



# Northumberland

## County Council

### CABINET

7 September 2021

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## **Financial Performance 2021-22 - Position at the end of June 2021**

Report of Jan Willis, Interim Executive Director of Finance and Section 151 Officer

Cabinet Member: Richard Wearmouth, Portfolio Holder for Corporate Services

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### **1. Purpose of report**

- 1.1 The purpose of the report is to ensure that the Cabinet is informed of the current financial position for the Council against the Budget for 2021-22.

### **2. Recommendations**

#### 2.1 Members are requested to:

- a. note the report.
- b. note the projected underspend of £1.950 million and the assumptions outlined in this report.
- c. note the pressures currently identified, including the impact of Covid-19.
- d. note that it is anticipated that the Council will receive further funding in relation to the income that the Council has “lost” as a result of Covid-19. Further guidance is expected to be issued in the near future.
- e. approve the adjustments to the capital programme of £2.527 million (net) reduction to reflect the confirmation of grant allocations for the Local Transport Plan and Disabled Facilities grants.
- f. approve a net re-profiling of £40.024 million to the capital programme; £46.034 million from 2021-22 to 2022-23; and £6.010 million from 2022-23 to 2021-22 to reflect estimated expenditure levels in the current financial year.
- g. approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets.
- h. note the progress on the delivery of the approved savings at Appendix B.
- i. note the use of the contingency shown at Appendix P.
- j. note the use of reserves shown at Appendix Q.

- k. note the virements requested by services shown at Appendix R.

### **3. Link to Corporate Plan**

- 3.1 The Council's budget is aligned to the priorities outlined in the Corporate Plan 2018-21 "A Council that Works for Everyone".

### **4. Key issues**

#### **4.1 Overall Position**

- 4.1.1 The report provides information and analysis on the Council's financial performance and use of resources to the end of June 2021. The Council set its budget for 2021-22 on 24 February 2021 and this report focuses on the financial performance to the end of June 2021 and the projected year end position at that point in time.

### **5. Projected Revenue Outturn 2021-22**

- 5.1 The Council's projected revenue outturn position, within each service area is shown in summary at Section 6 of the report (figures in brackets denote an underspend); and in detail within Appendices C - N of the report.
- 5.2 The Council's overall annual revenue expenditure is managed across a number of areas:
- a. The General Fund with a net budget of £330.450 million, providing revenue funding for the majority of the Council's services.
  - b. The Dedicated Schools Grant (DSG) of £147.305 million in 2021-22, which is ring-fenced for schools funding, overseen by the Schools' Forum, and managed within the Children's Services Directorate.
  - c. Public Health, a ring-fenced grant of £16.891 million in 2021-22, must be spent to support the delivery of the Public Health Outcomes Framework and is managed within the Adult Social Care and Commissioning Directorate.
  - d. The Housing Revenue Account (HRA) with anticipated gross expenditure of £37.233 million in 2021-22, is ring-fenced, and reported separately from the General Fund, and is managed within the Regeneration, Commercial and Economy Directorate.

## 6. General Fund

6.1 The following table provides a summary of how each Directorate is performing against the General Fund revenue budget for the 2021-22 financial year.

Service	Budget £m	Forecast Outturn £m	Variance £m	Variance BAU £m	Variance Covid-19 £m
Adult Social Care & Commissioning	103.199	103.068	(0.131)	(2.064)	1.933
Chief Executive	2.467	2.467	0.000	0.000	0.000
Children's Services	65.630	66.347	0.717	(0.016)	0.733
Finance	42.610	43.133	0.523	(0.849)	1.372
Human Resources	22.779	26.185	3.406	(0.268)	3.674
Local Services	74.673	75.193	0.520	(0.024)	0.544
Regeneration, Commercial & Economy	7.232	8.247	1.015	0.851	0.164
<b>Total Services</b>	<b>318.590</b>	<b>324.640</b>	<b>6.050</b>	<b>(2.370)</b>	<b>8.420</b>
Corporate Expenditure and Income	25.486	17.486	(8.000)	0.000	(8.000)
<b>Total Net Expenditure</b>	<b>344.076</b>	<b>342.126</b>	<b>(1.950)</b>	<b>(2.370)</b>	<b>0.420</b>
<b>Budget funded by:</b>					
Council Tax	(203.149)	(203.149)	0.000		
Retained Business Rates	(61.924)	(61.924)	0.000		
Revenue Support Grant	(10.508)	(10.508)	0.000		
Other Corporate Grants	(28.851)	(28.851)	0.000		
Earmarked Reserves	(26.557)	(26.557)	(0.000)		
Covid-19 Grant – Pressures	(8.509)	(8.509)	0.000		
Covid-19 Grant – Sales, fees & charges	0.000	0.000	0.000		
Covid-19 LCTS Grant	(4.578)	(4.578)	0.000		
<b>Total Funding of Services</b>	<b>(344.076)</b>	<b>(344.076)</b>	<b>(0.000)</b>		
<b>Net Total</b>	<b>0.000</b>	<b>(1.950)</b>	<b>(1.950)</b>		

## **7. Other General Fund Items**

- 7.1 Appendix A is a schedule of all new grants and amendments to existing grants (capital and revenue) which the Council has been awarded during April to June 2021.
- 7.2 The Council at its meeting in February agreed to implement a range of savings and efficiencies totalling £8.172 million in 2021-22. A recent review of the delivery of those savings has been conducted and the results are illustrated at Appendix B.
- 7.3 Appendix P is a schedule of all items which have been released from contingency during April to June 2021.
- 7.4 Appendix Q is a schedule of the movement in the Council's Reserves during April to June 2021.
- 7.5 Appendix R is a schedule of virements during April to June 2021.

**8. Ring-fenced Accounts - Dedicated Schools' Grant (DSG) - £0.062 million forecast overspend**

2021-22 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Dedicated Schools' Grant	149.288	(149.288)	0.000	0.062	0.062

8.1 The DSG is forecast to overspend by £0.062 million and the details explaining the factors leading to this variance are contained within Appendix H.

**9. Ring-fenced Accounts - Public Health**

2021-22 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Public Health	17.062	17.062	-	-	-

9.1 Public Health is forecast to be on budget. Further details on the Public Health budget are contained within Appendix D.

**10. Ring-fenced Accounts - Housing Revenue Account (HRA) - £0.090 million forecast overspend**

2021-22 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Housing Revenue Account	37.233	(37.849)	(0.616)	(0.526)	0.090

10.1 The HRA is forecast to overspend by £0.090 million and the details explaining the factors leading to this variance are contained within Appendix N.

