

Budget 2020/21 Q3- Provisional Variance

Directorate	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Variance to Date %
General Fund					
Chief Executive's Office	854	568	477	(91)	-16%
Financial Services	4,345	1,611	1,792	181	11%
Human Resources and Corporate Services	1,239	695	796	101	15%
Housing General Fund	2,111	(10)	(60)	(50)	-511%
Shared Waste and Environmental Health	8,416	3,562	2,941	(621)	-17%
Transformation	2,371	1,217	1,311	94	8%
Planning	5,726	2,731	3,162	431	16%
Net Service Costs	25,062	10,374	10,419	45	0%
Overhead Costs (Not included in Full Year Budget Total)	10,365	6,016	6,293	277	5%
Finance Charge Reversals	(2,840)	0	0	0	0%
Greater Cambridge/Combined Authority	511	0	0	0	0%
Internal Drainage Board Levies	201	201	201	0	0%
Interest Payable	751	45	11	(34)	-76%
Investment Income	(4,214)	(2,348)	(1,681)	667	-28%
Revenue Contribution to Capital	7,664	0	0	0	0%
Minimum Revenue Provision	870	0	0	0	0%
Total General Fund Expenditure	28,005	14,288	15,243	955	7%
New Homes Bonus	(2,768)	(2,076)	(2,076)	0	0%
Covid Support Grant	(1,922)	(1,922)	(1,922)	0	0%
Rural Services Grant	(131)	(65)	(65)	0	0%
Business Rates Pool Gain	(1,100)	(825)	(877)	(52)	-6%
(Surplus) / Deficit on Collection Fund re Council Tax	(99)	(75)	(75)	0	0%
(Surplus) / Deficit on Collection Fund re Business Rates	(119)	(89)	(89)	0	0%
Retained Business Rates (incl. Section 31 Grant)	(9,479)	(7,109)	(7,109)	0	0%
Council Tax	(9,562)	(7,171)	(7,171)	0	0%
Total General Fund Income	(25,180)	(19,332)	(19,384)	(52)	0%
General Fund Total	(2,275)	(5,044)	(4,141)	903	18%
Earmarked Reserves	(550)	0	0	0	0%
Directorate					
HRA					
Housing Repairs - Revenue	3,500	2,188	2,189	1	0%
Supervision and Management General	3,825	1,824	1,840	16	1%
Supervision and Management Special	669	353	386	33	9%
Corporate Management	642	0	0	0	0%
Interest on Loans	7,233	3,589	3,537	(52)	-1%
Depreciation	6,666	0	0	0	0%
Capital Expenditure funded from Revenue	9,188	0	0	0	0%
Other	158	7	5	(2)	-23%
Total HRA Expenditure	31,881	7,961	7,957	(4)	0%
Income	(29,334)	(22,051)	(22,093)	(42)	0%
Interest Receivable	(691)	0	0	0	0%
Finance Charge Reversals	(173)	0	0	0	0%
Total HRA	(30,198)	(22,051)	(22,093)	(42)	0%
Total HRA	1,683	(14,090)	(14,136)	(46)	0%

Budget 2020/21 Q3- Provisional Variance

Directorate	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Variance to Date %
General Fund Capital					
Financial Services	44,024	30,824	29,489	(1,335)	-4%
Human Resources and Corporate Services	749	350	19	(331)	-95%
Housing General Fund	1,435	952	1,028	76	8%
Shared Waste and Environmental Health	2,218	551	492	(59)	-11%
Transformation	180	0	0	0	0%
Planning	15	0	0	0	0%
Total General Fund Capital	48,621	32,677	31,028	(1,649)	-5%

Directorate	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Variance to Date £'000	Variance to Date %
HRA Capital					
Preparation of Self-Build Plots	100	0	0	0	0%
New Homes Programme	12,062	6,544	6,543	(1)	0%
Repurchase of HRA Shared Ownership Homes	150	150	387	237	158%
Housing Repairs - Capital	8,839	1,550	1,544	(6)	0%
Total HRA Capital	21,151	8,244	8,474	230	3%

Significant Items of Variance from Working Budget

Budget 2020/21 Q3 - General Fund revenue

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
Financial Services						
Investment Properties Rent	This is above expectations as the receipt of quarter 4 rent on 140 Cambridge Science Park was paid early. Year end outturn is expected to be in line with the revised budget.	(1,266)	(666)	(816)	(150)	-23%
Interest	This relates to interest from Ermine Street, CLIC and various financial institutions. Income is below expectations because £699,000 due from Ermine St in December was delayed until quarter 4. This was for cashflow reasons experienced by Ermine Street.	(2,948)	(1,682)	(865)	817	49%
Treasury Management	A small variance due to the timing of the additional costs associated with the investment strategy.	65	44	46	2	4%
Internal Audit	No variances.	113	0	0	0	0%
Explained variances		(4,036)	(2,304)	(1,635)	669	29%
Human Resources and Corporate Services						
HR Payroll	Main item of underspend is the monthly pension deficit payment, which is a period behind the profiled budget.	1,737	1,302	1,216	(86)	-7%
Explained variances		1,737	1,302	1,216	(86)	-7%
Housing General Fund						
Improvement Grants	Unexpected additional grant funding received in December from the County Council Better Care Fund.	27	(663)	(730)	(67)	10%
Explained variances		27	(663)	(730)	(67)	-10%
Shared Waste and Environmental Health						
Environmental Health	No variances.	68	55	55	0	1%

