

EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Revenue and Capital Outturn Report – Final Outturn 2021/22	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team – 18th May 2022	X
	Leader and Deputy Leaders – 24 th May 2022	X
	Leader's / Leader of the Opposition's Advisory Group – 8 th June 2022 / 9 th June 2022	X
	Cabinet – 21 st June 2022	
	Audit Committee – 16 th June 2022	

Is this an Executive Decision:	YES	Is this a Key Decision:	YES
Is this in the Forward Plan:	YES	Is the Report Confidential:	NO

**If so, please
state relevant
paragraph from
Schedule 12A
LGA 1972:**

[]

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Monitoring Officer: **John Teasdale**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 21st June 2022

TITLE:	Revenue and Capital Outturn Report – Final Quarter 2021/22	
PORTFOLIO:	Finance	
HEAD OF SERVICE:	Sal Khan	
CONTACT OFFICER:	Lisa Turner – Chief Accountant	ext. 1399
WARD(S) AFFECTED:	All	

1. **Purpose of the Report**

- 1.1 To accord with the Council’s financial regulations, this report presents the final outturn position in relation to the Council’s revenue budget, capital programme of expenditure and treasury management activities. In addition to which, the report sets out the most significant risks facing the authority and how these are being managed. This is the fourth and final report in the annual cycle of financial monitoring for the financial year 2021/22.

2. **Executive Summary**

- 2.1 The budget for 2021/22 of £13.371m includes a corporate provision of £1.3m towards Covid-19 pressures and was balanced by taking into account £1.1m from reserves. This recognised that there was a high degree of uncertainty and potential volatility within the budgets. The report highlights that there has been some significant budgetary pressures against the pre-covid-19 service budgets but also some windfall income streams and savings. This means that after taking into account corporate budgets, including the provision for Covid-19 pressures, there is an **overall contribution to reserves of £0.4m at Outturn.**

- 2.2 Overall the outturn for the year is better than was anticipated when the budget was set. This is largely due to the success of the vaccine rollout, in terms of re-opening the economy and preventing further restrictions or lockdowns. Whilst the Omicron variant initially seemed to pose a significant threat for Quarter 3 onwards, that has not materialised. There have also been a number of one-off initiatives and grants provided by Government during the course of the year resulting in savings, which

could not have been anticipated when the budget was set. **Paragraph 4.2 and 4.3 of the report set out the most significant variations against budgets for the full year.**

- 2.3 In respect of **capital projects**, the report sets out expenditure against a programme of £9.6m (excluding Towns Fund). During the course of the year the Council provided grants for disabled facilities, replaced the vast majority of the vehicle fleet and facilitated improvements at Shobnall Leisure Complex. The Council working with the Towns Board and a range of partner organisations approved plans for submission to Government in relation to the Burton Towns Fund. Spending during the course of the year on capital projects amounted to £4.9m and a further £0.2m accrued against Towns Fund Projects, with some projects taking place over several years. It is proposed that £4.6m be carried forward to support the ongoing projects as outlined at Section 6 of the report.
- 2.4 As at 31st March 2021 **investments** stood at £59.4m. The average rate of return on the council's investments throughout 2021/22 was 0.10%, which is consistent with most benchmarks. The Council's external borrowing stands at £11m as at 31st March 2022. Treasury management activities during the year have been consistent with the approved strategy. Further details on investments and borrowing can be found at Section 5.
- 2.5 The **Business Rates Retention (BRR) Scheme** was introduced from April 2013 and transfers both opportunities to generate additional revenue from business growth, but also substantial risks from both economic contraction and appeals lodged with the Valuation Office. The Council in partnership with other Staffordshire authorities participates in a business rates pool which allows for 50% of any growth to be retained locally. The position for 2021/22 is very positive with a **draft in year surplus of £1.3m**. In addition to this we are waiting on the final results from the pool to ascertain our final share of any windfall which is estimated to be £0.9m. Whilst this is a very positive outcome the outlook for business rates income remains uncertain the report highlights that this result in a forecast business rates volatility reserve £0.5m higher than when the budget for 2022/23 was set. Further details on BRR Scheme can be found at section 7 of the report.
- 2.6 The Council's general fund reserve at the end of the 2021/22 financial year is forecast to be £1.3m. This is in line with expectations when the budget was set. In addition to general reserves, the authority holds a number of reserves that are earmarked for specific purposes. As at 31st March 2022, these reserves are estimated to be £21.6m (£18.3m as at 31st March 2021). In addition to this, £3.4m relating to Covid Business Rates Relief Section 31 Grant is held within the reserve to deal with timing differences (£8.2m as at 31st March 2021), which will be partially needed to offset the impact of the Collection Fund Deficit in 2022/23.
- 2.7 Members are aware that Local authority funding is facing significant uncertainty following a decade of reduced central government funding and future planned reforms. In addition to this, there is an ongoing impact of the Covid-19 Pandemic, including a significant reduction in some income streams, as well as significant financial risks associated with demand for supported housing. The Council has made prudent financial provision within the Medium Term Financial Plan for the ongoing impact of the Pandemic and made reasonable assumptions in respect of

the planned funding reforms. Reserve levels are an indicator of financial resilience and whilst there is a high degree of financial uncertainty moving forward the Council is in a good position to meet these challenges.

2.8 The outturn position includes carry forward sums totaling £0.111m and these are outlined at Paragraph 4.6 for Cabinet approval. The table at Paragraph 4.1 below shows a variation against the original budget of £1.505m, of which £0.738m was anticipated within the MTFS for 2022/23 (as per Quarter 2 forecast). Cabinet are asked to approve the allocation of the remaining windfall funding of £0.767m in line with both the Council's priorities and emerging risks as follows:

- **Tourism £0.185m** – To support the creation of a Tourism Service, Branston Water Park Toilets and additional Christmas lights;
- **Waste Management £0.020m** – To support business case development for depot consolidation and an housing growth impact assessment;
- **Regeneration £0.025m** – final stage of Thinking Places narrative to deliver inward investment;
- **Digital £0.055m** – Replacement of mobile CCTV cameras with remote feed to control room (£6k), webcasting meetings and associated mics (£49k);
- **Asset Refurbishment £0.332m** - including the Brewhouse Roof, roller shutters at Yeoman Industrial Estate and 84-85 New Street roof;
- **Inflation and cost of living £0.150m** – to set aside within reserves £0.130m funding to mitigate the increases in fuel, energy, supplies and the national living wage / national pay award to staff and members, should it be required and allocate a further £0.020m to provide additional funding to support the Councillors Community Fund.

3. Revenue Budget 2021/22

3.1 On 22nd February 2021, the full Council approved the Revenue Budget for the year 2020/21, totalling £13.371m as follows:

Financial control is maintained by monitoring actual expenditure against approved budgets at regular intervals throughout the year and budget managers are required to forecast income and expenditure for the full financial year.

Approved Service Budgets	£000's
Arts, Brewhouse and Functions	403
Community and Open Spaces	1,393
Corporate Management Team	431
Corporate and Commercial	879
Cultural Services – Marketing	86
Enterprise	169
Environment	4,126
Environmental Health	501
Financial Services and Capital Financing	1,130
Housing	309
Human Resources, Payments & Pensions	2,049
IT and Printing	419
Legal Services, Assets and Licensing	(418)

Leisure Services	498
Licensing and Enforcement	92
Markets	17
Planning and Land Charges	42
Revenue, Benefits and Customer Contacts	1,100
Corporate Budgets	145
Total	13,371

4. Revenue Budget Outturn 2021/22

- 4.1 The following table indicates the full year variations against budget at the final outturn for the year. **Variations against service budgets include the impact of the pandemic, the provision for which is held on the corporate items line.**

