

# Report to Budget and Corporate Scrutiny Management Board

**21 July 2021**

<b>Subject:</b>	2020/21 Financial Outturn
<b>Director:</b>	Rebecca Maher – Acting Director of Finance
<b>Contact Officer:</b>	Charlie Davey – Business Partner (Finance) <a href="mailto:charles_davey@sandwell.gov.uk">charles_davey@sandwell.gov.uk</a>

## 1 Recommendations

- 1.1 That the Budget and Corporate Scrutiny Management Board considers the financial outturn reports of the Capital Programme (Appendix D), Key Performance Indicators (Appendix E), each service area (Appendices F to L), Housing Revenue Account (Appendix M), Schools (Appendix N), and Treasury Management (Appendix O) and identify any recommendations it wishes to make to Cabinet.







## 2 Reasons for Recommendations

- 2.1 At its meeting on 7 July 2021, the Cabinet received, considered and agreed the 2020-21 Financial Outturn report. The Cabinet also referred the report to the Budget and Corporate Scrutiny Management Board for consideration and comment.
- 2.2 Any recommendations arising from the consideration of this report will be reported to the Cabinet.

## 3 How does this deliver objectives of the Corporate Plan?

The Council's financial status helps to underpin the Council's Corporate Plan and associated aspirations.



	Best start in life for children and young people
	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell

## 4 Context and Key Issues

- 4.1 The Scrutiny Management Board has been requested to consider the 2020-21 financial outturn position to ensure the Council can conduct its business efficiently, act to provide for the security of the assets under its control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.

## 5 Alternative Options

- 5.1 If the Scrutiny Management Board does not consider the information presented the opportunity to make recommendations would be lost.

## 6 Implications

<b>Resources:</b>	Further details on the financial implications will be presented to the meeting.
<b>Legal and Governance:</b>	The Local Government Act 2003 places a requirement on local authorities to provide Members with regular financial monitoring.



<b>Risk:</b>	This information is contained within the main body of this report.
<b>Equality:</b>	There is no requirement to conduct an Equality Impact Assessment.
<b>Health and Wellbeing:</b>	The financial prosperity of the Council provides a foundation for health and wellbeing across the remit of the Council.
<b>Social Value</b>	Implications for social value and how the proposals are meeting this (for e.g. employment of local traders, young people)

## 7. Appendices

Appendix Cabinet report

Appendix A – Revenue Outturn Summary

Appendix B – Central Items Summary

Appendix C – Earmarked Reserves

Appendix D – Capital Monitoring

Appendix E - Key Performance Indicators

Appendix F – Corporate Management Financial Outturn

Appendix G – Resources Financial Outturn

Appendix H – Adult Social Care Financial Outturn

Appendix I - Regeneration & Growth Financial Outturn

Appendix J – Housing & Communities Financial Outturn

Appendix K – Children’s Services Financial Outturn

Appendix L – Public Health Financial Outturn

Appendix M – Housing Revenue Account Financial Outturn

Appendix N – Individual Schools Budgets Financial Outturn

Appendix O – Treasury Management Outturn

## 8. Background Papers

None



# Report to Cabinet

**7 July 2021**

<b>Subject:</b>	2020/21 Financial Outturn
<b>Cabinet Member:</b>	Cllr Ali – Cabinet Member for Finance, Council Sustainability and Transformation
<b>Director:</b>	Rebecca Maher – Acting Director of Finance
<b>Key Decision:</b>	Yes
<b>Contact Officer:</b>	Charlie Davey – Business Partner (Finance) <a href="mailto:charles_davey@sandwell.gov.uk">charles_davey@sandwell.gov.uk</a>

## 1 Recommendations

### That Cabinet:

- 1.1 Receive the financial outturn reports of the Capital Programme (Appendix D), Key Performance Indicators (Appendix E), each service area (Appendices F to L), Housing Revenue Account (Appendix M), Schools (Appendix N), and Treasury Management (Appendix O) and refer them to the Budget and Corporate Scrutiny Management Board for consideration and comment.
- 1.2 Approve the allocation of £464,837 to Sandwell Children's Trust to fund Covid-19 pressures. This is in addition to the transfers made during the year and represents total funding of £1,920,307 from the Covid Emergency Grant in 2020/21. This proposal is reflected within the Children's Services Outturn report (Appendix K).
- 1.3 Approve Revenue Contributions to Capital Outlay (RCCO) of £6.191m for the following capital projects which have been reflected within the relevant outturn reports.



	£'000
<u>Resources</u>	
Contribution to development of West Bromwich Cemetery	1,462
Additional Laptops (SMBC)	429
Additional Laptops (SCT)	600
<u>Adult Social Care</u>	
Development of Health & Social Care Facility (Knowle)	3,500
<u>Housing &amp; Communities</u>	
Purchase of additional fleet vehicles	200
<b>Total</b>	<b>6,191</b>

- 1.4 Approve the following treatment of the adjusted year end budget variances:

	£'000	£'000
<b>Add to / (Use) General Balances</b>		
Corporate Management	123	
Resources	2,754	
Adult Social Care	11,102	
Regeneration & Growth	565	
Housing & Communities	2,044	
Children's Services	(1,851)	
<b>Net Total</b>		<b>14,737</b>
<b>Carry Forward to 2021/22</b>		
Resources	929	
Adult Social Care	2,000	
Housing & Communities	92	
<b>Total</b>		<b>3,021</b>
<b>Add to the Earmarked Balances of Revenues &amp; Benefits (Resources)</b>		<b>2,500</b>
<b>Add to the ring-fenced reserve for the Public Health Grant</b>		<b>3,021</b>
<b>Total</b>		<b>23,279</b>









## 2 Reasons for Recommendations

- 2.1 Section 151 of the 1972 Local Government Act requires the Chief Financial Officer to ensure the proper administration of the council's financial affairs. Budgetary control, which includes the regular monitoring and reporting of budgets is an essential element in discharging this statutory responsibility. The recommended treatment of the year end variances supports the financial sustainability of the council.

## 3. How does this deliver objectives of the Corporate Plan?

The Council's financial status helps to underpin the Council's Corporate Plan and the associated aspirations.

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## 4 Context and Key Issues

- 4.1 The overall net service outturn variance, excluding the HRA, is an under spend of £23.279m; the variance for each service area is summarised in the following table and analysed in more detail within Appendix A.





Area	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000	(Use of) Reserves / Corporate Resources & RCCO £'000	Corporate Funding of Covid Pressures £'000	Variance (Under) / Over Spend £'000
Corporate Management Resources	(316)	(436)	(120)	(3)	0	(123)
Adult Social Care	17,100	14,425	(2,675)	(1,170)	(2,338)	(6,183)
Regeneration & Growth	89,956	77,755	(12,201)	1,719	(2,620)	(13,102)
Housing & Communities	22,105	23,978	1,873	22	(2,460)	(565)
Children's Services	18,345	19,043	698	272	(3,106)	(2,136)
	90,992	99,349	8,357	(918)	(5,588)	1,851
<b>Net Service Expenditure (ex PH)</b>	<b>238,182</b>	<b>234,114</b>	<b>(4,068)</b>	<b>(78)</b>	<b>(16,112)</b>	<b>(20,258)</b>
Public Health	300	(2,571)	(2,871)	(18)	(132)	(3,021)
<b>Total Net Service Expenditure</b>	<b>238,482</b>	<b>231,543</b>	<b>(6,939)</b>	<b>(96)</b>	<b>(16,244)</b>	<b>(23,279)</b>

- 4.2 Services have reported an underspend of £6.939m from allocated budgets however, after adjusting for reserves, corporate resources, RCCO and the application of centrally held Covid-19 grant funding the adjusted outturn is an underspend of £23.279m. The proposed treatment of the net variance is outlined in 1.4 above.
- 4.3 The Covid-19 crisis has significantly affected our financial position. Specific details are contained within the individual service reports however the impact has included:
- Reduced expenditure from the suspension / cancellation of services or a focus on emergency responses only.
  - Loss of income due to service reductions / travel restrictions.
  - Additional costs from undertaking new Covid related activity.
  - Redeployment of staff and resources as part of the corporate Covid response.
  - Access to additional Covid related grant funding to manage additional costs and income reductions.
- 4.4 Additional Covid related grant funding is available during Quarter 1 of 2021/22 however the financial impacts are expected to continue throughout the year.



- 4.5 Initial budget planning for 2021-2024 has identified non-Covid related financial pressures which are being managed in the short-term by reserves and other one-off sources of funding. The proposed treatment of the 2020/21 under spends will assist us to temporarily manage the financial risks however, all service areas have been allocated indicative savings targets during the next phase of budget planning to address the projected funding gap on a long term basis.
- 4.6 Individual outturn reports for each directorate, the Housing Revenue Account and the Individual Schools Budget can be found in Appendices F to N.

### **Central Items**

- 4.7 The council has a number of centrally held budgets. The nature of these is such that they are not within a specific directorate's control. The net outturn variance against these budgets is an under spend of £1.620m and more detail is provided in Appendix B.

### **Use of Reserves**

- 4.8 At the end of 2019/20 £51.9464m was held in earmarked reserves and during the year balances have increased by £46.967m, the year end reserve balance is therefore £98.913m. Most of the increase can be attributed to S31 Business Rate Relief (£34.4m) and Covid Emergency Funding (£7.9m). Further detail is provided in Appendix C.

### **Capital**

- 4.9 During 2020/21 capital expenditure totalled £131.730m; a summary of the capital programme is provided in Appendix D and the details of individual projects are included within the Service Reports in Appendices F to M.

### **General Fund Balance**

- 4.10 At the end of 2020/21 the General Fund balance was £58.115m. This includes £6.191m RCCO (as set out in recommendation 1.3 above), £7.601m of service carry forward/overspends to be funded and £34.121m of earmarked central items. This leaves a free balance of





£10.202m which equates to 4.78% of net General Fund expenditure and is within the prudent limits set by the Section 151 Officer.

## 5 Alternative Options

- 5.1 Cabinet could vary the proposed transfer to the Sandwell Children's Trust, the use of revenue to fund capital costs (RCCO) and the proposed treatment of the year end variances from budget.

## 6 Implications

<b>Resources:</b>	Resource implications are contained within the main body of the report.
<b>Legal and Governance:</b>	No direct implications arising from the recommendations.
<b>Risk:</b>	This information is contained within the main body of this report.
<b>Equality:</b>	No direct implications arising from the recommendations.
<b>Health and Wellbeing:</b>	No direct implications arising from the recommendations.
<b>Social Value</b>	No direct implications arising from the recommendations.

## 7. Appendices

Appendix A – Revenue Outturn Summary  
Appendix B – Central Items Summary  
Appendix C – Earmarked Reserves  
Appendix D – Capital Monitoring  
Appendix E - Key Performance Indicators  
Appendix F – Corporate Management Financial Outturn  
Appendix G – Resources Financial Outturn  
Appendix H – Adult Social Care Financial Outturn  
Appendix I - Regeneration & Growth Financial Outturn



Appendix J – Housing & Communities Financial Outturn  
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Appendix M – Housing Revenue Account Financial Outturn  
Appendix N – Individual Schools Budgets Financial Outturn  
Appendix O – Treasury Management Outturn

## 8. **Background Papers**

None



## Appendix A - Revenue Outturn Summary

Area	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000	(Use of) Reserves / Corporate Resources & RCCO £'000	Corporate Funding of Covid Pressures £'000	Variance (Under) / Over Spend £'000
Corporate Management	(316)	0	(316)	(436)	(120)	(3)	0	(123)
Resources	17,093	7	17,100	14,425	(2,675)	(1,170)	(2,338)	(6,183)
Adult Social Care	82,636	7,320	89,956	77,755	(12,201)	1,719	(2,620)	(13,102)
Regeneration & Growth	22,105	0	22,105	23,978	1,873	22	(2,460)	(565)
Housing & Communities	17,791	554	18,345	19,043	698	272	(3,106)	(2,136)
Children's Services	90,663	329	90,992	99,349	8,357	(918)	(5,588)	1,851
<b>Net Service Expenditure (ex PH)</b>	<b>229,972</b>	<b>8,210</b>	<b>238,182</b>	<b>234,114</b>	<b>(4,068)</b>	<b>(78)</b>	<b>(16,112)</b>	<b>(20,258)</b>
Public Health	300	0	300	(2,571)	(2,871)	(18)	(132)	(3,021)
<b>Total Net Service Expenditure</b>	<b>230,272</b>	<b>8,210</b>	<b>238,482</b>	<b>231,543</b>	<b>(6,939)</b>	<b>(96)</b>	<b>(16,244)</b>	<b>(23,279)</b>
Central Items	25,745	0	25,745	(21,405)	(47,150)	46,191	(791)	(1,750)
Housing Revenue Account (HRA)	(29,844)	0	(29,844)	(33,103)	(3,259)	(703)	0	(3,962)
Individual Schools Budgets (ISB)	0	0	0	(11,075)	(11,075)	(830)	0	(11,905)
<b>Total Net Expenditure</b>	<b>226,173</b>	<b>8,210</b>	<b>234,383</b>	<b>165,960</b>	<b>(68,423)</b>	<b>44,562</b>	<b>(17,035)</b>	<b>(40,896)</b>



## Appendix B Central Items Summary

Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Housing &amp; Communities</b>								
Waste Partnership	28,116	0	28,116	25,685	(2,431)	2,431	0	0
<b>Children's Services</b>								
BSF Central Item	400	0	400	400	0	0	0	0
<b>Resources</b>								
Local Authority Subscriptions	104	0	104	136	32	0	0	32
Wolverhampton: WMCC and WMRE	45	0	45	35	(10)	0	0	(10)
Shireland Collegiate Development Project	0	0	0	(90)	(90)	0	0	(90)
Ormiston Forge Recharge Account	0	0	0	(7)	(7)	0	0	(7)
External Audit Fee	144	0	144	463	319	0	0	319
New Homes Bonus Grant	(1,606)	0	(1,606)	(1,606)	0	0	0	0
No Recourse to Public Funds	231	0	231	625	394	(250)	0	144
Business Rates Compensation Grant	(15,221)	0	(15,221)	(51,517)	(36,296)	34,390	0	(1,906)
Savings Target	(425)	0	(425)	0	425	0	0	425
Insurance	(395)	0	(395)	(2,027)	(1,632)	1,815	0	183
Bank Charges	335	0	335	349	14	0	0	14
Airport Rent Income	(100)	0	(100)	(134)	(34)	0	0	(34)
Apprenticeship Levy	480	0	480	454	(26)	0	0	(26)
Past Service Pension Costs	5,478	0	5,478	5,016	(462)	0	0	(462)
Local Welfare Provision	0	0	0	71	71	(71)	0	0
Housing Benefits	501	0	501	499	(2)	0	0	(2)
Pensions General	4,559	0	4,559	4,384	(175)	0	0	(175)
Coroners	346	0	346	532	186	0	(35)	151
Members Allowances	1,418	0	1,418	1,318	(100)	0	0	(100)
Public Law Fees	366	0	366	422	56	0	0	56
Special Events	25	0	25	6	(19)	0	0	(19)
Templink	(429)	0	(429)	(367)	62	0	(164)	(102)
COVID19 Emergency Funding	0	0	0	(7,877)	(7,877)	7,876	0	(1)
COVID19 Temporary Facilities	0	0	0	592	592	0	(592)	0
COVID 19 Local Restrictions Support Grant	0	0	0	4	4	0	0	4
COVID19 Discretionary Business Grant Fund	0	0	0	2,912	2,912	0	0	2,912
COVID19 Small Business Grant Fund	0	0	0	(2,912)	(2,912)	0	0	(2,912)
Combined Authority	1,373	0	1,373	1,359	(14)	0	0	(14)
			0					
Total Resources	(2,771)	0	(2,771)	(47,360)	(44,589)	43,760	(791)	(1,620)
<b>Grand Total</b>	<b>25,745</b>	<b>0</b>	<b>25,745</b>	<b>(21,275)</b>	<b>(47,020)</b>	<b>46,191</b>	<b>(791)</b>	<b>(1,620)</b>



## Appendix C Earmarked Reserves

Earmarked Reserve	Balance as at 31 March 2020 £000	Use of / (Contribution to) Reserves £000	Remaining Balance 31 March 2021 £000
<b>Corporate Management</b>			
Brexit Funding	(76)	3	(73)
<b>Adult Social Care</b>			
Taxi Licensing Operational	(105)	0	(105)
Adult Social Care Reserve	(1,047)	0	(1,047)
Integrated Care Record	(194)	23	(171)
Better Care Fund	(10,710)	1,758	(8,952)
<b>Children's Services/ISB</b>			
Regeneration and Economy	(110)	21	(89)
BSF FM Sinking Fund	(2,701)	(282)	(2,983)
BSF PFI Sinking Fund	(4,230)	(549)	(4,779)
<b>Housing &amp; Communities</b>			
Physical Activity Board	(24)	0	(24)
Sinking Fund - Portway Lifestyle Centre	(586)	(72)	(658)
Private Sector Landlord	(142)	0	(142)
Dartmouth Park HLF	(318)	0	(318)
Commonwealth Games - UoW	(100)	0	(100)
Serco Waste	(1,385)	(2,431)	(3,816)
<b>Public Health</b>			
Learning for Public Health	(317)	(88)	(405)
Public Health Grant Reserve	(4,842)	(3,020)	(7,862)
<b>Regeneration &amp; Growth</b>			
West Midlands Regional Research	(287)	53	(234)
Sinking Fund RBC Building	(472)	(118)	(590)
Sinking Fund Central 6th Building	(920)	(79)	(999)
<b>Resources</b>			
Insurance Reserve	(7,060)	(1,815)	(8,875)
Grants Irregularities Reserve	(1,031)	0	(1,031)
E-Business Financial Suite	(2,184)	1,545	(639)
P.O.C.A. (Proceeds of Crime)	(29)	(11)	(40)
Sandwell Children's Trust	(707)	630	(77)
COVID Emergency Funding	(12,369)	(7,877)	(20,246)
Elections (Fallow Year)	0	(268)	(268)
S31 Business Rate Relief	0	(34,390)	(34,390)
<b>Housing Revenue Account</b>			
Welfare Reform Reserve	0	0	0
<b>Total</b>	<b>(51,946)</b>	<b>(46,967)</b>	<b>(98,913)</b>



## APPENDIX D - Capital Monitoring

### SANDWELL METROPOLITAN BOROUGH COUNCIL

#### CAPITAL MONITORING 2020/2021 - PERIOD 12 MARCH

SUMMARY  MARCH 2020/21	Original Budget 2020/21 (Main Programme)  £'000	Additional Approvals / Adjustments  £'000	Re-Profile to Future Years  £'000	Revised Budget 2020/21 (Main Programme)  £'000	Self Financing  £'000	Total Budget 2020/21  £'000	2020/21			(Surplus) / Deficit for the Year  £'000
							Actual Spend to Date £'000	Remaining Spend £'000	Total Forecast Expenditure £'000	
Corporate Management	6	0	(6)	0	0	0	0	0	0	0
Resources	765	2,600	(1,877)	1,488	0	1,488	1,488	0	1,488	0
Adults Social Care	10,881	3,500	(12,881)	1,500	2,805	4,305	4,305	0	4,305	0
Regeneration & Growth	7,571	797	(2,650)	5,718	10,098	15,816	15,816	0	15,816	0
Housing & Communities	29,666	2,761	(17,450)	14,977	21,339	36,316	36,316	0	36,316	0
Childrens Services	81	0	(81)	0	23,490	23,490	23,490	0	23,490	0
Housing Revenue Account (HRA)	103,908	(6,879)	(47,676)	49,353	1,004	50,357	50,315	0	50,315	(42)
<b>GRAND TOTAL</b>	<b>152,878</b>	<b>2,779</b>	<b>(82,621)</b>	<b>73,036</b>	<b>58,736</b>	<b>131,772</b>	<b>131,730</b>	<b>0</b>	<b>131,730</b>	<b>(42)</b>





Key Performance Indicator			2020/21	Change from 2019/20	2019/20	Commentary
<b>1</b>	<b>Revenue Collection Performance</b>					
1.1	<b>Council Tax Collection Rate</b>		97%	↔	98%	Estimated - A higher figure is beneficial in improving the Council's cash flow and also reducing administration costs.
1.2	<b>Business Rates Collection Rate</b>		90%	↓	98%	Estimated - A higher figure is beneficial in improving the Council's cash flow and also reducing administration costs.
1.3	<b>General Debtors</b>					
	1.3.1	Collection Rate	88%	↑	86%	A higher figure is beneficial in improving the Council's cash flow and also reducing administration costs.
	1.3.2	Average No. of Days to receive payment from Customers	84	↑	73	A lower figure is beneficial to the Council in relation to improved cash flow and reduced administration costs.
	1.3.3	Credit Notes Raised as a % of Total Customer Invoices	6%	↑	5%	A lower figure helps to save time in dealing with customer queries and reduces the cost of administration.
	1.3.4	Proportion of Debt > 90 days old from invoice date	58%	↑	53%	A lower figure helps to improve the council's cash flow.
1.4	<b>Housing Rents</b>					
	1.4.1	Value of Rent Debit to Date (£m)	117	↓	118	A small % decrease in the value of the rent debit.
	1.4.2	Collection Rate	95.4%	↑	95%	A higher percentage reduces rent arrears owed to the Council and supports the HRA. Although the collection of rent arrears was compounded by the restrictions placed by Government Legislation, Coronavirus Act 2020, the service reduced rent arrears, exceeding the target of 95%.
<b>2</b>	<b>Accounts Payable</b>					
2.1	Proportion of Payments made by Electronic means (BACS & Bank Transfers)		95%	↑	93%	A higher figure is beneficial in terms of reducing administration costs and improved processes. Suppliers of goods and services receive prompt payment of invoices and therefore improved cash flow.



**Corporate Management Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The financial outturn for Corporate Management is an underspend of £0.123m, which can be further analysed as follows:

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	301	0	301	355	54
Gross Income	(617)	0	(617)	(791)	(174)
<b>Net Expenditure</b>	<b>(316)</b>	<b>0</b>	<b>(316)</b>	<b>(436)</b>	<b>(120)</b>
Revenue Contribution to Capital (RCCO)					0
(Use of) / Contribution to Reserves					(3)
(Use of) Corporate Resources					0
Corporate Covid Funding					0
<b>Adjusted Net Variance</b>					<b>(123)</b>

The underspend can be mainly attributed to increased income balances within Corporate Management and underspends due to the effects of Covid-19 on certain budgets.

Further detail of the outturn position can be found in Appendices F1 and F2. The following table outlines the main reasons for the variance:

Reasons for (Under) / Over Spend	£'000
<b>COVID-19 Loss of Income</b>	0
Transport budget not used due to covid-19 pandemic	(10)
Less spend on supplies and services (e.g. food, civic events, hire of rooms, furniture) due to Covid-19	(38)
Write off of balances	70
Legal recharges & external Fees	27
Write off 2020/21 income suspense balances	(172)
 Brexit spend to be funded through Brexit reserve	 3
<b>Total</b>	<b>(120)</b>

The net underspend is requested to be treated as follows:

Requested Treatment	£'000
To be released to general fund balances	(123)
<b>Total</b>	<b>(123)</b>

## 2. Available Resources

The total budget available to the directorate was -£0.316m. This figure reflects the following amendments that have been made since the previously reported monitoring:

Target Budget Resources	£'000
<b>Target Budget as per last quarter monitoring</b>	<b>(245)</b>
Target Adjustments -	
Capital Charges Adjustment	(71)
<b>Revised Target Budget Resources</b>	<b>(316)</b>

### 3. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an underspend of £0.032m, the variance between this and the actual outturn is an increase in the underspend of £0.088m. The table below explains the reason for this variance:

Variation from projected outturn @ Q3	£000
Less spend on supplies and services (travel, food, civic events, furniture)	(16)
Write off income suspense balances	(172)
Write off of balances	73
External fees and legal recharges	27
<b>Total</b>	<b>(88)</b>

### 4. Central Items

The directorate has no responsibility for the management of Central Items therefore, there is no Appendix F4 for this service.

## 5. Earmarked Reserves

The directorate has set aside £0.076m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has used £0.003m of earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
			0
Brexit Grant	(76)	3	(73)
			0
			0
			0
			0
<b>Total</b>	<b>(76)</b>	<b>3</b>	<b>(73)</b>

## Capital

### Overview

Corporate Management have no capital resources in 2020/21, therefore no Appendix F5 is attached for this service.

### Virements

There have been no virements between capital schemes during the period.

### Section 106 Monies

Corporate Management has no responsibility for Section 106 monies, there is no Appendix F6 attached for this service.

## Contact

Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	285	0	285	237	(48)	0		(48)
Corporate Management	(601)	0	(601)	(673)	(72)	(3)		(75)
<b>Total Net Expenditure</b>	<b>(316)</b>	<b>0</b>	<b>(316)</b>	<b>(436)</b>	<b>(120)</b>	<b>(3)</b>	<b>0</b>	<b>(123)</b>



Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
Employees	203	0	203	206	3
Premises	0	0	0	0	0
Transport	10	0	10	0	(10)
Supplies & Services	72	0	72	133	61
Third Party Payments	0	0	0	0	0
Transfer Payments	0	0	0	0	0
Capital Charges	16	0	16	16	0
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>301</b>	<b>0</b>	<b>301</b>	<b>355</b>	<b>54</b>
Specific Grants	0	0	0	0	0
Other Grants & Contributions	0	0	0	0	0
Fees & Charges	0	0	0	(174)	(174)
Recharges in Target	(617)	0	(617)	(617)	0
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(617)</b>	<b>0</b>	<b>(617)</b>	<b>(791)</b>	<b>(174)</b>
<b>Total Net Expenditure</b>	<b>(316)</b>	<b>0</b>	<b>(316)</b>	<b>(436)</b>	<b>(120)</b>
Revenue Contribution to Capital					0
(Use of) / Contribution to Reserves					(3)
(Use of) Corporate Resources					0
Corporate Covid Funding					0
<b>Adjusted Variance</b>					<b>(123)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Chief Executive</b>  This service area covers the salary and costs associated with the role of Chief Executive	Employees	203		203	203	0
	Premises	0		0	0	0
	Transport	10		10	0	(10)
	Supplies & Services	72		72	34	(38)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>285</b>	<b>0</b>	<b>285</b>	<b>237</b>	<b>(48)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>285</b>	<b>0</b>	<b>285</b>	<b>237</b>	<b>(48)</b>
<b>Corporate Management</b>  This service is responsible for the functions of the Council that do not specifically align to any individual directorate.	Employees	0		0	3	3
	Premises	0		0	0	0
	Transport	0		0	0	0
	Supplies & Services	0		0	99	99
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	16		16	16	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>16</b>	<b>0</b>	<b>16</b>	<b>118</b>	<b>102</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	(174)	(174)
	Recharge Income	(617)		(617)	(617)	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(617)</b>	<b>0</b>	<b>(617)</b>	<b>(791)</b>	<b>(174)</b>
	<b>Net Expenditure</b>	<b>(601)</b>	<b>0</b>	<b>(601)</b>	<b>(673)</b>	<b>(72)</b>
<b>Net Expenditure</b>		<b>(316)</b>	<b>0</b>	<b>(316)</b>	<b>(436)</b>	<b>(120)</b>

	Actual Outturn  £'000	Total Budget  £'000	Variance (Under) / Over Spend £'000
<b>Supplies and Services</b>			
Equipment and Furniture	0	10	(10)
Catering	2	17	(15)
Professional and External Services	36	17	19
Conference Fees and Expenses	0	9	(9)
Hire of Rooms and Facilities	0	14	(14)
Other Supplies and Services	95	5	90
<b>Total Supplies &amp; Services</b>	<b>133</b>	<b>72</b>	<b>61</b>
<b>Specific Grants</b>			
			0
			0
			0
			0
<b>Total Specific Grants</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Income</b>			
			0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Resources Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The financial outturn for Resources is an under spend of £6.183m, which can be further analysed as follows:

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	39,986	7	39,993	44,258	4,265
Gross Income	(22,893)	0	(22,893)	(29,833)	(6,940)
Net Expenditure	17,093	7	17,100	14,425	(2,675)
Revenue Contribution to Capital (RCCO)					2,491
(Use of) / Contribution to Reserves					(1,897)
(Use of) Corporate Resources					(1,764)
Corporate Covid Funding					(2,338)
Adjusted Net Variance					(6,183)

Throughout financial year 2020/21 the directorate has had to respond quickly to the constant change in working practices due to the pandemic.

