

Tendring **District Council**



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix A	A summary of the overall position by Portfolio/Committee split by GF and HRA
Appendix B	An analysis by Department of all General Fund Revenue budgets.
Appendix C	An analysis of Housing Revenue Account Revenue budgets.
Appendix D	The position to date for General Fund and HRA capital projects.
Appendix E	Collection Performance
Appendix F	Treasury activity.
Appendix G	Income from S106 Agreements.
Appendix H	Proposed Adjustments to the Budget

Financial Performance Report In-Year Performance as at end of:

December 2020

(The variance figures set out in these appendices that are presented in brackets represent either a net underspend to date position or additional income received to date)

Financial Performance Report - Executive Summary as at the end of December 2020

The tables below show the summary position for the General Fund, Housing Revenue Account, Capital, Collection Performance and Treasury Activity.

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	0	138,135	139,979	1,844
Corporate Services	(25,669,370)	(14,685,322)	(26,317,685)	(11,632,363)
Operational Services	18,162,000	8,992,820	8,482,402	(510,418)
Planning and Regeneration	7,507,370	1,694,170	967,993	(726,176)
Total General Fund	0	(3,860,198)	(16,727,310)	(12,867,112)

Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Total HRA	0	(6,132,277)	(6,231,525)	(99,249)

Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	10,670,040	1,534,036	1,549,195	15,159
Housing Revenue Account	5,654,440	3,235,555	3,044,263	(191,292)
Total Capital	16,324,480	4,769,591	4,593,458	(176,133)

Collection Performance

	Collected to Date Against Collectable Amount
Council Tax	77.96%
Business Rates	80.82%
Housing Rents	96.95%
General Debt	83.30%

Treasury

	£'000
Total External Borrowing	38,888
Total Investments	75,097

Revenue Budget Position at the end of December 2020

General Fund Portfolio / Committee Summary

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £
Leader	4,482,540	1,301,707	659,644	(642,064)
Corporate Finance and Governance	570,960	(4,232,934)	(14,587,334)	(10,354,400)
Environment and Public Space	7,745,390	3,512,549	3,362,999	(149,551)
Housing	3,429,490	2,791,421	1,436,925	(1,354,496)
Partnerships	1,312,210	377,263	394,775	17,512
Business and Economic Growth	3,690,550	194,052	138,513	(55,539)
Leisure and Tourism	7,350,740	2,283,568	1,970,463	(313,106)
Budgets Relating to Non Executive Functions	799,190	181,567	222,292	40,724
	29,381,070	6,409,194	(6,401,726)	(12,810,919)
Revenue Support for Capital Investment	3,707,230	0	0	0
Financing Items	(3,346,130)	1,894,735	1,838,554	(56,182)
Budget Before use of Reserves	29,742,170	8,303,929	(4,563,172)	(12,867,101)
Contribution to / (from) earmarked reserves	(15,160,550)	0	0	0
Total Net Budget	14,581,620	8,303,929	(4,563,172)	(12,867,101)
Funding:				
Business Rates Income	(4,438,020)	(4,475,531)	(4,475,538)	(7)
Revenue Support Grant	(428,790)	(325,883)	(325,883)	0
Collection Fund Surplus	(1,360,420)	(1,088,336)	(1,088,336)	0
Income from Council Tax Payers	(8,354,390)	(6,274,377)	(6,274,381)	(4)
Total	0	(3,860,198)	(16,727,310)	(12,867,112)

Revenue Budget Position at the end of December 2020

HRA Portfolio Summary

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £
Housing	(1,825,700)	(6,132,277)	(6,231,525)	(99,249)
	(1,825,700)	(6,132,277)	(6,231,525)	(99,249)
Revenue Support for Capital Investment	280,820	0	0	0
Financing Items	1,711,210	0	0	0
Budget Before use of Reserves	166,330	(6,132,277)	(6,231,525)	(99,249)
Contribution to / (from) earmarked reserves	(166,330)	0	0	0
Total	0	(6,132,277)	(6,231,525)	(99,249)

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

Department - Office of Chief Executive

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	178,550	133,913	134,894	982	44,637	
Transport Related Expenditure	2,820	2,115	64	(2,051)	705	
Supplies & Services	2,810	2,108	5,021	2,913	702	
Total Direct Expenditure	184,180	138,135	139,979	1,844	46,045	
Net Direct Costs	184,180	138,135	139,979	1,844	46,045	
Net Indirect Costs	(184,180)	0	0	0	(184,180)	
Total for Office of Chief Executive	0	138,135	139,979	1,844	(138,135)	

