

# **Report to the Cabinet**



**Report Reference: C-065-2020-21**

**Date of Meeting: 11 February 2021**

**Portfolio : Finance & Economic Development - Cllr John Philip**

**Subject: Quarter 3 Budget Monitoring Report 2020/21**

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## **Recommendations/Decisions Required:**

**After consideration of any comments received from Overview and Scrutiny, that;**

- 1. The General Fund revenue position at the end of Quarter 3 (31st December 2020) for 2020/21, including actions being or proposed to improve the position, where significant variances have been identified, be noted (*Appendix A*).**
- 2. The General Fund capital position at the end of Quarter 3 (31st December 2020) for 2020/21 be noted (*Appendix B*).**
- 3. The Housing Revenue Account revenue position at the end of Quarter 3 (31st December 2020) for 2020/21, including actions being or proposed to improve the position, where significant variances have been identified, be noted.**
- 4. The Housing Revenue Account capital position at the end of Quarter 3 (31st December 2020) for 2020/21 be noted (*Appendix C*).**

## **Executive Summary:**

This report sets out the 2020/21 General Fund and Housing Revenue Account positions, for both revenue and capital, as at 31st December 2020 ("Quarter 3").

This report was considered by Overview and Scrutiny Committee on 2<sup>nd</sup> February 2021 and their views and comments sought.

In terms of General Fund revenue expenditure – at the Quarter 3 stage – a budget over spend of £0.313 million is forecast, with projected net expenditure of £18.122 million against an overall budget provision of £17.809 million.

The General Fund revenue position is dominated by the impact of the Covid-19 pandemic.

Most notably:

- **Budget Pressures** – a range of 2020/21 budget pressures are being experienced, especially on Council income streams. Major cost centres affected include:
  - **Leisure Facilities (£2,318,860)** – the combined impact of the loss of the Management Fee is exacerbated by the need for compensation payments to the contractor in order to maintain the availability of Leisure Centres, whilst complying with social distancing requirements. However, the position has improved since Quarter 2 (with a projection of £2,815,030). Detailed reconciliation work has subsequently been completed in partnership with the contractor, as part of ‘open book accounting’ arrangements, which has led to a net reduction in compensation payments. In addition, in turn, the Council has submitted a compensation bid to Sport England, which is expected to yield a minimum of £260,000, which will further alleviate the cost pressure.
  - **Qualis Income (£2,312,071)** – a major shift in economic assumptions such as property prices and interest rates have reduced achievable income streams from the Qualis initiative in the year. This has also reduced the Council’s forecast borrowing costs, thereby offsetting the overall reduction; and
  - **Car Parking (£1,350,528)** – there has been a major decline in the usage of Council car parks in 2020/21, especially during ‘lockdown’ phases due to the pandemic. The emergence of the third lockdown especially since Quarter 2, has further increased the forecast cost pressure. A huge increase in homeworking is also leading to a large – and sustained – reduction in in car park usage by commuters.
- **Government Support** – so far, the Government has been generally supportive of local authorities and recognises the scale of the financial challenge at a local level. To this end, £1.947 million in general un-ringfenced funding has already been provided, along with further support through an income loss compensation scheme, which is forecast to rise to £2.177 million by the year end (i.e. combined funding of circa £4.1 million).

The Housing Revenue Account position is less affected by the Covid-19 pandemic. Indeed, income from Council Dwellings is outperforming its budget, although there are some cost pressures to note, especially on Housing Repairs, which are not linked to the pandemic.

Turning to capital spending:

- **General Fund Capital Programme** – the Council has incurred capital expenditure of £37.343 million (including £30.0 million in Qualis Investments) at the Quarter 3 stage, against an overall budget of £53.430 million. Further anticipated spending on the Programme during Quarter 4 of £12.985 million (including £6.0 million in Qualis Investments) is expected to result in a net underspend of £3.102 million; and
- **Housing Revenue Account** – the Council has incurred capital expenditure of £8.825 million at the Quarter 3 stage, against an overall budget of £25.313 million. The year-end forecast anticipates overall expenditure of £19.579 million by 31st March 2021 (leading to a net underspend of £5.734 million). As reported in Quarter 2, lower than planned Housebuilding in 2020/21 is still a significant factor in the forecast variance, although forecast underspending on Capital Works is now also a factor.

Finally, the Covid-19 pandemic is a completely unprecedented event, and the forecasts presented in this report, whilst based on the best and latest available intelligence, will continue to remain uncertain. For example, at the time of preparing the Quarter 2 report, the country had just entered a second ‘lockdown’; we are now deep into a third lockdown and the restrictions imposed on businesses and the community is causing further uncertainty on a

whole range of areas that have both direct and indirect impacts on the Council's finances.

## 1) Background and Introduction

- 1.1 The Council's budget for 2020/21 (both General Fund and Housing Revenue Account) was approved by full Council on 25th February 2020. This report updates Cabinet on how the Council's services have performed against their budgets in the first nine months of the financial year, and projects forward to the anticipated outturn for the end of the financial year.
- 1.2 This is the third update for 2020/21 and includes the 2020/21 General Fund and Housing Revenue Account positions, for both revenue and capital, as at 31st December 2020 ("Quarter 3").
- 1.3 It should be noted that the General Fund service structure presented is different from the one presented in the Quarter 2 update reported in November 2020. The new structure reflects the most recent service realignment exercise, effective from 1st October 2020 (including further refinement in December 2020).