This has caused some pressures within ICT with staff working from home which saw less landline calls and printing being made. It also affected Legal as they were unable to complete part of their traded work.

Revenue's and Benefits saw a decrease in their income relating to council tax and NNDR court costs but saw an increase in grant funding through New Burden's due to the increase in their workloads for issuing grants to the public such as Test and Trace Support Payments, Local Restrictions Support Grants and Small Business Grant Fund and Retail, Hospitality and Leisure Grant.

Following the 2019/20 audit finding reports and the audited statement of accounts, it was highlighted that the overpayment of housing benefits for those who are still in receipt of benefit payments was not reflected on the balance

sheet. The process was adjusted and is now recognised which resulted in an adjustment of £5.022m being released back in to general ledger balances.

Further detail of the outturn position can be found in Appendices G1 and G2.

The following table outlines the main reasons for the variance:

Reasons for (Under) / Over Spend	£'000
<b>COVID-19 Additional Expenditure -</b> <ul style="list-style-type: none"> <li>• Registration Services - Additional staffing - £0.080m</li> <li>• Registration Services - Additional capacity and purchases to align to pandemic restrictions - £0.266m</li> <li>• ICT - Additional costs for aligning to pandemic restrictions and communications - £0.011m</li> <li>• Communications - Additional staffing costs supporting public relations with the community / residents - £0.019m</li> <li>• Members - Additional equipment to allow council meetings to take place remotely - £0.051m</li> <li>• Elections - Additional staff to look into holding Elections safely and adhering to pandemic restrictions - £0.004m</li> <li>• Occupational Health - Additional Nurse - £0.004m</li> <li>• Oracle - To support costs for overrun of project due to the pandemic - £0.055m</li> </ul>	490
<b>COVID-19 Loss of Income -</b> <ul style="list-style-type: none"> <li>• Legal Traded Services &amp; Social Care - £0.378m</li> <li>• Health &amp; Safety - £0.063m</li> <li>• ICT Printing (offset by savings in expenditure) - £0.527m</li> <li>• ICT Landlines (offset by savings in expenditure) - £0.104m</li> <li>• Communications Advertising - £0.011m</li> <li>• Revenues &amp; Benefits Council Tax Court Costs - £0.324m</li> <li>• Revenues &amp; Benefits NNDR Court Costs - £0.027m</li> <li>• Revenues &amp; Benefits Refund of Legal Costs - £0.016m</li> <li>• Registration Services Loss of Registration Income - £0.398m</li> </ul>	1,848
<b>Directorate -</b> <ul style="list-style-type: none"> <li>• Provision for Planned Leaver - £0.086m</li> <li>• Redundancy costs being met from Corporate Resources - £0.165m</li> <li>• Movement in bad debt provision - £0.078m</li> <li>• Vacancy and part time staff funded full time with vacancy rate being offset - (£0.048m)</li> <li>• Lower spend against supplies &amp; services - (£0.012m)</li> </ul>	269
<b>Communications -</b> <ul style="list-style-type: none"> <li>• Additional resource within Communications Team for Graphic Designer - £0.026m</li> <li>• Unachievable vacancy rate and other employee adjustments - £0.008m</li> <li>• Licence Fee saving - (£0.010m)</li> <li>• Press Officer saving - (£0.010m)</li> <li>• Savings on transport costs as no travelling and other general office expenses due to staff working from home - (£0.005m)</li> <li>• Contribution towards Service Hosting from Shows &amp; Events and other small internal contributions - (£0.001m)</li> </ul>	8

Reasons for (Under) / Over Spend	£'000
<b>Service Improvement -</b> <ul style="list-style-type: none"> <li>• Vacancies and staff working part time funded full time – (£0.056m)</li> <li>• Transfer of budget for Voluntary Sector Manager but no one in post yet - (£0.060m)</li> <li>• Planned Leaver costs higher than expected - £0.048m</li> <li>• Lower use of printing / stationery / landlines / transport due to staff working from home and training planned not taking place – (£0.033m)</li> <li>• Refund from Stoke CC for Artemis payments - (£0.002m)</li> </ul>	(103)
<b>Finance -</b> <ul style="list-style-type: none"> <li>• Vacancy and part time staff funded full time with vacancy rate being offset - (£0.069m)</li> <li>• Provision for Planned Leaver and release of provision for former PL request- £0.069m</li> <li>• Transport savings due to COVID restrictions - (£0.008m)</li> <li>• Additional VAT support offset with savings made due to new finance system implementation - £0.016m</li> <li>• Supplies &amp; Services savings due to staff working from home - (£0.040m)</li> <li>• Increase in SLA income to WMFS (Risk) - (£0.004m)</li> <li>• Reduction in Traded Schools income - £0.039m</li> <li>• Potential reduction in SLA income for SLT due to closures - £0.006m</li> <li>• Income from Public Health Grant for staff redeployed to Contract Tracing Team - (£0.018m)</li> <li>• Increase in YEI Funding - (£0.011m)</li> <li>• Earmarked Reserves for additional costs relating to Oracle Fusion - £1.546m</li> <li>• Earmarked Reserves will fund the Non-Executive Directors at Sandwell Children's Trust - £0.030m</li> <li>• Earmarked Reserve will fund Tax advice relating to Sandwell Aquatics Centre - £0.020m</li> <li>• Corporate Resources are being used to fund a Fraud caseworker - £0.002m</li> <li>• Corporate Resources are being used to fund SIPS redundancy - £0.063</li> <li>• POCA money received by Fraud (Moving into reserve) - (£0.011m)</li> </ul>	1,630
<b>Revenue and Benefits -</b> <ul style="list-style-type: none"> <li>• Vacancies and staff working part time funded full time – (£0.399m)</li> <li>• Provision for Planned Leaver - £0.110m</li> <li>• Replacement Kiosks (Oldbury Council House) - £0.031m</li> <li>• Northgate additional support - £0.129m</li> <li>• Northgate Empty Home Review - £0.042m</li> <li>• Decrease in provision for potential Housing Benefit Bad Debt off set by actual income raised (change in policy, cash raised rather than cash received) – £0.256m</li> <li>• Council Tax Court Costs Recovery - £0.284m</li> <li>• NDR Court Costs Recovery - £0.028m</li> <li>• Increase in Experian costs (credit reporting) - £0.027m</li> <li>• Increase in Ascendant Solutions online system to assist with Test &amp; Trace Support Payments - £0.011m</li> <li>• Bailiff fees &amp; Court fees reduced due to COVID restrictions – (£0.046m)</li> <li>• Cash collections reduced due to COVID restrictions – (£0.023m)</li> <li>• Additional New Burden's Grant due to additional activities / duties – (£0.929m)</li> <li>• Housing Benefit Overpayment – (£0.514m)</li> <li>• Additional Income for recharge for administering Business Imp districts Albion bid and West Bromwich bid, we collect the money for them, send the bills, chase the debts that had not been budgeted for – (£0.022m)</li> <li>• Inclusion of Housing Benefit Overpayment Provision - (£5.022m)</li> </ul>	(6,037)



Reasons for (Under) / Over Spend	£'000
<b>ICT</b> <ul style="list-style-type: none"> <li>• Additional costs for Higher Level Apprentices (no carry forward agreed in 2019/20), additional planned leavers cost &amp; provision for planned leaver x 2 - £0.201m</li> <li>• Forti Analyser - Fireware monitor - part of public sector network compliance - £0.037m</li> <li>• Additional costs for Digital Transformation Team which is funded from Ear Marked Reserves - £0.278m</li> <li>• Microsoft Licences to be funded through Corporate Resources - £0.902m</li> <li>• Additional income from non-standard change requests &amp; from sales of equipment offset with additional purchase of equipment - (£0.083m)</li> <li>• Cyber Security Grant - (£0.020m)</li> <li>• Delays in shipments for orders placed to XMA Ltd - (£0.309m)</li> <li>• Various contracts not being renewed including CompareX Sam2Go (£0.025m), Data Migration Studio (£0.045m) and Document archiving system (final year of contract (£0.040m)</li> <li>• Underspend against ICT Cloud Computing &amp; General costs due to COVID - (£0.154m)</li> </ul>	742
<b>L&amp;G Head of Service -</b> <ul style="list-style-type: none"> <li>• Additional resources to support Monitoring Officer offset by Corporate Resources – £0.086m</li> <li>• Additional ICT equipment &amp; course costs - £0.014m</li> </ul>	100
<b>Legal -</b> <ul style="list-style-type: none"> <li>• Governance Team - 1 x Additional Business Support Post and 1 agency GDPR Officer - £0.172m</li> <li>• Social Care Team – Agency Workers backfilling vacancies - £0.174m</li> <li>• Traded Team - 1 additional agency worker - £0.068m</li> <li>• Additional apprenticeship costs due to them not being able to finish their qualifications - £0.063m</li> <li>• Savings from vacant posts and lower hrs / grade than budgeted – (£0.331m)</li> <li>• Early retirement - £0.087m</li> <li>• Insurance charge relating to data breaches - £0.111m</li> <li>• Use of external agency to support case load in Social Care – £0.302m</li> <li>• Annie Lennard external costs - £0.169m</li> <li>• External advice sought for Information Governance - £0.017k</li> <li>• FOI / SARS / Governance / hearings - £0.203m</li> <li>• Unachievable Income Target on Traded Work - £0.081m</li> <li>• Additional income for chargeable work previously sat on suspense - (£0.088m)</li> </ul>	1,028

Reasons for (Under) / Over Spend	£'000
<b>Democratic Services – (£0.167m)</b> <ul style="list-style-type: none"> <li>• Vacancies within team – (£0.149m)</li> <li>• Savings due to restrictions and staff working from home - (£0.031m)</li> <li>• Unachievable income target relating to Schools Appeal Team offset by internal income for minute taking at Schools Forum - £0.013m</li> </ul>	(506)
<b>Member Services – (£0.071m)</b> <ul style="list-style-type: none"> <li>• Vacant Posts – (£0.035m)</li> <li>• Savings on Premises due to current COVID restrictions – (£0.007m)</li> <li>• Additional costs for Members Portal – £0.018m</li> <li>• Savings Due to Civic Events not taking place – (£0.012m)</li> <li>• Savings due to restrictions and staff working from home - (£0.035m)</li> </ul>	
<b>Elections – (£0.268m)</b> <p>Due to the Fallow year the following savings have been made. There will be a request to use the savings from 2020/21 to offset costs that will occur in 2021/22 due to the delay of a year by putting the underspend into a reserve which has been created.</p> <ul style="list-style-type: none"> <li>• No Elections being held meant that no staff were required to carry out Election duties (£0.193m)</li> <li>• Costs for installing accommodation for 2019 Elections offset by savings for not using premises for elections in 2020 - £0.031m</li> <li>• Due to COVID restrictions alternative procedures were put in place for the annual canvass – (£0.025m)</li> <li>• Additional income received to offset costs incurred for previous elections – (£0.081m)</li> </ul>	
<b>Registration Services -</b> <ul style="list-style-type: none"> <li>• Additional income due to additional services in the pandemic - (£2.394m)</li> <li>• Resurfacing Work - £0.078m</li> </ul>	(2,316)
<b>Human Resources -</b> <ul style="list-style-type: none"> <li>• Earmarked Reserves will be used to fund the Graduate Development Programme – £0.253m</li> <li>• Vacancies, maternity leave, staff employed on lower hrs / SCP than budgeted offset with additional costs for Leavers as part of the Restructure - (£0.128m)</li> <li>• Savings against Learning &amp; Development due to courses moving online - (£0.288m)</li> <li>• Costs for Director Recruitment - £0.083m</li> <li>• Additional ICT Spend for Electronic Documentation System - £0.050m</li> <li>• Lower than anticipated SLA uptake for schools - £0.258m</li> <li>• Savings against HR Management / Advisory / Resourcing due to pandemic restrictions - (£0.056m)</li> </ul>	172
<b>Total</b>	<b>(2,675)</b>

The net under spend is requested to be treated as follows:

<b>Requested Treatment</b>	<b>£'000</b>
<b>Carry Forward Request for Member Services</b> - To fund additional ICT equipment for Members, Member Portal licence fees and Member Development Programme.	45
<b>Carry Forward Request for HR</b> - To fund backfilling requirements relating to the Oracle Fusion project	82
<b>Carry Forward Request for Finance</b> - To fund additional posts to implement IFRS16	20
<b>Carry Forward Request for Service Improvement</b> - Procuring external expertise to support development of the corporate performance management framework to support the corporate plan including resident framework	35
<b>Carry Forward Request for ICT</b> - Consultancy Work to maximise device management tool In-Tune	11
<b>Carry Forward Request for Revenues and Benefits</b> - To fund potential liability claim	107
<b>Carry Forward Request for Revenues and Benefits</b> - To fund the double running of the Northgate and the new Inhouse Provision and the additional purchase of hardware for the infrastructure	307
<b>Carry Forward Request for ICT</b> - To fund consultancy for building database and for the refresh of staff ICT devices	307
<b>Carry Forward Request for Member Services</b> - To fund configuration from Granicus to Modern.Gov	15
<b>Total Carry Forward Requests</b>	<b>929</b>
Earmarked Balances for Revenues & Benefits	<b>2,500</b>
Release of funds back to general fund balances	<b>2,754</b>
<b>Total</b>	<b>6,183</b>

## **2. Available Resources**

The total budget available to the directorate was £17.100m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>16,703</b>
Target Adjustments -	
Capital Charges Adjustment	415
Transfer of budget to Fleet for additional hire	(18)
<b>Revised Target Budget Resources</b>	<b>17,100</b>

The following specific grants have been received by the directorate since the previously reported monitoring.

<b>Additional Grants received in Q4</b>	<b>£000</b>
Apprenticeship Levy	784
NDR Admin Costs	430
Housing Subsidy Grants Jan - March	19,241
Benefit Admin Grant	313
COVID Track & Trace Grant	2,909
New Burdens Test and Trace Support Payment Scheme Top-up	5
New Burdens LRSG Payments upto 15th Feb	77
Additional HB Admin Subsidy	171
New Burdens to meet costs of implementing the changes to HB - state pension credit	2
New Burdens to meet costs of distributing Government Grants to businesses	290
<b>Total</b>	<b>24,222</b>

### **3. Virements within the Directorate**

There have been no virements of over £0.250m between sub divisions within the directorate that have been processed since the previously reported monitoring.

### **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an under spend of £0.507m, the variance between this and the actual outturn is an increase in the under spend of £5.386m. The table below explains the reason for this variance:

Variation from projected outturn @ Q3	£000
<b>Directorate</b> - Increase in bad debt provision	78
<b>Communications and Service Improvement</b> - Additional savings against supplies & services and transport due to the pandemic and additional income from Shows & Events for service hosting	(10)
<b>Finance</b> - Savings against current system contracts and additional income from Contact Tracing Team offset by additional spend in supplies and services	(62)
<b>Revenues and Benefits and ICT</b> - Additional grant money for New Burden's due to additional grants given out by Revenues and Benefits offset by additional costs due to staffing and equipment	(412)
<b>Revenues and Benefits and ICT</b> - The creation of a new provision relating to HB overpayments	(5,023)
<b>Law and Governance</b> - Additional income for services held within registration services	(115)
<b>Human Resources</b> - Additional savings made in Learning & Development due to lower number of courses held and courses moving to online where possible and additional charges to schools to fund the deficit on the maternity scheme	(132)
<b>Total</b>	<b>(5,676)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021. There are no changes required.

## 5. Central Items

The directorate has responsibility for the management of Central Items that are detailed in Appendix G4.

The actual outturn for these items is an under spend of £1.510m.

The main reason(s) for this variance are outlined below: -

Reasons for (Under) / Over spend - Central Items	£'000
<b>Local Authority Subscriptions</b> - Additional subscriptions	32
<b>Wolverhampton: WMCC and WMRE</b> - Lower than anticipated charges	(10)
<b>Shireland Collegiate Development Project &amp; Ormiston Forge Recharge Account</b> - Remaining Balance from projects	(97)
<b>External Audit Fee</b> - Agreed variation charged on current contract and outstanding costs relating to audit of SLAP and Housing Benefits	319
<b>No Recourse to Public Funds</b> - Higher levels of clients	144
<b>Business Rates Compensation Grant</b> - Grant received higher than budgeted	(1,906)
<b>Savings Target</b> - In year savings not achieved	425
<b>Insurance</b> - Increase in insurance reserve	183
<b>Bank Charges</b> - Increase in cost due to amount of online transactions	124
<b>Airport Rent Income</b>	(34)
<b>Apprenticeship Levy</b> - Unused Apprenticeship Levy	(26)
<b>Past Service Pension Costs</b> - Pension costs estimated / calculated 3 yrs ago and discount applied. Has been recalculated for next 3 yrs	(462)
<b>Pensions General</b> - Charge for yearly payment relating to pensions has been received and is lower than budgeted	(174)
<b>Coroners</b> - More autopsies/investigations completed due to central contract for 4 x local authorities	150
<b>Members</b> - Member costs are currently lower than budgeted	(99)
<b>Public Law Fees</b> - Additional court costs / tests in relation to Looked After Children	56
<b>Special Events</b> - Events not taking place due to pandemic restrictions	(19)
<b>Templink</b> - Over achieved income from agency staff	(103)
<b>COVID 19 Local Restrictions Support Grant</b> - Unfunded grant spend	4
<b>COVID19 Discretionary Business Grant Fund</b> - Funded from Small Business Grant Fund	2,912
<b>COVID19 Small Business Grant Fund</b> - Allocation given to fund Discretionary Business Grants	(2,912)
<b>Combined Authority</b> - Contribution to Combined Authority lower than expected	(14)
<b>Other minor variances</b>	(3)
<b>Total</b>	(1,510)

## 6. Earmarked Reserves

The directorate has set aside £23.380m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has contributed £42.186m towards earmarked reserves during the current year leaving the following balances remaining:



<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2020 £'000</b>	<b>Use of / (Contribution to) in year £'000</b>	<b>Remaining Balance 31 March 2021 £'000</b>
<b>Target</b>			
Grants Irregularities Reserve	(1,031)	0	(1,031)
E-Business financial suite	(2,184)	1,545	(639)
P.O.C.A. (Proceeds of Crime)	(29)	(10)	(39)
Sandwell Children's Trust	(707)	630	(77)
Elections		(268)	(268)
<b>Central Items</b>			
Insurance Reserve	(7,060)	(1,815)	(8,875)
COVID Emergency Funding	(12,369)	(7,876)	(20,245)
Sct 31 Relief Payment		(34,390)	(34,390)
<b>Total</b>	<b>(23,380)</b>	<b>(42,184)</b>	<b>(65,564)</b>

## **7. Use of Corporate Resources**

Expenditure of £0.312m incurred by Resources will be met from corporate resources. This is to cover the cost of redundancy (£0.228m), use of an investigator for Fraud (£0.003m) and additional resources in Law & Governance (£0.081m).

### **Capital**

#### **Overview**

Resources is responsible for the delivery of a number of capital schemes which are detailed in Appendix G5. The projected 2020/21 outturn for these schemes was £1.848m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £1.488m resulting in a surplus variance of £0.360m. The main reasons for the main variances above £0.100m are detailed below:

- ICT End User Computing 2 – £0.342m surplus – This relates to End User Computing and the replacement of laptop, tablet & thin client devices,

including works associated with Agilysys the Cloud and IT digital transformation. Rollout will continue in 2021-22.

### **Virements**

There have been no virements between capital schemes during the period.

### **Section 106 Monies**

Resources has no responsibility for Section 106 monies, there is no Appendix G6 for this service.

### **Contact**

Rebecca Maher  
Head of Finance

Resources						Appendix G1 Directorate Outturn		
Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Directorate	420	7	427	696	269	(165)	0	104
Communications and Service Improvement	1,270	0	1,270	1,205	(65)	0	(30)	(95)
Finance	3,572	0	3,572	5,257	1,685	(1,650)	(55)	(20)
Revenues and Benefits and ICT	8,231	0	8,231	3,945	(4,286)	(750)	(1,009)	(6,045)
Law and Governance	493	0	493	(24)	(517)	1,649	(1,177)	(45)
Human Resources	3,107	0	3,107	3,346	239	(254)	(67)	(82)
<b>Total Net Expenditure</b>	<b>17,093</b>	<b>7</b>	<b>17,100</b>	<b>14,425</b>	<b>(2,675)</b>	<b>(1,170)</b>	<b>(2,338)</b>	<b>(6,183)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
Employees	28,746	0	28,746	29,582	836
Premises	569	0	569	1,052	483
Transport	92	0	92	82	(10)
Supplies & Services	7,747	7	7,754	10,538	2,784
Third Party Payments	948	0	948	1,122	174
Transfer Payments	0	0	0	(2)	(2)
Capital Charges	1,884	0	1,884	1,884	0
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>39,986</b>	<b>7</b>	<b>39,993</b>	<b>44,258</b>	<b>4,265</b>
Specific Grants	(2,573)	0	(2,573)	(3,500)	(927)
Other Grants & Contributions	(918)	0	(918)	(6,224)	(5,306)
Fees & Charges	(11,023)	0	(11,023)	(12,323)	(1,300)
Recharges in Target	(8,379)	0	(8,379)	(7,786)	593
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(22,893)</b>	<b>0</b>	<b>(22,893)</b>	<b>(29,833)</b>	<b>(6,940)</b>
<b>Total Net Expenditure</b>	<b>17,093</b>	<b>7</b>	<b>17,100</b>	<b>14,425</b>	<b>(2,675)</b>
Revenue Contribution to Capital					2,491
(Use of) / Contribution to Reserves					(1,897)
(Use of) Corporate Resources					(1,764)
Corporate Covid Funding					(2,338)
<b>Adjusted Variance</b>					<b>(6,183)</b>

Resources				Appendix G2 Service Detail		
		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Directorate</b>	Employees	532		532	735	203
	Premises	0		0	0	0
Resources directorate consists of five distinct areas providing a range of functions both front facing and back office. • Communications and Service Improvement • Revenues and Benefits and ICT • Law and Governance • Human Resources	Transport	1		1	0	(1)
	Supplies & Services	6	7	13	80	67
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>539</b>	<b>7</b>	<b>546</b>	<b>815</b>	<b>269</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(6)		(6)	(6)	0
	Recharge Income	(113)		(113)	(113)	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(119)</b>	<b>0</b>	<b>(119)</b>	<b>(119)</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>420</b>	<b>7</b>	<b>427</b>	<b>696</b>	<b>269</b>
<b>Communications and Service Improvement</b>	Employees	1,462		1,462	1,447	(15)
	Premises	0		0	0	0
The Communications team is made up of two divisions, who deliver a wide range of excellent services to all the communities of Sandwell: • Communications • Service Improvements	Transport	4		4	0	(4)
	Supplies & Services	167		167	113	(54)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	1		1	1	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>1,634</b>	<b>0</b>	<b>1,634</b>	<b>1,561</b>	<b>(73)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(22)		(22)	(24)	(2)
	Recharge Income	(342)		(342)	(332)	10
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(364)</b>	<b>0</b>	<b>(364)</b>	<b>(356)</b>	<b>8</b>
	<b>Net Expenditure</b>	<b>1,270</b>	<b>0</b>	<b>1,270</b>	<b>1,205</b>	<b>(65)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Finance</b>	Employees	4,934		4,934	5,118	184
	Premises	0		0	0	0
Finance Services comprises three areas, all of which are vital in ensuring the financial stability of the council. The three areas are : - • Finance, incorporating (1) Financial Reporting & Systems and (2) Financial Management • Audit, Fraud and Risk • Procurement	Transport	8		8	0	(8)
	Supplies & Services	393		393	1,888	1,495
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>5,335</b>	<b>0</b>	<b>5,335</b>	<b>7,006</b>	<b>1,671</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(440)		(440)	(419)	21
	Recharge Income	(1,323)		(1,323)	(1,330)	(7)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(1,763)</b>	<b>0</b>	<b>(1,763)</b>	<b>(1,749)</b>	<b>14</b>
	<b>Net Expenditure</b>	<b>3,572</b>	<b>0</b>	<b>3,572</b>	<b>5,257</b>	<b>1,685</b>
<b>Revenues and Benefits and ICT</b>	Employees	10,294		10,294	10,481	187
	Premises	10		10	25	15
Revenues and Benefits provide: • The billing and collection of Council Tax and Non Domestic Rates • Debt recovery & cashiers • Administration of local housing benefits and welfare provision  ICT is responsible for the development and review of the council's ICT Strategy and support and maintenance of the ICT infrastructure.	Transport	19		19	9	(10)
	Supplies & Services	3,659		3,659	4,097	438
	Third Party Payments	948		948	1,120	172
	Transfer Payments	0		0	0	0
	Capital Charges	1,773		1,773	1,773	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>16,703</b>	<b>0</b>	<b>16,703</b>	<b>17,505</b>	<b>802</b>
	Specific Grants	(2,573)		(2,573)	(3,500)	(927)
	Other Grants & Contributions	(918)		(918)	(6,219)	(5,301)
	Fees & Charges	(2,082)		(2,082)	(1,225)	857
	Recharge Income	(2,899)		(2,899)	(2,616)	283
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(8,472)</b>	<b>0</b>	<b>(8,472)</b>	<b>(13,560)</b>	<b>(5,088)</b>
	<b>Net Expenditure</b>	<b>8,231</b>	<b>0</b>	<b>8,231</b>	<b>3,945</b>	<b>(4,286)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Law and Governance</b>	Employees	7,079		7,079	7,231	152
	Premises	559		559	1,027	468
The Law and Governance Directorate comprises of three thematic areas, delivering a wide range of excellent services to Elected Members and all Council services. Thematic areas: Legal and Assurance Services, Registration Services Democracy Services	Transport	60		60	73	13
	Supplies & Services	1,617		1,617	2,632	1,015
	Third Party Payments	0		0	2	2
	Transfer Payments	0		0	0	0
	Capital Charges	110		110	110	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>9,425</b>	<b>0</b>	<b>9,425</b>	<b>11,075</b>	<b>1,650</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(7,001)		(7,001)	(9,396)	(2,395)
	Recharge Income	(1,931)		(1,931)	(1,703)	228
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(8,932)</b>	<b>0</b>	<b>(8,932)</b>	<b>(11,099)</b>	<b>(2,167)</b>
	<b>Net Expenditure</b>	<b>493</b>	<b>0</b>	<b>493</b>	<b>(24)</b>	<b>(517)</b>
<b>Human Resources</b>	Employees	4,445		4,445	4,570	125
	Premises	0		0	0	0
Human Resources comprise three divisions, delivering a wide range of excellent services to the council: • Head of Service which comprises, Learning & Development, Advisory and Resourcing/OH & Employee Benefits Scheme • Business partners & Policy • Transactional (payroll and all its functions)	Transport	0		0	0	0
	Supplies & Services	1,905		1,905	1,728	(177)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	(2)	(2)
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>6,350</b>	<b>0</b>	<b>6,350</b>	<b>6,296</b>	<b>(54)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	(5)	(5)
	Fees & Charges	(1,472)		(1,472)	(1,253)	219
	Recharge Income	(1,771)		(1,771)	(1,692)	79
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(3,243)</b>	<b>0</b>	<b>(3,243)</b>	<b>(2,950)</b>	<b>293</b>
	<b>Net Expenditure</b>	<b>3,107</b>	<b>0</b>	<b>3,107</b>	<b>3,346</b>	<b>239</b>

Resources	Appendix G3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Advertising	104	181	(77)
Architects	39	0	39
Bereavement Services	212	216	(4)
Cash Collections	18	37	(19)
Catering	2	43	(41)
Civic Events	5	11	(6)
Conferences/Seminar Expenses	8	19	(11)
Consultancy	88	30	58
Contribution to Internal Services	36	0	36
Contribution to Provisions	78	0	78
Council Tax	0	12	(12)
Employee Benefit Scheme	959	801	158
Equipment and Furniture	98	52	46
Facilities	1	7	(6)
General Recharges	51	48	3
Grants	70	51	19
Highways Consultancy/Works	109	0	109
ICT	5,369	2,817	2,552
Insurance - Premiums	7	0	7
Legal	1,099	361	738
Licences	102	141	(39)
Maintenance Work	10	0	10
Materials & Consumables	316	225	91
Occupational Health	4	3	1
Operational Charges	20	14	6
Other Supplies & Services	2	3	(1)
Physiotherapy Services	57	90	(33)
Planning	1	0	1
Printing/Stationery	372	830	(458)
Professional Fees & Charges	1,010	1,370	(360)
Protective Clothing	14	6	8
Subscriptions	101	96	5
Telephone/Postage	171	246	(75)
Waste Disposal	5	44	(39)
<b>Total Supplies &amp; Services</b>	<b>10,538</b>	<b>7,754</b>	<b>2,784</b>



