



Committee Name: Cabinet

Committee Date: 09/06/2021

Report Title: Budget Monitoring Provisional Outturn 2020/21

Portfolio:	Resources
Report from:	Executive director of corporate and commercial services
Wards:	All wards
OPEN PUBLIC ITEM	

Purpose

To update Cabinet on the revenue and capital outturns for the year 2020/21; the General Fund and Housing Revenue Account balances and to seek approval to delegate to officers the approval of carry-forward unspent capital budgets into the 2021/22 capital programme.

Recommendation:

- 1) To note the financial outturn for 2020/21 for the General Fund, HRA and capital programme;
- 2) To note the consequential balance of the General Fund and Housing Revenue Account balances
- 3) To note the transfers to earmarked reserves and the subsequent impact on balances;
- 4) To delegate to the chief finance officer, in consultation with the director of development and city service, director of community services and the cabinet member for resources, the approval of carry-forwards of unspent 2020/21 capital budgets still required, to the 2021/22 capital programme.

Policy Framework

The Council has three corporate priorities, which are:

- People living well
- Great neighbourhoods, housing and environment
- Inclusive economy

This report meets the Healthy Organisation corporate priority

This report helps to meet the securing the council's finances objective of the COVID-19 Recovery Plan

Financial Summary Provisional Outturn (Figures in 000s)

General Fund	Budget	Forecast	Variance
Expenditure	143,295	171,184	27,889
Income	(54,931)	(47,881)	7,050
Grants and subsidies	(88,365)	(124,916)	(36,551)
Total	0	(1,613)	(1,613)

Housing Revenue Account	Budget	Forecast	Variance
Expenditure	68,580	63,384	(5,196)
Income	(68,580)	(68,192)	389
Total	0	(4,808)	(4,808)

- In managing the finances for 2020/21 the Council has taken positive short term action to secure the sustainability of the council's finances whilst managing the significant financial impacts of Covid-19. Proactive mitigations were put in place over the summer to recover the projected deficit and through managers continuing these actions the Council has managed to control spending to support the positive investments approved in the budget.
- The General Fund revenue provisional outturn is an underspend of £1.613m. This position incorporates one-off savings identified earlier in the year, including lower than budgeted external borrowing costs, which have been used to offset reduced income across a range of council areas including car park fees and commercial rents. Also included is additional government funding from the Covid-19 government grant and income reimbursement scheme.
- The medium term financial challenge to the council remains uncertain with many new grants only awarded for 1 year, whilst the impact from Covid-19 will be seen for years to come. As part of the 2021/22 Budget it was agreed that the underspend is used to fund two new earmarked reserves: one to manage future budget risks and the other to fund support costs for the transformation change programme. These reserves will be key in managing the financial risk and uncertainty over the short term as the covid recovery continues and wider government support to the economy and taxpayers is reduced.
- The HRA is forecast to underspend by £4.808m mainly due to underspends caused by delays in non-essential repair work, due to Covid-19 related restrictions and retendering of some contracts. Additional reductions in recharge costs, sheltered housing costs and depreciation.

Capital Programme	Budget	Forecast	Variance
General Fund	39,311	5,854	(33,456)
Housing Revenue Account	51,270	18,517	(32,754)

- The General Fund capital programme is forecast to underspend by £33.456m. The forecast reflects the halt on budgeted investment property purchases (£25m) along with delays in a number of projects as a result of Covid-19.
- The Housing Revenue Account capital programme is forecast to underspend by £32.754m, largely due to Covid-19 related disruption to planned work on HRA stock and re-profiling of expenditure on new build projects into the next financial year.

Report

General Fund Revenue Budget

1. The provisional general fund outturn for 2020/21 is a £1.613m underspend. This equates to 1.13% of the gross expenditure budget. The key variances are shown in Table 1 below:

Table 1

Area	Variance (£000)	Comments
Corporate financing	(2,672)	Covid-19 funding designed to support local authorities in dealing with challenges arising from Covid-19.
Financial arrangements	(2,278)	Lower than budgeted net borrowing costs due to internal, rather than external, borrowing
Car parking	3,093	Reduction in car parking income compared to budget – this loss has been partially compensated through the government's sales, fees and charges reimbursement scheme.
Investment properties	1,215	Forecast net reduction in rental income from current tenanted investment properties (£0.53m) No income from new commercial property acquisitions in 2020/21 (£0.69m)
Housing Benefit	773	Lower than anticipated housing benefit subsidy recovery rates & lower overpayments identified
Riverside Leisure Centre	332	Cost of support payments to Riverside Leisure Centre (£0.475m) partially offset by a Sport England grant. Reduction in Riverside Leisure Centre management fee income (£0.078m).
Business Rates Levy	(398)	No business rates pool levy payment based on collection fund outturn
Planning Fee income	497	Reduction in planning fee income compared to budget - this loss has been partially compensated through the government's sales, fees and charges reimbursement scheme.
Market rental income	233	Reduction in net rental income from the market mainly due to in year rent reductions agreed.
Advertising income	245	Reduction in income in respect of bus shelter advertising
Sports & Culture Income	289	Reduction in income from The Halls, tourist information centre and Norman Centre. This loss has been partially compensated through the government's sales, fees and charges reimbursement scheme.
Licensing	173	Forecast reduction in budgeted income relating to licenses – taxis & liquor
Sales, fees and charges grant	(3,423)	Estimated income from Government's sales, fees and charges income compensation scheme.
Waste Management	200	Additional Covid-19 costs for recycling relating to increased labour, disposal and PPE costs
Events	(292)	Net underspend relating to cancellation of key events i.e. Lord Mayor's Procession
Other variances	400	
	(1,613)	

2. The general fund forecast underspend has increased by £0.310m since Q3. The main reasons for these changes are shown in Table 2 below:

Table 2

Area	Movement from Q3 (£000)	Comments
Business Rates Levy	(398)	No business rates pool levy payment based on collection fund outturn
Riverside Leisure	(65)	Sport England grant to partially offset support payments
Housing Benefit	(260)	Improved position on housing benefit subsidy recovery (overall overspend)
Repairs	(209)	Increase in underspend on responsive and planned maintenance
Commercial Property reserve	417	Reinstating planned contribution to commercial property earmarked reserve
Bus shelter income	139	Reduction in bus shelter advertising income
Repairs reserve	387	Transfer of overall repairs underspend to earmarked reserve to meet future asset investment requirements.
Private sector leasing	(130)	Improved net rental income position on private sector leasing scheme
Other movements	(191)	
Total	(310)	

Covid-19 Impacts

3. The Covid-19 pandemic has had a significant impact on the 2020/21 general fund budget; this is due to a combination of increased costs (e.g. housing the homeless, investment in IT to allow staff to work from home, food costs for vulnerable people, higher recycling costs) and lost income (e.g. from car parks, commercial rents, planning fees, licensing, event bookings).
4. In response to the financial challenges of the Covid-19 pandemic, the Council took a number of proactive short term saving decisions to partially offset the additional costs and loss of income. The most significant saving was in borrowing costs with a net saving in 2020/21 of £2.28m. Costs were also reduced through the cancellation of council-run events and the deferring planned maintenance work into future years.
5. The council was also awarded four tranches of government Covid-19 Emergency funding which totalled £2.78m to assist in dealing with the crisis. This funding has been vital in offsetting the additional Covid-19 related costs the council has incurred in areas such as IT support for homeworking, rough sleeping, support for the council's leisure provider, additional contractual costs, and staff overtime arising from the delivery of the Covid-19 response.
6. The council has also received a number of other additional grants to offset the impacts of Covid-19. The most significant of these has been from the Sales, Fees and Charges Compensation Scheme. The scheme involved a 5% deductible rate, whereby councils absorb losses up to 5% of their planned sales, fees and charges income, with the government compensating councils for 75p in every pound of relevant loss thereafter. Income from commercial revenues, including rental amounts were not considered relevant losses and did not fall within the scope of the scheme.
7. The provisional total claims to be made under the income compensation scheme are £3.4m for the General Fund and £0.7m on behalf of Norfolk County Council to cover lost income in relation to the parking agreement. The key income streams covered by the grant are car parking fees, planning fees and sales losses from council venues such as St Andrews Hall and the Norman Centre. The final claim needs to be submitted by the end of May. The rate and level to which these income streams recover in 2021/22 will be important for the delivery of the current year budget and will be closely monitored as part of the budget monitoring process.

8. Details of additional grant funding received is shown in Table 4. Where the grant terms permit, unutilised funding will be set aside into an earmarked reserve to continue to deliver the related activities in 2021/22. Further breakdown is provided in Table 5.
9. The receipt of this funding, alongside the positive short-term saving decisions taken by the council, has led to an overall general fund underspend and means no general reserves are needed to balance the outturn position in 2020/21. This is in line with the Council's Medium Term Financial Strategy which was approved by Council in February 2021.
10. In December 2020 Cabinet agreed to continue to deliver the in-year savings with any improved financial position kept aside to manage the future risks. As part of the 2021/22 Budget papers, it was agreed that part of the underspend is used to fund two new earmarked reserves: one to manage future budget risks and the other to fund support costs for the transformation change programme.
11. The forecast budget variances by directorate are shown in the tables below:

Table 3: Total General Fund by directorate

Current budget (£'000s)	Service Area	Provisional outturn (£'000s)	Variance (£'000s)
(15,067)	Corporate Finance	(18,746)	(3,678)
658	Corporate Management	1,670	1,012
(14,410)	Total Corporate	(17,076)	(2,666)
4,407	Business Services	3,965	(443)
333	Democratic Services	339	5
0	Human Resources	0	0
0	Procurement & Service Improvement	0	0
4,741	Total Resources	4,303	(437)
0	Chief Executive	0	0
225	Strategy & Programme Management	207	(18)
225	Total Chief Executive	207	(18)
1,900	Communications & Culture	2,193	293
(94)	Customer Contact	(93)	0
0	IT Services	15	15
1,806	Total Customers, Comms & Culture	2,115	309
10,546	Citywide Services	9,743	(803)
1,560	Neighbourhood Housing	1,067	(494)
779	Neighbourhood Services	744	(35)
12,885	Total Neighbourhoods	11,554	(1,332)
(7,368)	City Development	(4,214)	3,154
0	Environmental Strategy	0	0
0	Executive Head of Regeneration &	0	0
1,479	Planning	1,221	(259)
642	Property Services	278	(364)
(5,247)	Total Place	(2,716)	2,531
0	Total General Fund	(1,613)	(1,613)

Further detail is set out in **Appendices 1 & 2**.