## 2) General Fund Revenue Budget

- 2.1 The General Fund revenue position for 2020/21, at the Quarter 3 stage – summarised by service area – is presented in **Appendix A**. The headline is a forecast budget overspend of £0.313 million, with projected net expenditure of £18.122 million against an overall budget provision of £17.809 million. The table below summarises the position by service.

<b>General Fund Revenue Budget 2020/21 (Quarter 3)</b>			
<b>Description</b>	<b>Budget 2020/21 (Updated)</b>	<b>Forecast Spending (31/03/21)</b>	<b>Variance</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Chief Executive	1,605	1,192	(413)
Community & Wellbeing	1,353	1,084	(269)
Contracts & Technical	(190)	2,614	2,804
Corporate Support	7,517	8,202	685
Customer Services	2,561	2,349	(212)
Economic Projects	1,531	1,569	38
Finance & Audit	1,844	2,632	788
Housing & Property	2,746	2,494	(252)
Planning	2,249	2,252	3
Strategy, Delivery & Performance	1,545	1,167	(378)
Qualis	(3,626)	(1,314)	2,312

Government Covid Support	0	(4,124)	(4,124)
HRA Recharges	(3,185)	(3,585)	(400)
Financing	1,858	1,590	(268)
<b>Totals</b>	<b>17,809</b>	<b>18,122</b>	<b>313</b>

2.2 The notable variances (in excess of £0.5 million) to budget in the table above include:

- Contracts and Technical Services (£2,803,558 forecast Overspend) – the large projected overspend is due to two well documented financial pressures. Firstly, Car Parking (£1,350,528) with lower income resulting from lower demand for parking provision, due to successive ‘lockdowns’, and changes in working and shopping habits as a result of the Pandemic. The introduction of a temporary 20 pence charge has helped increase take-up to an extent, but commuter long stay parking is still particularly low and will potentially remain so, for the foreseeable future, even when restrictions are eventually lifted. And secondly, Leisure Facilities (£2,318,86), which is the largest single Covid-19 related cost. The viability of the Places for Leisure contracts has changed dramatically, both during lockdown and during the subsequent period of restriction in how these centres can be used. For now, the Council is working with the contractor to share the losses on an open book basis, pending clarity emerging on whether operations will return to normal and within what timeframe
- Corporate Support (£685,247 forecast Overspend) – significant cost pressures have been experienced due to the additional capacity required to manage the Covid-19 impacts, such as the ICT demands of homeworking and understanding the financial impact (e.g. a forecast overspend of £531,777 is expected on the ICT budget, with Covid-19 costs adding to transitional costs associated with an internal restructure). However, the spending pressures in Corporate Support are being partially offset by savings in other areas
- Finance and Audit (£787,900 forecast Overspend) – the single largest factor, is an assumed requirement at this stage to provide an additional contribution to the corporate Bad Debt Provision as the impact of the pandemic is likely to make general outstanding debts owed to the Council less collectable, with £500,000 now proposed compared to a budget of £102,000. Additional resourcing costs are also being incurred in the Corporate Finance Team to cover vacant posts, especially in specialist areas such as the Housing Revenue Account, which has necessitated the short-term recruitment of additional professional support
- Qualis Income (£2,312,071 forecast Overspend) – forecast income from Qualis is now significantly lower than that assumed within the original budget. The pandemic occurred at a critical time for the development of the Qualis Business Plan as, necessarily, the organisation was required to focus on managing the impacts of the virus. The consequential delay in getting to a point where Qualis could implement its Business Plan, the Covid19 related impacts on property prices and the reductions in the capital financing costs have all had an impact on the base budget assumptions. When the budget was developed the Qualis related income was flagged as being dependent on key actions taking place during the year in order to deliver this income stream. Prudently, contingency was built into the budget plans should any slippage occur. This included a large contingency provision and the central control over the release of funding for some service investment activities until there was confidence that the targeted income had been achieved. Given the unknown nature of the pandemic this caution has proved fortuitous and enables the Council to accommodate

the reduced Qualis income associated with the pandemic delays. The delays have also reduced the amount of borrowing the Council had expected to have taken at this point and the cost of that borrowing. The reductions partially net off the forecast overspend here; and

- Government Support (£4,123,955 forecast Underspend) – the Government has introduced a range of funding support streams and continues to consider its position in relation to on-going support. However, as it stands, the amount of expected support is barely half of the cost of the pandemic to the Council. Thus far the Government has provided £1.947 million in general un-ringfenced support. It has also introduced the “SFC Compensation Scheme”, under which the Government has undertaken to cover 75% of the Council’s income losses, but only after councils meet the first 5% of budgeted losses themselves. It is currently estimated (taking account of the ‘Third Lockdown’) that this will cover £2.177 million of Epping Forest District Council’s income losses, but this may vary as actual income losses change. The Government continues to collect data on the actual costs of Covid-19 to individual councils via monthly returns and has communicated further support packages extending into 2021/22 (e.g. the SFC scheme is set to continue until at least 30th June 2021).