Department - Office of Chief Executive

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Chief Executive	0	138,135	139,979	1,844	
Total for Office of Chief Executive	0	138,135	139,979	1,844	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	9,885,340	5,914,703	5,853,711	(60,992)	3,970,637	
Premises Related Expenditure	609,900	505,830	504,501	(1,329)	104,070	
Transport Related Expenditure	104,870	92,532	69,741	(22,792)	12,338	
Supplies & Services	63,645,800	40,656,017	36,111,040	(4,544,976)	5,754,843	
Transfer Payments	46,698,960	29,225,380	27,898,527	(1,326,853)	17,473,580	
Interest Payments	20,460	11,378	5,968	(5,409)	9,083	
Total Direct Expenditure	120,965,330	76,405,839	70,443,488	(5,962,351)	27,324,551	
Direct Income						
Government Grants	(109,141,600)	(77,304,513)	(83,148,169)	(5,843,655)	(18,492,497)	
Other Grants, Reimbursements and Contributions	(1,353,470)	(1,119,860)	(911,789)	208,072	(233,610)	
Sales, Fees and Charges	(144,730)	(90,177)	(81,531)	8,645	(43,623)	
Rents Receivable	(650)	(522)	(265)	257	(128)	
Interest Receivable	(489,280)	(411,962)	(451,860)	(39,898)	(77,318)	
RSG, Business Rates and Council Tax	(14,581,620)	(12,164,127)	(12,164,138)	(11)	(2,417,493)	
Total Direct Income	(125,711,350)	(91,091,161)	(96,757,751)	(5,666,590)	(21,264,669)	
Net Direct Costs	(4,746,020)	(14,685,322)	(26,314,263)	(11,628,941)	6,059,882	
Net Indirect Costs	(5,762,800)	0	(3,422)	(3,422)	(5,654,940)	
Net Contribution to/(from) Reserves	(15,160,550)	0	0	0	(15,160,550)	
Total for Corporate Services	(25,669,370)	(14,685,322)	(26,317,685)	(11,632,363)	(14,755,608)	

Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Deputy Chief Executive and Administration	5,170	170,585	103,802	(66,782)	
Total for Governance and Legal Services	69,520	289,998	216,383	(73,614)	Costs were awarded in favour of the Council following the successful outcome of the fraudulent trading case associated with the Princes Theatre.
Total for Finance, Revenues and Benefits	1,588,750	796,642	(505,747)	(1,302,389)	The primary reason for the variance to date is due to housing benefit payments to claimants being lower than budgeted, although this will be addressed as part of the year end subsidy arrangements. However please see Appendix H for two adjustments associated with the reduction in income from court costs and expenditure on personal protective equipment, both associated with the on-going impact from COVID 19.
Total for Finance - Other Corporate Costs	(423,610)	(9,467,869)	(19,503,871)	(10,036,002)	The primary reason for the variance to date is the timing of the payment of the various COVID related business grants which will be subject to a final reconciliation at the end of the year. The variance also reflects income from the Government to support the various COVID 19 business rate reliefs along with the impact of COVID 19 on the council tax sharing agreement - please see the main body of the report for further information relating to these two items.

Department - Corporate Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Total for Finance - Financing Items	(15,357,290)	2,291,200	2,284,445	(6,755)	
Total for Finance - RSG, Business Rates and Council Tax	(14,581,620)	(12,164,127)	(12,164,138)	(11)	
Total for Property Services	405,410	361,904	394,874	32,970	
Total for People, Performance and Projects	766,770	568,846	605,421	36,575	
Total for IT and Corporate Resilience	551,960	1,658,155	1,490,066	(168,089)	Variations in this service area continue to broadly reflect the timing of the delivery of a number of projects and initiatives associated with various strands of the digital transformation project.
Total for Democratic Services	1,305,570	809,345	761,081	(48,264)	
Total for Corporate Services	(25,669,370)	(14,685,322)	(26,317,685)	(11,632,363)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	10,525,110	7,806,168	7,977,249	171,081	2,689,482	
Premises Related Expenditure	3,485,650	2,660,668	2,423,717	(236,950)	803,967	
Transport Related Expenditure	521,830	279,354	343,107	63,753	173,806	
Supplies & Services	4,734,790	2,632,125	2,352,378	(279,747)	2,058,345	
Third Party Payments	5,124,660	2,992,202	3,055,231	63,030	2,132,458	
Transfer Payments	500,390	375,293	355,034	(20,259)	125,097	
Total Direct Expenditure	24,892,430	16,745,809	16,506,717	(239,093)	7,983,156	
Direct Income						
Government Grants	(1,412,430)	(1,088,670)	(1,088,667)	3	(323,760)	
Other Grants, Reimbursements and Contributions	(1,445,760)	(828,205)	(982,837)	(154,632)	(610,685)	
Sales, Fees and Charges	(7,021,790)	(5,165,170)	(4,922,803)	242,367	(1,856,620)	
Rents Receivable	(329,000)	(252,029)	(320,397)	(68,368)	(76,971)	
Direct Internal Income	(487,540)	(418,915)	(709,610)	(290,695)	(68,625)	
Total Direct Income	(10,696,520)	(7,752,989)	(8,024,314)	(271,325)	(2,936,661)	
Net Direct Costs	14,195,910	8,992,820	8,482,402	(510,418)	5,046,495	
Net Indirect Costs	3,966,090	0	0	0	3,966,090	
Total for Operational Services	18,162,000	8,992,820	8,482,402	(510,418)	9,012,585	

Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director and Administration Operational Services	618,420	253,292	268,567	15,274	
Total for Public Realm	2,146,110	676,545	697,986	21,442	As highlighted at the end of the previous quarter, income was lower than budgeted at the Crematorium due to a fire at the facility earlier in the year which resulted in the closure of the facility for 6 weeks. This loss of income has not recovered so far to date, with income lower than expected by £150k. This is in addition to reduced income across cemeteries of £42k. Based on the most up to date figures, this is likely to be the position that remains at the end of the year. However increased parking income is likely to partly offset the overall variance as it is running ahead of the profiled budget by £52k at the end of Q3.
Total for Customer and Commercial Services	592,060	834,576	908,165	73,589	The position to date primarily reflects reduced income from licencing activities along with invoices still to be raised in respect of Careline services.
Total for Sports and Leisure	4,398,510	1,481,660	1,115,406	(366,254)	Please see the main body of the report for additional information relating to leisure facilities and the Government's sales, fees and charges compensation scheme.
Total for Housing and Environmental Health	2,894,970	1,448,005	1,362,255	(85,750)	The variance to date primarily reflects the vacancy position within employee costs.