Grant Income

12. £10.085m of unbudgeted revenue grants have been received in 2020/21:

Table 4

Grant	Value (£000s)	Details
New burdens grant for administration of BEIS grants	170	Government grant designed to assist with additional costs associated with the distribution of BEIS grants
Local Authority Discretionary grant fund new burdens payment	77	Government grant designed to assist with additional costs associated with the distribution of BEIS discretionary grants
Covid-19 emergency funding	2,778	Covid-19 funding designed to support local authorities in dealing with challenges arising from Covid-19. Includes the fourth tranche of £960k announced in October.
Rough sleeper initiative grant	435	Additional funding announced after the deadline for inclusion in the 2020/21 budgets
HB unbudgeted New Burdens	52	Additional new burdens grant relating to administering housing benefit
Tourism support grant	494	To be spent on supporting the tourism industry deal with the challenges brought about by Covid-19. This will fund some revenue activity and some capital projects
Next Steps Accommodation	217	To be used to fund emergency accommodation
Norfolk Local Outbreak Control Plan funding	100	Funding for environmental health officers to deal with Covid-19 related issues (£60k) and to provide support to high risk individuals & communities (£40k).
Compliance & Enforcement	86	Funding to support local authority compliance and enforcement activity, including Covid-19 secure marshals or equivalents
Norfolk Strategic Fund	427	To support projects involving the Good Economy Commission, Norwich market and the development of East Norwich. Spend to be incurred in 2021/22.
Contain Outbreak Management Fund	802	Funding to local authorities in England to help reduce the spread of coronavirus and support local public health.
Clinically Extremely Vulnerable	42	Funding to provide support to those clinically extremely vulnerable people who need it.
Track & Trace Admin Costs	99	Funding to support the administration of Track & Trace Payments
Sales, Fees and Charges	4,144	Estimated eligible grant from the government's income compensation scheme. Includes losses on parking fee income, planning fee income and sports and cultural charges.
National Leisure Recovery Fund	162	Funding to support eligible public sector leisure centres to reopen to the public.
	10,085	

13. A number of the grants had not been fully utilised by 31 March and service areas have requested these amounts be transferred into the revenue grants unapplied earmarked reserve for future use in line with the terms of the grants. Details of the proposed amounts to be transferred are shown in Table 5.

Table 5

Grant	Proposed earmarked reserve transfer ('000s)
Funding for West End Gardens	44
PRS Access Fund – landlords' incentives	20
Syrian Refugee Programme	206
Covid recovery funding for Riverside	88

Grant	Proposed earmarked reserve transfer ('000s)
Detox/dry house provision Pathways	50
Rough Sleeping Initiative (Pathways)	84
Next Steps Accommodation	35
Contain Outbreak Management funding	659
New burdens grant for administration of BEIS grants	170
Business rates and housing benefit new burdens funding	99
	1,455

14. Additional grants totalling £76.435m have been received where the council has acted as the distributor of funding (Table 6). In these cases any unspent amounts will be repayable to central government in 2021/22, these have will be shown as creditors in the statement of accounts.

Table 6

Grant	Value (£000s)	Details
BEIS support grant payment	40,640	Small business and retail & hospitality grants to be paid out – the full amount of the grant was not distributed, £2.155m was returned to central government in January 21.
Covid-19 business support grant payments (various schemes)	16,512	Local Restrictions Support Grants.
	4,060	Additional Restrictions Grant
	10,620	Closed Business Lockdown Payment
	83	Christmas Support Payment for wet-led pubs
BEIS discretionary grant	2,032	The council has developed a scheme to determine how this fund should be distributed. The full amount of the grant was not distributed, £0.441m was returned to central government in January 21.
BID support grant	44	Grant received by the council and dispersed to the Business Improvement Districts in order to assist with Covid-19 related issues
Covid-19 hardship fund	2,037	The council has developed a scheme to determine how this fund should be distributed to those currently part of the council tax reduction scheme
Track & Trace Support	206	Test and Trace Support payments
Track & Trace Support Discretionary Payments	201	Test and Trace Discretionary Support payments
	76,435	

Housing Revenue Account Budget

Covid-19 Impacts

15. Overall net expenditure on the HRA is forecast to be £4.808m underspent. The Covid-19 pandemic has had a significant impact on the 2020/21 housing revenue account budget; this has resulted in an underspend on repairs work due to reduced works, caused by Covid-19 restrictions. There has been an increase to the level of bad debt provision to cover rent and service charge arrears, although the impact of this on the budget has not been as significant as originally expected, reflecting the benefit from wider factors such as the continuation of the furlough scheme. The forecast budget variances by are shown below in Table 7. Further detail is set out in Appendices 3 & 4.

Table 7: Housing Revenue Account

Current budget (£000s)		Provisional outturn (£000s)	Variance (£000s)
13,899	Repairs & Maintenance	10,982	(2,918)
5,858	Rents, Rates, & Other Property Costs	5,172	(686)
13,224	General Management	12,258	(966)
4,949	Special Services	4,162	(786)
23,264	Depreciation & Impairment	22,946	(318)
202	Provision for Bad Debts	431	229
(57,545)	Dwelling Rents	(57,550)	(6)
(2,098)	Garage & Other Property Rents	(2,169)	(71)
(7,888)	Service Charges - General	(7,455)	433
(82)	Miscellaneous Income	7	89
6,631	Adjustments & Financing Items	6,717	86
(204)	Amenities shared by whole community	(211)	(7)
(210)	Interest Received	(97)	113
0	Total Housing Revenue Account	(4,808)	(4,808)

16. The HRA forecast has moved from a £0.413m overspend at Q3 to £4.808m underspend in the provisional outturn – a movement of £5.221m. The main reasons for this change are shown in Table 8.

Table 8

Area	Movement from Q3 (£000s)	Comment
Revenue contribution to capital outlay	(1,454)	Reduced revenue contribution to capital to reflect the provisional outturn requirements of the new build capital programme
Repairs	(1,078)	Reduction in spend relating to general repairs and void works
Provision for bad debts	(978)	Improved assumptions over the collection of rental and service charge income; the current position is based on a 98.75% collection rate opposed to a 96% used for Q3 forecast.
Recharges from the GF	(520)	Reduction in amount charged from the GF in respect of corporate recharges. Following restructure anti-social behaviour team costs being charged directly to the HRA rather than through recharges.
Rental income	(264)	Increase in rental income from dwellings and shops compared to Q3 expectations
Depreciation	(303)	Final figure lower than originally expected after full analysis
Estates management	(250)	Tenancy management improvements - budget originally for new property improvements, however, new properties going forward will have adjustments made during the build process improvement
Sheltered housing management	(207)	Lower than expected gas and furniture expenditure in relation to sheltered housing accommodation
Other movements	(167)	
Total movement	(5,221)	

Reserves

17. The prudent minimum level of General Fund reserve has been assessed as £5.100m. The impact of the budgeted and provisional outturn on the 31 March 2020 balance brought forward is shown in Table 9 and shows the General Fund balance is expected to continue to exceed the prudent minimum balance.

