

# COUNCIL BUDGET: 2020/21 REVENUE AND CAPITAL MONTH 8 BUDGET MONITORING

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<b>Cabinet Portfolio</b>	Cabinet Member for Finance <i>Designate</i>
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<b>Papers with report</b>	Appendices A – G

## HEADLINE INFORMATION

<b>Purpose of report</b>	<p>This report provides the Council's forecast financial position and performance against the 2020/21 revenue budget and Capital Programme.</p> <p>A net in-year underspend of £3,311k is reported against General Fund revenue budget normal activities as of November 2020 (Month 8), an improvement of £33k on the Month 7 position. Unallocated reserves are projected to total £31,216k at 31 March 2021.</p> <p>To date, COVID-19 pressures of £32,076k have been identified and are being funded by specific government grant, with the Council also retaining £9,126k of its own funding in a dedicated Earmarked Reserve to supplement government support in 2020/21 and future years if required.</p> <p>The latest positions on other funds and the Capital Programme are detailed within the body of this report.</p>
<b>Contribution to our plans and strategies</b>	<p><b>Putting our Residents First: <i>Financial Management</i></b></p> <p>Achieving Value for Money is an important element of the Council's Medium Term Financial Plan.</p>
<b>Financial Cost</b>	N/A
<b>Relevant Policy Overview Committee</b>	Corporate Services, Commerce & Communities
<b>Ward(s) affected</b>	All

## RECOMMENDATIONS

That Cabinet:

1. Note the budget position as at November 2020 (Month 8) as outlined in Table 1.

- 2. Note the Treasury Management update as at November 2020 at Appendix E.**
- 3. Continue the delegated authority up until the November 2020 Cabinet meeting to the Chief Executive to approve any consultancy and agency assignments over £50k, with final sign-off of any assignments made by the Leader of the Council. Cabinet are also asked to note those consultancy and agency assignments over £50k approved under delegated authority between the 10 December 2020 and 21 January 2020 Cabinet meetings, detailed at Appendix F.**
- 4. Approve a virement of £100k from the 2020/21 general capital contingency fund to the Battle of Britain Enhancements budget to create the “Faces of the Battle” permanent exhibition.**
- 5. Endorse the change in charity waste disposal fees as set out in Appendix G**
- 6. Accepts the £39k Community Champions Fund grant from the MLCHG.**
- 7. Ratify an Emergency Decision by the Leader of the Council taken on 14 December 2020 to appoint Edenred to administer the provision of supermarket vouchers to households eligible for free school meals, as part of the Winter Grant Scheme.**
- 8. Ratify an Emergency Decision by the Leader of the Council taken on 16 December 2020 to grant an interest free loan of £312k to GLL, the Council’s Leisure Provider.**
- 9. Accepts the Environment Agency Grants in relation to the below schemes:**
  - a) £30k Hayes End and Kingshill Avenue Scheme**
  - b) £35k for the Breakspear Road South and Copthall Farm Scheme**
  - c) £200k for the Frogs Ditch and Cranford Park Scheme**

# INFORMATION

## Reasons for Recommendations

1. The reason for **Recommendation 1** is to ensure that the Council achieves its budgetary objectives, providing Cabinet with an update on performance at Month 8 against budgets approved by Council on 20 February 2020. An update on the Council's Treasury Management activities is signposted in **Recommendation 2**.
2. **Recommendation 3** is intended to enable continued delegation of approval for appointment of consultancy and agency appointments over £50k to the Chief Executive, with final sign-off from the Leader of the Council. In addition, Appendix F reports back on use of this delegated authority previously granted by Cabinet.
3. **Recommendation 4** It is proposed to create a new permanent display panel at the Battle of Britain Visitors Centre, commissioning a professional artist to illustrate the faces and names of 80 aircrew who participated in the Battle of Britain. The airmen selected will represent all 15 nations that provided pilots to Fighter Command. The display will also include individuals who were born or lived in the borough, depicting their names, faces, roles and biographical details. There is currently remaining funding of £657k within the 2020/21 general capital contingency fund that is available to be allocated towards these works.
4. **Recommendation 5** requests Cabinet endorsement for changes in charity waste disposal fees as set out in Appendix G, these charges ensure that any household waste from a charity shop can be disposed of free of charge, while other waste from charity shops will be subject to prevailing trade rates for waste disposal.
5. **Recommendation 6** Accepts the £39k Community Champions Fund grant funding from the MLCHG. This grant will fund an additional officer for three months from 1st Jan to 31st March 2021 to work with community and faith leaders and other residents to develop a network of volunteers from these target communities who are then trained to deliver public health messages in new ways. This is in line with the findings from recent national research which has identified specific community groups as experiencing higher levels of infection and where the impact of Covid-19 is more significant.
6. **Recommendation 7** ratifies a decision taken under emergency powers on 14 December 2020 to appoint a provider to administer the provision of supermarket vouchers to households eligible for free school meals, as part of our Winter Grant Scheme. This provides eligible families with vouchers per child per week, for two weeks at Christmas and one week at the February half-term break. Appointed through a procurement framework, the provider is called Edenred and, therefore, there is no direct cost to the Council for administering the vouchers.
7. **Recommendation 8** ratifies a decision taken under emergency powers on 16 December to issue an interest-free loan to GLL, the Council's Leisure Provider. The Council awarded GLL a ten year contract to run the Council's Leisure facilities from February 2020, with an option to extend for a further five years. The pandemic has severely restricted the operation of these facilities since March 2020 and impacted on the financial position of GLL, given that there are fixed and ongoing costs incurred even while the facilities are closed or providing a limited service offer. This loan represents an interim cashflow support measure while a formal deed of variation to the contract being negotiated to formalise the financial support mechanism and the basis for service recovery that will protect the Council's financial interests and leisure offer.

8. **Recommendation 9** is to accept the Environment Agency Grants of £30k for the Hayes End and Kingshill Scheme, £35k for the Breakspear Road South and Copthall Farm Scheme and £200k for the Frogs Ditch and Cranford Park Scheme. This is to provide funding for schemes which aim to mitigate flood and water management issues in these areas of the borough and to limit the potential impact on Residents.
9. **Alternative options considered**
10. There are no other options proposed for consideration.

# SUMMARY

## REVENUE

11. General Fund pressures totalling £32,076k are projected in relation to the impacts of the COVID-19 pandemic and the Council's response in 2019/20 and 2020/21, with £30,193k of this pressure impacting the current financial year. With the pandemic continuing and local authorities at the forefront of delivering support to residents, it is expected that this pressure will grow over the coming months and continue into the new financial year.
12. Funding through specific COVID-19 grants and the MHCLG scheme to cover 75% of income losses is expected to total £32,720k by 31 March 2021 and therefore sufficient to manage those pressures already identified. Given the likelihood that further pressures will emerge, the Council continues to maintain an Earmarked Reserve of £9,126k to manage further demands exceeding government funding.
13. On the assumption that this funding strategy for COVID-19 pressures can be achieved, an underspend of £3,311k is projected across General Fund budgets at Month 8, an improvement of £33k on the Month 7 position. The £3,311k underspend consists of £2,380k service underspends, a £164k underspend on contingency and a £767k underspend on capital financing and funding. Taking account of the budgeted £6,334k drawdown from General Balances, this will result in unallocated General Balances totalling £31,216k at 31 March 2021.
14. Within this position, £3,577k of the £6,386k savings planned for 2020/21 are banked or on track for delivery in full by 31 March 2021, with £2,809k being tracked as being at an earlier stage of implementation or at risk as a result of the COVID-19 pandemic. While any in-year pressures relating to delays in implementing savings have been incorporated into the COVID-19 pressure noted above, it will be necessary to continue to monitor the impact of any delays on the 2021/22 budget.
15. Within the Collection Fund, a pressure of £4,807k is reported at Month 8 as a result of the significant growth in demand for the Council Tax Reduction Scheme as well as slower than budgeted growth in both Council Tax and Business Rates taxbases. These pressures reflect the impact of COVID-19 on local tax collection and following the November 2020 Spending Review it is expected that 75% of the in-year pressure will be funded by a specific government grant. The remaining 25% will ultimately impact on General Balances and has been factored into the latest iteration of the MTFE.

## CAPITAL

16. As at Month 8 an underspend of £29,530k is reported on the 2020/21 General Fund Capital Programme of £85,537k, due mainly to re-phasing of project expenditure into future years. Some schemes were temporarily put on hold during the COVID-19 pandemic. This position reflects the current view which will be refined in future reports as the impact of the pandemic on the progress of individual schemes and programmes becomes clearer. The forecast outturn variance over the life of the 2020/21 to 2024/25 programme is an under spend of £4,743k. This outlook for the capital programme remains consistent with the budget proposals being consulted upon during January 2021.

## FURTHER INFORMATION

### General Fund Revenue Budget

18. **Normal Activities** - An underspend of £3,311k is reported across normal operating activities at Month 8, an improvement of £33k on the Month 7 position. The £33k consists of £82k improvement over the directorates, consisting of minor movements across a range of services areas. In addition, there is an adverse movement on net contingency of £48k arising from demand for Adult Social Care placements.
19. Overall the directorates are all reporting underspends totalling £2,380k on normal activities, however within this there are a number of pressures which are being managed and in the current year offset through wider underspends. These underspends are being predominantly driven by the COVID-19 pandemic, in service areas unable to run at normal levels, or forced to close, due to measures put in place to help contain the virus and reduce the rate of infection. Specific pressure areas with departmental budgets are expanded upon in Appendix A to this report.
20. There are underspends reported against Interest and Investment Income and Levies and Other Corporate Budgets, a favourable variance of £764k includes a one-off windfall of £161k related to Icelandic investment recoveries and the benefit of maintaining short term borrowing. A minor £4k overachievement of income is reported on Corporate Funding, as the exact level of grant funding for the year was not confirmed until after Cabinet and Council approved budgets in February 2020.
21. **COVID-19 Financial Impact** - There is a significant pressure of £30,193k relating to the in-year impact of the COVID-19 pandemic being reported under Exceptional Items in the table below. This pressure and £1,883k costs incurred in 2019/20 can be contained within the £32,720k confirmed government funding, although there remains a strong likelihood that further pressures will emerge over the remainder of the year as the pandemic continues. The Council therefore retains £9,126k in Earmarked Reserves to manage any costs exceeding available government funding.
22. The COVID-19 financial pressure is being driven largely by a reduction in Fees and Charges income, partly due to services not running during the pandemic and partly due to the Council ceasing Fees and Charges to support the residents during times of financial hardship. In addition, the Council is continuing to support the Social Care provider market, to ensure consistency in service delivery to our more vulnerable residents, compounded by a forecast increase in demand for these services during the pandemic. Alongside this, the Council continues to support homelessness and rough sleepers, ensuring this group are protected during the pandemic.
23. **Savings** - £6,386k of savings are included in the 2020/21 General Fund revenue budget. Currently, delivery is on track or banked against £3,577k of this total, with £2,809k either in the early stages of delivery or deemed higher risk. The value of the savings at risk are directly attributable to the COVID-19 pandemic, due to delays in implementing the saving programme as a result of the Council's efforts to redirect resources during these difficult times, protecting vulnerable residents and supporting local businesses, particularly within the Social Care market place. Where savings are not expected to be delivered in full during the current financial year, the resulting pressures form part of the reported COVID-19 pressure and associated funding strategy.

24. **2020/21 Pay Award** - The Council budgeted for a 2% pay award being agreed based on the latest intelligence available at the time the budget was set at February Council. The in-year monitoring position reported reflecting the 2.75% uplift in pay, the award above the budgeted 2% has been factored into the draft budget for 2020/21 approved by Cabinet in December 2020.

**Table 1: General Fund Overview**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
213,954	(1,572)	Directorate Operating Budgets	212,382	210,002	(2,380)	(2,298)	(82)
7,093	(55)	Corporate Operating Budgets	7,038	6,275	(763)	(764)	1
13,657	0	Development & Risk Contingency	13,657	13,493	(164)	(212)	48
(420)	1,627	Unallocated Budget Items	1,207	1,207	0	0	0
<b>234,284</b>	<b>0</b>	<b>Sub-total Expenditure</b>	<b>234,284</b>	<b>230,977</b>	<b>(3,307)</b>	<b>(3,274)</b>	<b>(33)</b>
(227,950)		Corporate Funding	(227,950)	(227,954)	(4)	(4)	0
<b>6,334</b>	<b>0</b>	<b>Total Normal Activities</b>	<b>6,334</b>	<b>3,023</b>	<b>(3,311)</b>	<b>(3,278)</b>	<b>(33)</b>
		<u>Exceptional COVID-19 items</u>					
0	0	Pressures	0	30,193	30,193	29,428	764
0	0	COVID-19 Funding	0	(30,193)	(30,193)	(29,428)	(764)
<b>6,334</b>	<b>0</b>	<b>Total Net Expenditure</b>	<b>6,334</b>	<b>3,023</b>	<b>(3,311)</b>	<b>(3,278)</b>	<b>(33)</b>
(34,239)	0	Balances b/fwd	(34,239)	(34,239)			
<b>(27,905)</b>	<b>0</b>	<b>Balances c/fwd 31 March 2021</b>	<b>(27,905)</b>	<b>(31,216)</b>			

25. General Fund Balances are expected to total £31,216k at 31 March 2021 as a result of the forecast position detailed above, which is £3,311k higher than anticipated in the budget strategy agreed in February 2020 and £33k higher than included in the draft budget for 2021/22 which is currently out for consultation.

## Directorate Operating Budgets

26. Directorate Operating Budgets represent the majority of the Council's investment in day-to-day services for residents, with more volatile or demand-led areas of activity tracked separately through the Development and Risk Contingency. The impacts of COVID-19 are being reported discretely under Exceptional Items as detailed in Table 1, the position presented in Table 2 therefore represents the position reported against normal activities. Further information on latest projections for each service is contained within Appendix A to this report, with salient risks and variances within this position summarised in the following paragraphs.

**Table 2: Directorate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8 £'000)	Variance (As at Month 7) £'000)	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
19,095	(173)	Finance	Expenditure	18,922	18,870	(52)	(80)	28
(3,359)	(113)		Income	(3,472)	(3,590)	(118)	(72)	(46)
<b>15,736</b>	<b>(286)</b>		<b>Sub-Total</b>	<b>15,450</b>	<b>15,280</b>	<b>(170)</b>	<b>(152)</b>	<b>(18)</b>
166,088	(1,697)	Social Care	Expenditure	164,391	165,529	1,138	1,707	(569)
(38,158)	148		Income	(38,010)	(39,169)	(1,159)	(1,721)	562
<b>127,930</b>	<b>(1,549)</b>		<b>Sub-Total</b>	<b>126,381</b>	<b>126,360</b>	<b>(21)</b>	<b>(14)</b>	<b>(7)</b>
43,811	2,748	Environment, Education & Community Services	Expenditure	46,559	45,751	(808)	(875)	67
(27,063)	(3,350)		Income	(30,413)	(30,272)	141	190	(49)
<b>16,748</b>	<b>(602)</b>		<b>Sub-Total</b>	<b>16,146</b>	<b>15,479</b>	<b>(667)</b>	<b>(685)</b>	<b>18</b>
54,435	977	Infrastructure, Building Services & Transport	Expenditure	55,412	54,269	(1,143)	(1,158)	15
(19,857)	(174)		Income	(20,031)	(19,867)	164	207	(43)
<b>34,578</b>	<b>803</b>		<b>Sub-Total</b>	<b>35,381</b>	<b>34,402</b>	<b>(979)</b>	<b>(951)</b>	<b>(28)</b>
20,922	63	Corporate Resources & Services	Expenditure	20,985	20,439	(546)	(885)	339
(1,960)	(1)		Income	(1,961)	(1,958)	3	389	(386)
<b>18,962</b>	<b>62</b>		<b>Sub-Total</b>	<b>19,024</b>	<b>18,481</b>	<b>(543)</b>	<b>(496)</b>	<b>(47)</b>
<b>213,954</b>	<b>(1,572)</b>	<b>Total Directorate Operating Budgets</b>		<b>212,382</b>	<b>210,002</b>	<b>(2,380)</b>	<b>(2,298)</b>	<b>(82)</b>

27. An underspend of £170k is reported on Finance budgets at Month 8, an improvement of £18k on Month 7. There are compensating variances reported in Exchequer and Business Assurance Services and Procurement, which relate to the implementation of BID reviews. This is primarily relating to extended notice periods and staffing vacancies.