### 3) Housing Revenue Account (revenue)

3.1 The Housing Revenue Account (HRA) revenue position for 2020/21, at the Quarter 3 stage, is summarised in the table below. As at 31st December 2020, a deficit of £583,000 is forecast for the year end, compared to a budgeted surplus of £30,000.

<b>Housing Revenue Account Budget 2020/21 (Quarter 3)</b>			
<b>Description</b>	<b>Budget 2020/21</b>	<b>Forecast Spending (31/03/21)</b>	<b>Variance</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
<b>EXPENDITURE</b>			
Supervision & Management (General)	7,023	6,588	(435)
Supervision & Management (Special)	3,665	3,607	(58)
Rents, Rates Taxes and Insurances	520	522	2
Contributions to Repairs Fund	6,000	6,861**	861
<b>Management &amp; Maintenance</b>	<b>17,208</b>	<b>17,578</b>	<b>370</b>
Capital Charges	8,011	8,611	600
Major Repairs on Leasehold Properties	306	147	(159)
Treasury Management Expenses	57	57	0
Provision for Bad/Doubtful Debts	70	90	20
<b>Total Expenditure</b>	<b>25,652</b>	<b>26,483</b>	<b>831</b>
<b>INCOME</b>			
Gross Rent from Dwellings	(31,997)	(32,607)	(610)
Non-Dwellings Rents	(831)	(796)	35
Charges for Services & Facilities	(1,834)	(1,688)	146
Contributions from General Fund	(350)	(350)	0
<b>Total Income</b>	<b>(35,012)</b>	<b>(35,441)</b>	<b>(429)</b>
<b>Net Cost of Services</b>	<b>(9,360)</b>	<b>(8,958)</b>	<b>402</b>
Interest on Receipts and Balances	(378)	(37)	341
Interest Payable on Loans	5,668	5,638	(30)
Pensions Interest Payable/Return on Assets	640	640	0
<b>Net Operating Income</b>	<b>(3,430)</b>	<b>(2,717)</b>	<b>713</b>
<i>Appropriations:</i>			
Direct Revenue Contributions to Capital	4,430	4,430	0
IAS19 Adjustment	(1,160)	(1,260)	(100)
Transfer to Self-Financing Reserve	130	130	0
<b>(Surplus)/Deficit for Year</b>	<b>(30)</b>	<b>583</b>	<b>613</b>

\*\* Projected spend net of £250,000 Housing Repairs Fund balance as at 31st March 2020

3.2 The most notable factors behind the forecast deficit are as follows:

- Contributions to Repairs Fund (Negative £861,000) – as previously reported to Cabinet on (22nd December 2020) and the Stronger Council Select Committee (19th January 2021), spending from the Housing Repairs Fund has been consistently exceeding the annual contributions in. The balance brought forward on the Fund on 1<sup>st</sup> April 2020, is insufficient to absorb the spending pressure in 2020/21. The Void Repairs budget especially has been coming under pressure in recent years as older stock has tended to dominate newly vacated properties, which is proving more expensive to repair; and
- Capital Charges (Negative £600,000) – again, as previously reported, based on a review of the Fixed Asset Register, it has been identified that the Depreciation budget is insufficient. This is an historic problem that also led to an overspend in 2019/20 (the 2020/21 budget had already been set by the time the issue had been identified).

3.3 There are however some positive variances to report. Most notably:

- Gross Rent from Dwellings (Positive £610,000) – based on the latest available information from the Housing Rents system, a surplus of £610,000 is forecast on income from Dwellings compared to budget; and
- Supervision & Management General (Positive £435,000) – the transfer of the Housing Repairs service to Qualis on 1st October 2020, is a contributory factor in lower General Fund recharges, which was part of the business case for introducing the new arrangements.

3.4 Members should note that the current HRA Business Plan includes the assumed maintenance of a minimum balance of £2.0 million in the HRA reserve; as at 31st March 2020, the balance was £2.03 million. In the circumstances, and assuming the anticipated deficit on the HRA materialises at year end, in order to maintain the minimum balance, it is proposed to forego the planned contribution to the HRA Self-Financing Reserve (£130,000) and meet any residual shortfall through reduced Revenue Contributions to Capital (£423,000 based on the projection above).

#### 4) General Fund Capital Programme

4.1 The General Fund Capital Programme for 2020/21 as at 31st December 2020 is summarised – at a service level – in the table below. A more detailed analysis – at a scheme level – is included in **Appendix B**. The Programme – updated in the light of the Covid-19 pandemic – totals £53.430 million. Spending in the first 9 months was £37.343 million, with a forecast outturn of £50.328 million, which – if this materialises – would lead to a small net underspend of £3.102 million.

4.2 Members should note the following:

- Qualis Capital Investments have been included for the first time; this is consistent with proper accounting practice and further enhances transparency (the Programme presented therefore increases – visually – by £36.0 million from £17.430 million in Quarter 2 to £53.430 million in Quarter 3); and
- The service structure presented was superseded with effect from 1st October 2020. This does not affect the delivery of any of the capital schemes listed. The new service structure will be reflected in the 2021/22 General Fund Capital Programme proposed to full Council on 25th February 2021.