	Actual Outturn  £'000	Total Budget  £'000	Variance (Under) / Over Spend £'000
<b>Specific Grants</b>			
NNDR Admin Costs	(429)	(434)	5
Housing Subsidy - Benefit Administration Grant	(1,823)	(1,816)	(7)
Additional HB Admin Subsidy	(171)	0	(171)
Test and Trace Discretionary Admin	(89)	0	(89)
New Burdens Severe Disability Premium changes	(8)	(8)	0
New Burdens Management Activities	(36)	(37)	1
New Burdens Housing Expertise and Complete cases	(7)	(7)	(0)
New Burdens Natural Migration	(11)	(11)	0
New Burdens Debt Migration	(11)	(11)	(0)
New Burdens Single Fraud Investigation Services (SFIS)	(4)	(4)	0
New Burdens DHP Admin Inc ongoing costs of implementing Welfare Reform	(99)	(99)	0
New Burdens Benefit Cap	(58)	(58)	0
New Burdens Removal of Assessed Income Period (AIP)	(4)	(4)	0
New Burdens Limiting support to 2 children	(1)	(1)	(0)
New Burdens Transition to UC Housing payments	(8)	(8)	0
New Burdens Verify Earnings and Pension alerts service 2019-2020	(66)	(66)	0
New Burdens Implementing Local Housing Allowance Changes 20-21	(2)	(9)	7
Discretionary Grant Fund for additional burden	(170)	0	(170)
New Burdens Test and Trace support payments admin grant	(48)	0	(48)
New Burdens Housing Benefit Award Accuracy Initiative	(26)	0	(26)
New Burdens SDP gateway Change in 20-21	(5)	0	(5)
New Burdens Council Tax Hardship fund	(38)	0	(38)
New Burdens Test and Trace Support Payment Scheme Top-up	(5)	0	(5)
New Burdens LRSG Payments up to 15th Feb	(77)	0	(77)
New Burdens to meet costs of implementing the changes to HB - state pension credit	(2)	0	(2)
New Burdens Business Rates Reliefs	(12)	0	(12)
New Burdens to meet the costs of grant distribution	(290)	0	(290)
<b>Total Specific Grants</b>	<b>(3,500)</b>	<b>(2,573)</b>	<b>(927)</b>
<b>Other Income</b>			
	0	0	0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

Resources				Appendix G4 Central Items		
Central Item Description	Annual Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000
Local Authority Subscriptions	104	136	0	0	0	32
Wolverhampton: WMCC and WMRE	45	35	0	0	0	(10)
Shireland Collegiate Development Project	0	(90)	0	0	0	(90)
Ormiston Forge Recharge Account	0	(7)	0	0	0	(7)
External Audit Fee	144	463	0	0	0	319
New Homes Bonus Grant	(1,606)	(1,606)	0	0	0	0
No Recourse to Public Funds	231	625	0	(250)	0	144
Business Rates Compensation Grant	(15,221)	(51,517)	34,390	0	0	(1,906)
Savings Target	(425)	0	0	0	0	425
Insurance	(395)	(2,027)	1,815	0	0	183
Bank Charges	225	349	0	0	0	124
Airport Rent Income	(100)	(134)	0	0	0	(34)
Apprenticeship Levy	480	454	0	0	0	(26)
Past Service Pension Costs	5,478	5,016	0	0	0	(462)
Local Welfare Provision	0	71	0	(71)	0	0
Housing Benefits	501	499	0	0	0	(2)
Pensions General	4,559	4,384	0	0	0	(175)
Coroners	346	532	0	0	(35)	151
Members Allowances	1,418	1,318	0	0	0	(100)
Public Law Fees	366	422	0	0	0	56
Special Events	25	6	0	0	0	(19)
Templink	(429)	(367)	0	0	(164)	(102)
COVID19 Emergency Funding	0	(7,877)	7,876	0	0	(1)
COVID19 Temporary Facilities	0	592	0	0	(592)	0
COVID 19 Local Restrictions Support Grant	0	4	0	0	0	4
COVID19 Discretionary Business Grant Fund	0	2,912	0	0	0	2,912
COVID19 Small Business Grant Fund	0	(2,912)	0	0	0	(2,912)
Combined Authority	1,373	1,359	0	0	0	(14)
<b>Total</b>	<b>(2,881)</b>	<b>(47,360)</b>	<b>44,081</b>	<b>(321)</b>	<b>(791)</b>	<b>(1,510)</b>
Subjective Analysis	Annual Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000
Employees	16,493	16,612	0	0	0	119
Premises	221	414	0	(107)	0	86
Transport	1	7	0	0	0	6
Supplies & Services	6,068	111,747	1,815	(71)	0	107,423
Third Party Payments	300	239	0	0	0	(61)
Transfer Payments	121,084	84,932	0	(143)	0	(36,295)
Capital Charges	0	0	0	0	0	0
<b>Gross Expenditure</b>	<b>144,167</b>	<b>213,951</b>	<b>1,815</b>	<b>(321)</b>		<b>71,278</b>
Specific Grants	(137,364)	(246,433)	42,266	0	0	(66,803)
Other Grants & Contributions	(4,759)	(10,394)	0	0	0	(5,635)
Fees & Charges	(1,895)	(1,041)	0	0	0	854
Recharges in Target	(2,980)	(3,443)	0	0	(791)	(1,254)
Other Income	(50)	0	0	0	0	50
<b>Gross Income</b>	<b>(147,048)</b>	<b>(261,311)</b>	<b>42,266</b>	<b>0</b>	<b>(791)</b>	<b>(72,788)</b>
<b>Total Net Expenditure</b>	<b>(2,881)</b>	<b>(47,360)</b>	<b>44,081</b>	<b>(321)</b>	<b>(791)</b>	<b>(1,510)</b>

Resources				Appendix G5 - Capital	
	Revised 2020/21 Budget @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000	£'000	£'000
<b><u>Main Programme</u></b>					
Sandwell Business Services - Development	28	0	28	3	(25)
ICT End User Computing 2	970	0	970	628	(342)
			0		0
<b><u>Prudential Borrowing</u></b>					
Rowley Cemetery	250	0	250	257	7
<b><u>RCCO</u></b>					
ICT End User Computing 2 - Sandwell Children's Trust	600	0	600	600	0
<b>Total</b>	<b>1,848</b>	<b>0</b>	<b>1,848</b>	<b>1,488</b>	<b>(360)</b>

**Adult Social Care Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The outturn budget variance for Adult Social Care is an under spend of £12.201m. After reflecting revenue funded capital spend, the movement on reserves and Covid grant funding the adjusted variance is an under spend of £13.102m which can be further analysed as follows:

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	209,198	13,662	222,860	204,501	(18,359)
Gross Income	(126,562)	(6,342)	(132,904)	(126,746)	6,159
<b>Net Expenditure</b>	<b>82,636</b>	<b>7,320</b>	<b>89,956</b>	<b>77,755</b>	<b>(12,201)</b>
Revenue Contribution to Capital (RCCO)					3,500
(Use of) / Contribution to Reserves					(1,781)
(Use of) Corporate Resources					0
Corporate Covid Funding					(2,620)
<b>Adjusted Net Variance</b>					<b>(13,102)</b>

Covid has had a significant impact upon the services provided and the financial outturn of the directorate; this includes:

- The suspension of all day services
- A reduction in most public facing services to essential contacts only.
- A significant reduction in purchased packages of care, reflecting excess mortality and reduced demand for services within sections of the population.
- An increased focus on supporting hospital discharges to maintain patient flow during the crisis.
- The redirection of staff and resources as part of the corporate Covid response, including: support for people required to self-isolate, support for families financially affected by Covid, the administration of the provider support offer and the administration of grants to reduce infection rates and support staff working within the external care sector.

Further detail of the outturn position can be found in Appendices H1 and H2. The following table outlines the main reasons for the variance from budget:

Reasons for (Under) / Over Spend	£'000
<b>Management Team</b>	
Covid 19 related expenditure	1,767
2018/19 Carry Forward was intended to smooth the implementation of budget reductions which have since been partly met by BCF funding	(1,328)
Pressure on Infection Control Funding 1 grant	26
<b>Business Management</b>	
Vacancies within the service held pending restructure which is delayed by Covid	(162)
Insurance charges higher than previously anticipated	101
NHS Direct Payments Income	(100)
Appointeeship income	(85)
Reduction in interpreters fees	(65)
Reduced printing and stationery costs resulting from Covid 19	(40)
Brokerage budget brought forward but project delayed due to Covid 19	(60)
Employee costs reimbursed from Public health for Covid 19 related work	(16)
<b>Social Work &amp; Therapy</b>	
Vacancies within Social work teams	(928)
Reduced transport expenditure resulting from Covid 19	(72)
Reduced premises costs at Independent Living Centre	(82)
<b>External Placements</b>	
Covid 19 - EAB beds and 7 day funding	175
Introduction of Discharge to Assess funding as a result of Covid 19	(2,045)
Reduction in the number of placements due to Covid 19 impacts	(4,275)
Increase in income from non residential services as homecare packages increase due to Covid 19	(653)
Increase in free nursing care income due to an increase in nationally set rate backdated to 2019/20	(818)
Reduced transport expenditure resulting from Covid 19	(31)
<b>Integrated Hub</b>	
Reduced transport expenditure resulting from Covid 19	(77)
Hospital team employee costs	66
Star vacancies	(155)
Reduction in expenditure on equipment within STAR	(3)
Covid 19 funding for STAR services	(55)
<b>Direct Services</b>	
Covid 19 related expenditure	83
Vacancies across the service currently filled by seconded day service employees	(508)
Reduced fuel recharges due to closed day-care provision due to Covid 19	(75)
Reduced supplies and services costs especially relating to closed day services	(202)
Covid 19 related grant funding for care service	(638)
Increased income from Meals on Wheels resulting from Covid 19 demand	(48)
CCG funding of placements	(94)
Residential income increase	(50)
Pressure on Community Equipment Store	598
<b>Commissioning</b>	
Employee costs - Vacancies not filled & t/s of staff to Covid Team full year	(171)
Reduced expenditure on Supporting people services	(228)
Reduced activity in carers services due to Covid	(52)
General reduction in purchase of Supplies & Services	(53)
<b>Regulated Services and Transformation</b>	
Covid 19 related expenditure / loss of income	595
Air quality contract	67
Vacancies across the service	(754)
Food inspections expenditure	61
Increased levels of license plate stock	(12)
Reduced transport expenditure as a result of Covid 19	(86)
<b>Better Care Fund</b>	
Additional commissioning to support BCF priorities, funded from the ring-fenced reserve.	1,781
BCF allocation to be transferred to Capital to fund the new social care & health centre	(3,500)
<b>Total</b>	<b>(12,201)</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Previously approved by Cabinet for carry forward to 2021/22	2,000
Balance to be transferred to corporate balances to help manage future financial pressures	11,102
<b>Total</b>	<b>13,102</b>

## 2. Available Resources

The total budget available to the directorate was £89.956m. This figure reflects the following amendments that have been made since the previously reported monitoring:

Target Budget Resources	£'000
<b>Target Budget as per last quarter monitoring</b>	<b>91,247</b>
Target Adjustments -	
Capital Charges Adjustment	(1,088)
Transfer of Air pollution control team to Public Health	(203)
<b>Revised Target Budget Resources</b>	<b>89,956</b>

The following specific grants have been received by the directorate since the previously reported monitoring.

Additional Grants received in Q4	£000
LA Compliance & Enforcement Grant (Covid 19)	(227)
Clinically Extremely Vulnerable Grant (Covid 19)	(472)
<b>Total</b>	<b>(699)</b>

## 3. Virements within the Directorate

There were no virements of over £0.250m between sub divisions within the directorate since the previously reported monitoring.

#### 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an under £11.143m, the variance between this and the actual outturn is an increase in the under of £1.058m. The table below explains the reason for this variance:

Variation from projected outturn @ Q3	£000
<b>Management Team</b> - Increase in Covid 19 related expenditure.	432
<b>Business management</b> - employee costs recharged to test and trace service, increased Appointeeship income.	(115)
<b>Social Work &amp; Therapy</b> - reduction in the anticipated cost of Dols, increase in the under spend on transport costs due to Covid 19.	(447)
<b>External Placements</b> - Continued reduced level of placements and increased level of income from D2A.	(2,021)
<b>Integrated Hub</b> - variations in the level of stock within the Community Equipment Store.	15
<b>Commissioning</b> - increased under spend on employee costs due to posts being recharged to Covid 19 grants and reduced activity levels within Supporting people contracts due to Covid 19.	(270)
<b>Direct Services</b> - Continued Covid 19 grant funding to support inhouse provision and ongoing closure of Day Services.	(144)
<b>Better Care Fund</b> - Change in the treatment of the 2019/20 under spend; now reflected as a ring-fenced reserve rather than the carry forward of unused resources to 2020/21.	1,781
<b>Regulated Service &amp; Transformation</b> - Ongoing vacancies, reduced transport costs and the redirection of staff to grant funded activity.	(289)
<b>Total</b>	<b>(1,058)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and no adjustments are required as a result of the 2020/21 outturn.

#### 5. Central Items

The directorate has no responsibility for the management of Central Items therefore there is no Appendix H4 for Adult Social Care.

#### 6. Earmarked Reserves

The directorate has set aside £12.056m in previous years as earmarked reserves for use on specific activities in current and future years. The

directorate has used £1.781m of earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
Taxi Licensing Operational	(105)	0	(105)
Adult Social Care Reserve	(1,047)	0	(1,047)
Integrated Care Records	(194)	23	(171)
Better Care Fund	(10,710)	1,758	(8,952)
<b>Total</b>	<b>(12,056)</b>	<b>1,781</b>	<b>(10,275)</b>

## **7. Use of Corporate Resources**

Adult Social Care is not using corporate resources in 2020/21.

## **Capital**

### **Overview**

Adult Social Care is responsible for the delivery of a number of capital schemes which are detailed in Appendix H5. The projected 2020/21 outturn for these schemes was £4.271m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £4.305m resulting in a variance of £0.034m. The reasons for significant variances above £0.100m are detailed below:

- New Social Care & Health Centre, Rowley Regis - £0.402m deficit – Preliminary works on site have been better than originally expected, therefore the scheme has been able to continue at pace. The scheme will continue to be delivered in 2021/22.
- Grants Private Sector (Disabled Facilities Grant) Mandatory - £0.261m surplus – the programme of works associated with disabled adaptations at various private premises within the Borough has been delayed slightly in 20/21, mainly due to COVID-19 and the access required at private premises.

### **Virements**

There have been no virements between capital schemes during the period.



### **Section 106 Monies**

Adult Social Care has no responsibility for Section 106 monies, there is no Appendix H6 for this service.

#### **Contact**

Charlie Davey

Business Partner – Finance

Revenue Monitoring Detail								
Adult Social Care						Appendix H1 Directorate Outturn		
Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Management Team	(2,940)	6,028	3,088	3,553	465	0	(1,767)	(1,302)
Business Management	3,896	60	3,956	3,531	(425)	0		(425)
Social Work & Therapy	4,280	500	4,780	3,699	(1,081)	0		(1,081)
External Placements	63,446	0	63,446	55,799	(7,647)	0	(175)	(7,822)
Integrated Hub	0	582	582	320	(262)	0		(262)
Direct Services	6,436	0	6,436	5,540	(896)	0	(83)	(979)
Commissioning	4,172	0	4,172	3,668	(505)	0		(505)
Better Care Fund	0	0	0	(1,720)	(1,720)	1,719		(1)
Regulated Services & Transformat	3,346	150	3,496	3,365	(131)	0	(595)	(726)
<b>Total Net Expenditure</b>	<b>82,636</b>	<b>7,320</b>	<b>89,956</b>	<b>77,755</b>	<b>(12,201)</b>	<b>1,719</b>	<b>(2,620)</b>	<b>(13,102)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
Employees	28,721	6,438	35,159	37,174	2,014
Premises	938	149	1,087	806	(281)
Transport	571	114	685	357	(328)
Supplies & Services	48,207	6,961	55,168	41,072	(14,096)
Third Party Payments	116,566	0	116,566	113,731	(2,835)
Transfer Payments	10,624	0	10,624	7,790	(2,834)
Capital Charges	3,571	0	3,571	3,571	0
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>209,198</b>	<b>13,662</b>	<b>222,860</b>	<b>204,501</b>	<b>(18,359)</b>
Specific Grants	(37,857)	0	(37,857)	(37,508)	349
Other Grants & Contributions	(32,505)	0	(32,505)	(36,531)	(4,026)
Fees & Charges	(16,502)	0	(16,502)	(16,645)	(143)
Recharges in Target	(36,956)	(6,342)	(43,298)	(33,320)	9,978
Other Income	(2,742)	0	(2,742)	(2,742)	0
<b>Gross Income</b>	<b>(126,562)</b>	<b>(6,342)</b>	<b>(132,904)</b>	<b>(126,746)</b>	<b>6,159</b>
<b>Total Net Expenditure</b>	<b>82,636</b>	<b>7,320</b>	<b>89,956</b>	<b>77,755</b>	<b>(12,201)</b>
Revenue Contribution to Capital					3,500
(Use of) / Contribution to Reserves					(1,781)
(Use of) Corporate Resources					0
Corporate Covid Funding					(2,620)
<b>Adjusted Variance</b>					<b>(13,102)</b>

Adult Social Care				Appendix H2 Service Detail		
		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Management Team</b>  The Management Team includes the staffing budgets for Directors and Service Managers within ASC. It also includes numerous Covid 19 related government grants passported to ASC for distribution to the care sector including the Infection Control Fund, Rapid Testing Fund, Workforce Capacity Grant and Winter Grant Scheme.	Employees	(2,217)		(2,217)	2,099	4,316
	Premises	0		0	0	0
	Transport	1		1	2	1
	Supplies & Services	525	6,028	6,553	2,599	(3,954)
	Third Party Payments	7,535		7,535	7,292	(243)
	Transfer Payments	0		0	0	0
	Capital Charges	407		407	407	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>6,251</b>	<b>6,028</b>	<b>12,279</b>	<b>12,399</b>	<b>120</b>
	Specific Grants	(9,030)		(9,030)	(8,527)	503
	Other Grants & Contributions	(161)		(161)	(161)	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	(158)	(158)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(9,191)</b>	<b>0</b>	<b>(9,191)</b>	<b>(8,846)</b>	<b>345</b>
	<b>Net Expenditure</b>	<b>(2,940)</b>	<b>6,028</b>	<b>3,088</b>	<b>3,553</b>	<b>465</b>
<b>Business Management</b>  Business Management includes service wide business support, the ASC systems administration and a range of financially orientated services which deal with payments, social care charging and safeguarding vulnerable people's assets.	Employees	3,931		3,931	3,871	(60)
	Premises	0		0	0	0
	Transport	8		8	2	(6)
	Supplies & Services	493	60	553	503	(50)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>4,432</b>	<b>60</b>	<b>4,492</b>	<b>4,376</b>	<b>(116)</b>
	Specific Grants	(115)		(115)	(113)	2
	Other Grants & Contributions	0		0	(99)	(99)
	Fees & Charges	(254)		(254)	(457)	(203)
	Recharge Income	(167)		(167)	(176)	(9)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(536)</b>	<b>0</b>	<b>(536)</b>	<b>(845)</b>	<b>(309)</b>
	<b>Net Expenditure</b>	<b>3,896</b>	<b>60</b>	<b>3,956</b>	<b>3,531</b>	<b>(425)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Social Work &amp; Therapy</b>  Borough wide Social Work Teams across all care types, Safeguarding team, Therapy Services and Private Sector Housing improvements.	Employees	10,504		10,504	9,576	(928)
	Premises	489		489	247	(242)
	Transport	83		83	11	(72)
	Supplies & Services	296	500	796	820	24
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	2,992		2,992	2,992	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>14,364</b>	<b>500</b>	<b>14,864</b>	<b>13,646</b>	<b>(1,218)</b>
	Specific Grants	(39)		(39)	(39)	0
	Other Grants & Contributions	(61)		(61)	(77)	(16)
	Fees & Charges	(74)		(74)	(78)	(4)
	Recharge Income	(7,168)		(7,168)	(7,011)	157
	Other Income	(2,742)		(2,742)	(2,742)	0
	<b>Total Gross Income</b>	<b>(10,084)</b>	<b>0</b>	<b>(10,084)</b>	<b>(9,947)</b>	<b>137</b>
	<b>Net Expenditure</b>	<b>4,280</b>	<b>500</b>	<b>4,780</b>	<b>3,699</b>	<b>(1,081)</b>
<b>External Placements</b>  Externally commissioned packages of care and support for adults with assessed care needs plus income from Sandwell CCG for Discharge to Assess (D2A) eligible care packages.	Employees	187		187	517	330
	Premises	0		0	0	0
	Transport	61		61	54	(7)
	Supplies & Services	523		523	259	(264)
	Third Party Payments	89,619		89,619	88,353	(1,266)
	Transfer Payments	10,484		10,484	7,572	(2,912)
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>100,874</b>	<b>0</b>	<b>100,874</b>	<b>96,755</b>	<b>(4,119)</b>
	Specific Grants	(6,221)		(6,221)	(6,151)	70
	Other Grants & Contributions	(5,265)		(5,265)	(8,187)	(2,922)
	Fees & Charges	(13,507)		(13,507)	(14,124)	(617)
	Recharge Income	(12,435)		(12,435)	(12,494)	(59)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(37,428)</b>	<b>0</b>	<b>(37,428)</b>	<b>(40,956)</b>	<b>(3,528)</b>
	<b>Net Expenditure</b>	<b>63,446</b>	<b>0</b>	<b>63,446</b>	<b>55,799</b>	<b>(7,647)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Integrated Hub</b>	Employees	0	6,438	6,438	6,350	(88)
	Premises	0	149	149	155	6
The social work team supporting hospital discharges and the Short Term Assessment & Reablement team (STAR) which provides time limited support for people in their own home following a stay in hospital.	Transport	0	114	114	37	(77)
	Supplies & Services	0	223	223	175	(48)
	Third Party Payments	0	0	0	0	0
	Transfer Payments	0	0	0	0	0
	Capital Charges	0	0	0	0	0
	Capital Financing	0	0	0	0	0
	<b>Total Gross Expenditure</b>	<b>0</b>	<b>6,924</b>	<b>6,924</b>	<b>6,717</b>	<b>(207)</b>
	Specific Grants	0	0	0	0	0
	Other Grants & Contributions	0	0	0	0	0
	Fees & Charges	0	0	0	0	0
	Recharge Income	0	(6,342)	(6,342)	(6,397)	(55)
	Other Income	0	0	0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>(6,342)</b>	<b>(6,342)</b>	<b>(6,397)</b>	<b>(55)</b>
	<b>Net Expenditure</b>	<b>0</b>	<b>582</b>	<b>582</b>	<b>320</b>	<b>(262)</b>
<b>Direct Services</b>	Employees	8,739		8,739	8,231	(508)
	Premises	296		296	295	(1)
A range of directly provided care services (residential, Extra Care & Day Care). Plus the provision of Meals on Wheels, inhouse Transport and Joint Equipment Store.	Transport	135		135	60	(75)
	Supplies & Services	2,178		2,178	2,701	523
	Third Party Payments	48		48	33	(15)
	Transfer Payments	0		0	0	0
	Capital Charges	147		147	147	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>11,543</b>	<b>0</b>	<b>11,543</b>	<b>11,467</b>	<b>(76)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	(191)		(191)	(274)	(83)
	Fees & Charges	(935)		(935)	(991)	(56)
	Recharge Income	(3,981)		(3,981)	(4,662)	(681)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(5,107)</b>	<b>0</b>	<b>(5,107)</b>	<b>(5,927)</b>	<b>(820)</b>
	<b>Net Expenditure</b>	<b>6,436</b>	<b>0</b>	<b>6,436</b>	<b>5,540</b>	<b>(896)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Commissioning</b>  The commissioing team and the budgets for a range of commissioned activity including Carers, Supporting People and vouluntary sector support.	Employees	1,478		1,478	1,307	(171)
	Premises	0		0	1	1
	Transport	6		6	0	(6)
	Supplies & Services	2,154		2,154	1,868	(286)
	Third Party Payments	2,060		2,060	1,885	(175)
	Transfer Payments	140		140	218	78
	Capital Charges	9		9	9	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>5,847</b>	<b>0</b>	<b>5,847</b>	<b>5,288</b>	<b>(559)</b>
	Specific Grants	(107)		(107)	(106)	1
	Other Grants & Contributions	0		0	(69)	(69)
	Fees & Charges	(7)		(7)	(12)	(5)
	Recharge Income	(1,561)		(1,561)	(1,434)	127
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(1,675)</b>	<b>0</b>	<b>(1,675)</b>	<b>(1,621)</b>	<b>55</b>
	<b>Net Expenditure</b>	<b>4,172</b>	<b>0</b>	<b>4,172</b>	<b>3,668</b>	<b>(505)</b>
<b>Better Care Fund</b>  A Pool Budget hosted by the loacal authority and managed in partnership with the Sandwell & West Birmingham CCG. The main focus is the management of patient flow through the promotion of independence, hospital avoidance and timely discharge.	Employees	955		955	460	(496)
	Premises	53		53	37	(16)
	Transport	0		0	0	0
	Supplies & Services	41,570		41,570	31,627	(9,943)
	Third Party Payments	17,304		17,304	16,168	(1,136)
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>59,882</b>	<b>0</b>	<b>59,882</b>	<b>48,292</b>	<b>(11,591)</b>
	Specific Grants	(22,345)		(22,345)	(22,345)	0
	Other Grants & Contributions	(26,827)		(26,827)	(27,664)	(837)
	Fees & Charges	0		0	0	0
	Recharge Income	(10,710)		(10,710)	(2)	10,708
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(59,882)</b>	<b>0</b>	<b>(59,882)</b>	<b>(50,011)</b>	<b>9,871</b>
	<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1,720)</b>	<b>(1,720)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Regulated Services &amp; Transformation</b>						
	Employees	5,144		5,144	4,763	(381)
	Premises	100		100	71	(29)
A range of services responsible for protecting Sandwell residents and communities by ensuring businesses, landlords, residents and people working in the borough abide by the laws and regulations applicable to the wide array of activities they are involved in.	Transport	277		277	191	(86)
	Supplies & Services	468	150	618	520	(98)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	16		16	16	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>6,005</b>	<b>150</b>	<b>6,155</b>	<b>5,561</b>	<b>(594)</b>
	Specific Grants	0		0	(227)	(227)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(1,725)		(1,725)	(983)	742
	Recharge Income	(934)		(934)	(986)	(52)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(2,659)</b>	<b>0</b>	<b>(2,659)</b>	<b>(2,196)</b>	<b>463</b>
	<b>Net Expenditure</b>	<b>3,346</b>	<b>150</b>	<b>3,496</b>	<b>3,365</b>	<b>(131)</b>
	<b>Net Expenditure</b>	<b>82,636</b>	<b>7,320</b>	<b>89,956</b>	<b>77,755</b>	<b>(12,201)</b>



Adult Social Care	Appendix H3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Better Care Fund Pool Budget	31,590	41,524	(9,934)
Budget reprofiling between years	0	5,022	(5,022)
Voluntary Sector Grants	2,219	3,833	(1,614)
Purchase of Equipment & Furniture	2,206	1,763	443
ICT	855	574	281
Internal recharging within ASC	1,000	525	475
Professional Services (Legal, Architects, Training)	1,874	491	1,383
Printing & Stationery	113	365	(252)
Deprivation of Liberty Safeguards (Dols)	521	359	162
Catering (including Meals on Wheels)	194	229	(35)
Phones & Postage	149	205	(56)
Cleaning & Medical Waste Removal	176	147	29
Hire of community venues	0	42	(42)
Advertising & Publicity	92	35	57
Subscriptions	56	24	32
Translation Services	1	15	(14)
Conference Expenses	1	11	(10)
Other supplies & services	2	4	(2)
Integrated Care Records funded by reserves	23	0	23
<b>Total Supplies &amp; Services</b>	<b>41,072</b>	<b>55,168</b>	<b>(14,096)</b>
<b>Specific Grants</b>			
Infection Control Fund 1	(2,435)	(2,876)	441
Infection Control Fund 2	(3,144)	(3,144)	0
Covid Winter Grant	(1,342)	(1,405)	63
Clinically Extremely Vulnerable	(402)	(472)	70
Rapid Testing	(682)	(682)	0
Workforce Capacity	(924)	(924)	0
Improved Better Care Fund (iBCF)	(22,345)	(22,345)	0
Independent Living Fund	(1,025)	(1,025)	0
Adult Social Care Support Grant	(4,687)	(4,687)	0
Local Reform & Community Voices Grant	(258)	(260)	2
LA Compliance & Enforcement Grant	(227)	0	(227)
War Pensions Sceme disregards	(37)	(37)	0
<b>Total Specific Grants</b>	<b>(37,508)</b>	<b>(37,857)</b>	<b>349</b>
<b>Other Income</b>			
Deferred Charges	(2,742)	(2,742)	0
<b>Total Other Income</b>	<b>(2,742)</b>	<b>(2,742)</b>	<b>0</b>

Adult Social Care				Appendix H5 - Capital				
	Revised 2020/21 Budget @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year	Variance Analysis		
	Main Programme	Self Financing	Total			New Approvals / Adjustments	Re-Profiling	Over / (Under) Spending
	£'000	£'000	£'000			£'000	£'000	£'000
<b>Main Programme</b>								
Empty Properties	100	0	100	8	(92)	0	(92)	0
Swift Impress System (Earmarked Revenue Balance)	71	0	71	90	19	0	19	0
<b>Prudential Borrowing</b>								
New Social Care & Health Centre - Rowley Regis	1,000	0	1,000	1,402	402	0	402	0
<b>Grants / Self Financing</b>								
ASC System Development	0	63	63	63	0	0	0	0
Grants Private Sector (Disabled Facilities Grant) Mandatory	0	3,000	3,000	2,739	(261)	0	(261)	0
Contaminated Land Grant	0	11	11	3	(8)	0	(8)	0
Air Quality Monitoring Grant	0	26	26	0	(26)	0	(26)	0
<b>Total</b>	<b>1,171</b>	<b>3,100</b>	<b>4,271</b>	<b>4,305</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>0</b>

**Regeneration and Growth Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The financial outturn variance for Regeneration and Growth is an over spend of £1.873m. After reflecting the movement on reserves, the use of corporate resources and Covid grant funding the adjusted variance is an under spend of £0.565m which can be analysed as follows:

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	52,888	0	52,888	51,291	(1,597)
Gross Income	(30,783)	0	(30,783)	(27,314)	3,470
<b>Net Expenditure</b>	<b>22,105</b>	<b>0</b>	<b>22,105</b>	<b>23,978</b>	<b>1,873</b>
Revenue Contribution to Capital (RCCO)					0
(Use of) / Contribution to Reserves					144
(Use of) Corporate Resources					(122)
Corporate Covid Funding					(2,460)
<b>Adjusted Net Variance</b>					<b>(565)</b>

The over spend within the directorate is primarily due to pressures within the Property Management Account which funds maintenance and repairs to the authority's property portfolio. Highways Services has also seen overspends within Highways Maintenance for high priority work carried out during the financial year.