Summary by Service	Annual Net Budget	Actual Outturn	Outturn Variation Over/(Under)	Forecast Variation Q3 - Change Over/(Under)	
	£'000	£'000	£'000	£'000	
Arts, Brewhouse and Function Suite	430	529	99	106	(7)
Community and Open Spaces	1,374	1,733	359	337	22
Corporate Management Team	431	437	6	7	(1)
Corporate and Commercial	880	837	(43)	(50)	7
Cultural Services - Marketing	86	90	4	0	4
Enterprise	169	168	(1)	(7)	6
Environment	4,087	3,889	(198)	(135)	(63)
Environmental Health	506	364	(142)	(126)	(16)
Financial Services	1,162	1,189	27	31	(4)
Housing	309	228	(81)	(24)	(57)
Human Resources, Payments & Pensions	2,039	1,995	(44)	(20)	(24)
IT and Printing	392	370	(22)	6	(28)
Legal Services and Assets	(417)	(366)	51	74	(23)
Leisure Services	498	482	(16)	(9)	(7)
Licensing and Enforcement	108	60	(48)	(14)	(34)
Markets	18	45	27	51	(24)
Planning and Land Charges	42	(2)	(44)	(49)	5
Revenue, Benefits and Customer Contacts	1,110	1,099	(11)	(21)	10
Service Budget Total	13,224	13,147	(77)	157	(234)
Corporate Items	147	(1,218)	(1,365)	(1,158)	(207)
Retained Business Rates	(3,365)	(3,365)	0	0	0
Covid-19 Government Support	(931)	(994)	(63)	(62)	(1)
Lower Tier Support Grant	(615)	(615)	0	0	0
Council Tax, including Special Expenses	(7,346)	(7,346)	0	0	0
Council Tax Surplus from prior years	(36)	(36)	0	0	0
Amount to be met from Reserves - Increase / (decrease)	1,078	(427)	(1,505)	(1,063)	(442)

The corporate items line variance since quarter 3 is largely due to the forecast pay award being provided for within the Corporate Items line at Quarter 3 and the actual impact of the final award being shown against services at Outturn.

- 4.2 The budget has been revised during the course of the year to reflect transfers and virements approved in accordance with financial regulations.
- 4.3 The tables at **Appendix A** summarise, by service division, the variations between the 2021/22 budget and the year-end outturn. Further supporting narrative in relation to those divisions with the most significant variations is set out below:

- **Arts, Brewhouse and Functions – Increased Net Expenditure £99k**
 There has been a significant shortfall in income levels of approx. £162k which has been partially offset by expenditure savings on staffing, business rates and other premises costs. This income shortfall continues to relate to the ongoing impact of the pandemic.
- **Community and Open Spaces – Increased Net Expenditure £359k**
 This net increase has largely arisen because of a shortfall in car parking income of £325k linked to the Covid-19 Pandemic. There are a number of other variances in this area, including increased costs within Open Spaces of £131k due to a number of essential reactive works, although these pressures are primarily being partially offset by, for example, savings associated with facility repairs and maintenance and staffing in the Community and Civil Enforcement Team.
- **Environment – Net Savings - £198k**
 Within the overall net savings, there is an increase in staffing costs within waste management (£136k) due to both increased workloads/waste arising from the pandemic, the number of staff in this area being required to self-isolate and the approved pay enhancement for HGV drivers due to the pressures in the market. This is being offset by a number of other areas, including an increase in income levels associated with bulky waste (£11k) and recycling (£233k), which includes a significant uplift in commodity prices as a result of economies around the world re-opening following lockdowns and the subsequent demands, reduced contamination following an awareness campaign and also a reduction in business rates costs (£34k).
- **Environmental Health – Net Savings - £142k**
 There are staffing savings arising from vacancies and staff time allocated towards Covid-19 activities that have been met through grant funding in year. In addition, one-off funding was carried forward from 2020/21 for professional support has not been needed. Furthermore, additional income has arisen from export fees.
- **Leisure – Net Saving £16k**
 The Council's leisure provider has been significantly impacted by the pandemic and as a result the Council has put in place arrangements to maintain services in line with national guidance and the contractual arrangements. This anticipated cost pressures to be met by the Council of £472k for the duration of 2021/22 – with a provision held in Corporate Budgets towards this. Performance during the year has significantly exceeded all expectations at the outset and taking into account the year as a whole, it has not been necessary for the Council to make any additional contribution to the provider. This net position includes savings in relation to leisure grant funding and other supplies and services.
- **Corporate Budgets – Underspend £1.4m**
 This budget includes the Corporate Covid-19 Provision of £1.33m, with the forecast Covid-19 related pressures shown within individual service budgets, but also analysed in the table at 4.3 below. There is also a saving in relation to the marketing budget.

4.4 The table below compares the budgeted corporate provision for Covid-19 related pressures against the actual outturn for 2021/22.

COVID-19 Corporate Contingency - Mid Case Monitoring	Budget Provision (Mid Case)	Actual Outturn	Outturn Variation Over/(Under)
	£'000	£'000	£'000
Brewhouse Income Shortfall	66	60	(6)
Civic Function Suite Income Shortfall	70	102	32
Car Parking Income	232	329	97
Leisure Management	407	0	(407)
Legal - Cost Recovery	10	23	13
Property Rents	121	25	(96)
Markets Income Shortfall	43	46	3
HMO Income	11	6	(5)
MRP Delays - Timing of Capital Receipts	54	58	4
Council Tax/NNDR Court Cost Recovery	21	0	(21)
Planning Income Shortfall	53	0	(53)
Land Charges Income Shortfall	13	0	(13)
Homelessness Accommodation	69	0	(69)
Waste Contamination	140	0	(140)
Trade Waste Income	20	16	(4)
Total COVID-19 Pressures	1,330	665	(665)

The full analysis of variations is set out within Appendix A in the normal manner.

4.5 Looking ahead to 2022/23 and beyond there continues to be significant economic factors impacting on the Council's finances. In addition to which there remains a high degree of uncertainty in relation to future funding streams from Government, which represents a large proportion of the funding we receive to support and deliver services to residents. Officers will continue to monitor changing circumstances and provide updates to members in the normal manner.

4.6 A number of items have been included within the above figures to be carried forward to 2022/23:

- An allocation of £25k towards Tourism Brand Development;
- A £10k grant received in 2021/22 towards Bio-diversity which is committed by the Planning Team towards an ecology assessment;
- An external funding allocation of £2k towards supporting the Digital Strategy and improvement of our data;
- A £74k refund received at the end of the financial year from the Ministry of Justice, for which officers are currently developing proposals for further consideration in 2022/23.

5 Treasury Management

5.1 The Council approved the Treasury Management Strategy Statement for 2021/22 on 21st February 2021. A full annual report on the treasury management activities and performance against the strategy is planned to be presented to the Audit Committee and full Council in June. This section provides a brief summary and update on progress against the strategy and the revenue budget.

Investment Returns

- 5.2 The average rate of investment return that was assumed in the 2021/22 budget was 0.1%, which reflected the historically low bank rate following the emergency cuts implemented due to the Pandemic and wide expectations that rates would remain low for the foreseeable future. However, since quarter 2 there have been increases in the bank rate, primarily due to pressures in relation to inflation. The most recent of these taking place in March 2022 raising the bank rate to 0.75%, with prospects for further increases. A comparison with other benchmarks of the rate of return on investments achieved by ESBC in the year to 31 March 2022 is shown below:

	Average Rate Year to 31/03/22
ESBC	0.10%
3 Month SONIA*	0.09%
6 Month SONIA*	0.07%
12 Month SONIA*	0.06%
Base Rate	0.20%
Budget	0.10%

***SONIA = Sterling Overnight Index Average*

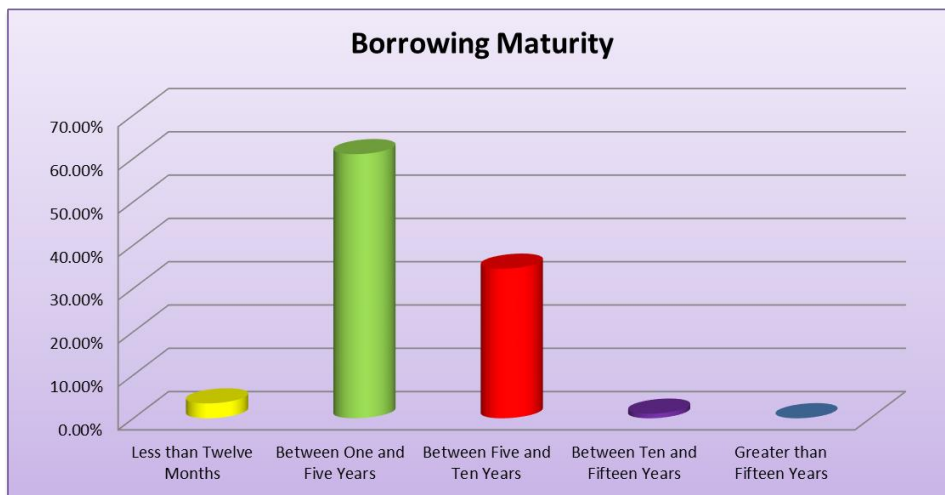
**uncompounded and backward looking*

- 5.3 This demonstrates that the ESBC average return for the year exceeds most benchmarks and is in line with the budget. A full schedule of investments is set out in **Appendix C**.