28. There is a net underspend of £21k reported across Social Care before COVID-19 pressures, within this variance there are compensating movements being driven largely by staffing variances in Children's Services and Adult Social Work alongside non-staffing pressures within Provider and Commissioned Care, offset by staffing reductions in Provider and Commissioned Care where some services have been unable to run during the lockdown period.

29. Environment, Education & Community Services is reporting a net underspend of £667k, within this position is an overspend on Education and Trading Standards offset by an underspend

in Green Spaces and Housing. The underspend in Green Spaces is linked to a number of services not being operational due to the pandemic, in addition, the service is reporting underspends against staffing budgets due to vacant posts. There is a minor £18k movement in Month 7 consisting of adverse movements in Housing of £54k and Education of £6k, offset by improvements in Community Safety and Green Spaces.

30. A net £979k underspend is reported across Infrastructure, Building Services & Transport with £480k relating to slippage in Highways works and £370k in Property Services, with additional income from lease extensions and the garage portfolio. There is a £155k underspend against Waste Services relating to cessation of Waste Weekends and the new bulky waste collection services. This is being offset by a £90k overspend in Capital project related costs and a number of smaller variances across the service.
31. The Corporate Resources & Services directorate is forecasting an underspend of £543k which is being driven by vacant posts in the Business & Technical Support service and staffing costs relating to the COVID-19 response being identified for grant funding.
32. The Council is permitted to finance the costs associated with service transformation from Capital Receipts, with both one-off implementation costs and the support for service transformation, including the BID team, being funded from this resource. Current projections include an estimate of £2,371k for such costs, which will remain under review over the remainder of the year and have been excluded from the reported monitoring positions. It is anticipated that these costs will be financed from a combination of Capital Receipts and Earmarked Reserves.

### **Progress on Savings**

33. The savings requirement for 2020/21 is £6,136k. In addition, there are savings of £250k brought forward from 2019/20, which gives an overall total of £6,386k reported below. Of this sum £3,577k are either banked or on track for delivery. £447k savings are in the early stages of delivery or potentially subject to greater risk to delivery, with the remaining £2,362k being reported as having a serious problem with delivery.
34. The relatively high number of savings being reported as having a serious problem with delivery (£2,362k) are directly attributed to the COVID-19 pandemic and the delay this has caused in implementing the saving programme as the Council has needed to redirect resources to manage the pandemic. This value has been included within the Council's COVID-19 pressures under Exceptional Items and is therefore not included within the reported position on normal activities quoted in Table 1.

**Table 3: Savings Tracker**

2020/21 General Fund Savings Programme	Finance	Social Care	EE&CS	IBS&T	Corporate Resources	Cross-Cutting	Total 2020/21 Savings	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
B Banked	(186)	(374)	(80)	(200)	(31)	(590)	<b>(1,461)</b>	<b>22.9%</b>
G On track for delivery	(42)	(1,674)	0	(400)	0	0	<b>(2,116)</b>	<b>33.1%</b>
A Potential significant savings shortfall or a significant or risky project which is at an early stage;	0	(447)	0	0	0	0	<b>(447)</b>	<b>7.0%</b>
R Serious problems in the delivery of the saving	0	0	(1,086)	0	(375)	(901)	<b>(2,362)</b>	<b>37.0%</b>
<b>Total 2020/21 Savings</b>	<b>(228)</b>	<b>(2,495)</b>	<b>(1,166)</b>	<b>(600)</b>	<b>(406)</b>	<b>(1,491)</b>	<b>(6,386)</b>	<b>100.0%</b>

**Corporate Operating Budgets (£753k underspend, £1k adverse movement)**

35. Corporately managed expenditure includes revenue costs of the Council's Capital Programme, the net impact of Housing Benefit Subsidy arrangements on the Council, externally set levies and income arising from the provision of support services to other funds and ring-fenced budgets.
36. A favourable variance of £484k is reported against interest payable as a result of maximising short-term borrowing, alongside this a further one off windfall income of £161k related to Icelandic bank losses improves the position. In addition, as a result of anticipated capital expenditure and associated borrowing costs, a £108k underspend is reported on the revenue costs of debt financing, all of which bring the overall Interest and Investment Income position to a £753k favourable position. Levies and Other Corporate Budgets are forecast to underspend by £10k, mainly driven by a lower Concessionary Fares levy as the final levy figure wasn't available until after the budget was set. Housing Benefit remains on budget with no variance being reported. No material variances are reported across the remainder of Corporate Budgets, resulting in a headline underspend of £763k.

**Table 4: Corporate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Revised Budget £'000
			Revised Budget £'000	Forecast Outturn £'000			
0	0	Interest and Investment Income	Salaries	0	0	0	0
8,459	111		Non-Sal Exp	8,570	7,978	(592)	(592)
(487)	(166)		Income	(653)	(814)	(161)	(161)
<b>7,972</b>	<b>(55)</b>		<b>Sub-Total</b>	<b>7,917</b>	<b>7,164</b>	<b>(753)</b>	<b>(753)</b>
499	0	Levies and Other Corporate Budgets	Salaries	499	499	0	0
12,376	0		Non-Sal Exp	12,376	12,366	(10)	(11)
(12,289)	0		Income	(12,289)	(12,289)	0	0
<b>586</b>	<b>0</b>		<b>Sub-Total</b>	<b>586</b>	<b>576</b>	<b>(10)</b>	<b>(11)</b>
0	0	Housing Benefit Subsidy	Salaries	0	0	0	0
147,893	0		Non-Sal Exp	147,893	147,893	0	0
(149,358)	0		Income	(149,358)	(149,358)	0	0
<b>(1,465)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(1,465)</b>	<b>(1,465)</b>	<b>0</b>	<b>0</b>
<b>7,093</b>	<b>(55)</b>	<b>Total Corporate Operating Budgets</b>		<b>7,038</b>	<b>6,275</b>	<b>(763)</b>	<b>(764)</b>

### Development & Risk Contingency

37. For 2020/21 £16,127k was set aside to manage uncertain elements of budgets within the Development & Risk Contingency, which included £15,627k in relation to specific risk items and £500k as General Contingency to manage unforeseen issues, since this date, £2,470k has been released into directorates' base budgets, leaving £13,657k to finance expenditure in these areas.

**Table 5: Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
1,063	0	Social Care	Asylum Service	1,063	589	(474)	(474)	(0)
3,211	0		Demographic Growth - Looked After Children	3,211	3,519	308	308	(0)
895	0		Demographic Growth - Children with Disabilities	895	460	(435)	(435)	0
2,873	(150)		SEN transport	2,723	2,464	(259)	(259)	0
3,842	(1,049)		Demographic Growth - Adult Social Care	2,793	3,762	969	924	45
1,736	(914)	Environment, Education & Community Services	Impact of Welfare Reform on Homelessness	822	894	72	69	3
0	0		Planning Enforcement	0	20	20	20	0
2,407	(357)	Infrastructure, Building Services & Transport	Waste Disposal Levy & Associated Contracts	2,050	1,685	(365)	(365)	0
(400)	0	Corporate Items	Additional Investment Income	(400)	(400)	0	0	0
500	0		General Contingency	500	500	0	0	0
<b>16,127</b>	<b>(2,470)</b>	<b>Total Development &amp; Risk Contingency</b>		<b>13,657</b>	<b>13,493</b>	<b>(164)</b>	<b>(212)</b>	<b>48</b>

38. Within Social Care Contingency there is a slight movement in Month 8, an increased call of £45k for Adult Social Care primarily relating to additional demand over the winter period. There is no change to the Children's contingency items in Month 8
39. There is an increase in the pressure on homelessness of £3k, the forecast variance is against Temporary Accommodation. There is no change in Waste Services which is £365k below the contingency budget. This variance results from a revision to the forecast following confirmation of the quarter 2 pay as you throw tonnages from the West London Waste Authority.
40. It is expected that pressures can be managed within the £500k budget set aside for General Contingency. There is currently no pressure on service contingency leaving £500k available for any further calls on General Contingency. All contingency items will continue to be closely monitored over the coming months and forecasts refreshed accordingly, currently across the

range of contingency items there is a £164k underspend, which is being reflected in the overall monitoring position.

### **Exceptional Items – COVID-19 Pressures**

41. The majority of the COVID-19 pressure is relating to Social Care, and Environment, Education & Community Services, these two areas represent £19,606k of the £30,193k in-year pressure. In addition, £1,883k pressures were identified in the 2019/20 financial year to give a total direct cost of £32,076k.
- a. Within Social Care, the Council is forecasting a pressure of just over £9.8m, driven by support offered to providers, additional demand for services and Personal Protective Equipment (PPE) to enable to Council to ensure that some of the more vulnerable residents are supported and receive the care they need during the pandemic.
  - b. In addition, approximately £1.7m of support has been provided to support homeless residents of the borough and ensure their safety during COVID-19, with a further £2.4m being used to fund environmental services including the mortuary and crematorium services, alongside waste management.
  - c. Included within this pressure is a forecast decline in Fees and Charges income of approximately £11m, some of which relates to services not running during the pandemic, alongside a number of Fees and Charges that the Council had temporarily suspended in order to support residents during difficult times, with the suspension of parking charges making up approximately £3.7m of this value.
42. Included within this position is a forecast assumption that the overall pressure caused by COVID-19 will be funded by Central Government and other funding strategies. The Council has confirmed funding of £32,720k (although the final figure will in part be based on actual income losses and may therefore fluctuate) which will be sufficient to manage pressures identified to date, although there remains a risk that new and emerging issues will leave a funding gap in either the current or future years.
43. The strategy to deal with any unfunded COVID-19 costs is to utilise Earmarked Reserves totalling £9,216k. As part of the outturn for 2019/20, the Council took the decision to transfer £3,293k into an Earmarked Reserve to boost the Council's financial resilience in 2020/21. A further £2,356k is held in Public Health Earmarked Reserves and £3,477k in service specific reserves, which can be utilised if necessary, to fund any further pressures in 2020/21 and later years.

### **HIP Initiatives**

44. There is £677k of HIP Initiative balances brought forward at the start of the year. To date £13k has been allocated leaving, £664k available for future releases.

### **Schools Budget**

45. At Month 8 the Dedicated Schools Grant position is reporting an in-year overspend of £9,824k. This represents a £374k adverse movement from Month 7, largely within the High Needs Block which shows an adverse £367k movement with a further £7k adverse movement in the Early Needs Block.

46. There are continuing pressures in the cost of High Needs. The recently published SEN2 data indicating growth in EHCP numbers of 17.5% highlights the risk of further pressures on this area of the budget. When the £15,002k deficit brought forward from 2019/20 is taken into account, the deficit to carry forward to 2021/22 is forecast at £24,826k. This pressure will ultimately be funded from future grant awards and will therefore not directly impact upon the Council's own resources.

## **Collection Fund**

47. The Collection Fund is forecasting a deficit of £4,907k as at Month 8, a £22k adverse movement from Month 7 relating to Business Rates attributable to a significant reduction in gross yield, nearly wholly offset by Section 31 Grant income as more businesses qualify for Retail Relief. The variance being largely driven by reduced growth in the Council Tax taxbase and a reduction in the Business Rates taxbase as a result of expected business failures due to the COVID-19 pandemic.
48. Any deficit realised at outturn will impact on the General Fund budget in future years, with the Government confirming that Councils will be required to spread the deficit over a period of three years in equal instalments as a result of the in-year deficit being directly attributable to COVID-19, a third of the in-year deficit (£1,836k) would hit the Council's budget position for 2021/22 to 2023/24, effectively increasing the budget gap by this value, offset in 2021/22 by the brought forward surplus of £702k. The Spending Review confirmed that the Government will be funding 75% of this deficit, with further details to follow on the exact mechanics of this announcement, in the interim, the Council is assuming 75% of the £1,836k will be funded through this mechanism in the budget strategy, meaning only £459k will impact on the Council's balances.

## **Housing Revenue Account**

49. The Housing Revenue Account is currently forecasting a £38k variance, resulting in a drawdown of reserves of £2,019k. This results in a projected 2020/21 closing HRA General Balance of £15,056k. This excludes the potential cost pressures of COVID-19, which are estimated at £345k. These pressures have not been included in the Month 8 forecast position for HRA revenue or capital as firstly they may not all materialise and secondly, they are at a level that is fundable in-year. In addition, lobbying for specific HRA COVID-19 funding from government is ongoing through London Councils.

## **Future Revenue Implications of Capital Programme**

50. Appendix D to this report outlines the forecast outturn on the 2020/21 to 2024/25 Capital Programme, with a balanced position over the five-year programme. Alongside marginal variances on Government Grant income and Capital Receipts, Prudential Borrowing is projected to be £1,451k lower. The reduction in the borrowing requirement would result in a £70k per annum reduction to revenue, which represents a minor variance when set in the context of the current MTFF position on capital financing costs.
51. Capital Projects have been affected by the pandemic and the ability to deliver to previous timescales is being reviewed on an ongoing basis. A number of schemes have had to be put on hold.

## Appendix A – Detailed Group Forecasts (General Fund)

### FINANCE

52. A forecast underspend of £170k is reported for the Finance Directorate as at Month 8 against normal activities, with £1,456k being reported against the COVID-19 pressure within Exceptional Items.
53. The position is broadly in line with that reported for month 7. Pressures across the group relating to the partial achievement of the managed vacancy target for the service continue to be netted down by vacancies across the group. Resourcing assumptions have been revised accounting for the minor month on month improvement from Month 7.

**Table 6: Finance Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
4,224	0	Corporate Finance	Salaries	4,224	4,268	44	0	44
636	0		Non-Sal Exp	636	674	38	43	(5)
(445)	0		Income	(445)	(549)	(104)	(59)	(45)
<b>4,415</b>	<b>0</b>		<b>Sub-Total</b>	<b>4,415</b>	<b>4,393</b>	<b>(22)</b>	<b>(16)</b>	<b>(6)</b>
5,844	107	Exchequer and Business Assurance Services	Salaries	5,951	6,036	85	85	0
3,283	133		Non-Sal Exp	3,416	3,398	(18)	(20)	2
(2,796)	(224)		Income	(3,020)	(3,040)	(20)	(19)	(1)
<b>6,331</b>	<b>16</b>		<b>Sub-Total</b>	<b>6,347</b>	<b>6,394</b>	<b>47</b>	<b>46</b>	<b>1</b>
1,790	(470)	Procurement	Salaries	1,320	1,268	(52)	(40)	(12)
3,318	57		Non-Sal Exp	3,375	3,226	(149)	(148)	(1)
(118)	111		Income	(7)	(1)	6	6	0
<b>4,990</b>	<b>(302)</b>		<b>Sub-Total</b>	<b>4,688</b>	<b>4,493</b>	<b>(195)</b>	<b>(182)</b>	<b>(13)</b>
11,858	(363)	Finance Directorate	Salaries	11,495	11,572	77	45	32
7,237	190		Non-Sal Exp	7,427	7,298	(129)	(125)	(4)
(3,359)	(113)		Income	(3,472)	(3,590)	(118)	(72)	(46)
<b>15,736</b>	<b>(286)</b>		<b>Total</b>	<b>15,450</b>	<b>15,280</b>	<b>(170)</b>	<b>(152)</b>	<b>(18)</b>

### Exceptional Items – COVID-19 Pressures

#### Finance Development & Risk Contingency

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
0	0	COVID-19	0	1,456	1,456	1,456	0
0	0	Total Exceptional Items	0	1,456	1,456	1,456	0

54. Within the Finance Service, £1,456k is being reported against COVID-19 pressures under Exceptional Items. Assumptions are in line with those reported for Month 7.
55. The pressure arises predominantly from shortfalls in court fee income following the cessation of court hearings during the COVID-19 pandemic and is likely to increase until recovery activity through the courts can resume as normal. Additional overtime and agency resource

have also been approved to support the backlog of work within the Client Financial Affairs Team resulting directly from lockdown restrictions during the pandemic, and to support the administration of several COVID grant schemes within E&BAS.