The main financial impact of Covid upon the directorate has been a significant reduction in income, particularly within the Car Parking and Markets services. From a service delivery perspective staff have been redeployed to administer grants to support the local business community, we have set up and maintained Lateral Flow Testing centres across the borough and considerable time has been spent reviewing office accommodation to ensure a Covid secure working environment for staff unable to work from home.

Further detail of the outturn position can be found in Appendices I1 and I2. The following table outlines the main reasons for the variance from budget:

Reasons for (Under) / Over Spend	£'000
<b>Growth and Spatial Planning Service</b>	
Economic Regeneration - vacancies within area	(18)
Economic Regeneration - lower than anticipated spend towards business enterprise projects	(60)
Economic Regeneration -contribution from Wolverhampton City Council for business enterprise	(30)
<b>Development Planning and Building Control Service</b>	
Loss of income from planning applications for Development Management and Building consultancy partially due to Covid	438
Development Management - cost associated with digitisation of Planning and Building Control Microfiche	30
Building Consultancy - work completed on dangerous structure	60
Land Charges -VAT backdated correction payments	75
<b>Strategic Assets and Land Service</b>	
Facilities Management - vacancies within area	(162)
Facilities Management - higher than anticipated rental income for Providence place as well as lower premises costs due to partial closure of building during year	(440)
Facilities Management - lower costs on utility bills due to partial closure, lower staff levels in office buildings	(398)
Urban Design and Building Services - PMA expenditure relating to higher reactive work carried out during the financial year	740
Urban Design and Building Services - unachieved income target for School Repairs account	133
Urban Design and Building Services - slippage on projects for Climate change initiatives	(253)
Urban Design and Building Services - vacancies within area	(312)
Urban Design and Building Services - due to vacancies income has fallen short due to work not completed at maximum capacity	227
Markets - closure of indoor/outdoor markets throughout the year which has meant income targets have not been met due to Covid	551
<b>Highways Services</b>	
Car Parking Services inc Bus Lane - unachievable income from car parking permits and machines due to Covid restrictions and working from home policies	1,005
Car Parking Services inc Bus Lane - contract renegotiations with APCOA	(414)
Highways Maintenance - high priority works completed during year	1,025
Highways Planning and Development - due to Covid restrictions no schemes under Section 38 have been adopted	244
Engineers and Highways Consultancy - vacancies within area	(316)
Engineers and Highways Consultancy - delay in rechargeable works due to Covid	(235)
<b>Management</b>	
Slippage on project work due to delays from Covid restrictions	(178)
Vacancy within area	(48)
Movement in Bad debt provision for Regeneration and Growth	246
Other minor issues	(37)
<b>Total</b>	<b>1,873</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Underspend to form part of corporate balances for future year pressures	565
<b>Total</b>	<b>565</b>

## 2. Available Resources

The total budget available to the directorate was £22.105m. This figure reflects the following amendments that have been made since the previously reported monitoring:

Target Budget Resources	£'000
<b>Target Budget as per last quarter monitoring</b>	<b>23,004</b>
Target Adjustments -	
Capital Charges Adjustment	(899)
<b>Revised Target Budget Resources</b>	<b>22,105</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

## 3. Virements within the Directorate

There have been no virements over £0.250m between sub divisions within the directorate since the previously reported monitoring.

## 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an over spend of £3.897m, the variance between this and the actual outturn is a decrease in the over spend of £2.024m. The table below explains the reason for this variance:

<b>Variation from projected outturn @ Q3</b>	<b>£000</b>
<b>Growth and Spatial Planning Service</b>	
Economic Regeneration - slippage of projects due to redeployment of staff to manage and distribute business grants for Covid	(69)
<b>Development Planning and Building Control Service</b>	
Methodology on Work in Progress figures for completion of planning application has changed from previous year	156
Land Charges - backdated VAT correction payments	75
<b>Strategic Assets and Lands Service</b>	
Urban Design and Building Services - PMA large jobs expenditure for priority works was delayed	(850)
Urban Design and Building Services - PMA delay on works completed due to Covid restrictions	(100)
Urban Design and Building Services - slippage on projects for Climate change initiatives	(230)
Facilities Management- lateral flow test centre costs associated with West Bromwich Town hall identified and funded by Covid grant	(80)
Facilities Management - lower costs on utility bills due to partial closure, lower staff levels in office buildings	(390)
Estate Management and Managed Workspace - lower than anticipated bad debt due to Covid for leased buildings	(58)
Estate Management and Managed Workspace -lower building maintenance costs on leased buildings due to Covid restrictions	(66)
Estate Management and Managed Workspace -lower professional fees including bailiffs fees due to debts being outstanding during Covid	(60)
Markets and Street Trading - lower than anticipated bad debt due to Covid for leased buildings	(81)
<b>Highways Services</b>	
Highways Maintenance - High priority work completed in last quarter of the financial year partly due to restrictions being lifted	573
Car Parking Services inc Bus Lane - higher than expected income from bus land enforcements and renegotiations with APCOA contract payments	(698)
<b>Management</b>	
Slippage on project work due to delays from Covid restrictions	(100)
Under utilisation of Custom Build grant	(46)
<b>Total</b>	<b>(2,024)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and there are no adjustments required to reflect the 2020/21 outturn.

## 5. Central Items

The directorate has no responsibility for the management of Central Items.

## 6. Earmarked Reserves

The directorate has set aside £1.679m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has contributed £0.144m to earmarked reserves during the current year resulting in the following balances:

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
West Midlands Regional Research	(287)	53	(234)
Sinking Fund RBC building	(472)	(118)	(590)
Sinking Fund Central 6th Building	(920)	(79)	(999)
			0
			0
			0
<b>Total</b>	<b>(1,679)</b>	<b>(144)</b>	<b>(1,823)</b>

## 7. Use of Corporate Resources

Expenditure of £0.122m incurred by Regeneration and Growth will be met from corporate resources. This reflects the use of the Land Regeneration Fund for the following projects:

- Lyng Land Regeneration
- West Bromwich Town Hall
- West Bromwich Masterplan Feasibility study

## 8. Housing Revenue Account

Regeneration and Growth has responsibility for managing functions that are required to be charged to the Housing Revenue Account rather than the Council's General Fund. The outturn position on these HRA related directorates are shown within the separate HRA report. Any cross subsidisation between the General Fund and HRA is not permitted.

## **Capital**

### **Overview**

Regeneration & Growth is responsible for the delivery of a number of capital schemes which are detailed in Appendix I5. The projected 2020/21 outturn for these schemes was £16.729m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £15.816m, a variance of £0.913m. The main reasons for the main variances above £0.100m are detailed below:-

- Property Refurbishment - £0.866m deficit – works have accelerated in 2020/21 in relation to the working areas at the Sandwell Council House in order to provide adequate agile working environments post COVID-19.
- Access Fund - £0.148m surplus – slippage of resources into 2021/22 to continue disabled access works to various council buildings across the Borough.
- Street Lighting SOX to LED Conversion - £0.837m deficit – the conversion of the street lighting stock from SOX to LED lanterns has continued at pace in 2020/21, with the majority of conversions now completed.
- Challenge Fund – Dudley Street Bridge / Scott Bridge Repairs - £0.286m deficit – works have now commenced on the repairs of these 2 bridge structures and will continue in 2021/22.
- Birchley Island BCLEP Walsall - £0.402m surplus – slippage of resources into 2021/22 to continue with the works associated with this Major Scheme.
- Multi Storey Car Park (MSCP) Demolition, Bull Street, West Bromwich - £0.590m surplus – slippage of resources into 2021/22 to continue the successful demolition of the MSCP to enable further development / regeneration opportunities within West Bromwich.
- Towns Fund – West Bromwich, Smethwick & Rowley Regis - £1.623m surplus – slippage of resources into 2021/22 to continue various regeneration works within these 3 towns.

### **Virements**

There have been no virements between capital schemes during the period.



## **Section 106 Monies**

Regeneration & Growth has responsibility for Section 106 monies, details are provided in Appendix I6.

### **Contact**

Charlie Davey

Business Partner - Finance

Regeneration & Growth						Appendix I1 Directorate Outturn		
Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Growth and Spatial Planning Services	1,988	0	1,988	1,870	(117)	(175)		(292)
Development Planning and	484	0	484	1,143	659	0	(442)	217
Strategic Assets and Land Services	4,639	0	4,639	4,968	329	197	(1,048)	(522)
Highways Services	14,399	0	14,399	15,638	1,240	0	(964)	276
Management	596	0	596	359	(237)	0	(6)	(243)
<b>Total Net Expenditure</b>	<b>22,105</b>	<b>0</b>	<b>22,105</b>	<b>23,978</b>	<b>1,873</b>	<b>22</b>	<b>(2,460)</b>	<b>(565)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
Employees	14,555	0	14,555	13,240	(1,315)
Premises	11,472	0	11,472	11,818	345
Transport	249	0	249	171	(78)
Supplies & Services	17,292	0	17,292	16,687	(605)
Third Party Payments	15	0	15	71	56
Transfer Payments	1	0	1	0	(1)
Capital Charges	9,305	0	9,305	9,305	0
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>52,888</b>	<b>0</b>	<b>52,888</b>	<b>51,291</b>	<b>(1,597)</b>
Specific Grants	(245)	0	(245)	(218)	28
Other Grants & Contributions	(697)	0	(697)	(339)	358
Fees & Charges	(18,245)	0	(18,245)	(15,093)	3,152
Recharges in Target	(11,596)	0	(11,596)	(11,664)	(68)
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(30,783)</b>	<b>0</b>	<b>(30,783)</b>	<b>(27,314)</b>	<b>3,470</b>
<b>Total Net Expenditure</b>	<b>22,105</b>	<b>0</b>	<b>22,105</b>	<b>23,978</b>	<b>1,873</b>
Revenue Contribution to Capital					0
(Use of) / Contribution to Reserves					144
(Use of) Corporate Resources					(122)
Corporate Covid Funding					(2,460)
<b>Adjusted Variance</b>					<b>(565)</b>

Regeneration & Growth				Appendix I2 Service Detail		
		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Growth and Spatial Planning Service</b>						
This includes regeneration, strategic policy, transportation, housing and partnerships.	Employees	2,110		2,110	1,900	(210)
	Premises	0		0	11	11
	Transport	10		10	1	(9)
	Supplies & Services	1,143		1,143	622	(521)
	Third Party Payments	0		0	63	63
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>3,263</b>	<b>0</b>	<b>3,263</b>	<b>2,596</b>	<b>(666)</b>
	Specific Grants	(172)		(172)	(29)	143
	Other Grants & Contributions	(547)		(547)	(174)	373
	Fees & Charges	(67)		(67)	(102)	(35)
	Recharge Income	(489)		(489)	(421)	68
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(1,275)</b>	<b>0</b>	<b>(1,275)</b>	<b>(726)</b>	<b>549</b>
	<b>Net Expenditure</b>	<b>1,988</b>	<b>0</b>	<b>1,988</b>	<b>1,870</b>	<b>(117)</b>
<b>Development Planning and Building Control Service</b>						
This includes development management, building consultancy, systems and services and land charges.	Employees	1,968		1,968	1,947	(21)
	Premises	2		2	32	30
	Transport	10		10	8	(2)
	Supplies & Services	249		249	301	52
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	3		3	3	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>2,232</b>	<b>0</b>	<b>2,232</b>	<b>2,290</b>	<b>59</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(1,650)		(1,650)	(1,134)	516
	Recharge Income	(98)		(98)	(14)	84
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(1,748)</b>	<b>0</b>	<b>(1,748)</b>	<b>(1,148)</b>	<b>600</b>
	<b>Net Expenditure</b>	<b>484</b>	<b>0</b>	<b>484</b>	<b>1,143</b>	<b>659</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Strategic Assets and Land Service</b>	Employees	6,906		6,906	6,248	(658)
	Premises	10,669		10,669	10,981	312
This includes asset management, facilities management, urban design and building services, development and commercial property and markets.	Transport	49		49	19	(29)
	Supplies & Services	4,373		4,373	4,062	(311)
	Third Party Payments	5		5	0	(4)
	Transfer Payments	1		1	0	(1)
	Capital Charges	1,175		1,175	1,174	(0)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>23,177</b>	<b>0</b>	<b>23,177</b>	<b>22,485</b>	<b>(692)</b>
	Specific Grants	0		0	(111)	(111)
	Other Grants & Contributions	(135)		(135)	(165)	(30)
	Fees & Charges	(11,484)		(11,484)	(10,183)	1,301
	Recharge Income	(6,919)		(6,919)	(7,058)	(140)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(18,538)</b>	<b>0</b>	<b>(18,538)</b>	<b>(17,518)</b>	<b>1,021</b>
	<b>Net Expenditure</b>	<b>4,639</b>	<b>0</b>	<b>4,639</b>	<b>4,968</b>	<b>329</b>
<b>Highways Services</b>	Employees	3,278		3,278	2,901	(377)
	Premises	801		801	794	(7)
This includes car parking, flood protection, highways maintenance, road casualty reduction, highways planning and development, engineers and highways consultancy and traffic management and road safety.	Transport	180		180	142	(38)
	Supplies & Services	11,199		11,199	11,554	355
	Third Party Payments	0		0	8	8
	Transfer Payments	0		0	0	0
	Capital Charges	8,128		8,128	8,128	1
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>23,586</b>	<b>0</b>	<b>23,586</b>	<b>23,527</b>	<b>(60)</b>
	Specific Grants	(38)		(38)	(44)	(5)
	Other Grants & Contributions	(15)		(15)	0	15
	Fees & Charges	(5,044)		(5,044)	(3,674)	1,370
	Recharge Income	(4,090)		(4,090)	(4,171)	(81)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(9,188)</b>	<b>0</b>	<b>(9,188)</b>	<b>(7,888)</b>	<b>1,299</b>
	<b>Net Expenditure</b>	<b>14,399</b>	<b>0</b>	<b>14,399</b>	<b>15,638</b>	<b>1,240</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Management</b>  This relates to budgets directly controlled by the Regeneration & Growth director including the contribution to the Black Country Consortium	Employees	293		293	245	(48)
	Premises	0		0	0	0
	Transport	0		0	0	0
	Supplies & Services	328		328	148	(180)
	Third Party Payments	10		10	0	(10)
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>631</b>	<b>0</b>	<b>631</b>	<b>393</b>	<b>(238)</b>
	Specific Grants	(35)		(35)	(34)	1
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(35)</b>	<b>0</b>	<b>(35)</b>	<b>(34)</b>	<b>1</b>
	<b>Net Expenditure</b>	<b>596</b>	<b>0</b>	<b>596</b>	<b>359</b>	<b>(237)</b>

Regeneration & Growth		Appendix I3 - Sub Analysis	
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Advertising & Publicity	56	109	(53)
Architects	1,949	2,047	(98)
Bank Charges & Commiss	0	5	(5)
Cash Collections	2	2	0
Catering Equipment	3	2	1
Catering Provisions	15	20	(4)
Civic Events	0	14	(14)
Conference Expenses	2	6	(4)
Consultancy	1,130	1,708	(578)
Contract Payments	702	1,117	(415)
CRC Energy Efficiency Scheme	0	60	(60)
Engineers	1,542	1,015	528
Equipment & Furniture	405	402	3
General Recharges	46	191	(144)
Grounds Maintenance	106	100	6
Grant Payments	75	143	(68)
Hire of Facilities	0	11	(11)
HR Investigation Team	0	4	(4)
HRA	2	0	2
ICT	149	408	(260)
Internal -Admin&Gen Overheads	52	3	49
Laundry	0	1	(1)
Learning Resources	0	1	(1)
Legal	75	31	44
Licences	20	16	4
Materials & Consumables	75	667	(591)
Operational Services	19	254	(234)
Highways Operational Services	8,346	7,174	1,172
Pest Control	7	3	5
Postages	312	322	(10)
Printing Stationery	43	95	(52)
Professional Services	852	1,070	(218)
Protective Clothing&Un	9	19	(10)
Radio Control	0	6	(6)
Refuse Collection	6	5	1
Subscriptions	226	101	125
Telephones	56	48	8
Waste Disposal Charge	157	114	43
Contributions to Provision Specific bad debts	246	0	246
<b>Total Supplies &amp; Services</b>	<b>16,687</b>	<b>17,292</b>	<b>(605)</b>
<b>Specific Grants</b>			
Covid - BIDS	(34)	(35)	1
Emergency Active Travel Fund (EATF) Tranche 1	(27)	0	(27)
High Streets Heritage Action Zones	(2)	(37)	35
Bikeabilty Grant	(27)	0	(27)
Emergency Active Travel Fund (EATF) Tranche	(16)	(23)	7
Reimbursement for Demolition of Allotments sit	(112)	0	(112)
Sandwell Housing Zone- Capacity Funding	0	(135)	135
Flood Protection	0	(15)	15
<b>Total Specific Grants</b>	<b>(218)</b>	<b>(245)</b>	<b>27</b>
<b>Other Income</b>			
	0	0	0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

Regeneration & Growth				Appendix I5 - Capital				
	Revised 2020/21 Budget @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year	Variance Analysis		
	Main Programme	Self Financing	Total			New Approvals / Adjustments	Re-Profiling	Over / (Under) Spending
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Main Programme</b>								
Section 106 Monies - Lyng Lane	2	0	2	0	(2)	0	(2)	0
Reservoirs Act	42	0	42	4	(38)	0	(38)	0
Property Refurbishment - Workplace Vision	1,400	0	1,400	2,266	866	0	866	0
Access Fund	340	0	340	192	(148)	0	(148)	0
Street Litignt SOX to LED Conversion	917	0	917	1,754	837	837	0	0
Crosswells Road Depot Demolition	0	0	0	37	37	37	0	0
Gas Showrooms Demolition	0	0	0	4	4	4	0	0
<b>RCCO</b>								
Property Refurbishment - Workplace Vision	1,461	0	1,461	1,461	0	0	0	0
<b>Grants / Self Financing</b>								
Local Transport Plan - Direct Grant	0	4,755	4,755	4,836	81	81	0	0
Challenge Fund for Roads & Footways (WMCA)	0	2,100	2,100	2,179	79	79	0	0
Emergency Active Travel Fund (EATF - Tranche 1)	0	241	241	241	0	0	0	0
TIIF Challenge Fund - Dudley Street Bridge / Scott Bridge Repairs	0	250	250	536	286	0	286	0
Birchley Island - BCLEP Walsall	0	800	800	398	(402)	0	(402)	0
M5 Viaduct Works - Highways England	0	0	0	9	9	0	9	0
MSCP Demolition - Bull Street (WMCA)	0	1,300	1,300	710	(590)	0	(590)	0
Heat Networks	0	91	91	51	(40)	0	(40)	0
Towns Fund - West Bromwich, Smethwick & Rowley Regis	0	2,736	2,736	1,113	(1,623)	0	(1,623)	0
Woods Lane Re-Development	0	3	3	3	0	0	0	0
Children's Trust Accomodation Works (DFE Funded)	0	49	49	3	(46)	0	(46)	0
BSF Schools for the Future	0	74	74	0	(74)	0	(74)	0
<b>Regional Housing Board Allocations</b>								
Carrington Rd Shops Demolition	0	112	112	18	(94)	0	(94)	0
School / Carrington Road	0	35	35	0	(35)	0	(35)	0
Queslade Bungalows Demolition	0	6	6	0	(6)	0	(6)	0
New Build / Siupported Housing	0	15	15	1	(14)	0	(14)	0
<b>Total</b>	<b>4,162</b>	<b>12,567</b>	<b>16,729</b>	<b>15,816</b>	<b>(913)</b>	<b>1,038</b>	<b>(1,951)</b>	<b>0</b>



Regeneration & Growth		Appendix I6 Section 106 Monitoring		
Scheme	Description of Project	Balance Available @ 01/04/20 £	Outturn for 2020/21 £	Balance Remaining @ 31/03/21 £
Roway Lane Development	Contribution to improvement works at the Fountain Land / Bromford Road junction	48,000	0	48,000
Former Churchfields School, All Saints Way, West Bromwich	Erection of 182 dwellings, 3no 100m x 60m football pitches, changing room facilities together with associated road and sewer.	17,000	0	17,000
Land at Alexandra Road and Upper Church Lane, Tipton	Affordable Housing	603,000	0	603,000
High St / Dartmouth St West Bromwich (was Laing but now Taylor Wimpy)	Affordable Housing	12,000	0	12,000
Land at Seymour Road, Oldbury	Affordable Housing	91,000	0	91,000
Land at Summerton Road, Oldbury	Affordable Housing	28,000	0	28,000
Land off Spon Lane West Bromwich DC/08/49057	Highways Contribution	447,000	0	447,000
TESCO - West Bromwich	Planning / Environmental Health contribution	50,000	0	50,000
Sandwell Road West Bromwich DC/09/51649	Public Realm / Highways Contribution	175,000	0	175,000
Ashes Road Oldbury DC/14/57470	Ashes Road Oldbury Contribution	336,000	0	336,000
Rattlechain Oldbury DC/14/57737	Affordable Housing	210,000	0	210,000
Upper Church Lane Tipton DC/09/50926	Planning Contribution	32,000	0	32,000
Land off Mill Street Tipton DC/15/58921	Affordable Housing	290,000	0	290,000
				0
				0
<b>Grand Total</b>		<b>2,339,000</b>	<b>0</b>	<b>2,339,000</b>

**Housing and Communities Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

**Revenue**

**1. Overview**

The financial outturn variance for Housing and Communities is an over spend of £0.698m. After reflecting revenue funding of capital expenditure, the movement on reserves and use of Covid grant funding the adjusted variance is an under spend of £2.136m which can be analysed as follows:

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	38,518	554	39,072	37,643	(1,430)
Gross Income	(20,727)	0	(20,727)	(18,600)	2,128
<b>Net Expenditure</b>	<b>17,791</b>	<b>554</b>	<b>18,345</b>	<b>19,043</b>	<b>698</b>
Revenue Contribution to Capital (RCCO)					200
(Use of) / Contribution to Reserves					72
(Use of) Corporate Resources					0
Corporate Covid Funding					(3,106)
<b>Adjusted Net Variance</b>					<b>(2,136)</b>

The Covid crisis has forced the closure of public facing services such as libraries and museums and the cancellation of civic events. This has significantly affected income generation however the shortfall has been offset by Corporate Covid Funding using the Covid Emergency Grant allocated to the authority.

During 2020/21 the directorate lead on the creation of a Food Distribution Hub to support vulnerable residents who were required to self-isolate and staff were redeployed to support the corporate response, including the local Contact Test & Trace initiative.

Further detail of the outturn position can be found in Appendices J1 and J2. The following table outlines the main reasons for the variance:

Reasons for (Under) / Over Spend	£'000
<b>Housing Management</b>	
Homelessness Mainline - vacancies within area	(94)
Temporary Accommodation - higher than expected housing benefit receipts for placements	(54)
Homelessness Reserves - reduction in the number of private landlord accommodation resulting in lower levels of housing benefit income	83
Housing Management - slippage on savings for Communities Team review and stand by payments	170
Welfare Rights - additional funding to support increased demand on services	(83)
Vol Sector & Management - lower than expected insurance recharges, pilot scheme income from HRA with overhead charge	(138)
Shop Mobility - vacancy within area and lower than anticipated premises costs due to closure during Covid	(62)
Garages - lower than anticipated spend against repairs and maintenance due to delays on completion	(124)
Right To Buy - shortfall in income due to decline in sales during Covid restrictions	134
Community Safety Mainline - recharges for staff including redeployment of staff to Contact tracing team	(98)
Travellers - higher than anticipated rental income from traveller sites	(33)
<b>Tourism, Culture &amp; Leisure</b>	
Sandwell Valley Mainline - loss of income due to closure of facilities due to Covid	742
Sandwell Valley Mainline - lower costs associated with materials and consumables due to closure of sites	(61)
Library & Information Service - vacancies within area	(231)
Library & Information Service - lower than anticipated spend on supplies and services for libraries particularly on book fund	(338)
Library & Information Service - loss of income due to Covid	212
PE & Sports Strategy - Premises Insurance Costs - Asbestos Claim at a Leisure Centre	134
Museums - reduced expenditure due to no civic events	(54)
Shows & Events - no paid shows and events during the financial year due to restrictions in place as a result of Covid	53
PE & Sports Portway/PFI - contribution towards sinking fund reserve for the Portway building	(70)
<b>Commercial Services</b>	
Fleet Services - higher than expected income from fees and charges for external clients particularly from Serco for repair and maintenance of vehicles	(548)
Waste Strategy - funding of redundancy payment	151
Waste Strategy - waste disposal charges	78
Parks Line - loss of income due to closure of facilities	158

Parks Line - slippage of project commencing due to Covid restrictions	(47)
Ancillary Services - lower cost on fuel consumption due to lockdown with the majority being in first half of the financial year	(118)
Ancillary Services - pressure re tree works completed during year	162
Ancillary Services - loss of income on fuel charges due to the reduction of consumption during lockdown	47
Green Services - pressure on income due to closure of sites and loss of income from SLT services for Brandhall	268
Green Services - under utilisation of carry forward due to Covid restrictions on place as well as lower than anticipated spend on subscriptions	(235)
Green Services - vacancies within area and lower than anticipated spend on seasonal/overtime hours due to restrictions	(149)
<b>Business Excellence</b>	
Customer Services - Staff turnover and vacancies within area	(291)
Customer Services - delay on completion of IT upgrade projects	(207)
Director - Housing and Communities - funding of Covid expenditure including the operational costs of running the food hub which include security, staffing, food, transport and PPE	1,100
Director - Housing and Communities -pressure associated with funding of redundancy payments	243
Director - Housing and Communities - slippage on delivery of savings required	123
Local Area Budgets - slippage of projects commencing across the six towns due to Covid restrictions	(92)
Town Grants - pressure relating to distribution of SCVO grants due insufficient funding	124
One Stop Shop - lower costs associated staffing and security with closure of One Stop Shop during the financial year because of Covid	(151)
Other Minor issues	(6)
<b>Total</b>	<b>698</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Carryforward to 2021/22 for Local Area Budget projects that have slipped during the year due to Covid restrictions	92
Underspend to form part of corporate balances for future year pressures	2,044
<b>Total</b>	<b>2,136</b>

## 2. Available Resources

The total budget available to the directorate was £18.345m. This figure reflects the following amendments that have been made since the previously reported monitoring:

<b>Target Budget Resources</b>	<b>£'000</b>
<b>Target Budget as per last quarter monitoring</b>	<b>19,217</b>
Target Adjustments -	
Capital Charges Adjustment	(890)
Fleet Services additional vehicle hire for Resources	18
<b>Revised Target Budget Resources</b>	<b>18,345</b>

The following specific grants have been received by the directorate since the previously reported monitoring.