Department - Operational Services

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Total for Building and Engineering	7,511,930	4,298,742	4,130,023	(168,719)	Recycling credit income remains ahead of the profile - £115k at the end of Q3, reflecting the continuation of increased recycling rates. In addition, a number of underspends remain against the general office accommodation budget which would be expected given many officers are working from home.
Total for Operational Services	18,162,000	8,992,820	8,482,402	(510,418)	

Corporate Budget Monitoring - General Fund Budget Position at the end of December 2020

Department - Planning and Regeneration

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	2,484,970	1,832,895	1,593,202	(239,693)	652,075	
Premises Related Expenditure	28,970	24,780	18,943	(5,837)	4,190	
Transport Related Expenditure	35,300	26,475	8,800	(17,675)	8,825	
Supplies & Services	5,678,970	1,112,095	794,952	(317,143)	4,566,875	
Third Party Payments	870	0	0	0	870	
Total Direct Expenditure	8,229,080	2,996,245	2,415,897	(580,348)	5,232,835	
Direct Income						
Government Grants	(17,500)	(17,500)	(17,506)	(6)	0	
Other Grants, Reimbursements and Contributions	(147,500)	(87,500)	(92,212)	(4,712)	(60,000)	
Sales, Fees and Charges	(1,486,460)	(1,156,003)	(1,285,203)	(129,201)	(330,458)	
Rents Receivable	(52,880)	(41,073)	(52,983)	(11,910)	(11,807)	
Total Direct Income	(1,704,340)	(1,302,076)	(1,447,903)	(145,828)	(402,265)	
Net Direct Costs	6,524,740	1,694,170	967,993	(726,176)	4,830,570	
Net Indirect Costs	982,630	0	0	0	982,630	
Total for Planning and Regeneration	7,507,370	1,694,170	967,993	(726,176)	5,813,200	

Department - Planning and Regeneration

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Corporate Director	0	80,293	22,653	(57,639)	
Total for Planning and Customer Services	70,550	1,318,670	1,007,770	(310,900)	As has been the case in previous quarters, the variance to date is primarily against employee budgets which are proposed to be used to support the cost of agency staff over the remainder of the year. (See Appendix H)
Total for Planning and Development	1,796,970	(741,607)	(498,628)	242,979	There are two main variances at the end of Q3. 1) There has been a continued use of agency staff, the cost of which is being funded via the vacancy savings highlighted within the budget line above. 2) Planning appeal costs are running ahead of the budget by £201k. A budget adjustment is set out in Appendix H where it is proposed to meet this additional cost via the use of increased planning income (£154k), with the balance met from transfers from other budgets within the Planning Service.
Total for Planning Policy	1,177,760	582,387	27,181	(555,206)	The position to date primarily reflects the timing of expenditure associated with the development of the Local Plan.
Total for Building Control	254,180	8,402	25,633	17,230	
Total for Regeneration	4,207,910	446,025	383,385	(62,640)	
Total for Planning and Regeneration	7,507,370	1,694,170	967,993	(726,176)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of December 2020

Housing Revenue Account

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Next Quarters Profile £	Comments
<u>Analysis by Type of Spend</u>						
Direct Expenditure						
Employee Expenses	1,137,880	532,545	493,117	(39,428)	605,335	
Premises Related Expenditure	3,602,810	2,621,818	2,481,625	(140,193)	980,992	
Transport Related Expenditure	23,870	17,902	9,500	(8,403)	5,968	
Supplies & Services	613,920	307,869	254,749	(53,120)	306,051	
Third Party Payments	1,030	773	0	(773)	258	
Transfer Payments	17,000	12,750	23,750	11,000	4,250	
Interest Payments	1,358,430	634,620	634,630	10	723,810	
Total Direct Expenditure	6,754,940	4,128,277	3,897,371	(230,906)	2,626,663	
Direct Income						
Government Grants	0	0	0	0	0	
Other Grants, Reimbursements and Contributions	(8,440)	(330)	(6,390)	(6,060)	(8,110)	
Sales, Fees and Charges	(539,380)	(399,695)	(422,662)	(22,967)	(139,685)	
Rents Receivable	(13,117,260)	(9,860,530)	(9,699,845)	160,685	(3,256,731)	
Interest Receivable	(51,600)	0	0	0	(51,600)	
Total Direct Income	(13,716,680)	(10,260,554)	(10,128,896)	131,658	(3,456,126)	
Net Direct Costs	(6,961,740)	(6,132,277)	(6,231,525)	(99,249)	(829,463)	
Net Indirect Costs	7,128,070	0	0	0	7,128,070	
Net Contribution to/(from) Reserves	(166,330)	0	0	0	(166,330)	
Total for HRA	0	(6,132,277)	(6,231,525)	(99,249)	6,132,277	