## 11. CAPITAL PROGRAMME

- 11.1 The capital programme for 2021-22 totalling £290.549 million was agreed by full Council on 24 February 2021.
- 11.2 The capital programme has changed during the year as the phasing of schemes was reviewed at the end of the previous financial year with £0.734 million re-profiled from 2020-21 to 2021-22. In addition, further approvals totalling £11.833 million for additional schemes and resourcing has been agreed.
- 11.3 The original capital programme included assumptions on expected grant allocations to be received in respect of Local Transport Plan, Pothole and Challenge Fund, Integrated Transport and Disabled Facilities grant. Confirmation of these allocations has now been received and they are as follows:

<b>Grant</b>	<b>Original Allocation</b>	<b>Revised</b>	<b>Variance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Disabled Facilities Grant	2.000	3.329	1.329
Integrated Transport Grant	1.633	1.646	0.013
Local Transport Plan/Pothole and Challenge Fund	25.649	21.780	(3.869)
<b>Total</b>	<b>29.282</b>	<b>26.755</b>	<b>(2.527)</b>

11.4 The following table sets out the position as at the end of June:

Directorate	Original Budget	Approved Adjustments	Revised Budget	Expenditure to date	Forecast Expenditure	Net Variance	Over / (Under) spend	Reprofiling
	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care & Commissioning	4.140	0.758	4.898	0.332	3.914	(0.984)	-	(0.984)
Children's Services	25.716	8.898	34.614	6.470	34.614	-	-	-
Finance	54.503	9.973	64.476	1.807	60.334	(4.142)	0.804	(4.946)
Human Resources & OD	25.898	(5.958)	19.940	2.837	17.940	(2.000)	-	(2.000)
Local Services	68.238	11.046	79.284	11.080	76.139	(3.145)	0.006	(3.151)
Regeneration, Commercial and Economy	112.054	(12.150)	99.904	2.590	70.961	(28.943)	-	(28.943)
<b>Total Programme</b>	<b>290.549</b>	<b>12.567</b>	<b>303.116</b>	<b>25.116</b>	<b>263.902</b>	<b>(39.214)</b>	<b>0.810</b>	<b>(40.024)</b>
<b>Financed by:</b>								
Capital Receipts	3.980	-	3.980					
External Grants	109.226	2.355	111.581					
GF Borrowing	150.964	8.307	159.271					
GF Revenue Contributions (RCCO)	0.755	-	0.755					
HRA Contributions (MRR & RCCO)	25.624	1.905	27.529					
<b>Total Financing</b>	<b>290.549</b>	<b>12.567</b>	<b>303.116</b>					

11.5 Year-to-date capital expenditure is £25.116 million. The major areas of capital investment during the year to date are as follows:

- a. £9.154 million invested in transport schemes including infrastructure, traffic management and integrated transport schemes.
- b. £6.470 million invested in school buildings, including the construction of new schools at Hexham.
- c. £1.972 million invested in fleet replacement.
- d. £2.837 million invested in leisure facilities.
- e. £1.957 million invested in the Council's housing stock.



- 11.6 There is a net forecast underspend of £39.214 million across the 2021-22 Capital Programme comprising of £40.024 million reprofiling (£46.034 million from 2021-22 to 2022-23 and £6.010 million from 2022-23 to 2021-22) and £0.810 million overspend. A summary of the significant variances can be found at Appendix O with an explanation of those greater than £0.250 million.
- 11.7 It is recommended that Cabinet approves a net reprofiling movement of £40.024 million; £46.034 million from 2021-22 to 2022-23; and £6.010 million from 2022-23 to 2021-22.

## 12. Capital Receipts

- 12.1 The level of 2021-22 Capital Receipts available to support the 2021-22 capital programme was estimated to be £3.980 million (after costs and HRA pooling). Additional Capital Receipts of £4.000 million, which were not factored into the original estimate have been achieved. The market remains cautious following Covid-19 but sales are happening giving hope that the targets will be achieved and the following table demonstrates the current position with regard to asset disposals:

General Fund Capital Receipts Activity During 2021-22	Actual £m
Completed and available for use in year	4.650
On the market	1.315
Terms Agreed	1.312
Contracts exchanged	0.325

- 12.2 The closing balance on the capital receipts reserve at 31 March 2021 was £4.025 million (£4.023 million HRA). This is available to support the capital programme in 2021-22.

### 13. TREASURY MANAGEMENT

13.1 The Treasury Management Strategy Statement for 2021-22 was agreed by full Council on 24 February 2021.

13.2 The following table summarises the Council's in-month borrowing activity for June 2021:

	Previous Month	Movement June 2021	Current
Outstanding principal - at month end (£m)	811.470	(3.250)	808.220
Weighted average interest rate - year to date (%)	2.818	0.003	2.821
Month end external borrowing as % of Operational Boundary (Borrowing)	77.821	(0.312)	77.509

13.3 Whilst the Council has an overall cap on borrowing through an Authorised Limit, the Operational Boundary is where the Council would expect its borrowing to be. At the end of June 2021, the Council's external borrowing represented 77.51% of its Operational Boundary, which was approved as part of the Treasury Management Strategy for 2021-22. The Operational Boundary is only a guide and may be breached or undershot without significant concern, with borrowings driven by economic and market considerations as well as interest rates.

13.4 The following table provides an analysis by type of the in-month borrowing activity for June 2021:

Lender Category	Repayment Type	Opening Balance	Repaid – June 2021	New Borrowing June 2021	Closing Balance
		£m	£m	£m	£m
PWLB	EIP	12.502	(3.250)	-	9.252
PWLB	Annuity	0.608	-	-	0.608
Salix	EIP	0.022	-	-	0.022
PWLB	Maturity	445.704	-	-	445.704
Other Local Authorities	Maturity	107.034	-	-	107.034
Other/Market	Maturity	245.600	-	-	245.600
<b>Total</b>		<b>811.470</b>	<b>(3.250)</b>	<b>-</b>	<b>808.220</b>

13.5 The following table summarises the Council's in-month investment activity for June 2021:

	<b>Previous Month</b>	<b>Movement June 2021</b>	<b>Current</b>
Outstanding principal - at month end (£m)	229.900	(10.610)	219.290
Weighted average interest rate - year to date (%)	0.534	0.019	0.553

13.6 The following table provides an analysis by type of the in-month investment activity for June 2021:

<b>Category</b>	<b>Opening Balance</b>	<b>Repaid – June 2021</b>	<b>New Investment June 2021</b>	<b>Closing Balance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Term Deposit Banks	20.000	-	-	20.000
Term Deposit Building Societies	10.000	-	10.000	20.000
Term Deposit Other Local Authorities	43.250	(10.000)	-	33.250
Money Market Funds	126.650	(27.334)	16.724	116.040
Notice Accounts	30.000	-	-	30.000
<b>Total</b>	<b>229.900</b>	<b>(37.334)</b>	<b>26.724</b>	<b>219.290</b>

13.7 The new investments made during June 2021 consisted of a £10.000 million fixed term deposit for six months (at a rate of 0.05%) with a building society. There was a net repayment of Money Market Funds of £10.610 million. The movement in the Money Market Funds represents daily deposits and withdrawals to manage cashflow.