General Fund Capital Programme 2020/21 (Quarter 3)					
Description (using opening service structure for 2020/21)	Budget 2020/21 (Updated)	Spending (@ 31 Dec 2020)	Remaining Budget (@ 31 Dec 2020)	Forecast Spending (31/03/21)	Variance
	£000's	£000's	£000's	£000's	£000's
Business Support	1,252	177	1,075	1,274	22
Commercial & Regulatory	12,177	6,192	5,985	10,404	(1,773)
Community & Partnerships	896	42	854	111	(785)
Contracts & Technical	2,645	878	1,767	2,227	(418)
Housing & Property	460	54	406	312	(148)
Qualis Investments	36,000	30,000	6,000	36,000	0
<b>Totals</b>	<b>53,430</b>	<b>37,343</b>	<b>16,087</b>	<b>50,328</b>	<b>(3,102)</b>

4.3 The table above shows that significant spending has taken place in the first three quarters of the financial year, although this is dominated by a Qualis loan of £30.0 million. Spending in other areas has been slightly more constrained – to a large extent – due to the disruption caused by the pandemic. However, capital spending this year is dominated by the (former) Commercial & Regulatory element of the Programme and two schemes in particular:

- Civic Offices Accommodation – this is the largest General Fund project in 2020/21, with a core project budget of £7.242 million (excluding IT costs). As at 31st December 2020, just over 60% of the allocated budget had been spent, and the new facility is expected to be available for occupation in March 2021 (subject to Covid-19 restrictions). The core budget consists of both contracted works, which are currently expected to underspend, and additional costs for furniture and equipment. The overall forecast outturn at this stage is £7.515 million, which would result in a small overspend of £273,000; this is attributable to consultancy and contractor costs required to deliver the project, which could not be provided by in-house staff, and was not included in the original business case.

There is an additional budget allocation of £0.907 million for IT costs, which form a major part of the fit-out stage of the project. A marginal underspend of £7,000 is currently forecast on IT costs.

- Investment Property Acquisitions – an unspent balance of £4.833 million was rolled forward into 2020/21 from the original allocation of £30.0 million in 2019/20 for investment property acquisitions. Continued high demand for light industrial units in the district was a major factor behind the decision to acquire an additional property in Brooker Road, Waltham Abbey this year. In addition, further investment of circa £880,000 is imminent in the same sector at the time of preparing this report; this would bring estimated total spending for 2020/21 up to £2.678 million, leaving an estimated unspent balance of £2.155 million available for carry forward at the year end.



## 5) Housing Revenue Account (HRA) Capital Programme

5.1 The Housing Revenue Account (HRA) Capital Programme for 2020/21 as at 30th December 2020 is summarised in the table below. A more detailed analysis – at a scheme level – is included in **Appendix C**. The Programme budget totals £25.313 million. Spending in the first 9 months was £8.825 million, with a forecast outturn of £19.579 million, which – if this materialises – would lead to an underspend of £5.734 million.

HRA Capital Programme 2020/21 (Quarter 3)					
Description	Budget 2020/21 (Updated)	Spending (@ 30 Dec 2020)	Remaining Budget (@ 30 Dec 2020)	Forecast Spending (31/03/21)	Variance
	£000's	£000's	£000's	£000's	£000's
Housing Development	15,092	4,836	10,256	12,422	(2,670)
Capital Works	9,592	3,886	5,706	7,303	(2,289)
Other Housing Schemes	855	103	752	154	(701)
Vehicle Replacements	74	0	74	0	(74)
Leaseholder Contributions	(300)	0	(300)	(300)	0
<b>Totals</b>	<b>25,313</b>	<b>8,825</b>	<b>16,488</b>	<b>19,579</b>	<b>(5,734)</b>

5.2 There are two significant areas of underspending/slippage on the HRA Capital Programme for 2020/21; Housing Development and Capital Works. Thus:

- Housing Development (forecast underspend £2.670 million) – there are two elements to note:
  - Housebuilding – the Housebuilding Programme has a budget of £15.092 million for 2020/21 (including rolled forward funds of £640,000 from 2019/20). The projected outturn on the Programme is £4.379 million, which – if this materialises – would lead to an underspend of £10.713 million at year end. The Covid-19 pandemic has caused delays and – due to planning delays – Phase 4.4 has been removed from the 2020/21 Programme; however
  - Open Market Acquisitions – the anticipated underspend has been offset to a large extent by the purchase of some existing properties on the open market (£3.024 million by 31st December 2020, expected to rise to £8.043 million by 31st March 2021). This is allowing the Council to increase its housing stock, whilst averting the loss of capital receipts from the Right to Buy (RTB) scheme (which are required to be paid over to the Government if they are not spent on replacement stock within three years)
  - Capital Works (forecast underspend £2.289 million) – the largest single item of underspending in this category is Windows, Doors and Roofing (forecast underspend £1.241 million). The Covid-19 pandemic is the primary cause of slippage in the

programme, which has caused difficulties in obtaining roof tiles, thereby slowing down Roofing Works; this being the largest single item. Double glazing works have also been restricted to emergency repairs only for much of 2020/21.