## **FINANCE OPERATING BUDGETS (£170k underspend, £18k favourable movement)**

### **Corporate Finance (£22k underspend - £6k favourable movement)**

56. The position remains in line overall with that reported for Month 7 and previous months and arises from the projected pressure on the cost of external audit fees continuing to be offset by volume related reductions in bank charges and banking security costs during the COVID-19 pandemic.

### **Exchequer & Business Assurance Services (£47k pressure, £1k adverse movement)**

57. Staff resource assumptions are consistent with Month 7 and a reduction in bank charges reflects the trend across other services in the group. The service is on track to deliver the MTFE savings target currently unallocated for 2020/21 with a BID review of the Business Assurance function implemented fully for Month 8.

### **Procurement (£195k underspend, £13k favourable movement)**

58. The position at Month 8 remains largely unchanged from Month 7. The comparative stability of oil prices up to this point of the year and reductions to contracted repairs and maintenance costs within the Fleet Service continue to be the key driver for the underlying position. The BID review of the Procurement function has now been fully implemented and the small favourable movement from Month 7 arises from updates of resourcing assumptions.

## SOCIAL CARE

59. Social Care is projecting an underspend of £21k at Month 7 on normal activities, an improvement of £7k on the Month 7 position. The contingency position is an adverse movement of £45k, with a net overspend of £109k on the development and risk contingency areas across Social Care. This excludes COVID-19 exceptional items of £9,858k that are covered under the development and risk contingency section below.

**Table 7: Social Care Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
21,123	(344)	Provider and Commissioned Care	Salaries	20,779	19,145	(1,634)	(1,629)	(5)
9,849	670		Non-Sal Exp	10,519	11,193	674	690	(16)
(4,876)	0		Income	(4,876)	(4,700)	176	208	(32)
<b>26,096</b>	<b>326</b>		<b>Sub-Total</b>	<b>26,422</b>	<b>25,638</b>	<b>(784)</b>	<b>(731)</b>	<b>(53)</b>
7,350	732	Adult Social Work	Salaries	8,082	8,310	228	258	(30)
77,244	(2,483)		Non-Sal Exp	74,761	74,122	(639)	(337)	(302)
(23,405)	308		Income	(23,097)	(22,552)	545	256	289
<b>61,189</b>	<b>(1,443)</b>		<b>Sub-Total</b>	<b>59,746</b>	<b>59,880</b>	<b>134</b>	<b>177</b>	<b>(43)</b>
17,296	(310)	Children's Services	Salaries	16,986	16,878	(108)	(97)	(11)
21,287	39		Non-Sal Exp	21,326	23,707	2,381	2,595	(214)
(9,600)	(160)		Income	(9,760)	(11,544)	(1,784)	(2,089)	305
<b>28,983</b>	<b>(431)</b>		<b>Sub-Total</b>	<b>28,552</b>	<b>29,041</b>	<b>489</b>	<b>409</b>	<b>80</b>
1,714	(1)	SEND	Salaries	1,713	1,885	172	164	8
178	1		Non-Sal Exp	179	229	50	50	0
(125)	0		Income	(125)	(221)	(96)	(96)	0
<b>1,767</b>	<b>0</b>		<b>Sub-Total</b>	<b>1,767</b>	<b>1,893</b>	<b>126</b>	<b>118</b>	<b>8</b>
351	0	Public Health	Salaries	351	371	20	20	0
6,822	0		Non-Sal Exp	6,822	6,801	(21)	(21)	0
(45)	0		Income	(45)	(45)	0	0	0
<b>7,128</b>	<b>0</b>		<b>Sub-Total</b>	<b>7,128</b>	<b>7,127</b>	<b>(1)</b>	<b>(1)</b>	<b>0</b>
456	0	Health Integration & Voluntary Sector Partnership	Salaries	456	470	14	13	1
2,417	0		Non-Sal Exp	2,417	2,418	1	1	0
(107)	0		Income	(107)	(107)	0	0	0
<b>2,766</b>	<b>0</b>		<b>Sub-Total</b>	<b>2,766</b>	<b>2,781</b>	<b>15</b>	<b>14</b>	<b>1</b>
48,290	77	Social Care Directorate Total	Salaries	48,367	47,059	(1,308)	(1,271)	(37)
117,797	(1,773)		Non-Sal Exp	116,024	118,470	2,446	2,978	(532)
(38,158)	148		Income	(38,010)	(39,169)	(1,159)	(1,721)	562
<b>127,929</b>	<b>(1,548)</b>		<b>Total</b>	<b>126,381</b>	<b>126,360</b>	<b>(21)</b>	<b>(14)</b>	<b>(7)</b>

**SOCIAL CARE DEVELOPMENT AND RISK CONTINGENCY (£109k overspend, £45k adverse movement)**

60. The Council's 2020/21 Development and Risk Contingency includes provisions for areas of expenditure within Social Care for which there is a greater degree of uncertainty and relates to in-year demographic changes across Adults and Children's Social Care, including Asylum Seekers and SEN Transport. Table 8 sets out the Month 8 projected position for the Development and Risk Contingency, which is forecast to overspend by £109k, representing an adverse movement of £45k on the month 7 position.
61. The movement relates to Adults placements, where the contingency is forecast to overspend against budget by £969k, representing an adverse movement of £45k on the month 7 position mainly due to additional demand, and the continued impact of changes in funding arrangements for Learning Disability packages.
62. SEN Transport is reporting an underspend of £259k against contingency due to fewer routes operating and associated Passenger Assistants expenditure during April to July. However, given factors such as additional staffing expenditure due to Passenger Assistant illness/shielding requirements, ad hoc school closures due to staff illness, and potentially additional referrals from the SEN Team over the next few months (estimated to be 25-30 children), this will continue to be closely monitored.
63. The reported £308k pressure on Looked After Children is driven by demand for Secure Remand, Residential and Independent Fostering Placements, alongside increases in the number of high cost and semi-independent living placements.

**Table 8: Social Care Development & Risk Contingency**

Original Budget	Budget Changes	Development & Risk Contingency	Month 8		Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
			Revised Budget	Forecast Outturn			
£'000	£'000		£'000	£'000	£'000	£'000	£'000
1,063	0	Asylum Service	1,063	589	(474)	(474)	0
3,211	0	Demographic Growth - Looked After Children	3,211	3,519	308	308	0
895	0	Demographic Growth - Children with Disabilities	895	460	(435)	(435)	0
2,873	(150)	SEN Transport	2,723	2,464	(259)	(259)	0
3,842	(1,049)	Demographic Growth - Adult Social Care	2,793	3,762	969	924	45
<b>11,884</b>	<b>(1,199)</b>	<b>Current Commitments</b>	<b>10,685</b>	<b>10,749</b>	<b>109</b>	<b>64</b>	<b>45</b>
0	0	<b>COVID-19</b>	<b>0</b>	<b>9,858</b>	<b>9,858</b>	<b>9,560</b>	<b>298</b>
<b>0</b>	<b>0</b>	<b>Total Exceptional Items</b>	<b>0</b>	<b>9,858</b>	<b>9,858</b>	<b>9,560</b>	<b>298</b>

**Exceptional Items – COVID-19 Pressures**

64. Within Social Care, COVID-19 pressures of £9,858k are being reported, which is an increase on the requirement of £298k on the Month 7 position.
65. The Provider and Commissioned Care pressure includes £394k of additional staffing costs in care homes as a direct result of the pandemic. Of non-staffing pressures, there is £84k in undeliverable savings from the delayed implementation of the restructure of Children and

Family Development Services; £131k in additional costs for flats in the Extra care centres that were vacant and were unable to be re-let to the usual pre-COVID timescales between March and September; and £42k in additional banking administration charges for the Brokerage service due to extra payment cards being issued as part of the service's COVID response. Additionally, a loss of £356k in income is being reported which mostly relates to Early Years Centres as parental fee forecasts have fallen.

66. The Adult Social Care pressure includes £1,500k of support provided to external providers during the pandemic, to ensure continuation of care to eligible Social Care clients at a time when providers are facing financial difficulty. In addition to this, a further £2,200k is forecast to provide PPE within the wider Adult Social Care service delivery model. A further £2,062k is being forecast for additional demand, within the service as a result of the pandemic, with an increase of £298k this month representing the additional impact on Mental Health Services as a result of the pandemic. The remaining balance relates to workforce pressures within the service that are directly attributable to the pandemic.
67. The pressure associated with Children's Services (LAC) relates to an increase in spend in Residential care, as during the pandemic the department are unable to move Children on to more suitable accommodation and therefore achieve a lower unit cost, based on providing a more appropriate level of care. This is specifically caused by delays in moving on clients in LAC and Asylum and continuing to pay for spot purchases within Semi-Independent Placements, due to the limited availability of beds currently within the Block Contract arrangement.

## **SOCIAL CARE OPERATING BUDGETS (£21k overspend £7k favourable movement)**

### **Provider and Commissioned Care (£784k underspend - £53k favourable movement)**

68. At Month 8, Provider and Commissioned Care are reporting a £784k underspend. This is driven by large staffing underspends of £1,634k driven by reductions in agency cover as lower levels of staffing were required for service provision during lockdown. This has been particularly apparent in services such as Passenger Transport, which was heavily impacted by school closures and the temporary closure of Children's Centres, where permanent staff were redeployed to Early Year's Centres to replace agency staffing.

### **Adult Social Work (£134k overspend - £43k favourable movement)**

69. The position reported at Month 8 on the base budget is an overspend of £134k across Adult Social Work, a favourable movement of £43k on Month 7.
70. There is an ongoing extensive review of the pooled budget arrangements with the CCG and the use of the Hospital Discharge NHS Covid Funding to fund additional costs of discharges, in the current year and then to determine the long-term impact of clients currently funded through this funding arrangement. Funding has now been agreed for the current year, with full assessment to be undertaken on the ongoing impact of COVID-19 on care needs and the changes to the type of care required.
71. There has been a review of demographics across Learning Disabilities and Mental Health Placements to determine any additional pressures arising this year as a result of the wider impacts of COVID-19.

### **Children's Services (£489k overspend - £80k adverse movement)**

72. A review of funding allocations across the service, along with minor adverse movements in non-staffing budgets have been netted down by slight improvements in staffing forecasts as a result of a reduction of agency spend.
73. BID reviews are underway within Safeguarding Services which will address the high level of agency personnel currently within the service and ultimately reduce cost. Furthermore, the introduction of new agency staffing arrangements with Sanctuary Personnel, will deliver the temporary staff at a lower cost and support further reduction in spend.

### **SEND (£126k overspend, £8k adverse movement)**

74. Pressures on staffing budgets within SEND are driven largely by the Educational Psychology Service, however, these additional staffing requirements are delivering income within the service and broadly net off this pressure. Across the remainder of the service, staffing and non-staffing pressures caused by agency staff covering vacant posts along with additional mediation costs are driving the overspend position and slight adverse movement at Month 8.

### **Public Health (Breakeven, nil movement)**

75. The Public Health budgets are offset against the Public Health Earmarked Reserve, so any over or underspend are either funded by, or contribute to the reserve each year. The main spend within Public Health is through contract provision, for which services have continued to be delivered through the lockdown period as far as possible and the Government advice has been to continue funding these contracts at full value. It is currently forecast that Public Health services will be delivered within budget.

### **Health integration and Voluntary Sector Partnerships (£15k overspend - £1k adverse movement)**

76. An adverse movement of £7k on the Month 7 position is reported as a result of minor revisions to staffing assumptions. There is a budget of £2.2m within this Service area to fund contributions to the Voluntary Sector, which is forecast to spend to budget at Month 8.

## ENVIRONMENT, EDUCATION & COMMUNITY SERVICES

77. The Environment, Education and Community Services directorate is showing a projected outturn underspend of £667k at Month 8 on normal activities, an adverse movement of £18k from Month 7. A further £9,748k is being reported under the COVID-19 exceptional items disclosure. The overall variance on normal activities is a result of overspends in Education and Trading Standards offset by underspends in Planning, Greenspaces, Housing, & Community Safety.

**Table 9: Environment, Education & Community Services Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance as at Month 7 £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
3,208	0	Planning, & Regeneration	Salaries	3,208	3,084	(124)	(124)	0
1,331	286		Non-Sal Exp	1,617	1,706	89	89	0
(4,462)	(230)		Income	(4,692)	(4,811)	(119)	(119)	0
<b>77</b>	<b>56</b>		<b>Sub-Total</b>	<b>133</b>	<b>(21)</b>	<b>(154)</b>	<b>(154)</b>	<b>0</b>
13,164	69	Green Spaces, Sports & Culture	Salaries	13,233	12,839	(394)	(350)	(44)
5,994	0		Non-Sal Exp	5,994	5,858	(135)	(101)	(34)
(10,767)	(52)		Income	(10,819)	(10,683)	136	72	64
<b>8,391</b>	<b>17</b>		<b>Sub-Total</b>	<b>8,408</b>	<b>8,014</b>	<b>(393)</b>	<b>(379)</b>	<b>(14)</b>
3,030	446	Housing	Salaries	3,476	3,425	(51)	(44)	(7)
3,940	3,121		Non-Sal Exp	7,061	6,635	(426)	(517)	91
(3,482)	(3,259)		Income	(6,741)	(6,523)	218	248	(30)
<b>3,488</b>	<b>308</b>		<b>Sub-Total</b>	<b>3,796</b>	<b>3,537</b>	<b>(259)</b>	<b>(313)</b>	<b>54</b>
973	0	Education	Salaries	973	1,079	106	30	76
4,230	0		Non-Sal Exp	4,230	4,306	76	146	(70)
(4,313)	0		Income	(4,313)	(4,322)	(9)	(9)	0
<b>890</b>	<b>0</b>		<b>Sub-Total</b>	<b>890</b>	<b>1,063</b>	<b>173</b>	<b>167</b>	<b>6</b>
2,419	36	Trading Standards, Environment & Health & Licensing	Salaries	2,455	2,415	(40)	(74)	34
559	0		Non-Sal Exp	559	821	262	214	48
(3,134)	0		Income	(3,134)	(3,214)	(80)	3	(83)
<b>(156)</b>	<b>36</b>		<b>Sub-Total</b>	<b>(120)</b>	<b>22</b>	<b>142</b>	<b>143</b>	<b>(1)</b>
2,251	(186)	Community Safety, Cohesion & Resilience	Salaries	2,065	1,725	(340)	(317)	(23)
2,713	(1,025)		Non-Sal Exp	1,688	1,857	169	173	(4)
(905)	191		Income	(714)	(719)	(5)	(5)	0
<b>4,059</b>	<b>(1,020)</b>		<b>Sub-Total</b>	<b>3,039</b>	<b>2,863</b>	<b>(176)</b>	<b>(149)</b>	<b>(27)</b>
25,045	365	Environment, Education & Community Services Directorate	Salaries	25,410	24,567	(843)	(879)	36
18,767	2,382		Non-Sal Exp	21,149	21,183	34	4	30
(27,063)	(3,350)		Income	(30,413)	(30,272)	141	190	(49)
<b>16,749</b>	<b>(603)</b>		<b>Total</b>	<b>16,146</b>	<b>15,478</b>	<b>(667)</b>	<b>(685)</b>	<b>18</b>

78. The Council's 2020/21 contingency budget contains provision for areas of expenditure or income within Environment, Education and Community Services for which there is a greater degree of uncertainty. At Month 8, projected calls on contingency are forecast to be £92k greater than the budgeted provision.

