

Name of meeting: Corporate Scrutiny Panel Date: 16 August 2021

Title of report: Council Financial Management Update

Purpose of report

High level Council financial management update incorporating 2020/21 financial outturn, current financial position 2021/22, and early consideration of the Council's Medium-Term Financial Strategy for 2022/23 and future years

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	No
Key Decision - Is it in the <u>Council's Forward Plan (key decisions and private reports)</u>?	No
The Decision - Is it eligible for call in by Scrutiny?	No
Date signed off by <u>Strategic Director</u> & name Is it also signed off by the Service Director for Finance IT Is it also signed off by the Service Director for Legal Governance and Commissioning	Rachel Spencer-Henshall : 4 August 2021 Eamonn Croston : 4 August 2021 N/A
Cabinet member <u>portfolio</u>	Cllr Paul Davies

Electoral wards affected: All

Ward Councillors consulted: N/A

Public or private: Public

Has GDPR been considered? Yes

1. Summary

Council Financial Outturn 2020/21

- 1.1 The 2020/21 financial outturn and rollover report was considered at Cabinet on 27 July 2021, and will be presented to full Council on 8 September. Appendix 1 attached includes some of the headline 2020/21 financial outturn summary tables extracted from the more detailed 27 July 2021 financial outturn Cabinet report, for ease of reference.

The link to the Cabinet report can also be found below, for reference:

[Agenda for Cabinet on Tuesday 27th July 2021, 3.00 pm | Kirklees Council](#) (Item 13)

1.2 Key highlights from the 2020/21 financial outturn report are set out below :

- i) General fund revenue outturn spend 'break-even' (rounded) against a net revenue budget of £274.7m;
- ii) Additional COVID spend in-year in excess of £200m,;over £140m relating to business grant payments to over 9,000 eligible local businesses; additional £48m spend on targeted COVID related activity; & £15m discretionary service income losses from reduced 'business as usual' activity;
- iii) The above funded by over 30 discrete Government funding grants across 8 separate Government Departments; each with their own Government departmental eligibility criteria & grant conditions, assurance and reconciliation processes;
- iv) A number of the COVID related grants received in 2020/21 are multi-year year funding streams rolled forward through reserves at year end, to be applied largely in 2021/22 against continuing Covid pressures. These total in the region of £40m;
- v) In-year Dedicated Schools Grant (DSG) deficit of £10.7m; accumulated DSG deficit £25.1m at year end; of which £23m is High needs related;
- vi) General Fund reserves at year end (31 March 2020) at £113.4m (£113.4m in 19/20);
- vii) Housing Revenue Account £2.6m in-year deficit on £91.5m annual turnover budget;
- viii) HRA reserves at year end £56.1m (£58.6m in 19/20);
- ix) Collection fund year end deficit (Council share) at £35.5m. Adjusted for £24m business rates relief grant applied in 21/22 (timing issue), underlying deficit of £10.5m at 31 March 2021 (£2.5m surplus in 19/20) ; £4.6m Council Tax, £5.9m business rates. Govt local tax £5m compensation scheme to part offset against the £10.5m above; leaves a remaining balance of deficit at £5.5m;
- x) Overall Capital spend £93.6m (compares with £81.2m in 19/20);
- xi) Capital rollover proposals £25.1m (contractually committed / other deferred spend tied to specific funding sources); and
- xii) General fund reserves £197.4m as at 31 March 2021 (£115.6m in 19/20)

1.3 The general fund reserves Table at Appendix 1 indicates that the single biggest factor for the £82m increase is due to the roll forward of COVID funding received from Government in 2020/21, into 2021/22. This reflects timing issues where the Council has received COVID Government funding in 2020/21 that can be flexibly rolled forward for Councils to drawdown against continuing COVID pressures in 2021/22.

In total, this represents about £49m of the reserves increase between 2020/21 and 2021/22.

