

Report to Cabinet



Date of Meeting	30th March 2021
Portfolio	Leader of the Council and Cabinet Member for Finance
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Public/Private Document	Public

Finance Update Report P10

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 January 2021.
 - 1.1 The Finance Update report contains details of the following:
 - The forecast Revenue outturn position is an in-year saving of £2,552k, which is an increase of £390k from the position reported to 9th February Cabinet. This is after the transfer of £7,451k of Covid 19 funding into 2 earmarked reserves, for use in 2021/22. Non-Covid-19 in-year savings are currently reported at £2,552k, which includes a number of budget carry forward requests that are being considered, and a transfer to a new reserve.
 - Budget Council approved on 3rd March 2021 that any in-year revenue savings for 2020/21 to be transferred to the Equalisation Reserve.
 - There continues to be a pressure on the High Needs Block Dedicated Schools Grant (DSG). The 2020/21 in-year pressure is £1,770k, leaving a closing 2020/21 deficit position on the DSG reserve of £4,970k, which will require addressing going forward.
 - Savings plans of £4,171k ongoing and £280k one off were included in the 2020/21 budget. There is a balance to address of £389k relating to the impact of Covid-19, which is an increase of £22k from the period 8 forecast

- 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 2020/21 Capital expenditure of £53,512k, after the re-phasing of £7,568k to 2021/22, and Capital budget increases of £687k.
- The forecast 2020/21 Collection Fund position of a deficit of £26,748k, which will be partially mitigated by increased government Section 31 grant of £21,324k, leaving a residual pressure of £5,424k, relating to the impact of Covid-19. The Council's share of the residual net pressure is £4,688k.

Recommendations

- 2.1 Cabinet notes the forecast 2020/21 financial positions for Revenue, DSG, Capital, and the Collection Fund as at the end of January 2021, as detailed in section 4.
- 2.2 Cabinet notes the forecast Health & Social Care Pool Budget position as detailed in section 4.2.
- 2.3 Cabinet approves the Budget Pressure requests detailed in section 4.3, and Cabinet note that any increased budget requirement in relation to the annual review of insurance provision will be funded from Public Contingency.
- 2.4 Cabinet notes the transfer of £7,451k of Covid 19 funding into 2 earmarked reserves, for use in 2021/22, and the transfer of £500k to the Development Fund Reserve as detailed in section 4.1.4.
- 2.5 Cabinet note that after accounting for agreed budget carry forwards any remaining in-year savings will be transferred to the Equalisation Reserve.
- 2.6 Cabinet notes the forecast unachieved Savings target in section 4.4.
- 2.7 Cabinet notes the net Capital budget changes of £687k for 2020/21 and £3.000m in 2021/22 detailed in section 4.6.1.
- 2.8 Cabinet notes the Capital re-phasing of £7,568k detailed in section 4.6.3.
- 2.9 Cabinet approves the use of the £170k compensation payment received relating to Middleton Arena to be used to fund related Legal costs with the remaining balance used to replenish the Asset Management Capital Scheme for costs already incurred as detailed in 4.6.2.
- 2.10 Cabinet approves the requests for capital budget switches within Neighbourhoods and Economy Service as detailed in section 4.6.4.

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 January 2021.

Key Points for Consideration

4. Revenue Budget 2020/21

- 4.1 The budget set by Budget Council on 26th February 2020 was £224,127k. Increases in budget in this financial year up to period 10 are detailed in the following table:

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
Cabinet	Oct-20	New Burdens Funding – Admin Support Grant	39
Cabinet	Nov-20	Loss of sales, fees & charges income compensation	1,759
		GRAND TOTAL	265,810

There have been no changes since period 8 Finance Update report was finalised.

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 January 2021 is a General Fund in-year saving of £2,552k:

- Non Covid-19 in-year savings are forecast currently at £2,552k.
- There remains £7,451k of Covid-19 Emergency Government Funding; the unutilised funding has been transferred to 2 earmarked reserves in order to meet expected further Covid pressures. The future pressures that are expected to arise, and have previously been forecast for 2020/21, are within Children's Social Care, Economy, Cultural services and Investments. Budget will be allocated to Directorates to offset the pressures related to Covid-19.

The forecast position is a movement of £390k from that reported to February Cabinet, of which:

- (£169k) relates to non-Covid 19 decreased in-year saving, mainly relating to Adult Care and Neighbourhoods offset by an adverse movement within the Economy Directorate. The table in section 4.1.2 provides further detail of the movements by directorate since February Cabinet.
- £559k relates to reduced forecast pressure relating to Covid-19 in 2020/21, with the expectation that the pressures will occur in 2021/22. The £7,451k forecast balance of unutilised general Covid Grant has been transferred to a reserve. The final contribution to the reserve could be reduced should there be costs incurred prior to year-end. In particular it is anticipated there will be some costs in relation to Link4Life, however these values are not yet confirmed.