Housing Revenue Account

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Finance - Financing Items	1,992,030	0	0	0	
Total for Corporate Director and Administration Operational Services	660,090	52,574	49,625	(2,949)	
Total for Customer and Commercial Services	4,000	(69,000)	(93,017)	(24,017)	
Total for Housing and Environmental Health	(6,545,060)	(8,405,520)	(8,301,461)	104,058	The position to to date reflects current void losses as highlighted earlier in the year and as part of the 2021/22 HRA budget. Work remains ongoing to reduce the level of voids to 2% from the current rate of approximately 4%. Please see main body of the report for further information.
Total for Building and Engineering	3,888,940	2,289,669	2,113,328	(176,341)	This primarily reflects the timing of expenditure against this budget. However, please see additional comments within the main body of the report in respect of the Engineering Services who provide in-house repairs work.
Total for HRA	0	(6,132,277)	(6,231,525)	(99,249)	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Expenditure						
Business and Economic Growth Portfolio						
SME Growth Fund Capital Grants	43,250	43,250	0	0	0	
Starlings and Milton Road Redevelopment	1,556,380	1,556,380	551,990	551,988	(2)	Work remains in progress with the project planned to be completed in 2021/22.
Total for Business and Economic Growth Portfolio	1,599,630	1,599,630	551,990	551,988	(2)	
Corporate Finance and Governance Portfolio						
Information and Communications Technology Core Infrastructure	345,040	180,040	49,160	49,161	1	
Agresso e-procurement	84,000	84,000	0	0	0	
Enhanced Equipment replacement - Printing and Scanning	6,210	2,600	0	0	0	
Office Rationalisation	247,240	247,240	70,799	70,793	(6)	Work will continue throughout the financial year towards the completion of the project in 2021.
Total for Corporate Finance and Governance Portfolio	682,490	513,880	119,959	119,954	(5)	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Environment and Public Space Portfolio						
Cranleigh Close, Clacton, landscaping works	1,830	1,830	0	0	0	Orders for final works placed, due to be carried out in 2021.
Environmental Health Database Migration	5,250	5,250	0	0	0	
Laying Out Cemetery	154,650	154,650	4,400	4,400	0	Ecology surveys are due to be completed in line with planning requirements.
Crematorium and Cemeteries Road Works	31,580	31,580	31,580	31,583	3	Works Complete.
Bath House Meadow Play Area, Walton	6,580	6,580	6,580	6,582	2	Works Complete.
Resurfacing Works, Off Valley Road	6,130	6,130	310	313	3	Landscaping works planned for first half of 2021.
Bath House Meadow Security Measures	16,610	16,610	11,040	11,043	3	Remaining works planned for first half of 2021.
Clacton Multi-Storey car park repairs	180,000	180,000	0	0	0	Tender process planned for February / March 2021.
Public Convenience Works	40,000	40,000	0	0	0	Works planned for first half of 2021, with current budget earmarked for demolition of site at Mill Lane.
Works at Halstead Road Play Area, Kirby	100,850	100,850	93,620	93,623	3	Final landscaping works underway.
Total for Environment and Public Space Portfolio	543,480	543,480	147,530	147,544	14	

Corporate Budget Monitoring - General Fund Capital Programme

Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Housing Portfolio						
Replacement of High Volume Printers	29,000	29,000	0	0	0	
Careline - Replacement Telephone System	21,860	21,860	3,970	5,991	2,021	
Replacement Scan Stations	12,000	12,000	0	0	0	
Housing in Jaywick	464,230	464,230	890	888	(3)	Plans for development/regeneration remain in progress.
Private Sector Renewal Grants/Financial Assistance Loans	297,150	297,150	8,470	8,470	0	
Disabled Facilities Grants	7,960,120	5,689,120	554,477	557,214	2,737	
Private Sector Financial Assistance Grants	18,090	18,090	18,090	18,095	5	
Private Sector Leasing	75,660	75,660	0	0	0	
Empty Homes funding	152,220	152,220	0	0	0	This project remains subject to review to identify alternative options / opportunities as part of the Council's wider investment plans.
Total for Housing Portfolio	9,030,330	6,759,330	585,897	590,658	4,760	

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of December 2020

	Total Budget Allocated to Scheme* £	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Leisure and Tourism Portfolio						
Replacement of beach hut supports - The Walings	11,620	0	0	0	0	
Princes Theatre Toilets	40,000	40,000	40,000	50,391	10,391	Project completed as part of office transformation - please see Appendix H for proposed budget adjustment to meet the revised cost.
Town Centre Fountain	159,080	159,080	0	0	0	
CLC - Spa and Wetside Re-development	521,480	521,480	30,140	30,143	3	Tenders now received - please see Appendix H for proposed increase to the budget
New Beach Huts	64,600	64,600	0	0	0	Project awaiting completion of lease agreement before building of huts can commence.
Cliff Stabilisation Scheme	438,630	438,630	58,520	58,518	(2)	Additional drainage works now complete, with remaining budget available to support repairs at failed cliff sites at Russel Road, Cliff Road and York Road. Please see Appendix H for associated budget adjustment.
Marine Parade West Clacton Cliff Works	29,930	29,930	0	0	0	Works complete - scheme delivered at a lower cost than originally anticipated. Please see Appendix H for proposed reprioritisation of the unspent budget.
Total for Leisure and Tourism Portfolio	1,265,340	1,253,720	128,660	139,052	10,392	
Total Approved General Fund Capital	13,121,270	10,670,040	1,534,036	1,549,195	15,159	

* This is current and future years budget where a scheme has been profile into future years

Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of December 2020

	2020/21 Current Full Year Budget £	2020/21 Profiled Budget to date £	2020/21 Actual to date £	2020/21 Variance to Profile £	Comments
Improvements, enhancement & adaptation of the Council's housing stock	2,696,410	1,224,360	1,043,739	(180,621)	The programme has been impacted by the Covid 19 restrictions, especially the 'lockdown' period at the start of the financial year.
IT Upgrade & Replacement	20,000	20,000	2,133	(17,867)	
Disabled Adaptations	420,000	301,895	112,158	(189,737)	
Acquisitions - 1-4-1 Capital Receipts	310,000	310,000	317,210	7,210	
Acquisitions - Section 106	340,300	340,300	261,029	(79,271)	
Cash Incentive Scheme	60,000	0	0	0	
New Build Initiatives and Acquisitions	607,730	0	0	0	
Jaywick Sands - New Build/Starter Homes	1,200,000	1,200,000	1,304,814	104,814	Please see Appendix H for the proposed adjustment to cover the outstanding costs of this project.
Total Housing Revenue Account Capital Programme	5,654,440	3,235,555	3,044,263	(191,292)	

New-Build and Acquisitions - Subject to 1-4-1 Pooling Retained Receipts Regulations

	Required Expenditure to meet MHCLG Target				Remaining Expenditure Required to Meet MHCLG Target
MHCLG Target Date for Expenditure	30 % 1-4-1 Receipts to Retain from MHCLG £	70 % Expenditure Required by TDC £	Total Expenditure Required to Retain Receipts £	Total Actual Expenditure by TDC £	Total Expenditure £
31/12/2019	30,646	71,506	102,152	102,152	0
31/03/2020	124,070	289,496	413,566	413,566	0
30/06/2020	82,820	193,246	276,066	276,066	0
30/09/2020	160,839	375,291	536,130	536,130	0
31/12/2020	381,031	889,074	1,270,105	1,270,105	0
31/03/2021	45,057	105,136	150,193	150,193	0
30/09/2022	224,947	524,876	749,823	339,917	409,906
31/12/2022	113,411	264,626	378,037	0	378,037
31/03/2023	44,544	103,936	148,480	0	148,480
30/09/2023	49,975	116,609	166,584	0	166,584
31/12/2023	477	1,112	1,589	0	1,589
Cumulative Expenditure	1,257,817	2,934,908	4,192,725	3,088,129	1,104,596

Collection Performance : Position at the end of December 2020

The collection performance against Council tax, Business Rates, Housing Rents and General Debt collection are set out below.

Council Tax			Business Rates																																
<table border="1"> <caption>Council Tax Collection Performance</caption> <thead> <tr> <th>Quarter</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Quarter 1</td> <td>29.20%</td> <td>27.79%</td> </tr> <tr> <td>Quarter 2</td> <td>55.86%</td> <td>53.20%</td> </tr> <tr> <td>Quarter 3</td> <td>82.25%</td> <td>77.96%</td> </tr> <tr> <td>Quarter 4</td> <td>96.09%</td> <td></td> </tr> </tbody> </table>			Quarter	2019/20	2020/21	Quarter 1	29.20%	27.79%	Quarter 2	55.86%	53.20%	Quarter 3	82.25%	77.96%	Quarter 4	96.09%		<table border="1"> <caption>Business Rates Collection Performance</caption> <thead> <tr> <th>Quarter</th> <th>2019/20</th> <th>2020/21</th> </tr> </thead> <tbody> <tr> <td>Quarter 1</td> <td>29.37%</td> <td>22.75%</td> </tr> <tr> <td>Quarter 2</td> <td>55.03%</td> <td>52.87%</td> </tr> <tr> <td>Quarter 3</td> <td>81.36%</td> <td>80.82%</td> </tr> <tr> <td>Quarter 4</td> <td>98.19%</td> <td></td> </tr> </tbody> </table>			Quarter	2019/20	2020/21	Quarter 1	29.37%	22.75%	Quarter 2	55.03%	52.87%	Quarter 3	81.36%	80.82%	Quarter 4	98.19%	
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Treasury Activity : Position at the end of December 2020

Key Treasury Management Performance Data and Prudential Indicators are set out below.

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	207	0	52	155	
Long Term PWLB Borrowing - HRA	40,106	0	1,373	38,733	
TOTAL BORROWING	40,313	0	1,425	38,888	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	54,900	4,770,600	4,767,300	58,200	Net investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure. This is in addition to the impact of Business Rates Covid 19 grant funding, £45m of which was received from the Government in error, but now repaid.
Investments with UK financial Institutions (including Money Market Funds)	11,560	16,337	11,000	16,897	At the end of the period, investments were held with 7 counterparties, including 2 new Money Market Funds.
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	66,460	4,786,937	4,778,300	75,097	
<i>Investments for longer than a year</i>	0	0	0	0	
TOTAL INVESTMENTS	66,460	4,786,937	4,778,300	75,097	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	13	6	6	0	The weighted average rate of interest on the Council's GF borrowing is currently 7.41%. (on an accrued basis).
Interest Paid on Borrowing - HRA	1,358	635	635	0	The weighted average rate of interest on the Council's HRA borrowing is currently 3.47%. (on an accrued basis)
Interest Received on Investments	(290)	(261)	(275)	(14)	The weighted average rate of interest being received on the Council's investments is currently 0.33%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	76,156	40,313	Borrowing has remained within approved limits.		
Operational boundary for external borrowing	67,525				

Income from S106 Agreements

Information in respect of S106 income has been split across two areas below - Where money has been formally allocated / being spent and where money remains unallocated / uncommitted.