Borrowing

- 5.4 The average rate payable on the Council's borrowing as at 31th March 2022 is 5.4% (5.4% at 31st March 2021).
- 5.5 Borrowing levels as at 31st March 2022 stood at £11m. This is consistent with the latest Treasury Management Strategy. The table below is a summary of the debt by type, followed by a graphical demonstration of the maturity profile.

Debt Type	Principal Outstanding (£)	Average Rate
Total Fixed Debt		
PWLB Maturity	5,700,000	4.646%
PWLB Annuity	406,487	8.850%
Total Variable Debt		
Market	4,500,000	5.914%
GBSLEP Loan	375,000	
Total External Debt	10,981,487	5.345%
Accrued Interest etc.	133,418	-
Total External Debt per Accounts	11,114,905	

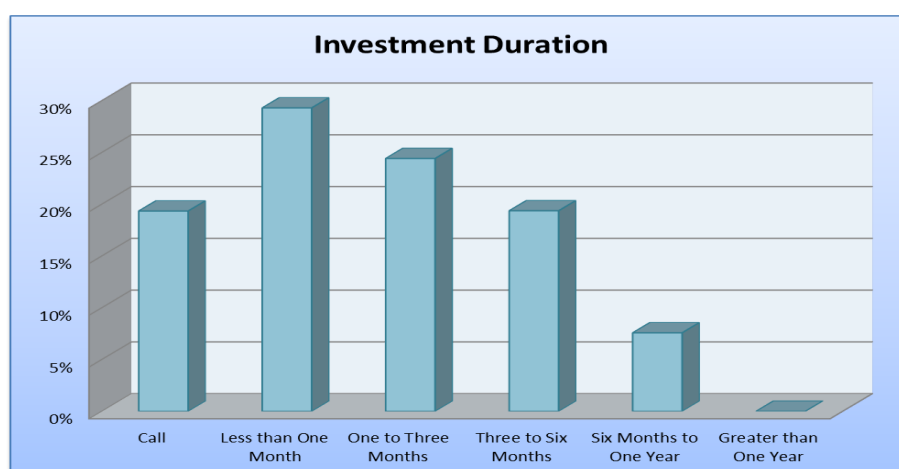


Capital Financing Budget

- 5.6 This budget consists of £1m associated with the cost of servicing the council's debt and £0.561m income from investment returns (£0.022m) and prudential borrowing charges associated with the fleet replacement (£0.256m) and a £0.283m contribution from the debt repayment reserve.
- 5.7 The capital financing budget has been reduced as a result of expected savings from the utilisation of anticipated capital receipts towards debt repayment as part of our existing financial strategy. The Medium Term Financial Strategy highlighted that there was a risk of shortfall against the budget arising from the timing of these receipts. The outturn figures shown at Appendix A set out a shortfall in this regard of £58k at Outturn, which partially offset by an increase in investment income of £40k as investment balances have been generally higher than envisaged linked to the administration of Covid related grants and payments.

Investments

- 5.8 As at 31st March 2022 investments totalled £59.4m, a full schedule of these is set out within **Appendix C**. The following chart shows the maturity structure of the Council's Investments at 31st March 2022, with a balance of maturities, reflecting the current conditions and significant government grants that are held pending payment.



6. Capital Programme 2021/22

- 6.1 The Council's Capital Programme for 2021/22 totals **£9.6m**, of which £4m relates to projects carried forward from 2020/21 and additional projects that have been approved during the course of the year, including those planned to be financed from revenue or reserves. Accrued spending on capital projects during 2021/22 amounted to **£4.9m**, resulting in £4.7m remaining of programmed expenditure.
- 6.2 A detailed schedule of all projects and funding is shown at **Appendix B**. The table below provides a summary of projects and Cabinet is asked to approve the budget carried forward into 2022/23 of £4.6m to allow for completion of the planned projects.

Capital Programme 2021-22	Budget	Accrued Spend	Amount to be Carried forward	Overspend/ (Underspend)
	£	£	£	£
Projects Taking Place Over Several Years				
Neighbourhood Working Fund	22,324	7,520	14,804	-
Disabled Facility Grants	2,910,530	973,981	1,936,549	-
Bartec Street Cleaning Software	12,742	0	12,742	-
Cemetery Expansion	189,950	5,980	183,970	-
Small Business Fund - see note 1	100,000	75,658	24,342	-
Assets Mandatory Works	37,654	6,939	30,715	-
Washlands - see note 2	1,973,308	102,805	1,870,502	-
Council Wide Fleet Replacement	3,888,549	3,383,053	505,496	-
Electric Charging Infrastructure	36,000	18,046	17,954	-
Sub-total A	9,171,056	4,573,981	4,597,074	0
Projects Complete				
Town Hall Office Accommodation	1,756	0	0	(1,756)
Station Street - Burton	79,745	(1,804)	0	(81,549)
IT - CISCO Switches	1,186	0	0	(1,186)
ICT Equipment and Servers 2021/22 - see note 3	45,000	45,000	0	-
Shobnall Artificial Turf Pitch Replacement - see note 4	162,055	147,552	0	(14,503)
Shobnall Leisure Complex Floodlight Replacement	35,669	35,669	0	-
Sub-total B	325,411	226,417	0	(98,994)
Additional Projects added to Capital Programme Since Q3 Funded from Revenue and/or other External Funds				
ICT Equipment and Servers 2021/22 - see note 3	36,779	36,779	-	-
Rubber Surfacing at Towns Wood Play Area - S106 funded	16,100	16,100	-	-
Planning Assure System (ICT Upgrade) ⁵ EDR 352/21	78,250	18,900	59,350	-
Sub-total C	131,129	71,779	59,350	0
Total	9,627,596	4,872,178	4,656,424	(98,994)

Note 1 - Following an approval of alternative funding, small Business Fund Grants meeting the applicable criteria were resourced from Additional Restrictions (ARG) in year (up to £100k). Any residual 2021/22 grants that were still pending at the financial year end were to be carried forward into 2022/23 (EDR 392/22 refers).

Note 2 - Funding of the Washlands project has been rescheduled between the Local Enterprise Partnership (LEP)/ESBC and the Environment Agency (EA) which allowed the Washlands Enhancement Works being undertaken by ESBC to be continued into 2021/22 following the impact of COVID-19. Originally the £3 million awarded by the LEP was split £2 million with the EA and £1 million to ESBC. This was revised to £3 million for the Burton Flood Defence Works on condition

that the £1 million is paid over to ESBC by the EA. These monies have now been received and it has been agreed that these funds can be carried over into 2022/23.

Note 3 - The balance of this project to refresh ICT equipment has been funded by an IT equipment reserve/IT budget held for the purpose.

Note 4 - The remaining funds are only available for works at the Shobnall Leisure Complex in accordance with the terms of a S106 agreement.

Note 5 - Monies approved for the purpose EDR352/21 entirely funded through planning reserves.

- 6.3 The carry forward sums totalling £4.6m relates to projects that are ongoing or taking place over several years, such as the award of grant funding for disabled facilities (£1.8m)* and the enhancements at the Washlands (£1.9m). The table also highlights £99k of funding that relates to projects that have been complete and the remaining funding is no longer being required and is therefore available to re-allocation towards future capital proposals/business cases.

