

Appendix A- 2021/22 Directorate Revenue Outturn report

## People & Communities - £3.1m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
People & Communities	Director	1,107	1,078	0	(29)	(88)	59	Underspend
People & Communities	Education	3,984	3,081	0	(904)	(399)	(505)	Underspend
People & Communities	Adults – Commissioning	33,765	30,962	0	(2,802)	(1,755)	(1,047)	Underspend
People & Communities	Adults - Operations	9,943	8,418	143	(1,382)	(981)	(401)	Underspend
People & Communities	Children's - Operations	12,130	11,993	0	(137)	(186)	49	Underspend
People & Communities	Children's Commissioning	18,101	17,017	0	(1,084)	(874)	(210)	Underspend
People & Communities	Commissioning Team and Commercial Operations	542	822	0	279	307	(27)	Overspend
People & Communities	Communities - City Centre Management	350	980	0	630	465	165	Overspend
People & Communities	Communities - Cohesion and Integration	513	462	0	(51)	(56)	4	Underspend
People & Communities	Communities - Community Safety	(835)	199	0	1,034	1,286	(252)	Overspend
People & Communities	Communities - Think Communities	3,723	4,964	0	1,241	1,310	(69)	Overspend
People & Communities	Communities-Regulatory Services	1,767	1,822	49	104	64	40	Overspend
People & Communities	Children's & Safeguarding (DSG)	6,042	6,648	0	607	495	112	Overspend
People & Communities	Commissioning and Commercial Operations (DSG)	11	10	0	(1)	(1)	0	Underspend
People & Communities	Education (DSG)	(6,053)	(6,640)	0	(587)	(475)	(112)	Underspend
	<b>Total People &amp; Communities</b>	<b>85,091</b>	<b>81,816</b>	<b>192</b>	<b>(3,083)</b>	<b>(889)</b>	<b>(2,194)</b>	Underspend

Directorate Variance Analysis	
Education	<p>£0.110m pressure as a result of lost income within the School Improvement service. This includes:</p> <ul style="list-style-type: none"> <li>* £0.032m - School Improvement traded services as Schools have prioritising Covid-19 recovery. Income is predicted to return to pre-pandemic levels in financial year 2022-23.</li> <li>* £0.078m - Attendance Fine Fixed Penalty Notices relates to where parents take children out of school during term time for holidays or other unauthorised absence. Due to historic experience of the level of notices being issued a budget was built into the Medium-Term Financial Strategy (MTFS). Income is likely to return to pre-pandemic levels now that restrictions on foreign travel have been lifted and penalty notices are issued as a deterrent for parents for taking children out of school.</li> </ul>

Directorate Variance Analysis	
	£0.640m favourable in relation to Schools Direct Revenue Financing (DRF). This is due to an increase in the value of schools funding being transferred from revenue into capital. School revenue spend which has been capitalised relates to new IT equipment, the All-Weather pitch at St John Fisher and building works / alterations.
	£0.033m saving - using Special Education Needs Disabilities Grant funding to off-set existing costs
	£0.113m saving - Agreed new structure for Schools and Settings Finance Team
	£0.034m saving - Pre 98 Pension strain
	£0.287m saving re PFI - 0.223m saving re final PFI Insurance rebate. £0.129m saving re PFI Utilities. PFI Unitary charge pressure £0.065m
	£0.441m pressure Home to School Transport. This pressure stands for growth, added contract costs arising from the re-tendering of contracts, the pressure of Primary School directed places and reduced parental contributions following the introduction of Public Services Vehicle Accessibility Regulations which means the Authority cannot charge for post 16 transport on non-compliant vehicles.
	0.101m saving - School Improvement and Monitoring grant being used to offset existing costs.
	0.101m saving re School Improvement including Governor Services trading surplus, employee savings, Attendance Service traded income.
	£0.108m saving - Shared Assistant Director School Improvement post not recruited to in current financial year, release of Service Director Project funding following spend moratorium.
Adults - Commissioning	£0.854m favourable - the annual uplifts from the Better Care Fund for 2020/2021 and 2021/2022 has been released to support pressures in Adult Social Care from demographic and market conditions
	£0.530m favourable - release of the following on a one-year basis. Early Help and Transitions investment due to delay in restructuring teams, Childrens Centres maintenance costs now not needed, inspections fund as a result of covid-19 some inspections have not taken place this financial year.
	£0.464m favourable further release of budgets around inspections & investments not needed in current financial year including Autism Strategy, pressures within 0-25 Service, recruitment investment in Transition Commissioning & Clare Lodge future options costs.
	£0.089m - part year savings on the closure of interim beds and estimated costs relating to 2020/21 not needed
	£0.379m saving - the extension of the Discharge to Assess (hospital discharges) from September 2021 to March 2022 has released the first four weeks of care packages spend which is paid for by reclaiming through the CCG.
	£0.223m saving re Mental Health Section 75 agreement based on Cambridgeshire and Peterborough Foundation Trust (CPFT) underspend predominantly due to staffing vacancies and difficulty in recruitment for social workers and Approved Mental Health Practitioners (AMHPs)
	£0.171m saving re Mental Health Section 75 agreement due to previous years added investment is no longer required.
Adults - Operations	£0.073m pressure due to more spend needed as a result of Covid-19, this includes: * £0.039m for more Occupational Therapy capacity to deal with increased demand for services from hospital discharges and disabled facilities grant cases awaiting reviews * £0.034m for extension of temporary resource in Transfer of Care (Hospital Discharge) Team to continue to support the health and social care system in discharging patients on time.
	£1.053m favourable on staffing costs, is mainly due to the difficulties in recruiting to vacancies due to availability of appropriately qualified staff, new appointments being at a lower spinal column point or reduced hours in comparison to budget.