<b>Additional Grants received in Q4</b>	<b>£000</b>
Sport England - National recovery fund grant for SLT & Places for Leisure	(753)
New Burdens Grant	(13)
Libraries Connect	(1)
Arts Council Grant	(1)
<b>Total</b>	<b>(768)</b>

### **3. Virements within the Directorate**

There have been no virements of over £0.250m between sub divisions within the directorate since the previously reported monitoring.

### **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an over spend of £1.300m, the variance between this and the actual outturn is a decrease in the over spend of £0.602m. The following table explains the reason for this variance:

Variation from projected outturn @ Q3	£000
<b>Housing Management</b>	
Temporary Accommodation - projection during year was based on potential cessation of eviction notice suspension which did not occur	(100)
Homelessness Reserves - additional income received from housing rent under private sector leasing	(150)
Homelessness Grants - funding was no longer required to offset pressure in Temporary Accommodation	116
Vol Sector & Management - lower than expected insurance charges and additional income received from pilot scheme currently operating in Housing Management	(109)
<b>Tourism, Culture &amp; Leisure</b>	
Sandwell Valley Mainline - higher than expected income from car parking facilities as well as lower expenditure on materials and consumables due to changing guidelines on covid restrictions	(176)
Library & Information Service - due to closure of sites lower utility bills and insurance costs as well as lower than anticipated spend against the book fund	(235)
PE & Sports Strategy - Premises Insurance Costs - Asbestos Claim at a Leisure Centre	135
Shows and Events - Art Council culture grant received to fund operational costs for events during covid restrictions	(66)
<b>Commercial Services</b>	
Fleet Services - additional income from external parties for repairs and maintenance	(73)
Waste Strategy - due to financial position redundancy payments are picked up by directorate than corporately	239
Ancillary Services - towards end of the financial year rechargeable jobs activity increased resulting in a higher level of income	(128)
<b>Business Excellence</b>	
Local Area Budgets - slippage of projects across the six towns	(92)
Town Grants - pressure relating to distribution of SCVO grants due insufficient funding	69
Customer Services - additional income for redeployment of staff on Covid contact tracing	(32)
<b>Total</b>	<b>(602)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and these now need to be adjusted to reflect the 2020/21 outturn; the following changes are therefore required:

Changes to 2021/22 Budget	£'000
Carryforward to 2021/22 for Local Area Budget projects that have slipped during the year due to Covid restrictions	92
<b>Total</b>	<b>92</b>

## 5. Central Items

The directorate has responsibility for the management of Central Items that are detailed in Appendix J4.

The actual outturn for these items is an under spend of £2.431m. The under spend will be added to the ring-fenced reserve for the Serco contract. This reserve will be used to manage the risk of year on year variations in the contract cost.

The main reason(s) for this variance are outlined below: -

Reasons for (Under) / Over spend - Central Items	£'000
Tonnage levels compared to budget set was 8.42% lower than expected, resulting in an underspend on tonnage costs as well as lower costs directly associated with this such as electricity credit split and third party income	(1,059)
No food waste has been collected/disposed of during 20/21	(214)
Performance related deductions	(355)
Unanticipated Rebate on PURE recycling	(584)
Higher than anticipated income from Staffordshire CC under W2R agreement	(195)
Other minor issues	(24)
<b>Total</b>	<b>(2,431)</b>

## 6. Earmarked Reserves

The directorate has set aside £2.555m in previous years as earmarked reserves for use on specific activities in current and future years. The

directorates has contributed £2.503m to earmarked reserves during the current year resulting in the following balances:

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
Physical Activity Board	(24)		(24)
Sinking Fund - Portway Lifestyle Centre	(586)	(72)	(658)
Private Sector Landlord	(142)		(142)
Dartmouth Park HLF	(318)		(318)
Commonwealth Games - UoW	(100)		(100)
Serco Contract	(1,385)	(2,431)	(3,816)
<b>Total</b>	<b>(2,555)</b>	<b>(2,503)</b>	<b>(5,058)</b>

## 7. Use of Corporate Resources

There has been no expenditure incurred by Housing and Communities that require use of corporate resources.

## 8. Housing Revenue Account

Housing and Communities has responsibility for managing functions that are required to be charged to the Housing Revenue Account rather than the Council's General Fund. The outturn position on these HRA related directorates are shown within the separate HRA report. Any cross subsidisation between the General Fund and HRA is not permitted.

## Capital

### Overview

Housing & Communities is responsible for the delivery of a number of capital schemes which are detailed in Appendix J5. The projected 2020/21 outturn for these schemes was £33.941m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £36.316m resulting in a deficit variance of £2.375m. The main reasons for the main variances above £0.100m are detailed below :-



- Blackheath Library Purchase Price - £0.965m deficit – this reflects the purchase price of Blackheath Library in 20/21.
- Blackheath Library Fit Out - £0.124m surplus – slippage of resources into 2021/22 to continue fit out works at Blackheath Library.
- Self Service Customer Portal - £0.235m surplus – slippage of resources into 2021/22 to continue with works at local council offices around customer self-service.
- Aquatic Centre – Commonwealth Games 2022 - £10.922m deficit – this reflects the Council's main programme contribution towards the construction costs of the Sandwell Aquatic Centre in 2020/21.
- Acquisition of Vehicles - Prudential - £0.229m surplus – The overall costs in 2020/21 reflects the Council's current vehicle replacement programme.
- Acquisition of Vehicles – RCCO - £0.202m deficit – a decision by the service to fund part of the vehicle replacement programme in 2020/21 from a Revenue Contribution to Capital Outlay (RCCO), rather than by Prudential Borrowing above.
- Sandwell Aquatic's Centre – DCMS/Birmingham City Council - £9.687m surplus – a decision by the Department of Culture Media & Sports (DCMS) / Birmingham CC via a signed legal agreement to fund an element of the construction costs associated with the Sandwell Aquatic's Centre in 2020/21.
- Sandwell Aquatic's Centre – BCLEP Funding – Highways Works - £0.457m deficit – an approval by the Black Country Local Enterprise Partnership (BCLEP) to fund the Phase 1 costs in relation to the Highway upgrade works ready for the 2022 Commonwealth Games.
- Sandwell Aquatic Centre – Sport England - £0.485m deficit – an approval by Sport England to contribute towards the overall costs of the Dive Tower installation at the Sandwell Aquatic Centre.
- Section 106 Accounts – Cultural - £0.158m surplus – slippage of resources into 2021/22 to continue Play provision improvement works across the Borough.

## **Virements**

There have been no virements between capital schemes during the period.

## **Section 106 Monies**

Housing & Communities has responsibility for Section 106 monies, details are provided in Appendix J6.

### **Contact**

Charlie Davey

Business Partner - Finance

Housing and Communities						Appendix J1 Directorate Outturn		
Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Management	2,745	30	2,775	2,446	(329)	0	(142)	(471)
Tourism, Culture & Leisure	9,839	42	9,881	10,311	430	72	(1,117)	(615)
Commercial Services	4,230	185	4,415	4,216	(199)	200	(754)	(753)
Business Excellence	978	297	1,275	2,070	795	0	(1,093)	(298)
<b>Total Net Expenditure</b>	<b>17,791</b>	<b>554</b>	<b>18,345</b>	<b>19,043</b>	<b>698</b>	<b>272</b>	<b>(3,106)</b>	<b>(2,136)</b>

Subjective Analysis	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
Employees	16,377	0	16,377	15,915	(461)
Premises	3,384	0	3,384	3,114	(270)
Transport	2,176	0	2,176	1,955	(221)
Supplies & Services	7,489	554	8,043	7,155	(888)
Third Party Payments	4,474	0	4,474	4,884	410
Transfer Payments	0	0	0	0	0
Capital Charges	4,619	0	4,619	4,619	0
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>38,518</b>	<b>554</b>	<b>39,072</b>	<b>37,643</b>	<b>(1,430)</b>
Specific Grants	(4,104)	0	(4,104)	(3,030)	1,074
Other Grants & Contributions	(1,220)	0	(1,220)	(1,384)	(164)
Fees & Charges	(5,256)	0	(5,256)	(4,125)	1,132
Recharges in Target	(10,147)	0	(10,147)	(10,061)	86
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(20,727)</b>	<b>0</b>	<b>(20,727)</b>	<b>(18,600)</b>	<b>2,128</b>
<b>Total Net Expenditure</b>	<b>17,791</b>	<b>554</b>	<b>18,345</b>	<b>19,043</b>	<b>698</b>
Revenue Contribution to Capital					200
(Use of) / Contribution to Reserves					72
(Use of) Corporate Resources					0
Corporate Covid Funding					(3,106)
<b>Adjusted Variance</b>					<b>(2,136)</b>

Housing and Communities				Appendix J2 Service Detail		
		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Housing Management</b>	Employees	4,222		4,222	4,060	(163)
	Premises	1,660		1,660	1,130	(530)
This includes homelessness support, the Welfare Rights Team and the development of relationships with the voluntary and community sector.	Transport	21		21	2	(19)
	Supplies & Services	2,671	30	2,701	2,021	(680)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	297		297	297	(0)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>8,872</b>	<b>30</b>	<b>8,902</b>	<b>7,510</b>	<b>(1,392)</b>
	Specific Grants	(2,375)		(2,375)	(1,246)	1,129
	Other Grants & Contributions	(1,181)		(1,181)	(1,206)	(25)
	Fees & Charges	(956)		(956)	(925)	30
	Recharge Income	(1,615)		(1,615)	(1,686)	(71)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(6,127)</b>	<b>0</b>	<b>(6,127)</b>	<b>(5,064)</b>	<b>1,063</b>
	<b>Net Expenditure</b>	<b>2,745</b>	<b>30</b>	<b>2,775</b>	<b>2,446</b>	<b>(329)</b>
<b>Tourism, Culture &amp; Leisure</b>	Employees	4,837		4,837	4,532	(304)
	Premises	1,216		1,216	1,358	142
This includes libraries, museums, Sandwell Valley and PE & Sports including the contractual payments to leisure providers.	Transport	55		55	27	(28)
	Supplies & Services	1,724	42	1,766	1,317	(449)
	Third Party Payments	4,474		4,474	4,279	(194)
	Transfer Payments	0		0	0	0
	Capital Charges	1,779		1,779	1,779	(0)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>14,084</b>	<b>42</b>	<b>14,126</b>	<b>13,293</b>	<b>(833)</b>
	Specific Grants	(1,208)		(1,208)	(1,299)	(91)
	Other Grants & Contributions	(39)		(39)	(82)	(43)
	Fees & Charges	(2,145)		(2,145)	(931)	1,214
	Recharge Income	(853)		(853)	(670)	183
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(4,245)</b>	<b>0</b>	<b>(4,245)</b>	<b>(2,982)</b>	<b>1,263</b>
	<b>Net Expenditure</b>	<b>9,839</b>	<b>42</b>	<b>9,881</b>	<b>10,311</b>	<b>430</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Commercial Services</b>  This service maintains the public parks and green spaces, it delivers the grounds maintenance service for the borough, includes the centralised costs of the fleet service for the council and the client side for the waste contract with Serco.	Employees	4,897		4,897	4,874	(23)
	Premises	433		433	453	20
	Transport	2,098		2,098	1,891	(207)
	Supplies & Services	938	185	1,123	1,268	145
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	2,538		2,538	2,538	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>10,904</b>	<b>185</b>	<b>11,089</b>	<b>11,024</b>	<b>(64)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	(0)		(0)	(96)	(95)
	Fees & Charges	(2,033)		(2,033)	(2,126)	(93)
	Recharge Income	(4,641)		(4,641)	(4,587)	54
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(6,674)</b>	<b>0</b>	<b>(6,674)</b>	<b>(6,808)</b>	<b>(134)</b>
	<b>Net Expenditure</b>	<b>4,230</b>	<b>185</b>	<b>4,415</b>	<b>4,216</b>	<b>(199)</b>
<b>Business Excellence</b>  This includes the corporate contact centre and the provision of the One Stop Shop reception service at Oldbury. It includes the local managed town grants and director managed budgets.	Employees	2,421		2,421	2,450	29
	Premises	75		75	173	98
	Transport	2		2	34	32
	Supplies & Services	2,156	297	2,453	2,549	96
	Third Party Payments	0		0	604	604
	Transfer Payments	0		0	0	0
	Capital Charges	5		5	5	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>4,659</b>	<b>297</b>	<b>4,956</b>	<b>5,815</b>	<b>860</b>
	Specific Grants	(521)		(521)	(485)	36
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(123)		(123)	(143)	(21)
	Recharge Income	(3,038)		(3,038)	(3,117)	(80)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(3,681)</b>	<b>0</b>	<b>(3,681)</b>	<b>(3,745)</b>	<b>(64)</b>
	<b>Net Expenditure</b>	<b>978</b>	<b>297</b>	<b>1,275</b>	<b>2,070</b>	<b>795</b>

Housing and Communities	Appendix J3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Bad Debt Provision	81	0	81
Advertising & Publicity	6	65	(59)
Architects	48	32	16
Bank Charges & Commission	3	5	(2)
Bereavement Expenses	2	0	2
Bi-Lingual Translation	0	0	(0)
Carry forward from 2019/20	0	554	(554)
Cash Collections	2	4	(2)
Catering Equipment	4	5	(1)
Catering Provisions	348	91	257
Civic Events	103	252	(149)
Conference Expenses	4	6	(2)
Consultancy	108	73	35
Contract Payments	18	0	18
Engineers	12	0	12
Equipment & Furniture	234	392	(158)
General Recharges	549	89	460
Grant Payments	3,064	4,085	(1,020)
Hire of Facilities	2	15	(13)
HR Investigation Team	0	5	(5)
HRA	248	299	(51)
ICT	160	55	105
Insurance	1	0	1
Internal - School	1	0	1
Internal -Admin&General Overheads	7	4	4
Laundry	12	0	11
Legal	163	107	56
Licences	33	0	33
Materials & Consumable	298	748	(450)
Office Accommodation	0	17	(17)
Operational Services	134	102	32
Pest Control	5	6	(2)
Postages	0	13	(12)
Printing Stationery&Ge	28	79	(51)
Professional Services	1,151	764	387
Protective Clothing&Uniforms	32	33	(1)
Refuse Collection	2	12	(10)
Subscriptions	51	20	30
Telephones	56	77	(21)
Tenants Expenses	41	0	41
Waste Disposal Charge	147	35	112
<b>Total Supplies &amp; Services</b>	<b>7,155</b>	<b>8,043</b>	<b>(888)</b>
<b>Specific Grants</b>			
Covid 19 Emergency Assistance Grant	(485)	(521)	36
DCLG - Portway Lifestyle Centre - PFI	(1,162)	(1,162)	0
Home Office - Prevent Grant	(168)	(175)	7
Department for Environment Food and Rural Affairs	(47)	(46)	(1)
DCLG - Supporting Families Against Youth Crime	(209)	(247)	38
DCLG - Flexible Homelessness Support Grant / New Burdens	(858)	(1,954)	1,096
DCMS - Cultural Recovery Grants - Artc Council	(88)	0	(88)
Arts Council - Libraries connected	(2)	0	(2)
DCLG - Krunch grant	(12)	0	(12)
Arts Council - Museum Musings	(1)	0	(1)
			0
<b>Total Specific Grants</b>	<b>(3,031)</b>	<b>(4,104)</b>	<b>1,074</b>
<b>Other Income</b>			
	0	0	0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

Housing and Communities			Appendix J4 Central Items		
Central Item Description	Annual Budget £'000	Actual Outturn £'000	(Use of) / Contribution to Reserves £'000	(Use of) Corporate Resources £'000	Variance (Under) / Over Spend £'000
Waste Partnership	28,116	25,685	2,431		0
					0
					0
					0
					0
					0
<b>Total</b>	<b>28,116</b>	<b>25,685</b>	<b>2,431</b>	<b>0</b>	<b>0</b>
<b>Subjective Analysis</b>					
Employees					0
Premises					0
Transport					0
Supplies & Services	30,307	27,799	2,431		(77)
Third Party Payments					0
Transfer Payments					0
Capital Charges					0
<b>Gross Expenditure</b>	<b>30,307</b>	<b>27,799</b>	<b>2,431</b>	<b>0</b>	<b>(77)</b>
Specific Grants	(1,278)	(1,241)			37
Other Grants & Contributions	(138)	(121)			17
Fees & Charges					0
Recharges in Target	(775)	(752)			23
Other Income					0
<b>Gross Income</b>	<b>(2,191)</b>	<b>(2,114)</b>	<b>0</b>	<b>0</b>	<b>77</b>
<b>Total Net Expenditure</b>	<b>28,116</b>	<b>25,685</b>	<b>2,431</b>	<b>0</b>	<b>0</b>



Housing and Communities				Appendix J5 - Capital				
	Revised 2020/21 Budget as @ Period 9			Actual Outturn 2020/21 £'000	(Surplus) / Deficit for the Year £'000	Variance Analysis		
	Main Programme £'000	Self Financing £'000	Total £'000			New Approvals / Adjustments £'000	Re-Profiling £'000	Over / (Under) Spending £'000
<b>Main Programme</b>								
Environmental Improvements to Neighbourhoods (Grot Spots)	42	0	42	0	(42)	0	(42)	0
Public Access Computers - Libraries	130	0	130	130	0	0	0	0
Blackheath Library - Purchase Price	0	0	0	965	965	965	0	0
Blackheath Library - fit out costs	268	0	268	144	(124)	0	(124)	0
Libraries Management System	4	0	4	4	0	0	0	0
Manor House - Phase 2	12	0	12	0	(12)	0	(12)	0
Sandwell Aquatic's Centre	360	0	360	291	(69)	0	(69)	0
Self Service Customer Portal	298	0	298	63	(235)	0	(235)	0
West Smethwick Park - HLF Match Funding	100	0	100	85	(15)	0	(15)	0
Aquatic Centre - Commonwealth Games 2022	0	0	0	10,922	10,922	10,922	0	0
<b>Prudential Borrowing</b>								
Lightwoods Park	44	0	44	0	(44)	0	(44)	0
Acquisition of Vehicles - Prudential	2,400	0	2,400	2,171	(229)	(229)	0	0
<b>RCCO</b>								
Acquisition of Vehicles - RCCO	0	0	0	202	202	202	0	0
<b>Grants / Self Financing</b>								
Manor House Conservation Plan	0	1	1	0	(1)	0	(1)	0
Dartmouth Park - HLF	0	2	2	0	(2)	0	(2)	0
Lightwoods Park - HLF	0	20	20	62	42	42	0	0
West Smethwick Park - HLF	0	80	80	0	(80)	0	(80)	0
Sandwell Aquatic's Centre - DCMS / Birmingham CC	0	30,000	30,000	20,313	(9,687)	0	(9,687)	0
Sandwell Aquatic's Centre - BCLEP Funding - Highways Works	0	0	0	457	457	457	0	0
Sandwell Aquatic's Centre - Sport England	0	0	0	485	485	485	0	0
<b>Section 106</b>								
Section 106 Accounts - Cultural	0	180	180	22	(158)	0	(158)	0
<b>Total Housing &amp; Communities</b>	<b>3,658</b>	<b>30,283</b>	<b>33,941</b>	<b>36,316</b>	<b>2,375</b>	<b>12,844</b>	<b>(10,469)</b>	<b>0</b>

Housing and Communities		Appendix J6 Section 106 Monitoring		
Scheme	Description of Project	Balance Available @ 01/04/20 £	Outturn for 2020/21 £	Balance Remaining @ 31/03/21 £
				0
Brades Green Open Space DC/05/43995	Planting scheme to improve welcoming aspect - Oldbury	5,800	0	5,800
Barnford Park DC/07/48918	Treeworks - Oldbury	3,600	0	3,600
Mary MacArthur Gardens	Fencing, Steps & Re-Painting of Infrastructure - Rowley	32,300	0	32,300
Jubilee Park DC/04/43090 & DC/06/47114	Treeworks - Tipton	8,100	0	8,100
Farley Park DC/08/50253	Play Provision improvements - Tipton	4,000	0	4,000
Norman Rd Dams DC/05/45598	Play Provision improvements	15,000	0	15,000
Tibbington Playing Fields	Play Provision improvements	7,000	6,426	574
Summerton Road - DC/08/50416	Play Provision improvements	16,000	15,767	233
Charlemont Playing Fields - DC/14/56717	Improvements to Car Parking Facilities & Skate Board Park - West Bromwich	33,000	0	33,000
Redhouse Park - DC/05/45586	Scheme being developed including Entrance & Car Parking - West Bromwich	18,000	0	18,000
Yew Tree Estate - DC/13/56577	Play Provision improvements - West Bromwich	60,200	0	60,200
				0
				0
				0
<b>Grand Total</b>		<b>203,000</b>	<b>22,193</b>	<b>180,807</b>



**Children's Services Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The financial outturn for Children's Services is an over spend of £8.357m. After reflecting the movement on reserves, the use of corporate resources and the Covid grant funding the adjusted variance is an overspend of £1.851 which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000
<b>Gross Expenditure</b>	122,200	329	122,529	133,436	10,907
<b>Gross Income</b>	(31,536)	0	(31,536)	(34,087)	(2,551)
<b>Net Expenditure</b>	<b>90,663</b>	<b>329</b>	<b>90,992</b>	<b>99,349</b>	<b>8,357</b>
<b>Revenue Contribution to Capital (RCCO)</b>					0
<b>(Use of) / Contribution to Reserves</b>					(21)
<b>(Use of) Corporate Resources</b>					(897)
<b>Corporate Covid Funding</b>					(5,588)
<b>Adjusted Net Variance</b>					<b>1,851</b>

SEN Transport continues to be a challenging area within Children's Services and overspent by £3.593m, but this was reduced by income, mainly from the WMCA, the net spend was therefore £3.207m. There was a significant loss of income during 2020/21 due to the impact of Covid-19 including £1.9m loss from the temporary closure of the 4 residential centres, but this has been offset by Covid-19 grants income. Further detail of the outturn position can be found in Appendices K1 and K2. The following table outlines the main reasons for the variance:

The net over spend is requested to be treated as follows:

Reasons for Over Spend	£'000
Loss of Income / Additional spend due to COVID	5,588
SEN Transport	3,207
Childrens Trust and Regeneration Reserves	521
Provision for Termination Costs	397
Travel & Clothing Assistance Underspend	(140)
Teachers Pension grant	(62)
Educational Psychologist Vacancies	(230)
SIPS Governance Contract Underspend	(55)
Youth Service Underspend	(129)
Childrens Centres Contract Underspend	(88)
Regional Adoption Agency underspend	(133)
SERVALEC Frst Year Contract Maintenance Deferral	(47)
Legal Costs Underspend	(54)
Staff Vacancies	(418)
<b>Total</b>	<b>8,357</b>

Requested Treatment	£'000
The overspend to be funded from Corporate funds	1,851
<b>Total</b>	<b>1,851</b>

## 2. Available Resources

The total budget available to the directorate was £90.992m. This figure reflects the following amendments that have been made since the previously reported monitoring:

Target Budget Resources	£'000
<b>Target Budget as per last quarter monitoring</b>	<b>83,008</b>
Target Adjustments -	
Capital Charges Adjustment	7,984
<b>Revised Target Budget Resources</b>	<b>90,992</b>

The following specific grants have been received by the directorate since the previously reported monitoring.

<b>Additional Grants received in Q4</b>	<b>£000</b>
SCT - ASC Support Grant	(1,908)
SCT - Youth Justice Board	(336)
SCT - Troubled Families	(188)
SCT - Unaccompanied Asylum Seeker Children	(181)
SCT - Staying Put	(115)
SCT - Extended Personal Advisor Duty Implementation	(28)
Holiday Activities Food Programme	(21)
KS2 Moderation and KS1 Phonics	(13)
<b>Total</b>	<b>(2,790)</b>

### **3. Virements within the Directorate**

There were no virements of over £0.250m between sub divisions within the directorate since the previously reported monitoring.

### **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an over spend of £2.852m, the variance between this and the actual outturn is a decrease in the over spend of £1.001m. The table below explains the reason for this variance:

<b>Variation from projected outturn @ Q3</b>	<b>£000</b>
Teachers Pension Grant	(62)
Travel Pass Refund	(64)
Data Team - SERVALEC Refund	(47)
SIPS Governance Contract underspend	(55)
SEN Vacancies	(57)
SEN Transport	(328)
Legal Claims Underspend	(54)
Regional Adoption Agency underspend	(133)
Youth Service Vacancies	(39)
Children's Centres Contract underspend	(85)
Other (including staff vacancies)	(77)
<b>Total</b>	<b>(1,001)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and there were no changes required.

## **5. Central Items**

The directorate has no responsibility for the management of Central Items.

## **6. Earmarked Reserves**

The directorate has set aside £0.110m in previous years as earmarked reserves for use on specific activities in current and future years. The directorate has used £0.021m of earmarked reserves during the current year leaving the following balances remaining:

<b>Earmarked Reserve</b>	<b>Balance as at 31 March 2020 £'000</b>	<b>Use of / (Contribution to) in year £'000</b>	<b>Remaining Balance 31 March 2021 £'000</b>
Regeneration and Economy	(110)	21	(89)
<b>Total</b>	<b>(110)</b>	<b>21</b>	<b>(89)</b>

## **7. Use of Corporate Resources**

Expenditure of £0.897m incurred by the Children's Services directorate will be met from corporate resources. This is to cover high cost placements for Sandwell Children's Trust and the termination benefits for Senior Managers.

## **Capital**

### **Overview**

Children's Services is responsible for the delivery of a number of capital schemes which are detailed in Appendix K5. The projected 2020/21 outturn for these schemes was £24.977m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £23.490m resulting in a surplus variance of £1.487m. The main reasons for the main variances above £0.100m are detailed below:

- West Bromwich Collegiate Academy - £0.709m surplus – at P9 it was expected that a further valuation payment would be paid to the contractor before year end and unclear whether early orders would be required for loose furniture and equipment items to avoid supply chain delays resulting from both Brexit and the ongoing consequences of the pandemic.
- Q3 Langley Phase 3 - £0.221m surplus – at P9 it was unclear whether early orders would be required for loose furniture and equipment items to avoid supply chain delays resulting from both Brexit and the ongoing consequences of the pandemic.
- School Condition Lifecycle Property Maintenance - £0.375m surplus - the outturn reflects the current rolling programme of works associated with property maintenance at various schools across the borough.
- New Oldbury Primary – Lightwoods - £0.170m surplus – the slippage into 2021/22 of £0.170m will meet payment of Stamp Duty Land Tax when a ground lease is entered into for the school site and buildings. Completion of the Lease has been delayed due to protracted negotiations with the landowner, the Birmingham Diocese.
- Bristnall Hall Academy - £1.011m deficit – construction works were able to be escalated to ensure that the project can be completed and handed over to the Academy Trust in time for opening to pupils in September 2021.
- Devolved Formula Capital (DFC) - £0.423m surplus – slippage of resources into 2021/22 to continue the programme of capital works in relation to DFC across all schools in the borough.
- Devolved Formula Capital – School Contribution - £0.241m surplus – slippage of resources into 2021/22 to continue the programme of works in relation to DFC across all schools in the borough. Individual schools have made contributions to cover the expenditure incurred in 2020/21.
- BSF Oldbury - £0.171m surplus - monies carried forward into 2021/22 to continue works on various schools in the borough.