Towns Fund Programme

- 6.4 During March 2022 the Council approved funding allocations of the £23.8m award, subject to Government approval of the business cases, in relation to Towns Fund. The projects are being delivered in partnership with other providers, with oversight by the Towns Fund Board and the Council acting as accountable body. During the course of the business case development decisions have been made not to progress a small number of projects for submission to Government. The Government grant funding allows for the costs incurred with these projects to be met from the grant award, of which £1.19m was received during 2021/22. The table below outlines the indicative funding allocation and the associated costs incurred during 2021/22:

Projects	Council Allocations March 2022 £	2021/22 Accrued Spend £	Amount to be Carried forward £	Available for Re-allocation £
Project C: Regional Learning Centre	£1,915,493	0	1,915,493	0
Project D: High Street Linkages	£15,726,072	0	15,726,072	0
Project E: Library and Enterprise Hub (cessation costs)	£250,000	32,438	0	217,562
Project F: New Pedestrian & Cycle Crossing Over the River Trent (cessation costs)	£119,559	119,091	0	468
Project G: Improvement of Trent and Mersey Canal Towpath	£1,455,073	2,740	1,452,333	0
Project H: Cycle Network Enhancements	£1,364,789	0	1,364,789	0
Project J: Specialist Education Offer	£2,969,014	0	2,969,014	0
Total	23,800,000	154,269	23,427,701	218,030

- 6.5 In addition to this the Council has received in total £232k of capacity funding as accountable body during the course of 2019/20 and 2020/21. Expenditure to the end of March 2022 amounted to £208k which includes support towards the development of the High Street Linkages Project for which the Council is the Lead Project Sponsor. The remaining funding is held in an earmarked reserve to continue to support the programme.

** this external grant funding is potentially subject to clawback.*

6.6 Capital receipts generated during the course of the year are set out in the table below:

Capital Receipts – 2021/22	£
Sale of land, Grafton Road, Burton upon Trent	30,000
Sale of land at Bradmore Road	160,000
Kick Start Loan Repayment	26,400
De-minimus Receipt - Dunstall Road	11,486
Total	227,886

7. Business Rates Retention Scheme

7.1 The business rates retention (BRR) scheme came into effect from 1st April 2013 and now forms a principle element of local government funding. This provides local authorities with a direct financial benefit from economic growth, but also exposure to financial risk as a consequence of both economic contraction and appeals lodged with the Valuation Office or changes in levels of reliefs. However there is a safety net built into the scheme to ensure that no authority's income falls below at set level, for East Staffordshire this was set at £2.959m for 2021/22. However, for the Council has continued to participate in a Pooling arrangement in partnership with other Staffordshire Authorities. Whilst this means that collectively the Pool benefits from additional growth retained within the area, it also means that the pool is responsible for making its own safety net arrangements.

7.2 The table below compares, at summary level, the draft outturn position with the budget. This demonstrates a surplus against the budget of £1.3m (before windfall items) against the budget. This has largely arisen due to the provision held for appeals, which has been reduced to take account of the latest available data and information and a reduction in the bad debt provision to reflect the latest collection information and improved conditions.

DRAFT Retained Business Rates – 2021/22	Budget £000	Draft Outturn £000	Variance £000
Business Rates - ESBC Share (40%)	21,820	20,714	(1,106)
Government Compensation for extension of Small Business Rates Relief and other Reliefs (inc. Covid-19)	1,501	5,038	3,537
Less: Tariff	(18,913)	(18,913)	-
Pre-levy retained business rates	4,408	6,839	2,431
Section 31 Grant (RPI Cap)	151	94	(57)
Levy	(604)	(1,697)	(1,093)
Volatility Provision #	(590)	(590)	-
Post Levy Retained Business Rates 2021/22	3,365	4,646	1,281
Retained Levy from Pool - estimate	-	679	679
Net Windfall from Pool - estimate	-	229	229
Adjustments relating to 2020/21	-	(54)	(54)
Combined Surplus	3,365	5,500	2,135

#Actual transferred to business rates risk reserve

* Of this sum, £3.2m is within the general fund and £1.1m deficit in the Collection Fund to be funded in 2022/23.

7.3 In addition to the £1.3m surplus the Council is also due a windfall from the Business Rates Pool that is in operation with the other Staffordshire Authorities. This is estimated to be £0.9m but we are waiting on the final amount due once all the submissions have been made.

7.4 Whilst this is a positive outcome, Members are reminded that the scheme does expose local authorities to significant volatility and as we look ahead there is a planned reset due to take place, as well as the next business rates valuation. After taking into account commitments already made for 2022/23 the combined surplus of £2.1m shown above leaves the forecast Business Rates Volatility Reserve £0.5m higher than when the budget was set for 2022/23.

8. Risk Assessment and Management

8.1 The Council's risk management strategy has been approved by Cabinet. Attached at **Appendix D** to this report is a schedule of the most significant risks facing the authority, including the actions taken or being taken in order to control or mitigate these risks.

8.2 The most significant risks associated with the authority's financial position are set out and provided for within the Medium Term Financial Strategy.

9. Legal Considerations

This section has been approved by the following member of the Legal Team: John Teasdale

9.1 There are no direct implications arising from this report.

10. Equalities

10.1 Does the report involve the public, including staff, or have consequences for them?

Yes No

11. Data Protection Implications – Data Protection Impact Assessment (DPIA)

11.1. A DPIA must be completed where there are plans to:

- use systematic and extensive profiling with significant effects;
- process special category or criminal offence data on a large scale; or
- systematically monitor publicly accessible places on a large scale
- use new technologies;
- use profiling or special category data to decide on access to services;

- profile individuals on a large scale;
- process biometric data;
- process genetic data;
- match data or combine datasets from different sources;
- collect personal data from a source other than the individual without providing them with a privacy notice ('invisible processing');
- track individuals' location or behaviour;
- profile children or target marketing or online services at them; or
- process data that might endanger the individual's physical health or safety in the event of a security breach

11.2 Following consideration of the above, there are no Data Protection implications arising from this report which would require a DPIA.

12. Human Rights

11.1 There are no Human Rights issues arising from this Report.

13. Financial Considerations

*This section has been approved by the following member of the Finance Team:
Lisa Turner*

13.1 The full report sets out the financial implications for the authority of the 2021/22 Outturn. This is summarised below:

Revenue	2021/22 £'000	2022/23 £'000	2023/24 £'000
Overall Variance Against Budget (Paragraph 4.1)	(1,505)		
Less: Amount taken into account when setting MTFs for 2022/23 as per quarter 2 forecast Outturn	738		
Remaining under-spend allocated towards Priorities and Emerging Risks (as per Paragraph 2.8)*	(767)		
Carry Forward Amounts (Paragraph 4.5)	(111)	111	
Capital			
Carry forward of sums relation to ongoing projects set out in para. 6.2 and 6.3	(4,656)	4,656	

* It is likely that there will be some limited ongoing cost implications from these proposals which will be addressed through the annual refresh of the MTFs for 2023/24 onwards.

13.2 As set out within section 7, the draft outturn in relation to the Business Rates Retention Scheme indicates a combined surplus of £2.1m. After taking into account commitments already made for 2022/23 this leaves the Business Rates Volatility Reserve £0.5m higher than when the budget was set for 2022/23.

14. Cabinet Recommendations

14.1 In relation to the Revenue Outturn, Cabinet is recommended to:-

- a) Note the revenue outturn position for 2021/22;
- b) Approve the carry forward amounts outlined in Paragraph 4.6 (£0.111m);
- c) To allocate the remaining available funds of £0.767m towards key priorities and emerging risks as outlined in Paragraph 2.8.

14.2 In relation to the Capital Outturn, Cabinet is recommended to:-

- a) Note the capital outturn position for 2021/22 as shown in Section 6;
- b) Approve the budgets for outstanding projects from 2021/22 totaling £4.656m to be carried forward to 2022/23 (Para. 6.2 and 6.3).

14.3 Cabinet is also recommended to note:-

- a) The position in relation to the council's investments and borrowings as at 31st March 2022 (Section 5);
- b) The position in respect of the Council's general balances and earmarked reserves as at 31st March 2022 (Para.2.6);
- c) The draft outturn position in relation to the Business Rates Retention Scheme for 2021/22, and the impact on the forecast business rates volatility reserve (Para 7.4);
- d) The significant risks facing the authority and associated mitigations or control measures in place, as outlined within **Appendix D**.