Directorate Variance Analysis	
	<p>£0.182m favourable on Mental Capacity Act/Deprivation of Liberty Standards services for Best Interest Assessors and section 12 Doctors. Forecasting includes reduced requests and backlog of Court of Protection cases still affecting.</p> <p>£0.143m awaiting reserve adjustment for Learning Disabilities 75 underspend for 21/22.</p>
Children's - Operations	<p>£0.097m pressure as a result of additional expenditure needed as a result of Covid-19. This includes:</p> <ul style="list-style-type: none"> <li>* £0.080m - Assessment and Family Safeguarding demand, more resources have been required due to the increasing numbers of assessments and referrals.</li> <li>* £0.017m - Additional Youth Family worker to cover a staff member having to shield</li> </ul>
	<p>£0.084m saving on Cherry Lodge due to reduced Outreach support, staffing vacancy slippage and increased contributions for shared care.</p>
	<p>£0.129m saving released under Targeted Youth Services - £0.032m vacancy savings as posts not being recruited to until April 2022, £0.024m carry forward for Prince Trust released, £0.040m for relief budget travel, other vacancy slippage and financial aid offered up as part of spending moratorium</p>
Children's Commissioning	<p>£1.084m favourable including:</p> <ul style="list-style-type: none"> <li>*£1.083m - Children's Social Care Placements - increased numbers of Looked After Children following covid-19 lockdown have not materialised to the level expected although this has been offset by increased complexity of need and market demands</li> <li>*£0.050m saving Children's Centres contribution from Tackling Troubled Families Grant</li> <li>*£0.082m Saving on spot purchased specialist services for children</li> <li>*£0.078m saving commissioning of Derby House</li> <li>*£0.036m pressure re Short Breaks Commissioning with Circles Network</li> <li>*£0.221m pressure relating to Children with Disabilities - Additional Short Breaks and Homecare for periods out of School.</li> </ul>
Commissioning Team and Commercial Operations	<p>£0.447m pressure in relation to Clare Lodge, this is based on average occupancy of between 7 and 8 young people until March 22. The £0.447m overspend is:</p> <ul style="list-style-type: none"> <li>* A shortfall of income of £0.538m based on reduced average occupancy until March 22.</li> <li>* An overspend on employee expenditure of £0.256m. A pressure of £0.947m in relation to Agency staffing is offset by Vacancy savings of £0.691m</li> <li>* An underspend of £0.347m on non-staffing expenditure budgets</li> </ul>
Communities - City Centre Management	<p>£0.630m pressure includes: £0.112m loss of income at the Market due to non-essential traders having not yet reopened stalls following the Lockdown 3.0 restrictions, £0.423m pressure re costs of Market Relocation, £0.080m pressure loss of Street Trader income and the Government extension to the lower charge rate in relation to outdoor seating and £0.015m as a result of the 2021 Great Eastern Run being cancelled.</p>
Communities - Community Safety	<p>£1.034m pressure includes</p> <p>£0.706m pressure due to loss of Parking Income due to the Pandemic offset by reduced spend of £0.179m. It is expected that Parking Income for financial year 2022/23 will be in line with budgeted income.</p> <p>£0.443m pressure due to reduction in Fixed Penalty Notices issued by the Parking Enforcement team off-set by reduced spend £0.074m.</p> <p>£0.474m pressure due to reduction in Fixed penalty Notices issued by the Environmental Enforcement Team off-set by grant contributions of £0.093m and reduced spend £0.137m.</p>