Where related to capital schemes - see Appendix D for overall scheme progress.

ALLOCATED / BEING SPENT

Scheme Type	Amount Committed / Planned to be Spent in 2020/21 (including accrued interest as appropriate) £'000
GF Revenue Schemes	272
GF Capital Schemes	109
HRA Capital Schemes	340
TOTAL	721

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year £'000	1 to 2 Years £'000	2 to 4 Years £'000	4 years + £'000
Regeneration Programme and Other Initiatives	0	0	0	2
Affordable Housing	0	0	0	1,706
Town Centre Improvements	0	0	22	22
Cycle Facilities	0	0	0	22
Habitat Protection	0	0	0	3
Open Space*	2	28	106	1,302
TOTAL	2	28	128	3,057

* For schemes with a 'spend by' date of less than one year, this money must be spent as follows
£2,000 by October 2021

Proposed Adjustments to the Budget December 2020

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
GENERAL FUND REVENUE			
<i>The following items have no net impact on the overall budget</i>			
Planning Services - Employee Expenses	(253,830)		Use of vacancies within the service to support short term temporary staff costs.
Planning Services - Agency Staff	253,830		
Planning Appeals	201,000		Costs are being incurred to support the Council in defending appeals. This cost is proposed to be met from increased planning income being experienced so far to date along with transfers from other planning budgets.
Planning Income		(154,000)	
Other Planning Expenditure Budgets	(47,000)		
Government Grants relating to Business Rate COVID 19 Reliefs		(6,467,400)	As highlighted in the budget report considered by Council on 16 February, there will be a deficit on the collection fund in 2021/22 that will be met from grants received in 2020/21. This amount therefore needs to be carried forward via reserves.
Contribution to reserves to reflect required accounting treatment of business rates grants	6,467,400		
Back to Business Action Plan Item - 'Click it Local' Initiative	30,000		The Council is working with Essex partners to deliver an e-commerce platform to enable local independent shops and retailers to sell their goods and service via the internet and therefore compete with existing major on-line retailers. As part of approving earlier phases of the Additional Restrictions Business Grant Scheme, it was agreed to 'top-slice' an initial 10% of the associated Government grant to support such important initiatives, which is in-line with the grant conditions.
Use of Additional Restrictions Business Grant Funding	(30,000)		
Contribution to the cost of a PCSO in Harwich for a further 2 years	40,000		The Council currently supports the cost of this officer by way of a 50% contribution that is matched by Harwich Town Council. The initial 2 year period under the current arrangement comes to an end at the end of March 2021 - it is proposed to continue to support this post for a further 2 years.
Transfer from within existing salary budgets	(40,000)		

Appendix H

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
Extension of the Temporary Community Engagement Manager Post	26,000		It is proposed to extend the current Community Engagement Manager Post for a further 6 months to continue to support a number of key activities such as enforcement and work associated with delivering the Council's on-going response to COVID 19.
Transfer from within existing salary budgets	(26,000)		
<i>Total General Fund Revenue with no net impact on the overall budget</i>	6,621,400	(6,621,400)	

<i>The following items will be adjusted against the Forecast Risk Fund</i>			
Increased Income - Recycling Credits		(115,000)	This reflects the increased level of recycling within the district following the introduction of the new service in 2019. A similar adjustment was made to the 2021/22 budget that was agreed by Council on 16 February.
Increased Income - General Property Rents		(30,000)	This reflects the outcome of rent reviews undertaken during the year. Similar to the item above, this adjustment has also been made within the 2021/22 budget agreed by Council on 16 February.
Reduced Expenditure - Employee Budgets	(200,000)		To reflect current vacancy savings accrued to date
New Burdens Funding		(100,000)	Reflects new burdens funding received from the Government that is not required to be committed within the associated area of the budget.
Increased Expenditure - Additional officer capacity to support the accelerated delivery of key projects, priorities and initiatives	200,000		This proposed budget adjustment is to support the Cabinet's commitment to deliver a number of key projects and initiatives, especially those that may have been impacted by COVID 19.
Contribution to the Forecast Risk Fund	245,000		The balance of the above adjustments results in a small contribution being made to this reserve

Appendix H

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
GENERAL FUND CAPITAL			
Schemes Reprofiled			
None			
Other Changes to General Fund Capital Programme			
<p>Reprioritisation of unspent budget associated with the existing cliff stabilisation scheme</p> <p>Reprioritisation of unspent budget associated with the existing marine parade west cliff works</p> <p>Reprioritisation of existing reserve originally set aside to underwrite the residents free parking scheme which is no longer required now that this scheme has been 'built' into the revenue budgets on an on-going basis</p> <p>Initial Contribution to New Cliff Stabilisation Scheme - Clacton / Holland</p>	<p>(380,110)</p> <p>(29,930)</p> <p>631,040</p>	<p>(221,000)</p>	<p>Given the urgent works required in response to a number of cliff failures along the Clacton / Holland seafront, it is proposed to reprioritise a number of existing budgets to start to assemble the necessary funding to meet the currently expected cost of £4m for the remedial works.</p>
<p>Theatre toilets - Increased contribution to the capital programme to meet the final cost of this scheme</p> <p>Reductions in theatre revenue budgets to meet the increased cost of the theatre toilets scheme</p>	<p>10,390</p> <p>(10,390)</p>		<p>This scheme has now been finished with the final costs being in excess of amount originally budgeted for.</p>
<p>Clacton Leisure Centre Spa and Wetside Redevelopment Project</p> <p>Use of Leisure Projects Reserve</p>	<p>92,000</p>	<p>(92,000)</p>	<p>Tenders have now been returned for this scheme, with the lowest acceptable submission being £92k more than originally budgeted for. It is therefore proposed to utilise funding currently held in the leisure projects reserve to meet this increased cost. The total currently held in this reserve is £0.174m.</p>
Total General Fund Capital Adjustment - no net impact on the overall budget	313,000	(313,000)	