## Implications

<b>Policy</b>	This is the fourth year of this Administration's Medium-Term Financial Plan; and, it fully supports the priorities outlined in the Corporate Plan 2018-21 - A Council that Works for Everyone.
<b>Finance and value for money</b>	The report is of a financial nature and the detail is contained within the body of the report.
<b>Legal</b>	There are no specific legal implications within this report.
<b>Procurement</b>	There are no specific procurement implications within this report.
<b>Human Resources</b>	There are no specific human resources implications within this report.
<b>Property</b>	There are no specific property implications within this report.
<b>Equalities</b> (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	There are no specific equalities implications within this report.
<b>Risk Assessment</b>	The risks associated with the budget were considered in February 2020 and were considered to be acceptable.
<b>Crime &amp; Disorder</b>	There are no specific crime and disorder implications within this report.
<b>Customer Consideration</b>	There are no specific customer consideration implications within this report.
<b>Carbon reduction</b>	There are no specific carbon reduction implications within this report.
<b>Health &amp; Wellbeing</b>	The Council's budget is founded on the principle of promoting inclusivity.
<b>Wards</b>	All wards.

## Background papers

Cabinet 9 February 2021 and Council 24 February 2021: Budget 2021-22 and Medium-Term Financial Plan 2021-24

## Report sign off

	<b>Name</b>
Deputy Monitoring Officer/Legal	Neil Masson
Executive Director of Finance & Section S151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive	Daljit Lally
Portfolio Holder(s)	Richard Wearmouth

## Author and Contact Details

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<b>Directorate:</b>	Adult Social Care & Commissioning Services
<b>Grant Awarding Body:</b>	Public Health England
<b>Name of Grant:</b>	Adult Weight Management Services Grant
<b>Purpose:</b>	To commission behavioural weight management services for adults
<b>Value:</b>	£171,200
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	Quarterly from April

<b>Directorate:</b>	Adult Social Care & Commissioning Services
<b>Grant Awarding Body:</b>	Public Health England
<b>Name of Grant:</b>	Public Health Grant
<b>Purpose:</b>	Increase to the annual grant allocation for 2021-22
<b>Value:</b>	£181,470
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	Quarterly from April

<b>Directorate:</b>	Children's Services: Education & Skills
<b>Grant Awarding Body:</b>	Health Education England
<b>Name of Grant:</b>	Placement Support Funding
<b>Purpose:</b>	To support trainees
<b>Value:</b>	£86,100 (£43,050 to Early Help Central & £43,050 to Early Help South)
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	Quarterly from April

<b>Directorate:</b>	Children's Services: Education & Skills
<b>Grant Awarding Body:</b>	MHCLG
<b>Name of Grant:</b>	Domestic Abuse Safe Accommodation Funding
<b>Purpose:</b>	To fulfil relevant functions for delivery of support to victims of domestic abuse
<b>Value:</b>	£641,149
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	April

<b>Directorate:</b>	Children's Services: Education & Skills
<b>Grant Awarding Body:</b>	Department of Education
<b>Name of Grant:</b>	Dedicated Schools Grant
<b>Purpose:</b>	The grant is paid in support of the local authority's school budget. The reduction relates to the High Needs Block where additional places have been commissioned at Academy Special Schools and have been funded direct by the Department of Education.
<b>Value:</b>	£90,830 reduction
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	25 instalments across the year

<b>Directorate:</b>	Children's Services: Education & Skills
<b>Grant Awarding Body:</b>	Department of Education
<b>Name of Grant:</b>	Wellbeing for Education Recovery
<b>Purpose:</b>	To offer further support to schools and colleges to better meet the wellbeing and mental health needs of their pupils during the recovery period.
<b>Value:</b>	£49,020
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	May

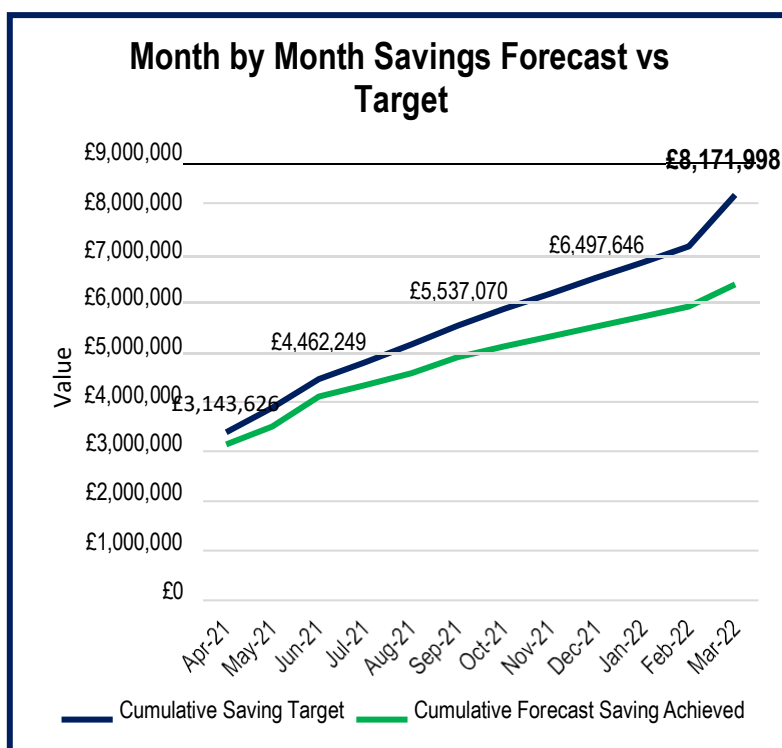
<b>Directorate:</b>	Regeneration, Commercial and Economy
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities and Local Government
<b>Name of Grant:</b>	Rough Sleeping Initiatives 2020/21 Continuation Funding - NE Region (Joint Bid – NCC Allocation)
<b>Purpose:</b>	Provide support to rough sleepers (period 01 April 2021 to 30 June 2021)
<b>Value:</b>	£36,875
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	May