Directorate Variance Analysis	
Communities-Regulatory Services	£0.259m pressure within the Coroners service as a result of unusually complicated and high-profile cases (£0.039m), Covid-19 (£0.078m) and Business as Usual (£0.143m). This is due to the requirement to adhere to strict Covid-19 guideline about PPE (Personal Protective Equipment) and a backlog of cases, therefore there is a need to appoint more area coroners and assistant coroners. There is also a need for more ICT, due to a shortage of Covid-19 secure premises for remote inquests.
Communities - Think Communities	£1.541m pressure within the Recreation and Culture services. This includes: <ul style="list-style-type: none"> <li>* £0.816m pressure resulting from lost income covering the period April to June 2021. This is due to Covid-19 restrictions in relation to access to Leisure Facilities such as swimming and gyms and also Cultural events such as the Key Theatre, Flag Fen, and Exhibitions. Recovery plans are in place for Recreation and Culture but will not mitigate losses already incurred.</li> <li>* £0.300m - Further loss of Leisure income.</li> <li>* £0.400m - Additional running costs of City Culture.</li> </ul>
	£0.274m saving within Community Capacity of which £0.247m saving because Think Communities MTFS investment for 2021/22 is not needed this financial year as all costs can be charged to the Integrated Area Programme grant

## Public Health - £0.003m underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Public Health	Children 0-5 Health Visitors	3,974	3,850	0	(124)	1	(125)	Underspend
Public Health	Children 5-19 Health Programmes	987	889	0	(98)	(98)	(0)	Underspend
Public Health	Sexual Health	2,052	1,966	0	(86)	(59)	(27)	Underspend
Public Health	Substance Misuse	2,308	2,308	0	0	0	0	On Budget
Public Health	Smoking and Tobacco	286	201	0	(85)	(69)	(16)	Underspend
Public Health	Miscellaneous Public Health Services	1,458	941	0	(517)	(216)	(301)	Underspend
Public Health	Public Health Grant	(11,252)	(11,253)	907	906	441	465	Contribution to Reserve
<b>Total Public Health</b>		<b>(188)</b>	<b>(1,097)</b>	<b>907</b>	<b>(3)</b>	<b>0</b>	<b>(3)</b>	Underspend
<b>Directorate Variance Analysis</b>								
Children 0-5 Health Visitors		£0.125m saving - Section 75 agreement with Cambridgeshire and Peterborough NHS Foundation Trust (CPFT) underspent as a result of vacancies.						
Children 5-19 Health Programmes		£0.115m saving - Contribution to Family Safeguarding not needed until financial year 2022/23 as being covered by reserve funds for family safeguarding. £0.017m pressure - A one year only contribution is needed to the cost of the CHUMS (Mental Health and Emotional Wellbeing Service) contract which offers support to young people with mental health difficulties, as the contract was re-procured, and lead commissioners changed from PCC to CCG from July 2020.						
Sexual Health		£0.010m pressure additional cash contract cost £0.030m saving out of area genitourinary medicine (GUM) based on Q1 to Q3 activity £0.019m saving Emergency Contraception (EHC) based on Q1 to Q3 activity £0.020m saving Long Acting Reversible Contraception (LARC) based on Q1 to Q3 activity £0.027m underspend re pre-exposure prophylaxis (PreP) due to reduced demand"						
Smoking and Tobacco		£0.054m saving payments to GP's / Pharmacies for Smoking cessation due to reduced activity						
Miscellaneous Public Health Services		£0.088m saving Adults Weight Management & Obesity budget £0.078m staff saving. Reduced cross charge from CCC and charging Public Health staffing costs to other grants. £0.054m saving GP Health checks based on Q1 to Q3 activity. £0.282m saving charging Public Health core salary costs to Contain Outbreak Management Fund (COMF) grant.						