The table below provides detail by Directorate:

Directorate/Detail	Current Controllable Net Budget	Forecast Controllable Outturn P10	Forecast In-Year Saving (Overspend)	Previous Monitoring Report P8	Movement since February Cabinet
	£'000	£'000	£'000	£'000	£'000
Adult Care	45,351	44,639	712	-	712
Children's	49,534	,48,392	1,142	1,178	(36)
Economy	15,235	16,030	(795)	(185)	(610)
Neighbourhoods	49,947	49,684	263	278	(15)
Public Health	19,299	19,249	50	-	50
Resources	14,415	14,116	249	202	47
Total Services Spending	193,781	192,160	1,621	1,473	148
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	46,571	45,640	931	1,248	(317)
Covid-19 Emergency Funding	22,231	14,780	7,451	(559)	8,010
Transfer to Covid-19 Reserves	-	7,451	(7,451)	-	(7,451)
Finance Control Budget Pressures	557	557	-	-	-
Total Finance Control Spending	69,359	68,428	931	689	242
Net Expenditure	263,140	260,588	2,552	2,162	390
Uncontrollable Budget Spend	2,670	2,670	-	-	-
Total Budget	265,810	262,258	2,552	2,162	390

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 forecast to deliver an in-year saving of £0.7m due to a combination of staff turnover, reduced residential placements and one off-funding.	712
Children's	<p>General Fund - Children's Social Care (CSC) is forecasting an in-year saving of £1,142k. Cared for numbers have started to increase since December. Once children return to school on 8th March referrals are expected to increase similar to the large influx the service received when children returned in September 2020. There is also a pressure within Special Education Needs Transport which is in line with the growth throughout 2019/20 now having full year impact and continued growth within 2020/21. There are underspends of £336k in Early Help and Children's Centres in relation to vacant posts and delays in recruitment. There are further savings on Schools Support which relates to over achievement of income (£250k) partially offset by pressures in SEND (£363k).</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 10 position is a £1,770k 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. Once schools return the demand for education health care plans is expected to increase but the financial impact of this will be in 2021/22. The High needs cumulative deficit position is £4,970k.</p>	1,142

Service	Narrative	Amount £'000
Economy	<p>The Economy Directorate is reporting an in-year pressure of £795k. There are pressures within Properties as a result of unachieved savings and rental income, and a pressure within the Property Growth Fund (PGF) due to a lower than expected level of investment as a result of the availability of suitable investment opportunities. These pressures are expected to be short to medium term. The Property Project Team are able to increase income within Industrial Estates and PGF projects are forecast to perform better than expected in the longer term from the next financial year onwards, for properties that are already within the Fund. Investments made going forward will have regeneration as the primary focus before any financial yield.</p>	(795)
Neighbourhoods	<p>The Neighbourhoods Directorate is reporting a potential in-year saving of £263k which is detailed in Appendix 1. This is net of budget carry forward requests which are subject to approval.</p> <p>A request to ring-fence £170k of the Directorate underspend to cover costs associated with Facilities Management Services in 2021/21, was approved by Cabinet at period 8 and does not form part of the in-year saving. This carry forward will allow the service to offer a competitive service whilst operational strategies are developed.</p>	263
Finance Control	<p>An in-year saving of £931k is forecast due to continued internal borrowing and rephasing of the capital programme being partially offset by reduced investment income as within the Treasury Management Strategy.</p> <p>£500k has been transferred to establish a new reserve for The Development Fund.</p>	931
Public Health	<p>Public Health are reporting a forecast in-year saving of £50k due to staff vacancies within the Service.</p>	50

Service	Narrative	Amount £'000
Resources	The Resources Directorate is reporting a potential net in-year saving of £249k. There are pressures within the Legal Shared Service with Manchester which are currently under discussion. This pressure is partially mitigated from in-year employee savings from vacant posts, temporary arrangements, and one off funding. There is also an in-year saving in relation to the Occupational Health Contract. There is a request to carry forward £158k which is included in the reported figure.	249
Total		2,552

4.1.3 It is been approved at Budget Council to transfer any revenue in-year savings to the Equalisation Reserve.

In addition the establishment of a £500k Development Fund reserve has been approved. This fund being used to support the Council in attracting external grants to contribute towards the funding/delivery of the Council's objectives in relation to the Regeneration of the Borough.