<b>Directorate:</b>	Regeneration, Commercial and Economy
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities and Local Government
<b>Name of Grant:</b>	Rough Sleeping Initiatives 2021/22 - NE Region (Joint Bid – NCC Allocation)
<b>Purpose:</b>	Provide support to rough sleepers (period 01 July 2021 to 31 March 2022)
<b>Value:</b>	£230,120
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	November

## Section 151 Officer Budget Savings Overview Report

*This report page has been set up to provide a collective overview of actual savings achieved versus profiled targets which were planned in advance of the start of the new financial year. The report also provides an overview of the progress of planned milestones completed to achieve savings within the financial year.*

Overview	
Date of Report	03 August 2021
Budget Year	2021-22
Planned Savings	55
Year End Target Value of Savings	£8,172,000
Forecast Savings	£6,368,590
% of Savings Achieved	78%
Value of Savings Yet to be Achieved	£1,803,413
Total Milestones Set	129
Total Milestones Completed to Date	48
% of Milestones Completed	37%



### Directorate Overview

Directorate	Number of Savings	Savings Target	Forecast Savings	Total Planned Milestones	Completed Milestones	% Completed Milestones
Adults and Children's	24	£4,636,000	£3,989,590	61	30	49%
Corporate Services	8	£707,000	£615,000	16	2	13%
Local Services	6	£943,000	£928,000	22	10	45%
Economy, Regen and Housing	8	£1,032,000	£333,000	11	2	18%
Finance	7	£754,000	£503,000	12	2	17%
NFRS	2	£100,000	£0	7	2	29%



## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Adult Services

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Commissioned Services	69.322	74.523	75.519	0.996	(0.937)	1.933
In-house Services	9.488	8.514	7.938	(0.576)	(0.576)	0.000
Care Management	13.002	14.260	13.959	(0.301)	(0.301)	0.000
Support & Other Services	6.859	5.902	5.652	(0.250)	(0.250)	0.000
<b>Total Adult Services</b>	<b>98.671</b>	<b>103.199</b>	<b>103.068</b>	<b>(0.131)</b>	<b>(2.064)</b>	<b>1.933</b>

## NOTES - Predicted Year End Variances of £0.250 million or more

The main reasons for the forecast position for Adult Services are outlined below:

- a. Commissioned Services is forecast to overspend by £0.966 million. This is due to the following:
  - i. It is forecast that Commissioned Services will incur additional expenditure of £0.633 million supporting external residential care providers who are experiencing high underoccupancy levels as a result of Covid-19. This includes an estimated £1.300 million in relation to high-cost care packages for home care for clients who are reluctant to go into residential care due to Covid-19. Officers will monitor the position closely and update members via future reports if appropriate; and,
  - ii. The Covid-19 arrangement where NHS England funded additional interim care packages for up to 6 weeks ceased at the end of June. They will now fund interim care packages for up to 4 weeks. It is forecast that purchased care will overspend by £0.363 million.
- b. In-House Services is forecast to underspend by £0.576 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.695 million. In order to comply with social distancing measures, not all services are operating to full capacity. As a result of this, posts are being held vacant for longer and the need for overtime and the use of casual staff has reduced.
- c. Care Management is forecast to underspend by £0.301 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.308 million as a result of vacant posts.
- d. Support & Other Services is forecast to underspend by £0.250 million. This is due to the following:

- i. Staffing-related budgets are forecast to underspend by £0.113 million as a result of vacant posts; and,
- ii. Income from deputyship fees is forecast to be £0.138 million more than budget due to the increased level of vulnerable people who require help making decisions regarding their welfare and/or financial affairs.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Adult Services: Public Health

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Staffing and Support Costs	0.896	1.443	0.612	(0.831)	(0.831)	0.000
Stop Smoking Initiatives	0.674	0.707	0.707	0.000	0.000	0.000
Drug & Alcohol Services	3.615	3.647	3.647	0.000	0.000	0.000
Sexual Health Services	1.936	1.872	1.872	0.000	0.000	0.000
0-19 Public Health Services	6.265	6.416	6.416	0.000	0.000	0.000
Other Health Initiatives	3.714	2.977	3.808	0.831	0.831	0.000
<b>Total Public Health</b>	<b>17.100</b>	<b>17.062</b>	<b>17.062</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

## NOTES

- a. The Council's Public Health service will receive grant funding of £16.891 million in 2021-22. This funding is ring-fenced for the provision of services to improve the health of the local population and reduce health inequalities.
- b. Public Health England has created the Adult Weight Management Services Grant which is ring-fenced to support the commissioning of adult behavioural management services during 2021-22. The Council will receive an allocation of £0.171 million which is non-recurrent.
- c. The terms of the main Public Health grant allow unspent allocations to be carried over into the next financial year. Public Health carried forward a reserve of £4.649 million to financial year 2021-22. There are no plans at present to utilise the Public Health reserve in 2021-22.
- d. Public Health staff continue to support the Council's response to Covid-19 and 66% of their pay costs are being funded from the Contain Outbreak Management Fund during 2021-22. The staffing underspend will be used during the year to support and maintain public health activities within Children's services.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Chief Executive

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Chief Executive	0.467	0.314	0.314	0.000	0.000	0.000
Transformation	(0.932)	0.272	0.272	0.000	0.000	0.000
Improvement & Innovation	1.202	1.881	1.881	0.000	0.000	0.000
<b>Total Chief Executive</b>	<b>0.737</b>	<b>2.467</b>	<b>2.467</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

## NOTES - Year End Variances of £0.250 million or more

There are no significant variances to report.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Children's Social Care

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Adolescent Services	3.308	3.450	3.335	(0.115)	(0.244)	0.129
Family Placement	12.083	12.238	12.131	(0.107)	(0.107)	0.000
Purchase Budgets	8.528	8.127	8.030	(0.097)	(0.389)	0.292
Early Intervention and Prevention	3.507	6.043	5.916	(0.127)	(0.165)	0.038
Local Children's Safeguarding Board	0.042	0.125	0.109	(0.016)	(0.016)	0.000
Looked after Children	3.760	2.157	2.112	(0.045)	(0.294)	0.249
Social Work Teams	9.460	9.276	9.565	0.289	0.289	0.000
District Admin Offices	0.763	0.983	0.927	(0.056)	(0.056)	0.000
Family and Disability Services	2.714	2.874	3.006	0.132	0.132	0.000
Safeguarding Standards	1.099	1.229	1.217	(0.012)	(0.012)	0.000
Other Children's Services	1.834	1.786	1.760	(0.026)	(0.026)	0.000
<b>Total Children's Social Care</b>	<b>47.098</b>	<b>48.288</b>	<b>48.108</b>	<b>(0.180)</b>	<b>(0.888)</b>	<b>0.708</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Children's Social Care are outlined below:

- a. The Adolescent Services budgets are forecast to underspend by £0.115 million.
  - i. There is an overall underspend on supported accommodation of £0.098 million. However, included in this position are several short-term packages estimated to cost £0.129 million that have arisen due to Covid-19.
- b. The Purchase budget is forecast to underspend by £0.097 million, this is due to the following:
  - i. There are currently two Northumberland young people placed in secure accommodation, resulting in an estimated overspend of £0.123 million;
  - ii. There is an expected overspend of £0.116 million on professional services associated with on-

going court proceedings; and,

iii. There is a £0.336 million underspend on external residential care placements. This includes the cost of agency staff required to support a number of bespoke packages that can be attributed to Covid-19 at a cost of £0.292 million. This is due to the rising number of children with 'Looked after' status and a shortage of suitable accommodation.

c. The Looked after Children budget is forecast to underspend by £0.045 million. This is due to the following:

i. Kyloe House secure unit is expected to underspend by £0.029 million due to an underspend on staffing of £0.083 million offset by a shortfall in income from other local authorities that purchase placements of £0.048 million. This is a result of reduced capacity following the Covid-19 outbreak with 9 beds occupied until the end of June and an expected return to 12 beds from September. The unit has 14 beds and is usually fully occupied but has a budgeted breakeven point of 12 beds, therefore the income not achieved due to reduced capacity is £0.249 million.

d. The Social work team budget is forecast to overspend by £0.289 million. This is due to the following:

i. There is a forecast underspend of £0.622 million due to vacancies across several teams which is offset by an overspend of £1.002 million on agency costs; and,

ii. There is a predicted overspend on client transport of £0.086 million offset by underspends on staff travel and Section 17 payments of £0.080 million and £0.040 million, respectively.

Note - The difference between the figures shown in the table and the explanations above consist of several minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Education &amp; Skills

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Director of Education & Skills	0.367	0.261	0.249	(0.012)	(0.012)	0.000
Curriculum & Learning	1.220	0.317	0.314	(0.003)	(0.028)	0.025
Alternative Education (Virtual Headteacher)	0.374	0.405	0.391	(0.014)	(0.014)	0.000
Special Educational Needs & Disability	5.915	6.196	7.161	0.965	0.965	0.000
School Organisation	11.696	10.163	10.125	(0.038)	(0.038)	0.000
School Improvement	0.221	0.000	(0.001)	(0.001)	(0.001)	0.000
<b>Total Education &amp; Skills</b>	<b>19.793</b>	<b>17.342</b>	<b>18.239</b>	<b>0.897</b>	<b>0.872</b>	<b>0.025</b>

**NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast position for Education and Skills are outlined below:

- a. The Special Educational Needs & Disability budget is forecast to overspend by £0.965 million on SEN Home to School Transport. The current forecast is based on 1,284 current pupils, with growth of a further 58 pupils included from September onwards.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Dedicated Schools' Grant

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Schools Block	82.993	87.717	87.698	(0.019)	(0.019)	0.000
Central Schools Block	2.494	2.757	2.853	0.096	0.096	0.000
High Needs Block	34.129	39.237	39.222	(0.015)	(0.035)	0.020
Early Years Block	16.622	17.594	17.594	0.000	0.000	0.000
<b>Total Dedicated Schools' Grant</b>	<b>136.238</b>	<b>147.305</b>	<b>147.367</b>	<b>0.062</b>	<b>0.042</b>	<b>0.020</b>

## NOTES - Year End Variances of £0.250 million or more

- a. In 2021-22 the Council expects to receive Dedicated Schools' Grant totalling £147.305 million, which is ring-fenced and will be passported through to fund schools; with an element retained centrally by the Council to provide a range of support to schools. Schools that have transferred to academy status receive their funding directly from the Department for Education – this amounts to a further £117.045 million for 2021-22.
- b. During 2020-21 all School phases increased their reserves due to their partial closure for some pupils and the additional grant funding they have been able to access as a result of Covid-19. The position for 2021-22 shows that schools expect to be able to maintain their reserves during the coming year.

	Closing School Reserve	Closing School Reserve	Estimated School Reserve
	2019-20	2020-21	2021-22
	£m	£m	£m
Primary/First	2.381	3.843	3.963
Middle	0.714	0.862	0.780
Secondary/High	(1.669)	(0.495)	(0.159)
Special/PRU	0.872	1.330	0.771
<b>Overall</b>	<b>2.298</b>	<b>5.540</b>	<b>5.355</b>

- c. There are 14 schools predicting a deficit position compared to 29 schools in the previous year. Of these 10 schools have an approved licensed deficit, 2 schools have a minor deficit of less than 0.05% of their budget; and work is ongoing with the remaining 2 schools to work towards an



achievable budget recovery plan.

- d. There are currently no significant variations across the Dedicated Schools' Grant.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Finance

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Revenues & Benefits	1.593	1.626	1.045	(0.581)	(0.518)	(0.063)
Customer Services	1.704	2.029	1.880	(0.149)	(0.150)	0.001
Internal Audit	0.664	0.621	0.626	0.005	0.005	0.000
Information Services	9.397	8.992	10.305	1.313	0.000	1.313
Corporate Finance	22.839	5.736	5.567	(0.169)	(0.196)	0.027
Fire & Rescue	14.535	15.978	16.066	0.088	0.000	0.088
Strategic Property	5.296	6.836	6.856	0.020	0.014	0.006
Procurement	1.343	0.792	0.788	(0.004)	(0.004)	0.000
<b>Total Finance</b>	<b>57.371</b>	<b>42.610</b>	<b>43.133</b>	<b>0.523</b>	<b>(0.849)</b>	<b>1.372</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Finance are outlined below:

- a. The Revenues and Benefits Service is forecast to underspend by £0.581 million due to:
  - i. An underspend on staffing amounting to £0.446 million due to a number of vacant posts throughout the service;
  - ii. Additional new burdens grant income of £0.352 million, mainly for the administration of the Covid-19 business grant schemes and the transition to Universal Credit. This is offset by related costs amounting to £0.254 million (e.g. Business grant administration).
- b. Information Services is forecast to overspend by £1.313 million. This is mainly due to the following:
  - i. An overspend of £0.510 million in relation to additional Covid-19 costs, including the delayed implementation of Microsoft Office 365 along with costs in relation to a remote working solution, additional IT kit requirements and underachieved SLA income;
  - ii. A proposed revenue contribution, which will be funded from the Covid-19 grant allocation, to fund capital expenditure of £0.804 million in respect of the desk top refresh programme, due to the

impact of the Covid-19 pandemic. A report will be taken to Capital Strategy Group proposing approval of the revenue contribution which will then be presented to members. This figure is estimated and could vary; officers will update members if required.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Human Resources &amp; OD

