



**2020/21**

**Fourth Quarter  
(Provisional Outturn)  
Financial  
Review**

## 1. Background and Introduction

- 1.1. In accordance with the Council's Financial Procedure Rules and recommended good practice, a quarterly financial report is presented to members. This is the fourth and final report for 2020/21.
- 1.2. The report summarises overall financial performance for 2020/21 with particular emphasis on the key sources of financial risk to the Council. Specific considerations are as follows:
  - **General Fund Revenue Account (Section 2)** – considers budgetary performance on the General Account by looking at variations in income and expenditure and the funding received by the Council.
  - **Efficiency and Rationalisation Programme (Section 3)** – considers progress in achieving the efficiency and rationalisation savings forecast for 2020/21.
  - **Alliance Environmental Services (Section 4)** – highlights the performance of the Council's Joint Venture Company providing Waste and Fleet services.
  - **Capital Programme (Section 5)** – provides an update to Members on progress against the Council's capital plan
  - **Treasury Management (Section 6)** – sets out the key statistics in terms of investments and borrowings;
  - **Revenue Collection (Section 7)** – considers progress-to-date in collecting the Council Tax, Business Rates and Sundry Debts.

## 2. General Fund Revenue Account

2.1. This section of the report considers the financial performance of the General Fund Revenue Account against budget by setting out variations in income and expenditure and funding received by the Council.

Service (with staff*)	2020/21 Budget	Provisional Outturn 2020/21	Variance	Contribution to / (Use of) Earmarked Reserves	Net Variance
	£	£	£	£	£
Alliance Leadership Team	378,590	357,864	(20,526)	-	(20,526)
Audit	98,620	94,970	(3,650)	-	(3,650)
ICT	694,760	752,000	57,240	(25,000)	32,240
Human Resources	52,360	52,440	80	-	80
Member Services	308,800	259,609	(49,191)	-	(49,191)
Property Services	767,920	1,280,655	512,733	-	512,733
Benefits	163,570	184,009	20,439	(20,897)	(458)
Planning Applications	188,870	228,801	39,931	13,750	53,681
Building Control	36,510	(21,311)	(57,821)	-	(57,821)
Customer Services	563,090	505,322	(57,768)	-	(57,768)
Legal Services	237,880	210,101	(27,779)	-	(27,779)
Electoral Services	97,790	53,864	(43,926)	26,047	(17,878)
Licensing and Land Charges	(210,960)	(233,714)	(22,754)	-	(22,754)
Regeneration	232,340	268,755	36,415	(40,000)	(3,585)
Communities and Cultural	459,240	402,120	(57,120)	-	(57,120)
Housing Strategy	43,110	(22,486)	(65,596)	49,965	(15,630)
Transformation	181,130	177,441	(3,689)	-	(3,689)
Community Safety and Enforcement	151,050	105,922	(45,128)	(2,500)	(47,628)
Finance Income & Procurement	357,310	495,710	138,400	-	138,400
Corporate Finance*	1,692,150	140,131	(1,552,019)	167,000	(1,385,019)
Waste Collection	2,154,150	1,986,246	(167,904)	100,368	(67,536)
Street Scene	374,710	382,747	7,894	-	7,894
Leisure Services	181,210	743,652	562,442	(41,776)	520,665
Horticulture	595,190	539,996	(55,194)	(7,096)	(62,290)
Environmental Health	454,900	334,347	(120,253)	-	(120,253)
<b>Net Total of Services</b>	<b>10,253,790</b>	<b>9,279,047</b>	<b>(974,743)</b>		<b>(754,881)</b>
<b>Net Interest</b>	<b>(401,170)</b>	<b>(454,627)</b>	<b>(53,457)</b>		<b>(53,457)</b>
	<b>9,852,620</b>	<b>8,824,420</b>	<b>(1,028,200)</b>	<b>219,862</b>	<b>(808,338)</b>
<b>Funding</b>					
- external	(10,107,180)	(14,660,655)	(4,553,475)	4,521,710	(31,765)
- reserves contribution to/(from)					
general contingency	276,010	276,010	-		-
use of carry forward from 19/20	(13,750)	(13,750)	-		-
earmarked	(7,700)	219,862	227,562	(219,862)	7,700
- covid19 support		(1,961,407)	(1,961,407)		(1,961,407)
<b>Projected (Surplus)/Deficit</b>	<b>-</b>	<b>(7,315,520)</b>	<b>(7,315,520)</b>	<b>4,521,710</b>	<b>(2,793,810)</b>