Table 9

Item	£000s
Balance as at 1 April 2020	(9,464)
Budgeted contribution to reserves 2020/21	(517)
Provisional outturn as at 31 March 2021	(1,613)
Transfer to business change reserve earmarked reserve	913
Transfer to budget risk earmarked reserve	700
Provisional balance as at 31 March 2021	(9,981)

18. Table 9 assumes, in line with the approved 2021/22 Budget report, that £0.700m of the underspend will be transferred into the Budget Risk earmarked reserve and the remainder of the underspend into the Business Change earmarked reserve (£0.913m).

19. The prudent minimum level of HRA reserve has been assessed as £5.848m. The budgeted and provisional outturn impact on the 31 March 2020 balance brought forward is shown in Table 10. The Housing Revenue Account balance is expected to continue to exceed the prudent minimum balance.

Table 10

Item	£000s
Balance as at 1 April 2020	(33,968)
Budgeted contribution to reserves 2020/21	(4,570)
Provisional outturn as at 31 March 2021	(4,808)
Forecast balance as at 31 March 2021	(43,346)

20. The provisional outturn in Table 10 includes the £0.415m transfer to earmarked reserves for the HRA tenancy management system replacement project.

Earmarked Reserves

21. Table 11 sets out the provisional movements in the general fund earmarked reserves. Key movements include:

- The **Section 31 grant** reserve has been increased by £17.473m, this is the extra grant received in year to compensate the council for additional business rates reliefs awarded (see para 25) as well as the tax loss grant. These amounts are set aside and will be returned to the general fund in future years to offset the deficit arising on the collection fund.
- The **General fund repairs reserve** has been increased by £0.387m, the amount being the underspend on the repairs budget in 2020/21. This will be used to meet the future repair and maintenance liabilities on general fund properties.
- The **Norwich Regeneration Ltd reserve** has been reduced by £0.650m to fund the first of five years' Minimum Revenue Provision charges to fund the expected impairment on the council's loan to its wholly owned company.
- The **Commercial property reserve** has been increased by the budgeted £0.417m. This is in line with the policy to set aside a proportion of the rental income from commercial properties to manage future risks around void periods and repairs liabilities.

- The **Invest-to-save reserve** has been reduced in order to fund the approved change projects. The majority of the spend is the general fund's contribution to the project costs associated with the insourcing of the environmental service, property management and repairs service into the council.
- £1.475m of **unexpended revenue grants** have been set aside for future use in line with the terms of the grants.
- As agreed as part of the 2021/22 budget papers, a **Budget risk reserve** has been created with a contribution of £0.700m from the provisional outturn. This will be used to manage the financial risks associated with both the future impacts of the pandemic and the delivery of the 2021/22 budget savings identified.
- The remainder of the general fund underspend (£0.913m based on the provisional outturn) has been transferred to the new **Business change reserve**. This reserve will be used to fund costs linked to the change programme which are not delivering specific savings, for example project management and benchmarking. It will also support training and development of our workforce to ensure we have the skills required to deliver the ambitions of the Council.

Table 11: Provisional earmarked reserve balances

	Balance 01/04/2020	Transfers In	Transfers out	Balance 31/03/2021
	£'000s	£'000s	£'000s	£'000s
Insurance Reserve	1,085	200	(203)	1,082
Other Reserves	18	11	0	29
Rev Grants Unexpended Res	1,840	1,475	(80)	3,235
S31 Earmarked reserve	2,045	17,473	0	19,518
Commercial property	2,047	417	0	2,464
Norwich Regeneration	4,000	0	(650)	3,350
Elections Earmarked	113	0	0	113
Repairs Reserve	444	387	0	831
GF Invest to Save Reserve	3,010	0	(497)	2,513
East Norwich Masterplan Reserve	0	255	0	255
Budget Risk Reserve	0	700	0	700
Business Change Reserve	0	913	0	913
General Fund Earmarked Reserves	14,602	21,832	(1,430)	35,003

22. Table 12 sets out the provisional movements in the housing revenue account earmarked reserves. Key movements include:

- The **HRA Invest-to-save reserve** has been reduced in order to fund the approved change projects. The majority of the spend is the general fund's contribution to the project costs associated with the insourcing of the environmental service, property management and repairs service into the council.
- The **Tenancy & Estate Management System Project reserve** has been created (as approved by Cabinet in November 2020). £0.415m has been set aside as part of the HRA outturn to fund the project to replace the IT system for housing rents.

Table 12

	Balance 01/04/2020	Transfers In	Transfers out	Balance 31/03/2021
HRA Invest to Save Reserve	2,500	0	(728)	1,772
Tenancy & Estate Management System	0	415	0	415
HRA Earmarked Reserves	2,500	415	(728)	2,187

Collection Fund

23. The Collection Fund includes all income generated from council tax and business rates that is due in the year from council taxpayers and ratepayers. Table 13 shows the performance of the Collection fund in 2020/21.