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Human Resources	3.019	3.747	3.702	(0.045)	(0.045)	0.000
Democratic Services	2.794	3.078	3.031	(0.047)	(0.050)	0.003
Registrars & Coroners	2.197	1.217	1.187	(0.030)	(0.050)	0.020
Communications	0.866	0.977	1.021	0.044	0.044	0.00
Elections	0.639	1.209	1.214	0.005	(0.016)	0.021
Legal	2.327	2.558	2.605	0.047	0.046	0.001
Tourism, Culture, Leisure & Heritage	12.361	9.500	12.957	3.457	(0.172)	3.629
Policy	0.425	0.493	0.468	(0.025)	(0.025)	0.000
<b>Total Human Resources &amp; OD</b>	<b>24.628</b>	<b>22.779</b>	<b>26.185</b>	<b>3.406</b>	<b>(0.268)</b>	<b>3.674</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Human Resources & OD is outlined below:

- a. The Tourism, Culture, Leisure & Heritage Service is forecast to overspend by £2.405 million:
  - i. There is a forecast overspend of £3.560 million to provide additional support to Active Northumberland in response to the Covid-19 pandemic. This figure could vary in the future; officers will monitor the position closely and update the value within future reports if appropriate.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Local Services

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Local Services Management	24.527	24.532	24.532	0.000	0.000	0.000
Neighbourhood Services	11.711	10.432	10.652	0.220	(0.024)	0.244
Waste PFI Contract	19.037	21.286	21.586	0.300	0.000	0.300
Technical Services	21.083	18.423	18.423	0.000	0.000	0.000
<b>Total Local Services</b>	<b>76.358</b>	<b>74.673</b>	<b>75.193</b>	<b>0.520</b>	<b>(0.024)</b>	<b>0.544</b>

**NOTES - Year End Variances of £0.250 million or more**

The main reason for the forecast position for the Local Services Directorate is outlined below:

- a. The Waste PFI budget is forecast to overspend by £0.300 million based on a number of assumptions linked to Covid-19 and its impact on waste. As more people are still working from home, it has changed the landscape of waste habits and increased kerbside waste collection tonnages.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Regeneration, Commercial and Economy

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Economy & Regeneration	1.929	2.130	2.091	(0.039)	(0.039)	0.000
Executive Director of Regeneration, Commercial & Economy	0.283	(0.016)	0.131	0.147	0.147	0.000
Housing & Public Protection	3.754	4.132	4.529	0.397	0.233	0.164
Planning	1.343	0.986	1.496	0.510	0.510	0.000
<b>Total Regeneration, Commercial &amp; Economy</b>	<b>7.309</b>	<b>7.232</b>	<b>8.247</b>	<b>1.015</b>	<b>0.851</b>	<b>0.164</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for the Regeneration, Commercial and Economy Directorate are outlined below:

- a. Housing and Public Protection is forecast to overspend by £0.397 million which is mainly due to the following:
  - i. Public Protection is forecast to overspend by £0.194 million, mainly due to the anticipated shortfall in licensing income (£0.144 million) resulting from the loss of business arising from the impact of Covid-19; and,
  - ii. Housing is forecast to overspend by £0.203 million mainly due to Northumbrian Water primary agency fee income being retained within the HRA to meet potential debt liability and administrative costs following the extension of water rate collection to southeast area tenants.
- b. Planning is forecast to overspend by £0.510 million mainly due to a forecast underachievement of planning fee income of £0.400 million. The budget was increased by £0.400 million as part of the 2021-22 budget setting process in anticipation of an increase to the national planning fee structure. The legislative implications of the Government led Planning White Paper which proposed these changes are yet to be agreed and therefore it is not anticipated that this saving will be achieved in the current financial year.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Other Corporate Expenditure and Income

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Corporate Items	26.170	39.762	31.253	(8.509)	0.000	(8.509)
Treasury Management	(25.501)	(22.960)	(22.451)	0.509	0.000	0.509
Capital Financing	36.665	8.684	8.684	0.000	0.000	0.000
Corporate Funding	(400.051)	(344.076)	(344.076)	(0.000)	0.000	(0.000)
<b>Total Other Corporate Expenditure &amp; Income</b>	<b>(362.717)</b>	<b>(318.590)</b>	<b>(326.590)</b>	<b>(8.000)</b>	<b>(0.000)</b>	<b>(8.000)</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Other Corporate Expenditure and Income is outlined below:

- a. Corporate Items is underspent due to Covid-19 grant funding of £8.509 million which will be utilised to offset the Covid-19 pressures realised within the service budgets.
- b. Treasury Management is forecast to overspend by £0.509 million due to:
  - i. Deferred investment interest on a loan of £0.509 million. A modification to the loan has been agreed between the Council and the borrower. This is as a result of the Covid-19 pandemic. No interest will be paid on the loan in the first half of 2021-22, but it is anticipated that this will be recovered in future years.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Housing Revenue Account Expenditure and Income

Summary by Service	2020-21 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Housing Management	5.941	6.432	6.432	0.000	0.000	0.000
Housing Special	0.620	0.645	0.669	0.024	0.000	0.024
Repairs and Maintenance	7.595	8.001	8.067	0.066	0.000	0.066
Housing Capital Works	0.747	0.515	0.515	0.000	0.000	0.000
Other HRA Services	13.080	13.539	13.539	0.000	0.000	0.000
HRA Income	(29.468)	(29.748)	(29.748)	0.000	0.000	0.000
<b>Total HRA Expenditure &amp; Income</b>	<b>(1.485)</b>	<b>(0.616)</b>	<b>(0.526)</b>	<b>0.090</b>	<b>0.000</b>	<b>0.090</b>

## NOTES - Year End Variances of £0.250 million or more

There are no significant variances to report.



## Key Capital Movements by Service

## Service: Adult Social Care and Commissioning – Forecast variance (£0.984) million

Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Disabled Facilities Grant	-	(0.984)
<b>Total</b>	<b>-</b>	<b>(0.984)</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast variance for Adult Social Care and Commissioning is as follows:

- a. Disabled Facilities Grant - Forecast based on current level of commitments and an assumption that referrals will gradually increase following the easing of Covid-19 restrictions.