## Governance - £0.2m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Governance	Director of Governance	130	103	0	(27)	(21)	(6)	Underspend
Governance	Legal Services	1,845	1,826	0	(19)	(21)	2	Underspend
Governance	Constitutional Services	2,036	1,888	0	(148)	(127)	(21)	Underspend
Governance	Information Governance	182	187	0	5	19	(14)	Overspend
	<b>Total Governance</b>	<b>4,192</b>	<b>4,004</b>	<b>0</b>	<b>(188)</b>	<b>(149)</b>	<b>(39)</b>	Underspend

Directorate Variance Analysis	
Constitutional Services	<p>£0.148m Favourable - £0.082m saving in Members Services of which £0.054m is a saving in members allowances due to some members carrying out more than one role and only able to claim one Special Responsibility Allowance. Remaining savings due to reduced travel costs, reduced supplies and services including postage, printing, photocopying, and IT costs.</p> <p>£0.095m saving in salaries due to two vacancies. £0.029m other misc. Pressures.</p>

## Resources - £4m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Resources	Director's Office	331	385	0	54	59	(5)	Overspend
Resources	Financial Services	4,550	3,707	416	(428)	(325)	(103)	Underspend
Resources	Corporate Items	8,521	6,061	2	(2,458)	(1,830)	(628)	Underspend
Resources	Peterborough Serco Strategic Partnership	8,073	7,094	0	(979)	(932)	(47)	Underspend
Resources	Corporate Property	2,325	2,075	0	(250)	17	(267)	Underspend
Resources	Energy	478	874	0	396	130	266	Overspend
Resources	Cemeteries, Cremation & Registrars	(1,482)	(1,818)	0	(336)	(149)	(187)	Underspend
	<b>Total Resources</b>	<b>22,797</b>	<b>18,378</b>	<b>418</b>	<b>(4,001)</b>	<b>(3,030)</b>	<b>(971)</b>	Underspend

Directorate Variance Analysis	
Financial Services	£0.228m Favourable - A final underspend is being reported against the Financial Services salary budgets. £0.051m of this underspend is related to a secondment of an Internal Audit member of staff to the Community Hub during the financial year. The salary costs were Covid-19 grant funded. £140k savings are within Strategic Finance following a review of the interim management arrangements during the financial year, and £0.026m savings through the COMF Grant contribution.
	£0.200m Favourable - Other savings found across the service area, including £0.025m saving in salary related costs generated from the operation of the corporate car lease salary sacrifice scheme, £0.034m from the Risk Management budget underspend and £0.038m of savings within the Insurance Premium budget. In addition, £0.084m favourable variance is reflected within Finance due to final posting of unallocated income.
Corporate Items	£1.337m Favourable - The pension actuary completed the cessation assessment for Peterborough Culture and Leisure Trust (Vivacity) following their admission ceasing on 30/09/2020. This has resulted in the Council receiving a single year reduction to their secondary contributions for the year 2021/22 to the value of 50% of the Vivacity surplus detailed in the assessment report. This variance is the result of the Funding and Management Agreement with Vivacity and the risk agreement for pension contributions.
	£0.218m Favourable - Following a review of the Compensatory Added Years and Unfunded Pension contributions, there is a saving against the corporate premature retirement budget. This saving is partially repeatable in future years dependant on the Council's in-year pension strain funding requirements, and forms part of the 2022/23 MTFS savings. In addition, in-year costs for 21/22 are lower than budgeted.
	£0.231m Favourable - This variance is a result of the Containment Outbreak Fund (COMF) grant contribution towards the corporate overhead expenditure during 21/22.