Appendix H

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
HRA REVENUE			
<i>The following items will be adjusted against the HRA General Balance</i>			
None			
HRA CAPITAL			
New Properties in Jaywick Sands Use of 1-4-1 capital receipts to fund above cost	104,000	(104,000)	A number of additional costs, such as security, have been incurred as part of delivering the scheme. These costs could have been charged to the revenue account and met from within existing HRA budgets, but they have been retained within the capital programme as they can be funded from 1-4-1 receipts which have to be returned to the Government if not spent by the an associated 'expiry date'.
COVID 19 FUNDING ADJUSTMENTS - MET FROM GENERAL GOVERNMENT GRANT (Tranche 4 funding of £1.116m)			
<i>Expenditure</i>			
Temporary Customer Support Assistant	13,110		Additional resources have been required with the Council's contact centre to deal with increased call numbers during the COVID 19 pandemic
General Advertising - Financial Support Schemes	10,000		Expenditure has been incurred to advertise a number of financial support schemes such as the various COVID 19 business grants
Personal Protective Equipment	27,700		There has been a need to maintain an adequate stock / supply of essential equipment to enable various services to function in a COVID secure way.
<i>Income - Amounts deemed 'lost' rather than delayed</i>			
Revenues and Benefits Income from Court Fees	200,000		As formal council tax recovery action was not undertaken during the year, no court cost fees have been collectable. There have been some offsetting costs so the figure highlighted represents the overall estimated net impact in 2020/21.
Total Use of COVID 19 Funding	250,810	0	

UPDATED LONG TERM FINANCIAL FORECAST

APPENDIX I

Line	Budget 2020/21 £	Estimate* 2021/22 £	Estimate 2022/23 £	Estimate 2023/24 £	Estimate 2024/25 £	Estimate 2025/26 £	Estimate 2026/27 £
Underlying Funding Growth in the Budget							
1 Council Tax Increase 1.99%	(0.158)	(0.166)	(0.168)	(0.171)	(0.175)	(0.178)	(0.182)
2 Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.079)	(0.076)	(0.074)	(0.071)	(0.067)	(0.064)	(0.060)
3 Growth in Business rates - Inflation	(0.110)	0.000	(0.137)	(0.139)	(0.142)	(0.145)	(0.148)
4 Growth in Business rates / council tax - general property / tax base growth	(0.365)	(0.183)	(0.198)	(0.208)	(0.219)	(0.230)	(0.242)
5 Collection Fund Surpluses b/fwd	(1.360)	6.018	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
	(2.072)	5.593	(0.676)	(0.690)	(0.703)	(0.717)	(0.732)
Net Cost of Services and Other Adjustments							
6 Reduction in RSG	(0.007)	(0.002)	0.431	0.000	0.000	0.000	0.000
7 Remove one-off items from prior year	0.013	(0.412)	0.000	0.000	0.000	0.000	0.000
8 Remove one-off items from prior year - Collection Fund Surplus	0.710	1.360	(6.018)	0.100	0.100	0.100	0.100
9 Inflation - Employee Costs (including annual review adjustments)	0.615	0.478	0.386	0.390	0.394	0.398	0.403
10 Inflation - Other	0.231	0.124	0.163	0.168	0.173	0.178	0.183
11 First / Second / Third year impact of PFH WP Savings	0.000	(0.045)	(0.045)	0.000	0.000	0.000	0.000
12 LCTS Grant To Parish Council's	0.000	0.000	(0.037)	0.000	0.000	0.000	0.000
13 Revenue Contrib. to Capital Programme	(0.045)	(0.209)	0.000	0.000	0.000	0.000	0.000
14 Specific change in Use of Reserves	1.103	(4.050)	6.045	0.000	0.000	0.000	0.000
15 On-going savings required	(0.301)	(0.239)	(0.450)	(0.450)	(0.450)	(0.450)	(0.450)
16 Unmitigated Cost Pressures	0.884	0.516	0.250	0.250	0.250	0.250	0.250
17 Other Adjustments	(1.157)	(2.065)	0.000	0.000	0.000	0.000	0.000
	2.045	(4.544)	0.725	0.458	0.467	0.476	0.485
Net Total	(0.027)	1.048	0.049	(0.232)	(0.236)	(0.241)	(0.246)
Add back Use of Reserves / Forecast Risk Fund in Prior Year	0.027	0.000	1.048	1.098	0.866	0.630	0.388
Net Budget Position	(0.000)	1.048	1.098	0.866	0.630	0.388	0.142
Use of Forecast Risk Fund to support the Net Budget Position	0.000	(1.048)	(1.098)	(0.866)	(0.630)	(0.388)	(0.142)