Table 13

	Business Rates	Council Tax
	£000s	£000s
Council Tax receivable	-	(88,664)
Business rates receivable (net yield)	(33,448)	-
Council Tax Reduction Scheme	-	16,909
Transfer cost to General Fund of S13A reliefs including Hardship Fund	-	(2,158)
TOTAL INCOME	(33,449)	(73,913)
Precepts & Demands	75,862	72,117
Distribution of Estimated Surplus for Previous Years	2,063	2,283
Transitional Protection Payable	791	-
Costs of Collection	271	-
Increase/(decrease) in Bad Debt Provision	702	1,396
Increase/(decrease) in Provision for Appeals	24	-
Write Offs of uncollectable amounts	744	654
TOTAL EXPENDITURE	80,457	76,450
Collection Fund Balance b/fwd at 1 April	2,445	3,408
Surplus / (Deficit) for the year	(47,009)	(2,537)
Collection Fund Balance c/fwd at 31 March	(44,564)	871

Business Rates

24. As part of the response to the pandemic the government announced additional business rates reliefs to cover 100% of the rates due by businesses in the retail, hospitality and leisure sectors. These reliefs have reduced the income received directly from business rates payers and results overall in an in-year deficit of £47.0m. The element of the lost income relating to the additional reliefs has however been compensated for by a Section 31 grant from central government.

25. The element of the business rates deficit relating to the City Council is £17.816m and the additional S31 grant is £17.092m. Due to the required accounting treatment, there is a timing difference between when the two elements impact on the general fund (S31 grant income in 2020/21 and the deficit in 2021/22). To manage the impact of this the additional grant income received in 2020/21 has been transferred into the S31 Earmarked reserve and will be returned into the general fund in 2021/22 to offset the impact of the business rates deficit.

26. The remaining deficit will be recognised in the general fund over the next three years in line with the spreading mechanism permitted by government. The deficit in line with the forecasts included in the 2021/22 budget paper approved by Council in February 2021.

27. The council has estimated it is due £0.381m of additional Section 31 grant under the government's tax income guarantee scheme. This is calculated by comparing authorities' estimated income from the business rates retention scheme (January 2020) with their outturn

income. The resulting loss figure is multiplied by 75% to determine the compensation due to each authority. This grant will be transferred to the Business Rates Section 31 Reserve to offset the impact of the business rates deficit in future years.

28. There has been an increase in business rates arrears at March 2021 of £1.244m to a total gross arrears of £4.511m (excluding costs). This reflects the reduction in ability to pay because of the effect of Covid-19 on the income of many businesses during this difficult year. The Retail Discount and grants have helped many businesses and there is potential for further help once the details of the Non-Retail Discount are received.
29. Last year a precautionary overall coverage percentage of 75% was used for the bad debt provision (2018/19 60%) as the impact of Covid19 was unknown and there was limited information around the type/level of support packages that would be offered. Retail Discount & grant payments reduced the risk for 2020/21 debt and Non-Retail Discount may reduce other arrears, so the level of coverage has been set at 70%.

Council Tax

30. The council was awarded £2.037m of grant to provide a Council Tax Hardship Fund. The council developed a scheme to determine how this fund should be distributed to those currently part of the council tax reduction scheme. In addition to the Government directive of awarding £150 to working age customers in receipt of a partial CTR award, the council decided to award additional funds to reduce their liability for 2020/21 to zero. The same principle has been applied to pensionable age customers.
31. The overall year-end council tax surplus is £0.871m which will be taken into account in considering distribution of balances between the preceptors (city, county, and police) in the future. The City Council's share of the surplus is £0.119m.
32. The council did not qualify for any grant receipt in relation to council tax under the government's 75% tax loss scheme.
33. There has been an increase in council tax arrears this year of £2.127m to a total gross arrears of £10.184m (excluding costs). This reflects the reduction in ability to pay because of the effect of Covid-19 on the income of many customers during this difficult year. Whilst the Hardship grant helped many people on low-income last year it could not help everyone whose income was adversely affected. Recovery will continue to be challenging as many customers are now trying to catch up with these arrears as well as pay the current 2021-22 council tax charge. Effort is being made to engage with customers in line with the Corporate Debt Policy of trying to maintain payment of the current year charge as a priority whilst establishing an affordable payment for the arrears. However, this will exclude any debts identified by the Breathing Space process as relating to vulnerable customers.
34. The Bad Debt Provision has been set to acknowledge that there has been an increase in arrears but also that there is still potential for recovery albeit this is likely to be over a longer period. Whilst the increase in arrears is just over £2m the overall percentage of cover for the bad debt provision has been reduced to 77%. Last year 80% was used (2018/19 72%) as a precaution as the impact of Covid-19 was unknown & there was limited information around the type/level of support packages that would be offered.

Capital Programme

35. The provisional outturns result in an underspend of £33.456m on the general fund capital programme and an underspend of £32.754m on the HRA capital programme.
36. The main area of underspend on the general fund relates to the commercial property acquisition budget of £25.000m; all spend on new investment properties was halted in March 2020 following changes to the borrowing terms of the Public Works Loan Board. Other elements of the programme have seen delays in progress as a result of Covid-19 restrictions.

37. The underspend on the Housing Revenue Account capital programme is largely due to Covid-19 related disruption to planned work on HRA stock and re-profiling of expenditure on new build projects into the next financial year. The council continues to conduct regular analysis of the capacity to deliver the capital budgets and will be closely monitoring the progress of capital plans in 2021/22 ahead of the next budget setting cycle.

Table 14:

Capital Programme	Current Budget (£000)	Provisional Outturn (£000)	Variance (£000)
General fund	39,311	5,854	(33,456)
Housing Revenue Account	51,270	18,517	(32,754)
	90,581	24,371	(66,210)

Further detail is set out in **Appendices 5 & 6**

38. The carrying forward of capital budgets from one year to the next, allows for the continuation of schemes across the year-end without the need to seek re-approval of capital budgets through the new year's capital programme. This facility caters for schemes starting later than planned and schemes where the expenditure profile is different from that originally envisaged.