Directorate Variance Analysis	
	£0.649m Favourable - This variance is a result of the Value Added Tax (VAT) shelter income received from Cross Keys Homes (CKH). This favourable position has been driven by maintenance work CKH has carried out on its properties, and the expenditure profile has varied from original budgeted.
Peterborough Serco Strategic Partnership	£0.100m Favourable - Final year of growth income received as part of the Peterborough Serco Strategic Partnership contract which has not been budgeted. Not repeatable in future years.
	£0.271m Favourable - Business Support contract credits (freezing core vacancies where possible until transformation work takes place), offset by centralised project costs unable to be recharged directly to projects.
	£0.352m Favourable - Following a review of the PSSP contract budget including inflationary elements (£230k) along with grant funding found (£122k), a total underspend in the current year of £352k was found. This will be partly ongoing and a saving has been factored into the proposed 2022/23 Medium Term Financial Strategy (MTFS).
	£0.231m Favourable - Due to a one-off piece of work with historic Housing Benefit payments, the Council found a higher level of overpayments than previously forecast which have already been recovered and as a result has received a net £210k overpayment income above budget for this financial year.
	£0.35m Pressure - Court cost income collected is lower than budgeted. Due to lack of recovery activity which was restricted over the pandemic, the income was adversely affected in 2020/21. Although the current year pressure has improved on last financial year, it is in line with outturn in 2019/20 suggesting an ongoing pressure. There is no corresponding saving in administration costs.
Energy	£0.396m Pressure - On 12 November administrators were appointed to ECSP1 and on the same day the Council bought the assets of ECSP1 from the administrators. The adverse position to the budget for this project has arisen from the legal and professional costs of the insolvency. The solar income from the corporate estate was lower than forecast as several installations have been offline during the year due to maintenance and meter issues and lower solar irradiation levels than forecast especially in the last quarter of the year. A cash limit saving target for all the Council's energy projects was not met as the income profile of the energy projects has changed since it was implemented
Corporate Property	£0.083m Favourable - NPS Peterborough Ltd is a 50/50 joint venture company owned by the Council and the Norse Group (a wholly owned subsidiary of Norfolk County Council). This favourable variance is a result of the profit share being higher than budgeted. This variance is unlikely to continue as savings have been built into the MTFS for the NPS contract.
	£0.073m Pressure - A debtor invoice write off exercise has meant £0.073m has been recoded to Corporate Property from the Bad Debt Provision, creating a pressure against the budget in this financial year.
	£0.161m Favourable - Savings on Office Accommodation costs including Waste Collection, Stationery, Security and Cleaning, along with further savings found in Supplies and Services across the service area.
	£0.079m Favourable - Other overall underspends within the service mainly due to Business rates budgets including credits for prior year charges, service charge income being higher than budgeted, partially offset with costs for Interim Management.
Cemeteries, Cremation & Registrars	£0.257k Favourable - Additional income above budget from cremations, internment fees and rights of burial charges, offset by reduction in Registration income (Covid-19 related).
	£0.081k Favourable - Other savings across the service including salaries and other supplies and services.



## Place & Economy - £3.1m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Place & Economy	Development and Construction	(29)	(267)	0	(239)	(160)	(79)	Underspend
Place & Economy	Director Place & Economy	151	125	0	(26)	(9)	(17)	Underspend
Place & Economy	Peterborough Highway Services	4,293	3,346	0	(947)	(799)	(148)	Underspend
Place & Economy	Sustainable Growth Strategy	1,560	1,190	39	(331)	(204)	(127)	Underspend
Place & Economy	Waste, Cleansing and Open Spaces	14,925	11,581	500	(2,844)	(2,118)	(726)	Underspend
Place & Economy	Westcombe Engineering	49	546	0	497	455	42	Overspend
Place & Economy	Director of Housing	2,275	3,059	0	784	858	(74)	Overspend
Place & Economy	Growth & Regeneration	504	466	0	(38)	5	(44)	Underspend
	<b>Total Place &amp; Economy</b>	<b>23,729</b>	<b>20,046</b>	<b>539</b>	<b>(3,144)</b>	<b>(1,971)</b>	<b>(1,172)</b>	Underspend

Directorate Variance Analysis	
Development and Construction	£0.239m Favourable - This has arisen through more income (Planning fees, Planning Performance Agreement income, S106 Admin fees, Building Control income) and savings on supplies & services. Partly offset by added staff costs, consultant fees and reduction in recharges to shared services
Peterborough Highway Services	£0.302m Favourable - Employee cost savings through Highway Services. Further savings due to a delay in recruitment following a restructure.
	£0.289m Favourable - Various cost savings and added income Network Management (Traffic signal maintenance, bridge maintenance, New Roads Streets Work Act, etc)
	£0.012m Pressure - Highways Schemes - Cost of more vehicles August 21 to Jan 22 due to Covid-19. Also reduced Street Naming income. Pressure reduced by other savings and green claims
	£0.019m Favourable - Additional Highway Development Sec38 Income and supplies & services savings
	£0.349m Favourable - Savings on street lighting and highway contractor inflation budgets, and more fee income from other Local authorities for PCC project work
Sustainable Growth Strategy	£0.331m Favourable - Various savings across the service including employee and consultancy costs and supplies & services. Also, more income from commuted sums, staff recharges to schemes, S106 income and contributions from Cambridgeshire County Council towards plan works
Waste, Cleansing and Open Spaces	£1.592m Favourable - Energy Recovery Facility (ERF) Electricity Income - Continued significant increase in wholesale export price of electricity produced by the ERF (the Council's Energy from Waste Plant used by Viridor). A pressure of £0.5m was reflected in the Council's budget for 2021/22 due to reduction in energy prices; however, the energy market overall is showing faster signs of recovery than predicted and the Council is able to achieve an improvement in the sale price. Increased income has been factored into the budget proposals for 2022/23