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	10,305
Children's Social Care	939
Education	100
Highways and transport, Public Health & Housing	3,781
Cultural & Related	54
Environmental and regulatory services	1,498
Finance & Corporate	6,050
Other services	983
Estimated Total Spending Pressure	23,710
Less funding received for Infection Control, Test & Trace, Hardship Fund and Health (via CCG)	(17,143)
Estimated Funding Pressure	11,056
Income	£'000s
Sales, fees and charges	2,821
Commercial Income	7,151
Estimated Total reduction in Income	9,972
Total Estimated Pressure	16,539
Government Emergency Funding	(22,231)
Forecast Government compensation re Sales, Fees & Charges Income	(1,759)
Funding for forecast pressures in 2021/22	(7,451)

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 have been 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 are for demand led and economic pressures and the Government Emergency funding will be applied as and when the pressure materialises.

The current forecast for the impact of Covid in 2021/22 is £24.4m, comprising:

- £12.0m on non-grant specific costs.
- £2.1m sales, fees and charges losses.
- £8.2m of commercial income losses.
- £2.1m reduction in Business Rates and Council Tax income

The forecast Budget Carry forward of £7,451k relating to Covid-19 will be used to partially mitigate these costs, along with additional Government Funding.

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. It is noted that costs associated with the recovery plan for Link4Life could reduce the amount of contribution made in 2020/21.

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 January 2021, 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 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 February Cabinet was £576k; the following table details adjustments and requests received to the end of January 2021:

Service	Ongoing £000s	One off £000's	Total £000s	Narrative
Opening Balance 2020/21 Period 10	473.9	83.1	557.0	The balance brought forward is net of previously approved allocations
Period 10 Requests:				
Economy		9	9	Additional one off charges for Town Hall valuations with future years ongoing charges detailed below
Remaining Balance 2020/21	473.9	74.1	548	Total of remaining pressures budget
2021/22 Requests				
Economy	1.8		1.8	Town Hall valuations increase in costs ongoing for 3 years
Resources		52.5	52.5	Transformation post extended for 12 months and therefore a request for a further 12 months funding split over 2 years.
Neighbourhoods		55	55	9 th February Cabinet approved £55k of one off funding for Hollingworth Lake Country Park Management costs; to be repaid during 2022/23
Neighbourhoods		(250)	(250)	Previously approved future year pressure relating to the Integrated Place Team is to return due to being funded from another source
2022/23 Requests				
Resources		52.5	52.5	Transformation post extended for 12 months and therefore a request for a further 12 months funding split over 2 years.
Neighbourhoods		(55)	(55)	Repayment of funding for Hollingworth Lake Country Park Management costs

If the requests are approved the balance remaining for budget pressures in 2020/21 is £548k; £474k ongoing and £74k one off. The following table details the commitments and balance remaining in the budget pressure fund for 2021/22.

2021/22 Budget Pressures

Service	Ongoing £000s	One off £000's	Total £000s	Narrative
Available Funds	1473.7	551.8	2025.5	
Resources		41	41	Legal Case Management System replacement
Resources		4	4	MeLearning software contract
Economy	1.8		1.8	Town Hall valuations increase in costs ongoing for 3 years
Neighbourhoods		80	80	Integrated Place Team
Neighbourhoods	75		75	N1R retail unit – non achievement of income target; to be used by Registrars
Resources	56.2		56.2	Human Resources 2 posts (part funded)
Children's	16		16	Parent assessment Manual assessments
Neighbourhoods		46	46	Homelessness step down accommodation
Neighbourhoods	60		60	G20 cybersecurity post
Neighbourhoods		55	55	Hollingworth Lake Country Park
Resources		52.5	52.5	Transformation post funding 6 months
Total 2021/22 Budget Pressures Remaining	1264.7	273.30	1538	

The Council's Insurance contract is in year 4, however under the terms and conditions of the contract, there is an annual review of the Council's insurance requirements which can impact on the premium. Following the previous review in year 3, an estimated increase has been included as part of the 2021/22 budget setting process, however, it should be noted by Members if the premium for 2021/22 is to increase above the estimated value then an allocation will be made from Public Contingency.

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 £389k as shown in the table below. The change from Period 8 is an increase in the pressure of £22k mainly due to the Early Payment initiative due to delays.