## **Virements**

There have been no virements between capital schemes during the period.

## **Section 106 Monies**

Children's Services has no responsibility for Section 106 monies, there is no Appendix K6 for this service.

## **Contact**

Steve Lilley  
Business Partner  
0121 569 3863

Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Director of Education and	17,567	0	17,567	17,696	130	(267)		(137)
Education Support Services	1,803	0	1,803	3,447	1,644	0	(1,882)	(238)
Learning Improvement	3,261	30	3,291	3,473	183	(21)	(470)	(308)
Inclusive Learning	3,260	0	3,260	6,224	2,965	0		2,965
Director of Children's	6,573	299	6,872	9,810	2,937	(130)	(1,316)	1,491
Childrens Trust	58,199	0	58,199	58,699	500	(500)	(1,920)	(1,920)
	0	0	0		0	0		0
<b>Total Net Expenditure</b>	<b>90,663</b>	<b>329</b>	<b>90,992</b>	<b>99,349</b>	<b>8,357</b>	<b>(918)</b>	<b>(5,588)</b>	<b>1,851</b>

Subjective Analysis	Annual Target Budget  £'000	BFwd from Previous Year  £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
Employees	14,409	0	14,409	13,865	(543)
Premises	919	0	919	969	50
Transport	2,840	0	2,840	6,373	3,533
Supplies & Services	6,812	219	7,031	7,676	646
Third Party Payments	67,073	110	67,183	74,376	7,193
Transfer Payments	0	0	0	29	29
Capital Charges	30,148	0	30,148	30,147	(0)
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>122,200</b>	<b>329</b>	<b>122,529</b>	<b>133,436</b>	<b>10,908</b>
Specific Grants	(8,218)	0	(8,218)	(11,887)	(3,669)
Other Grants & Contributions	(1,524)	0	(1,524)	(2,557)	(1,033)
Fees & Charges	(970)	0	(970)	(1,521)	(552)
Recharges in Target	(7,968)	0	(7,968)	(7,242)	726
Other Income	(12,856)	0	(12,856)	(10,878)	1,978
<b>Gross Income</b>	<b>(31,536)</b>	<b>0</b>	<b>(31,536)</b>	<b>(34,087)</b>	<b>(2,551)</b>
<b>Total Net Expenditure</b>	<b>90,663</b>	<b>329</b>	<b>90,992</b>	<b>99,349</b>	<b>8,357</b>
Revenue Contribution to Capital					0
(Use of) / Contribution to Reserves					(21)
(Use of) Corporate Resources					(897)
Corporate Covid Funding					(5,588)
<b>Adjusted Variance</b>					<b>1,851</b>

		Annual Target Budget  £'000	BFwd from Previous Year £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
<b>Director of Education and Employment</b>  The Director of Education & Employment is responsible for the delivery of Central Recharges including Capital and Long service awards	Employees	197		197	449	253
	Premises	0		0	0	0
	Transport	1		1	0	(1)
	Supplies & Services	11		11	(15)	(26)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	29,851		29,851	29,851	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>30,060</b>	<b>0</b>	<b>30,060</b>	<b>30,286</b>	<b>227</b>
	Specific Grants	(138)		(138)	(178)	(40)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	(1,481)		(1,481)	(1,539)	(58)
	Other Income	(10,873)		(10,873)	(10,873)	(0)
	<b>Total Gross Income</b>	<b>(12,492)</b>	<b>0</b>	<b>(12,492)</b>	<b>(12,590)</b>	<b>(98)</b>
	<b>Net Expenditure</b>	<b>17,567</b>	<b>0</b>	<b>17,567</b>	<b>17,696</b>	<b>130</b>
<b>Education Support Services</b>						
Education Support Services across Sandwell encompass: • School Organisation & Development • Attendance & Prosecution • School Admissions & Appeals • Education Benefits • Residential Centres • Passenger Transport Unit	Employees	4,248		4,248	3,973	(275)
	Premises	245		245	211	(34)
	Transport	268		268	257	(12)
	Supplies & Services	780		780	609	(171)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	224		224	224	(0)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>5,765</b>	<b>0</b>	<b>5,765</b>	<b>5,273</b>	<b>(492)</b>
	Specific Grants	(32)		(32)	(41)	(9)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(196)		(196)	(320)	(124)
	Recharge Income	(1,751)		(1,751)	(1,460)	292
	Other Income	(1,983)		(1,983)	(5)	1,978
	<b>Total Gross Income</b>	<b>(3,962)</b>	<b>0</b>	<b>(3,962)</b>	<b>(1,826)</b>	<b>2,136</b>
	<b>Net Expenditure</b>	<b>1,803</b>	<b>0</b>	<b>1,803</b>	<b>3,447</b>	<b>1,644</b>

		Annual Target Budget  £'000	BFwd from Previous Year  £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
<b>Learning Improvement</b>	Employees	7,178		7,178	6,883	(296)
	Premises	46		46	101	55
Learning Improvement provides challenge and support for all phase learning including • Connexions • Adult Learning Services • Parent Support and On Line Learning • School improvement Advisers • Early Years & Workplace Nursery	Transport	40		40	7	(32)
	Supplies & Services	2,189	30	2,219	1,820	(399)
	Third Party Payments	0		0	4	4
	Transfer Payments	0		0	29	29
	Capital Charges	47		47	47	(0)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>9,500</b>	<b>30</b>	<b>9,530</b>	<b>8,890</b>	<b>(640)</b>
	Specific Grants	(420)		(420)	(356)	64
	Other Grants & Contributions	(1,524)		(1,524)	(1,323)	201
	Fees & Charges	(721)		(721)	(373)	348
	Recharge Income	(3,575)		(3,575)	(3,365)	210
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(6,239)</b>	<b>0</b>	<b>(6,239)</b>	<b>(5,417)</b>	<b>822</b>
	<b>Net Expenditure</b>	<b>3,261</b>	<b>30</b>	<b>3,291</b>	<b>3,473</b>	<b>183</b>
<b>Inclusive Learning</b>	Employees	1,431		1,431	988	(444)
	Premises	63		63	67	4
Inclusive Learning supports vulnerable children and young people to achieve positive outcomes and engage in learning. Services include: • Inclusion Support • Exclusions Service • SEN Home to School Transport	Transport	2,521		2,521	6,106	3,585
	Supplies & Services	175		175	283	108
	Third Party Payments	0		0	2	2
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>4,190</b>	<b>0</b>	<b>4,190</b>	<b>7,445</b>	<b>3,255</b>
	Specific Grants	0		0	(99)	(99)
	Other Grants & Contributions	0		0	(384)	(384)
	Fees & Charges	0		0	(36)	(36)
	Recharge Income	(931)		(931)	(701)	229
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(931)</b>	<b>0</b>	<b>(931)</b>	<b>(1,221)</b>	<b>(290)</b>
	<b>Net Expenditure</b>	<b>3,260</b>	<b>0</b>	<b>3,260</b>	<b>6,224</b>	<b>2,965</b>

		Annual Target Budget  £'000	BFwd from Previous Year  £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
<b>Director of Children's Services</b>  The Director of Childrens Services is responsible for the delivery of the following key services: • Youth Service • Childrens Centres	Employees	1,354		1,354	1,422	67
	Premises	564		564	590	26
	Transport	11		11	3	(7)
	Supplies & Services	3,657	189	3,846	4,980	1,133
	Third Party Payments	1,245	110	1,355	8,043	6,688
	Transfer Payments	0		0	0	0
	Capital Charges	25		25	25	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>6,856</b>	<b>299</b>	<b>7,155</b>	<b>15,063</b>	<b>7,908</b>
	Specific Grants	0		0	(3,584)	(3,584)
	Other Grants & Contributions	0		0	(850)	(850)
	Fees & Charges	(54)		(54)	(642)	(589)
	Recharge Income	(229)		(229)	(177)	52
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(283)</b>	<b>0</b>	<b>(283)</b>	<b>(5,253)</b>	<b>(4,970)</b>
	<b>Net Expenditure</b>	<b>6,573</b>	<b>299</b>	<b>6,872</b>	<b>9,810</b>	<b>2,937</b>
<b>Childrens Trust</b>  Contract payments to Sandwell Childrens Trust including Connected Carers	Employees	0		0	0	0
	Premises	0		0	0	0
	Transport	0		0	0	0
	Supplies & Services	0		0	0	0
	Third Party Payments	65,828		65,828	66,328	500
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>65,828</b>	<b>0</b>	<b>65,828</b>	<b>66,328</b>	<b>500</b>
	Specific Grants	(7,629)		(7,629)	(7,629)	(0)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(7,629)</b>	<b>0</b>	<b>(7,629)</b>	<b>(7,629)</b>	<b>(0)</b>
	<b>Net Expenditure</b>	<b>58,199</b>	<b>0</b>	<b>58,199</b>	<b>58,699</b>	<b>500</b>

Children' Services	Appendix A3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Equipment & Furniture	17	40	(23)
Materials & Consumables	21	33	(12)
Catering	21	144	(123)
Protective Equipment & Laundry	37	74	(37)
Printing & Stationery	9	179	(170)
Professional Services (including Legal)	516	1,077	(561)
Contract Payments	3,226	3,416	(190)
Telephones & Postage	63	58	5
ICT	175	149	26
Advertising & Publicity	34	63	(29)
Room Hire & Conferences	25	32	(8)
Waste Disposal	21	18	3
Compensation Payments	103	0	103
Grant Payments	2,036	1,565	472
Subscriptions	37	36	1
Contribution to Internal Services	80	111	(31)
Licences	16	6	10
Learning Resources	458	3	455
FSM	711	0	711
Other	70	26	44
<b>Total Supplies &amp; Services</b>	<b>7,676</b>	<b>7,031</b>	<b>645</b>
<b>Specific Grants</b>			
Youth Justice Dev. Fund (Secure Remand Grant)	(330)	0	(330)
Extended Personal Advisor Duty Implementation Grant (EPADI)	(56)	0	(56)
ASC support grant	(7,629)	(7,629)	(0)
HOPE Grant	(99)	0	(99)
Youth Justice Board	(10)	0	(10)
KS2 Moderation & KS1 Phonics	(13)	0	(13)
DWP Joint Working	(26)	0	(26)
Holiday Activities & Food Programme	(21)	0	(21)
Adoption Support	(23)	0	(23)
Controlling Migration Fund	(185)	(283)	98
Troubled Families	(1,627)	0	(1,627)
Youth Justice Board	(498)	0	(498)
Unaccompanied Asylum Seeker Children (UASC)	(810)	0	(810)
School Improvement Grant	(315)	(275)	(40)
Extended Rights to Free Travel	(41)	(32)	(9)
Staying Put Grant	(203)	0	(203)
<b>Total Specific Grants</b>	<b>(11,887)</b>	<b>(8,218)</b>	<b>(3,669)</b>
<b>Other Income</b>			
REFCUS Section 5 - Unapplied Receipts B/F (no Conditions)	(10,873)	(10,873)	0
Residential Centres	(5)	(1,983)	1,978
<b>Total Other Income</b>	<b>(10,878)</b>	<b>(12,856)</b>	<b>1,978</b>

Children' Services			Appendix A4 Central Items		
Central Item Description	Annual Budget	Actual Outturn	(Use of) / Contribution to Reserves	(Use of) Corporate Resources	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000
BSF Central Item	400	400			0
					0
					0
					0
					0
<b>Total</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Subjective Analysis</b>					
Employees					0
Premises					0
Transport					0
Supplies & Services	400	400			0
Third Party Payments					0
Transfer Payments					0
Capital Charges					0
<b>Gross Expenditure</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>
Specific Grants					0
Other Grants & Contributions					0
Fees & Charges					0
Recharges in Target					0
Other Income					0
<b>Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Net Expenditure</b>	<b>400</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>



Childrens Services				Appendix K5 - Capital	
	Revised 2020/21 Budget as @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000		
<b>Supported Borrowing</b>					
BSF ICT Element	80	0	80	0	(80)
<b>Grants / Self Financing</b>					
<b>Schools Capital Programme Schemes</b>					
New School Kelvin Way - West Bromwich Collegiate Academy	0	200	200	200	0
West Bromwich Collegiate Academy - Phase 2	0	6,278	6,278	5,569	(709)
Q3 Langley Phase 2	0	100	100	100	0
Q3 Langley Phase 3	0	7,800	7,800	7,579	(221)
Shireland Collegiate Academy	0	176	176	126	(50)
George Salter Academy	0	50	50	56	6
St Matthews CE	0	350	350	338	(12)
School Condition - LifeCycle property maintenance	0	4,300	4,300	3,925	(375)
Additional Secondary Places 2020	0	92	92	87	(5)
Tipton Green Junior School - Flooding	0	44	44	55	11
Priory Primary Expansion	0	2	2	1	(1)
New Oldbury Primary - Lightwoods	0	200	200	30	(170)
Annie Lennard Infants	0	1	1	0	(1)
Hargate Primary	0	100	100	95	(5)
RSA Academy	0		0	6	6
Victoria Park Academy	0	11	11	10	(1)
Rowley Hall Primary	0	1	1	0	(1)
Great Bridge Primary	0	1	1	1	0
Feasibility Work Expansion of Secondary	0	19	19	18	(1)
Bristnall Hall Academy	0	2,535	2,535	3,546	1,011
St Michaels	0		0	32	32
Moorlands	0	2	2	1	(1)
Perryfields - Purchase Mobile Classrooms - Portakabin	0	12	12	0	(12)
School Kitchen Repairs	0	1	1	0	(1)
SRES Development Plan	0	1	1	1	0
Shireland High Tech Primary	0	2	2	2	0
Crocketts Community Primary	0	4	4	4	0
Shenstone Lodge School	0	1	1	0	(1)
Sacred Heart Primary	0	1	1	2	1
Yew Tree Primary	0	1	1	0	(1)
ESFA Shireland Primary Free School	0	15	15	17	2
School Demolition Thorne Road	0	1	1	0	(1)
Schools Capital Feasibility Works	0	1	1	0	(1)
<b>Standards Fund Grant</b>					
Devolved Formula Capital	0	1,200	1,200	777	(423)
Devolved Formula Capital - School Contribution	0	1,000	1,000	759	(241)
Devolved Formula Capital - PRU's	0	50	50	33	(17)
<b>Other - Self Financing</b>					
BSF Oldbury	0	171	171	0	(171)
Two Year Old Entitlement - Early Years Capital	0	2	2	0	(2)
Orchard Building Work	0	17	17	0	(17)
EVOLVE Funding	0	131	131	115	(16)
Healthy Pupils Capital Fund	0	24	24	5	(19)
<b>Total Childrens Services</b>	<b>80</b>	<b>24,897</b>	<b>24,977</b>	<b>23,490</b>	<b>(1,487)</b>

**Public Health Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

## **Revenue**

### **1. Overview**

The outturn budget variance for Public Health is an under spend of £2.871m. After reflecting the movement on reserves, the use of corporate resources and corporate Covid funding the adjusted variance is an under spend of £3.021m which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	28,281	0	28,281	25,046	(3,234)
Gross Income	(27,981)	0	(27,981)	(27,617)	364
Net Expenditure	300	0	300	(2,571)	(2,871)
Revenue Contribution to Capital (RCCO)					0
(Use of) / Contribution to Reserves					88
(Use of) Corporate Resources					(106)
Corporate Covid Funding					(132)
Adjusted Net Variance					(3,021)

Public Health has been leading the response to Covid19, key public health staff have been redeployed to manage enquiries and support the public at large. Officer time has been recharged to the Covid-19 Test and Trace Grant which is included within the Communicable Diseases service line.

Several programmes such as Outer areas GUM, GP Model, Smoking Cessation services and Weight Management services have not taken place because of Covid19 and other services have been eligible for funding from the Contain Outbreak Management Fund, contributing to the under spend of the Public Health Grant.

Further detail of the outturn position can be found in Appendices L1 and L2. The following table outlines the main reasons for the variance:

Reasons for (Under) / Over Spend	£'000
<b>Communicable Disease</b>	
The underspend has occurred from integrated sexual health contract and less than anticipated expenditure for Outer area GUM , Latent TB testing and Sexual Health promotion not be delivered due to COVID, Re- deployment of key public health staff are reflected against the Test & Trace Grant	(410)
<b>Long Term Conditions</b>	
The underspend has occurred from spend that was lower than the maximum predicted level for Health Checks contract, and suspension of GP Model service due to low uptake as a result of COVID. Free swimming not being fully utilised as Leisure centres were closed to swimmers until August. there has been low uptake in Weight Management services. Falls & Prevention service has been suspended and therefore not be delivered funded by BCF funds, Physical activity programmes have been impacted by COVID. Re- deployment of key public health staff costs are reflected against the Test & Trace Grant. Air Pollution Control teams costs and income have been reflected since the service has been transferred to Public Health.	(1,039)
<b>Children's</b>	
The underspend has arisen as a result of less than anticipated water fluoridation costs. School Health promotion services not delivered in final quarter as the schools are closed due to lockdown rules. Re- deployment of key public health staff costs are reflected against the Test & Trace Grant	(233)
Expenditure to support the SHAPE Programme which funded through corporate resources, due to COVID they have not been able to deliver all of the programmes, a lesser value is required for this financial year	128

Reasons for (Under) / Over Spend	£'000
<b>Substance Misuse</b> <p>The underspend has mainly occurred from Smoking cessation due to spend being lower than the maximum predicted level, impacting the Digital Smoking App as market interest did not develop. Smokefree Sandwell and Alcohol Trading Standards &amp; Licensing have been funded from the Covid Outbreak management fund this financial year. Drugs &amp; Alcohol contract budget is higher than the contractual payments expected. There have been less than anticipated prescribing costs. Key public health staff have been re-deployed their staff costs are reflected against the Track &amp; Trace Grant</p>	(407)
<b>Wider Determinants</b> <p>The underspend relates to vacant posts been recruited too during the year. Less than anticipated costs from internal services. Sandwell Hub not requiring a contribution for services provided to Public Health. Social marketing campaigns have been in the main for COVID, Test &amp; Trace and Lateral Flow and are funded from grants awarded during the year for COVID. Sandwell Consortium &amp; Citizens advice Voluntary Sector Groups have been funded from Test &amp; Trace Grant. Public Protection services have been funded from the Contain Outbreak Management fund for 20-21. Software support service costs not incurred due to suspension of GP Model. Conferences related services not able to take place due to COVID, Re- deployment of key public health staff costs are reflected against the Test &amp; Trace Grant, this is offset by the purchase of Air Quality Equipment which occurred in latter part of the financial year.</p>	(785)
<b>Public Health Management</b> <p>The underspend has mainly arisen as a result of vacant posts - recruited too later in the year, with less than expected expenditure for day to day expenses within management teams. Re- deployment of key public health staff costs are reflected against the Test &amp; Trace Grant</p> <p>Partners have made contributions in the latter part of the financial year for Learning for Public Health (LPH), the surplus will be added to the LPH Reserve.</p>	(355)  (88)

Reasons for (Under) / Over Spend	£'000
<b>Public Health Grant</b>	
HIV Prep Grant awarded during the year has not incurred much expenditure due to national delays with some providers not initiated the service or completing training. Receipts in Advance accrual has been made to ensure that underspend against the grant can be returned to DHSC on behalf of PHE as per the terms and conditions of the grant.	30
<b>Public Health Savings Target</b>	
The allocated budgets exceed the value of the Public Health Grant for 2020/21. For long term financial sustainability efficiencies and budget savings will need to be identified. However, in the short term services can be maintained at current levels through the application of the Public Health Reserve which has been funded from historic under spends against the PH Grant.	288
<b>Total</b>	<b>(2,871)</b>

Public Health is predominantly funded from a ring-fenced grant and the net under spend is requested to be treated as follows:

Requested Treatment	£'000
<b>Request the underspend to be added to the Public Health reserve held on the balance sheet.</b>	<b>(3,021)</b>
<b>Total</b>	<b>(3,021)</b>

## 2. Available Resources

The total budget available to the directorate was £0.300m. This figure reflects the following amendments that have been made since the previously reported monitoring:

Target Budget Resources	£'000
<b>Target Budget as per last quarter monitoring</b>	<b>97</b>
Target Adjustments -	
Target Transfer of Air Pollution Control team from Regulated services as agreed at Pd10	203
<b>Revised Target Budget Resources</b>	<b>300</b>

The following specific grants have been received by the directorate since the previously reported monitoring.

<b>Additional Grants received in Q4</b>	<b>£000</b>
Communicable Disease - Grant received for Community Testing & Lateral Flow	181
Long Term Conditions - MHCLG grant for Community Champions led Local Authority Fund programme	165
<b>Total</b>	<b>346</b>

### **3. Virements within the Directorate**

The following virements of over £0.250m between sub divisions within the directorate have been processed since the previously reported monitoring.

<b>Q4 budget virements</b>	<b>Debit £'000</b>	<b>Credit £'000</b>
Communicable Disease - Grant received for Community Testing & Lateral Flow		419
Communicable Disease Community Testing & lateral Flow	419	
<b>Total</b>	<b>419</b>	<b>419</b>

### **4. Variation to projected outturn at Quarter 3**

In the Quarter 3 monitoring reported to Cabinet, the projected budget variance for the directorate was an under spend of £1.089m, the variance between this and the actual outturn is an increase in the under spend of £1.782m. The table below explains the reason for this variance:

Variation from projected outturn @ Q3	£000
<b>Communicable Disease</b>	
The underspend has occurred from integrated sexual health contract and less than anticipated expenditure for Outer area GUM and HIV pre-exposure prophylaxis costs, Sexual Health promotion was not delivered due to COVID, offset by expenditure in respect of COVID not met by Track & Trace Grant	(196)
<b>Long Term Conditions</b>	
The underspend relates to less than anticipated expenditure for Free swimming, Weight management, and Healthy Workplace as previously expected. Being offset by the transfer of Air Pollution Control teams to Public Health in the final quarter of the financial year, and more than expected costs within Physical activity.	(262)
<b>Children's</b>	
The underspend has mainly arisen as a result of less than anticipated expenditure for Antenatal services, Sexual Relation Education in Schools and Health Promotion In Schools, Childrens Road Safety programme transfer not taking place. Being offset by expenditure for Black Country CDOP.	(101)
Expenditure to support the SHAPE Programme which will be funded through corporate resources, however due to COVID they have not been able to delivered all of the programmes, a lesser value is required for this financial year	(3)
<b>Substance Misuse &amp; Smoking</b>	
The underspend has occurred from Smokefree Sandwell, Alcohol Trading Standards & Licensing being funded from the Covid Outbreak management fund. Prescribing costs were less than expected in the final quarter. Drugs & Alcohol contract less than expected for Blu Light. Reimbursement from Test & Trace Grant for redeployment of additional staff deployed to COVID related duties Jan - March	(164)

Variation from projected outturn @ Q3	£000
<b>Wider Determinants</b>	
The underspend relates to less than anticipated expenditure for the following public health funded programmes - FTF Voluntary Sector Support Grants, Healthy Homes, Snow Champions, Winter Warmth Packs, and Road Air Pollution. Env Health Trading Standards & Housing and Public Protection services have been funded from the Covid Outbreak management fund. Social marketing campaigns have been in the main for COVID, Test & Trace and Lateral Flow and are funded from grants awarded during the year. Sandwell Consortium & Citizens advice Voluntary Sector Groups have been funded from Test & Trace Grant.	(706)
<b>Public Health Management</b>	
The underspend has arisen as a result of income being received in respect of Learning for Public Health contributions from 14 Local authorities which was not anticipated, further posts have become vacant and not filled immediately. There has been less than expected expenditure within supplies and services.	(380)
<b>Public Health Grant</b>	
HIV pre-exposure prophylaxis grant carried forward	30
<b>Total</b>	<b>(1,782)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and there are no adjustments required to reflect the 2020/21 outturn.

## 5. Central Items

The service does not have responsibility for the management of any Central Items, therefore there is no Appendix L4 within this report.

## 6. Earmarked Reserves

The Public health directorate has set aside £0.317m in previous years as an earmarked reserve held on behalf of neighbouring NHS partners for future seminars and publications relating to learning for public health. The directorate wishes to contribute £0.088m to this reserve

The directorate has set aside £4.842m in previous years as earmarked reserves for use on specific activities in current and future years. The



directorates wishes to contribute the 2020/21 under spend of £3.021m to this reserve.

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
Learning for Public Health	(317)	(88)	(405)
Public Health Grant Reserve	(4,842)	(3,021)	(7,863)
<b>Total</b>	<b>(5,159)</b>	<b>(3,109)</b>	<b>(8,268)</b>

## 7. Use of Corporate Resources

Expenditure of £0.106m incurred by Public Health will be met from corporate resources. This is to cover the cost of the SHAPE Programme. The SHAPE programme was initiated to ensure that the whole of the council, along with partner organisations, listened and responded to the views of children and young people.

The acronym SHAPE is derived from; Staying Safe, Being Healthy, Enjoying and Achieving, Making a Positive Contribution, Economic Wellbeing.

## Capital

There are no capital resources allocated to Public Health, therefore there is no Appendix L5 for this service.