Directorate Variance Analysis	
	£0.035m Pressure - Additional cost at Household Recycling Centre due to Covid-19, such as staffing, traffic management, cleansing and signage.
	£0.063m Pressure - Vehicle hire and other staffing costs on waste collection rounds due to Covid-19
	£1.000m Favourable - Aragon Direct Services. As the financial pressures from Covid-19 reduced, and the replacement vehicle programme got underway, the financial position of Aragon Direct Services improved, and the increase in costs to the Council that were set out in the budget were lower than anticipated.
	£0.314m Favourable - Materials Recycling Facility - Significant increase in cardboard and paper recycling prices which continued through the whole year
	£0.329m Pressure - Brown Bin Service - Due to national driver shortages the annual garden waste bin collection service which started in August 2021 was suspended. Customers to the service received a refund from the council, for the 11 months of service which has not been provided. The new annual service is set to resume from May 2022. This means a loss of income of £741k in the current financial year, but there is a saving of £412k due to the non-delivery of the service.
	£0.090m Favourable - Insurance rebate Energy for Waste plant
	£0.126m Favourable - Waste treatment costs lower than expected in quarter 4 of 21/22
	£0.160m Favourable - Savings from delayed spring clean across the city previously planned for Feb 22, income from Waste Client Team supplying service to Peterborough Environment City Trust (PECT), no charge for garden waste administration, reduced repair and maintenance costs across open spaces and play areas, savings on utility costs and reduced business rates. Partially offset by other misc. pressures including Bulky Waste service, added city centre cleansing and fly tipping clearance costs
Westcombe Engineering	£0.328m Pressure - Loss of income - Significant arrears in raw casting supply due to Covid-19 and Brexit. This lack of castings did not allow Westcombe Engineering to satisfy key customer requirements. Also, raw material prices continue to rise.
	£0.169m Pressure - £0.038m cost of backfilling a post seconded to the Covid-19 Hub, £0.047m cost of machine repairs, £0.054m warranty claim and £0.030m other staff costs
Director of Housing	£0.655m Pressure - Housing Services - other costs arising from housing rough sleepers in hotels and B&B's. The pressure is made up of £0.855m expenditure, which is being partially offset by £0.200m of Rough Sleeper initiative grant income.
	£0.267m Favourable - Additional Homelessness Prevention Grant
	£0.166m Pressure - Unachievable savings plan relating to income associated with Temporary Accommodation. The baseline budget requirement has been re-assessed and this element of saving has not been realised.
	£0.085m Favourable - Net savings on temporary accommodation schemes - Bushfield Court will not now be leased for temporary accommodation, and a scheme at Walton Road has been delayed until 2022/23. The rent PCC would have paid for these properties is higher than the rental income that would be received, so these changes result in a saving. This saving has been offset by added rent costs at Redpoll Place, added costs from Cross Keys Homes relating to Hostel under occupation charges from 2020/21 and costs of surveying properties at Wittering to consider whether they were suitable for temporary accommodation.
	£0.111m Favourable - relating to employee costs for Housing Needs, however vacancy savings are offset by temporary staff costs
	£0.108m Pressure - Increased repair and maintenance costs of Norwood and Oxney Traveller sites

**Directorate Variance Analysis**

	£0.068m Pressure - Other misc. pressures, mostly landlord incentive payments
	£0.046m Favourable - Employee costs Housing Enforcement Team
	£0.076m Favourable - Housing Enforcement License income and supplies & services savings
	£0.137m Favourable - Employee costs Selective Licensing Team. 2 full time vacant posts and another saving due to a full-time team member being seconded to another area for most of 21/22.
	£0.509m Pressure - Selective Licensing Scheme. The Selective Licensing Scheme ended October 2021 and there has been a delay in setting up the new scheme. A proposed replacement scheme has recently been consulted upon. It will then be reviewed by central Govt and requires their approval, and it is unclear how long this process will take. An estimate has been made on how this will affect future years budgets