VARIANCES AGAINST BUDGET AT OUTTURN 2021/22

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Arts, Brewhouse and Civic Function Suite			
Brewhouse and Arts Development	339	388	49
Civic Function Suite	91	141	50
Total Arts, Brewhouse and Civic Functions	430	529	99

Division	Explanation	Actual Amount Over/ (under) £'000
Brewhouse and Arts Development	Employees	(13)
Brewhouse and Arts Development	Business Rates	(13)
Brewhouse and Arts Development	Maintenance Contracts	8
Brewhouse and Arts Development	Other Premises Costs	(9)
Brewhouse and Arts Development	Increased Professional Theatre Fee Expenditure	19
Brewhouse and Arts Development	Shortfall in Room Rental and other Income	38
Brewhouse and Arts Development	Brewhouse Cafe/Bar - Net Shortfall	22
Brewhouse and Arts Development	Art Development Programme	(3)
Civic Function Suite	Employees	(28)
Civic Function Suite	Premises Related expenses	(13)
Civic Function Suite	Reduced expenditure - Set up Crews	(11)
Civic Function Suite	Shortfall - Catering/Bar Income	13
Civic Function Suite	Room Hire - Shortfall in Income	89
Total		99

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Community and Open Spaces			
Cemeteries	(5)	37	42
Open spaces	1,417	1,548	131
Partnerships	34	28	(6)
Horticultural Centre	45	48	3
Facilities and Health and Safety	310	226	(84)
Community Centres	18	20	2
Car Parks Income	(804)	(492)	312
Community and Civil Enforcement	287	255	(32)
Social Regeneration	20	20	0
Strategic Tourism	30	22	(8)
Councillors Community Fund	22	21	(1)
Total Community and Open Spaces	1,374	1,733	359

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Cemeteries	Transport-Related Expenditure	4
Cemeteries	Contracted Grounds Maintenance / Re-Procurement	12
Cemeteries	Supplies and Services	6
Cemeteries	Shortfall in Fees and Charges	18
Cemeteries	Employee Costs	2
Open spaces	Contracted Grounds Maintenance	90
Open spaces	Employees, including Maternity Cover	8
Open spaces	Play Equipment	5
Open spaces	Open Space Repairs	31
Open spaces	Car Park Maintenance	7
Open spaces	Supplies and Services	(6)
Open spaces	Other Small Savings	(4)
Partnerships	Employee Costs	(2)
Partnerships	General Grants	(4)
Horticultural Centre	Fees and Charges	3
Facilities and Health and Safety	Repairs & Maintenance to Buildings	(52)
Facilities and Health and Safety	Maintenance Contracts	(3)
Facilities and Health and Safety	Premises-Related Expenditure	(27)
Facilities and Health and Safety	Supplies and Services	(2)
Community Centres	Premises-Related Expenditure	2
Car Parks Income	Bargates Additional Income	(4)
Car Parks Income	Car Parking Income Shortfall	259
Car Parks Income	Season/Penalty Notices Income	70
Car Parks Income	Supplies and Services Savings	(10)
Car Parks Income	Premises-Related Expenditure	(3)
Community and Civil Enforcement	Employees	(39)
Community and Civil Enforcement	Fixed Penalty Fines	3
Community and Civil Enforcement	Premises-Related Expenditure	2
Community and Civil Enforcement	Supplies and Services	2
Strategic Tourism	Contributions to Other Bodies	(8)
Councillors Community Fund	Project Underspend	(1)
Total		359

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
CMT			
Chief Executives	202	201	(1)
Heads of Service	229	236	7
Total CMT	431	437	6

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Chief Executives	Employee Costs	3
Chief Executives	Transport Related Expenditure	(2)
Chief Executives	Supplies and Services	(2)
Heads of Service	Employee Costs	8
Heads of Service	Transport Related Expenditure	(1)
Total		6

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Corporate and Commercial			
Programmes and Information	261	213	(48)
Committee Support	95	106	11
Elections	205	209	4
Emergency Planning	12	10	(2)
Members Allowances	307	299	(8)
Total Corporate and Commercial	880	837	(43)

Division	Explanation	Actual Amount Over/ (under) £'000
Programmes and Information	Employee Costs - Vacant Post	(32)
Programmes and Information	Supplies and Services	(5)
Programmes and Information	Christmas Decorations	(11)
Committee Support	Employee Costs	4
Committee Support	Supplies and Services	7
Elections	Employee Costs	(4)
Elections	Supplies & Services	(10)
Elections	Cost of Council By-Elections	18
Emergency Planning	General Grants	(2)
Members Allowances	Supplies and Services	(9)
Members Allowances	Basic Allowance	2
Members Allowances	Information Commissioner	(1)
Total		(43)

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Cultural Services - Marketing	86	90	4
Total Cultural Services - Marketing	86	90	4

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Cultural Services - Marketing	Employee Costs - Vacancy Factor	2
Cultural Services - Marketing	Advertising	2
Total		4

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Enterprise			
Enterprise	169	168	(1)
Total Enterprise	169	168	(1)

Division	Explanation	Actual Amount Over/ (under) £'000
Enterprise	Employee costs	(4)
Enterprise	Transport costs	(2)
Enterprise	Grants	5
Total		(1)

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Environment			
Council Depots	99	84	(15)
Public Conveniences	150	86	(64)
Waste Collection	2,685	2,595	(90)
Street Cleaning	1,047	1,040	(7)
Building Consultancy	49	32	(17)
Land Drainage	57	52	(5)
Total Enviroment	4,087	3,889	(198)

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Council Depots	Premises-Related Expenditure	(15)
Public Conveniences	Employee Costs -Vacant Post	(19)
Public Conveniences	Temporary Staff	10
Public Conveniences	Business Rates - backdated	(34)
Public Conveniences	Premises-Related Expenditure	(7)
Public Conveniences	Vehicle Maintenance Costs	(7)
Public Conveniences	Supplies and Services	(7)
Waste Collection	Employee Costs	22
Waste Collection	Temporary Staff	114
Waste Collection	Recycling Income	(233)
Waste Collection	Third Party Payments	(57)
Waste Collection	Supplies and Services	10
Waste Collection	Vehicle Hire - Extensions due to delays for new vehicles/ Cover for new vehicles during repairs	29
Waste Collection	Vehicle Maintenance Costs	9
Waste Collection	Trade Waste Income	16
Street Cleaning	Employee Costs	6
Street Cleaning	Temporary Staff	(2)
Street Cleaning	Vehicle Maintenance Costs	(6)
Street Cleaning	Vehicle Contract Hire - Extensions due to delays for new vehicles	6
Street Cleaning	Street Sweepings Disposal Costs	10
Street Cleaning	Supplies and Services	(6)
Street Cleaning	Bulky Waste Income	(11)
Street Cleaning	Other income	(4)
Building Consultancy	Building Control Fee Income	(81)
Building Consultancy	Employee Costs	2
Building Consultancy	Dangerous Structures - shortfall in income	(4)
Building Consultancy	Training Expenses	(3)
Building Consultancy	Car Allowances	(4)
Building Consultancy	Supplies and Services	(2)
Building Consultancy	Revised contribution to Building Control Reserve	92
Building Consultancy	Other Income	(17)
Land Drainage	Grounds Maintenance	(5)
Total		(198)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Mark Rizk			
Environmental Health			
Environmental Health	414	296	(118)
Animal Control	6	1	(5)
Housing Standards	86	67	(19)
Total Environmental Health	506	364	(142)

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Division	Explanation	Actual Amount Over/ (under) £'000
Environmental Health	Employee Costs	(38)
Environmental Health	Supplies and Services	13
Environmental Health	Fees and Charges	(28)
Environmental Health	Professional Support	(65)
Animal Control	Kenneling Expenses	(5)
Housing Standards	Employee Costs	(14)
Housing Standards	Supplies and Services	(5)
Housing Standards	Fees and Charges	6
Housing Standards	Default works	(5)
Housing Standards	HIMO - Fees and Charges	6
Housing Standards	Contribution to/from Reserves	(7)
Total		(142)

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Financial Services			
Capital Financing Costs	522	540	18
Financial Management Unit	512	539	27
Internal & External Audit	128	110	(18)
Total Financial Services	1,162	1,189	27

Division	Explanation	Actual Amount Over/ (under) £'000
Capital Financing Costs	Investment Income	(40)
Capital Financing Costs	Debt Repayment - timing of capital receipts	58
Financial Management Unit	Employee Costs	(6)
Financial Management Unit	Temp Staff Costs	35
Financial Management Unit	Contribution - Professional Reserve/New Burdens	(39)
Financial Management Unit	Card Processing Costs and other Supplies	37
Internal & External Audit	Audit Fee Grant Funding	(18)
Total		27

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Housing			
Housing options	309	228	(81)
Total: Housing	309	228	(81)

