

Budget 2020/21 Q1- Provisional Variance

Directorate	Full year Budget	Budget to date	Actual to date	Variance to date	Variance to date
	£'000	£'000	£'000	£'000	%
General Fund					
Chief Executive's Office	760	200	211	11	6%
Financial Services	2,531	512	(485)	(997)	-195%
Human Resources and Corporate Services	1,346	233	209	(24)	-10%
Housing General Fund	1,621	(763)	(150)	613	80%
Shared Waste and Environmental Health	7,208	226	954	728	322%
Transformation	2,628	542	498	(44)	-8%
Planning	4,096	535	117	(418)	-78%
Net Service Costs	20,190	1,485	1,354	(131)	-9%
Overhead Costs (Not included in Full Year Budget Total)	9,282	2,471	2,079	(392)	-16%
Council Approved Contingencies	250	0	0	0	0%
Finance Charge Reversals	(1,074)	0	0	0	0%
Capital expenditure funded from Revenue	3,978	0	0	0	0%
Greater Cambridge/CA Funding Contributions	1,065	0	0	0	0%
Internal Drainage Board Levies	206	103	103	0	0%
Interest Payable	2,128	12	12	0	0%
Investment Income	(4,537)	(1,134)	(479)	655	58%
Minimum Revenue Provision	2,075	0	0	0	0%
General Fund total costs	24,281	466	990	524	112%
New Homes Bonus	(2,768)	(692)	(692)	0	0%
Rural Services Grant	(131)	(65)	(65)	0	0%
(Surplus) / Deficit on Collection Fund re Council Tax	(99)	(25)	(25)	0	0%
(Surplus) / Deficit on Collection Fund re Business Rates	(307)	(77)	(77)	0	0%
Retained Business Rates (incl. Section 31 Grant)	(11,483)	(2,871)	(3,071)	(200)	-7%
Council Tax	(9,562)	(2,391)	(2,391)	0	0%
General Fund total income	(24,350)	(6,121)	(6,321)	(200)	-3%
General fund total	1,451	(5,655)	(5,331)	324	6%
Earmarked Reserves	(1,382)	0	0	0	0%
Directorate					
	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
HRA					
Housing Repairs - Revenue	4,463	1,066	359	(706)	-66%
Supervision and Management General	4,447	692	566	(125)	-18%
Supervision and Management Special	676	150	(58)	(208)	-139%
Corporate Management	651	0	0	0	0%
Interest on Loans	7,254	0	(59)	(59)	0%
Depreciation	6,868	0	0	0	0%
Capital Expenditure funded from Revenue	15,149	0	0	0	0%
Other	149	2	1	(1)	-37%
Total HRA expenditure	39,657	1,908	809	(1,099)	-58%
Income	(29,477)	(7,644)	(7,590)	54	1%
Interest Receivable	(680)	0	0	0	0%
Total HRA	9,499	(5,736)	(6,781)	(1,045)	-18%

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Directorate	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
GF Capital					
Transformation - ICT Development	442	44	9	(35)	-80%
Financial Services	112,803	10,903	1,390	(9,513)	-87%
HR & Organisation	1,990	497	1	(496)	-100%
Housing Services - General Fund	1,829	451	91	(360)	0%
Waste & Environmental Services	2,206	184	46	(138)	-75%
Total GF Capital	119,270	12,079	1,537	(10,542)	-87%

Directorate	Full year Budget	Budget to date	Total expenditure	Variance	Variance
	£'000	£'000	£'000	£'000	%
HRA Capital					
Preparation of Self-Build Plots	152	38	0	(38)	-100%
New Homes Programme	26,871	6,718	1,195	(5,523)	-82%
Repurchase of HRA Shared Ownership Homes	150	38	55	17	45%
Orchard System Upgrade	127	32	0	(32)	-100%
Housing Repairs - Capital	7,228	1,807	42	(1,765)	-98%
Total HRA Capital	34,528	8,633	1,292	(7,341)	-85%