- 5.3 The Housing Repairs service was transferred from the Council to Qualis with effect from 1st October 2020. The new arrangements affect the Capital Works element of the HRA Programme (e.g. capital works on voids). At the time of preparing this report, officers are further refining Capital Works projections with Qualis; the projections presented are currently the best available, but the risk of volatility in the numbers remains as the new arrangements bed in.

#### **Reason for Decision:**

This report facilitates the understanding of the Council's financial position for 2020/21. In terms of General Fund revenue, it is a very challenging year due to the financial pressures created by the Covid-19 pandemic.

#### **Options:**

There are no matters for decision in this report. The Committee is asked to note the contents but may choose to take further action depending on the matters reported.

#### **Resource Implications:**

The resource implications in this report are overwhelmingly financial in nature, in the form of budgetary control. Robust budget monitoring processes maximise the opportunity for services to react quickly to potential problems as they emerge, thus reducing the risk of financial problems, impeding the delivery of strategic priorities.

#### **Legal and Governance Implications:**

The Council has a statutory obligation to maintain a balanced budget and the monitoring process enables the Cabinet to remain aware of issues and the process to be taken to maintain a balanced budget.

#### **Safer, Cleaner, Greener Implications:**

There are no SGS implications.

#### **Consultation Undertaken:**

The development of the original 2020/21 budget was informed by the statutory public consultation and democratic scrutiny processes.

#### **Background Papers:**

Management Accounts 2020/21 (Month 9)

#### **Risk Management**

The report is primarily presented for information only and has no risk management implications, although regular monitoring and reporting of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives the Cabinet the best opportunity to take actions to mitigate such risks.