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
Shared Waste Collection Service	Burden has been placed on the waste collection service during the pandemic with all budget pressures being shared with Cambridge City Council partners. Business is continuing to work with customer-base to establish a best-fit collection service. However, it is difficult to fully assess the impact of Covid-19 on the business because of the ever-changing economic situation. A conservative estimate was used in the budget revision process with the current actual showing a more favourable position against the budget to date. Though, this cannot be relied upon as to its certainty going into quarter 4.	(610)	(2,284)	(2,417)	(133)	-6%
COVID-19 Emergency	Government funding to support surge prevention and enforcement initiatives has not been fully utilised as at 31st December. It is envisaged that this will be partly spent in the last quarter and any residual balance will be carried forward into 2021/22.	83	77	20	(57)	-75%
Taxi Licensing	£13,000 lost income due to COVID-19 was partially offset by a £6,000 saving on licence plates and stationery. The remainder of the lost income will be recovered through government compensatory support for local authorities.	(186)	(106)	(99)	7	6%
Air Quality Monitoring	A £30,000 injection to the budget was made last year to accelerate the installation of air quality monitors, collate baseline data and commence remedial action at sensitive sites. Due to the pandemic and the restructure of the department this project has been put on hold.	61	46	18	(28)	-61%
Explained variances		(584)	(2,212)	(2,423)	(211)	-10%
Transformation						
ICT	This variance is due to the implementation of the new digital service whereby the invoice for payment was received earlier than initially expected. Confirmation to be sought that the service has been fully delivered.	1,988	527	743	216	41%
Explained variances		1,988	527	743	216	-41%

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
Planning						
Development Management	The variance at quarter 3 relates to £134,000 income recovered from the impact of COVID-19 than the estimated profiled budget.	(2,877)	(2,012)	(2,154)	(142)	-7%
Strategic Sites (& PPA)	The large variance is partly due to a number of PPA's not materialising or finishing earlier than initially assumed. The service area is also somewhat behind in billing for work which has been carried out, a total of £100,000 is outstanding. The team have begun extensive work to bring the billing process up to date before the end of the financial which will assist in reducing the variance between the revised budget and actual.	(1,118)	(786)	(432)	354	45%
Operations Management	A number of underspends on budgets relating to scanning, staff development and training has resulted in savings against the revised budget at the end of quarter 3.	72	38	29	(9)	-24%
Land Charges	At the end of quarter 3 there is a favourable variance arising from underspends on service budgets due to a delay in receiving and making payment for invoices related to July, October and November for highway search fees. These have been processed in February being the final quarter of the year which should align the actual to the budget.	(259)	(174)	(223)	(49)	-28%
Explained variances		(4,182)	(2,934)	(2,780)	154	5%

Budget 2020/21 Q3 - Housing Revenue Account Monitoring

Service Grouping	Reason for Variance	Revised 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						
Income	At the end of quarter 3 the council received incentive payments for renewable heat which was not included in the revised budget.	(29,334)	(22,051)	(22,093)	(42)	0%
Explained Variances		(29,334)	(22,051)	(22,093)	(42)	0%
Housing Revenue Account - Expenditure						
Supervision and Management General						
Administration (Net Expenditure)	There is an overspend of around £40,000 from council tax payments on the void properties, which are higher than usual due to the longer periods experienced between tenancy handovers during the current covid lockdowns. Though there is an underspend on the consultancy budget on the repair's administration which has been netted off to equate the £15,000 overspend.	1,787	287	302	15	-5%
Supervision and Management Special						
Sheltered Housing	The overspend as at 31st December is as a result of spike in activity and expenditure at sheltered schemes on shrub cuts & external repairs. It is expected that in the final quarter there will be a decrease in activity for this service with additional expenditure being recovered through leaseholder service charges.	(417)	(366)	(349)	17	5%
Tenant Participation	A variance arising due to the postponement of elections for tenant representatives have been delayed by the pandemic. A new proposed date is yet to be confirmed.	80	31	5	(26)	84%

New Homes Programme	Internal fee for the sale of self-build plot in October to recover staff costs will be received in the final quarter.	(32)	(117)	(63)	54	46%
Interest on Loans	The variance between the actual and budget to date is insignificant.	7,233	3,589	3,537	(52)	1%
Explained Variances		8,651	3,424	3,432	9	0%

