

Budget Monitoring and Forecast Outturn – April to January 2021

Monthly Summary: The forecast overspend for the year is £5.4m. Aside from the movements in month for restructure forecasts, which are now all in the budget, the Parking income forecast reduced further by £0.25m. We will be able to claim 75% of the decrease in parking income under the income loss grant scheme. Some improvement in development income was forecast. The overall funding position is forecast to be a small surplus, as a result of one-off grants, especially from the loss of income grant scheme. There is risk on debt income. Capital expenditure remains subdued due to the impact of Covid-19.

Revenue Outturn Forecast:

Outturn Forecast	£000s
Chief Executive	(61)
Resources (incl parking)	2,825
Community and Culture	2,165
Place	467
Total overspend / (surplus)	5,396

Monitoring Compliance: 100%

For the third consecutive month, all 33 of 33 budget holders returns were received within the deadline and included in the forecast.

Expenditure and Income

£0.73m of restructure costs for redundancy and pension strain has gone through the ledger to M10, with only further minor amounts expected before year end. All has now been included in the forecast against the redundancy code within the services.

Expenditure is at 75% at M10, which is 8% below par against a straight line 1/12th distribution. Income is low at 72% and would historically be ahead of the curve due to the up-front receipt of garden waste income.

The forecast overall funding position though is now in a small surplus due to the receipt of expenditure grant and receipt and forecast income loss grant funding.

Capital Expenditure:

Spend to date of £4.5m (50%) of the £8.9m capital budget. £0.22m was spent in month 10; with £0.12m on disabled facilities grants being the largest individual item.

Capital outturn forecast:

Budget holders are forecasting a full year spend of £5.7m (64% of budget), a reduction of £1.05m from last month, but requiring spend of £1.2m in the final two months.

Forecast overall funding position at M10

2020/21	M10 snapshot of overall budgetary position
11,201	Net exp set in budget
5,396	M8 forecast overspend
16,597	Forecast net exp
-9,922	Council tax
-2,052	Business rates
-53	Collection Fund surplus from previous year
-12,027	Funding
4,570	Net deficit before one-off costs and funding
-1,750	One-off exp funding received
-1,100	Income loss first third received
-850	Income loss second third claimed
-950	Income loss final third estimate
-4,650	One off funding
-80	Overall (surplus) / deficit - smooth via reserves

Debtors

The Council was owed £2.9m at 11 Feb 2021 (£2.3m Feb 2020) of which £1.26m was >30 days. The table compares to the snapshot last year.

Age Group	11 Feb 2021 £k	19 Feb 2020 £k
>30 Days	374	206
>60 Days	179	191
>90 Days	704	551
	1,258	948

The top ten debtors over 90 days total £642k, making up over 90% of the £704k debt balance. They are mostly from commercial rents, where businesses are struggling due to the impact of Covid-19. Detailed discussions and agreements are being put in place for repayment plans for how this debt will be reduced.

Risks: Debt rising. Invoices raised in the ledger does not equate to cash income. This is being closely monitored by Property.