- 1.4 A further £14m of the increase is technical in nature, and relates to a change in accounting regulations regarding the treatment of the DSG deficit, which is no longer treated as a negative reserve against Council useable or earmarked reserves. From 2020/21 onwards, DSG deficits will be shown Council balance sheets as an 'unusable' reserve, due to its deficit nature.
- 1.5 Elsewhere, there were planned general fund earmarked reserves increases through the year, including Demand Reserve at £3.6m, Inclusive Investment at £1m, and Transformation Reserve at £2.3m; all approved as part of the 2021/22 annual budget approval at Budget Council on 13 February 2021.
- 1.6 A further £1m relating to treasury smoothing, £0.5m Place standard reserves were included in the 2020/21 financial outturn report to Cabinet for approval. School balances reserves also increased by £3.4m during the year, and Public Health reserves by £0.4m; both these are statutory ring-fenced reserves.
- 1.7 The balance of £5.8m reserves increase mainly relates to the roll forward of various revenue grants from 2020/21 into 2021/22 due to timing issues on revenue expenditure commitments between years.
- 1.8 The following sections below reflect on current year financial position 2021/22 and emerging medium term financial strategy re-fresh.

2. Information required to take a decision

2.1 Current year update – 2021/22

- 2.1.1 Budget plans for 2021/22 were approved at Budget Council on 10 February 2021, including a net revenue budget of £317.9m for the general fund, £92.1m operating budget for Housing Revenue Account, and a capital plan of £211.9m. The updated capital plan for 2021/22 to be reported to Council on 8 September, inclusive of rollover proposals, is £230.3m.
- 2.1.2 Approved budget plans for 2021/22 also includes £1.8m planned savings requirement for 2021/22; mainly £1.2m Children's external residential placement savings at £1m plus £0.5m organisational efficiency target.
- 2.1.3 Draft management plan proposals setting out a range of Special Educational Needs & Disabilities (SEND) transformation activity over the 2021-27 period were submitted to DfE on 31 July 2021 as per the Government submission timetable. The plans set out as well how the current in-year high needs funding deficit is intended to be reduced over the 6 year period from the current £10m in-year deficit, to nearer break-even. The Council expectation is that this will be alongside Government proposals to reduce the Council's accumulated deficit position over the same period.
- 2.1.4 Further discussions between the Council and DfE are planned for mid-August to review the current draft management plan, with the intention that any subsequent revision to the draft management plan, and anticipated Government funding agreement sign-off, will then be reported back to Cabinet in due course.

- 2.1.5 The local government national pay award for 2021/22 has still to be confirmed. The current national employer offer is 2.75% for lowest paid staff (on Scale 1) and 1.75% all other staff. Council approved budget plans for 2021/22 provide for an assumed 2% pay award for 2021/22.

2.2 Continuing COVID impact in 2021/22

- 2.2.1 There are a number of specific COVID funding streams in 2021/22, some of which have rolled forward through Council earmarked reserves from 2020/21. These include continuing support for self-isolating payments to residents, and control outbreak management funding to support a wide range of continuing infection control and prevention measures.
- 2.2.2 In addition, there has been continued COVID grant support to eligible businesses, albeit most of the remaining grants are now winding down as social distancing measures continue to reduce and the local economy opens up. To date in 2021/22, there has been a further £42m business grant support to eligible local businesses.

Income

- 2.2.3 Approved budget plans for 2021/22 include an assumed continuation of COVID impacted discretionary service income losses in 2021/22 of up to £5m. Government has also extended the service income loss compensation scheme for Councils to the end of June 2021; up to 75% eligible income losses can be covered by the compensation scheme. Service income pressures are most likely to continue to be felt in schools catering, car parking and commercial landlord activity.
- 2.2.4 Local tax income is a significant funding source for the Council. To put this into local context, Council general fund (net) approved budget in 2021/22 is £318m; funded largely (78%) by local tax income sources at £247m (Council tax £197m and Business rates Council share at £50m). A further £34m (mainly Council Tax) income will also be collected and paid over by the Council as the billing authority, to West Yorkshire Police, Fire and 5 local Parish Council precepting bodies. Local tax income is a significant funder of both Council services and precepting bodies.
- 2.2.5 COVID has had a significant impact on local tax income collection through 2020/21, resulting in the overall year end deficit set out earlier in this report at 1.2 ix). The percentage of Council Tax collected in-year in 2020/21 was 95.6% (19/20 95.4%). The Council's share of Council Tax arrears outstanding at 31 March 2021 was £17.1m (19/20 £14.7m). The percentage of Business Rates collected in-year was 80.3% (19/20 97.0%). The Council's share of business rates arrears outstanding at 31 March 2021 was £7.6m (19/20 £3.3m).
- 2.2.6 The forecast impact of COVID on local tax income was also factored into Council approved budget plans for 2021/22 and later years, albeit with a degree of acknowledged volatility in the forward projections.
- 2.2.7 Throughout this time, the Council has continued to support those struggling to pay, in conjunction with nationally implemented measures including COVID business grants and additional targeted rate reliefs, extended deadlines for VAT/Tax returns to HMRC and extended non-eviction periods in relation to commercial and social housing landlords. This is alongside enhanced local support over both 2020/21 and 2021/22 for residents eligible for the Council Tax Reduction scheme (& supported by Government Hardship Grant funding).