## Appendix A

### General Fund Revenue Budget 2020/21

#### Quarter 3 Forecast

Epping Forest DC: General Fund Rolling Forecast 2020/21								
@ 31 December 2020 (Month 9)								
<b>General Fund</b>								
Service Area	Activity	Full Year Budget £'s	Net Expenditure			Forecast £'s	Variance £'s	
			Budget (M9) £'s	Actual £'s	Variance £'s			
Chief Executive	Chief Executive Support Services	662,550	441,700	473,692	31,992	695,228	32,678	
	Corporate Activities	49,560	14,820	104,675	89,855	107,101	57,541	
	Other Activities	892,680	-	187,667	187,667	389,994	502,686	
	<b>Sub-Total</b>	<b>1,604,790</b>	<b>456,520</b>	<b>766,034</b>	<b>309,514</b>	<b>1,192,323</b>	<b>412,467</b>	
Community & Wellbeing	Community, Health & Wellbeing	192,146	191,964	37,097	(154,867)	128,636	63,510	
	Cost Centres - Community & Wellbeing	477,090	355,418	324,483	(30,935)	433,267	43,823	
	Homelessness	(304,090)	(361,125)	(533,408)	(172,283)	421,910	117,820	
	Housing Policy	32,046	-	-	-	32,046	64,092	
	Museum, Heritage & Culture	659,120	421,245	405,439	(15,806)	679,462	20,342	
	Voluntary Sector Support	296,320	238,748	227,278	(11,470)	296,320	-	
	<b>Sub-Total</b>	<b>1,352,632</b>	<b>846,249</b>	<b>460,889</b>	<b>(385,360)</b>	<b>1,083,729</b>	<b>268,903</b>	
	Contracts & Technical Services	Car Parking	(1,188,660)	(932,794)	240,622	1,173,416	161,868	1,350,528
Contracts & Technical Support Services		1,961,950	1,584,120	1,538,935	(45,184)	2,042,390	80,440	
Cost Centres - Contracts & Technical		2,938,380	2,198,826	1,977,795	(221,030)	2,699,976	238,404	
Land Drainage/Sewerage		107,200	89,601	54,521	(35,080)	110,970	3,770	
Land & Property		(6,554,520)	(6,580,403)	(7,228,043)	(647,640)	7,427,278	872,758	
Leisure Facilities		(1,421,420)	(820,828)	830,427	1,651,255	897,440	2,318,860	
North Weald Centre		(73,990)	(50,832)	(148,383)	(97,551)	29,571	103,561	
Parks & Grounds		474,260	82,863	(41,448)	(124,311)	373,513	100,747	
Waste Management		4,300,431	2,672,706	3,411,124	738,418	4,583,836	283,405	
Environmental Health		215,840	199,035	26,979	(172,056)	211,800	4,040	
Private Sector Housing		(115,570)	(43,030)	(615,401)	(572,371)	483,290	367,720	
Regulatory Services		(833,780)	(635,405)	(510,643)	124,762	587,117	246,663	
<b>Sub-Total</b>		<b>(189,879)</b>	<b>(2,236,143)</b>	<b>(463,514)</b>	<b>1,772,629</b>	<b>2,613,679</b>	<b>2,803,558</b>	
Corporate Support		Business Support	1,660,060	1,222,448	1,002,704	(219,743)	1,428,560	231,500
		Cost Centres - Corporate Support	219,830	164,610	113,608	(51,002)	218,040	1,790
	Emergency Planning & Other	88,290	61,473	80,814	19,341	112,690	24,400	
	ICT	3,260,853	2,531,682	2,977,553	445,871	3,792,630	531,777	
	Other Support Services	1,443,930	1,026,218	1,455,882	429,664	1,743,860	299,930	
	Insurance Premiums	844,170	831,420	855,600	24,180	906,600	62,430	
	<b>Sub-Total</b>	<b>7,517,133</b>	<b>5,837,850</b>	<b>6,486,161</b>	<b>648,310</b>	<b>8,202,380</b>	<b>685,247</b>	
Customer Services	Cost Centres - Customer Services	2,230,750	1,675,108	1,637,413	(37,695)	2,236,890	6,140	
	Customer Support Services	1,542,520	1,123,245	1,113,019	(10,226)	1,524,290	18,230	
	Housing Benefits	(695,870)	162,474	200,121	37,648	1,100,667	404,797	
	Local Taxation	(516,200)	(210,758)	(4,298,778)	(4,088,021)	311,360	204,840	
	<b>Sub-Total</b>	<b>2,561,200</b>	<b>2,750,069</b>	<b>(1,348,225)</b>	<b>(4,098,294)</b>	<b>2,349,153</b>	<b>212,047</b>	
Economic Projects	Community & Partnership	410,053	283,830	(102,179)	(386,009)	388,598	21,455	
	Cost Centres - Economic Projects	869,410	718,448	744,996	26,549	913,438	44,028	
	Economic Projects Support Services	251,850	188,693	221,364	32,671	266,660	14,810	
	<b>Sub-Total</b>	<b>1,531,313</b>	<b>1,190,970</b>	<b>864,181</b>	<b>(326,789)</b>	<b>1,568,696</b>	<b>37,383</b>	
Finance & Audit	Audit Support Services	358,880	258,878	213,268	(45,610)	412,719	53,839	
	Finance Support Services	804,040	500,083	702,173	202,089	1,151,151	347,111	
	Finance & Other Activities	681,576	(12,927)	(5,297)	7,630	1,068,526	386,950	
	<b>Sub-Total</b>	<b>1,844,496</b>	<b>746,035</b>	<b>910,144</b>	<b>164,109</b>	<b>2,632,396</b>	<b>787,900</b>	
Housing & Property	Accommodation	898,530	788,211	623,821	(164,389)	855,370	43,160	
	Cost Centres - Housing & Property	546,890	40,925	368,241	327,316	520,370	26,520	
	Facilities & Depot Management	636,860	421,891	287,230	(134,661)	694,140	57,280	
	Housing & Property Support Services	664,190	498,535	281,387	(217,148)	424,240	239,950	
	<b>Sub-Total</b>	<b>2,746,470</b>	<b>1,749,562</b>	<b>1,560,679</b>	<b>(188,883)</b>	<b>2,494,120</b>	<b>252,350</b>	
Planning	Cost Centres - Planning Services	1,535,400	1,149,203	1,231,455	82,252	1,603,120	67,720	
	Local Plan Implementation	1,376,640	761,645	104,228	(667,417)	1,044,432	332,208	
	Planning & Development	(1,156,300)	(881,390)	(659,675)	221,715	823,280	333,020	
	Planning Support Services	493,560	370,170	320,823	(49,347)	427,440	66,120	
	<b>Sub-Total</b>	<b>2,249,300</b>	<b>1,399,628</b>	<b>996,831</b>	<b>(402,797)</b>	<b>2,251,712</b>	<b>2,412</b>	
Strategy, Delivery & Performance	Cost Centres - Strategy, Delivery & Performance	85,330	56,887	59,577	2,690	90,460	5,130	
	Elections	291,550	46,860	(131,648)	(178,508)	137,460	154,090	
	Member Activities	420,460	218,177	177,438	(40,739)	377,670	42,790	
	Strategy, Delivery & Performance Support Services	747,760	498,240	257,870	(240,370)	561,369	186,391	
	<b>Sub-Total</b>	<b>1,545,100</b>	<b>820,163</b>	<b>363,237</b>	<b>(456,927)</b>	<b>1,166,959</b>	<b>378,141</b>	
<b>General Fund Total</b>		<b>22,762,555</b>	<b>13,560,903</b>	<b>10,596,417</b>	<b>(2,964,486)</b>	<b>25,555,147</b>	<b>2,792,592</b>	
	<b>Qualis Income</b>	(3,626,398)	-	-	-	(1,314,327)	2,312,071	
	<b>Government Support:</b>							
	Main Government Grant	-	-	(1,946,631)	(1,946,631)	(1,946,631)	(1,946,631)	
	SFC Compensation	-	-	(725,325)	(725,325)	(2,177,325)	(2,177,325)	
		<b>19,136,157</b>	<b>13,560,903</b>	<b>7,924,461</b>	<b>(5,636,442)</b>	<b>20,116,864</b>	<b>980,707</b>	
	<b>HRA Recharges</b>	(3,185,225)	-	-	-	(3,585,225)	(400,000)	
		<b>15,950,932</b>	<b>13,560,903</b>	<b>7,924,461</b>	<b>(5,636,442)</b>	<b>16,531,639</b>	<b>580,707</b>	
	<b>Financing</b>							
	<i>Interest (inc. Qualis):</i>							
	Interest Receivable	(100,000)	(75,000)	(45,864)	29,136	(60,000)	40,000	
	Interest Payable	1,443,600	-	-	-	911,992	(531,608)	
	MRP (inc. Qualis)	514,000	-	-	-	738,000	224,000	
	<b>Net Expenditure</b>	<b>17,808,532</b>	<b>13,485,903</b>	<b>7,878,597</b>	<b>(5,607,306)</b>	<b>18,121,631</b>	<b>313,099</b>	

