

Budget Monitoring and Forecast Outturn – April to July 2021

Monthly Summary: The operational forecast is a £0.825m surplus for the year, a reduction of £46k in month. £0.6m of the forecast underspend is on leisure facilities with current performance and activities ahead of Place's Leisure (cautious) budget estimate. The remainder is the net of £0.6m underspends; mostly across investment income, Housing and Waste and £0.4m overspend mostly from parking income and property expenses. The overall funding position forecast is set to be a £1m surplus, as a result of one-off grants, especially from the loss of income grant scheme. Note the debt income risk over 30 days which has aged and increased.

Revenue Outturn Forecast:

Outturn Forecast	£000s
Corporate Management	(14)
Resources	(148)
Community and Culture	(779)
Place	115
Total overspend / (surplus)	(825)

Monitoring Compliance: 88%

Four budgets not reviewed and forecast out of 32 budget holders – largely due to holidays.

Expenditure and Income

Actual spend and income are on track. At this point, income is always ahead of a straight profile due to the up-front collection of rural parking disks and garden waste.

Risks: Commercial debt invoices present a risk of non-payment that Property and Facilities are actively monitoring. Some write-offs are more likely than not.

The forecast overall funding surplus position is £1m helped by the estimate of £410k income loss grant scheme over the first quarter, subject to submission. The likely cost pressure of salaries which haven't been forecast yet by services may be mitigated by unused redundancy provision.

Capital Expenditure:

Spend to date of £1.33m (16%) of the £8.3m capital budget. £0.33m (4%) in M4. Total 19 projects yet to start.

Capital outturn forecast:

Budget holders are forecasting a full year spend of £7m (84.1% of budget), requiring spend of £0.7m per month. Note £0.8m reduction in forecast during M4 – vehicles.

Forecast overall funding position at M4

2021/22	M4 snapshot of overall budgetary position
13,072	Net exp set in budget
60	Changes to net budget. £15k SP + £45k EcDev
-825	forecast overspend
12,307	Forecast net exp
-10,251	Council tax
-2,052	Business rates
-12	Net Collection Fund 'surplus' after using reserve
-146	CTS Government funding
-12,461	Funding
-154	Net (surplus) / deficit before one-off cost / funding
-571	One-off exp funding received
-410	Income loss grant estimate first quarter
53	Spend on CTS £150 scheme to date
25	Est spend CTS £150 scheme remainder year
250	Likely 1.75% salary cost pressures
-200	Unused redundancy provision
-853	One off net funding after costs
-1,007	Overall (surplus) / deficit - smooth via reserves

Debtors

The Council was owed £4.3m at 14 Aug 2021 (£4.3m July 2021) of which £1m was >30 days. The table compares a breakdown of the oldest debts to last month.

Age Group	14 July 2021 £k	14 Aug 2021 £k
>30 Days	49	275
>60 Days	55	27
>90 Days	681	704
	785	1,006
>90 Days top eight = £634k (88%)		
Developer S106 due in 2016 and 2017	114	114
* Leisure Arrears and £5.5k current.	97	103
* Restaurant and also £20k >30 days	101	101
* Retail shop and £10.5k over 60 days, £10.5k over 30 days and £10.5k current. Likely write off.	91	101
* Retail shop and £7.2k over 60 days. Possible part write-off.	82	82
* Entertainment and £13.5k >30 days.	47	47
* Retail shop. Write -off	52	44
Developer £37k CIL due Jan 2019, £3k CIL due July 2019	42	42

* commercial rents.

Current debt includes £2.1m Developer invoice was due 30 July 2021.