Significant Items of Variance from Working Budget

Budget 2020/21 Q1 - General Fund revenue

Service Grouping	Reason for Outturn Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Overhead Costs						
HR Payroll	Underspend due to June Pension Deficit entered in P4 (£135,000) and the new HR IT system costs not having started yet (£43,000).	1,871	484	305	(179)	-37%
ICT	£74,000 staffing related and £37,500 related to the first quarter's instalment of the £150k annual contribution through the bid process. This has not yet been invoiced for, awaiting confirmation of service delivered.	1,377	278	254	(24)	-8%
Internal Audit	Q1 Invoice not received yet	106	31	0	(31)	-100%
Explained variances		3,354	793	559	(234)	-30%
Financial Services						
Investment Properties rent	The actual is currently showing net expenditure against a budget that would normally be showing net Income. This is because the Council has had to pay the empty property rates on 270 Science Park of £323,000 and income is £209,000. The Council is in contact with the Valuation Office to obtain an RV reduction to zero thereby removing this liability.	(1,306)	(327)	114	441	135%
Interest	Lending to Ermine Street in the final quarter of 2019/10 and first quarter of 2020/21 was lower than budgeted and hence interest is lower than budget. It is unclear whether the assumed lending profile will catch up this financial year but even if it does interest will be chargeable for a shorter period and therefore be lower. It has been assumed that some of the additional government funding for COVID will make up this loss.	(3,231)	(808)	(593)	215	27%
Treasury Management	Additional costs associated with the investment strategy, but not significant in monetary terms.	26	5	9	4	85%
Explained variances		(4,511)	(1,130)	(470)	660	58%
Housing General Fund						
Improvement Grants	The grant funding from Cambs County Council (£690,000) was received later than expected - in July 2020.	30	(660)	0	660	100%
Travellers Site - Milton	Income was up by £3,300 and site expenditure £5,700 lower than anticipated in the first quarter.	(18)	(8)	(16)	(8)	-108%
Travellers Site - Whaddon	£1,000 additional income received, site maintenance spend lower and water rates not paid as anticipated in quarter 1	(13)	(9)	(13)	(4)	-44%
Sub Regional Homelink Service	Invoices for contributions from partner organisations were raised in July, later than anticipated.	(70)	(31)	0	31	100%
Explained variances		(71)	(708)	(29)	679	96%
Waste and Environmental Health						
Environmental Health	Timing difference due to Q1 ICT invoice not received	199	15	4	(11)	-76%
Shared Waste Collection Service	Trade Income has been decimated by Covid-19. In the process of contacting customer base to see what new collection service they want is. Annual and six-monthly invoicing put on hold - invoicing is currently undertaken piecemeal when demand is identified. £42,000 saving on fuel budget offsets this due mainly to low fuel price. An assumption has been made	(1,668)	(1,653)	(824)	829	50%
Environmental Health General	Q1 income budgeted of £11,000 not received in the quarter due to the Coronavirus though this not significant in monetary terms and can be taken from the Government's additional funding.	313	(6)	2	8	143%

COVID-19 Emergency	£51,000 equipment purchases; £22,000 vehicle costs; £6,000 protective clothing, this is funded from Central Government grant received some in 2019/20 and some in 2020/21.	0	0	82	82	100%
Taxi Licensing	£42,000 loss income due to COVID-19, leading to £7,000 saving on licence plates and stationery. Some of this loss will be delayed rather than lost but it is difficult to predict how much at this stage.	(92)	(45)	(11)	34	76%
Air Quality Monitoring	£7,000 unbudgeted income received from Cambs County Council; £11,000 budget profiling - expected purchases have not yet been made	69	17	(1)	(18)	-104%
Explained variances		(1,179)	(1,672)	(748)	924	55%
Transformation						
Localism - Community Development Projects	£17,000 relating to 19/20 but awaiting invoice; £10,000 Countryside grant received; £9,000 Northstowe allotment & orchard funds rolled over from 19/20 & £7,000 unbudgeted S106 income	242	10	(39)	(49)	-466%
A14 Highways England	This is a timing delay in raising a prior year invoice. The invoice was raised in period 4.	(3)	(15)	84	99	656%
Northstowe Community Wing	An invoice from Cambridgeshire County Council relating to 2019/20 has yet to be raised.	0	6	(15)	(21)	-373%
Explained variances		239	1	30	29	2978%
Planning						
City Deal	No variation to report	876	0	0	0	0%
Development Management	Shortfall on fees & charges income accounts for the majority of the overspend at Q1. It is expected that some of this income will be made over the remaining quarters of the financial year.	(2,836)	(829)	(562)	267	32%
Strategic Sites	The budget would usually show net income to date but because of non receipt due to the Coronavirus expenditure currently exceeds income. It is expected that much of this income will be received eventually though some could be delayed into 2021/22.	(709)	(198)	75	272	138%
Operations Management	There were a number of service budget underspends contributing to the variance at Q1.	326	26	(15)	(41)	-157%
PPA Wing	PPA Invoicing relates to prior year periods.	(32)	(8)	(60)	(51)	-633%
PPA Cambs IP	PPA income not invoiced for at Q1.	(36)	(36)	0	36	100%
Land Charges	Shortfall in fees & charges income (Covid impact). Offset partly by service budget underspends at Q1.	(302)	(121)	(59)	62	51%
Explained variances		(2,713)	(1,166)	(621)	545	-47%