## Business Improvement - £0.0m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Business Improvement	Programme Management Office	731	697	0	(34)	(29)	(4)	Underspend
Business Improvement	Director Business Improvement & Development	318	318	0	(0)	0	(0)	On Budget
	<b>Total Business Improvement</b>	<b>1,050</b>	<b>1,016</b>	<b>0</b>	<b>(34)</b>	<b>(29)</b>	<b>(4)</b>	Underspend

### Directorate Overview

The BID Directorate is reporting a small favourable variance within the service of £0.034m

## Chief Executives - £0.2m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Chief Executives	Chief Executive	161	221	0	60	42	19	Overspend
Chief Executives	HR	1,064	830	0	(224)	(142)	(92)	Underspend
	<b>Total</b>	<b>1,225</b>	<b>1,051</b>	<b>0</b>	<b>(173)</b>	<b>(100)</b>	<b>(73)</b>	Underspend

### Directorate Overview

The Chief Executive Directorate is reporting a favourable final position against budget of £0.173m.

### Directorate Analysis

HR	£0.111m Favourable - Savings within salary budgets due to vacancies being held, maternity savings and grant/other funding, along with a release of a prior year redundancy provision.
	£0.062m Favourable - An underspend was found through reduced expenditure within Workforce Development and Corporate training budgets during the year.
	£0.059m Favourable - Additional income was secured through Practice Learning and additional savings within supplies and services following the spending moratorium implementation, along with Apprenticeship Levy income.

## Customer & Digital Services - £1m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Customer & Digital Services	IT & Digital Services	7,045	3,167	0	(878)	(758)	(120)	Underspend
Customer & Digital Services	Marketing & Communications	458	397	0	(61)	37	(98)	Underspend
Customer & Digital Services	Resilience & Health & Safety	267	227	0	(40)	3	(43)	Underspend
Customer & Digital Services	Director of Customer & Digital Services	87	86	0	(1)	0	(1)	Underspend
	<b>Total Customer &amp; Digital Services</b>	<b>7,857</b>	<b>6,877</b>	<b>0</b>	<b>(980)</b>	<b>(718)</b>	<b>(262)</b>	Underspend

Directorate Overview	
<p>The Customer &amp; Digital Directorate is reporting a final overall favourable variance of £0.980m against budget. The main variances are within IT &amp; Digital service area, primarily through identification of additional external income above budget, savings within current staffing structure and recharges, and continued rationalisation of the IT budget following exit from the Serco contract.</p>	
Directorate Variance Analysis	
IT & Digital Services	£0.197m Favourable - Additional income generated through external sources including Service Level Agreements with partner organisations and East of England Broadband Network (E2BN). This is likely to be an ongoing income stream and has been included in the 2022/23 MTFS budget process.
	£0.285m Favourable - Staffing budgets are reporting an underspend due to more salary capitalisation, vacant posts in year and grant funding being identified. The restructure of the service is in progress.
	£0.101m Favourable - continued rationalisation of the IT revenue budget has meant that the remaining contingency held, following the exit from the Serco contract, was not needed in this financial year. It has been reviewed as part of the 22/23 budget proposals.
	£0.228m Favourable - In-year savings within Software and Hardware, Telephony and Microsoft contracts. Part of the saving relates to repeatable savings which have been built into the 22/23 MTFS.
	£0.066m Favourable - Other minor variances within the service area.