Service	Nature of Saving	Savings Target - Ongoing	Savings Target - One Off	Total Balance to Address	Balance to Address relating to Covid-19
		£'000	£'000	£'000	£'000
	Sub Total Adults	1,284	60	-	-
	Sub Total Children's	166	-	-	-
Economy	N1 Riverside Utilisation Income	35	-	35	35
	Sub Total Economy	60	-	35	35
N'hoods	Capitalisation of Building Support Team and reduction in Training Budget	100	-	67	67
N'hoods	Waste Vehicle cleaning	17	-	17	17
N'hoods	Income generation from advertising / Digital advertising screens	7	-	7	7
N'hoods	Place based asset management system	100	-	40	40
	Sub Total Neighbourhoods	499	100	131	131
Public Health	System wide prevention review (including YP Substance Misuse and Sexual Health Contract review)	129	-	103	103
	Sub Total Public Health	230	0	103	103
Resources	Early Payment Initiative	-	120	120	120
	Sub Total Resources	1,932	120	120	120
	Savings Grand Total with Balance to Address	4,171	280	389	389

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.
- 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.
- 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 nil rather than the original £120k. At 27th October Cabinet it was agreed to resume standard supplier payment terms of 30 days. This has not had the expected impact and Supplier take up has been minimal.

4.6 Capital Budget 2020/21

The forecast position for the 2020/21 Capital Budget is £53,512k, with spend to date of £32,262k (60.3% of budget). The table below shows a summary of the budget movements to the end of January 2021:

	2020/21	2021/22	2022/23
	£'000s	£'000s	£'000s
BUDGET AS AT END NOVEMBER 2020	60,393	121,774	45,444
Capital Budget Changes	687	3,000	-
Rephasing Requests P10	(7,568)	7,568	-
BUDGET AS AT END JANUARY 2021	53,512	132,342	45,444

4.6.1 Capital Budget Changes

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

Service	Narrative	Funding Method	Capital Budget increases/ (decreases) £000's
Adult Care	Disabled facilities grant	External Funding	354
Economy	Michael Faraday Avenue Grant	External Funding	500
Economy	National Heritage grant	External Funding	245
Neighbourhoods	Reduction in borrowing costs relating to funding received for Local Transport Plan	Prudential Borrowing	(410)
Total Capital Budget Increases			689

The Michael Faraday Avenue grant of £500k in 2020/21 and £3,000k in 2021/22 was approved as a new scheme funded by grants at 27th October 2020 Cabinet.

4.6.2 £170k of compensation funding has been received for works at Middleton Arena. It is proposed that this is used to reimburse the Legal costs incurred with the remaining balance to be added to the Asset Management Group budget as this budget has funded the necessary works in previous years.

4.6.3 Capital Re-phasing requests to the end of January 2021 which have been approved by the Chief Finance Officer are shown in the table below.

Service	Narrative	Rephasing Requested £000s
Adult Care	Better Care Fund - this funding is for development of integrated neighbourhood team sites which will continue into 2021/22 due to delays relating to Covid-19	363
Adult Care	Disabled Facilities Grant - Funding is for adaptations and building works however implementation has been delayed due to Covid and inability to enter premises	976

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, Harwood Park and St Johns Primary schools, and to increase dining capacity at Falinge Park High School, will be completed in the next financial year.	2,000
Children's Service	Schools Capital Condition Programme:- this rephasing request is relating to various schools due to delays in the current financial year with Contractors during the Covid-19 period.	800
Children's Service	Special Provision Capital Fund:- Capital investments in the provision for pupils with Special Educational Needs and disabilities are ongoing into next financial year with work on the Autistic Secondary level at Falinge Park and will continue into 2021/22 with work on Castleton Primary, and Kingsway Park High school.	297
Children's Service	CWD Residential Home:- A residual amount of funding was retained in 2020-2021 for feasibility studies which did not take place this year these will now take place in the next financial year.	30
Economy	Town Centre Schemes - £300k to be rephased for Drake St due to delays in the South Parade scheme during lockdown. £200k to be rephased on the Town Centre 3 Year Strategy scheme due to some site delays, therefore completion will be on Q1 2021/22. £120k to be rephased on the Town Centre Masterplan schemes for the on-going work of the Masterplans to continue in 2021/22	620
Economy	Asset Development Fund - rephase request from current year to future year 2021/22 to reflect delayed start of projects	350
Economy	Property Growth Fund - request from current year to future year 2021/22 to reflect the delayed start of projects	150
Economy	Pennine Holl Lake Feasibility : £30k to be rephased to 2021/22 to continue with project	30