39. To allow flexibility in dealing with any such amendments, and to provide continuity of budget approval, it is recommended that the approval of carry-forward of unspent 2020/21 capital budgets still required, to the 2021/22 capital programme, be delegated to the chief finance officer in consultation with the director of development and city service, director of community services and the cabinet member for resources.

40. Such approvals would be within the usual parameters, of being limited to the amounts underspent on each budget in 2020/21, for the purpose(s) for which the existing approval was given, and would be reported to cabinet in the first budget monitoring report of 2021/22.

Consultation

41. No consultation has been undertaken.

Implications

Financial and Resources

42. Any decision to reduce or increase resources or alternatively increase income must be made within the context of the council's stated priorities, as set out in its Corporate Plan 2019-22 and Budget.

43. The financial implications of the report are summarised throughout including the outturn positions on the revenue and capital budgets as well as the consequential impact on reserve levels.

Legal

44. There are no specific legal implications arising from the report.

Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:

Equality and Diversity	Neutral impact.
Health, Social and Economic Impact	Neutral impact.
Crime and Disorder	Neutral impact.
Children and Adults Safeguarding	Neutral impact.
Environmental Impact	Neutral impact.

Risk Management

Risk	Consequence	Controls Required
<p>There remain future financial risks to the council, some of which have increased in light of changes to the wider economic environment.</p> <p>The report demonstrates that the council is aware of and monitors risks to the achievement of its financial strategy.</p>	<p>Poor financial management which does not deliver with budget or provide value for money.</p>	<p>A number of measures have been put in place to mitigate the financial risk posed by both the wider economy and savings requirements:</p> <ul style="list-style-type: none"> The introduction of new earmarked reserves: (1) the budget risk reserve to manage the financial risks associated with both the future impacts of the pandemic and the delivery of the 2021/22 budget savings identified; (2) a business change reserve to fund costs linked to the council's transformational change programme. Existing earmarked reserves maintained to help mitigate the risk associated with commercial property acquisition and lending to Norwich Regeneration Limited. <p>The budget position will continue to be monitored closely with regular updates to Cabinet.</p>

Other Options Considered

45. There are no alternative options to be presented.

Reasons for the decision/recommendation

46. The report meets the requirement to provide clear and timely reporting on the financial position of the council.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	

Monitoring Officer (or Deputy)	27-5-61
Relevant Executive Director	

Background papers: None

Appendices: 1 to 6

Contact Officer:

Name: Hannah Simpson

Telephone number: 01603 989569

Email address: hannahsimpson@norwich.gov.uk

General Fund Summary

Current budget		Forecast outturn	Forecast variance
(15,067)	Corporate Finance	(18,746)	(3,678)
658	Corporate Management	1,670	1,012
(14,410)	Total Corporate	(17,076)	(2,666)
4,407	Business Services	3,965	(443)
333	Democratic Services	339	5
0	Human Resources	0	0
0	Procurement & Service Improvement	0	0
4,741	Total Resources	4,303	(437)
0	Chief Executive	0	0
225	Strategy & Programme Management	207	(18)
225	Total Chief Executive	207	(18)
1,900	Communications & Culture	2,193	293
(94)	Customer Contact	(93)	0
0	IT Services	15	15
1,806	Total Customers, Comms & Culture	2,115	309
10,546	Citywide Services	9,743	(803)
1,560	Neighbourhood Housing	1,067	(494)
779	Neighbourhood Services	744	(35)
12,885	Total Neighbourhoods	11,554	(1,332)
(7,368)	City Development	(4,214)	3,154
0	Environmental Strategy	0	0
0	Executive Head of Regeneration &	0	0
1,479	Planning	1,221	(259)
642	Property Services	278	(364)
(5,247)	Total Place	(2,716)	2,531
0	Total General Fund	(1,613)	(1,613)

Current budget		Forecast outturn	Forecast variance
23,879	Employees	24,294	415
10,155	Premises	9,730	(425)
230	Transport	153	(77)
18,253	Supplies & Services	25,294	7,041
67,963	Housing Benefits & Business Rates Tariff	71,979	4,017
5,435	Capital Financing	22,400	16,965
1,300	Rev Contribs to Capital	1,000	(300)
(29,604)	Fees, charges and rental income	(22,394)	7,211
(88,365)	Government Grants	(124,916)	(36,551)
16,081	Recharge Expenditure	16,333	252
(25,326)	Recharge Income	(25,487)	(160)
0	Total General Fund	(1,613)	(1,613)

Corporate

Corporate	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Corporate Finance	(15,067)	(18,746)	(3,678)
Corporate Management	658	1,670	1,012
Corporate Total	(14,410)	(17,076)	(2,666)
Key variances:			
Savings/increased income			
Central government emergency Covid-19 grant income – a proportion of the funding was allocated directly to homelessness and rough sleeping.			(2,672)
Lower than budgeted net borrowing costs due to internal, rather than external, borrowing			(2,278)
Business rates levy - No business rates pool levy payment based on collection fund outturn			(398)
General fund contingency - spend against service areas			(324)
Reduction in revenue contribution to the capital programme due to reduction in housing improvement agency team work caused by Covid-19 enforced delays.			(300)
Budget pressures – overspends/loss of income			
Un-utilised grants to earmarked reserves			1,455
Lower than anticipated housing benefit subsidy recovery rates & lower overpayments identified			773
Vacancy factor overspend against this service with offsetting underspends shown within service areas			400
Unbudgeted contribution to the Norfolk Strategic Fund to assist with economic recovery in the region.			150
Additional spend relating to council tax hardship fund			116
Transfer to GF Repairs reserve element of the repairs budget not spent in 2020/21 to fund future maintenance liabilities			387
Other minor variances			25
Total forecast variance			(2,666)