\* In previous quarters Staff costs were budgeted and recorded in Finance & Procurement. They were considered a corporate resource to be the main source of savings realised by the Authority's Efficiency and Rationalisation Programme, However to show the true use of resources by individual services it is necessary to include the actual staff costs incurred. Therefore the Quarter Four provisional outturn position includes the actual staff costs (and matching budgets) at the service level.

2.2. A revenue budget of £9,838,870 was set for 2020/21. In accordance with Financial Procedure Rules, the roll forward of £13,750 in unused budgets from 2019/20 has been authorised.

**Horticulture (£13,750):** in respect of the playground works to be completed in 2020/21

This brings the 2020/21 budget to £9,852,620

2.3. The table above shows how this budget has been allocated to services.

2.4. The provisional outturn on the General Fund Revenue Account for the year is £2,537,100. This represents a projected surplus for the year of £7,315,520.

2.5. There are seven areas of significant underspend (>£50,000):

- **Building Control (£57,821 underspend);** While there has been a shortfall of some £30,000 in income generated this has been more than offset by a £90,000 saving against the historic staffing budget.
- **Customer Services (£57,768 underspend);** savings have been generated across a number of budget heads owing to the change in working practices brought on by Covid-19. The adoption of IT solutions for communication within and without the council has reduced travel and the demand for printing and postage.
- **Communities & Cultural (£57,120 underspend);** Covid-19 has heavily impacted the service with initiatives and projects having to be postponed or cancelled.
- **Corporate Finance (£1,385,019 underspend):** The most significant contributor to the underspend was the receipt of £740,000 as the Council's share of undistributed balances when the Staffordshire Business Rates Pooling arrangement was wound up. Corporate Finance has also been the recipient of Government funding to support the administration costs incurred by the District issuing Covid 19 grants on their behalf. The time and effort involved was spread across the Authority's workforce so the credits have been taken at the Corporate level, with £355,000 received in relation to Business Support Grants and £25,000 in regard to Self-Isolation. Performance against centrally held budgets for staff, inflation and efficiencies generated the remaining underspend.
- **Waste (£67,536 underspend);** Covid-19 while driving up costs of the service, has disproportionately increased revenues generating this surplus. Lockdowns with their increased reliance on home catering, takeaways and internet shopping significantly increased the volume of recyclables being collected and the income generated thereon.
- **Horticulture (£62,290 underspend);** Higher income levels within the service have contributed £17,000 to the underspend. The remainder is seen as the realisation of savings generated across the service from the adoption of a new delivery model in the year.
- **Environmental Health (£120,253 underspend);** The response to Covid-19 has significantly impacted the nature and volume of work carried out in this service, as it was involved in both Track and Trace and Enforcement.

It did receive third party funding in 2020/21 towards these costs leaving the service with an in-year surplus.

2.6. There are three areas of significant overspend (>£50,000):

- **Property (£512,733 overspend);** Covid-19 has impacted this service significantly. In particular Car Parking, where a significant reduction in income produced a net £366,000 shortfall and Public Conveniences where additional cleaning costs are primarily responsible for a £173,000 overspend.
- **Finance Income and Procurement (£138,400 overspend);** Covid-19 has significantly impacted the Recovery service with net income generated from summons activity some £158,000 below original expectations due to stalled recovery action. Spending on external services to support billing processes has resulted in a £16,000 overspend in local taxation. This was exacerbated to a degree by the heavy involvement of staff in administering the Covid-19 business support grants. These cost pressures were offset by savings across a number of budget headings including some £30,000 against insurance costs.
- **Leisure (£520,665 overspend);** The pandemic saw the closure and curtailment of leisure facilities and activities significantly impacting the council's leisure contractor. The additional in-year cost consequence to the authority of providing financial support to the contractor was £542,000.