Service	Narrative	Rephasing Requested £000s
Economy	Smithybridge Railway Station : a masterplan is to be developed with a range of external organisations that will take place in 2021/22	100
Neighbourhoods Service	ICT Infrastructure Refresh Programme - A request is made to rephase to 2021/22 due to changes with spend profile	50
Neighbourhoods Service	New Cemetery Sites - Request to rephase budget into 2021/22 to cover the cost of replacing the cremators at Rochdale Cemetery. The timeframe for the tendering of this contract has been protracted due the impact of Covid-19.	110
Neighbourhoods Service	Rochdale Cemetery Lodge Repair - Request to rephase budget into 2021/22 to cover the cost of transforming the lodge into a memorial hall. Contractors are on site but delays caused by recent weather conditions will push back completion of the scheme.	28
Neighbourhoods Service	Section 106 - Environmental Management - A request is made to rephase budget into 2021/22 to facilitate the completion of a number of play and sports schemes including major schemes which are underway at Balderstone Park and Robinson's Common, the Middleton Gym scheme which will commence when its current use as a Covid19 test centre ceases, the Roach Dynamos scheme which is awaiting design approval from the FA and the Darnhill Play scheme which is currently going through procurement.	1,146
Neighbourhoods Service	Townships Capital - Environmental Management - Work on a small number of the schemes approved by Townships relating to environmental improvements will be undertaken during 2021/22.	96
Neighbourhoods Service	Upgrade Play Equipment - A request is made to vire budget from Replacement Parks/Street Machinery (£20k) and Waste Bin Replacement (£60k) to Upgrade Play Equipment and to then rephase £156k into 2021-22 to support a programme of works which are required to bring play areas up to a good standard in the shortest period of time. £76k of the rephase request relates to the completion of works at Springfield Park.	156

Service	Narrative	Rephasing Requested £000s
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 2021/22.56	56
Neighbourhoods Service	GM Full Fibre Programme - A request is made to rephase budget to 2021/22 as project has been delayed due to Covid and is ongoing	50
Neighbourhoods Service	Service Desk System Replacement - A request is made to rephase budget as delay to implementing	60
Neighbourhoods Service	Customer Transformation Programme - A request is made to rephase budget to 2021/22 as project is ongoing	500
Neighbourhoods Service	Highways Investment Programme - Carriage Ways / Footpaths Programme has been progressing well and is ahead of programme. Budget requested to be rephased back to cover this overspend.	(400)
	Total Rephasing	7,568

4.6.4 The following budget switches are requested to fund expenditure:

Service	Scheme	Budget Switches £000s
Economy	Middleton Town Centre Phase 3 : Scheme now completed, therefore budget transferred to the Heywood, Middleton, Littleborough Masterplan budget	(5)
Economy	Heywood/Middleton/Littleborough Town Centre Masterplans: On-going work on the development of the Masterplans which will continue in 21/22	5
Neighbourhoods	Kirkholt Investment – The scheme is reporting an underspend which is requested to be transferred to the Balderstone Park project.	(50)
Neighbourhoods	Replacement Parks/Street Machinery - A request is made to vire budget from Replacement Parks/Street Machinery to Upgrade Play Equipment to support a programme of works which are required to bring play areas up to a good standard in the shortest period of time.	(20)

Service	Scheme	Budget Switches £000s
Neighbourhoods	Section 106 - Environmental Management - A request is made to rephase budget into 2021/22 to facilitate the completion of a number of play and sports schemes including major schemes which are underway at Balderstone Park and Robinson's Common, the Middleton Gym scheme which will commence when its current use as a Covid19 test centre ceases, the Roach Dynamos scheme which is awaiting design approval from the FA and the Darnhill Play scheme which is currently going through procurement.	50
Neighbourhoods	Upgrade Play Equipment - A request is made to vire budget from Replacement Parks/Street Machinery (£20k) and Waste Bin Replacement (£60k) to Upgrade Play Equipment and to then rephase £156k into 2021-22 to support a programme of works which are required to bring play areas up to a good standard in the shortest period of time. £76k of the rephase request relates to the completion of works at Springfield Park.	80
Neighbourhoods	Waste Bin Replacement Programme - A request is made to vire budget from the Waste Bin Replacement to Upgrade Play Equipment to support a programme of works which are required to bring play areas up to a good standard in the shortest period of time.	(60)
	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	10,238	1,424
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	-	(4,469)	-
Capital Receipts income	2,011	2,047	1,726
Forecast Capital Receipts balance as at 31st March 2021	10,238	1,424	3,106

4.6.6 The forecast uncommitted Capital Receipts Reserve balance as at the end of 2022/23 is £3,106k.

4.7 Collection Fund

4.7.1 The forecast Collection Fund outturn position for 2020/21 is a deficit of £26,748k, comprising:

- £23,493k deficit relating to Business Rates, partially offset by Section 31 grant of £21,324k;
- £3,255k 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		23,493		3,255	26,748
<u>Preceptors' Share of 2020/21 outturn</u>					
Rochdale BC	99	23,258	84.61	2,754	26,012
GMCA Mayoral Police & Crime Commissioner	0	0	10.71	349	349
GMCA Mayoral General (including Fire Services)	1.00	235	4.68	152	387
Total forecast outturn (surplus)/deficit	100	23,493	100	3,255	26,748

The Council's share of the forecast Collection Fund deficit is £26,012k, which will be partially offset by Government Section 31 grant funding of £21,324k, leaving a net deficit position of £4,688k.