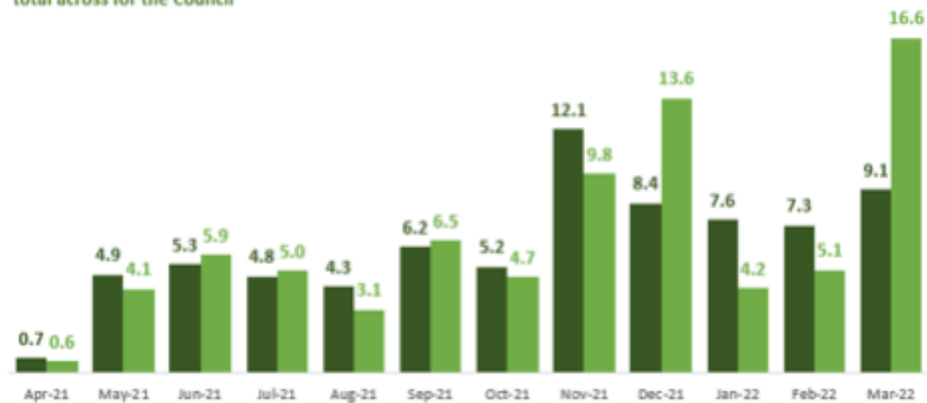
## Capital financing - £3.3m Underspend

Directorate	Budget Group	Budget £k	Actual Spend £k	Cont. to Reserve £k	Variance £k	January's Variance £k	Movement £k	Overall Status
Resources	Capital Financing	30,798	27,357	0	(3,340)	(2,687)	(753)	Underspend
	<b>Total Capital Financing</b>	<b>30,798</b>	<b>27,357</b>	<b>0</b>	<b>(3,340)</b>	<b>(2,687)</b>	<b>(753)</b>	<b>Underspend</b>

### Capital Financing Overview

- Tight management of the Council's cash flow has led to savings being realised by extending the time before borrowing was undertaken, reducing the amounts of borrowing taken, and at the lower, shorter length interest rates.
- All borrowing undertaken has been used to fund capital expenditure or refinance maturing loans.
- The Council's cash flow has benefitted from the additional funds provided by government in relation to funding the Covid-19 activity and grants provided to businesses to support them through the pandemic.
- The Council's capital programme has not progressed in the timescales originally planned in the MTFS.
- The benefits realised from these factors led to savings in year of £2.7m. These 2021/22 factors built on the 2020/21 position where less borrowing was undertaken for the capital programme in 2020/21 (£24.3m compared to an expected MTFS figure of £50.5m) than budgeted for in the MTFS resulting in less budget being required to fund existing borrowing.
- The minimum revenue provision (MRP) calculation included in this position has taken into account the lower completion rates of schemes from the 2020/21 capital programme (spend of £55m compared to the budget of £83m) and resulted in a lower provision of £1.0m compared to the MTFS budget.

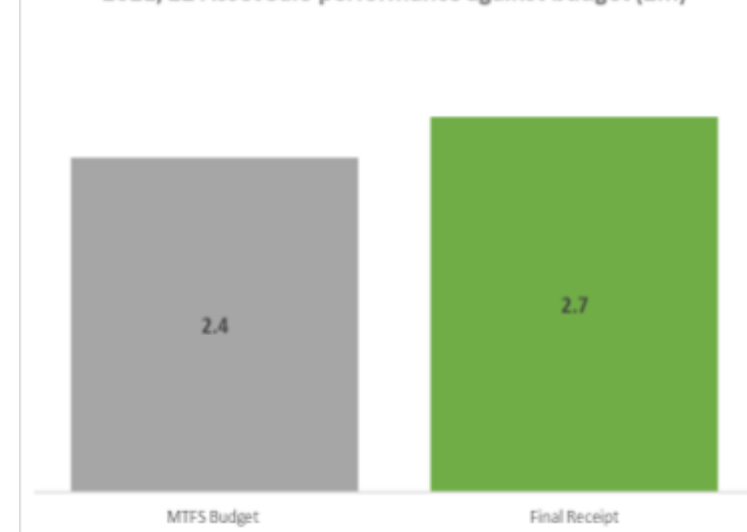
**Capital Programme - Current year budget v's Actuals by calendar month (£m)**  
for the Council  
total across for the Council



### Capital Receipts Overview

- As per the MTFS policy Capital Receipts will be used to repay debt and forms part of the calculation of reducing the overall debt through MRP. If capital receipts are not received, the debt will need to be repaid via revenue resources.
- The Council found over £4.5m of asset sales in order to achieve the MTFS budget of £2.4m, however this was paused to ensure that the asset sales are 'at the right price' and will not be rushed into 'fire sales' and is undergoing further examination for potential added asset sales following the results of the both DLUHC reviews which recommend that asset sales are used to stabilise the Council's financial position. The Council did still realise £2.7m of capital receipts, £0.3m above that estimated in the MTFS

**2021/22 Asset Sale performance against budget (£m)**



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