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Housing Options	Employee Costs	11
Housing Options	Supplies and Services	(2)
Housing Options	Delivery of grant funding conditions	(73)
Housing Options: Accomodation	Rents	(2)
Housing Options: Accomodation	Premises Related expenditure	2
Housing Options: Accomodation	B&B Costs (excluding Covid 19)	(78)
Housing Options: Accomodation	Premises Rental/ B&B Rentals income (excluding Covid 19)	60
Housing Options: Accomodation	B&B Costs (Covid 19)	48
Housing Options: Accomodation	Premises Rental/ B&B Rentals income (Covid 19)	(7)
Housing Options: Accomodation	Use of Grants	(41)
Housing Options: Accomodation	Contribution from Reserves	1
Total		(81)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Chief Officer : Andy O'Brien			
Human Resources and Payments			
HR and Payroll	364	337	(27)
Pension Payments	1,675	1,658	(17)
Total Human Resources and Payments	2,039	1,995	(44)

Division	Explanation	Actual Amount Over/ (under) £'000
HR & Payroll	Employee Costs	6
HR & Payroll	Supplies and Services	(7)
HR & Payroll	Other Income	(2)
HR & Payroll	Corporate Training	(24)
Pension Payments	Superannuation Payments	(17)
Total		(44)

	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Head of Service : Sal Khan			
IT and Printing			
Central Reprographics	106	96	(10)
ICT	286	274	(12)
Total ICT and Printing	392	370	(22)

APPENDIX A

Division	Explanation	Actual Amount Over/ (under) £'000
Central Reprographics	Hire of Photocopiers	(5)
Central Reprographics	Other Supplies and Services	(6)
Central Reprographics	Employee Costs - Vacancy Factor	1
ICT	Employee Costs	8
ICT	Departmental ICT Purchases	(20)
ICT	Software Licenses & Contracts	(8)
ICT	Transfer to IT Equipment Reserve	28
ICT	Other Supplies and Services	2
ICT	IT Links to remote sites	(7)
ICT	Charges for providing External ICT Support	(15)
Total		(22)

Chief Officer : Andy O'Brien	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Legal Services & Assets			
Legal	215	252	37
Mayoral Support and Civic Ceremonials	49	44	(5)
Industrial Units	(607)	(578)	29
Assets and Estates Management	(74)	(84)	(10)
Total Legal Services & Assets	(417)	(366)	51

Division	Explanation	Actual Amount Over/ (under) £'000
Legal	Temporary Staff cover offset salary savings	53
Legal	Use of professional earmarked reserve	(53)
Legal	Standards Investigations	12
Legal	Other running costs	2
Legal	Shortfall in legal costs recovery	23
Mayoral Support & Civic Ceremonials	Employee Costs	3
Mayoral Support & Civic Ceremonials	Mayoral Allowances	(2)
Mayoral Support & Civic Ceremonials	Reduced functions due to Covid 19	(6)
Industrial Units	Pennycroft Lane - costs pending sale	7
Industrial Units	Vacant Units (rent loss plus vacancy costs)	25
Industrial Units	Repairs and Maintenance	(3)
Assets and Estates Management	Salary savings	(1)
Assets and Estates Management	Professional Support	(9)
Total		51

APPENDIX A

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Leisure Services			
Health and Leisure Grants	19	10	(9)
Leisure Management	479	472	(7)
Total Leisure Management	498	482	(16)

Division	Explanation	Actual Amount Over/ (under) £'000
Health and Leisure Grants	Grant Savings	(9)
Leisure Management	Supplies and Services	(7)
Total		(16)

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Licensing and Enforcement			
Licensing and Enforcement	37	1	(36)
CCTV	71	59	(12)
Total Licensing and Enforcement	108	60	(48)

Division	Explanation	Actual Amount Over/ (under) £'000
Licensing and Enforcement	Employee Costs	(4)
Licensing and Enforcement	Criminal Record Searches	(9)
Licensing and Enforcement	off event	(25)
Licensing and Enforcement	Licensing Income - 3 and 5 year licences	25
Licensing and Enforcement	Reduced contribution to Licensing Volatility Reserve	(23)
CCTV	Supplies and Services	(12)
Total		(48)

Head of Service : Mark Rizk	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Markets	18	45	27
Total Markets	18	45	27

Division	Explanation	Actual Amount Over/ (under) £'000
Markets	Income Shortfall	46
Markets	Employee Costs	(11)
Markets	Expenditure	(8)
Total		27

APPENDIX A

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
Planning			
Planning Policy	143	143	0
Development Control	(82)	(128)	(46)
Land Charges	(19)	(17)	2
Total Planning	42	(2)	(44)

Division	Explanation	Actual Amount Over/ (under) £'000
Planning Policy	Employee costs	26
Planning Policy	Consultant / Professional Services Costs	(24)
Planning Policy	Neighbourhood Plan Referendum	5
Planning Policy	Contribution from Reserves	(7)
Development Control	Employee costs	78
Development Control	Legal Costs	(19)
Development Control	Supplies and Services	(4)
Development Control	Planning Application Fees	(163)
Development Control	Planning Income Recognition (IFRS15)	(53)
Development Control	Contribution to Ringfenced Planning Fee Reserve	139
Development Control	Contribution from Reserves	(24)
Land Charges	Employee Costs	5
Land Charges	Supplies and Services	(2)
Land Charges	Fees and Charges	(1)
Total		(44)

Head of Service : Sal Khan	Budget (£000's)	Actual Outturn (£000's)	Actual Variance (£000's)
SCC - Revenues, Benefits and Customer Contacts			
Revenues	5	44	39
Benefits and Professional Services	669	625	(44)
Customer Contacts	436	430	(6)
Total - Revenues, Benefits and Customer Contacts	1,110	1,099	(11)

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Division	Explanation	Actual Amount Over/ (under) £'000
Revenues	Employee Costs	21
Revenues	RV Finder Service	153
Revenues	Use of Business Rates Reserve	(153)
Revenues	Additional support and associated expenditure (Covid-19)	222
Revenues	Use of New Burdens Grant Funding	(219)
Revenues	Departmental Postage - Council Tax re Direct Debits	18
Revenues	Supplies and Services	(13)
Revenues	MoJ Court Cost Refund - C/fwd pending options review	74
Revenues	Income	(64)
Benefits	Employee Costs	2
Benefits	Additional support and associated expenditure (Covid-19)	20
Benefits	External Support - Verification Earnings & Pensions	19
Benefits	Supplies and Services	15
Benefits	Use of Grant Funding	(65)
Benefits	Benefits Subsidies	(8)
Benefits	Reduction in HB Supported Housing costs	(648)
Benefits	Provision - Supported Housing	550
Benefits	Housing Subsidy forecast	101
Benefits	OPHB - income and bad debt provision	(12)
Benefits	Council Tax Benefit Admin Grant	(18)
Customer Contacts	Employee Costs	(6)
Customer Contacts	Additional support and associated expenditure (Covid-19)	44
Customer Contacts	Use of New Burdens Grant Funding	(38)
Customer Contacts	Staffs County Council Income	5
Customer Contacts	Supplies and Services	(5)
Customer Contacts	Transport related expenditure	(4)
Customer Contacts	Pemises related Expenditure	(2)
Total		(11)

SUMMARY OF CAPITAL EXPENDITURE AGAINST PROGRAMME 2021-22
(Indicative Towns Fund Allocations / Spending shown at Paragraph 6.4 of the Report)