**Table 10: Development and Risk Contingency**

Original Budget £'000	Budget Changes £'000	Contingency Item	Month 8		Variance as at Month 8 £'000	Variance as at Month 7 £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
822	0	Impact of Welfare Reform on Homelessness	822	894	72	69	3
0	0	Development Control - General Contingency	0	20	20	20	0
<b>822</b>	<b>0</b>	<b>Total</b>	<b>822</b>	<b>914</b>	<b>92</b>	<b>89</b>	<b>3</b>
		<b>COVID-19</b>	<b>0</b>	<b>(9,748)</b>	<b>(9,748)</b>	<b>(9,240)</b>	<b>508</b>
<b>0</b>	<b>0</b>	<b>Total Exceptional Items</b>	<b>0</b>	<b>(9,748)</b>	<b>(9,748)</b>	<b>(9,240)</b>	<b>508</b>

79. The data in the table below shows the use of Temporary Accommodation. At Month 7, the number of households in Bed and Breakfast accommodation is 30 units above the budgeted assumptions made in modelling Supply and Demand for the 2020/21 MTF.

**Table 11: Housing Needs performance data**

	September 2020	October 2020	November 2020
All Approaches	271	273	286
Full Assessment Required	214	194	195
New into Temporary Accommodation (Homeless and Relief)	44	29	20
Households in Temporary Accommodation	439	431	426
Households in B&B	176	176	160

80. As in previous years, a contingency has been set aside in 2020/21 to resource the procurement of Private Sector placements or the need for Temporary Accommodation in the borough. The call on contingency relating to homelessness is forecast at £894k, £72k above the budgeted provision.
81. The service is currently forecasting the number of clients in B&B accommodation will average 166 over the financial year, however, management actions to reduce numbers through increased non-cost prevention and move-on activity are ongoing.
82. The Council will continue to closely monitor this risk, as following the introduction of the Homeless Reduction Act in April 2018, there has been increased demand for Housing assistance. Specific funding is retained within an Earmarked Reserve to manage this risk.
83. At Month 8, a drawdown of £20k from General Contingency is being utilised to appoint Counsel for the planning enforcement enquiry at the Brookside Moor Lane, Harmondsworth site. This involves challenging the unauthorised use of green belt land for creating a scrap yard without planning consent.

#### **Exceptional Items – COVID-19 Pressures**

84. Environment, Education and Community Services are currently forecasting £9,748k of pressures against the COVID-19 exceptional items disclosure, with approximately £4,286k of this amount related to losses of income during the pandemic, with the balance being related to cost pressures. The movement of £508k is predominantly driven by additional support

required to support the Council's leisure centres, reflecting the ongoing restrictions applied to the running of these facilities during the pandemic.

85. The largest single pressure within the service area relates to a reported shortfall of £3,013k in Green Spaces, Sports and Culture income as a result of these services not being able to run during the pandemic, with leisure centres and golf courses closing for a period under Government guidelines. The remaining £1,273k of lost income relates to trading standards, food & safety and licencing (predominantly driven by imported food charges) and lost income from planning and development control Fees and Charges.
86. The expenditure pressures being reported in this area include approximately £1,755k for homelessness and rough sleeper support, ensuring that this vulnerable group is protected during the pandemic, alongside an estimated £2,986k of lost income and financial support for leisure centres following their closure during the national lockdown and £1,345k to support the Breakspear Crematorium hub. A number of smaller pressures reported across the directorate make up the remaining balance, with the largest of these being circa £134k within the Anti-Social Behaviour Team.

## **ENVIRONMENT, EDUCATION AND COMMUNITY SERVICES OPERATING BUDGETS (£667k underspend, £18k adverse movement)**

### **Planning, Transportation and Regeneration (£154k underspend, nil movement)**

87. Planning Services is currently reporting a £117k underspend, largely driven by unbudgeted S106 funding for Air Quality, recruitment delays to permanent posts and the significant reduction of agency staff across Development Management. Building Control is forecasting an underspend of £37k due to posts being held vacant until next financial year.

### **Green Spaces, Sports and Culture (£393k underspend, £14k favourable movement)**

88. Green Spaces, Sports and Culture is currently reporting a £393k underspend. The service is reporting a £394k underspend against staffing; largely driven by vacant posts across the service in a number of different areas. A further £135k relates to a reduction in non-staffing expenditure which predominantly reflects the majority of services not being operational for the most part of the financial year and limited operation going forward as some of these services gradually resume. Income pressures of £136k related to the impact of the pandemic on ticket sales and other sales, partly offsets this position.

### **Housing (£259k underspend, £54k adverse movement)**

89. Housing is reporting an underspend of £259k at Month 8. There is a variance within the First Time Buyers service of £214k due to reduced levels of activity following a slowdown in the Housing Market, this has reduced by £61k from the underspend reported at Month 7. Non contingency funded Homelessness budgets are underspending by £38k, predominantly due to the Winter Night Shelter provision not being required for 2020-21, as alternative support is being offered through the Rough Sleepers Grant.

### **Education (£173k overspend, £6k adverse movement)**

90. The Month 8 position for Education shows an overspend of £173k against budget. The pressure on the base budget is related to a historical underlying pressure that is due to be addressed in a BID review of the Education service. The £6k adverse movement relates to

additional agency costs being incurred whilst the recruitment to the new Education service structure is completed.

**Trading Standards, Environment Health & Licensing (£142k overspend, £1k favourable movement)**

91. The service is reporting a £142k pressure at Month 8. There is a £40k staffing underspend forecast, largely attributable to delays in recruiting to vacant posts, not all of which are covered by agency resource. The £262k non-staffing pressure reflects ongoing costs associated with the Project Pompeii animal welfare case (£66k) and overspends within the Imported Food Office. The £80k favourable income position reflects the recent award of a Brexit support grant from Defra, funding agency and veterinary support spend. The movements across the subjective headings are mostly attributable to the impact of grant funding with the expected earmarked reserve drawdowns in Month 7 having been reversed.

**Community Safety, Cohesion & Resilience (£176k underspend, £27k favourable movement)**

92. The service is reporting a £176k underspend, with staffing underspends resulting from recruitment delays across the Community Safety and ASBET teams partly negated by non-staffing overspends. The favourable movement of £27k compared with Month 7 broadly reflects further recruitment delays across the service, of both permanent recruits and interim agency cover.

## INFRASTRUCTURE, BUILDING SERVICES & TRANSPORT

93. Infrastructure, Building Services and Transport directorate is showing a projected outturn underspend of £979k at Month 8 on normal activities, a favourable movement of (£28k) from Month 7. A pressure of £7,363k is being reported against the COVID-19 pressures under exceptional items, a movement of £5k from Month 7. The overall variance is a result of underspends within Highways, Waste Services and Property & Estates.

**Table 12: Infrastructure Building Services & Transport**

Original Budget £'000	Budget Changes £'000	Service		Month 8		Variance (As at Month 8) £'000	Variance (as at Month 7) £'000	Movement from Month 7 £'000
				Revised Budget £'000	Forecast Outturn £'000			
449	10	Property & Estates	Salaries	459	422	(37)	(30)	(7)
3,596	0		Non-Sal Exp	3,596	3,518	(78)	(69)	(9)
(2,869)	(10)		Income	(2,879)	(3,181)	(302)	(316)	14
<b>1,176</b>	<b>0</b>		<b>Sub-Total</b>	<b>1,176</b>	<b>759</b>	<b>(417)</b>	<b>(415)</b>	<b>(2)</b>
1,581	0	Capital Programme	Salaries	1,581	1,253	(328)	(316)	(12)
254	0		Non-Sal Exp	254	138	(116)	(165)	49
(1,526)	0		Income	(1,526)	(992)	534	596	(62)
<b>309</b>	<b>0</b>		<b>Sub-Total</b>	<b>309</b>	<b>399</b>	<b>90</b>	<b>115</b>	<b>(25)</b>
1,034	(105)	Repairs & Engineering	Salaries	929	996	67	64	3
4,316	975		Non-Sal Exp	5,291	5,259	(32)	(56)	24
(222)	(163)		Income	(385)	(367)	18	25	(7)
<b>5,128</b>	<b>707</b>		<b>Sub-Total</b>	<b>5,835</b>	<b>5,888</b>	<b>53</b>	<b>33</b>	<b>20</b>
2,114	0	Highways	Salaries	2,114	2,134	20	20	0
3,741	0		Non-Sal Exp	3,741	3,253	(488)	(444)	(44)
(3,015)	0		Income	(3,015)	(3,001)	14	4	10
<b>2,840</b>	<b>0</b>		<b>Sub-Total</b>	<b>2,840</b>	<b>2,386</b>	<b>(454)</b>	<b>(420)</b>	<b>(34)</b>
9,399	96	Waste Services	Salaries	9,495	9,495	0	4	(4)
14,589	0		Non-Sal Exp	14,589	14,559	(30)	(43)	13
(3,236)	0		Income	(3,236)	(3,361)	(125)	(123)	(2)
<b>20,752</b>	<b>96</b>		<b>Sub-Total</b>	<b>20,848</b>	<b>20,693</b>	<b>(155)</b>	<b>(162)</b>	<b>7</b>
3,087	0	ICT	Salaries	3,087	2,854	(233)	(179)	(54)
4,444	0		Non-Sal Exp	4,444	4,681	237	182	55
(200)	0		Income	(200)	(203)	(3)	(3)	0
<b>7,331</b>	<b>0</b>		<b>Sub-Total</b>	<b>7,331</b>	<b>7,332</b>	<b>1</b>	<b>0</b>	<b>1</b>
959	0	Parking Services	Salaries	959	870	(89)	(87)	(2)
2,958	0		Non-Sal Exp	2,958	2,986	28	25	3
(8,429)	0		Income	(8,429)	(8,448)	(19)	(23)	4
<b>(4,512)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(4,512)</b>	<b>(4,592)</b>	<b>(80)</b>	<b>(85)</b>	<b>5</b>
1,676	0	Transport, Aviation & Town Centre Initiatives	Salaries	1,676	1,608	(68)	(64)	(4)
239	0		Non-Sal Exp	239	243	4	0	4
(361)	0		Income	(361)	(314)	47	47	0
<b>1,554</b>	<b>0</b>		<b>Total</b>	<b>1,554</b>	<b>1,537</b>	<b>(17)</b>	<b>(17)</b>	<b>0</b>
20,299	1	Infrastructure, Building Services & Transport Directorate	Salaries	20,300	19,632	(668)	(588)	(80)
34,137	975		Non-Sal Exp	35,112	34,637	(475)	(570)	95
(19,858)	(173)		Income	(20,031)	(19,867)	164	207	(43)
<b>34,578</b>	<b>803</b>		<b>Total</b>	<b>35,381</b>	<b>34,402</b>	<b>(979)</b>	<b>(951)</b>	<b>(28)</b>

94. The Council's 2020/21 contingency budget contains provision for areas of expenditure or income within Building Services, Transport & Business Improvement for which there is a

greater degree of uncertainty. At Month 8, projected calls on contingency are £365k below budget.

**Table 13: Development and Risk Contingency**

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (As at Month 8) £'000	Variance (as at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
2,050	0	Waste Disposal Levy & Associated Contracts	2,050	1,685	(365)	(365)	0
<b>2,050</b>	<b>0</b>	<b>Current Commitments</b>	<b>2,050</b>	<b>1,685</b>	<b>(365)</b>	<b>(365)</b>	<b>0</b>
		COVID-19	0	7,363	7,363	7,358	5
<b>0</b>	<b>0</b>	<b>Total Exceptional Items</b>	<b>0</b>	<b>7,363</b>	<b>7,363</b>	<b>7,358</b>	<b>5</b>

95. The call on the Waste contingency is £1,685k, which funds estimated population driven increases in the cost of disposal via the West London Waste Authority (WLWA) levy and associated waste disposal contracts. The variance reflects tonnage-based PAYT rebates for the first half of 2020/21 and realigned forecasts for other waste disposal contracts based on actual costs incurred this year to date.
96. There has been a 4% increase in residual waste volumes (which account for the largest proportion of the Council's disposal costs) this year to date compared to the same period last year, although this is within budgeted levels. Whilst mixed organic (food and garden) tonnages are running 17% above the level in the equivalent period last year (being impacted by the pandemic and lockdown), aggregate PAYT costs are below expectations, partly reflecting partly the more favourable disposal rates on these waste streams.
97. Mixed dry recycling tonnages are running 18% above those for the equivalent period last year, affecting disposal costs via the Council's contract with Biffa. This waste stream has been most significantly affected by the pandemic, with year on year increases sustained at a very high level. Accordingly, a further £650k is reported against Exceptional Items related to COVID-19 to report on the estimated additional costs emerging. This will be reviewed as the year progresses and the position becomes clearer.

#### **Exceptional Items – COVID-19 Pressures**

98. Infrastructure, Building Services and Transport Services are currently forecasting COVID-19 pressures of £7,363k, which relates to £1,650k of expenditure pressures alongside £5,713k of income shortfalls all directly attributable to the COVID-19 pandemic.
99. The largest single pressure within the service area relates to approximately £3,742k loss of income from parking Fees and Charges as the Council took the decision to temporarily cease charging in this area to support residents during difficult times, with a general reduction in parking activity also experienced.
100. The Waste Service is reporting staffing pressures due the Council's Passenger Services vehicles being used to transport waste crews to facilitate social distancing measures, as well as non-staffing pressures due to higher kerbside collections, predominantly within garden and mixed dry recycling, slower progress regarding recycling initiatives given delays in the recruitment to three new recycling officer posts and pressures in relation to recycling bag spend.

101. Within the income shortfall reported against COVID-19, £866k relates to the Waste Service, attributable to reduced income at the New Years Green Lane site whilst it was closed (and reduced activity since reopening), a decrease in income from Trade Waste collection services and a shortfall in recycling income as markets for certain materials, particularly textiles, have collapsed due to the pandemic.
102. A pressure against rental income of approximately £570k is included within Property & Estates on the anticipation that income collection rates are likely to reduce from commercial shops, General Estates and garages alongside other small pressures within rental income budgets.
103. Finally, £494k is being reported in Highways as a result of the part-year suspension of vehicle crossovers work and reduced street-works activity during the early part of the first lockdown period.

#### **BUILDING SERVICES, TRANSPORT AND BUSINESS IMPROVEMENT SERVICES OPERATING BUDGETS (£979k underspend, £28k favourable movement)**

##### **Property and Estates (£417k underspend, £2k favourable movement)**

104. There is a reported underspend of (£417k) at Month 8, predominantly due to additional rental income receivable from two new leases effective from April 2020.

##### **Capital Programme (£90k overspend, £25k favourable movement)**

105. The Capital and planned works service is showing a projected pressure of £90k against base budget. This represents the residual expenditure for staffing and project costs after fees have been assumed as chargeable to capital projects.