- 2.2.8 Nationally, Councils are now transitioning back to 'business as usual' on income collection and recovery, alongside the continuation of a range of proactive and flexible support available to bill payers, after a 16 month Covid impacted hiatus.

Quarter 1 financial monitoring

- 2.2.9 Quarter 1 financial monitoring for 2021/22 will be reported to Cabinet on 31 August. 2021 as part of the regular quarterly reporting cycle to Cabinet. At this stage of the financial year, it is anticipated that there will be some continuing COVID pressures on the Council's bottom line due to additional spend and income losses; to some extent mitigated by a range of temporary COVID funding streams. Alongside the above, the Council continues to submit monthly returns to MHCLG as part of Government's overall monitoring of the local government's sector' ongoing COVID response and financial impact.

2.3 Medium Term Financial Plan (MTFP) review for 2022/23 & future years

- 2.3.1 The annual re-refresh of the medium-term financial plan or MTFP sets out the financial planning framework , including forecast resources available over the Council's forward plans. This in turn informs consideration of budget proposals through the remainder of the forthcoming budget round, to deliver a 'balanced budget' requirement for the next financial year, which is a legal requirement for Councils, alongside updated spend and funding forecasts for the following 4 years.

- 2.3.2 The baseline for the annual re-refresh of the MTFP will rolls forward existing multi-year spend and funding forecasts for 2022-2026 period, as the starting point. The general fund baseline for 2022/23 is an overall £14.6m general funding shortfall against current forecast spending plans, increasing to £21m by 2024/25.

- 2.3.3 The starting point for the ring-fenced Housing Revenue Account (HRA) reflects budget proposals for 2022/23 and subsequent years that deliver an overall balanced position in the context of the longer term HRA business plan.

- 2.3.4 The financial planning framework will also take into account the following in setting out updated spending and funding forecasts to help inform subsequent budget proposals :

- i) updated Corporate Plan, Council Strategies and Political Priorities
- ii) Current year 2021/22 performance
- iii) COVID-19 impact on current year and future years resourcing and spend forecasts
- iv) Impact of priority transformation and regeneration programmes on future plans
- v) demographic and other key service pressures over the medium term
- vi) Government Spending Review 2021 (SR21)
- vii) key assumptions relating to inflation, borrowing costs, pay award, national living wage impacts, minimum revenue provision flexibility
- viii) review of existing planned savings over the 2021-26 period
- ix) emerging local, regional and national intelligence
- x) scenario/sensitivity modelling against volatile activity
- xi) corporate risk assessment review including adequacy of reserves requirements in light of COVID-9 impact on Council finances.

- 2.3.5 The intention is to take the MTFP financial planning re-refresh for the 2022-27 period, to Cabinet and Council in October 2021.

Emerging National Intelligence

Spending Review 2021

- 2.3.6 It is anticipated that the Chancellor will formally launch the next spending review (SR21) in September, which will give a broad outline for overall Government spending in 2022/23. The subsequent SR21 announcement is likely to be late October or November. Details of the settlement for local government in 2022/23 are unlikely to be known before the provisional financial settlement in December 2021. Neither is it clear if SR21 will be a one year or multi-year settlement.
- 2.3.7 Current Government budget plans reflect an overall 2.1% per year increase in real terms over the next four years. However, these increases have already been allocated to the NHS, schools, defence and overseas aid. The Institute for Fiscal Studies (IFS) estimates that “some ‘unprotected’ budgets would be facing real-terms cuts of around 3% between this year and next”.