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.	22,527
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	23,493

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.	(350)
Forecast increased level of Local Council Tax Support discount given due to increased numbers of claimants, partially offset by government Hardship Funding.	1,289
Increased charge relating to the bad debt provision as a result of anticipated impact of Covid 19 on debt collection.	702
A deficit of £937k brought forward from 2019/20 instead of the (£677k) 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	3,255

The Council's 2021/22 General Fund budget set at 3rd March 2021 Budget Council included an estimated 2020/21 Collection Fund deficit of £22.399m; the estimate includes the impact of the government schemes to spread any Council Tax or Business Rates deficit for 2020/21 over the three financial years 2021/22 to 2023/24, and to compensate local authorities for 75% of Council Tax and Business Rates losses. The deficit will also be mitigated by a transfer of £21.111m from the Section 31 reserve.

Any difference between the estimated 2020/21 deficit and the actual 2020/21 deficit will be held in the Collection Fund in 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 Corporate Delivery, 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 25th March 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 – January 2021

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Adult Care	Management :- In-year pressures relating to staffing, Service Level Agreements and ICT costs	(5,125)	(5,057)	(68)
Adult Care	Neighbourhoods: - There is a forecast in-year saving against Neighbourhoods due to a combination of one off funding and residential placements remaining lower than normal.	41,540	41,110	430
Adult Care	Boroughwide Services:- Forecast pressures from commissioned places for service users	3,591	3,620	(29)
Adult Care	In House Provider Services:- Forecast in-year saving due to staff turnover	936	617	319
Adult Care	Governance Business Support & Home Improvement Agency:- Forecast in-year saving due to staff turnover	823	686	137
Adult Care	Commissioning:- In-year pressure from delay in achievement of savings from Prevention contracts, mitigated by savings elsewhere in the service	2,386	2,488	(102)
Adult Care	Statutory Functions:- minor variations	830	805	25
	Adult Care Variation to Budget	44,981	44,269	712
Children's	Cared for Children: - Underspend related to Cared for children's numbers remaining static and a reduction in child protection plans throughout April to November 2020. Since December 2020 numbers have risen however not all placements have resulted in a cost for example some children are placed within the extended family.	26,668	26,060	608
Children's	Practice Improvement: - Underspend largely due to one off savings related to current vacant posts/delays in recruitment and additional income achieved on ASYE.	1,960	1,708	252

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Children's	Early Help/Sure Start: - Savings in relation to vacant posts and delays in recruitment, the service have been through the process of a restructure.	5,042	4,706	336
Children's	School Support: - Overachievement of income on Personnel and Governors Service and underspends on bus passes.	1,391	1,141	250
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 (discussed below) 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	6,765	(363)
Children's	Youth Service: - Underspends relating to vacant posts and activities as events cannot happen in the same format due to Covid.	91	32	59
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	1,770	(1,770)
Children's	Contribution from DSG Reserve: - 2019/20 High Needs deficit £3,200k, including the in-year position this is now £4,970k.	0	(1,770)	1,770
	Children's Services Variation to Budget	41,554	40,412	1,142
Economy	Properties: - There are ongoing pressures in relation to Industrial Estates as a result of underachieved savings and rental income growth. The Project Team have been reviewing the Commercial and Industrial Estate, but the team are currently unable to increase the income during this financial year due to restrictions associated with Covid 19 and the requirements for further capital investment needed in the estate.	92	177	(85)

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
	Property Growth Fund: - Driven by actual levels of investment to date being lower than initially estimated at the fund's inception, as a result of the availability of suitable investment opportunities. 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)	(1,309)	(710)
	Economy Services Variation to Budget	(1,927)	(1,132)	(795)
Finance Control	Interest: - Continued internal borrowing and rephasing the capital program offset by reduced investment income.	7,311	6,325	986
Finance Control	Debt Repayment:- Small adhoc variations	9,964	10,019	(55)
	Finance Control Variation to Budget	17,275	15,844	931
Neighbourhoods	Dippy Project:- In-year saving as project has now ended	96	64	32
Neighbourhoods	Facilities Management:- In-year saving due to staff vacancies within School Trading Accounts and Number One Riverside	2,505	2,377	128
Neighbourhoods	Environmental Management: - Includes requested carry forward to fund the cost of high priority arboriculture works and surveys for bridges in 21/22.	10,974	10,974	-
Neighbourhoods	Coroners :- In-year saving due to delay in scanning project and reduced activity in the service	642	562	80
Neighbourhoods	Community & Townships: - In-year saving due to staff vacancies within Libraries. Budget carry forward requested for Township funds in relation to committed projects.	3,891	3,880	11
Neighbourhoods	Public Protection: - A budget carry forward request has been in respect of enforcement costs linked to Covid enforcement grant.	587	587	-
Neighbourhoods	Policy, Performance & Improvement:- Small pressure due to spend on subscriptions	369	382	(13)
Neighbourhoods	Customer Access :- In-year saving due to efficiencies in contact centre	1,585	1,560	25