##### **Repairs and Engineering (£53k overspend, £20k adverse movement)**

106. The Facilities Management Service is showing an overspend of £53k against budget, attributable to increased reactive and compliance works required across the corporate property portfolio.

##### **Highways (£454k underspend, £34k favourable movement)**

107. The service is reporting a £454k underspend at Month 8, largely reflecting non-staffing underspends. These comprise reduced costs associated with the construction of domestic vehicle crossings whilst works ceased following lockdown (not resuming until the latter part of May), below-budget street lighting energy spend, a reduction in the minor works programme and the suspension of column testing works, which cannot take place over the winter period. This month's favourable variance is mostly attributable to a further reduction in street lighting electricity costs.

##### **Waste Services (£155k underspend, £7k adverse movement)**

108. There is a reported £155k underspend across Waste Services. The £30k non-staffing underspend is attributable to the temporary cessation of Waste Weekend events and the permanent closure of the Hatton Cross public convenience partly offset by increased spend on trade waste bin maintenance. There is a favourable income variance of £125k, largely reflecting the new charging structure for bulky waste collection services, with some additional revenue arising as a result of sales of bulk bins to developers of flatted properties.

##### **ICT (£1k overspend, £1k adverse movement)**

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109. ICT is reporting a £1k overspend at Month 8. Whilst there is a favourable staff costs variance of £233k, largely attributable to vacant posts as the service continues to recruit to establish the structure approved as part of the March 2019 BID business case, there is a non-staffing pressure of £237k with annual renewal uplifts and upgrades impacting on contract costs. The favourable staffing movement in the month results from a further recruitment delay, this being broadly offset with an adverse non-staffing movement due to the emergence of additional contract cost pressures.

**Parking Services (£81k underspend, £4k adverse movement)**

110. The service's reported underspend at Month 8 is largely attributable to the staffing forecast, with recruitment to several vacant posts, particularly within the Parking Admin Team, subject to delay. The £28k non-staffing pressure partly reflects costs associated with CCTV cameras – both new kit and the repair of existing equipment. There is an expected over-achievement of £19k in parking suspensions income.

**Transport, Aviation & Town Centre Initiatives (£16k underspend, nil movement)**

111. A £68k staffing underspend at Month 8 relates to the recruitment of a Town Centres Improvement Officer no longer being progressed (this post was to be recharged to capital, with a compensatory pressure reported within the service's income forecast), maternity leave adjustments, and delays in recruiting a Highways Engineer post within the Transport Team. This is largely netted down by a £4k adverse non-staffing variance and a £48k income shortfall, reflecting the aforementioned capital recharge and sunk costs relating to the TfL grant suspension.

## CORPORATE RESOURCES & SERVICES OPERATING BUDGET

112. An underspend of £542k is reported for the Corporate Resources and Services Directorate at Month 8, a favourable movement of £46k from Month 7. The overall variance is a result of an underspend within Business and Technical Support. The pressure reported against the COVID-19 exceptional item disclosure is in line with that reported for Month 7.

**Table 14: Corporate Resources & Services Directorate Operating Budgets**

Original Budget £'000	Budget Changes £'000	Service	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7	
			Revised Budget £'000	Forecast Outturn £'000				
1,496	0	Democratic Services	Salaries	1,496	1,518	22	25	(3)
1,750	0		Non-Sal Exp	1,750	1,785	35	33	2
(702)	0		Income	(702)	(692)	10	10	0
<b>2,544</b>	<b>0</b>		<b>Sub-Total</b>	<b>2,544</b>	<b>2,611</b>	<b>67</b>	<b>68</b>	<b>(1)</b>
1,791	0	Human Resources	Salaries	1,791	1,779	(12)	(11)	(1)
978	0		Non-Sal Exp	978	968	(10)	(10)	0
(232)	0		Income	(232)	(242)	(10)	(10)	0
<b>2,537</b>	<b>0</b>		<b>Sub-Total</b>	<b>2,537</b>	<b>2,505</b>	<b>(32)</b>	<b>(31)</b>	<b>(1)</b>
2,303	44	Legal Services	Salaries	2,347	2,172	(175)	(159)	(16)
58	1		Non-Sal Exp	59	83	24	24	0
(284)	0		Income	(284)	(284)	0	0	0
<b>2,077</b>	<b>45</b>		<b>Sub-Total</b>	<b>2,122</b>	<b>1,971</b>	<b>(151)</b>	<b>(135)</b>	<b>(16)</b>
614	0	Corporate Communications	Salaries	614	591	(23)	(17)	(6)
152	0		Non-Sal Exp	152	149	(3)	(3)	0
(26)	0		Income	(26)	(26)	0	0	0
<b>740</b>	<b>0</b>		<b>Sub-Total</b>	<b>740</b>	<b>714</b>	<b>(26)</b>	<b>(20)</b>	<b>(6)</b>
679	0	Business Performance	Salaries	679	671	(8)	(8)	0
83	0		Non-Sal Exp	83	85	2	0	2
0	0		Income	0	0	0	0	0
<b>762</b>	<b>0</b>		<b>Sub-Total</b>	<b>762</b>	<b>756</b>	<b>(6)</b>	<b>(8)</b>	<b>2</b>
11,014	20	Business & Technical Support	Salaries	11,034	10,287	(747)	(734)	(13)
2	0		Non-Sal Exp	2	(34)	(36)	(25)	(11)
(717)	0		Income	(717)	(328)	389	389	0
<b>10,299</b>	<b>20</b>		<b>Sub-Total</b>	<b>10,319</b>	<b>9,925</b>	<b>(395)</b>	<b>(370)</b>	<b>(24)</b>
17,897	64	Corporate Resources & Services Directorate	Salaries	17,961	17,018	(943)	(904)	(39)
3,023	1		Non-Sal Exp	3,024	3,036	12	19	(7)
(1,961)	0		Income	(1,961)	(1,572)	389	389	0
<b>18,959</b>	<b>65</b>		<b>Total</b>	<b>19,024</b>	<b>18,482</b>	<b>(542)</b>	<b>(496)</b>	<b>(46)</b>

## Exceptional Items – COVID-19 Pressures

113. Within the Corporate Resources and Services Directorate, a pressure of £1,074k is being reported against the COVID-19 exceptional items disclosure, with £938k of this relating to expenditure pressures and £136k relating to income shortfalls.

**Table: 15 Corporate Resources & Services Development & Risk Contingency**

Original Budget £'000	Budget Changes £'000	Development & Risk Contingency	Month 8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000
			Revised Budget £'000	Forecast Outturn £'000			
0	0	COVID-19	0	1,074	1,074	1,088	(14)
0	0	Total Exceptional Items	0	1,074	1,074	1,088	(14)

114. Within the expenditure pressures, £260k relates to non-staff related operational resource, the most significant being the costs of non-Social Care Personal Protective Equipment (PPE) with the remaining balance made up of smaller items, the largest being £18k of mortuary funding for additional PPE and refrigerated storage. The costs of additional staff resource to support the Authorities response to the Pandemic and offer support to Residents comprises £245k.
115. Within the £136k pressure reported against income shortfalls from the COVID-19 pandemic, the majority relates to a loss of income against Land Charges, alongside £187k relating to income from the registration of Births, Deaths and Marriages related to lockdown restrictions and social distancing impacting on these services.

## **CORPORATE RESOURCES & SERVICES OPERATING BUDGET (£542k underspend, £46k favourable movement)**

### **Democratic Services (£67k pressure, £1k favourable movement)**

116. A pressure of £67k is reported for Month 8, broadly in line with the position reported for Month 7 due to minor changes across the Service.

### **Human Resources (£32k underspend, £1k favourable movement)**

117. The Month 8 position is now reflecting the impact of the reorganisation of the senior Management tier, in full, in line with the ongoing BID review and proposals agreed by the Leader. As for previous months, underspends in Learning and Development budgets continue to be reported as a result of a reduction in training spend during lockdown and have increased further across months accounting for the month on month movement across non-salaries.

### **Legal Services (£151k underspend, £16k favourable movement)**

118. Posts held vacant within Legal Services during the COVID-19 pandemic have resulted in a net underspend. The Month 8 position continues to assume recruitment to 6 posts of varying grades currently vacant before the year end and includes a £60k provision for the utilisation of external legal expertise that may be required to support with peaks in workload.

### **Corporate Communications (£26k underspend, £6k favourable movement)**

119. The service is reporting an underspend of £26k at Month 8. There is a £23k staff costs underspend, attributable to delayed recruitment to several vacant posts, not all of which have been covered by agency. The £3k non-staffing underspend largely results from reduced printing costs associated with the smaller format April/May edition of Hillingdon People.

**Business Performance (£6k underspend, £2k adverse movement)**

120. The Business Performance position at Month 8 is broadly in line with the position reported at Month 7.

**Business & Technical Support (£394k underspend, £24k favourable movement)**

121. The service is reporting an underspend of £394k, largely attributable to vacant posts, with recruitment to a number of these not now anticipated following staffing reviews across the group. Savings arising from post deletions are assumed to deliver the MTFE savings target, the reorganisation of the Senior Management tier as part of the ongoing Service BID reviews approved by the Leader is reflected for the current month.

## Appendix B – Other Funds

### SCHOOLS BUDGET

#### Dedicated Schools Grant (£9,824k overspend, £374k adverse)

122. The Dedicated Schools Grant (DSG) monitoring position is an in-year overspend of £9,824k at month 8, this is an increase of £2,650k on the budgeted deficit of £7,175k and a £367k adverse movement from the position reported at month 7. The overspend is due to ongoing pressures in the cost of High Needs placements, where significant growth continues. The budget for High Needs was increased for 2020/21 to take account of projected growth, but the latest projections indicate a further increase in the expenditure on pupils with an EHCP being placed in Independent special school placements along with an increase in the spend on specialist SEN tuition for pupils with an EHCP. When the £15,002k deficit brought forward from 2019/20 is taken into account, the cumulative deficit carry forward to 2021/22 is £25,026k.

**Table 16: DSG Income and Expenditure 2020/21**

Original Budget	Budget Changes	Funding Block	Month 8		Variance		
			Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Change from Month 7
			£'000	£'000	£'000	£'000	£'000
(296,926)	151	<b>Dedicated Schools Grant Income</b>	(296,775)	(296,775)	0	0	0
231,400	(28)	<b>Schools Block</b>	231,372	231,253	(119)	(119)	0
25,401	0	<b>Early Years Block</b>	25,401	25,407	7	0	7
3,270	0	<b>Central Schools Services Block</b>	3,270	3,317	47	47	0
44,030	(123)	<b>High Needs Block</b>	43,907	46,622	2,715	2,348	367
<b>7,175</b>	<b>0</b>	<b>Total Funding Blocks</b>	<b>7,175</b>	<b>9,824</b>	<b>2,650</b>	<b>2,276</b>	<b>374</b>
		Deficit Brought Forward 1 April 2020	15,002	15,002			
		<b>Deficit Carried Forward 31 March 2021</b>	<b>22,177</b>	<b>25,026</b>			

#### Dedicated Schools Grant Income (Nil variance, no change)

123. It is not expected that there will be any further adjustments to the Dedicated Schools Grant Income for 2020/21.

#### Schools Block (£119k underspend, no change)

124. The Schools Block includes all funding paid directly to mainstream schools as part of their delegated budget share, including the funding recouped by the ESFA and paid to mainstream academies. There is also a growth contingency fund which is funded from the Schools Block. Schools that are expanding, in agreement with the local authority, to meet basic need pupil population growth, receive additional funding to provide financial recompense throughout the relevant financial year to cover the cost of this agreed and planned growth.

125. Schools Forum took the decision to withhold growth contingency allocations for one school due to insufficient projected pupil growth in September 2020 and therefore there will be an underspend relating to this allocation. The growth contingency policy has been amended for 2020/21 in order address the growth in secondary pupils. Schools will be funded for any Year 7 pupils which are above the Published Admission Number (PAN). £480k was set aside for

this purpose, with the actual funding requirement will not be known until actual numbers on roll recorded on the October census are confirmed.

126. The growth contingency also funds diseconomies of scale funding for new basic need academy schools. School Forum has taken the decision to limit the funding to one school in receipt of diseconomies which has resulted in a further projected underspend.

#### **Early Years Block (7k overspend, £7k adverse)**

127. The process for determining early years funding allocations for local authorities is to take an annual census count of the number of hours taken up by children each January. The rationale is that this is the mid-point of the academic year and therefore balances the lower numbers eligible for the free entitlements in the autumn term and the higher numbers in the summer term. The DfE recognises that, given COVID-19, the number of children accessing childcare may not have returned to normal levels by January 2021. Therefore, the final funding allocation to local authorities for the 2020 autumn term will be based on the January 2020 census count.
128. From the start of the autumn term 2020, the guidance is for local authorities to continue to fund providers which are open at broadly the levels they would have expected to see in the 2020 autumn term had there been no COVID-19 outbreak. Providers which have been advised to close, or left with no option but to close, due to public health reasons should also be funded as normal. Providers which are closed, without public health reason, should not receive funding. Guidance has not yet been released on the approach that local authorities should take to funding providers in the Spring term 2021.

#### **Central School Services Block (£47k overspend, no change)**

129. The published DSG budget allocations confirmed a 20% decrease in the Central School Services Block provided for historic commitments. This resulted in a £265k reduction in funding, though this was partly off-set by £51k of additional funding for pupil growth. This reduction in funding resulted in a budget shortfall for the services funded by the Central School Services block adding to the pressure which has led to an overall deficit DSG being agreed for 2020/21.
130. At month 8 the Central School Services block is projecting a £47k pressure predominantly due the additional cost of maternity cover in the School Placement and Admissions.

#### **High Needs Block (£2,715k overspend, £367k adverse)**

131. There continues to be significant pressure in the High Needs Block in 2020/21, with an overspend of £2,715k being projected at month 8. The growth in the number of pupils with an EHCP continued throughout 2019/20 and the current academic year has seen a further increase in the number of pupils with an EHCP.
132. Most in-borough special schools are over their commissioned place number. Where a special school is over its planned place number there is a requirement to fund for the additional places plus the agreed top-up funding which is placing additional pressure on the High Needs block.
133. Due to a continuing lack of capacity in-borough and across other local authority provision, there is a requirement to place pupils in more costly school placements, with a further increase in the number of children that commenced new placements in Independent special schools

in the current academic year. The adverse movement being reported at month 8 is partly due to clarification of the liability for a number of placements relating to a major SEN provider.

134. There are still a number of SEN pupils awaiting a school placement and whilst an estimate of the cost of this has been included in the current projection, the actual cost of these placements is not yet known and so there may be a further increase to the total expenditure on SEN placements. In addition, the local authority is often required to provide specialist tuition for SEN pupils without a school placement. The total cost on this tuition has increased significantly over the last twelve months with the current projection that there will be a £325k overspend in this area which accounts for some of the month 8 adverse movement.
135. There was a further increase in the cohort of post-16 SEN placements in 2019/20 and this has put additional pressure on the 2020/21 High Needs budgets with the potential that placements for young people with SEN can continue to be funded up to the age of 25. The current projection has been updated to reflect the changes in placements of this cohort from September 2020.
136. In addition to the cost of pupils with an EHCP, the High Needs Block is now funding Early Support Funding (ESF) as an alternative to the allocation of statutory funding for children with SEN who experience significant barriers to learning. This funding allows schools to access funding quicker to enable them to intervene early and have the greatest impact. Whilst the expectation is that this might reduce total costs in the long-term, we are yet to see the financial impact of this.