2.7. The £53,460 underspend on net interest costs is detailed in section 6.

2.8. The level of funding for the year is £6,287,320 above that budgeted due to the following:

*External Funding: (£4,553,475)*

- Business Rates Retention (£4,493,022 additional funding):
  - The Council received £4,521,710 in additional S31 grants in the year to compensate for the award of Extended Retail Relief of 100% (33% relief was forecast in the budget based on the best knowledge at the time; and Nursery Discount (not anticipated in the budget). Both of these increases to relief were announced by the government in response to the Covid-19 situation. Accounting practice dictates that these grants are treated as general fund revenue in the year. However, the extended reliefs impact the Collection Fund by increasing the deficit in the year, which will need to be distributed in future years, therefore this additional funding needs to be earmarked to accommodate this and cannot be used to support other services.
  - This is offset in relatively small part by an increase in the net levy payable on growth to the Staffordshire Business Rates Pool of £28,688 compared to the budgeted amount owing to a reduction in the provision of appeals from resolved national precedent cases and

reduction in collectible rates on which appeals provision needs to be made.

- Rural Services Delivery Grant (£60,453 unbudgeted funding)

#### *Use of Reserves (£227,562)*

- The original budget for 2020/21 assumed a contribution of £276,010 into general fund contingency and a £7,700 use of earmarked reserves
- The outturn reported in table 2.1 assumes that the £276,010 contribution to contingency reserves included in the 2020/21 budget was made. In practice however owing to the general fund surplus generated in the year the actual contribution to reserves was £7,577,780
- The £219,862 reserve usage reported in table 2.1 reflects that instead of using the £7,700 in earmarked reserves the District was actually able to contribute £227,562 into them.

#### *Earmarked*

- ICT £25,000 use: monies drawn from reserve earmarked for IT infrastructure to cover costs of homeworking IT equipment.
- Benefits £20,897 use: monies previously earmarked to address service budget pressures arising out of Housing Benefits reform are being used.
- Planning Service £13,750 contribution: £6,250 used in year from the grant received from Government in 2019/20, to support the Council in protecting the Green Belt. £20,000 added to reserve earmarked to meet costs of maintaining Local Plan arising out of underspent in year budget.
- Electoral Services £26,047 contribution: this is the net contribution into the Election Equalisation Reserve earmarked to meet costs of future elections.
- Regeneration £40,000 use: An earmarked budget set up in 2019/20 in anticipation of additional logistical costs being required has been applied to support the District's Markets.
- Housing Strategy £49,965 contribution: Third party funds received in-year are being set aside to support homelessness initiatives that will run into future years.
- Community Safety and Enforcement £2,500 use: A drawdown was made from a reserve to support domestic violence initiatives.
- Corporate Finance £167,000 contribution; During 2020/21 £167,000 in Derelict Land Grants, held historically on the Balance Sheet, were taken as an in-year credit. As the nature of this windfall was from previous

infrastructure initiatives these monies have been set aside to support the District's capital programme..

- Waste £100,368 contribution: The proceeds from selling a vehicle are credited to the owning service if £10,000 or under, but if more are returned to the capital pool to fund future acquisitions. During 2020/21 individual sales below £10,000 generated £48,260 for the service. This amount was considered significant enough to be returned to the capital pool by means of an earmarked reserve.  
The service also saw an in year reduction against budgeted vehicle maintenance costs of some £52,000 as it benefitted from having a younger fleet. In the knowledge that these costs would increase as the fleet aged this money has been earmarked towards future year maintenance costs.
- Leisure Services £41,776 use: £43,228 has been drawn down from the Authority's Future Leisure reserve to fund the cost of consultations carried out in the year. A small contribution of £1,452 was made into the reserve supporting the District's involvement in the Together Active Staffordshire and Stoke-on-Trent initiative.
- Horticulture £7,096 use: Works on Recreation Grounds and Open Spaces are part funded each year by drawing down on Section 106 monies previously received from Developers as part of their planning obligations. In 2020/21 £7,700 of these S106 monies were applied. Movement against a number of small reserves set up to match longer term initiatives produced a net £600 contribution by the service.