Appendix B

Description	Brought Forward 2020/21		2021/22 - per MTFS (Budget Book)		Changes Since MTFS Approved		Total Budget	Spend 2021/22	Variation	C/f	Overspend/ (Underspend)	Completed / Ongoing & Comments
	ESBC	Other Funding	ESBC	Other Funding	ESBC	Other Funding						
	£	£	£	£	£	£						
Neighbourhood working Fund	22,324						22,324	7,520	14,804	14,804		Ongoing
Disabled Facility Grants		1,750,138		1,160,000		392	2,910,530	973,981	1,936,549	1,936,549		Ongoing
Town Hall Office Accommodation Refurbishment	1,756						1,756	0	1,756		(1,756)	Complete
Bartec Street Cleaning Software	12,742						12,742	0	12,742	12,742		Ongoing
Station Street Burton	79,745						79,745	(1,804)	81,549		(81,549)	Final Account
Cemetery Expansion (Note 1)	14,950		175,000				189,950	5,980	183,970	183,970		Ongoing
Small Business Fund	100,000						100,000	75,658	24,342	24,342		Ongoing
ICT - CISCO Switches	1,186						1,186	0	1,186		(1,186)	Finished
Assets - Mandatory Works	37,654						37,654	6,939	30,715	30,715		Ongoing
Washlands	973,308	1,000,000					1,973,308	102,805	1,870,502	1,870,502		Awaiting Tender
Council Wide Fleet Replacement			3,861,399		27,150		3,888,549	3,383,053	505,496	505,496		Ongoing
Electric Charging Infrastructure			36,000				36,000	18,046	17,954	17,954		Ongoing
ICT - Equipment and Servers			45,000				45,000	45,000	0	0		Complete
ICT - Equipment Update 21.22					36,779		36,779	36,779	(0)	0		Ongoing - funded revenue/earmarked reserve
Shobnall Artificial Turf Pitch Replacement (S106)						162,055	162,055	147,552	14,503	0	(14,503)	Complete
Shobnall Leisure Floodlight Replacement (S106)						35,669	35,669	35,669	(0)	0		Complete
Planning Assure System					78,250		78,250	18,900	59,350	59,350		Ongoing - funded revenue/earmarked reserve
Rubber Surfacing at Tower Woods Play Area (S106)						16,100	16,100	16,100	0			Complete
	1,243,664	2,750,138	4,117,399	1,160,000	142,179	214,216	9,627,596	4,872,178	4,755,418	4,656,424	- 98,994	
	3,993,802		5,277,399									

The 2021/22 onwards budget book includes a figure of £5.568min relation to the Capital Programme, which incorporates planned spend on the fleet replacement of £0.291m in 2024/25 as per the report approved by Cabinet.

INVESTMENTS AT 31ST MARCH 2022

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date
Call Accounts and Money Market Funds				
RBS SIBA	59,597	0.01%		
Barclays	13	0.20%		
Santander 95 day notice account	3,500,000	0.25%		95 day notice
MMF Insight	3,925,000	0.56%		Call
MMF CCLA	4,000,000	0.58%		Call
Fixed Deposits / Certificates of Deposit				
Lloyds Bank CD	3,500,000	0.51%	01/02/2022	03/05/2022
National Westminster Bank CD	1,000,000	0.19%	19/08/2021	18/08/2022
National Westminster Bank CD	1,000,000	1.30%	30/03/2022	30/09/2022
National Westminster Bank CD	1,000,000	0.65%	24/11/2021	23/11/2022
National Westminster Bank CD	1,000,000	0.82%	14/01/2022	13/01/2023
National Westminster Bank CD	1,000,000	1.71%	17/03/2022	17/03/2023
DZ Bank CD	1,500,000	1.12%	25/03/2022	25/07/2022
Toronto Dominion Bank CD	1,500,000	1.02%	31/01/2022	31/01/2023
Nordea CD	1,500,000	0.99%	10/02/2022	10/08/2022
UK Treasury Bill	1,000,000	0.15%	01/11/2021	03/05/2022
UK Treasury Bill	1,500,000	0.20%	17/01/2022	19/04/2022
UK Treasury Bill	1,000,000	0.23%	01/11/2021	03/05/2022
UK Treasury Bill	1,000,000	0.25%	31/01/2022	03/05/2022
UK Treasury Bill	1,000,000	0.42%	31/01/2022	03/05/2022
Basildon BC	5,000,000	0.10%	22/06/2021	21/06/2022
Merseyside PCC	5,000,000	0.07%	20/09/2021	15/07/2022
DMO (UK Debt Management)	2,600,000	0.55%	25/03/2022	07/04/2022
DMO (UK Debt Management)	3,500,000	0.16%	24/01/2022	14/04/2022
DMO (UK Debt Management)	2,200,000	0.55%	21/03/2022	14/04/2022
DMO (UK Debt Management)	3,600,000	0.55%	30/03/2022	20/04/2022
DMO (UK Debt Management)	4,000,000	0.18%	27/01/2022	27/04/2022
DMO (UK Debt Management)	2,000,000	0.09%	03/12/2021	01/06/2022
DMO (UK Debt Management)	1,500,000	0.79%	30/03/2022	30/08/2022

Investments rate of interest as at 31 Mar 2022	Principal (£)	Interest Rate
Total Investments	59,384,610	0.44%

Average rate of interest (Year to date)	Principal (£)	Interest Rate
Total Investments	63,104,608	0.10%

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Brexit and wider economic and geo-political	Consequences of decision to exit the EU and the wider geo-political circumstances have a negative impact. (Economic consequences impacting on resources, both central and local, additional strain on pension fund, value of council assets, impact on procurement and VFM etc.). Potential for operational/service delivery disruption.	Monitoring of Economic conditions / external forecasts, horizon scanning by CMT and Senior Officers. Prudent and Robust rolling MTFS Understanding and acting on any intelligence forthcoming from local and central government bodies.	2	4	13	31/03/2022
Business Rates Retention Scheme	Business Rate Retention Scheme. Impact of scheme on funding, including scale of reliefs/appeals, longer term economic impact of Covid-19, the impact of revaluation and the planned business rates reset.	Regular in year monitoring of the scheme Keeping abreast of latest developments with Business Rates Retention and feeding into any national consultations. Proactive monitoring of potential and lodged appeals and accounting for likely outcomes Robust MTFS to provide provision for financial resilience to changes in scheme, including a business rates reserve.	4	4	16	31/03/2022
Covid -19	The potential to impact on business, communities, resources and the delivery of council services	The Council has adapted well to the Covid-19 Pandemic within minimal service disruption. Services are largely operating as business as usual, with a large proportion of office based staff working on a hybrid basis. The Council will continue to work with its partners on preparedness for and prevention of future lockdowns to mitigate the impact on the ongoing recovery of the area, as well as ensuring the recovery process continues should a lockdown occur. The Council has moved into a recovery phase, focusing on supporting the local economy and business, as well as supporting local communities adapt to new norms of behaviour - with further details outlined in the regular Covid Update Reports to Cabinet.	2	4	13	31/03/2022
Central Government Funding	Uncertainty surrounding future government funding, including the impact of the business rates reset, New Homes Bonus, and finally the planned needs review in relation to the allocation of funding within the sector being updated (previously the fair funding review).	Robust MTFS with flexibility to respond to changes in government proposals Financial modelling/impact assessment. Keep abreast of Govt developments and pro-actively responding to consultations.	3	4	15	31/03/2022

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Climate Change	Failure to deliver the climate change action plan approved by Council 17th August 2020.	Annual monitoring and reporting. Additional staffing resource to support implementation. Regular reviews by the Deputy Leader	1	4	10	31/03/2022
Financial : Pension Scheme	Increasing pension liabilities result in the need to increase employer contributions above those assumed within the MTFS	Realistic provision within MTFS for cost and changes Keeping abreast of updates from the actuary and pension fund	1	4	10	31/03/2022
Homes for Ukraine scheme	There are a number of actions/activities that the Borough Council is expected to undertake in delivering the Homes for Ukraine scheme. Failure to deliver on these aspects may give rise to a reputational risk to the Council.	An internal officer team has been established to address these issues and provide the appropriate response. Officers are working with County colleagues (who are effectively leading on the scheme) to ensure communications channels are appropriate. The appropriate staff are in place to address the issues as required e.g. Environmental Health for housing inspection checks, Revenues team to ensure identified payments are made and Management to ensure appropriate financial controls are in place.	2	2	5	31/03/2022
ICT Security	Unintentional or intentional introduction of malware, resulting impacts on normal service delivery and/or breach of data protection, via: 1) Prevention of access to systems or data 2) Physical destruction of hardware 3) Data Exposure or leaks 4) Data alteration	ICT Security Policy Access controls and permissions within system applications Protective defences such as antivirus software Perimeter protection with hardware firewalls Regular patching Quarterly vulnerability scans Officer and Member training and awareness Prevention of access to unnecessary physical facilities e.g. USB devices	2	4	13	31/03/2022