National Economic forecasts

- 2.3.8 The Office of Budget Responsibility (OBR) recent update on the public finances reported that the budget deficit for Quarter 1 2021/22 was £19 billion lower than its March forecast; a combination of stronger than expected receipts and lower than expected spending.
- 2.3.9 Commenting on the OBR fiscal outlook and prospects for the forthcoming Spending Review, IFS reports that the near term is more optimistic than expected in recent forecasts but that the “medium term outlook contains much less good news, as the pandemic is still expected to have done “permanent damage to the economy”.
- 2.3.10 While the IFS states that, based on these forecasts, there is more scope for the Chancellor to “afford a sizeable short-term giveaway”, the IFS describes the Chancellor as having much more “limited” room for manoeuvre in the medium term, especially if still committed to delivering a balanced budget in 2024/25 and 2025/26.

Social Care

- 2.3.11 It anticipated that Government will make an announcement on Social Care later in the year. There has been much speculation in the national press recently about a potential hypothecated tax increase. The Health Foundation has estimated that the cost of a £50k cap on funder contributions towards the cost of their own social care, would amount to over £3 billion per annum by 2023/24. Funding other investment in social care to improve access to social care services, pay care workers decent wages and support providers to deliver high quality care, would cost a further £8.6 billion per annum; £11.6bn in total.
- 2.3.12 Illustratively, a hypothecated 1% uplift in national insurance contributions (both employer and employee) could generate in excess of £12bn per annum (source - Pixel financial management). However, some of this could be re-directed to supporting additional NHS funding pressures as well.
- 2.3.13 At this stage, the continuation of annual increases in adult social care (ASC) precepts cannot be discounted either over the medium term. These have been a feature of successive local government financial settlements for the past 6 years, alongside specific social care grant funding over the same period; and notwithstanding the

legacy of the 2021/22 financial settlement, which gave precepting Councils local choice to spread the 2021/22 3% ASC precept increase over 2 years.

Other national policy developments

- 2.3.14 Council finance reform has been a consistent theme over recent years nationally, including proposals for national fair funding and business rates retention scheme reviews and how to re-balance funding, need and local incentives for economic growth. It is not clear to what extent these muted reforms will materialize in the short to medium term.
- 2.3.15 Government released a white paper on 11 February 2021: "Integration and innovation; working together to improve health and social care for all". It sets out legislative proposals for a Health & care Bill. There will be 2 forms of integration which will be underpinned by the legislation: integration within the NHS to remove some of the cumbersome boundaries to collaboration and to make working together an organising principle; and greater collaboration between the NHS and local government, as well as wider delivery partners, to deliver improved outcomes to health and wellbeing for local people.
- 2.3.16 The NHS and local authorities will be given a duty to collaborate with each other. Government will also bring forward measures for statutory integrated care systems (ICSs). These will be comprised of an ICS Health and Care Partnership, bringing together the NHS, local government and partners, and an ICS NHS Body. The ICS NHS body will be responsible for the day to day running of the ICS, while the ICS Health and Care Partnership will bring together systems to support integration and develop a plan to address the systems' health, public health, and social care needs.
- 2.3.17 The Government Social Housing white paper 'The Charter for social housing residents' was published on 17 November 2020 and sets out a new charter for social housing residents. Government will work with the Regulator of Social Housing ("the regulator") to create a strong, proactive consumer regulatory regime, strengthening the formal standards against which landlords are regulated.
- 2.3.18 The Environment Bill is currently progressing through Parliament and is running in parallel to and is a key influence on the Council's Resources and Waste strategy. The former may include some new burdens funding for Councils enacting the national strategy at a local level; the scale and nature of which would be considered by Government in due course.
- 2.3.19 Government has also committed to a white paper this Autumn on its 'levelling up' agenda, including a pledge to hand more power to local leaders, with the possibility of elected mayors for Counties. Successful bidders for round 2 levelling up capital funding are expected to be announced as part of SR21.
- 2.3.20 Budget assumptions underpinning the updated financial planning framework to be presented to Cabinet/Council in October 2021 will continue to be reviewed and refined through the remainder of the 2022/23 budget round, alongside emerging budget proposals for member consideration in due course.