## Service: Finance – Forecast variance (£4.142) million

Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Desktop Refresh	0.804	-
CRM	-	(0.100)
County Hall Solar Car Port	-	(0.500)
Climate Change Capital Fund	-	(0.604)
Property Stewardship Fund:		
– Bearl Depot Drainage and New Build	-	(0.400)
– Cowley Road Depot Internal Refurbishment	-	(0.400)
– Public Toilet Refurbishment	-	(0.500)
– Woodhorn Heapstead	-	(0.500)
Leisure Essential Remedials:		
– Concordia Air Handling Units	-	(0.200)
– Prudhoe Waterworld Wet Change	-	(0.160)
County Hall Solar PV	-	0.018
Cowley Road Depot Refurbishment and Car Park	-	(1.600)
<b>Total</b>	<b>0.804</b>	<b>(4.946)</b>

**NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Finance are outlined below:

- a. Desktop Refresh - The programme has been accelerated to replace Chromebooks earlier than anticipated due to issues with Office 365. The Information Services Manager is preparing a paper to seek additional resources to cover this expenditure.
- b. County Hall Solar Car Port - The contract for construction has been retendered resulting in a delay in the commencement on site until late autumn.
- c. Climate Change Capital Fund - The reprofiling relates to projects that are still to be identified and will not be delivered until 2022-23.
- d. Property Stewardship Fund – Bearl Depot Drainage and New Build - The start date on site has been delayed due to additional drainage and ecology requirements delaying planning approval. The scheme is not expected to commence on site until Spring 2022.
- e. Property Stewardship Fund – Cowley Road Depot Internal Refurbishment - The scheme has been deferred until there is more clarity on post Covid-19 working arrangements and associated space requirements.
- f. Property Stewardship Fund – Public Toilet Refurbishment - The programme of works is awaiting Cabinet approval with works extending into 2022-23.
- g. Property Stewardship Fund – Woodhorn Heapstead - The heating and lift refurbishment will be undertaken in the current financial year with the main refurbishment works being deferred until 2022-23 once Historic England approvals are received
- h. Cowley Road Depot Refurbishment and Car Park - The scheme has been deferred until there is more clarity on post Covid-19 working arrangements and associated space requirements.

**Service: Human Resources and OD – Forecast variance (£2.000) million**

Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Provision of Leisure Facilities within Morpeth	-	(2.000)
<b>Total</b>	<b>-</b>	<b>(2.000)</b>

**NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Human Resources and OD are outlined below:

- a. Provision of Leisure Facilities within Morpeth - The scheme is progressing on site and is now due to be completed in January 2023.

Service: Local Services – forecast variance (£3.145) million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
Alnwick FCERM	-	(0.297)
Beadnell FCERM	-	(0.215)
Berwick FCERM	-	(0.166)
Haydon Bridge FCERM	-	(0.117)
Seaton Delaval FCERM	-	(0.075)
Stocksfield and Riding Mill FCERM	-	(0.150)
Wark and Spittal Quay FCERM	0.006	-
Fleet Replacement Programme	-	(2.131)
<b>Total</b>	<b>0.006</b>	<b>(3.151)</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Finance are outlined below:

- a. Alnwick FCERM - The stage 2 study has been completed with potential options identified. The options are currently being evaluated with suitability being determined in order to progress the business cases for scheme delivery. Expenditure has been deferred to 2022-23 in order fund detailed design and construction works if the schemes progress. Funding options are being assessed as it is likely that the Environment Agency funding will be insufficient to deliver the scheme.
- b. Fleet Replacement Programme - A review of the programme has been undertaken to assess likely build and delivery times which are still being significantly affected by Covid-19 impacts within the automotive sector and its supply chains resulting in reprofiling of vehicles, particularly those that are non-standard and already have long lead in times and build schedules.

<b>Service: Regeneration, Commercial and Economy – forecast variance (£28.943) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
	<b>£m</b>	<b>£m</b>
Newcastle Northumberland Rail Line	-	(19.009)
Blyth Relief Road	-	(0.598)
Strategic Regeneration Projects – Bedlington Town Centre	-	(1.263)
Energising Blyth Future High Street Fund (FHSF)	-	(3.200)
Ad Gefrin	-	(0.600)
Borderlands – Carlisle Station	-	5.992
HRA Major Repairs Reserve	-	(1.737)
HRA Re-provision, re-modelling and new build	-	(7.500)
Foggin's Yard, Rothbury	-	(0.627)
Community Housing Fund	-	(0.401)
<b>Total</b>	<b>-</b>	<b>(28.943)</b>

#### **NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Finance are outlined below:

- a. Newcastle Northumberland Rail Line - A report is being presented to Cabinet on 7 September 2021 to update members on progress regarding the implementation of the scheme where it is estimated that £15.500 million will be spent in the current financial year.
- b. Blyth Relief Road - Options for routes and funding arrangements are still being assessed with nothing currently planned for the current financial year.
- c. Strategic Regeneration Projects – Bedlington Town Centre - The funding agreement is still being finalised but it is assumed that this will not be required until 2022-23.
- d. Energising Blyth Future High Street Fund (FHSF) - The planning stage is currently being worked through with estimated construction commencing in April 2022.
- e. Ad Gefrin - The scheme is progressing, but the Council's contribution will not be required until 2022-23.
- f. Borderlands – Carlisle Station - The original programme was accelerated to undertake land acquisitions and some works elements of the programme to maximise the funding available from MHCLG.
- g. HRA Major Repairs Reserve - The programme has been reviewed and it is now estimated

that £10.000 million will be incurred in the current financial year on upgrades to housing stock.

- h. HRA Re-provision, re-modelling and new build - The programme is currently being redeveloped resulting in a requirement to reprofile part of the budget.
- i. Foggin's Yard, Rothbury - It is anticipated there will only be land acquisition in the current financial year with construction in 2022-23.
- j. Community Housing Fund - Applications are awaited for three schemes in Berwick, Haltwhistle and Pegswood. If the schemes are approved the funding will be required in 2022-23.

### Items approved from the Council's Contingency – April to June 2021

The following items have been approved from the Council's contingency during April to June 2021.

