,713
Economy	Property Growth Fund	5,582	2,352	3,230	20,000	15,000	40,582
Economy	East Lancashire Railway	102	80	22	300	-	402
Economy	Lower Falinge	4	-	4	-	-	4
Economy	Heywood South/Junction 19	64	20	44	2,700	-	2,764
Economy	Railway Strategy Park & Ride	106	106	-	200	-	306
Economy	Northern Gateway Feasibility & Study	301	210	91	244	-	545
Economy	Pennine Holl Lake Feasibility	46	46	-	-	-	46
Economy	Metrolink Feasibility	50	-	50	-	-	50
Economy	Birch Fountain & Horse Trough-Middleton	22	22	-	-	-	22

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Economy	East Lancashire Railway - Castleton Mast	500	500	-	750	-	1,250
Economy	SmithyBridge Railway Station	100	100	-	300	-	400
Economy	Middleton Town Centre Phase 3	5	91	(86)	-	-	5
Economy	Town Centre East Feasibility	272	172	100	200	-	472
Economy	Town Hall Adaptation and Restoration	2,586	2,886	(300)	1,700	3,500	7,786
Economy	Rochdale Market	205	105	100	-	-	205
Economy	Town Hall Square PH2	330	330	-	634	2,200	3,164
Economy	Drake Street Phase 2	20	620	(600)	600	100	720
Economy	Town Centre Schemes 2016/17	589	289	300	50	-	639
Economy	Rochdale Town Centre 3 Year Strategy	1,272	672	600	250	-	1,522
Economy	Hopwood Hall Refurbishment	48	12	36	-	-	48
Economy	Town Centre Residential Strategy	267	1,367	(1,100)	2,200	-	2,467
Economy	Rochdale Riverside Phase 2	2,279	4,709	(2,430)	-	-	2,279
Economy	Milkstone Road Master Plan	250	50	200	1,997	-	2,247

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Economy	Hey/Midd/Litt Town Centre Masterplans	160	160	-	-	-	160
Economy	Hopwood Old Hall - Feasibility	50	-	50	-	-	50
Economy		18,621	16,308	2,313	33,175	22,050	73,846
Neighbourhoods	ICT Infrastructure Refresh Programme	567	567	-	444	444	1,455
Neighbourhoods	ICT Data Centre	162	162	-	-	-	162
Neighbourhoods	ICT Programmes (Staff)	526	526	-	500	500	1,526
Neighbourhoods	Townships Capital Programme	189	329	(140)	400	400	989
Neighbourhoods	Housing Standards Fund	564	564	-	800	800	2,164
Neighbourhoods	Kirkholt Investment	273	273	-	-	-	273
Neighbourhoods	New Cemetery Sites	714	184	530	-	-	714
Neighbourhoods	Replacement Parks/Street Machinery	86	86	-	120	120	326
Neighbourhoods	Rights Of Way	88	88	-	80	80	248
Neighbourhoods	Rochdale Cemetery Lodge Repair	176	176	-	-	-	176
Neighbourhoods	Section 106 - Environmental Management	2,094	1,626	468	-	-	2,094

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Neighbourhoods	Townships Capital - Environmental Management	140	130	10	-	-	140
Neighbourhoods	Upgrade Play Equipment	204	204	-	75	75	354
Neighbourhoods	Vehicle Replacement Programme	2,026	1,226	800	1,405	1,839	5,270
Neighbourhoods	Waste Bin Replacement Programme	360	360	-	360	360	1,080
Neighbourhoods	Asset Management Group	2,300	2,300	-	1,750	1,750	5,800
Neighbourhoods	Local Transport Plan	2,544	2,544	-	1,967	1,967	6,478
Neighbourhoods	Townships Capital - Highways	440	440	-	150	-	590
Neighbourhoods	Burglary Reduction Scheme	100	100	-	100	100	300
Neighbourhoods	Energy Efficiency Schemes	84	84	-	-	-	84
Neighbourhoods	Coroners Service accommodation	156	156	-	-	-	156
Neighbourhoods	Additional Highways Funding	219	219	-	-	-	219
Neighbourhoods	J19 Feasibility	3,500	3,500	-	23,032	-	26,532
Neighbourhoods	Developer Contributions	75	75	-	-	-	75
Neighbourhoods	Property Transfers From Townships	42	42	-	-	-	42