Budget 2020/21 Q1 - Housing Revenue Account Monitoring

Service Grouping	Reason for Outturn Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Housing Revenue Account - Income						
Rental Income from dwellings	Income is slightly below expectations but this is insignificant and relates to variations between estimated and actual void levels. The bigger potential issue will be whether some debts turn bad as a result of Covid-19 but this will not be know for some time.	(29,023)	(7,534)	(7,495)	39	1%
Housing Repairs - Revenue						
Cyclical and Responsive Repairs	Expenditure on Cyclical and Responsive Repairs is usually lower in the first quarter but because of the Pandemic this has been particularly marked as only urgent repairs have been carried out.	4,463	1,066	360	(706)	-66%

Appendix D

Significant Items of Variance from Working Budget

Capital Budget 2020/21 Q1 - Major Variances from Budget

Service Grouping	Reason for Variance	Full year budget £'000	Budget to date £'000	Actual to date £'000	Actual (Favourable) / Adverse variance to date £'000	Variance to date %
Housing Revenue Account - Land						
HRA Land	There has been no expenditure here due to the coronavirus pandemic	152	38	0	(38)	-100%
New Homes Programme	Due to the pandemic there was a period of time when no work was being carried out and even when work began there is then a timelag between work being done and paid for. There is also an un-allocated amount here of £8.749m none of which had been allocated in quarter 1 for the same reasons.	26,871	6,718	1,195	(5,523)	-82%
Repurchase of Shared Ownership	This budget is reactive, and spend is dependent upon the number of homes which are re-presented to the Council in any year, and the value at which they are re-acquired.	150	38	55	17	45%
Orchard System Upgrade	No expenditure has occurred here because of the coronavirus	127	32	0	(32)	-100%
Improvement to the Housing Stock	A significant underspend is showing here which is not unusual for the first quarter but again because only urgent works were carried out spend has been extremely low. It already seems unlikely that the full year budget will be spent.	7,228	1,807	42	(1,765)	-98%
Total HRA Capital Programme		34,528	8,633	1,292	-7,341	-85%
General Fund						
FINANCIAL SERVICES						
Investment Strategy	Delay in purchase of 296 Science Park due to Covid-19	96,000	9,600	33	(9,567)	-100%
Advance Funding for Ermine Street Housing	No lending to Ermine Street occurred until June.	16,603	1,303	1,357	54	4%
HUMAN RESOURCES & ORGANISATION						
Energy Efficiency, Green Initiatives	There has been a delay to the Greening of South Cambs Hall project due to the pandemic.	1,920	480	0	(480)	-100%
HOUSING SERVICES						
Repurchase of General Fund Sheltered Properties	No repurchases completed due to lockdown	500	125	0	(125)	-100%
Improvement Grants/Loans	Delay in works due to lockdown	780	195	91	(104)	-53%
Northstowe - Community New Build	Delay in works due to lockdown	524	131	0	(131)	-100%
WASTE & ENVIRONMENTAL HEALTH						
Refuse Collection Vehicles	Purchases postponed due to lockdown	595	184	46	(138)	-75%
TRANSFORMATION						
ICT Development	Delay s due to Covid-19	442	44	9	(35)	-80%
Explained GF Capital Programme variances		117,364	12,062	1,536	-10,526	-87%
Total GF Capital Programme		119,270	12,079	1,537	-10,542	-87%