### Contact

Charlie Davey

Business Partner - Finance

# Revenue Monitoring Detail

## Public Health

## Appendix L1 Directorate Outturn

Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Communicable Disease	3,018	0	3,018	2,608	(410)	0	(110)	(520)
Long Term Conditions	2,542	0	2,542	1,503	(1,039)	0		(1,039)
Childrens	9,900	0	9,900	9,795	(105)	(106)	(22)	(233)
Substance Misuse & Smoking	3,798	0	3,798	3,391	(407)	0		(407)
Wider Determinants	4,009	0	4,009	3,224	(785)	0		(785)
Public Health Management	2,243	0	2,243	1,799	(443)	88		(355)
Public Health Grant	(24,921)	0	(24,921)	(24,891)	30	0		30
Public Health Saving Target	(288)	0	(288)	0	288	0		288
<b>Total Net Expenditure</b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>(2,571)</b>	<b>(2,871)</b>	<b>(18)</b>	<b>(132)</b>	<b>(3,021)</b>

Subjective Analysis	Annual Target Budget  £'000	BFwd from Previous Year  £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
Employees	2,999	0	2,999	3,087	88
Premises	140	0	140	131	(9)
Transport	8	0	8	2	(6)
Supplies & Services	25,106	0	25,106	21,821	(3,285)
Third Party Payments	0	0	0	0	0
Transfer Payments	0	0	0	0	0
Capital Charges	28	0	28	6	(22)
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>28,281</b>	<b>0</b>	<b>28,281</b>	<b>25,046</b>	<b>(3,234)</b>
Specific Grants	(27,617)	0	(27,617)	(26,540)	1,076
Other Grants & Contributions	(174)	0	(174)	(273)	(99)
Fees & Charges	(75)	0	(75)	(62)	13
Recharges in Target	(116)	0	(116)	(743)	(627)
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(27,981)</b>	<b>0</b>	<b>(27,981)</b>	<b>(27,617)</b>	<b>364</b>
<b>Total Net Expenditure</b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>(2,571)</b>	<b>(2,871)</b>
Revenue Contribution to Capital					0
(Use of) / Contribution to Reserves					88
(Use of) Corporate Resources					(106)
Corporate Covid Funding					(132)
<b>Adjusted Variance</b>					<b>(3,021)</b>

## Public Health

## Appendix L2 Service Detail

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget
		£'000	£'000	£'000	£'000	£'000
<b>Communicable Disease</b>	Employees	135		135	222	87
	Premises	0		0	0	0
Communicable diseases account for a large proportion of our morbidity and mortality, including respiratory and sexually transmitted infections. The role of prevention of these diseases is vital particularly in the context of the rise of antimicrobial resistance. This unit provides assurance and services to protect the population from communicable diseases including mandatory genitourinary medicine.	Transport	1		1	0	(1)
	Supplies & Services	5,578		5,578	3,937	(1,641)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>5,713</b>	<b>0</b>	<b>5,713</b>	<b>4,158</b>	<b>(1,555)</b>
	Specific Grants	(2,696)		(2,696)	(1,482)	1,214
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	(69)	(69)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(2,696)</b>	<b>0</b>	<b>(2,696)</b>	<b>(1,551)</b>	<b>1,145</b>
	<b>Net Expenditure</b>	<b>3,018</b>	<b>0</b>	<b>3,018</b>	<b>2,608</b>	<b>(410)</b>
<b>Long Term Conditions</b>	Employees	801		801	760	(41)
	Premises	1		1	0	(0)
Obesity has been rising in our population over the last quarter of a century. This rise in obesity now poses a major threat to quality and length of life and is having a major impact on health and social care services. We provide services to support people in managing their weight, healthy diets, promoting exercise as well as the mandatory NHS health checks programme designed to identify those at risk	Transport	3		3	2	(1)
	Supplies & Services	1,812		1,812	937	(875)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>2,617</b>	<b>0</b>	<b>2,617</b>	<b>1,699</b>	<b>(918)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(75)		(75)	(59)	16
	Recharge Income	0		0	(137)	(137)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(75)</b>	<b>0</b>	<b>(75)</b>	<b>(196)</b>	<b>(121)</b>
	<b>Net Expenditure</b>	<b>2,542</b>	<b>0</b>	<b>2,542</b>	<b>1,503</b>	<b>(1,039)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Childrens</b>	Employees	228		228	302	74
	Premises	84		84	81	(3)
Included here are our programmes to improve the health of children and adolescents. Covering mandatory service such as the health child programme and national child measurement programme, as well as improving health in partnership with schools, teenage pregnancy prevention and family nurse partnership, parenting, breast feeding, health visiting and	Transport	0		0	0	0
	Supplies & Services	9,588		9,588	9,448	(140)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>9,900</b>	<b>0</b>	<b>9,900</b>	<b>9,831</b>	<b>(69)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	(36)	(36)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(36)</b>	<b>(36)</b>
	<b>Net Expenditure</b>	<b>9,900</b>	<b>0</b>	<b>9,900</b>	<b>9,795</b>	<b>(105)</b>
<b>Substance Misuse &amp; Smoking</b>	Employees	191		191	191	0
	Premises	56		56	49	(6)
Death rates and hospital admissions due to alcohol are rising. Alcohol misuse is also associated with many social problems such as anti-social behaviour and violence. This unit develops strategic approaches to the prevention of addictive and harmful substance misuse, including alcohol, drugs and tobacco as well as providing treatment services for those who want to quit.	Transport	1		1	0	(1)
	Supplies & Services	3,629		3,629	3,273	(355)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	28		28	6	(22)
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>3,905</b>	<b>0</b>	<b>3,905</b>	<b>3,520</b>	<b>(385)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	(107)		(107)	(129)	(22)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(107)</b>	<b>0</b>	<b>(107)</b>	<b>(129)</b>	<b>(22)</b>
	<b>Net Expenditure</b>	<b>3,798</b>	<b>0</b>	<b>3,798</b>	<b>3,391</b>	<b>(407)</b>

		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Wider Determinants</b>  We understand that factors such as education, housing, employment and the environment can have a much more profound effect on how well and how long people live, than health care services. Such factors also have an impact on emotional health and wellbeing and this in turn can impact on lifestyles such as alcohol consumption or smoking. We develop and invest in programmes to maximise health	Employees	597		597	534	(63)
	Premises	0		0	0	0
	Transport	1		1	0	(1)
	Supplies & Services	3,411		3,411	3,210	(200)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>4,009</b>	<b>0</b>	<b>4,009</b>	<b>3,745</b>	<b>(264)</b>
	Specific Grants	0		0	(167)	(167)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	(353)	(353)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(521)</b>	<b>(521)</b>
	<b>Net Expenditure</b>	<b>4,009</b>	<b>0</b>	<b>4,009</b>	<b>3,224</b>	<b>(785)</b>
<b>Public Health Management</b>  Understanding the needs of our population, evaluating services, learning from published evidence, are all key to ensuring that we provide the right services to our population and make the best of available resources. This unit provides these important services for the directorate, the council and the CCG as part of our statutory requirements.	Employees	1,335		1,335	1,078	(257)
	Premises	0		0	0	0
	Transport	1		1	0	(1)
	Supplies & Services	1,090		1,090	1,016	(74)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>2,426</b>	<b>0</b>	<b>2,426</b>	<b>2,094</b>	<b>(332)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	(174)		(174)	(273)	(99)
	Fees & Charges	0		0	(3)	(3)
	Recharge Income	(9)		(9)	(19)	(10)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(183)</b>	<b>0</b>	<b>(183)</b>	<b>(294)</b>	<b>(112)</b>
	<b>Net Expenditure</b>	<b>2,243</b>	<b>0</b>	<b>2,243</b>	<b>1,799</b>	<b>(443)</b>

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget
		£'000	£'000	£'000	£'000	£'000
<b>Public Health Grant</b>	Employees	0		0	0	0
	Premises	0		0	0	0
Public Health Grant is used to fund the services identified on these templates and is received on an annual basis.	Transport	0		0	0	0
	Supplies & Services	0		0	0	0
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Specific Grants	(24,921)		(24,921)	(24,891)	30
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(24,921)</b>	<b>0</b>	<b>(24,921)</b>	<b>(24,891)</b>	<b>30</b>
	<b>Net Expenditure</b>	<b>(24,921)</b>	<b>0</b>	<b>(24,921)</b>	<b>(24,891)</b>	<b>30</b>
<b>Public Health Saving Target</b>	Employees	(288)		(288)	0	288
	Premises	0		0	0	0
Brief service description	Transport	0		0	0	0
	Supplies & Services	0		0	0	0
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>(288)</b>	<b>0</b>	<b>(288)</b>	<b>0</b>	<b>288</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>(288)</b>	<b>0</b>	<b>(288)</b>	<b>0</b>	<b>288</b>
	<b>Net Expenditure</b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>(2,571)</b>	<b>(2,871)</b>

	Actual Outturn £'000	Total Budget £'000	Variance (Under) / Over Spend £'000
<b>Supplies and Services</b>			
External & Professional Services - Contracting Costs	14,866	18,867	(4,001)
Internal & Professional Services - Contracting Costs	5,574	4,918	656
Central Support Costs	617	617	0
Grant Payments	388	426	(38)
Advertising & Publicity	86	30	56
Printing Stationery & General Office Expenses	53	59	(6)
Conference Expenses	0	20	(19)
Operational Services and Materials/Consumables etc	2	45	(43)
Professional Services	24	88	(63)
Legal	35	4	31
Equipment	51	6	46
ICT	47	4	43
Catering Provisions	0	3	(2)
Subscriptions	15	1	14
Telephones	6	3	4
Operational Services	44	15	29
Postages	9	1	8
Waste Disposal & Treatment Charges	3	1	2
Licences	1	0	1
<b>Total Supplies &amp; Services</b>	<b>21,821</b>	<b>25,106</b>	<b>(3,285)</b>
<b>Specific Grants</b>			
Public Health Grant	(24,883)	(24,883)	0
HIV pre-exposure prophylaxis (PrEP)	(8)	(37)	29
Covid 19 Test & Trace Service Support Grant	(1,301)	(2,277)	976
Lateral Flow Community Testing	(181)	(419)	238
Community Champions LA Fund	(165)	0	(165)
LGA Behavioural Insights Programme	(2)	0	(2)
<b>Total Specific Grants</b>	<b>(26,540)</b>	<b>(27,616)</b>	<b>1,076</b>
<b>Other Income</b>			
			0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>





**Housing Revenue Account (HRA) Financial Outturn 2020/21**  
**1 April 2020 to 31 March 2021**

**Revenue**

**1. Overview**

The financial outturn for the Housing Revenue Account is an under spend of £3.962m, which can be further analysed as follows:

	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	101,798	0	101,798	99,140	(2,658)
Gross Income	(131,642)	0	(131,642)	(132,243)	(601)
Net Expenditure	(29,844)	0	(29,844)	(33,103)	(3,259)
Revenue Contribution to Capital (RCCO)					0
(Use of) / Contribution to Reserves					(703)
(Use of) Corporate Resources					0
Corporate Covid Funding					0
Adjusted Net Variance					(3,962)

Recruitment to vacant posts during 2020/21 has proved problematic across the service due to the pandemic. There have also been issues with access to properties and carrying out normal day to day repairs. Essential works have been completed during the year, however, it is expected that there will be a 'catch up' during 2021/22 financial year.

Further detail of the outturn position can be found in Appendices M1 and M2. The following table outlines the main reasons for the variance:

Reasons for (Under) / Over Spend	£'000
<b>Asset Management &amp; Maintenance</b>	
Vacancies not yet recruited to as part of succession planning	(1,038)
Under spend on building maintenance as a result of reduced activity (COVID)	(355)
Under spend on building materials as a result of reduced activity (COVID)	(1,524)
Refurbishment carried out to acquired new properties	(721)
<b>Business Excellence</b>	
Costs associated with ICT upgrades funded from HRA balances	600
<b>Corporate HRA</b>	
Increased Employer insurance recharges	290
Contribution towards Apprentice Levy	124
New Build feasibility works (pre approval)	155
Increased depreciation charge	331
<b>Housing Management</b>	
Vacancies within Local Centres, Housing Options and Income Management	(1,223)
Ongoing recruitment proving difficult due to fixed term contract offers and COVID	
Underspend on legal costs due to suspension of enforcement action	(103)
<b>PFI</b>	
Reduced unitary fee payable due to loss of properties under RTB and transfer of capital works	(258)
<b>Rents &amp; Other Charges</b>	
Void property Council Tax costs	137
Loss of rent income due to COVID and suspension of enforcement action	78
Discretionary Housing Payments	103
<b>SLA's</b>	
Increased recharges from general fund	256
Other small variances	(111)
<b>Total</b>	<b>(3,259)</b>

The net under spend is requested to be treated as follows:

Requested Treatment	£'000
Transfer to HRA balances to fund ongoing capital financing costs	(1,462)
Transfer to HRA balances and earmark for anticipated increase in costs of repairs during 2021/22	(2,500)
<b>Total</b>	<b>(3,962)</b>

## 2. Available Resources

The total budget available to the directorate was a surplus of £29.844m. There have been no amendments made since the previously reported monitoring.

Target Budget Resources	£'000
Target Budget as per last quarter monitoring	(29,844)
Target Adjustments -	
Capital Charges Adjustment	0
<b>Revised Target Budget Resources</b>	<b>(29,844)</b>

There have been no additional specific grants received by the directorate since the previously reported monitoring.

### 3. Virements within the Directorate

There have been no virements of over £0.250m between sub divisions within the directorate processed since the previously reported monitoring.

### 4. Variation to projected outturn at Quarter 3

In the Quarter 3 monitoring reported to Cabinet, the projected outturn for the directorate was an under of £3.706m, the variance between this and the actual outturn is an increase in the under spend of £0.256m. The table below explains the reason for this variance:

Variation from projected outturn @ Q3	£000
Refurbishment works to newly acquired properties	(403)
Expenditure on In Your Neighbourhood projects not completed	(70)
Reduced charges for local offices due to closures during COVID	(150)
COVID income for Track and Trace	(100)
Increased temp staff recharges to GF for Housing options service	(195)
Additional rental income received	(298)
Additional void council tax payments	53
Additional Employers Insurance	290
Depreciation charge	331
Increased Recharges from GF	256
Other Minor Variances	30
<b>Total</b>	<b>(256)</b>

The 2021/22 budgets were approved by Cabinet on 24 February 2021 and there are no adjustments required to reflect the 2020/21 outturn

## **5. Central Items**

The directorate has no responsibility for the management of Central Items.

## **6. Earmarked Reserves**

The directorate has no Earmarked Reserves.

## **7. Use of HRA Balances**

Expenditure of £0.703m incurred by the Housing Revenue Account[directorate] will be met from HRA balances. This is to cover the cost of Discretionary Housing Payments (DHP) of £0.103m and £0.600m of ICT upgrade costs.

## **Capital**

### **Overview**

The Housing Revenue Account is responsible for the delivery of a number of capital schemes which are detailed in Appendix M5. The projected 2020/21 outturn for these schemes was £63.972m as reported within the Period 9 monitoring to Cabinet on 24<sup>th</sup> February 2021. The actual outturn is £50.314m resulting in a under spend of £13.658m. The main reasons for the main variances above £0.100m are detailed below :-

- Delays in new build schemes as a result of Covid-19 – £9.341m
- Delays in replacement door programme - £0.940m
- Delays in providing adaptations to properties for Disabled tenants due to Covid-19 - £1.045m
- Delay to the refurbishment of Alfred Gunn House - £3.050m

**Virements**

There have been no virements between capital schemes during the period.

**Section 106 Monies**

Housing Revenue Account (HRA) has no responsibility for Section 106 monies.

**Contact**

Charlie Davey  
Business Partner - Finance  
0121 569 2310

Housing Revenue Account (HRA)						Appendix M1 Directorate Outturn		
Area	Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget	(Use of) Reserves / Corporate Resources & RCCO	Corporate Funding of Covid Pressures	Variance (Under) / Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Asset Management & Maintenance	37,866	0	37,866	34,181	(3,685)	0		(3,685)
Business Excellence	3,339	0	3,339	3,921	582	(600)		(18)
Commercial Services	4,377	0	4,377	4,274	(103)	0		(103)
Corporate HRA	19,715	0	19,715	20,576	861	0		861
Housing Management	11,852	0	11,852	10,599	(1,253)	0		(1,253)
PFI	(644)	0	(644)	(902)	(258)	0		(258)
Rents & Other Charges	(113,783)	0	(113,783)	(113,442)	341	(103)		238
SLA's	7,434	0	7,434	7,690	256	0		256
<b>Total Net Expenditure</b>	<b>(29,844)</b>	<b>0</b>	<b>(29,844)</b>	<b>(33,103)</b>	<b>(3,259)</b>	<b>(703)</b>	<b>0</b>	<b>(3,962)</b>

Subjective Analysis	Annual Target Budget  £'000	BFwd from Previous Year  £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
Employees	38,256	0	38,256	36,302	(1,954)
Premises	2,412	0	2,412	1,972	(440)
Transport	2,115	0	2,115	2,097	(18)
Supplies & Services	41,817	0	41,817	41,065	(752)
Third Party Payments	498	0	498	570	72
Transfer Payments	0	0	0	103	103
Capital Charges	16,700	0	16,700	17,031	331
Capital Financing	0	0	0	0	0
<b>Gross Expenditure</b>	<b>101,798</b>	<b>0</b>	<b>101,798</b>	<b>99,140</b>	<b>(2,658)</b>
Specific Grants	(5,713)	0	(5,713)	(5,714)	(1)
Other Grants & Contributions	0	0	0	0	0
Fees & Charges	(124,125)	0	(124,125)	(124,577)	(452)
Recharges in Target	(1,804)	0	(1,804)	(1,952)	(148)
Other Income	0	0	0	0	0
<b>Gross Income</b>	<b>(131,642)</b>	<b>0</b>	<b>(131,642)</b>	<b>(132,243)</b>	<b>(601)</b>
<b>Total Net Expenditure</b>	<b>(29,844)</b>	<b>0</b>	<b>(29,844)</b>	<b>(33,103)</b>	<b>(3,259)</b>
Revenue Contribution to Capital					0
(Use of) / Contribution to Reserves					(703)
(Use of) Corporate Resources					0
Corporate Covid Funding					0
<b>Adjusted Variance</b>					<b>(3,962)</b>



Housing Revenue Account (HRA)				Appendix M2 Service Detail		
		Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance from Budget £'000
<b>Asset Management &amp; Maintenance</b>  This service area is responsible for the repairs of and maintenance of the housing stock, along with the ongoing improvements associated with the capital programme	Employees	20,733		20,733	19,694	(1,039)
	Premises	1,397		1,397	1,042	(355)
	Transport	1,922		1,922	1,884	(38)
	Supplies & Services	16,226		16,226	14,695	(1,531)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>40,278</b>	<b>0</b>	<b>40,278</b>	<b>37,315</b>	<b>(2,963)</b>
	Specific Grants	0		0	(1)	(1)
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(2,044)		(2,044)	(2,619)	(575)
	Recharge Income	(368)		(368)	(514)	(146)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(2,412)</b>	<b>0</b>	<b>(2,412)</b>	<b>(3,134)</b>	<b>(722)</b>
	<b>Net Expenditure</b>	<b>37,866</b>	<b>0</b>	<b>37,866</b>	<b>34,181</b>	<b>(3,685)</b>
<b>Business Excellence</b>  This service provides support to the HRA for strategic development, performance monitoring & customer contact	Employees	1,319		1,319	1,146	(173)
	Premises	0		0	0	0
	Transport	3		3	0	(3)
	Supplies & Services	2,017		2,017	2,783	766
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>3,339</b>	<b>0</b>	<b>3,339</b>	<b>3,929</b>	<b>590</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	(8)	(8)
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(8)</b>	<b>(8)</b>
	<b>Net Expenditure</b>	<b>3,339</b>	<b>0</b>	<b>3,339</b>	<b>3,921</b>	<b>582</b>

		Annual Target Budget  £'000	BFwd from Previous Year £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
<b>Commercial Services</b>	Employees	2,890		2,890	2,763	(127)
This service looks after the cleaning of high rise blocks, along with the grounds maintenance on HRA services	Premises	75		75	84	9
	Transport	153		153	203	50
	Supplies & Services	2,501		2,501	2,442	(59)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>5,619</b>	<b>0</b>	<b>5,619</b>	<b>5,492</b>	<b>(127)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(1,239)		(1,239)	(1,218)	21
	Recharge Income	(3)		(3)	0	3
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(1,242)</b>	<b>0</b>	<b>(1,242)</b>	<b>(1,218)</b>	<b>24</b>
	<b>Net Expenditure</b>	<b>4,377</b>	<b>0</b>	<b>4,377</b>	<b>4,274</b>	<b>(103)</b>
<b>Corporate HRA</b>	Employees	2,502		2,502	2,981	479
This includes non operational costs such as capital financing charges & pension liabilities	Premises	125		125	49	(76)
	Transport	2		2	0	(2)
	Supplies & Services	393		393	647	254
	Third Party Payments	0		0	3	3
	Transfer Payments	0		0	0	0
	Capital Charges	16,700		16,700	17,031	331
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>19,722</b>	<b>0</b>	<b>19,722</b>	<b>20,711</b>	<b>989</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(7)		(7)	(135)	(128)
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(7)</b>	<b>0</b>	<b>(7)</b>	<b>(135)</b>	<b>(128)</b>
	<b>Net Expenditure</b>	<b>19,715</b>	<b>0</b>	<b>19,715</b>	<b>20,576</b>	<b>861</b>

		Annual Target Budget  £'000	BFwd from Previous Year £'000	Total Budget  £'000	Actual Outturn  £'000	Variance from Budget  £'000
<b>Housing Management</b>	Employees	10,812		10,812	9,718	(1,094)
This service is responsible for the management of local offices and letting of the Housing stock. It also includes income management services along with ASB & CCTV.	Premises	512		512	375	(137)
	Transport	34		34	10	(24)
	Supplies & Services	2,792		2,792	2,569	(223)
	Third Party Payments	498		498	567	69
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>14,648</b>	<b>0</b>	<b>14,648</b>	<b>13,239</b>	<b>(1,409)</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(1,363)		(1,363)	(1,210)	153
	Recharge Income	(1,433)		(1,433)	(1,430)	3
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(2,796)</b>	<b>0</b>	<b>(2,796)</b>	<b>(2,640)</b>	<b>156</b>
	<b>Net Expenditure</b>	<b>11,852</b>	<b>0</b>	<b>11,852</b>	<b>10,599</b>	<b>(1,253)</b>
<b>PFI</b>	Employees	0		0	0	0
The management of the PFI stock is carried out by Riverside, with the contract running until 2031. The unitary fee is payable from here, along with the grant received from Central Government	Premises	53		53	27	(26)
	Transport	1		1	0	(1)
	Supplies & Services	9,338		9,338	9,108	(230)
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>9,392</b>	<b>0</b>	<b>9,392</b>	<b>9,135</b>	<b>(257)</b>
	Specific Grants	(5,713)		(5,713)	(5,713)	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(4,323)		(4,323)	(4,324)	(1)
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(10,036)</b>	<b>0</b>	<b>(10,036)</b>	<b>(10,037)</b>	<b>(1)</b>
	<b>Net Expenditure</b>	<b>(644)</b>	<b>0</b>	<b>(644)</b>	<b>(902)</b>	<b>(258)</b>

		Annual Target Budget	BFwd from Previous Year	Total Budget	Actual Outturn	Variance from Budget
		£'000	£'000	£'000	£'000	£'000
<b>Rents &amp; Other Charges</b>	Employees	0		0	0	0
This includes rental income from council properties and expenditure mainly relates to a provision for bad debts	Premises	250		250	395	145
	Transport	0		0	0	0
	Supplies & Services	1,116		1,116	1,131	15
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	103	103
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>1,366</b>	<b>0</b>	<b>1,366</b>	<b>1,629</b>	<b>263</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	(115,149)		(115,149)	(115,071)	78
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>(115,149)</b>	<b>0</b>	<b>(115,149)</b>	<b>(115,071)</b>	<b>78</b>
	<b>Net Expenditure</b>	<b>(113,783)</b>	<b>0</b>	<b>(113,783)</b>	<b>(113,442)</b>	<b>341</b>
<b>SLA's</b>	Employees	0		0	0	0
This is budgets for agreed internal support towards the HRA including ICT, Finance & HR	Premises	0		0	0	0
	Transport	0		0	0	0
	Supplies & Services	7,434		7,434	7,690	256
	Third Party Payments	0		0	0	0
	Transfer Payments	0		0	0	0
	Capital Charges	0		0	0	0
	Capital Financing	0		0	0	0
	<b>Total Gross Expenditure</b>	<b>7,434</b>	<b>0</b>	<b>7,434</b>	<b>7,690</b>	<b>256</b>
	Specific Grants	0		0	0	0
	Other Grants & Contributions	0		0	0	0
	Fees & Charges	0		0	0	0
	Recharge Income	0		0	0	0
	Other Income	0		0	0	0
	<b>Total Gross Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Net Expenditure</b>	<b>7,434</b>	<b>0</b>	<b>7,434</b>	<b>7,690</b>	<b>256</b>
	<b>Net Expenditure</b>	<b>(29,844)</b>	<b>0</b>	<b>(29,844)</b>	<b>(33,103)</b>	<b>(3,259)</b>

Housing Revenue Account (HRA)	Appendix M3 - Sub Analysis		
	Actual Outturn	Total Budget	Variance (Under) / Over Spend
	£'000	£'000	£'000
<b>Supplies and Services</b>			
Architects	270	2	268
Bank Charges & Commissions	127	58	69
Bi-Lingual Translation	1	11	(10)
Building Products	2,792	3,624	(832)
Conference Expenses	26	50	(24)
Contract Payments	11,261	11,224	37
Contributions Towards Bad Debt	736	800	(64)
Equipment & Furniture	61	292	(231)
General Recharges	13,476	12,508	968
Grants	150	180	(30)
ICT	247	438	(191)
Insurance	311	316	(5)
Legal	295	715	(420)
Licences	206	16	190
Office Expenses	227	594	(367)
Pest Control	12	18	(6)
PFI Unitary Fee	8,916	9,252	(336)
Professional Services	1,473	1,005	468
Protective Clothing & Uniforms	21	67	(46)
Subscriptions	77	60	17
Tenants Expenses	66	98	(32)
Waste Disposal Charge	314	489	(175)
			0
<b>Total Supplies &amp; Services</b>	<b>41,065</b>	<b>41,817</b>	<b>(752)</b>
<b>Specific Grants</b>			
			0
PFI Housing Subsidy	(5,714)	(5,713)	(1)
			0
			0
<b>Total Specific Grants</b>	<b>(5,714)</b>	<b>(5,713)</b>	<b>(1)</b>
<b>Other Income</b>			
	0	0	0
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>

Housing Revenue Account (HRA)				Appendix M5 - Capital	
	Revised 2020/21 Budget @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000	£'000	£'000
<b>Prudential Borrowing - New build (inc HCA Grant)</b>					
Moor Lane Extra Care	10,193		10,193	7,365	(2,828)
Carrisbrooke Close	172		172	176	4
West Road	1,005		1,005	737	(268)
Strathmore Road	2,705		2,705	1,663	(1,042)
Reservoir Road	2,450		2,450	70	(2,380)
Bull Street/Albion Road	711		711	123	(588)
<b>Prudential Borrowing - New build (1-4-1 Receipts)</b>					
Ex Neighbourhood Offices New Build - Gladstone Street	0		0	(16)	(16)
Ex Neighbourhood Offices New Build - Ladbury Road	0		0	(13)	(13)
Kier Housing - Kent Close, Tibbington	116		116	116	0
Oxford Road Extra Care - New Build	514		514	176	(338)
Churchvale	630		630	57	(573)
Friardale Close Bungalows	700		700	303	(397)
Brittania	253		253	44	(209)
Alfred Gunn House (Old Hibiscus)	0		0	2,135	2,135
1-4-1 Property Purchases	4,550		4,550	8,224	3,674
<b>RTB Receipts - 1-4-1 Replacement</b>	0				
Ex Neighbourhood Offices New Build - Hilton Road	0		0	(7)	(7)
Ex Neighbourhood Offices New Build - Monmouth Drive	0		0	(6)	(6)
Kier Housing - Kent Close, Tibbington	50		50	50	0
Oxford Road Extra Care - New Build	291		291	75	(216)
Churchvale	271		271	25	(246)
Friardale Close Bungalows	300		300	130	(170)
Brittania	105		105	19	(86)
Alfred Gunn House (Old Hibiscus)	809		809	915	106
1-4-1 Property Purchases	1,950		1,950	3,524	1,574

	Revised 2020/21 Budget @ Period 9			Actual Outturn 2020/21	(Surplus) / Deficit for the Year
	Main Programme	Self Financing	Total		
	£'000	£'000	£'000		
<b>Prudential Borrowing - High Rise</b>					
The Crofts	83		83	0	(83)
Charlemont Farm	14		14	0	(14)
Kynaston House	132		132	0	(132)
Lion Farm	37		37	(2)	(39)
Beaconview	46		46	0	(46)
Nelson House	304		304	0	(304)
Darley House	250		250	278	28
Alfred Gunn House	4,000		4,000	756	(3,244)
Emergency Cladding Works	38		38	153	115
Mountford House (Lifts)	51		51	0	(51)
M3 Block Refurbishment	0		0	15	15
St Giles	0		0	16	16
High Rise - General	174		174	18	(156)
Soil Stack Replacement	450		450	527	77
<b>Prudential Borrowing - Other</b>					
Boiler Replacement	4,605		4,605	1,721	(2,884)
Sandfield House	10		10	0	(10)
ECO Projects	2,250		2,250	10	(2,240)
Adaptations for Disabled	3,385		3,385	2,340	(1,045)
Estate Improvements	100		100	74	(26)
Property Conversions	350		350	344	(6)
Replacement of CO2 and Smoke Detectors	0		0	197	197
<b>RCCO : MRA/Ringfenced Approvals</b>					
Refurbishment	15,700		15,700	13,556	(2,144)
Single to Double Glazing & Composite Doors	1,000		1,000	60	(940)
Boiler Replacement	0		0	2,375	2,375
<b>RCCO - Other</b>					
Applewood Grove Conversion	750		750	462	(288)
Greenwood Avenue Conversion	233		233	217	(16)
Greenford House (additional flats)	97		97	0	(97)
Kenrick House (additional flats)	38		38	0	(38)
Riverside PFI	0		0	139	139
Workplace Vision	850		850	842	(8)
ICT Strategy Costs	500		500	331	(169)
CCTV Expansions	750		750	0	(750)
<b>Total</b>	<b>63,972</b>	<b>0</b>	<b>63,972</b>	<b>50,314</b>	<b>(13,658)</b>

## **Schools Financial Outturn 2020/21** **1 April 2020 to 31 March 2021**

### **Revenue**

#### **1. Overview**

The financial outturn for the Individual Schools Budget (ISB) ledger is a surplus of £11.906m. The surplus of £11.075m relates to the ring-fenced Dedicated Schools Grant and £0.830m relates to the BSF PFI and FM sinking funds and is therefore required to be carried forward.

	Annual Target Budget £'000	BFwd from Previous Year £'000	Total Budget £'000	Actual Outturn £'000	Variance (Under) / Over Spend £'000
Gross Expenditure	74,914	0	74,914	499,803	424,889
Gross Income	(74,914)	0	(74,914)	(510,879)	(435,964)
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(11,075)</b>	<b>(11,075)</b>
Revenue Contribution to Capital (RCCO)					0
(Use of) / Contribution to Reserves					(830)
(Use of) Corporate Resources					0
Corporate Covid Funding					0
<b>Adjusted Net Variance</b>					<b>(11,906)</b>

### **School Balances**

At the end of 2019/20 cumulative schools balances (including non-schools expenditure and income) were £29.169m. These balances have increased by £10.245m to £39.414m.