Resources Directorate

Resources	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Business Services	4,407	3,965	(443)
Democratic Services	333	339	5
Human Resources	0	0	0
Procurement & Service Improvement	0	0	0
Resources	4,741	4,303	(437)
Key variances:			
Savings/increased income			
Unbudgeted grant funding within Revenues and Benefits			(536)
Net salary underspend within Revenues and Benefits			(107)
Other minor variances			(12)
Budget pressures – overspends/loss of income			
Project Place transition team costs – these are fully funded from the Invest-to-Save fund in line with the project budget. Variance is offset by additional Invest-to-save reserve utilisation in year			218
Total forecast variance			(437)

Chief Executive Directorate

Chief Executive	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Chief Executive	0	0	0
Strategy and Programme Management	225	207	(18)
Chief Executive Total	225	207	(18)
Key variances:			
Savings/increased income			
Minor variances			(18)
Total forecast variance			(18)

Customers, Communications and Culture Directorate

Customer, Communications and Culture	Budget (£000)	Forecast Outturn (£000)	Forecast Variance (£000)
Communications & Culture	1,900	2,193	293
Customer Contact	(94)	(93)	0
IT Services	0	15	15
Customer, Comms and Culture Total	1,806	2,115	309
Key variances:			
Savings/increased income			
Net forecast underspend relating to cancellation of key events i.e. Lord Mayor's Procession			(292)
Element of Norfolk Strategic Fund Tourism grant utilised in 20/21			(86)
Sales, fees & charges receipts from central government to cover lost income due to Covid-19			(204)
Sports England grant in relation to Riverside Leisure Centre - element to be transferred to earmarked reserves for use in 21/22			(153)
Budget pressures – overspends/loss of income			
Cost of support payment to Riverside Leisure Centre			483
Net forecast reduction in St Andrews Hall income – 7% of budgeted income achieved			145
Net forecast reduction in Norman Centre income - assumes 34% budgeted income			92
Net forecast reduction in income from Tourist Information Centre			52
Forecast reduction in Riverside Leisure Centre management fee income			72
Other minor variances			200
Total provisional variance			309
Transfer of unutilised grants to earmarked reserves (shown in Resources directorate)			88
Provisional variance after reserves transfers			397

People & Neighbourhoods Directorate

People & Neighbourhoods	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
Citywide Services	10,546	9,743	(803)
Neighbourhood Housing	1,560	1,067	(494)
Neighbourhood Services	779	744	(35)
People & Neighbourhoods	12,885	11,554	(1,332)
Key variances:			
Savings/increased income			
Contain Outbreak Management Fund - to be transferred to earmarked reserve for utilisation in 21/22			(659)
Homelessness			(268)
Syrian refugee grant to be transferred to earmarked reserve for utilisation in 21/22			(206)
Housing partnerships grant funding (Detox/dry house provision and Rough Sleeping Initiative - Pathways) - to be transferred to earmarked reserve for utilisation in 21/22			(134)
Sales, fees & charges receipts from central government to cover lost income due to Covid-19			(128)
Garden waste collection income – additional forecast income due to rise in demand and charges uplift			(103)
Funding for West End Gardens - an element to be transferred to earmarked reserve for utilisation in 21/22			(48)
Next Steps rough sleeper funding - net grant income to be transferred to earmarked reserve for utilisation in 21/22			(35)
PRS Access Fund - landlords incentives - an element to be transferred to earmarked reserve for utilisation in 21/22			(32)
Other minor variances			(92)
Budget pressures – overspends/loss of income			
Forecast additional Covid-19 costs for recycling relating to increased labour, disposal and PPE costs			200
Forecast reduction in budgeted income relating to licenses – taxis & liquor			173
Total provisional variance			(1,332)
Transfer of unutilised grants to earmarked reserves (shown in Resources directorate)			1,098
Provisional variance after reserves transfers			(234)

Place Directorate

Place	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
City Development	(7,368)	(4,214)	3,154
Environmental Strategy	0	0	0
Executive Head of Regeneration	0	0	0
Planning	1,479	1,221	(259)
Property Services	642	278	(364)
Place	(5,247)	(2,716)	2,531
Key variances:			
Savings/increased income			
Sales, fees & charges receipts from central government to cover lost income due to Covid-19			(3,096)
Forecast underspend on general repairs and maintenance due to revised prioritisation of works			(387)
External contributions to the development of the East Norwich Masterplan			(190)
Budget pressures – overspends/loss of income			
Total net reduction in car park income			3,805
Forecast net reduction in rental income from current tenanted investment properties			538
No income from new commercial property acquisitions in 2020/21			688
Net overspend against planning mainly due to loss of income in respect of planning fees			387
Reduction in net forecast rental income from the market mainly due to in year rent reductions agreed			288
Reduction in income in respect of bus shelter advertising			245
Restructuring costs			166
Other minor variances			87
Total forecast variance			2,531
Transfer of repairs underspend to repairs earmarked reserve (shown in Resources directorate)			387
Transfer of unutilised East Norwich Masterplan funding into an earmarked reserve to fund agreed programme of works in 2021/22			258
Provisional variance after reserves transfers			3,176

HRA summary:
Period 12 (Provisional Outturn)
Figures in £000s

Appendix 3

Current budget		Forecast outturn	Forecast variance
13,899	Repairs & Maintenance	10,982	(2,918)
5,858	Rents, Rates, & Other Property Costs	5,172	(686)
13,224	General Management	12,258	(966)
4,949	Special Services	4,162	(786)
23,264	Depreciation & Impairment	22,946	(318)
202	Provision for Bad Debts	431	229
(57,545)	Dwelling Rents	(57,550)	(6)
(2,098)	Garage & Other Property Rents	(2,169)	(71)
(7,888)	Service Charges - General	(7,455)	433
(82)	Miscellaneous Income	7	89
6,631	Adjustments & Financing Items	6,717	86
(204)	Amenities shared by whole community	(211)	(7)
(210)	Interest Received	(97)	113
0	Total Housing Revenue Account	(4,808)	(4,808)