#### *Covid 19 funding (£2,506,249)*

In response to the financial strain placed on local authorities by the pandemic the Government provided financial support in the form of grants towards exceptional costs and compensation for loss of income. This support amounted to £2,506,249 made up of the amounts below:

#### *Service Specific Costs Support: (£544,842)*

*These grants were credited direct to Services and are included in their outturns for 2020/21 as reported in Table 2.1*

- Enforcement Grant (£39,516 funding):  
This funding, credited to Environmental Health, relates to the costs incurred enforcing lock down requirements in the District.
- Track and Trace (£125,190 funding):  
This funding from the County Council, credited to Environmental Health, was towards the Council's responsibilities for local track and trace.
- Business Grants Administration (£355,300 funding):  
This additional grant, credited to Corporate Finance, relates to the costs incurred administering the allocation of grants to Covid impacted businesses in the District.
- Isolation Grants Administration (£24,836 funding):

This funding, credited to Corporate Finance, relates to the costs incurred administering the allocation of Self Isolation grants to Covid impacted individuals in the District.

*General Costs Support: (£1,961,407)*

*This represents funding provided to support all the Authorities activities and is shown as Covid Funding in Table 2.1.*

- General Support (£1,279,832 funding):  
The Council has received these monies to support its general activities as impacted by the pandemic.
- Loss of Income (£433,538 funding):  
Councils were granted the facility to claim for up to 75% of net losses against budget for income streams that satisfy set criteria. Based on a prudent interpretation of the guidance.
- Council Tax Losses Support (£15,879 funding):  
Government made an in-year contribution against anticipated losses in Council Tax receipts.
- Business Rates Losses Support (£232,158 funding):  
Government made an in-year contribution against anticipated losses in Business Rates receipts.

#### *General Fund Revenue Reserves*

2.9 The provisional outturn for the year on the General Fund Revenue Account was a £7,315,520 surplus.

2.10 The surplus generated is calculated inclusive of the £262,260 contribution into general reserves budgeted for in 2020/21. Therefore, the Authority's contingency reserves have increased overall by £7,577,780.

Of this a new Business Rates earmarked reserve of £4,521,710 is to be created to match S31 grant income received to the future needs of the Collection Fund in 2021/22; and as detailed in the MTFP, £545,000 of windfall receipts in respect of the wind up of the original Staffordshire Business Rates Pool is to be placed in an earmarked reserve to be used to 'support future projects around economic regeneration, business support and improving town centres as well as economic recovery post Covid19'

2.11 The Authority's calculated minimum for its contingency reserve is £1,480,000. A review of the Authority's reserves has been performed to identify areas where earmarking for future projects was considered prudent while maintaining a satisfactory level for contingency. As a result the following moves into earmarked reserves are proposed;

- £100,000 added to an earmarked reserve to fund future costs of the Covid-19 recovery programme
- £100,000 added to an earmarked reserve set aside to support with the costs associated with the Future Leisure Provision project

- £100,000 added to an earmarked reserve set aside to support with the delivery of Climate change related projects.
- £75,000 used to create a new reserve earmarked to support partner organisations in short term financial difficulty
- £500,000 added to an earmarked reserve to cover impairment costs associated with the review of the Ascent Housing LLP in partnership with Your Housing.
- £150,000 added to an earmarked reserve set aside to support the digital strategy.
- £218,000 to create a new Business Rates Pool Contingency Fund – earmarked reserve to fulfil a requirement under the establishment of the new Staffordshire Business Rates Pool
- £50,000 used to create a new reserve earmarked to support costs associated with organisational development and the HR process.
- £1,218,000 balance of the underspend has been added to Contingency

2.12 In addition a balance of £450,000 has been moved from the obsolete Pensions Reserve to Contingency in line with the 2021/22 Medium Term Financial Plan.

2.13 The effect of these changes results in a balance on general fund reserves as at 31<sup>st</sup> March 2021 of £4.1million – which is £2.6million above new minimum contingency level. The current Medium Term Financial Plan approved in February 2021 assumed a General Fund contingency balance of £3.48m at the end of 2020/21. The Council expects to use £756,410 of general contingency reserves over the next four years 2021/22 – 2024/25 as a result of the pressures being felt by the Council in the current Covid-19 situation.