* See separate RAG risk assessment for further consideration of forecast risks for each line of the forecast

Use of Forecast Risk Fund to Support the Net Budget Position Above

Outturn b/fwd from prior years	(3.253)	(3.753)	(3.204)	(2.607)	(2.241)	(2.111)	(2.223)
Applied in year as set out in the forecast above	0.000	1.048	1.098	0.866	0.630	0.388	0.142
Additional contributions generated in year	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)
Balance to Carry Forward	(3.753)	(3.204)	(2.607)	(2.241)	(2.111)	(2.223)	(2.581)

Risk Assessment of Each Line of the Forecast

APPENDIX J

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<i>Underlying Funding Growth in the Budget</i>		
Council Tax Increase 1.99%		Although this is subject to future Government policy, it is expected that an allowable inflationary uplift will always be a feature in the Local Government finance settlement and associated Council Tax referendum principles
Ctax increase by £5 (amounts set out are over and above the 1.99% above)		Although similar to the above, there is less certainty around the level of increase that the Government may allow over and above a 'base' inflationary uplift. However it is expected that such increases will be allowable in the short term without invoking the need to hold a referendum. This will remain subject to on-going review.
Growth in Business rates - Inflation		Similar to Council Tax above, based on the historic trend of inflationary uplifts in the poundage applied to rateable values, modest inflationary increases are relatively certain over the life of the forecast, although a one-off 'freeze' was implemented by the Government in 2021/22 in response to the impact of COVID 19.
Growth in Business rates / council tax - general property growth		Underlying growth in business rates and Council Tax are expected to remain relatively stable and robust in the long term. However the medium term impact of COVID 19 is unclear at the present time. The other two main risks relate to major economic changes and future Government Policy, especially in relation to business rates where the Government remains active in developing a 75% retention model across the public sector based on a fair funding assessment. This model could see the Government introduce business rate 'resets' which could see income from economic growth being reduced on a cyclical basis as part of a redistribution method nationally. The Government continues to move forward with their proposals which have been delayed for at least a further year given the impacts from COVID 19.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Collection Fund Surpluses b/fwd		Although only relatively modest amounts have been included in the forecast, the short to medium term impact of COVID 19 remains unclear. (The forecast excludes any benefit from being a member of the Essex Business Rates Pool as it is accounted for on an actual basis rather than building it into the base budget given its one-off nature and complexities in the overall business rate calculations)
<i>Net Cost of Services and Other Adjustments</i>		
Reduction in RSG		Given the delays to the Government's fair funding review and move to the new 75% business rates retention model, RSG was again receivable in 2021/22. However no RSG has been assumed within the forecast for later years at the present time.
Remove one-off items from prior year		These are known adjustments
Remove one-off items from prior year - Collection Fund Surplus		These are known adjustments based on the assumptions set out above concerning the year on year change in the collection fund position
Inflation - Employee Costs (including annual review adjustments)		Following an increase of 2.75% in 2020/21, the forecast for future years has been maintained at 1.5%.
Inflation - Other		Although the Government's target CPI inflation is 2%, this is a long term target which will inevitably see fluctuations over short financial cycles e.g. inflation significantly reduced following the COVID 19 crisis. However 2% and 3% remain the basis for calculating an inflationary allowance for contracts and budgets that are based on either CPI or RPI respectively.
First / Second / Third year impact of PFH WP Savings		These are known adjustments which will be delivered in total but is recognised that the timing may differ to that originally anticipated which will be reflected in the forecast. The item included in 2021/22 and 2022/23 relate to the annual revenue savings expected from the disposal of Weeley Council Offices.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
LCTS Grant To Parish Council's		This will be subject to the level of RSG receivable from the Government, as to date the change in the level of grant funding provided to Town and Parish Councils has mirrored the changes in RSG.
Specific change in Use of Reserves		Changes in the use of reserves primarily reflect other changes elsewhere in the budget/ forecast so are not a significant risk in isolation.
On-going savings required		This line of the budget fundamentally acts as the 'safety valve' for other changes elsewhere in the forecast and would need to be increased if adverse issues were experienced or estimates were not in line with predictions. Although the long term forecast provides flexibility in the timing of the delivery of such savings, it is important that on-going savings continue to be secured to meet the amounts set out in the forecast.

Relevant line of the Forecast	RAG Assessment of Risk	Comments
Unmitigated Cost Pressures		<p>It is recognised that this line of the forecast presents one of the highest risks, especially given the amount of unavoidable cost pressures include to date and with a fair degree of uncertainty going into 2021/22 as the economy starts to recover from the impact of COVID 19. On-going revenue items remain the most difficult items to respond to. Although one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast, one-off funding has been made available elsewhere in the budget to support these costs which therefore contributes to the mitigation of this risk.</p> <p>One of the most significant risks within this line of the budget relates to external income, especially from elsewhere in the public sector where similar financial pressures are being experienced. Such items include the funding from the major preceptors in respect of the Council Tax Sharing agreement, which totals over £700k each year. This has been reflected in the forecast based on ECC's current commitment, but it may need to be increased based on future proposals put forward by ECC.</p> <p>To support the management of risks, the Council continues to resist using one-off money, such as the New Homes Bonus, to support the on-going base budget.</p> <p>The cost pressure allowance has been increased from £150k to £250k per year, given the level of cost pressures identified in prior years and to respond to potential future items.</p>