3. Implications for the Council

- (i) Working with people

- (ii) Working with partners
- (iii) Place based working
- (iv) Climate Change & Air Quality
- (v) Improving outcomes for children
- (vi) Other Legal, Financial or other implications

- 3.1 Given the unprecedented global and national situation, which remains volatile, beyond the immediacy of the current COVID-19 crisis, the longer term prognosis for the economy, future tax revenues, Government fiscal policy and public services funding is particularly uncertain, and is likely to remain thus for some considerable time, and certainly beyond autumn 2021.
- 3.2 The medium and longer-term economic and societal impact and implications for the Council's Medium-Term Financial Strategy, revenue and budget plans, will be reviewed over the coming months, acknowledging the fluid and volatile environmental context within which said plans will be reviewed.
- 3.3 As also reported extensively in the national press, an increasing number of Councils have been subject to external auditor Public Interest Reports and Government funding support through specific short term capitalisation directives, to ensure they can continue to deliver balanced budgets. To some extent, these Councils had structurally weak governance and accountability pre-Covid, exacerbated by the pandemic crisis. However, it is anticipated that an increasing number of Councils may be subject to auditor interventions through statutory recommendations and public interest reports, in coming years.
- 3.4 The financial management issues set out in this report will continue to be reported regularly to Corporate Scrutiny Panel for discussion, challenge and suggestions for improvement.

4. Consultees and their opinions

Not applicable

5. Next steps and timelines

The Quarter 1 2021/22 financial monitoring report will be presented to Cabinet on 31 August, and thereafter detailed preparation for the forthcoming budget strategy update report to Cabinet/Council in October 2021.

6. Officer recommendations and reasons

For Corporate Scrutiny panel to note and discuss the contents of this report.

7. Cabinet Portfolio holder's recommendations

As above

8. Contact Officer

Eamonn Croston, Service Director - Finance

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9. Background Papers and History of Decisions

Annual budget report 2021/22 (Item 5)

[Agenda for Council on Wednesday 10th February 2021, 5.30 pm | Kirklees Council](#)

Financial Outturn & Rollover report 2020/21 (Item 13)

[Agenda for Cabinet on Tuesday 27th July 2021, 3.00 pm | Kirklees Council](#)

Office for Budget responsibility Monthly Public finances release June 2021

[Monthly public finances release - Office for Budget Responsibility \(obr.uk\)](#)

Institute for Fiscal Studies - 21 July 2021

[What does the changing economic outlook mean for the Spending Review?](#)

The Health Foundation - 10 May 2021

[If not now, when? The long overdue promise of social care reform | The Health Foundation](#)

Pixel Financial Management (Local Gov't finance consultants – referencing Business Leaders online article below)

[National Insurance Contributions will net £12.5bn for the Government | Business Leader News](#)

10. Service Director responsible

Eamonn Croston, Service Director for Finance

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General Fund 2020/21 Outturn