## Appendix B

### General Fund Capital Programme 2020/21

#### Quarter 3 Forecast

	2019/20 Budget Outturn (xtract)			2020/21 Budget Progress (@ 31 December 2020: Q3)							
	2019/20 Unspent/ (Overspent) Balances	Savings	Balances Rolled Forward into 2020/21	Balances Rolled Forward from 2019/20	2020/21 Budget Allocation	2020/21 Budget (Updated)	Spending to Date	Remaining Budget	Forecast Outturn	Forecast Variance (Under)/ Over	
Schemes	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	£'s	
<b>Business Support</b>											
ICT General Schemes	- 2,397	2,397	-	-	111,000	111,000	20,582	90,418	137,000	26,000	
ICT Strategy Implementation	122,137	- 12,037	110,100	110,100	124,000	234,100	126,410	107,690	237,272	3,172	
Civic Offices Accommodation Project (ICT)	-	-	-	-	907,000	907,000	30,288	876,712	899,592	7,408	
<b>Sub-Totals</b>	<b>119,740</b>	<b>- 9,640</b>	<b>110,100</b>	<b>110,100</b>	<b>1,142,000</b>	<b>1,252,100</b>	<b>177,280</b>	<b>1,074,820</b>	<b>1,273,864</b>	<b>21,764</b>	
<b>Commercial &amp; Regulatory</b>											
Civic Offices Accommodation	- 67,354	639	67,993	67,993	7,310,000	7,242,007	4,363,178	2,878,829	7,514,760	272,753	
NWA Brexit HGV Parking	138,378	- 138,378	-	-	-	-	-	-	-	-	
St Johns Road development	172,000	- 172,000	-	-	-	-	-	-	-	-	
Waltham Abbey SP site	339	- 339	-	-	-	-	-	-	-	-	
Investment Properties (Landmark Building)	80,381	87	80,468	80,468	-	80,468	5,427	75,041	33,677	46,791	
EFDC Shopping Park	21,677	-	21,677	21,677	-	21,677	-	21,677	-	21,677	
Cartersfield Road	-	-	-	-	-	-	25,286	25,286	177,600	177,600	
Investment Property Acquisitions	4,833,000	-	4,833,000	4,833,000	-	4,833,000	1,798,455	3,034,545	2,678,455	2,154,545	
<b>Sub-Totals</b>	<b>4,901,665</b>	<b>- 34,513</b>	<b>4,867,152</b>	<b>4,867,152</b>	<b>7,310,000</b>	<b>12,177,152</b>	<b>6,192,346</b>	<b>5,984,806</b>	<b>10,404,492</b>	<b>- 1,772,660</b>	
<b>Community &amp; Partnership</b>											
CCTV Systems	38,639	- 7,562	31,077	31,077	170,000	201,077	40,698	160,379	110,220	90,857	
Superfast Broadband (REFCuS)	350,000	- 350,000	-	-	350,000	350,000	-	350,000	-	350,000	
Museum Schemes	-	-	-	-	300,000	300,000	-	300,000	-	300,000	
Car Park CCTV Systems	-	-	-	-	45,000	45,000	913	44,087	913	44,087	
<b>Sub-Totals</b>	<b>388,639</b>	<b>- 357,562</b>	<b>31,077</b>	<b>31,077</b>	<b>865,000</b>	<b>896,077</b>	<b>41,611</b>	<b>854,466</b>	<b>111,133</b>	<b>- 784,944</b>	
<b>Contracts &amp; Technical</b>											
Leisure Centres	3,310	- 3,310	-	-	1,300,000	1,300,000	831,755	468,245	1,300,000	-	
Car Park Schemes	-	-	-	-	-	-	46,361	46,361	46,361	46,361	
Grounds Maintenance	25,050	-	25,050	25,050	30,000	55,050	-	55,050	43,650	11,400	
Climate & Environmental	-	-	-	-	400,000	400,000	-	400,000	227,000	173,000	
Highways	-	-	-	-	140,000	140,000	-	140,000	-	140,000	
Parking & Traffic Schemes (REFCUS)	60,000	- 60,000	-	-	-	-	-	-	-	-	
Vehicle Fleet	-	-	-	-	750,000	750,000	-	750,000	610,000	140,000	
<b>Sub-Totals</b>	<b>88,360</b>	<b>- 63,310</b>	<b>25,050</b>	<b>25,050</b>	<b>2,620,000</b>	<b>2,645,050</b>	<b>878,116</b>	<b>1,766,934</b>	<b>2,227,011</b>	<b>- 418,039</b>	
<b>Housing &amp; Property</b>											
Depots	799	-	799	799	-	799	225	1,024	-	799	
Investment Property works	48,541	- 10,563	37,978	37,978	315,000	352,978	42,598	310,380	279,985	72,993	
Active Planned Maintenance	- 13	3,159	3,172	3,172	109,250	106,078	11,273	94,805	32,000	74,078	
<b>Sub-Totals</b>	<b>49,327</b>	<b>- 13,722</b>	<b>35,605</b>	<b>35,605</b>	<b>424,250</b>	<b>459,855</b>	<b>53,646</b>	<b>406,209</b>	<b>311,985</b>	<b>- 147,870</b>	
<b>Qualis Capital Investments</b>											
Investment Loan	-	-	-	-	30,000,000	30,000,000	30,000,000	-	30,000,000	-	
Regeneration Finance Loan (1st Advance)	-	-	-	-	6,000,000	6,000,000	-	6,000,000	6,000,000	-	
<b>Sub-Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,000,000</b>	<b>36,000,000</b>	<b>30,000,000</b>	<b>6,000,000</b>	<b>36,000,000</b>	<b>-</b>	
<b>Totals</b>	<b>5,547,731</b>	<b>- 478,747</b>	<b>5,068,984</b>	<b>5,068,984</b>	<b>48,361,250</b>	<b>53,430,234</b>	<b>37,342,999</b>	<b>16,087,235</b>	<b>50,328,485</b>	<b>- 3,101,749</b>	