Service	Narrative	Budget £'000s	Forecast Spend £'000s	Variance £'000s
Neighbourhoods	Highways & Engineering: - A budget carry forward request has been made for Townships schemes which not complete within the financial year.	3,356	3,356	-
	Neighbourhoods Service Variation to Budget	24,005	23,742	263
Public Health	Public Health Staffing & Non-Staffing: - There is an in-year saving on staffing due to the service having vacant posts.	1,345	1,295	50
	Public Health Service Variation to Budget	1,345	1,295	50
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.	5,087	4,928	159
Resources	Revenues and Benefits: - In-year savings as a result of one off funding.	1,270	1,114	156
Resources	Legal Services: - Pressure within the Shared Legal Service with Manchester City Council which is currently under discussion with partners.	1,943	2,130	(187)
Resources	Human Resources: - In-year savings related to staffing and the Occupational Health Contract.	1,860	1,823	37
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 Service Variation to Budget	12,593	12,344	249
	Total Variation to Revenue Budget - January 2021 (Underspend)			2,552

Appendix B – Capital Forecast Spend by Scheme as at January 2021

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	200	363	-	-	563
Adult Care	Disabled Facilities Grant	3,060	2,084	976	2,633	2,633	8,326
Adult Care		3,623	2,284	1,339	2,633	2,633	8,889
Children's	Aiming High For Disabled Child	-	-	-	42	-	42
Children's	Devolved Formula Capital	1,259	1,259	-	483	483	2,225
Children's	Early Years Capital Grant	40	40	-	19	-	59
Children's	New Place Planning	5,020	3,020	2,000	31,700	5,200	41,920
Children's	Schools Access	2	2	-	-	-	2
Children's	Schools Cap Condition Programme	3,775	2,975	800	2,673	1,833	8,281
Children's	Healthy Pupils Capital Fund	16	16	-	-	-	16
Children's	Special Provision Capital Fund	304	7	297	304	-	608
Children's	CWD Residential Home	30	-	30	1,084	-	1,114
Children's		10,446	7,319	3,127	36,305	7,516	54,267
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	711	361	350	2,002	-	2,713
Economy	Property Growth Fund	2,352	2,202	150	20,000	15,000	37,352
Economy	East Lancashire Railway	80	80	-	322	-	402

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	Lower Falinge	-	-	-	4	-	4
Economy	Heywood South/Junction 19	20	20	-	2,744	-	2,764
Economy	Railway Strategy Park & Ride	106	106	-	200	-	306
Economy	Northern Gateway Feasibility & Study	210	210	-	335	-	545
Economy	Pennine Holl Lake Feasibility	46	16	30	-	-	46
Economy	Metrolink Feasibility	-	-	-	50	-	50
Economy	Birch Fountain & Horse Trough-Middleton	22	22	-	-	-	22
Economy	East Lancashire Railway - Castleton Mast	500	500	-	750	-	1,250
Economy	SmithyBridge Railway Station	100	-	100	300	-	400
Economy	Michael Faraday Avenue	500	500	-	3,000	-	3,500
Economy	Middleton Town Centre Phase 3	91	86	5	-	-	91
Economy	Town Centre East Feasibility	172	172	-	300	-	472
Economy	Town Hall Adaptation and Restoration	3,131	3,131	-	1,700	3,500	8,331
Economy	Rochdale Market	105	105	-	-	-	105
Economy	Town Hall Square PH2	330	330	-	634	2,200	3,164
Economy	Drake Street Phase 2	620	320	300	600	100	1,320
Economy	Town Centre Schemes 2016/17	289	289	-	50	-	339
Economy	Rochdale Town Centre 3 Year Strategy	672	472	200	250	-	922
Economy	Hopwood Hall Refurbishment	12	12	-	-	-	12
Economy	Town Centre Residential Strategy	1,367	1,367	-	2,200	-	3,567
Economy	Rochdale Riverside Phase 2	4,709	4,709	-	-	-	4,709
Economy	Milkstone Road Master Plan	50	50	-	1,997	-	2,047
Economy	Hey/Midd/Litt Town Centre Masterplans	160	45	115	-	-	160
Economy		17,053	15,803	1,250	38,488	22,050	74,091
Neighbourhoods	ICT Infrastructure Refresh Programme	567	517	50	444	444	1,455
Neighbourhoods	ICT Data Centre	162	162	-	-	-	162
Neighbourhoods	ICT Programmes (Staff)	526	526	-	500	500	1,526