Appendix 1

	Annual				
Strategic Director portfolio responsibilities	Controllable Budget (Net)	Planned use of reserves	Revised Budget	Outturn	Variance
	£'000	£'000	£'000	£'000	£'000
Child Protection & Family Support	39,498	(635)	38,863	40,935	2,072
Resources, Improvements & Partnership	20,038	(192)	19,846	19,013	(833)
Learning & Early Support & Schools	21,251	7,342	28,593	30,921	2,328
Sub Total (Children & Families)	80,787	6,515	87,302	90,869	3,567
Customers and Communities	9,491	(1,568)	7,923	7,877	(46)
ASC - Older People and Phys Dis	19,924	(304)	19,620	21,809	2,189
ASC - Learn Dis and Mental Health	63,769	4	63,773	63,233	(540)
Adults Sufficiency	11,821	(158)	11,663	10,929	(734)
Sub Total (Adults & Health)	105,005	(2,026)	102,979	103,848	869
Growth & Housing	6,788	(477)	6,311	8,206	1,895
Economy & Skills	9,864	(777)	9,087	8,485	(603)
Sub Total (Growth & Regen)	16,652	(1,254)	15,398	16,691	1,293
Environment	23,113	170	23,283	35,978	12,695
Sub Total (Environment & Climate Change)	23,113	170	23,283	35,978	12,695
Strategy, Innovation & Planning	13,996	116	14,112	14,043	(69)
Public Health & People	4,028	(5,865)	(1,837)	3,001	4,838
Governance & Commissioning	10,163	(147)	10,016	10,029	13
Finance	8,460	(8,634)	(174)	1,543	1,717
Sub Total (Corporate Strategy, Commissioning & Public Health)	36,647	(14,530)	22,117	28,616	6,499
Central	40,095	(9,937)	30,158	31,001	843
Sub Total General Fund	302,299	(21,062)	281,237	307,002	25,765
COVID Support Grant Offset	-	(6,531)	(6,531)	(23,630)	(17,099)
Covid Income Loss Compensation	-	-	-	(8,671)	(8,671)
Revised General Fund Total	302,299	(27,593)	274,706	274,701	(5)
Collection Fund COVID grants roll forwards to 21/22 – Technical Adjustment	-	(28,957)	(28,957)	(28,957)	-
Updated General Fund Total	302,299	(56,550)	245,749	245,744	(5)

HOUSING REVENUE ACCOUNT 2020/21 - OUTTURN

	Annual		
	Revised Budget	Actuals	Variance
	£'000	£'000	£'000
Repairs & Maintenance	26,992	26,992	0
Housing Management	35,152	35,716	563
Other Expenditure	25,699	27,131	1,432
Total Expenditure	87,843	89,838	1,996
Rent & Other Income	(91,480)	(90,555)	925
Revenue Contribution to Capital Funding	3,637	3,317	(320)
Planned transfer to HRA Reserves	0	0	0
Total	0	2,601	2,601

HRA RESERVES

	Balance at 31 March 2020	Approved Movement in Reserves	Balance at 31 March 2021
	£'000	£'000	£'000
Set aside for business risks	(4,000)		(4,000)
Forecast in Year Surplus/Deficit		2,601	2,601
To support the Capital Investment Programme		2,341	2,341
Set aside to meet investment needs (as per HRA Business Plan)	(55,518)		(55,518)
Working balance	(1,500)		(1,500)
Total	(61,018)	4,942	(56,076)

Strategic Director portfolio responsibilities	COVID-19 spend £k	COVID-19 Income Losses £k
Child Protection and Family Support	2,464	-
Resources, Improvements and Partnership	-	-
Learning, Early Support and Schools	901	461
Sub Total (Children & Families)	3,365	461
Customers and Communities	1,929	458
ASC - Older People and Physical Disabilities	22,572	-
ASC - Learning Disabilities and Mental Health	-	298
Adults Sufficiency	-	-
Sub Total (Adults & Health)	24,501	756
Growth and Housing	921	1,815
Economy and Skills	96	494
Sub Total (Growth & Regen)	1,017	2,309
Environment	9,174	9,325
Sub Total (Environment & Climate Change)	9,174	9,325
Strategy Innovation and Planning	1,354	11
Public Health and People	5,575	48
Governance and Commissioning	381	21
Finance	3,079	1,596
Sub Total (Corporate Strategy, Commissioning & Public Health)	10,389	1,676
Central	282	648
General Fund Total	48,728	15,175*