#### **COVID-19 - Financial Impact on Schools**

137. Some schools have indicated budget pressures as a consequence of additional costs in relation to COVID-19. Whilst most schools have now received some additional funding to cover some of these exceptional costs, there is a further opportunity in December for schools to apply for funding for costs incurred between March and July that have not previously been claimed for. The DfE has confirmed that there will be no opportunity for schools to claim for exceptional costs incurred as a result of COVID since September. The expectation is that these costs should be met from existing school funding.
138. Central Government has announced that there will be an opportunity for schools with high staff absence rates as a consequence of COVID-19 to apply for additional 'COVID-19 workforce funding', which will be backdated to the beginning of November. Further guidance on how much schools might be entitled to and how the claim process will work is yet to be published but the initial criteria appear to indicate that only a limited number of schools will be eligible for this funding.
139. The impact of COVID-19 on income generation has also been significant for some schools. Several schools generate significant levels of additional income from private sources for letting the premises and COVID-19 has resulted in a temporary stop on all such activities. The DfE has confirmed that there will be no additional funding in relation to this and therefore this lost revenue will create an additional pressure on school budgets.
140. The DfE has confirmed that the £650m universal catch-up premium funding will be paid directly to schools through the 2020/21 academic year, on a per pupil basis. Mainstream schools will receive £80 per pupil, with Special Schools receiving £240 per place. Schools will have flexibility to use this funding which should be used for specific activities to support pupils to catch up for lost teaching over the previous months. In addition, schools will be able to

access £350m of funding through a National Tutoring Programme to provide additional targeted support for those children and young people who need the most help.

## COLLECTION FUND

141. A deficit of £4,807k is reported within the Collection Fund relating to an adverse position across both Council Tax and Business Rates, which is predominantly driven by reduced growth in the Council Tax taxbase and a reduction in the Business Rates taxbase as a result of expected business failures due to the COVID-19 pandemic. Additional support within Council Tax is driving approximately 40% of the pressure as households face financial difficulty. The majority of the movement sits within Business Rates and is attributable to a significant reduction in gross yield, nearly wholly offset by Section 31 Grant income as more businesses qualify for Retail Relief.
142. Any deficit realised at outturn will impact on the General Fund budget in future years, with the Government confirming that Councils will be required to spread the deficit over a period of three years in equal increments as a result of the in-year deficit being directly attributable to COVID-19, a third of the in-year deficit (£1,836k) would hit the Council's budget position for 2021/22 to 2023/24, effectively increasing the budget gap by this value, offset in 2021/22 by the brought forward surplus of £702k. The Spending Review confirmed that the Government will be funding 75% of this deficit, with further details to follow on the exact mechanics of this announcement, in the interim, the Council is assuming 75% of the £1,836k will be funded through this mechanism in the budget strategy, meaning only £459k will impact on the Council's balances.
143. The Council is participating in the 50% Business Rates Retention Pool for London, which provides scope for retaining additional growth while guaranteeing the level of income the Council would have received under the existing 50% Retention system. Business Rates projections below reflect this guaranteed position, with any additional funds available from the pool to be captured separately in budget setting reports as appropriate.

**Table 17: Collection Fund**

Original Budget £'000	Budget Changes £'000	Service	Month8		Variance (As at Month 8) £'000	Variance (As at Month 7) £'000	Movement from Month 7 £'000	
			Revised Budget £'000	Forecast Outturn £'000				
(131,835)	0	Council Tax	Gross Income	(131,835)	(131,211)	624	648	(24)
11,049	0		Council Tax Support	11,049	13,202	2,153	2,108	45
39	0		B/fwd Deficit	39	303	264	264	0
<b>(120,747)</b>	<b>0</b>		<b>Sub-Total</b>	<b>(120,747)</b>	<b>(117,706)</b>	<b>3,041</b>	<b>3,020</b>	<b>21</b>
(112,314)	0	Business Rates	Gross Income	(112,314)	(78,245)	34,069	31,836	2,232
(6,141)	0		Section 31 Grants	(6,141)	(34,280)	(28,139)	(25,968)	(2,170)
53,666	0		Less: Tariff	53,666	53,666	0	0	0
8,784	0		Less: Levy	8,784	5,586	(3,198)	(3,137)	(61)
(498)	0		B/fwd Surplus	(498)	(1,464)	(966)	(966)	0
<b>(56,503)</b>	<b>0</b>	<b>Sub-Total</b>	<b>(56,503)</b>	<b>(54,737)</b>	<b>1,766</b>	<b>1,765</b>	<b>1</b>	
<b>(177,250)</b>	<b>0</b>	<b>Total Collection Fund</b>	<b>(177,250)</b>	<b>(172,443)</b>	<b>4,807</b>	<b>4,785</b>	<b>22</b>	

144. At Month 8 a deficit of £3,041k is projected against Council Tax, the position includes an adverse variance reported against Gross Income of £624k, which is being driven by a smaller than forecast growth in the taxbase as a result of delays in property building during the pandemic alongside a reduction in the collection rate forecasting to lead to an increase in the bad debt provision required for 2020/21. The movement from Month 7 is mainly driven by a

marginal movement in the taxbase forecast. The majority of the pressure in Council Tax is driven by a £2,153k pressure within Council Tax Support as a result of increased demand as households face financial difficulties. The position is compounded by a pressure of £264k against the brought forward surplus as a result of an adverse movement at outturn within Council Tax, this is the result of the Council ceasing debt chasing activities at the end of 2019/20 due to the COVID-19 pandemic. Within this position, potential volatility in Discounts and Exemptions continue to be closely monitored.

145. A £1,766k deficit is reported across Business Rates at Month 8, the position includes an adverse variance against in-year activity of £2,732k with this variance being driven by an adverse position within Gross Rates of £34,069k. This is predominantly due to the Government's support package to assist businesses during the pandemic, including 100% rates relief for the retail, hospitality and leisure sectors, this relief is wholly funded by Section 31 Grants and explains the favourable position in this area, represented by an overachievement of grant income of £28,139k. The £34,069k adverse variance against gross rates assumes a reduction in the taxbase due to business failure caused by financial hardship during the pandemic. The additional support offered by Central Government was announced after the Council set the 2020/21 budget and explains why such large variances are being reported.
146. The in-year position includes a favourable position being reported against the Levy of £3,198k, which is the result of the reduction in the taxbase and lower gross rates yield for the Council, leading to a lower levy payment due to Central Government. In addition, a surplus is reported against the brought forward surplus of £966k, driven by a favourable movement at outturn as a result of clarity received from the London Pool position at year end.

## Appendix C – HOUSING REVENUE ACCOUNT

147. The Housing Revenue Account (HRA) is currently forecasting a drawdown of reserves of £2,019k, which is £2k favourable compared to the Month 7 position. This excludes the potential cost pressures of COVID-19, which are estimated at £345k. The 2020/21 closing HRA General Balance is forecast to be £15,056k. The use of reserves is funding investment in new housing stock. The table below presents key variances by service area.

**Table 18: Housing Revenue Account**

Service	Month 8		Variance (+ adv / - fav)		
	Revised Budget	Forecast Outturn	Variance (As at Month 8)	Variance (As at Month 7)	Movement from Month 7
	£'000	£'000	£'000	£'000	£'000
Rent Income	(57,872)	(57,693)	179	179	0
Other Income	(5,414)	(5,307)	107	107	0
<b>Net Income</b>	<b>(63,286)</b>	<b>(63,000)</b>	<b>286</b>	<b>286</b>	<b>0</b>
Housing Management	14,741	14,603	(138)	(135)	(3)
Tenant Services	3,759	3,789	30	48	(18)
Repairs	5,368	5,742	374	355	19
Planned Maintenance	4,040	3,450	(590)	(590)	0
Capital Programme Funding	20,790	20,790	0	0	0
Interest & Investment Income	15,385	15,385	0	0	0
Development & Risk Contingency	1,260	1,260	0	0	0
<b>Operating Costs</b>	<b>65,343</b>	<b>65,019</b>	<b>(324)</b>	<b>(322)</b>	<b>(2)</b>
<b>(Surplus) / Deficit</b>	<b>2,057</b>	<b>2,019</b>	<b>(38)</b>	<b>(36)</b>	<b>(2)</b>
General Balance 01/04/2020	(17,075)	(17,075)	0	0	0
<b>General Balance 31/03/2021</b>	<b>(15,018)</b>	<b>(15,056)</b>	<b>(38)</b>	<b>(36)</b>	<b>(2)</b>

### Income

148. As at Month 8 the rental income and other income forecast is an under-recovery totalling £286k, nil movement on Month 7.

149. The number of Right to Buy (RTB) applications received in the first eight months of 2020/21 was 119 compared to 120 for the same period in 2019/20. There has been 21 RTB completions in the first eight months of 2020/21 compared to 35 for the same period in 2019/20; a reduction of 40%. As at Month 8, the 2020/21 forecast RTB sales is 40 compared to the budget of 50, nil movement from Month 7. The RTB sales will be kept under further review especially over the next two important months, given the lead-in times to complete sales by the end of March.

### Expenditure

150. The Housing management service is forecast to underspend by £138k, a small favourable movement of £3k on Month 7 relating to running costs.

151. Tenant services is forecast to overspend by £30k, a favourable movement of £18k on month 7 due to reduced forecast spend on caretaking agency costs.
152. The repairs and planned maintenance budget totals £9,408k. There is an adverse movement on Month 7 of £19k due to increased forecast on repairs staffing costs relating to overtime and standby pay.
153. As at Month 8 the capital programme funding, interest and investment income and development and risk contingency budgets are forecast to breakeven.

#### **COVID-19 cost pressures on the HRA**

154. The table below summarises the HRA COVID-19 cost pressures that are not included in the HRA forecast position. The COVID-19 cost pressures total £345k at Month 8 and will be kept under review during the year. The movement from Month 7 is nil.
155. The key pressures relate to repairs and maintenance totalling £81k due to unreported and catch up day-to-day repairs, potential staffing costs of £50k relating to domestic violence and anti-social behaviour, and bad debt provision totalling £214k due to increasing arrears and the age of the arrears.

**Table 19: HRA COVID-19 pressures**

<b>HRA COVID-19 pressures</b>	<b>2020/21 Month 8</b>	<b>2020/21 Month 7</b>	<b>2020/21 Movement from Month 7</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Repairs and Planned Maintenance	81	81	0
Staffing	50	50	0
Development and Risk Contingency – Bad Debt Provision	214	214	0
<b>Total HRA Revenue Covid-19 pressures</b>	<b>345</b>	<b>345</b>	<b>0</b>

## HRA Capital Expenditure

156. The HRA capital programme is set out in the table below. The 2020/21 revised budget is £63,009k following re-phasing of some Major Projects expenditure budgets into future years. The 2020/21 forecast expenditure is £46,275k with a net variance of £16,734k of which £15,439k is due to re-phasing and £1,295k due to cost under spends.

**Table 20: HRA Capital Expenditure**

Programme	2020/21 Revised Budget	2020/21 Forecast	2020/21 Cost Variance Forecast V Revised Budget	2020/21 Project Re-Phasing	Total Project Budget 2020-25	Total Project Forecast 2020-25	Total Project Variance 2020-25	Movement 2020-25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Major Projects (Note 1)</b>								
New General Needs Housing Stock	36,272	27,770	(170)	(8,332)	141,424	141,254	(170)	-
New Build - Shared Ownership	4,000	785	(125)	(3,090)	14,867	14,742	(125)	-
New Build - Supported Housing Provision	816	816	0	0	816	816	0	-
<b>Total Major Projects</b>	<b>41,088</b>	<b>29,371</b>	<b>(295)</b>	<b>(11,422)</b>	<b>157,107</b>	<b>156,812</b>	<b>(295)</b>	<b>-</b>
<b>HRA Programmes of Work</b>								
Works to Stock programme	15,870	11,853	0	(4,017)	60,243	60,243	0	-
Major Adaptations to Property	2,188	1,188	(1,000)	0	10,129	9,129	(1,000)	(300)
Green Homes	3,863	3,863	0	0	3,863	3,863	0	-
<b>Total HRA Programmes of Work</b>	<b>21,921</b>	<b>16,904</b>	<b>(1,000)</b>	<b>(4,017)</b>	<b>74,235</b>	<b>73,235</b>	<b>(1,000)</b>	<b>(300)</b>
<b>Total HRA Capital</b>	<b>63,009</b>	<b>46,275</b>	<b>(1,295)</b>	<b>(15,439)</b>	<b>231,342</b>	<b>230,047</b>	<b>(1,295)</b>	<b>(300)</b>
Movement from Month 5	-	(1,062)	(300)	(762)	-	(300)	(300)	

**Note 1: see Annex A for a detailed breakdown of the major projects by scheme**

## Major Projects

157. Following November Cabinet approval of re-phasing of £6,463k expenditure on various projects continuing into future years, the 2020/21 Major Projects programme revised budget is £41,088k. Forecast expenditure in 2020/21 is £29,371k, with a re-phasing variance of £11,422k and a cost underspend of £295k forecast in 2020/21.

## New General Needs Housing Stock

158. There is a forecast re-phasing of £8,332k across the General Needs programme due to delays in the progress of several projects, partly arising from COVID-19 lockdown.

159. A cost under spend of £300k is forecast on the completed mixed tenure development at Acol Crescent, apportioned across general needs and shared ownership, after agreement of the final account with the contractor. This is marginally offset by a minor over spend of £5k on the acquisition of 17 new build homes over three sites.

160. The redevelopment of Maple and Poplar Day Centre was put on hold due to the COVID-19 crisis but is now expected to commence shortly. The construction works have been tendered and a contractor is ready to be appointed. The project has a planned development of 34

units comprising 50% general needs social housing and the remainder being shared ownership.

161. Works are in progress on site for the redevelopment of the former Willow Tree depot into general needs housing and are expected to be complete in April 2021.
162. Construction works at the Nelson Road development were paused due to COVID-19 however the main contractor resumed work on site in July 2020 with the construction of the 6 new homes now expected to be complete by May 2021.
163. A further ten buy backs of ex Right to Buy properties have been identified amounting to £2,351k to be submitted for formal approval shortly. In total £8,519k has been identified or committed this financial year for buy backs of former Right to Buy properties, from the Acquisitions and Internal Developments budget, inclusive of stamp duty, legal fees & expected void repairs costs.
164. In October 2019 Cabinet Members approved the purchase of land at Newport Road and a turnkey package development of 28 units for short-term accommodation, at a total cost of £9,071k including stamp duty and fees, and a deposit of £1,297k was previously paid in 2019/20. Further staged payments will be released in 2020/21 and 2021/22 as the construction works progress, which are due to complete in September 2021.
165. In September 2020 Cabinet Members approved the purchase of freehold acquisition of 253 Park Road, Uxbridge and 9 new build homes for short term accommodation which are currently under construction at a package price of £3,736k including stamp duty and fees, with a deposit of £724k payable on exchange of contracts. A further staged payment will be released in 2020/21 on completion of the construction works, which are due to complete in March 2021.

#### New Build - Shared Ownership

166. Revised plans for the redevelopment of Woodside Day Centre have been reviewed following changes to the original plan for the ground floor. Changes to the design are being made for a planning application to be submitted shortly followed by tenders. Construction works are expected to proceed next year.
167. The construction of five new 3-bed shared ownership dwellings at land to the rear of 113-127 Moorfield Road, Cowley is expected to commence in early 2021 following the appointment of the main contractor. The scheme had been paused during the pandemic.

#### New Build - Supported Housing

168. Construction of the supported housing projects at Grassy Meadow and Park View are complete and sites are operational, with some minor external works at Grassy Meadow remaining to be completed in 2020/21. Liquidated damages continue to be held against the Park View contractor for delays. Currently the total project costs are expected to come in within the revised budget pending any appeals from the contractor.