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Neighbourhoods	GM Full Fibre Programme	300	50	250	626	-	926
Neighbourhoods	Service Desk System Replacement	60	60	-	50	50	160
Neighbourhoods	Compulsory Purchase Order Programme	490	490	-	1,300	1,430	3,220
Neighbourhoods	Travellers Authorised Stopping Site	70	70	-	-	-	70
Neighbourhoods	Climate Emergency	50	50	-	1,000	1,000	2,050
Neighbourhoods	Car Parking Machines	18	18	-	-	-	18
Neighbourhoods	Cashless System School Catering	6	-	6	-	-	6
Neighbourhoods	Dippy Exhibition Equipment	3	3	-	-	-	3
Neighbourhoods	N1R Revolving Doors	-	-	-	120	-	120
Neighbourhoods	Allotments 2017-18 Manifesto Funding	50	50	-	123	-	173
Neighbourhoods	Accelerated Housing	150	150	-	1,250	650	2,050
Neighbourhoods	Affordable Housing	2,751	2,751	-	-	-	2,751
Neighbourhoods	Customer Transformation Programme	1,225	1,225	-	150	-	1,375
Neighbourhoods	CCTV Upgrade	172	-	172	-	-	172

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Neighbourhoods	Library Self Service	70	70	-	-	-	70
Neighbourhoods	Extended Library Hours	-	-	-	150	-	150
Neighbourhoods	GM Air Quality Monitoring Station	52	52	-	-	-	52
Neighbourhoods	Town Centre Signage	62	62	-	-	-	62
Neighbourhoods	Highway Investment Programme	5,225	5,225	-	2,000	1,320	8,545
Neighbourhoods	Bowlee Free School	200	200	-	1,184	-	1,384
Neighbourhoods		28,583	26,487	2,096	39,136	12,885	80,604
Public Health	Link4Life Capital Project	608	-	608	4,008	360	4,976
Public Health		608	-	608	4,008	360	4,976
Resources	New HR & Payroll System	151	154	(3)	-	-	151
Resources	Manchester Airport	3,730	3,730	-	-	-	3,730
Resources	Investment Fund	1,500	-	1,500	-	-	1,500
Resources		5,381	3,884	1,497	-	-	5,381

Service	Scheme	2020/21 budget, £k	2020/21 Forecast Outturn, £k	Variation, £k	2021/22 budget, £k	2022/23 budget, £k	Total budget, £k
Total Capital Forecast Position at November 2020		71,407	60,393	11,014	110,757	45,444	227,609

Appendix C – Collection Fund

Business Rates

The 2020/21 forecast outturn position relating to Business Rates is a deficit of £24,265k.

Description	Budget £'000	2020/21 Forecast Outturn £'000	(Surplus)/ Deficit £'000	(Surplus)/ Deficit movement from previous update £'000
Gross income	(87,190)	(86,198)	992	(146)
Net Small Business Rate relief	7,682	8,200	518	0
Mandatory Charitable relief	4,354	4,354	0	0
Discretionary relief	1,983	22,886	20,903	464
Empties & Part Occupied relief	3,614	4,500	886	(1,000)
Net Income	(69,557)	(46,258)	23,299	(682)
Less:				
Charge re bad debt provision	800	2,532	1,732	(652)
Allowance for cost of collection	308	308	0	0
Provision for rateable value revaluations	3,932	3,932	0	0
Renewable energy schemes	582	582	0	0
Net yield	(63,935)	(38,904)	25,031	(1,334)
2020/21 payments to preceptors/billing authority	63,935	63,935	0	0
In year (surplus)/deficit	0	25,031	25,031	(1,334)
(Surplus)/deficit brought forward from 2019/20	(1,103)	(1,869)	(766)	0
Payments to preceptors/billing authority re 2019/20 surplus per the 2020/21 Budget process	1,103	1,103	0	0
Forecast (Surplus)/Deficit as at 31/03/2021	0	24,265	24,265	(1,334)

Council Tax

Net Income Raised

The 2020/21 forecast position relating to Council Tax is a deficit of £3,476k.

2020/21 Forecast Council Tax Income

Description	Budget	2020/21 Outturn	(Surplus)/ Deficit	(Surplus)/ Deficit movement from previous report
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
INCOME				
Income from Council Tax	(144,213)	(144,100)	113	(200)
Income from premium on Empty Properties	(453)	(550)	(97)	-
Council Tax discounts	14,598	14,167	(431)	(130)
Local Council Tax Support Scheme (LCTSS)	19,251	20,677	1,426	(823)
Prior year adjustments	208	300	92	-
Total income	(110,609)	(109,506)	1,103	(1,153)
EXPENDITURE				
Charge re bad debt provision	2,212	2,971	759	(222)
Total expenditure	2,212	2,971	759	(222)
Net income to be raised for precept/ billing authority after LCTSS awarded	(108,397)	(106,535)	1,862	(1375)
2020/21 payments to Preceptors/billing authority	108,397	108,397	-	-
In year (surplus)/deficit	-	1,862	1,862	(1,375)
(Surplus)/deficit brought forward from 2018/19	(677)	937	1,614	-
Payments to preceptors re 2018/19 surplus as per the 2019/20 Budget process	677	677	-	-
Forecast (Surplus)/Deficit as at 31/03/2021	-	3,476	3,476	(1,375)