General Fund Earmarked Reserves

	Reserves at 1st April 2020 Incl. Budget Report approved transfers	Planned Net Contribution in-year (COVID-19)	Planned Net Movements in-year (Other)	Unplanned use of Reserves (<i>Variance & High Needs Overspend</i>)	DSG Deficit to Unusable Reserves (technical adjustment)	Reserves position at 31st March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Statutory (School Reserves)						
Schools Balances	(9,967)		(3,595)	-		(13,562)
DSG Deficit	14,396			10,710	(25,106)	-
Total Statutory (School Reserves)	4,429		(3,595)	10,710	(25,106)	(13,562)
Earmarked						
Financial Resilience Reserves	(37,146)		-	-		(37,146)
Rollover	(656)		52	-		(604)
Revenue Grants (various)	(9,095)	(5,604)	(4,225)	-		(18,924)
Public Health	(1,150)		(389)	-		(1,539)
Stronger Families Grant	(1,011)		(520)	-		(1,531)
Insurance	(1,900)		-	-		(1,900)
Ward Based Activity	(1,199)		(201)	-		(1,400)
Social Care Reserve	(2,195)		97	-		(2,098)
Property and Other Loans	(3,000)		-	-		(3,000)
Adverse Weather	(2,432)		2,432	-		-
Strategic Investment support	(4,229)		(725)	-		(4,954)
Waste Management	(5,684)		-	-		(5,684)
Mental Health	(1,400)		198	-		(1,202)
Business Rates	(2,000)		(1,000)	-		(3,000)
School PFI	(2,184)		903	-		(1,281)
Demand Reserve	(15,706)		(3,600)	-		(19,306)
Place Partnership Theme	(2,000)		-	-		(2,000)
Treasury Smoothing			(960)	-		(960)
Transformation			(2,348)	-		(2,348)
Place Standard			(500)	-		(500)
Other	(6,037)		(1,470)	-		(7,507)
COVID-19 Response	(11,099)	(6,531)	(2,364)	-		(19,994)

General Fund Earmarked Reserves

	Reserves at 1st April 2020 Incl. Budget Report approved transfers	Planned Net Contribution in-year (COVID-19)	Planned Net Movements in-year (Other)	Unplanned use of Reserves (<i>Variance & High Needs Overspend</i>)	DSG Deficit to Unusable Reserves (technical adjustment)	Reserves position at 31st March 2021
	£'000	£'000	£'000	£'000	£'000	£'000
COVID-19 Business Grants Reserve		(7,953)	-	-		(7,953)
<i>Sub Total Earmarked Reserves</i>	<i>(110,123)</i>	<i>(20,088)</i>	<i>(14,620)</i>	<i>-</i>	<i>-</i>	<i>(144,831)</i>
Earmarked (Collection Fund Technical Reserves)						
Extended Business Rate Relief Compensation		(23,955)		-		(23,955)
Local Tax Income Loss Compensation		(5,002)		-		(5,002)
<i>Sub Total Earmarked (Collection Fund)</i>	<i>-</i>	<i>(28,957)</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(28,957)</i>
<i>Total Earmarked</i>	<i>(110,123)</i>	<i>(49,045)</i>	<i>(14,620)</i>	<i>-</i>	<i>-</i>	<i>(173,788)</i>
GENERAL BALANCES	(9,998)			(5)		(10,003)
<i>Grand Total</i>	<i>(115,692)</i>	<i>(49,045)</i>	<i>(18,215)</i>	<i>10,705</i>	<i>(25,106)</i>	<i>(197,353)</i>
<i>Total usable reserves (excluding schools, public health and collection fund)</i>	<i>(104,575)</i>	<i>(20,088)</i>	<i>(14,231)</i>	<i>10,705</i>	<i>(25,106)</i>	<i>(153,295)</i>

Capital Plan 2020/21 Outturn Summary

	Revised Budget £'000	Outturn £'000	Variance £'000	Variance %
<u>General Fund</u>				
Aspire & Achieve	13,524	11,400	(2,124)	(16%)
Best Start	956	939	(17)	(2%)
Independent	1,713	1,128	(585)	(34%)
Sustainable Economy	64,221	47,709	(16,512)	(26%)
Well	8,733	7,499	(1,234)	(14%)
Safe & Cohesive	10	13	3	30%
Clean and Green	4,303	2,832	(1,471)	(34%)
Efficient & Effective	2,325	4,627	2,302	99%
GENERAL FUND TOTAL	95,785	76,147	(19,638)	(21%)
<u>Housing Revenue Account</u>				
Strategic Priorities	4,949	4,065	(884)	(18%)
Baseline	14,345	13,362	(983)	(7%)
HOUSING REVENUE TOTAL	19,294	17,427	(1,867)	(10%)
CAPITAL PLAN TOTAL	115,079	93,574	(21,505)	(19)