<b>Recurrent Funding</b>	<b>2021-22</b>	<b>2022-23</b>
	£	£
Citizen Space	12,000	-
Payroll staff – pensions administration (x3)	77,620	-
Vehicle Fleet Leasing	168,000	-
Information Support Officers (x2) to support staff transferring from NHS	63,550	21,190
Strategic Programmes Manager to support co-ordination, and migration of IT assets and services from NHS to NCC	62,520	-
<b>Total amount drawn from Contingency recurrently</b>	<b>383,690</b>	<b>21,190</b>
Reduction in Housing Benefit Subsidy Payments – added to contingency	(355,800)	-
<b>Net amount drawn from Contingency recurrently</b>	<b>27,890</b>	<b>21,190</b>

<b>Non-Recurrent Funding</b>	<b>2021-22</b>	<b>2022-23</b>
	£	£
Temporary Planning Staff	36,000	18,000
Northumberland Fire and Rescue Service website	15,000	-
260 Replacement mobile phones	32,700	-
<b>Total</b>	<b>83,700</b>	<b>18,000</b>

## Movement in the Council's Reserves April – June 2021

	Opening Balance at 1 April 2021*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2022
	£m	£m	£m	£m
General Reserves/Balances				
General Fund	(70.469)	-	(1.610)	(72.079)
<b>Total General Reserve</b>	<b>(70.469)</b>	<b>-</b>	<b>(1.610)</b>	<b>(72.079)</b>
Ring-Fenced Reserves/Balances				
Housing Revenue Account	(28.890)	-	9.509	(19.381)
Major Repairs (HRA)	(8.607)	-	2.563	(6.044)
HRA Capital Investment	(3.108)	-	3.108	-
<b>Total Earmarked HRA Reserves</b>	<b>(40.605)</b>	<b>-</b>	<b>15.180</b>	<b>(25.425)</b>
Specific Reserves/Balances				
Capital Grants Unapplied	(43.830)	-	10.000	(33.830)
Capital Receipts	-	-	-	-
Capital Receipts - HRA	(4.023)	-	1.215	(2.808)
<b>Total Specific Reserves/Balances</b>	<b>(47.853)</b>	<b>-</b>	<b>11.215</b>	<b>(36.638)</b>

## Appendix Q

	Opening Balance at 1 April 2021*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2022
	£m	£m	£m	£m
Earmarked Reserves				
Balances held by Schools	(5.498)	5.378	(5.019)	(5.139)
Business Recovery Reserve	(2.322)	-	-	(2.322)
Cessation of NHS Partnership Agreement	(1.500)	-	1.500	-
Collection Fund Smoothing	(26.291)	-	24.499	(1.792)
Community Led Housing	(0.829)	-	0.126	(0.703)
Council Commissioned Services	(11.100)	-	9.608	(1.492)
Council Transformation Fund	(7.466)	0.022	0.408	(7.036)
Dedicated Schools Grant	(0.898)	0.898	(0.424)	(0.424)
Economy & Regeneration Investments	(0.420)	-	0.272	(0.148)
Energy Masterplan	(1.067)	-	-	(1.067)
Estates Rationalisation	(8.946)	0.107	2.877	(5.962)
EU Exit Funding	(0.315)	-	0.315	-
EU Exit Funding - PP	(0.020)	-	-	(0.020)
Firefighters' Immediate Detriment	(0.250)	-	-	(0.250)
FPF Admin Grant	(0.033)	-	-	(0.033)
FRS HMICFRS Improvement	(0.060)	-	-	(0.060)
Haltwhistle Repairs Reserve	(0.015)	-	-	(0.015)
Insurance	(9.661)	-	0.500	(9.161)
Invest to Save Reserve	(10.508)	-	0.881	(9.627)
Legal Challenge	(0.637)	0.039	-	(0.598)
Local Authority Mortgage Scheme	(0.425)	0.425	-	-
NCC Economic Regeneration	(0.082)	-	0.082	-
Northumberland Enterprise Holdings	(0.300)	-	0.300	-



## Appendix Q

	Opening Balance at 1 April 2021*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2022
	£m	£m	£m	£m
Open Spaces Maintenance Agreements	(0.065)	0.006	-	(0.059)
Planning Delivery Grant	(0.206)	-	0.206	-
Problematic Empty Properties	(0.050)	-	0.006	(0.044)
Regeneration Additional Capacity Reserve	(0.304)	-	0.222	(0.082)
Regeneration Development Reserve	(1.578)	-	0.673	(0.905)
Restructuring Reserve	(1.000)	-	-	(1.000)
Revenue Grants	(18.878)	-	9.473	(9.405)
Rural Growth Network	(0.095)	-	0.095	-
Sealodge	(0.017)	-	-	(0.017)
School Libraries	(0.009)	-	-	(0.009)
Section 106	(7.699)	0.005	0.350	(7.344)
Severe Weather	(2.500)	-	-	(2.500)
Social Fund	(1.695)	-	0.973	(0.722)
Sports Development	(0.256)	-	-	(0.256)
Strategic Management Reserve	(49.002)	(0.425)	3.427	(46.000)
Violence Reduction	(0.030)	-	-	(0.030)
Winter Services	(2.000)	-	-	(2.000)
ADC Parks & Open Spaces	(0.020)	0.011	-	(0.009)
ADC Section 106	(0.050)	0.004	-	(0.046)
<b>Total Earmarked Reserves</b>	<b>(174.097)</b>	<b>6.470</b>	<b>51.350</b>	<b>(116.277)</b>
<b>Total Usable Reserves</b>	<b>(333.024)</b>	<b>6.470</b>	<b>76.135</b>	<b>(250.419)</b>

## Appendix Q

	Opening Balance at 1 April 2021*	Movement in Provision	Commitments	Forecast Closing Balance at 31 March 2022
	£m	£m	£m	£m
<b>Provisions</b>				
Redundancy Costs	(0.171)	-	0.171	-
NNDR Appeals	(7.495)	-	1.750	(5.745)
Estates Rationalisation Project	(0.577)	-	0.227	(0.350)
Compensation Claims	(0.151)	-	-	(0.151)
<b>Total Provisions</b>	<b>(8.393)</b>	<b>-</b>	<b>2.148</b>	<b>(6.245)</b>
<b>Total Reserves &amp; Provisions</b>	<b>(341.417)</b>	<b>6.470</b>	<b>77.983</b>	<b>(256.964)</b>

\*provisional un-audited opening balance figure

## Virements April – June 2021

Directorate	Reason for Virement	Virement from	Virement to	£
Adult Services	New 'Think Ahead' budget created for the rolling training programme for Mental Health Social Workers	Adults – Purchased Care	Adults – Care Management	356,970
Adult Services	New Social Worker posts	Adults – Purchased Care	Adults – Care Management	135,870
Local Services	Budget realignment to fund a Business Support post previously funded by a HRA recharge	Various efficiencies within Neighbourhood Services	CPS Business and Change staffing costs	27,220
Local Services	Budget realignment to fund 2 seasonal posts brought over from Cramlington Town Council Partnership	Various efficiencies within Neighbourhood Services	Cramlington NEAT Core Service staffing costs	28,780
Regeneration, Commercial and Economy	Remove licensing recharge budget from Animal Welfare and Licensing	Animal Welfare Corporate recharges	Licensing recharges	10,000
Regeneration, Commercial and Economy	Move Professional Services budgets to Hired Services to reflect service costs	Building Control and Trading Standards professional services	Building Control and Trading Standards hired services	6,750