#### **HRA Programmes of Work**

169. The Works to Stock 2020/21 revised budget is £15,870k. Additional works of £2,454k are required in 2020/21 for the remediation of Packet Boat House to be managed within the

overall HRA capital programme. Works are in various stages of progress across various work streams with some schemes and planned programmes continuing into next year.

170. The major adaptations to property budget forecast is reporting an underspend of £1,000k based on anticipated demand for the year, a movement of £300k from last month.
171. The Council has been successful with an application to the Green Homes Grant Local Authority Delivery scheme for funding to provide energy efficiency upgrades to low-income homes, and has recently been awarded £3,863k from the Department for Business, Energy and Industrial Strategy. Works are being tendered to appoint contractors early in 2021 to provide loft insulation, cavity wall insulation, low energy lights and double glazing across existing Council housing.

### **HRA Capital Receipts**

172. There has been 21 Right to Buy sales of council dwellings as at the end of November 2020 for a total gross sales value of £4,284k. A further 19 sales are forecast to bring the yearly total to 40, totalling £7,990k in 2020/21.
173. In response to the ongoing situation brought about by the Covid-19 pandemic, the MHCLG announced in mid-December 2020 the extension of the deadline to spend the Right to Buy 1-4-1 capital receipts generated in 2017/18 by a further 3 months to 31<sup>st</sup> March 2021.
174. During 2020/21, some of the Right to Buy 1-4-1 capital receipts generated in 2017/18 could potentially become repayable unless the following expenditure profile is achieved: £27,950k by Q4.

## Annex A: HRA Capital Expenditure – Major Projects breakdown by scheme

Prior Years	Scheme	Unit Numbers	2020/21 Total Revised Budget	2020/21 Total Revised Forecast	2020/21 Variance	2020/21 Cost Variance	Proposed Re-phasing	Total Project Budget 2020-2025	Total Project Forecast 2020-2025	Total Project Variance 2020-2025
£'000			£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
6,859	Acol Crescent	33	711	411	(300)	(300)	0	711	411	(300)
325	Belmore Allotments	86	4,220	0	(4,220)	0	(4,220)	10,493	10,493	0
315	Maple And Poplar	34	627	300	(327)	0	(327)	6,072	6,072	0
315	Willow Tree	10	2,025	1,984	(41)	0	(41)	2,627	2,627	0
31	2 East Way	1	10	0	(10)	0	(10)	203	203	0
25	Bartram Close	2	305	0	(305)	0	(305)	305	305	0
67	34-44 Sullivan Crescent	6	41	15	(26)	0	(26)	949	949	0
363	Nelson Road	6	1,704	808	(896)	0	(896)	1,944	1,944	0
285	Great Bentley	2	236	0	(236)	0	(236)	471	471	0
39	Petworth Gardens	9	100	38	(62)	0	(62)	3,104	3,104	0
14,600	Parkview	60	786	786	0	0	0	786	786	0
20,556	Grassy Meadow	88	30	30	0	0	0	30	30	0
36	113-127 Moorfield Road	5	612	233	(379)	0	(379)	1,089	1,089	0
403	Woodside Day Centre	27	500	75	(425)	0	(425)	4,915	4,915	0
1,297	Acquisition Of Freehold Land At TCM House	28	7,774	3,460	(4,314)	0	(4,314)	7,774	7,774	0
556	Acquisition Of 2 Units At 191 Harefield Road	2	28	28	0	0	0	28	28	0
5,400	Acquisition Of 17 New Build Homes Over 3 Sites	17	265	270	5	5	0	265	270	5
0	Acquisition of New Build Flats Park Road	9	3,736	3,555	(181)	0	(181)	3,736	3,736	0
n/a	New Acquisitions and Internal Developments		17,378	17,378	0	0	0	111,605	111,605	0
<b>51,472</b>		<b>425</b>	<b>41,088</b>	<b>29,371</b>	<b>(11,717)</b>	<b>(295)</b>	<b>(11,422)</b>	<b>157,107</b>	<b>156,812</b>	<b>(295)</b>
12,943	New General Needs Housing Stock	161	36,272	27,770	(8,502)	(170)	(8,332)	141,424	141,254	(170)
3,373	New Build - Shared Ownership	116	4,000	785	(3,215)	(125)	(3,090)	14,867	14,742	(125)
35,156	New Build - Supported Housing	148	816	816	0	0	0	816	816	0
<b>51,472</b>		<b>425</b>	<b>41,088</b>	<b>29,371</b>	<b>(11,717)</b>	<b>(295)</b>	<b>(11,422)</b>	<b>157,107</b>	<b>156,812</b>	<b>(295)</b>



## Appendix D - GENERAL FUND CAPITAL PROGRAMME

175. As at Month 8 an underspend of £29,530k is reported on the 2020/21 General Fund Capital Programme of £85,537k, due mainly to re-phasing of project expenditure into future years. The 2020/21 forecast under spend is partly due to various schemes being temporarily put on hold during the Coronavirus pandemic. The forecast outturn variance over the life of the 2020/21 to 2024/25 programme is an under spend of £4,743k.
176. General Fund Capital Receipts of £7,687k are forecast for 2020/21, with a deficit of £336k in total forecast receipts to 2024/25.
177. Overall, Prudential Borrowing required to support the 2020/21 to 2024/25 capital programmes is forecast to be under budget by £1,451k. This is due to cost underspends of £4,743k, offset by a combined shortfall of £1,336k on other Council resources (capital receipts and CIL), and £1,956k grants and contributions.

### Capital Programme Overview

178. Table 19 below sets out the latest forecast outturn on General Fund capital projects, with project level detail contained in annexes A - D to this report. Forecasts for future years include capital projects and programmes of work approved by Cabinet and Council in February 2020.

**Table 21: General Fund Capital Programme Summary**

	Total Project Budget 2020-2025	Total Project Forecast 2020-2025	Total Project Variance	Movement
	£'000	£'000	£'000	£'000
Schools Programme	20,244	20,506	262	11
Major Projects	189,841	189,728	(113)	-
Programme of Works	169,388	164,496	(4,892)	(726)
General Contingency	6,657	6,657	-	
<b>Total Capital Programme</b>	<b>386,130</b>	<b>381,387</b>	<b>(4,743)</b>	<b>(715)</b>
<b>Movement</b>	<b>8</b>	<b>(707)</b>	<b>(715)</b>	

179. The 2020/21 revised budget has increased by £8k due to a contribution by Hillingdon Community Trust for the provision of play equipment at the 1st Harmondsworth Scouts Group Hut, as part of a Chrysalis project.

### Schools Programme

180. The Schools Expansions programme is reporting an overspend of £262k relating mainly to additional items of £277k requested by Ruislip High School included in the expansion, which were not in the original scope of works. Works at Ruislip High were delayed due to COVID-19 lockdown, with completion in November 2020. The movement of £11k relates to retentions for the sports pitch contractor for Vyners within the Secondary Schools programme.
181. The installation of a modular classroom at Hedgwood primary school for pupils with special educational needs has been completed for September 2020 term, funded from the Special

Provision Capital Fund. Other plans for the remainder of the grant are under feasibility review with expenditure expected to fall in future years.

182. The additional temporary classrooms budget has been re-phased into future years as it is not forecast to be required this year based on current demand for school places.

### **Major Projects**

183. Including prior years, the Major Projects programme includes £50,000k prudential borrowing to finance the housing company Hillingdon First with construction work in progress at the residential development site in South Ruislip. The budget will also finance identified potential acquisitions of development land and commencement of construction of other sites, over a number of years. One new development is expected to commence early next year.
184. The programme includes £15,970k for a major residential development at the Falling Lane site in Yiewsley which will be self-financing from the sale of discounted market sale properties. The scheme has been on hold during the Coronavirus pandemic.
185. The construction works contract for the provision of a new £30,000k leisure centre in Yiewsley/West Drayton is in the process of being re-tendered and construction works are planned to start towards the end of next year. The £2,000k refurbishment of Yiewsley and West Drayton Community Centre is in progress on site for completion in June 2021.
186. Works will commence shortly to extend the Uxbridge mortuary, following appointment of the main contractor. The revised budget is £1,900k following Cabinet approval to transfer £676k from general contingency due to increases in scope identified during the design phase.
187. The first phase of remedial works at the Battle of Britain Bunker are in progress, with further packages of works to take place next year. Works to expand the Rural Activities Garden Centre are currently on hold during the pandemic.
188. The re-provision of Hillingdon Outdoor Activity Centre project is set to re-commence shortly, with temporary facilities planned to be provided next year.
189. The new Shopping Parades Initiative programme reports an under spend of £46k as a secondment post is no longer required with lower than anticipated shop front grants at this stage, possibly impacted by Covid-19. The delivery of the programme for planned locations is under review, with public realm work paused until future Transport for London funding or other sources can be identified.
190. There are cost under spends amounting to £67k following settlement of retentions and minor items for completed projects such as the refurbishment of Bessingby FC clubhouse and Battle of Britain Visitor Centre.
191. Detailed design work is underway on the regeneration of Cranford Park, largely funded from the National Lottery Heritage Fund with Council match funding. Works are expected to start on site next year.
192. The installation of a soundscape and lighting display in the Controller's Cabin at the Battle of Britain Bunker Works has been completed are works are in progress on the creation of a new Polish Air Force exhibition, totalling £172k.

## Programmes of Works

193. The 2020/21 Transport for London programme has been severely curtailed with the previously agreed LIP grant significantly reduced due to Covid-19 and the impact it has had on TFL's finances from reduced tube fares. Following settlement between the Department for Transport and TFL for the remainder of this financial year, TFL have confirmed an allocation of £946k in respect of the 2020/21 LIP, resulting in the expenditure and grant financing shortfall reducing to £2,725k. This includes a movement of £210k in month as Network Rail have carried out sewer works at West Drayton Station themselves and will cover trial holes and design costs incurred by the Council.
194. The Department for Transport have awarded £100k Emergency Active Travel funding for measures to improve walking and cycling and support reducing use of public transport during the pandemic. A number of road safety measures funded from the HS2 Road Safety fund will be implemented this year with further works falling into next year.
195. A number of Chrysalis outdoor gyms and playgrounds projects were put on hold when the pandemic started but are now in the process of being implemented in the next few months.
196. The libraries refurbishment programme continues with five sites completed. Works are in progress at Manor Farm and Oak Farm libraries and are expected to be complete before the end of the year. The refurbishment of Hayes End library commenced in early November and Ickenham library is scheduled to commence in December. Some urgent refurbishment works within the leisure centre refurbishment programme are to be completed by December 2020.
197. Works are underway on refurbishing the Mezzanine area at the Civic Centre to enable relocation of services. A number of schemes within the Civic Centre and Property Works Programme are in various stages of progress with works continuing into next year, and £88k total under spends are reported on completed projects that commenced in 2019/20.
198. An overall under spend of £299k is reported within the Environmental and Recreational Initiatives programme, relating mainly to pollution screening works being introduced at various schools this year, with further works to be funded from future year allocations. A number of cemetery schemes are in the process of being implemented this financial year.
199. New pay and display parking payment machines will be rolled out across the borough this year, following approval of the contract award at June Cabinet. An under spend of £140k is reported on the project. Installation work is planned to be complete before Christmas.
200. Disabled Facilities Grant adaptations are forecast to under spend by £1,500k based on anticipated demand for the year, a movement of £500k in month. The grant will be able to be utilised on financing Social Care equipment capitalisation and other eligible expenditure. Private Sector Renewal Grants are also forecast to under spend by £45k, a movement of £20k in month based on current demand. The MHCLG has recently awarded the Council a further £607k DFG grant as part of a nationwide increase of £68m.
201. Works are in various stages of progress on numerous carriageway refurbishments within the Highways improvement programme with £3,920k of works completed or in progress and a further phase of works covering 28 carriageways and 42 footways, amounting to £9,005k recently approved. The term contractor is developing the programme to implement these works over the next few months.

202. Under Corporate Technology and Innovation, the project to upgrade computer hardware and transition to Windows 10/Microsoft 365 is in progress, with new laptops being rolled out to Council staff in recent weeks. The ICT equipment budget is forecast to under spend by £30k, based on existing commitments at this stage of the financial year.
203. There have been a number of COVID-19 related general equipment capitalisation items arising this year, however it is expected this will be managed from the existing approved budget. Based on existing commitments to date, the budget is forecast to under spend by £65k.
204. The remaining 2020/21 general capital contingency budget is £657k of which £100k is proposed to be allocated to a new project to enhance the Battle of Britain visitors centre.

## Capital Financing - General Fund

205. Table 22 below outlines the latest financing projections for the capital programme, with an underspend of £1,451k in the medium term reported on Prudential Borrowing.

**Table 22: General Fund Capital Programme Financing Summary**

	Revised Budget 2020/21 £'000	Forecast 2020/21 £'000	Variance £'000	Total Financing Budget 2020-2025 £'000	Total Financing Forecast 2020-2025 £'000	Total Variance £'000	Movement £'000
Council Resource Requirement							
Self Financing Schemes	11,900	6,050	(5,850)	62,160	62,160	-	-
Invest to Save Schemes	5,881	4,291	(1,590)	8,881	8,741	(140)	-
Service Provision	52,610	33,521	(19,089)	221,513	218,866	(2,647)	(22)
<b>Total Council Resources</b>	<b>70,391</b>	<b>43,862</b>	<b>(26,529)</b>	<b>292,554</b>	<b>289,767</b>	<b>(2,787)</b>	<b>(22)</b>
<b>Financed By</b>							
Capital Receipts	8,097	7,687	(410)	52,820	52,484	(336)	8
CIL	3,500	2,500	(1,000)	17,500	16,500	(1,000)	-
Prudential Borrowing	58,794	33,675	(25,119)	222,234	220,783	(1,451)	(30)
<b>Total Council Resources</b>	<b>70,391</b>	<b>43,862</b>	<b>(26,529)</b>	<b>292,554</b>	<b>289,767</b>	<b>(2,787)</b>	<b>(22)</b>
Grants & Contributions	15,146	12,145	(3,001)	93,576	91,620	(1,956)	(693)
<b>Capital Programme</b>	<b>85,537</b>	<b>56,007</b>	<b>(29,530)</b>	<b>386,130</b>	<b>381,387</b>	<b>(4,743)</b>	<b>(715)</b>
Movement	8	(1,847)	(1,855)	8	(707)	(715)	

206. Capital receipts in 2020/21 include £1,857k in sales already achieved plus two former garage sites sold at auction in October which are pending legal completion. Five other sites are planned to be auctioned between December and March 2021. The forecast includes General Fund share of Right to Buy receipts from 40 RTB sales expected this year.

207. As at the end of November 2020, a total of £843k Community Infrastructure Levy receipts have been invoiced (after administration fees), an increase in month of £204k. A shortfall of £1,000k is forecast as developer activity has been affected by Covid-19 with a subsequent impact on timing and certainty of CIL payments, although there a number of identified sites where monies are expected this financial year. Eligible expenditure exceeds the CIL forecast with spend on Highways investment, community assets through the Chrysalis Programme and other major community infrastructure such as schools meeting the criteria for application of CIL monies.

208. Forecast grants and contributions are £1,956k lower than the revised budget, due mainly to the cut to the 2020/21 TFL LIP grant, partially offset by confirmed Capital Maintenance Grant being higher than the estimate included in the capital financing budget, including a further additional award of £994k announced this summer. Forecast grants and contributions financing has reduced by £693k mainly due to further under spend on Disabled Facilities Grant and Network Rail funding.