Significant Items of Variance from Working Budget

Capital Budget 2020/21 Q3 - Major Variances from Budget

Service Grouping	Reason for Variance	Revised 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						
HRA Land	No Variances.	100	0	0	0	0%
New Homes Programme	Good progress has been made on our new build sites after incurring delays during the first lockdown when work was halted. However there have been ongoing issues between Homes England and the developer which has resulted in work not commencing on the Northstowe scheme. It is anticipated that the work on this site will fall into next financial year.	12,062	6,544	6,543	(1)	0%
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	150	387	237	158%
Improvement to the Housing Stock	Although work was scheduled and orders raised in anticipation of completing the capital programme by year end, the January lockdown has again delayed our planned works. There have also been issues sourcing materials. Outdoor works have been prioritised wherever possible but we are expecting a significant underspend at the year end with a number of capital programmes to be rolled over to the new financial year.	8,839	1,550	1,544	(6)	0%
Total HRA Capital Expenditure		21,151	8,244	8,474	230	3%

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
General Fund						
Financial Services						
Ermine Street Housing Loans	The number of loans for house purchases have reduced due to the lockdown temporarily freezing the housing market. Acquisitions have accelerated in quarter 3 but the full revised budget will not be spent, therefore a proportion of this has been reprofiled into the first quarter of 2021/22.	13,824	10,824	9,205	(1,619)	-15%
Investment Strategy	The actual includes the purchase of 296 Cambridge Science Park and Vitrum Building at Cambridge Science Park. The full year budget assumes further acquisitions before the end of March. Other sites are under consideration but the full budget is not expected to be spent and a proportion has been reprofiled into 2021/22.	30,000	20,000	20,284	284	1%
Contribution towards A14 upgrade (Inf)	Payment for the A14 infrastructure is scheduled to incur in the final quarter of 2020/21.	200	0	0	0	0%
Explained variances		44,024	30,824	29,489	(1,335)	-4%
Human Resources and Corporate Services						
Cambourne Offices	The budget generally covers the South Cambs Hall Greening project however much of the current year's work has been delayed due to COVID. It is anticipated that some of the projects may commence in the final quarter but is more than likely they will slip into 2021/22.	483	150	19	(131)	-87%
Human Resource System	Invoices expected to have been received by the end of December will now arrive in the final quarter causing a delay in the project and from actuals incurring against the budget.	116	87	0	(87)	-100%
Upgrade AV and Delegate System	Several technical issues have resulted in a delay in the installation of the system with invoices not being paid until the work has been completed.	150	113	0	(113)	-100%
Explained variances		749	350	19	(331)	-95%

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
Housing General Fund						
Housing management system	After delays earlier in the year, the rents module went live in December with the successful migration from Open Housing.	150	58	59	1	2%
Northstowe Community Projects	Allocations set a side for the Northstowe Civic Hub, Sports Pavilion and Community Centre have not yet been spent. Majority of this has been rolled forward into 2021/22 as part of the revised capital programme.	50	0	0	0	0%
Repurchase of GF Sheltered Properties	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.	525	500	516	16	3%
Improvement Grants	Due to the current Covid lockdown delays have been experienced in the assessment and awards of grants. It is anticipated that activity relating to these grants will increase in the coming months.	710	394	453	59	15%
Explained variances		1,435	952	1,028	76	8%
Shared Waste and Environmental Health						
Waste Collection & Street Cleansing	The variance shown is due to the implementation process of the waste management IT System. It is expected that 3c ICT who are project managing the process will invoice us for any work which has not been billed so far prior to the end of the financial year end.	688	476	427	(49)	-10%
Footway Lighting	The replacement programme is on schedule for completion although no payments have been made towards the project at the end of quarter 3. However, the sum of £1,378,168 is committed at the end of January for the costs incurred to the end of period 10.	1,400	0	0	0	0%

Service Grouping	Reason for Variance	Revised Full Year Budget £'000	Budget to Date £'000	Actual to Date £'000	Actual (Favourable) / Adverse Variance to Date £'000	Variance to Date %
Health and Environmental Services System	The implementation on the new Health & Environment IT management system is on target for April 2021. The actual is slightly behind the revised budget as at 31st December but will be met when the final costs of project management are billed in the final quarter. Thereafter revenue costs will be incurred relating to the data migration and cleansing from legacy systems.	100	75	65	(10)	-13%
Air Quality Monitoring Equipment	£10,000 from total budget is scheduled to be spent on renewing some of our air quality monitoring equipment within quarter 4. The remaining £20,000 will be carried forward with the intention of spending it in the first quarter 2021/22.	30	0	0	0	0%
Explained variances		2,218	551	492	(59)	-11%
Transformation						
ICT Development	No Variances.	180	0	0	0	0%
Explained variances		180	0	0	0	0%
Planning						
Aerial Photography Refresh	Costs relating to the Aerial Photography project are expected to occur prior to the end of the financial year.	15	0	0	0	0%
Explained variances		15	0	0	0	0%
Total General Fund Capital Expenditure		48,621	32,677	31,028	(1,649)	-5%