

Fourth Quarter Financial Update 2021/22

Communities, Housing & Environment – Policy Advisory Committee

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Part A

Executive Summary & Overview



This report provides members with the provisional outturn for 2021/22, covering activity for the Communities, Housing & Environment Committee's revenue and capital accounts for the fourth quarter of 2021/22. Whilst the Communities, Housing & Environment Committee (CHE) no longer exists under the new Executive structure this Policy Advisory Committee has inherited essentially the same budgetary responsibilities and it is therefore appropriate for it to be considering this report.

Members will be aware that there was significant uncertainty in the 2021/22 budget estimates arising from the ongoing impact of the Covid-19 pandemic, both in relation to demands on the Council to respond and the speed of local economic recovery. Financial support from central government received during 2020/21 continued to support specific activities, and the unringfenced Covid-19 grant of £860,000 was used to support recovery and renewal activities. However, the impact on the Council's financial position from the pandemic has continued to reduce throughout the year, although there will continue to be some residual impact into 2022/23.

The headlines for Quarter 4 are as follows:

Part B: Revenue budget – Q4 2021/22

- Overall net expenditure at the end of Quarter 4 for the services reporting to this committee is £8.589m, compared to the approved profiled budget of £9.065m, representing an underspend of £0.475m.

Part C: Capital budget – Q4 2021/22

- Capital expenditure at the end of Quarter 4 was £6.420m against a total budget of £9.798m.

The budgets in this report are the revised estimates for 2021/22.

Part B

Fourth Quarter Revenue Budget 2021/22



B2) Revenue Budget

B1.1 The table below provides a detailed summary on the budgeted net income position for CHE services at the end of Quarter 4. The financial figures are presented on an accruals basis (e.g. expenditure for goods and services received, but not yet paid for, is included).

CHE Revenue Budget & Outturn – Quarter 4

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
Parks & Open Spaces	1,095	1,102	-7
Playground Maintenance & Improvements	163	116	47
Parks Pavilions	31	26	5
Mote Park	325	357	-32
Parks & Open Spaces Leisure Activities	-2	-0	-2
Mote Park Leisure Activities	-19	-20	1
Allotments	16	14	2
Cemetery	78	52	26
National Assistance Act	-0	5	-5
Crematorium	-854	-908	54
Community Safety	31	30	2
PCC Grant - Building Safer Communities	0	0	0
C C T V	74	26	48
Drainage	32	34	-1
Licences	-5	-14	8
Licensing Statutory	-63	-109	47
Licensing Non Chargeable	8	8	0
Dog Control	28	38	-10
Health Improvement Programme	10	0	10
Pollution Control - General	22	13	9
Contaminated Land	1	-1	1
Waste Crime	41	14	27
Food Hygiene	9	-4	13
Sampling	4	1	3
Occupational Health & Safety	-6	-6	-0
Infectious Disease Control	1	2	-1
Noise Control	1	0	1
Pest Control	-12	-2	-10
Public Conveniences	268	288	-20
Licensing - Hackney & Private Hire	-61	-45	-16
Street Cleansing	1,303	1,256	47
Household Waste Collection	1,271	1,308	-37
Commercial Waste Services	-57	-92	35
Recycling Collection	705	664	41
Climate change	2	2	0
Community Hub	1	3	-2
Public Health - Obesity	0	0	0
Public Health - Misc Services	0	0	0
Grants	166	163	3
Delegated Grants	2	2	-0
Parish Services	134	134	0

(a)	(b)	(c)	(d)
Cost Centre	Approved Budget for Year £000	Actual £000	Variance £000
General Fund Residential Properties	-77	-10	-68
Strategic Housing Role	-19	-19	0
Housing Register & Allocations	20	20	0
Private Sector Renewal	-47	-50	3
HMO Licensing	-20	-35	15
Homeless Temporary Accommodation	345	344	0
Homelessness Prevention	-348	-420	73
Predictive Analysis and Preventing Homelessness	0	0	0
Aylesbury House	25	19	6
Magnolia House	-5	-9	5
St Martins House	4	3	1
Marsham Street	58	44	14
Sundry Temporary Accommodation (TA) Properties	-14	-14	0
Pelican Court (Leased TA Property)	0	0	-0
2 Bed Property - Temporary Accommodation	-17	-18	1
3 Bed Property - Temporary Accommodation	-78	-79	1
4 bed Property - Temporary Accommodation	10	4	5
1 Bed Property- Temporary Accommodation	3	-2	5
The Trinity Foyer	26	26	-0
Chillington House	-3	-3	0
Long Lease Properties	6	6	0
Marden Caravan Site (Stilebridge Lane)	19	30	-11
Ulcombe Caravan Site (Water Lane)	7	48	-41
Head of Environment and Public Realm	132	125	7
Bereavement Services Section	325	311	14
Community Partnerships & Resilience Section	463	429	34
Licensing Section	134	125	9
Environmental Protection Section	273	221	52
Food and Safety Section	266	275	-9
Depot Services Section	1,057	1,057	-1
Biodiversity & Climate Change	74	61	14
Head of Housing & Community Services	138	137	1
Homechoice Section	283	247	36
Housing & Inclusion Section	635	575	59
Housing & Health Section	374	301	73
Housing Management	368	346	21
Homelessness Outreach	64	62	2
Salary Slippage	-194	0	-194
Fleet Workshop & Management	212	201	10
MBS Support Crew	-42	-54	12
Grounds Maintenance - Commercial	-132	-171	39
TOTALS	9,065	8,589	475

- B1.2 The table shows that at the end of the fourth quarter overall net expenditure for the services reporting to CHE is £8.589m, compared to the approved profiled budget of £9.065m, representing an underspend of £0.475m.
- B1.3 The table indicates that in certain areas, significant variances to the budgeted income levels have emerged during the fourth quarter of the year. The reasons for the more significant variances are explored in section B2 below.