209. Prudential Borrowing has moved favourably by £30k due mainly to minor favourable net under spend movements on Council resourced schemes.

## ANNEX A - Schools Programme

Prior Year Cost	Project	2020/21 Revised Budget	2020/21 Forecast	2020/21 Cost Variance	Forecast Re-phasing	Total Project Budget 2020-2025	Total Project Forecast 2020-2025	Total Project Variance 2020-2025	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	<b>Education and Children Services</b>										
16,032	New Primary Schools Expansions	367	361	(6)	0	367	361	(6)	361	0	0
16,868	Secondary Schools Expansions	4,781	5,049	268	0	9,571	9,839	268	9,539	300	0
0	Additional Temporary Classrooms	0	0	0	0	6,650	6,650	0	4,400	2,250	0
458	Schools SRP	411	391	0	(20)	3,416	3,416	0	0	3,416	0
0	Meadow School	240	240	0	0	240	240	0	240	0	0
<b>33,358</b>	<b>Total Schools Programme</b>	<b>5,799</b>	<b>6,041</b>	<b>262</b>	<b>(20)</b>	<b>20,244</b>	<b>20,506</b>	<b>262</b>	<b>14,540</b>	<b>5,966</b>	<b>0</b>

## APPENDIX B – Major Projects

Prior Year Cost	Project	2020/21 Revised Budget £'000	2020/21 Forecast £'000	2020/21 Cost Variance £'000	2020/21 Forecast Re-phasing £'000	Total Project Budget 2019-24 £000	Total Project Forecast 2019-24 £000	Total Project Variance 2019-24 £000	Project Forecast Financed by:		
									Council Resources £000	Government Grants £000	Other Cont'ns £000
	<b>Community Commerce &amp; Regeneration</b>										
0	New Theatre	0	0	0	0	44,000	44,000	0	42,950	0	1,050
963	New Yiewsley Leisure Centre	365	365	0	0	29,037	29,037	0	29,037	0	0
69	Yiewsley/West Drayton Comm Centre	1,500	1,535	0	35	1,931	1,931	0	1,931	0	0
773	Hillingdon Outdoor Activity Centre	250	200	0	(50)	25,727	25,727	0	0	0	25,727
0	New Museum	50	5	0	(45)	5,632	5,632	0	4,882	0	750
0	Shopping Parades Initiative	503	100	(46)	(357)	2,896	2,850	(46)	2,105	590	155
7,294	Hayes Town Centre Improvements	437	750	0	313	1,933	1,933	0	299	350	1,284
1,597	Uxbridge Change of Heart	492	492	0	0	492	492	0	438	0	54
93	Battle of Britain Underground Bunker	288	288	0	0	1,462	1,462	0	1,462	0	0
58	RAGC Expansion	94	20	0	(74)	1,356	1,356	0	1,356	0	0
7	Uxbridge Mortuary Extension	1,026	350	0	(676)	1,900	1,900	0	950	0	950
2	1 & 2 Merrimans Housing Project	10	5	0	(5)	619	619	0	619	0	0
31	Uxbridge Cemetery Gatehouse	0	0	0	0	543	543	0	543	0	0
0	Uniter Building Refurbishment	20	5	0	(15)	390	390	0	390	0	0
0	Botwell Leisure Centre Football Pitch	0	0	0	0	200	200	0	200	0	0
	<b>Planning Transportation and Recycling</b>				0	0	0	0	0	0	0
0	Cranford Park Heritage Lottery Project	308	150	0	(158)	2,597	2,597	0	215	1,783	599
	<b>Finance Property and Business Services</b>				0	0	0	0	0	0	0
6,871	Housing Company Financing	11,750	6,000	0	(5,750)	43,129	43,129	0	43,129	0	0
250	Yiewsley Site Development	150	50	0	(100)	15,970	15,970	0	15,970	0	0
0	Belmore Allotments Development	0	0	0	0	4,605	4,605	0	3,061	0	1,544
0	Purchase of Uxbridge Police Station	0	0	0	0	5,000	5,000	0	5,000	0	0
1,485	Bessingby Football/Boxing Clubhouse	111	56	(55)	0	111	56	(55)	56	0	0
2,552	Cedars and Grainges Car Park	119	119	0	0	119	119	0	119	0	0
6,761	Battle of Britain Visitors Centre	20	8	(12)	0	20	8	(12)	8	0	0
0	Battle of Britain Enhancements	172	172	0	0	172	172	0	172	0	0
<b>28,806</b>	<b>Total Major Projects</b>	<b>17,665</b>	<b>10,670</b>	<b>(113)</b>	<b>(6,882)</b>	<b>189,841</b>	<b>189,728</b>	<b>(113)</b>	<b>154,892</b>	<b>2,723</b>	<b>32,113</b>

## ANNEX C - Programme of Works

Prior Year Cost	Project	2020/21 Revised Budget	2020/21 Forecast	2020/21 Cost Variance	Forecast Re-phasing	Total Project Budget 2020-2025	Total Project Forecast 2020-2025	Total Project Variance 2020-2025	Project Forecast Financed by:		
									Council Resources	Government Grants	Other Cont'ns
£'000		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
N/A	School Building Condition Works	4,706	3,090	0	(1,616)	10,906	10,906	0	1,616	8,315	975
N/A	Sports Clubs Rebuild / Refurbishments	750	193	0	(557)	3,750	3,750	0	3,750	0	0
N/A	Bowls Clubs Refurbishments	556	531	0	(25)	556	556	0	556	0	0
N/A	Leisure Centre Refurbishment	1,946	183	0	(1,763)	3,097	3,097	0	3,097	0	0
N/A	Libraries Refurbishment Programme	2,320	1,577	0	(743)	2,320	2,320	0	2,252	0	68
N/A	Youth Provision	1,620	50	0	(1,570)	3,620	3,620	0	3,620	0	0
N/A	Harlington Road Depot Improvements	586	260	0	(326)	586	586	0	586	0	0
N/A	Property Works Programme	3,227	2,190	(24)	(1,013)	8,986	8,962	(24)	8,937	25	0
N/A	Civic Centre Works Programme	5,156	2,162	(64)	(2,930)	8,177	8,113	(64)	8,113	0	0
N/A	CCTV Programme	284	344	0	60	384	384	0	384	0	0
N/A	Highways Structural Works	15,684	12,570	0	(3,114)	47,684	47,684	0	47,684	0	0
N/A	HS2 Road Safety Fund	645	210	0	(435)	645	645	0	0	0	645
N/A	Transport for London	4,188	1,302	(2,725)	(161)	17,590	14,865	(2,725)	0	14,664	201
N/A	Emergency Active Travel	100	100	0	0	100	100	0	0	100	0
N/A	Street Lighting Replacement	924	781	0	(143)	2,403	2,403	0	2,283	0	120
N/A	Road Safety	310	200	0	(110)	910	910	0	910	0	0
N/A	Disabled Facilities Grant	2,852	1,352	(1,500)	0	14,260	12,760	(1,500)	0	12,760	0
N/A	Equipment Capitalisation - Social Care	2,359	2,359	0	0	11,795	11,795	0	2,824	8,971	0
N/A	PSRG/LPRG	100	55	(45)	0	500	455	(45)	450	5	0
N/A	Homeless Provision	190	190	0	0	190	190	0	0	190	0
N/A	Corporate Technology and Innovation	3,984	3,492	(30)	(462)	7,440	7,410	(30)	7,410	0	0
N/A	Environmental/Recreational Initiatives	1,405	966	(299)	(140)	2,905	2,606	(299)	821	40	1,745
N/A	Playground Replacement Programme	170	170	0	0	420	420	0	420	0	0
N/A	Equipment Capitalisation – General	765	700	(65)	0	3,825	3,760	(65)	3,760	0	0
N/A	Leader's Initiative	356	49	0	(307)	1,156	1,156	0	1,156	0	0
N/A	Car Park Pay & Display Machines	1,040	900	(140)	0	1,040	900	(140)	900	0	0
N/A	Purchase of Vehicles	2,960	750	0	(2,210)	7,022	7,022	0	7,022	0	0
N/A	Chrysalis Programme	1,135	925	0	(210)	5,135	5,135	0	5,127	0	8
N/A	Section 106 Projects	540	430	0	(110)	540	540	0	0	0	540
N/A	Devolved Capital to Schools	558	558	0	0	1,446	1,446	0	0	1,159	287
	<b>Total Programme of Works</b>	<b>61,416</b>	<b>38,639</b>	<b>(4,892)</b>	<b>(17,885)</b>	<b>169,388</b>	<b>164,496</b>	<b>(4,892)</b>	<b>113,678</b>	<b>46,229</b>	<b>4,589</b>

## Appendix E – Treasury Management Report as at 30<sup>th</sup> November 2020

**Table 23: Outstanding Deposits – Average Rate of Return 0.14%**

Period	Actual (£m)	Actual (%)	Benchmark (%)
Call Accounts and MMF's*	48.3	53.31	70.00
Up to 1 Month Fixed-Term Deposits	27.3	30.13	
Over 1 Month Fixed-Term Deposits	0.0	0.00	0.00
<b>Total</b>	<b>75.6</b>	<b>83.44</b>	<b>70.00</b>
Strategic Pooled Funds	15.0	16.56	30.00
<b>Total</b>	<b>48.3</b>	<b>53.31</b>	<b>70.00</b>
	27.3	30.13	

\*Money Market Funds

210. Deposits are held with UK institutions, all of which hold a minimum A- Fitch (or lowest equivalent) long-term credit rating and AAA rated Money Market funds. UK deposits are currently held in NatWest Bank plc, Santander UK plc and the DMADF. There is also an allocation to Strategic Pooled Funds.
211. The average rate of return on day-to-day operational treasury balances is 0.14%. As part of the Council's investment strategy for 20/21, the Council continues to hold a total of £15m in three long-dated strategic pooled funds (£5m in each). The strategic pooled funds have a 3-5 year investment horizon with dividends being distributed periodically.
212. The Council aims to minimise its exposure to bail-in risk by utilising bail-in exempt instruments and institutions whenever possible. However, due to the significant amount held in instant access facilities, which is needed to manage daily cashflow, it is not possible to fully protect Council funds from bail-in risk. At the end of November, 64% of the Council's day-to-day operational treasury investments had exposure to bail-in risk compared to a September benchmark average of 64% in the Local Authority sector (latest benchmark provided quarterly by the Council's treasury advisors Arlingclose). The Council's exposure reduces to 0% once instant access facilities are excluded from the total bail-in percentage.
213. Liquidity was maintained throughout November by placing surplus funds in instant access accounts and making short-term deposits with the DMADF with maturities matched to cash outflows. In addition, £15m of forward dated short-term temporary borrowing reached settlement. Due to a change in the profiling of £30m of COVID-19 income compared to the cashflow forecast and approximately £19m of unexpected grant income being received, cash balances were well above minimum levels by the end of November. These cashflow adjustments have also resulted in our borrowing requirement being deferred until the end of 20/21.

**Table 24: Outstanding Debt - Average Interest Rate on Debt: 3.23%**  
**Average Interest Rate on Temporary Borrowing: 0.44%**

	Actual (£m)	Actual (%)
<b>General Fund</b>		
PWLB	45.43	14.64
Long-Term Market	15.00	4.83
Temporary	80.00	25.79
<b>HRA</b>		
PWLB	136.82	44.10
Long-Term Market	33.00	10.64
<b>Total</b>	<b>310.25</b>	<b>100.00</b>

214. There was a scheduled EIP debt repayment during November of £0.33m. Gilt yields increased during the first half of the month but fell again towards the end. Furthermore, on 25 November, the outcome of the PWLB consultation was announced, the PWLB reduced their margin over gilts by 1% to 0.8%. With the Council's long-term borrowing need and with restrictive premiums, early repayment of debt remains unfeasible.

215. There were no breaches of the Prudential Indicators or non-compliance with the Treasury Management Policy and Practices. In order to maintain liquidity for day-to-day business operations during December, cash balances will be placed in instant access accounts and short-term deposits. In addition, £15m of forward dated temporary borrowing will reach settlement. This borrowing had been arranged prior to the change of profiling of COVID 19 income and receipt of the additional income and during November.

## Appendix F – Consultancy and agency assignments over £50k approved under delegated authority

217. The following Agency staff costing over £50k have been approved under delegated powers by the Chief Executive in consultation with the Leader and are reported here for information. Social Care Agency approvals were approved for 2 months in the Month 7 report to ensure continuity over the Christmas and New Year period hence the smaller list of approvals this month.

**Table 25: Consultancy and agency assignments**

Post Title	Original Start Date	Approved From	Proposed End Date	Previous Approval £'000	Approved £'000	Total £'000
<b>Finance</b>						
Senior Advocate Lawyer ASC & ECS	18/01/2021	18/01/2021	18/01/2022	0	95	95
<b>Environment, Education &amp; Community Services</b>						
Housing Options and Homeless Prevention Officers x2	24/09/2018	21/12/2020	04/04/2021	138	31	169
Private Sector Housing Officer	24/06/2019	28/12/2020	04/04/2021	88	18	105
Private Sector Housing Officer x2	04/02/2019	14/12/2020	04/04/2021	316	58	374
Senior Environmental Health Officer x2	14/12/2020	14/12/2020	04/04/2021	0	63	63
Housing Lawyer	07/07/2014	23/12/2020	22/06/2021	381	33	414
Homeless Prevention Caseworker	20/05/2019	07/12/2020	07/03/2021	81	13	94
Virtual School Officer	25/11/2019	04/01/2021	29/03/2021	75	13	88
Domestic Abuse Programme Lead	28/08/2017	30/11/2020	04/04/2021	293	23	316

## **Appendix G - Disposal of Charity Waste – Revisions to Fees and Charges**

### **Recommendation**

That Cabinet endorse the change in charity waste disposal fees as set out below.

### **Reasons for Recommendation**

In March 2017, the Residents' and Environmental Services Policy Overview Committee reviewed and reported on the disposal of charity shop waste at the New Years Green Lane Civic Amenity Site ("NYGL").

The position has progressed since the 2017 Residents' and Environmental Services Policy Overview Committee review was undertaken. It is believed that a simpler and cleaner approach would be to avoid any reference to tonnage limits which, in any event, are not referred to in the 2012 Controlled Waste (England and Wales) Regulations.

It is now proposed to implement the legislation with charities using NYGL and to allow any waste coming from a charity with a shop or reuse purpose to dispose of all and any *household waste* free of charge.

Any other type of charity waste will be charged at the prevailing disposal cost levied to all other traders (for both waste and recycling streams).

The introduction of a request to view a Waste Transfer Note at NYGL for all incoming loads will establish where the source of the waste and hence whether the load should be free or chargeable, dependent on the originating charity premises.

Although all our charities currently using NYGL are located within the borough, it should be noted that any charities outside our borough wanting to dispose of their waste should be treated (and charged) in the same way.

### **Proposed Fees and Charges for charity waste**

To comply with the 2012 regulations, charges are proposed to be applied categorising charity waste as follows:

- All material described as household waste - from a charity shop or for reuse purposes - may be disposed of free of charge.
- All other waste from a charity source should be charged at the prevailing "trade" rate. This includes waste generated from charity head offices or from local traders operating as charities' "recommended" traders.

Type of Fee / Charge	Current Charge	Proposed Charge
Waste qualifying as "household waste" from a charity shop or for reuse purposes.	No charge	No charge
All other waste from a charity source (including waste from head offices or local traders operating as charities' recommended traders) - <b>residual or mixed waste</b>	No charge	£209 per tonne
All other waste from a charity source (including waste from head offices or local traders operating as charities' recommended traders) - <b>recycling waste only</b>	No charge	£82 per tonne