*Carry Forward Request:-*

2.14 The following requests for carry forward have been received:

- **Planning Policy - (£5,500):** carry forward of unspent budget in respect of the production costs of the Local Plan document to be completed in 2020/21
- **Communities – (£8,660):** carry forward of unspent budget in respect of the Councillors Initiative Fund to be used in 2021/22.

### 3. Efficiency and Rationalisation Programme

- 3.1. This section of the report considers the financial performance of the Council's Efficiency and Rationalisation Programme in 2020/21.
- 3.2. The Council's Medium-Term Financial Plan (approved in February 2019) included the four-year (2017/18 – 2020/21) Efficiency and Rationalisation Strategy targeting savings of £3.14 million. This was required to balance the forecast budget deficit position of £2.7m and also the carry forward of unachieved efficiencies from 2016/17 of £0.4m.
- 3.3. The Efficiency and Rationalisation Strategy is premised on the need to both reduce expenditure and increase income. The need to grow income is now more of a priority as the Council moves more towards being self-financing. The strategy has been developed with the underlying principles of protecting frontline service delivery. It is also intended that the strategy is a tool to enable the Council to ensure that its service spending is determined by the established priorities set out in the Corporate Plan.
- 3.4. The 2020/21 budget was set in February 2020 with the assumption of £702,000 of savings in the year. This figure comprised £1,175,000 from the original strategy reduced by an expected £473,000 over-achievement of savings against the 2019/20 target. In the event a further £183,000 of savings were realised in quarter 4 of 2019/20, reducing the amount to be achieved in 2020/21 to £519,000. The major focus of the savings programme in 2020/21 being on growth, income generation and major procurements.
- 3.5. At the end of 2020.21, £137,000 of savings have been taken against the reduced 20/21 efficiency target.
- 3.6. The current situation, regarding the on-going effect of the Covid-19 pandemic, places into doubt some of the savings taken out of the budget during 2019/20; particularly those relating to the Leisure Services contract. This is being kept under review as the impact of the pandemic become clearer. This is being kept under review as the impact of the pandemic become clearer. The £382,000 shortfall in current year savings is as forecast in Quarter 3. In line with the current MTFP the unmet savings requirement will be carried forward into 2021/22.
- 3.7. The Authority carries a longstanding reserve earmarked to support the Efficiency Strategy, which can be drawn on to offset one-off costs of delivering the efficiency programme, such as redundancy costs. The reserve currently stands at £493,000. It has not been necessary to draw on this reserve in previous years, so it remains intact to underwrite performance against future savings targets in the Efficiency Programme.

#### 4. Alliance Environmental Services

- 4.1. Alliance Environmental Services Ltd (AES) delivers waste, fleet, street cleansing and grounds maintenance services to both Staffordshire Moorlands District and High Peak Borough Councils. The Councils are shareholders of the company along with ANSA, which is a wholly owned subsidiary of Cheshire East Council.
- 4.2. AES's financial performance and impact on this Council's budget is summarised below:

2020-21	£
<b>AES Contract budget</b>	<b>4,473,920</b>
Management fee	4,692,515
Allocation of AES efficiency	(246,988)
Additional fee	38,726
Covid-19 costs	191,577
Fleet maintenance fund	(52,109)
<b>Total management fee payable</b>	<b>4,623,721</b>
Allocation of Joint Operation profit	(138,467)
<b>Net total</b>	<b>4,485,254</b>
<b>Variance to budget</b>	<b>11,334</b>

- 4.3. The AES business plan for all services delivered to the Council during 2020/21 included a budgeted management fee of £4,692,515. The Council's share of the total AES revised efficiency target for 2020/21 of £246,988 is then repayable to the Council and is allocated against the management fee costs.
- 4.4. The £38,726 additional fee relates to the increased pay award where 2.75% was settled but only 2% budgeted at the time; and a pressure on the basket of goods income rate on recycling. Additional costs of £191,577 were incurred as a result of the Covid-19 outbreak; these relate to provision of cleaning products, PPE and additional agency costs.
- 4.5. It is acknowledged that new vehicles require less maintenance expenditure in the early years, but these costs will increase with a vehicle's age, therefore AES has reimbursed the Council with the underspend on this budget of £52,109 to be held specifically in an earmarked reserve to be drawn down in future years when the burden becomes greater than the budgeted amount.
- 4.6. Under accounting standards, AES's financial performance is consolidated in to the Councils' single entity statements as a 'Joint Operation' as opposed to separate group accounts being reported. The profit is therefore apportioned between the two Councils and the respective services in line with the input of budgeted resources from each department. The Council's share of the profit

based on the draft outturn is £138,467 and is offset against the management fee costs.