B2) Variances

B2.1 The most significant variances for this Committee are as follows:

	Positive Variance Q4	Adverse Variance Q4
Communities, Housing & Environment Committee	£000	
Playground Maintenance & Improvements – This underspend is due to the carry forward of unused spare play equipment, and a reduced level of running costs.	47	
Mote Park – Trade waste charges were higher than the budgeted figure, and in addition there were utility bills paid that related to 2020/21.		-32
Crematorium – Demand for the service continues to be high, and this is reflected in an increase in income compared to the forecast.	54	
CCTV – The budget assumed that a maintenance contract would be required but this has been found not to be the case. The variance will be used to fund a new permanent post in the Community Partnerships & Resilience section.	48	
Licensing (Statutory) – Income has been higher than forecast for the year, as the economy recovers from the impact of the Covid pandemic.	47	
Street Cleansing – The variance reflects staff vacancies. There have been a number throughout the year, and staff retention has been an ongoing issue.	47	
Household Waste Collection – Spend on wheeled bin purchases has been higher than forecast, and options to fund this going forward are being considered.		-37
Commercial Waste Services – Demand for the service has increased as the economy recovers from the impact of the Covid pandemic.	35	
Recycling Collection – Income from garden bin hire continues to be high.	41	
General Fund Residential Properties – This variance is a combination of issues. The first is that historically the budget has been too low, and options to address this are being considered. Secondly, a provision has been made to cover invoices that are unlikely to be paid.		-68
Homelessness Prevention – Historically the homefinder and marketing budgets have been underspent in this area, but it is forecast that they will be more fully utilised during 2022/23.	73	
Grounds Maintenance Commercial – The team has generated additional income from works funded by Section 106 contributions.	39	

Part C

Fourth Quarter Capital Budget 2021/22



B1) Capital Budget: Communities, Housing & Environment Committee (CHE)

B1.1 The position of the 2021/22 CHE element of the Capital Programme at the Quarter 4 stage is presented in Table 3 below. The budget for 2021/22 includes resources brought forward from 2020/21.

CHE Capital Programme 2021/22 (@ Quarter 4)

	Revised Estimate 2021/22 £000	Actual to March 2022 £000	Budget Remaining £000
Communities, Housing & Environment			
Housing - Disabled Facilities Grants Funding	1,017	877	140
Temporary Accommodation	3,008	237	2,770
Brunswick Street & Union Street	450	236	214
Springfield Mill	2,045	2,346	-300
Private Rented Sector Housing Programme	1,125	131	994
1,000 Homes Affordable Housing Programme	750	1,377	-627
Acquisitions Officer - Social Housing Delivery P/ship	160	210	-50
Granada House Refurbishment Works	20	50	-30
Street Scene Investment	50	30	20
Flood Action Plan	244	13	230
Electric Operational Vehicles	84		84
Vehicle Telematics & Camera Systems	35	13	22
Rent & Housing Management IT System	19	8	11
Installation of Public Water Fountains	15		15
Crematorium & Cemetery Development Plan	378	242	137
Continued Improvements to Play Areas	200	74	126
Parks Improvements	149	47	102
Gypsy & Traveller Sites Refurbishment	50	529	-479
Total	9,798	6,420	3,378

B1.2 Comments on the significant variances in the table above are as follows:

Temporary Accommodation - This is the funding for the latest phase of property acquisitions to provide accommodation for temporarily homeless families and persons. There has been one acquisition to date. It was anticipated that a number would take place during the fourth quarter, but it has proved difficult to obtain properties at reasonable valuations given the current overheated housing market.

Springfield Mill - This variance is a profiling issue relating to the timing of payments to the main contractor. The remaining budget is within the current five year programme and the project itself will be completed within 2022/23.

Private Rented Sector Housing Programme and 1,000 Homes Affordable Housing Programme

- The housing team are working on various projects which are currently at different stages. The expenditure for the 1,000 Homes Affordable Housing Programme includes the acquisition and subsequent expenditure for the Trinity Foyer. The additional funding for this year will be accommodated within a reprofiling of the five year budget for this scheme in the current capital programme.

Flood Action Plan – Work continues to bring forward suitable projects for inclusion within the Plan and the remaining budget is expected to be spent during 2022/23'

Gypsy & Traveller Sites Refurbishment - This variance is a profiling issue relating to the timing of payments to the main contractor. The remaining budget is within the current five year programme and the project itself will be completed within 2022/23.