## Appendix C

### Housing Revenue Account Capital Programme 2020/21

#### Quarter 3 Forecast

	2019/20 Budget Outturn (xtract)			2020/21 Budget Progress (@ 31 December 2020: Q3)							
	2019/20 Unspent/ (Overspent) Balances	Savings	Balances Rolled Forward into 2020/21	Balances Rolled Forward from 2019/20	Virements between schemes 2020/21	2020/21 Budget Allocation	2020/21 Budget	Spending to Date	Remaining Budget	Forecast Outturn at M9	Forecast Variance (Under)/ Over
Schemes	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Housing Development Programme:</b>											
Housebuilding	640	0	640	640	0	14,452	15,092	1,812	13,280	4,379	10,713
Open Market Acquisitions	0	0	0	0	0	0	0	3,024	3,024	8,043	8,043
<b>Sub-Totals</b>	<b>640</b>	<b>0</b>	<b>640</b>	<b>640</b>	<b>0</b>	<b>14,452</b>	<b>15,092</b>	<b>4,836</b>	<b>10,256</b>	<b>12,422</b>	<b>2,670</b>
<b>Capital Works:</b>											
Heating	-158	0	-158	-158	-200	1,454	1,096	385	711	1,092	4
Windows, Door and Roofing	307	0	307	307	-18	2,374	2,663	424	2,239	1,422	1,241
Compliance Planned Maintenance	44	-3	41	41	-30	265	276	50	226	136	140
Kitchens & Bathrooms (inc void allocation)	322	0	322	322	1,175	2,300	1,447	931	516	1,070	377
Electrical	-69	0	-69	-69	200	1,001	1,132	929	203	1,300	168
Sprinklers	179	0	179	179	0	0	179	1	178	1	178
Environmental	128	-9	119	119	43	240	402	49	353	245	157
Structural works	-688	-2	-690	-690	1,180	1,100	1,590	906	684	1,347	243
Disabled adaptations	-6	0	-6	-6	0	450	444	136	308	450	6
Asbestos	18	0	18	18	0	205	223	75	148	150	73
Estate Improvements	0	0	0	0	0	140	140	0	140	90	50
<b>Sub-Totals</b>	<b>77</b>	<b>-14</b>	<b>63</b>	<b>63</b>	<b>0</b>	<b>9,529</b>	<b>9,592</b>	<b>3,886</b>	<b>5,706</b>	<b>7,303</b>	<b>2,289</b>
<b>Other Housing Schemes:</b>											
Service Enhancements	108	0	108	108	0	592	700	-1	701	-1	701
Oakwood Hill Depot Extension	155	0	155	155	0	0	155	104	51	155	-
<b>Sub-Totals</b>	<b>263</b>	<b>0</b>	<b>263</b>	<b>263</b>	<b>0</b>	<b>592</b>	<b>855</b>	<b>103</b>	<b>752</b>	<b>154</b>	<b>701</b>
Vehicle Replacements (moved to Qualis)	14	0	14	14	0	60	74	0	74	0	-74
<b>Gross Expenditure</b>	<b>994</b>	<b>-14</b>	<b>980</b>	<b>980</b>	<b>0</b>	<b>24,633</b>	<b>25,613</b>	<b>8,825</b>	<b>16,788</b>	<b>19,879</b>	<b>5,734</b>
Leaseholder Contributions	0	0	0	0	0	-300	-300	0	-300	-300	0
<b>Net Expenditure</b>	<b>994</b>	<b>-14</b>	<b>980</b>	<b>980</b>	<b>0</b>	<b>24,333</b>	<b>25,313</b>	<b>8,825</b>	<b>16,488</b>	<b>19,579</b>	<b>5,734</b>