## 5. Capital Programme

- 5.1. This section of the report provides an update to members on the Council's Capital Programme.
- 5.2. The revised General Fund Capital Programme for 2020/21, as updated and approved in February, was set at £3,077,230
- 5.3. The 2020/21 provisional outturn at March 2021 is summarised in the table below, with further detail provided at Annex A.

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Service	2020/21 Approved Budget	Out- Turn 2020/21	Variance
	£	£	£
Housing Standards	790,000	944,143	154,143
Property Services	775,640	727,796	(47,844)
ICT	116,610	114,945	(1,665)
Fleet Management	986,130	990,538	4,408
CCTV	212,000	126,350	(85,650)
Regeneration	26,850	23,334	(3,516)
Horticulture	170,000	170,199	199
<b>Total</b>	<b>3,077,230</b>	<b>3,097,305</b>	<b>20,075</b>
<b>Funding:-</b>			
External Contributions	795,000	949,143	154,143
Capital Receipts	110,000	93,616	(16,384)
Capital Reserves	557,000	615,006	58,006
Earmarked Reserves	220,850	126,350	(94,500)
Borrowing	1,394,380	1,313,191	(81,189)
<b>Total</b>	<b>3,077,230</b>	<b>3,097,305</b>	<b>20,075</b>

Capital Expenditure of £3,097,305 during the year against the revised budget of £3,077,230, representing an overspend of £20,075. This is made up of a number of variances which reflects the impact of Capital Programme projects which are either behind schedule or have progressed quicker than expected with the most significant variance being:

- Housing Standards (£154,143 overspend) Disabled Facilities grants completed during the final quarter exceeded the revised forecast. Overall delivery of the grant programme is however below the annual Government support of £1.7m received against expenditure of £0.9m. The funding is ringfenced and therefore no adjustment of carry forward is required. Offsetting the overspend was a small underspend against the Home Repairs grants programme of £7,547.
- CCTV (£85,650 under spend) Replacement and upgrade of CCTV cameras has been delayed due to the supplier, prioritising emergency

repairs only during the pandemic. It is anticipated that the works will now go ahead during this year. The necessary carry forward of budget will be made

- 5.5 Consequently, capital funding applied to the 2020/21 Capital programme is higher than forecast in February, reflecting the incidence of timing of capital spend.
- 5.6 As a result of the variances detailed above, approval is sought to increase the capital budgets for 2021/22 as shown in the table below:-

<b>Capital Programme 'Carry Forwards' (2020/21 to 2021/22)</b>			
<b>Service</b>	<b>Variance</b>	<b>Carry forward to 2021/22</b>	<b>Over/(Underspend) Completed Projects</b>
	<b>£</b>	<b>Over/(Underspend)</b>	<b>£</b>
		<b>£</b>	
<b>Housing Standards</b>	154,143	(7,547)	161,690
<b>Property Services</b>	(47,844)	(47,844)	-
<b>ICT</b>	(1,665)	(1,665)	-
<b>Fleet Management</b>	4,408	4,408	-
<b>CCTV</b>	(85,650)	(85,650)	-
<b>Regeneration</b>	(3,516)	(3,516)	-
<b>Horticulture</b>	199	199	-
<b>Total</b>	<b>20,075</b>	<b>(141,615)</b>	<b>161,690</b>

## **6. Treasury Management**

- 6.1. This section of the report sets out the key treasury management statistics in relation to the Council's investments and borrowings. This report comprises a high level treasury management summary. The Audit and Accounts Committee receives detailed operational updates on treasury management.

### *Investments*

- 6.2. Cash Investments at the end of the year were £18.4million. Interest earned on these investments totalled £43,800 and the average level of funds available for investment was £19.7million.
- 6.3. The Council budgeted to receive £88,510 in investment income in 2020/21. After a small income on some local loans, there was an overall shortfall of £40,922 against this budget is due to falling interest rates following the Bank of England base rate reduction to 0.10% in March 2020.