This includes an increase of £8.577m against schools' budget share and an increase of £1.668m against other budgets.

Appendix A provides details of each individual schools' budget share balance as at 31<sup>st</sup> March 2021 compared to 31<sup>st</sup> March 2020. The cumulative level of school balances is summarised in the following table:



	Brought Forward £'000	In-Year Movement £'000	Carry Forward £'000
Primary	18,431	7,462	25,893
Secondary	1,681	0,598	2,279
Special	1,773	0,378	2,151
<b>Schools</b>	<b>21,885</b>	<b>8,438</b>	<b>30,323</b>

There are no schools closing with a deficit budget share for 2020/21.

There were four schools that converted to an academy during 2020/21:

- St Marys Primary School
- Newtown Primary School
- Stuart Bathurst High School
- Shenstone Lodge Special School

## 2. Earmarked Reserves

The directorate has set aside sums totalling £6.931m in previous years as earmarked reserves for use on specific activities in current and future years. A net increase of £0.830m was made against earmarked reserves during the current year leaving the following balances remaining:

Earmarked Reserve	Balance as at 31 March 2020 £'000	Use of / (Contribution to) in year £'000	Remaining Balance 31 March 2021 £'000
BSF FM Sinking Fund	2,701	282	2,983
BSF PFI Sinking Fund	4,230	549	4,779
<b>Total</b>	<b>6,931</b>	<b>830</b>	<b>7,762</b>

## 3. Severance Payments

The contracts of 66 employees were ended during 2020/21 within schools. These incurred liabilities totalling £0.438m which has been met by individual schools.

As at 31<sup>st</sup> March 2021 there are no outstanding liabilities in relation to those employees who have left during the year and there are no legal and constructive obligations in place for employees to leave the Council during 2020/21.

The table below summarises the position:

	Actual Costs Incurred 2020/21 £'000	Provision Created 2019/20		New Provision Created 2020/21		Net cost to service 2020/21 £'000
		Utilised £'000	Unutilised £'000	Outstanding Severance Payments £'000	Future Severance Payments £'000	
Costs provided for in 2019/20	0	0	0	0		0
Costs not provided for in 2019/20	438			0	0	438
<b>Total</b>	<b>438</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>438</b>
<b>Funded by:</b>						
Directorate						438
Corporate Resources						0

#### **4. Use of Corporate Resources**

The ISB has not requested any funding from Corporate Resources.

#### Contact

Steve Lilley  
Service Manager

**SCHOOL BALANCES 2019-20 & 2020-21**

	2019-20					2020-21				
Schools	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
ABBEY INFANT	37,315.43	0.00	0.00	0.00	37,315.43	74,047.25	0.00	0.00	0.00	74,047.25
ABBEY JUNIOR	91,478.25	0.00	0.00	0.00	91,478.25	163,012.17	0.00	0.00	0.00	163,012.17
ALBERT PRITCHARD INF	240,094.22	0.00	0.00	0.00	240,094.22	286,568.65	1,844.24	0.00	0.00	288,412.89
ALL SAINTS JR & INF	335,830.84	0.00	0.00	0.00	335,830.84	437,872.17	0.00	0.00	0.00	437,872.17
ANNIE LENNARD	422,145.80	6,887.00	0.00	0.00	429,032.80	450,668.56	13,695.00	0.00	0.00	464,363.56
BEARWOOD JR & INF	324,452.80	24,328.00	0.00	0.00	348,780.80	583,523.05	33,354.50	0.00	0.00	616,877.55
BLACKHEATH JR & INF	727,075.01	54,568.96	0.00	0.00	781,643.97	719,982.04	32,400.46	0.00	0.00	752,382.50
BLEAKHOUSE JUNIOR	186,872.67	10,379.87	0.00	0.00	197,252.54	311,258.80	7,587.02	0.00	0.00	318,845.82
BRANDHALL JR & INF	143,705.40	0.00	0.00	0.00	143,705.40	265,874.55	0.00	0.00	0.00	265,874.55
BRICKHOUSE JR & INF	-3,639.83	0.00	0.00	0.00	-3,639.83	44,025.45	290.52	0.00	0.00	44,315.97
BURNT TREE JR & INF	267,021.56	25,241.75	0.00	0.00	292,263.31	385,101.23	9,865.55	0.00	0.00	394,966.78
CAPE JR & INF	613,566.22	59,001.24	0.00	0.00	672,567.46	822,055.60	37,736.51	0.00	0.00	859,792.11
CAUSEWAY GREEN JR & INF	248,281.64	0.00	0.00	0.00	248,281.64	394,742.52	1,117.25	0.00	0.00	395,859.77
CHRIST CHURCH JR & INF	213,417.25	0.00	113,757.20	0.00	327,174.45	391,249.63	0.00	0.00	0.00	391,249.63
CROCKETTS LANE INF	692,273.96	42,410.49	0.00	0.00	734,684.45	785,902.68	42,213.56	0.00	0.00	828,116.24
EATON VALLEY	311,743.69	1,141.00	0.00	0.00	312,884.69	475,693.44	6,271.50	0.00	0.00	481,964.94
FERNDAL JR & INF	338,703.29	0.00	-151,518.71	0.00	187,184.58	570,114.21	6,508.31	-150,658.74	0.00	425,963.78
GALTON VALLEY	465,518.74	32,191.77	96,269.73	0.00	593,980.24	589,503.53	41,589.52	124,311.75	0.00	755,404.80
GLEBEFIELDS JR & INF	80,066.12	14,128.84	0.00	0.00	94,194.96	211,937.31	11,912.80	0.00	0.00	223,850.11
GRACE MARY JR & INF	206,496.70	0.00	0.00	0.00	206,496.70	255,047.97	0.00	0.00	0.00	255,047.97
GREAT BRIDGE JR & INF	232,140.46	3,057.21	0.00	0.00	235,197.67	276,673.24	0.00	0.00	0.00	276,673.24
GROVE VALE JR & INF	347,599.59	6,433.00	0.00	0.00	354,032.59	468,876.20	15,146.75	0.00	0.00	484,022.95
HANBURY PRIMARY	643,303.05	15,938.00	0.00	0.00	659,241.05	824,770.13	25,106.25	0.00	0.00	849,876.38
HALL GREEN JR & INF	826,036.72	32,087.10	0.00	0.00	858,123.82	779,021.67	41,158.60	0.00	0.00	820,180.27
HAMSTEAD INF	77,104.48	28,267.45	0.00	0.00	105,371.93	42,432.67	32,742.69	0.00	0.00	75,175.36
HAMSTEAD JUNIOR	207,480.26	11,239.30	0.00	0.00	218,719.56	219,428.92	17,883.05	0.00	0.00	237,311.97
HARGATE JR & INF	549,274.20	72,763.83	0.00	0.00	622,038.03	669,792.81	55,044.58	0.00	0.00	724,837.39
HARVILLS HAWTHORN PR	285,153.34	2,411.00	0.00	0.00	287,564.34	334,215.05	2,075.75	0.00	0.00	336,290.80
HATELEY HEATH PRIM	31,291.84	14,628.26	0.00	0.00	45,920.10	333,516.34	0.00	0.00	0.00	333,516.34
HIGHFIELDS JR & INF	236,538.89	35,435.05	0.00	0.00	271,973.94	367,526.05	11,226.55	0.00	0.00	378,752.60
HOLY NAME RC JR & INF	161,802.69	0.00	0.00	0.00	161,802.69	193,018.14	0.00	0.00	0.00	193,018.14
HOLY TRINITY JR & INF	226,536.44	29,137.12	0.00	0.00	255,673.56	342,218.55	0.00	0.00	0.00	342,218.55
JOSEPH TURNER JR & INF	197,540.48	0.00	0.00	0.00	197,540.48	326,244.64	0.00	0.00	0.00	326,244.64
KING GEORGE V PRIMARY	83,594.69	0.00	0.00	0.00	83,594.69	140,314.43	0.00	0.00	0.00	140,314.43
LANGLEY JR & INF	374,403.64	0.00	0.00	0.00	374,403.64	456,433.46	5,639.75	0.00	0.00	462,073.21
LIGHTWOODS JR & INF	167,849.92	4,581.12	0.00	0.00	172,431.04	190,008.81	4,322.54	0.00	0.00	194,331.35

# SCHOOL BALANCES 2019-20 & 2020-21

	2019-20					2020-21				
Schools	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
LODGE JR & INF	137,202.92	0.00	0.00	0.00	137,202.92	262,452.69	6,787.54	0.00	0.00	269,240.23
LYNG JUNIOR & INF	222,989.64	0.00	0.00	0.00	222,989.64	271,685.67	0.00	47,666.85	0.00	319,352.52
MOAT FARM INF	297,590.92	32,726.00	70,093.16	0.00	400,410.08	493,919.70	0.00	187,391.19	0.00	681,310.89
MOAT FARM JUNIOR	248,425.10	0.00	0.00	0.00	248,425.10	320,743.08	0.00	0.00	0.00	320,743.08
MOORLANDS JR & INF	173,361.52	0.00	0.00	0.00	173,361.52	221,703.18	0.00	0.00	0.00	221,703.18
OAKHAM JR & INF	470,429.89	0.00	0.00	0.00	470,429.89	469,728.48	0.00	0.00	0.00	469,728.48
OCKER HILL INFANTS	79,585.13	7,191.73	0.00	0.00	86,776.86	136,696.47	188.76	0.00	0.00	136,885.23
OLD HILL JR & INF	96,807.67	1,937.00	0.00	0.00	98,744.67	135,255.41	0.00	0.00	0.00	135,255.41
OLD PARK JR & INF	292,869.78	14,278.86	100,272.56	0.00	407,421.20	349,961.49	23,791.36	94,737.50	0.00	468,490.35
PARK HILL JR & INF	195,971.32	0.00	0.00	0.00	195,971.32	172,333.25	0.00	0.00	0.00	172,333.25
PENNYHILL	460,231.18	0.00	42,738.18	0.00	502,969.36	938,206.72	0.00	0.00	0.00	938,206.72
PERRYFIELDS JR & INF	191,479.31	0.00	0.00	0.00	191,479.31	222,773.80	4,000.00	0.00	0.00	226,773.80
PRIORY PRIMARY	225,614.90	0.00	0.00	0.00	225,614.90	359,775.51	7,611.25	0.00	0.00	367,386.76
REDDAL HILL JR & INF	367,832.39	0.00	0.00	0.00	367,832.39	591,449.77	1,676.25	0.00	0.00	593,126.02
ROOD END JR & INF	121,157.64	2,073.48	0.00	0.00	123,231.12	277,333.71	0.00	0.00	0.00	277,333.71
ROUNDS GREEN JR & INF	18,523.75	22,389.21	0.00	0.00	40,912.96	83,673.83	21,701.78	0.00	0.00	105,375.61
ROWLEY HALL JR & INF	67,235.56	2,025.00	0.00	0.00	69,260.56	307,218.37	6,736.98	0.00	0.00	313,955.35
RYDERS GREEN JR & INF	370,182.39	12,875.00	0.00	0.00	383,057.39	635,158.43	0.00	0.00	0.00	635,158.43
SACRED HEART JR & INF	106,266.53	9,486.00	0.00	0.00	115,752.53	457,126.77	0.00	0.00	0.00	457,126.77
SPRINGFIELD PRIMARY	256,211.25	25,891.99	0.00	0.00	282,103.24	378,062.34	34,954.49	0.00	0.00	413,016.83
ST JAMES CE PRIMARY	182,600.39	24,640.98	0.00	0.00	207,241.37	349,803.30	22,343.28	0.00	0.00	372,146.58
ST JOHN BOSCO JR & INF	115,357.01	0.00	321,393.58	0.00	436,750.59	183,886.30	0.00	378,524.53	0.00	562,410.83
ST MARGARETS JR & INF	132,385.60	0.00	0.00	0.00	132,385.60	146,611.75	0.00	0.00	0.00	146,611.75
ST MARTINS JR & INF	88,285.45	6,563.67	0.00	0.00	94,849.12	151,725.72	9,564.67	0.00	0.00	161,290.39
ST MARY MAG JR & INF	130,535.85	0.00	0.00	0.00	130,535.85	191,737.01	6,526.75	0.00	0.00	198,263.76
ST MATTHEWS JR & INF	461,022.10	0.00	0.00	0.00	461,022.10	603,128.40	0.00	0.00	0.00	603,128.40
TEMPLE MEADOW JR & INF	154,550.73	0.00	0.00	0.00	154,550.73	254,526.27	0.00	0.00	0.00	254,526.27
TIPTON GREEN JUNIOR	282,227.39	20,776.80	0.00	0.00	303,004.19	288,228.74	6,815.38	0.00	0.00	295,044.12
TIVIDALE HALL JR & INF	236,649.28	2,305.06	0.00	0.00	238,954.34	312,699.23	1,730.31	0.00	0.00	314,429.54
TIVIDALE COMMUNITY	378,539.44	0.00	0.00	0.00	378,539.44	387,377.17	0.00	0.00	0.00	387,377.17
UPLANDS MANOR PRIMARY	496,481.16	0.00	0.00	0.00	496,481.16	741,862.45	0.00	0.00	0.00	741,862.45
WARLEY INFANTS	31,626.40	6,358.00	0.00	0.00	37,984.40	141,765.98	6,768.00	0.00	0.00	148,533.98
WHITECREST JR & INF	95,510.68	0.00	0.00	0.00	95,510.68	131,627.20	0.00	0.00	0.00	131,627.20
WOOD GREEN JUNIOR	260,265.18	0.00	0.00	0.00	260,265.18	361,718.45	0.00	0.00	0.00	361,718.45
YEW TREE JR & INF	288,231.07	0.00	0.00	0.00	288,231.07	378,443.16	0.00	0.00	0.00	378,443.16
<b>PRIMARY TOTAL</b>	<b>18,431,401.87</b>	<b>726,614.11</b>	<b>593,005.70</b>	<b>0.00</b>	<b>19,751,021.68</b>	<b>25,893,071.73</b>	<b>617,930.05</b>	<b>681,973.08</b>	<b>0.00</b>	<b>27,192,974.86</b>

# SCHOOL BALANCES 2019-20 & 2020-21

Schools	2019-20					2020-21				
	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL	BUDGET SHARE	STDS FUND CAPITAL	COMMUNITY FUNDS	OTHER FUNDS	TOTAL
HOLLY LODGE HIGH	54,668.68	1,096.26	0.00	0.00	55,764.94	75,917.34	1,498.88	0.00	0.00	77,416.22
PHOENIX	1,432,773.57	0.00	0.00	0.00	1,432,773.57	1,270,301.88	0.00	0.00	0.00	1,270,301.88
PERRYFIELDS HIGH	125,291.95	20,590.00	0.00	0.00	145,881.95	611,880.25	3,475.70	0.00	0.00	615,355.95
ST MICHAELS CE HIGH	172,341.05	0.00	0.00	0.00	172,341.05	320,723.50	0.00	0.00	0.00	320,723.50
STUART BATHURST	-103,623.49	0.00	0.00	0.00	-103,623.49	0.00	0.00	0.00	0.00	0.00
<b>SECONDARY TOTAL</b>	<b>1,681,451.76</b>	<b>21,686.26</b>	<b>0.00</b>	<b>0.00</b>	<b>1,703,138.02</b>	<b>2,278,822.97</b>	<b>4,974.58</b>	<b>0.00</b>	<b>0.00</b>	<b>2,283,797.55</b>
MEADOWS	372,141.11	0.00	0.00	0.00	372,141.11	588,192.60	0.00	0.00	0.00	588,192.60
ORCHARD	379,354.93	79,642.08	0.00	0.00	458,997.01	346,246.42	81,187.93	0.00	0.00	427,434.35
WESTMINSTER	696,821.07	0.00	0.00	0.00	696,821.07	1,216,800.47	0.00	0.00	0.00	1,216,800.47
SHENSTONE	325,204.07	15,732.00	0.00	0.00	340,936.07	0.00	0.00	0.00	0.00	0.00
<b>SPECIAL TOTAL</b>	<b>1,773,521.18</b>	<b>95,374.08</b>	<b>0.00</b>	<b>0.00</b>	<b>1,868,895.26</b>	<b>2,151,239.49</b>	<b>81,187.93</b>	<b>0.00</b>	<b>0.00</b>	<b>2,232,427.42</b>
<b>OTHER SCHOOLS TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>SCHOOLS TOTAL</b>	<b>21,886,374.82</b>	<b>843,674.45</b>	<b>593,005.70</b>	<b>0.00</b>	<b>23,323,054.97</b>	<b>30,323,134.19</b>	<b>704,092.56</b>	<b>681,973.08</b>	<b>0.00</b>	<b>31,709,199.83</b>

## Appendix O

### Annual Report on the Treasury Management Service and Actual Prudential Indicators 2020/21

#### Purpose

The council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2020/21. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management, (the Code) and the Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy activities. This report is, therefore, important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by members.

#### Executive Summary

During 2020/21 the council complied with its legislative and regulatory requirements. The actual prudential indicators for the year along with prior year comparators are as follows:

	2019/20 £'m	2020/21 £'m
<b>Actual Capital Expenditure</b>	<b>122.100</b>	<b>132.615</b>
<b>Capital Financing Requirement (CFR)</b>		
General Fund	306.563	299.833
HRA	429.112	442.244
<b>Total</b>	<b>735.675</b>	<b>742.077</b>
<b>Financing Costs as a Proportion of Net Revenue Stream</b>		
General Fund	6.1%	5.5%
Housing Revenue Account	22.7%	22.6%

Other prudential and treasury indicators are to be found in the main body of this report. The Chief Financial Officer also confirms that borrowing was only undertaken for capital purposes and that the statutory borrowing limit (Authorised Limit) was not breached.

At 31 March 2021, the council's external debt was £481.593m (£496.341m at 31 March 2020) and its investments totalled £37.306m (£48.027m at 31 March 2020).

The financial year 2020/21 continued with the challenging environment of previous years, mainly low investment returns and additional pressures as a result of the Covid-19 pandemic.

#### Recommendations

The council is recommended to:

- Approve the actual 2020/21 prudential and treasury indicators in this report.
- Note the annual treasury management report for 2020/21.

## 1. The Council's Capital Expenditure and Financing 2020/21

1.1. The council undertakes capital expenditure on long term assets. These activities can either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc) which has no resultant impact on the council's borrowing need; or
- If insufficient financing is available, or a decision is taken to not apply resources, the capital expenditure will give rise to a borrowing need.

1.2. Actual capital expenditure is one of the required prudential indicators. The table below also shows how this expenditure was financed.

	2019/20	2020/21	
	Actual	Estimate	Actual
	£'m	£'m	£'m
<b>Capital Expenditure</b>			
General Fund	71.332	105.027	82.300
HRA	50.768	103.908	50.315
<b>Total</b>	<b>122.100</b>	<b>208.935</b>	<b>132.615</b>
<b>Resourced by:</b>			
Capital Receipts	8.506	35.734	18.869
Capital Grants & Contributions	66.727	57.467	58.737
Revenue Contributions	20.312	15.550	20.408
<b>Capital Expenditure Financed from Borrowing</b>	<b>26.555</b>	<b>100.184</b>	<b>34.601</b>

## 2. The Council's Overall Borrowing Need

2.1. The council's underlying need to borrow for capital expenditure is called the Capital Financing Requirement (CFR).

2.2. **Gross borrowing and the CFR** – in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year 2020/21, plus the estimates for any additional capital financing requirement for the current 2021/22 and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure. This indicator allowed the Council some flexibility to borrow in advance of its immediate capital needs in 2020/21. The table below highlights the Council's gross borrowing position against the CFR. The table below shows Council has complied with this prudential indicator:

	31 March 20 Actual	31 March 21 Mid Year Indicator	31 March 2021		
			HRA Actual	General Fund Actual	Total
	£'m	£'m	£'m	£'m	£'m
<b>Opening Capital Financing Requirement</b>	<b>737.178</b>	<b>778.827</b>	<b>429.112</b>	<b>306.563</b>	<b>735.675</b>
add: Capital Expenditure funded from Borrowing	26.555	100.184	27.311	7.290	34.601
less: MRP	-28.058	-26.712	-14.179	-14.020	-28.199
add: Movement on Other Long Term Liabilities	0.000	0.000	0.000	0.000	0.000
adj: Appropriation of Assets	0.000	0.000	0.000	0.000	0.000
<b>Closing Capital Financing Requirement</b>	<b>735.675</b>	<b>852.299</b>	<b>442.244</b>	<b>299.833</b>	<b>742.077</b>
Gross Borrowing Position	496.341	476.409	353.950	127.643	481.593
<b>Under/(Over) Funding of CFR</b>	<b>239.334</b>	<b>375.890</b>	<b>88.294</b>	<b>172.190</b>	<b>260.484</b>

**The Authorised Limit** – This is the ‘affordable borrowing limit’ required by section 3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. The table below demonstrates that during 2020/21 the council has maintained gross borrowing within its authorised limit.

**The Operational Boundary** – This is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

**Actual financing costs as a proportion of net revenue stream** - This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of investment income) against the net revenue stream.

	2020/21 £'m
<b>Original Indicators</b>	
Authorised Limit	742.077
Operational Boundary	556.284
<b>Actual Performance</b>	
Maximum Gross Borrowing Position	504.798
Average Gross Borrowing Position	482.439
Financing Costs as a Proportion of Net Revenue Stream	11.4%

### 3. Treasury Position at 31 March 2021

- 3.1. The Council’s treasury management debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council’s Treasury management practices.
- 3.2. The figures in this report are based on the principal amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest.



- 3.3. During 2020/21 the Chief Financial Officer managed the debt position to £481.593m; the treasury position at the 31 March 2021 compared with the previous year was:

	31 March 2020				31 March 2021			
	Principal			Average Rate	Principal			Average Rate
	HRA	General Fund	Total		HRA	General Fund	Total	
	£'m	£'m	£'m	%	£'m	£'m	£'m	%
<b>Actual Borrowing Position</b>								
Fixed Interest Rate Debt	370.218	76.991	447.209	4.45	353.950	75.299	429.249	4.43
Variable Interest Rate Debt	0.000	49.132	49.132		0.000	52.344	52.344	
<b>Total Debt</b>	<b>370.218</b>	<b>126.123</b>	<b>496.341</b>		<b>353.950</b>	<b>127.643</b>	<b>481.593</b>	
<b>Capital Financing Requirement (CFR)</b>	<b>429.112</b>	<b>306.563</b>	<b>735.675</b>		<b>442.244</b>	<b>299.833</b>	<b>742.077</b>	
<b>Borrowing Above / (Below) CFR</b>	<b>-58.894</b>	<b>-180.440</b>	<b>-239.334</b>		<b>-88.294</b>	<b>-172.190</b>	<b>-260.484</b>	
<b>Investment Position</b>								
Fixed Interest Investments	0.000	2.633	2.633		0.000	0.000	0.000	
Variable Interest Investments	0.000	45.144	45.144		0.000	37.056	37.056	
<b>Total Investments</b>	<b>0.000</b>	<b>47.777</b>	<b>47.777</b>		<b>0.000</b>	<b>37.056</b>	<b>37.056</b>	
<b>Net Borrowing Position</b>	<b>370.218</b>	<b>78.346</b>	<b>448.564</b>		<b>353.950</b>	<b>90.587</b>	<b>444.537</b>	

The maturity structure of the debt portfolio was as follows:

	31 March 2020	2020/21 Original Limits	31 March 2021	
	Actual	Limits	Actual	
	%	%	%	£'m
Under 12 months	13.91%	10.00%	15.29%	73,629
12 months and within 24 months	4.25%	10.00%	1.45%	6,997
24 months and within 5 years	8.77%	20.00%	9.17%	44,149
5 years and within 10 years	8.14%	20.00%	10.29%	49,545
10 years and above	64.93%	90.00%	63.80%	307,273
	<b>100.00%</b>		<b>100.00%</b>	<b>481,593</b>

## 4. The Strategy for 2020/21

- 4.1 **Investment** returns which had been low during 2019/20, plunged during 2020/21 to near zero or even negative territory. Most local authority lending managed to avoid negative rates and one feature of the year was the growth of inter local authority lending. The expectation for interest rates within the treasury management strategy for 2020/21 was that Bank Rate would continue at the start of the year at 0.75% before rising to end 2022/23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10% in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass onto businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand, to borrow, with the consequent effect that investment earnings rates plummeted.

While the Council has taken a cautious approach to investing, it is also fully appreciative of changes to regulatory requirements for financial institutions in terms of additional capital and liquidity that came about in the aftermath of the financial crisis. These requirements have provided a far stronger basis for financial institutions, with annual stress tests by regulators evidencing how institutions are now far more able to cope with extreme stressed market and economic conditions.

Investment balances have been kept to a minimum through the agreed strategy of using reserves and balances to support internal borrowing, rather than borrowing externally from the financial markets. External borrowing would have incurred an additional cost, due to the differential between borrowing. Such an approach has also provided benefits in terms of reducing the counterparty risk exposure, by having fewer investments placed in the financial markets.

- 4.2 **Borrowing**; during 2020/21 the Council maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement) was not fully funded with loan debt, as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were very low and minimising counterparty risk on placing investments also needed to be considered.

A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.

The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years however, this was kept under review to avoid incurring higher borrowing costs in the future, when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

Interest rate forecasts expected only gradual rises in the medium and longer-term fixed borrowing rates during 2020/21 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

**PWLB**; HM Treasury imposed two changes of margins over gilt yields for PWLB rates in 2019/20 without any prior warning. The first took place on 9 October 2019 adding an additional 1% margin over gilts to all PWLB period rates. That increase was then, at least partially, reversed for some forms of borrowing on 11 March 2020, but not for mainstream non-HRA capital schemes. A consultation was then held with local authorities and on 25 November 2020, the Chancellor announce the conclusion to the review of margins over gilt yields for PWLB rates; the standard and certainty margins were reduced by 1% but a prohibition was introduced to deny access to borrowing from the PWLB for any local authority which had purchased assets for yield in its three-year capital programme.

There is likely to be only a gentle rise in gilt yields and PWLB rates over the next three years as Bank Rate is not forecast to rise from 0.10% by March 2024 as the Bank of England has clearly stated that it will not raise rates until inflation is sustainably above its target of 2%; this sets a high bar for Bank Rate to start rising.

## 5. **Borrowing Outturn**

- 5.1. **Borrowing** – Two short term loans increased by £12.053m and one new long-term soft loan totalling £1.972m was drawn in 2020/21 to fund the net unfinanced capital expenditure and naturally maturing debt.

The Council has not borrowed more than or in advance of its needs, purely in order to profit from the investment of the extra sums borrowed.

- 5.2. **Rescheduling** – No rescheduling of debt was undertaken during 2020/21.

- 5.3. **Repayment** – Three debts matured during 2020/21 (three long term) totalling £18.323m. Two debts partially matured during 2020/21 (two long term) totalling £0.114m. No early repayment of debt was undertaken during 2020/21.

## **6. Investment Position**

- 6.1. **Investment Policy** – The council's investment policy is governed by MHCLG investment guidance, which has been implemented in the annual investment strategy approved by council on 10 March 2020. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data. The investment activity during the year, conformed to the approved strategy and the council had no liquidity difficulties.
- 6.2. **Resources** – The council's longer-term cash balances comprise primarily revenue and capital resources, although these will be influenced by cash flow considerations. The council's core cash resources include the council's balances, earmarked reserves, provisions and capital receipts.
- 6.3. **Investments Held by The Council** - The council maintained an average balance of £73.324m of internally managed funds. The internally managed funds received an average return of 0.141%. The comparable performance indicator is the average 7-day LIBID rate as at 31 March 2021, which was -0.071%. The LIBID rate saw a sharp decrease in 2020/21 to reflect the two MPC's Bank Rate cuts in March 2020 to a final rate of 0.10% as a result of the Covid-19 pandemic initial lockdown. The Bank Rate remained at 0.10% during 2020/21 financial year and into 2021/22, due to the continue pressures of the pandemic on the economy; as a result, the council has seen a decrease on returns during 2020/21 compared to 2019/20.

## **7. Other Issues**

- 7.1 **IFRS 16 Leases** In light of the ongoing COVID-19 pressures, HM Treasury and the Financial Reporting Advisory Board (FRAB) have decided that IFRS 16 implementation in the public sector will be deferred for a further year, to 2022/23.