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 Programme	91	91	-	260	400	751
Neighbourhoods	Housing Standards Fund	564	564	-	800	800	2,164
Neighbourhoods	Kirkholt Investment	273	223	50	-	-	273
Neighbourhoods	New Cemetery Sites	184	74	110	530	-	714
Neighbourhoods	Replacement Parks/Street Machinery	86	66	20	120	120	326
Neighbourhoods	Rights Of Way	88	88	-	80	80	248
Neighbourhoods	Rochdale Cemetery Lodge Repair	176	148	28	-	-	176
Neighbourhoods	Section 106 - Environmental Management	1,626	530	1,096	474	-	2,100
Neighbourhoods	Townships Capital - Environmental Management	225	129	96	10	-	235
Neighbourhoods	Upgrade Play Equipment	204	128	76	75	75	354
Neighbourhoods	Vehicle Replacement Programme	1,226	1,170	56	2,205	1,839	5,270
Neighbourhoods	Waste Bin Replacement Programme	360	300	60	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	583	583	-	150	-	733
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	3,501	3,501	-	23,032	-	26,533
Neighbourhoods	Developer Contributions	75	75	-	-	-	75
Neighbourhoods	Property Transfers From Townships	42	42	-	-	-	42
Neighbourhoods	GM Full Fibre Programme	50	-	50	876	-	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

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	Climate Emergency	50	50	-	1,000	1,000	2,050
Neighbourhoods	Car Parking Machines	17	17	-	-	-	17
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	725	500	150	-	1,375
Neighbourhoods	CCTV Upgrade	-	-	-	172	-	172
Neighbourhoods	Library Self Service	70	70	-	-	-	
Neighbourhoods	Extended Library Hours	-	-	-	150	-	
Neighbourhoods	GM Air Quality Monitoring Station	52	52	-	-	-	52
Neighbourhoods	Town Centre Signage	62	62	-	-	-	62
Neighbourhoods	Highway Investment Programme	4,815	5,215	(400)	2,000	1,320	8,135
Neighbourhoods	Bowlee Free School	200	200	-	1,184	-	1,384
Neighbourhoods		26,077	24,222	1,855	41,232	12,885	79,974
Public Health	Link4Life Capital Project	-	-	-	4,616	360	4,976
Public Health		-	-	-	4,616	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
Resources		3,881	3,884	(3)	1,500	-	5,381
Total Capital Forecast Position at January 2021		61,080	53,512	7,568	124,774	45,444	27,578

Appendix C – Collection Fund

Business Rates

The 2020/21 forecast outturn position relating to Business Rates is a deficit of £23,493k.

Description	Budget £'000	2020/21 Forecast Outturn £'000	(Surplus)/ Deficit £'000	(Surplus)/ Deficit movement from previous update £'000
Gross income	(87,190)	(86,790)	400	(592)
Net Small Business Rate relief	7,682	8,300	618	100
Mandatory Charitable relief	4,354	4,300	(54)	(54)
Discretionary relief	1,983	23,160	21,177	274
Empties & Part Occupied relief	3,614	4,000	386	(500)
Net Income	(69,557)	(47,030)	22,527	(772)
Less:				
Charge re bad debt provision	800	2,532	1,732	0
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)	(39,676)	24,259	(772)
2020/21 payments to preceptors/billing authority	63,935	63,935	0	0
In year (surplus)/deficit	0	24,259	24,259	(772)
(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	23,493	23,493	(772)

Council Tax

Net Income Raised

The 2020/21 forecast position relating to Council Tax is a deficit of £3,255k.

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	0
Income from premium on Empty Properties	(453)	(577)	(124)	(27)
Council Tax discounts	14,598	14,167	(431)	0
Local Council Tax Support Scheme (LCTSS)	19,251	20,540	1,289	(137)
Prior year adjustments	208	300	92	-
Total income	(110,609)	(109,670)	939	(164)
EXPENDITURE				
Charge re bad debt provision	2,212	2,914	702	(57)
Total expenditure	2,212	2,914	702	(57)
Net income to be raised for precept/ billing authority after LCTSS awarded	(108,397)	(106,756)	1,641	(221)
2020/21 payments to Preceptors/billing authority	108,397	108,397	-	-
In year (surplus)/deficit	-	1,641	1,641	(221)
(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	-	3,255	3,255	(221)