### *Ascent Joint Venture*

- 6.4. The Council has a debenture of £5million paying 2% and loan of £14million paying an average 3.60% with Ascent, the joint venture company established to deliver affordable housing across the District.
- 6.5. The investment income budget included £100,000 income from the debenture and £545,390 from the loan. The debenture interest was on target, while there was a small shortfall of £41,417 against the loan interest income budget due

to lower PWLB rates on the tranche roll dates that expected at budget setting stage.

### *Borrowing*

- 6.6. External debt was £15million at the end of the year, an increase of £5million from the opening external debt balance of £10million. £14million funds the Ascent loan; and £1million other general fund capital expenditure. This approach was taken to ensure an appropriate level of liquidity was available during the uncertainty surrounding Covid expenditure and reduced revenue income. The Council budgeted to incur £332,730 in interest charges in 2020/21. There was an underspend of £135,796 against the budget due to falling interest rates.

## **7. Revenue Collection**

- 7.1. This section of the report details the outturn in collecting the Council Tax, Business Rates and Sundry Debt.\
- 7.2. The collection rates for the year were as follows:
- Council Tax – 98.17% of Council Tax was collected, compared to 98.55% for the same period last year.
    - By the end of quarter 1 of the following financial year 2021-22 the collection rate for the year had improved to 98.69%.
  - Business Rates – 97.35% of Business Rates was collected, compared to 99.30% for the same period last year.
    - By the end of quarter 1 of the following financial year 2021-22 the collection rate for the year had improved to 98.14%.
- 7.3 At the end of Quarter Four the value of sundry debt that was over 60 days old was £65,090 which compares with £70,729 at 31<sup>st</sup> March 2020.

**ANNEX A**

**Capital Programme Update 31<sup>st</sup> March 2021**

Capital Schemes	2020/21 Approved Budget	Out- Turn 2020/21	Variance	Carry Forward to 2021/22 Over/(Under spend)	Over/(Under spend) Completed Projects
	£	£	£	£	£
<b><u>Housing Standards</u></b>					
Private Sector Grants	790,000	944,143	154,143	(7,547)	161,690
<b>Total Environmental Health</b>	<b>790,000</b>	<b>944,143</b>	<b>154,143</b>	<b>(7,547)</b>	<b>161,690</b>
<b><u>Property Services</u></b>					
Asset Management Plan	775,640	727,796	(47,844)	(47,844)	-
<b>Total Property</b>	<b>775,640</b>	<b>727,796</b>	<b>(47,844)</b>	<b>(47,844)</b>	<b>-</b>
<b><u>ICT</u></b>					
	116,610	114,945	(1,665)	(1,665)	-
<b>Total ICT</b>	<b>116,610</b>	<b>114,945</b>	<b>(1,665)</b>	<b>(1,665)</b>	<b>-</b>
Vehicle & Plant Purchase	986,130	990,538	4,408	4,408	-
<b>Fleet Management</b>	<b>986,130</b>	<b>990,538</b>	<b>4,408</b>	<b>4,408</b>	<b>-</b>
CCTV - Upgrade	212,000	126,350	(85,650)	(85,650)	-
<b>CCTV</b>	<b>212,000</b>	<b>126,350</b>	<b>(85,650)</b>	<b>(85,650)</b>	<b>-</b>
<b><u>Regeneration</u></b>					
Moorlands Partnership Grants	26,850	23,334	(3,516)	(3,516)	-
<b>Total Regeneration</b>	<b>26,850</b>	<b>23,334</b>	<b>(3,516)</b>	<b>(3,516)</b>	<b>-</b>
<b><u>Horticulture</u></b>					
Brough Park Improvements	170,000	170,199	199	199	-
<b>Total Horticulture</b>	<b>170,000</b>	<b>170,199</b>	<b>199</b>	<b>199</b>	<b>-</b>
<b>Total Programme</b>	<b>3,077,230</b>	<b>3,097,305</b>	<b>20,075</b>	<b>(141,615)</b>	<b>161,690</b>