Corporate Risks		Risk Owner: Corporate Management Team					
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed	
Litigation - General	Failure to comply with the law on a range of services, including the New General Data Protection Regulations (GDPR)	Managers/Heads of Service, with Legal support, keep abreast of new and changed law				10	31/03/2022
		Monitoring Officer role to oversee legal compliance	1	4			
		Training rolled out in respect of GDPR requirements. Compliance oversight by Monitoring Officer and CMT					
MTFS: Budget Assumptions	Assumptions made in the MTFS in relation to inflation, interest rates, pay awards, income levels etc. have a negative impact on financial plans/resources.	Robust MTFS provides some degree of resilience to financial shocks				13	31/03/2022
		Proactive treasury management forecasting, monitoring and reporting	2	4			
		Budgeting based on prudent forecasts. Regular in-year monitoring and forecasting					
Supported Housing	(1) Demand for supported housing accelerates within the Borough (2) The outcome of appeals and other claims by Supported Housing providers Results in costs becoming financially unsustainable, impacting on the Council ability to deliver other services within the Borough.	Processes for accessing claims reviewed and strengthen, taking into account learning from other authorities and Sector led Pilots.				13	31/03/2022
		Use of external expertise and advice.	2	4			
		Management oversight					
Towns Fund	Failure to deliver the Towns Fund for the Borough	Multi Agency Towns Fund Board established. Senior Officers and Members attend/sit on the Board. Appropriate Governance arrangements in place within ESBC as the accountable body. Close liaison with Partners and Government Department.	2	4	13	31/03/2022	

Corporate Risks		Risk Owner: Corporate Management Team				
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Treasury Management - Counter-party risk	Market volatility, geo-political risks result in counter-party failure and financial loss to the Council.	Robust Treasury Management Strategy and a prudent risk approach to investments. Advice from professional treasury advisors, monitoring market developments, benchmarking.	2	4	13	31/03/2022
Unforeseen Environmental Impacts	Floods, fire, chemical, major disaster, terrorism	Major Incident/Emergency Plan Test exercises ensure readiness for incidents Internal resource and support from CSU The Council is working closely with the Environment Agency in relation to extensive flood defence work on the Washlands and wider areas to prevent major flooding events in the future. County wide preventing violent extremism working group	2	4	13	31/03/2022
Unforeseen Health Impacts	Pandemics/wider health issues impacting on council (more detail in relation to Covid-19 above)	Succession planning/ability to access temporary staff. Major Incident/Emergency Plan Robust, tested business continuity plans	4	4	16	31/03/2022
Welfare Reforms	Welfare Reforms. 1) Delivery/impact of Universal Credit 2) Financial impact of Council Tax Reduction, including demographic changes 3) Financial impact of universal credit on subsidy levels, ability to recover overpayments and housing options funding.	Council Tax Reduction scheme approved and complied with Regular monitoring of scheme against financial provisions / MTFS Financial modelling/impact assessment. More frequent in year monitoring.	2	4	13	31/03/2022

Corporate Risks

Risk Owner: Corporate Management Team

Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level	Last Reviewed
Wider Public Sector Funding Reductions	Impact on the Council of the wider public sector funding reductions (e.g. homelessness, supported housing, waste etc.)	Robust MTFS generally provides some financial resilience to respond to changes	3	4	15	31/03/2022
		Seek and develop opportunities to increase income or reduce costs across all Council operations				
		Senior level discussions may mitigate or prevent such cost shunts				

Strategic Risks		Risk Owner: Corporate Management Team					Last Reviewed
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level		
A fear of not being able to influence the GBSLEP/SSLEP	Failure to be adequately represented and therefore limited ability to influence. Opportunity risk of not maximising potential benefits from working within the LEPS.	Senior officers (CE and Heads of service) heavily involved in working with the LEP to represent Council's interests The Council has joined the SSLEP with a place on the board. One member (Council) one vote, provides Council with a strong voice on GBSLEP	1	4	10	31/03/2022	
Business Continuity	Failure to have effective plans in place	Approach to Business Continuity was reviewed in Quarter 2 2021/22. Individual BCPs are reviewed and updated on a regular basis. BC's reviewed in preparation for recent Covid-19 events Approved, up to date BC policy in place.	1	4	10	31/03/2022	
Communication	Lack of community engagement and failure to take into account residents views in the decision making process. Covid-19 has made this more challenging, in particular relation to the ability to undertake face to face consultations.	Communications strategy reviewed and revised in December 2021. Proactive social media work undertaken by the Corporate and Commercial Team	2	2	5	31/03/2022	
Corporate Plan	Failure to deliver corporate plan objectives	Corporate Plan is adopted at full council and refreshed at full council annually. The CP is established with COs and DLs working together to realign political manifesto into a series of objectives and SMART targets. Performance of the CP is formally reported on a quarterly basis through Cabinet and all political groups as well as through quarterly scrutiny boards. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary. There continues to be unforeseen impacts arising from the Pandemic and impacting upon the delivery of the Corporate Plan.	3	4	15	31/03/2022	
Council Tax Reduction Scheme	Failure to adopt a scheme that is fit for purpose and affordable.	Scheme suitably approved and adopted; budget set based on forecasts and reviewed; CTR correctly applied per scheme	1	3	6	31/03/2022	
Devolution	The levelling up white paper published in February 2022 provides the potential for mayoral combined authorities / unitary authorities or other opportunities/outcomes.	Opportunities kept under review with county council and other districts. Monitored by the executive	1	4	10	31/03/2022	

Strategic Risks		Risk Owner: Corporate Management Team					Last Reviewed
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level		
Health & Safety	Failure to deliver/comply with H&S policy/strategy	The strategy/policy is adopted following consultation with all relevant internal stakeholders and approved by the Leader H&S team advises, educates and reviews risk assessments etc and has direct reporting access to Chief Executive Incident/accident reporting process in place.	1	4	10	31/03/2022	
Levelling Up	Wider potential impact of central policy outlined in the white paper published in February 2022 and the potential for missed opportunities	Developments and opportunities monitored. Monitored by the executive	1	4	10	31/03/2022	
Local Plan Implications	Monitoring of the local plan and maintenance of a five year land supply	Regular monitoring /compliance Planning decisions complying with approved plan/existing planning law/policy. On going work between Members and Officers	2	4	13	31/03/2022	
Managing Change	Ineffective change management resulting in a reduction in the quality of services	Workforce Planning Strategy in place Effective track record of performance management - via Corporate Plan, Service Planning, Staff Performance Appraisals Effective Communications - Corporate Management Team, Managers Forum, Team Meetings, Staff 1-1s, Staff Briefings.	2	2	5	31/03/2022	
Medium Term Financial Strategy	Failure to adopt and implement an effective and robust MTFS impacting on the Council's ability of the Council to meet its objectives.	The MTFS is established with COs and DLs working together to realign political manifesto into a series of objectives and financial targets. Financial support and challenge to proposals with financial implications, minimising risks of a budget shortfall. The MTFS is adopted at full council and refreshed at full council annually. Performance of the MTFS is formally reported on a quarterly basis through Cabinet and all political groups as well. Any slippage is identified at an early stage and preventative and/or corrective actions are taken as necessary.	1	4	10	31/03/2022	
Member Training/Awareness	Lack of awareness/understanding of key responsibilities.	Constitution Member induction programme, member training and regular briefings. Open door policy with Heads of service; discussions/briefings with officers.	2	2	5	31/03/2022	

Strategic Risks		Risk Owner: Corporate Management Team					Last Reviewed
Risk	Source of Risk	Treatment Description	Likelihood	Impact	Risk Level		
Planning Appeals	Appeals against planning decisions arising from failure to take into account professional and legal advice leading to financial loss from cost of appeal and potentially new homes bonus.	Member training Financial provision/contingency to meet potential costs of appeals Legal advice at committee	3	4	15	31/03/2022	
Treasury Management Strategy	An ineffective TM Strategy does not protect the Council adequately against the risks associated with this activity resulting in potential significant financial loss and possible reputational damage. The associated opportunity risk of ineffective cashflow management, resulting in returns lower than might be realised, taking into account the Council's risk appetite or the need for unexpected borrowing.	The TMS reflects statutory and non-statutory guidance and is adopted at full council annually, following scrutiny by the Audit and Value for Money Council Services Committee. Performance of the TMS is formally reported on a quarterly basis through the Financial Outturn report to Cabinet and all political groups as well as through the Audit Committee. Mid year performance and Outturn is formally reported through to full council. Adequate and suitably trained staff. Regular member training/briefings. The appointment of professional treasury management advisors	1	4	10	31/03/2022	