Current budget		Forecast outturn	Forecast variance
6,012	Employees	5,853	(159)
22,173	Premises	18,578	(3,595)
95	Transport	23	(72)
2,596	Supplies and Services	2,167	(428)
2	Third Party Payments	0	(2)
8,271	Recharge Expenditure	7,886	(384)
23,264	Capital Financing	22,773	(491)
(68,496)	Receipts	(68,183)	313
0	Government Grants	(13)	(13)
(287)	Recharge Income	(427)	(140)
2,148	Revenue Contris to Capital	1,964	(184)
4,223	Transfers to / from reserves	4,570	348
0	Total Housing Revenue Account	(4,808)	(4,808)

HRA forecast variance detail

Appendix 4

Housing Revenue Account	Budget (£000)	Provisional Outturn (£000)	Provisional Variance (£000)
Repairs & Maintenance	13,899	10,982	(2,918)
Rents, Rates, & Other Property Costs	5,858	5,172	(686)
General Management	13,224	12,258	(966)
Special Services	4,949	4,162	(786)
Depreciation & Impairment	23,264	22,946	(318)
Provision for Bad Debts	202	431	229
Dwelling Rents	(57,545)	(57,550)	(6)
Garage & Other Property Rents	(2,098)	(2,169)	(71)
Service Charges - General	(7,888)	(7,455)	433
Miscellaneous Income	(82)	7	89
Adjustments & Financing Items	6,631	6,717	86
Amenities shared by whole community	(204)	(211)	(7)
Interest Received	(210)	(97)	113
HRA	0	(4,808)	(4,808)
Key variances:			
Savings/increased income			
Repairs: Underspend mainly caused by delays in non-essential repair work, due to Covid-19 related restrictions and retendering of some contracts			(2,842)
Lower than budgeted cost of recharges from the general fund			(521)
Sheltered Housing tenancy management - underspend mainly due to lower than budgeted gas costs, alarm costs funded from repairs budget and no spend on furniture/fittings			(354)
Depreciation - final figure lower than originally expected after full analysis			(303)
Budget originally for new property improvements, however new properties will have adjustments made during the build process therefore, this budget is not expected to be required			(250)
Employee savings across the service mainly due to vacancies			(223)
Reduced revenue contribution to capital to reflect the 2020/21 requirements of the new build capital programme			(184)
Unutilised contingency fund			(172)

Other minor variances	(188)
Budget pressures – overspends/loss of income	
Provision for bad debts: Based on a 98.75% recovery rate. Although the full income due has been raised, there is a requirement to calculate a provision for those debts considered to be at risk. Some of this may be recovered in future years. The figure shown relates to both rental and service charge income.	229
Total forecast variance	(4,808)

Capital Budget Monitoring Summary Year: 2020/21
Period: 12 (Provisional Outturn) *Figures in £000s*

Capital Programme Summary By Directorate	Current Budget (£000s)	Provisional Outturn (£000s)	Variance (£000s)
Comms & Culture	1,898	1,310	(587)
People & Neighbourhoods	3,583	1,323	(2,260)
Place	29,503	1,285	(28,218)
Resources	4,327	1,936	(2,391)
HRA	51,270	18,517	(32,754)
	90,581	24,371	(66,210)

Capital programme forecast variance detail

Appendix 6

Communications & Culture Directorate

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AA1912 Riverside Leisure Centre - Plant	22	0	(22)	Centre's closure followed by reduced opening hours and reduced capacity due to Covid pandemic means that the plant equipment's life expectancy has been extended. Equipment will need to be replaced so underspend will be requested to be carried forward.
AA1959 St Andrew's Hall refurbishment	280	13	(267)	Seating ordered and to be installed in July 2021. Budget to be requested to be carried forward.
AA5206 IT Investment Fund	567	512	(56)	Underspend earmarked to fund new laptops and offset costs under IT transformation budget.
AF5206 IT Transformation - Digital platform	700	743	43	Overspend from new laptops offset by underspend in IT investment fund.
AA1000 Customer centre redesign	25	0	(25)	Final planned stonemason works postponed until 2021/22 due to Covid pandemic.
ZZ5021 Tourism Support Package	253	41	(212)	Expenditure on St Benedicts and Exchange Street complete. City centre declutter project to take place in summer 2021 and seating project has been combined with a County project to celebrate the city's literary status.
AA1063 Chapelfield Gardens Improvements	50	2	(48)	The water supply element has been ordered and electrical supply element is pending UKPN's/NCC Highways confirmation on the start date. Works will be completed in 2021/22 and budget will be requested to be carried forward.
Customer, Comms and Culture Total	1,897	1,310	(587)	

People & Neighbourhoods Directorate

People & Neighbourhoods Capital Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AA1009 Eaton Park path replacement	53	46	(7)	Works completed. Costs less than anticipated.
AB1009 Eaton Park changing room shower replacement	17	17	0	
AA1058 Norwich Parks tennis expansion	490	98	(392)	Lakenham Rec start on site was delayed due to contractor and supplier issues. Work is well underway. Anticipated completion date advised by NPSN June 21. Heigham Park has not started on site and will follow on when the contractor has completed Lakenham Rec. Budget to be requested to be carried forward.
AA1079 Wensum Park Stone Wall	20	19	(1)	Works completed.
AA1184 Community Centres - Upgrades	0	(1)	(1)	
AA2014 Heigham Park Tennis Pavilion	175	0	(175)	Scheme is designed and contract documents are with procurement ready for tendering. Works to be completed in 2021/22. Carry-forward of underspent budget to be requested.
AA2017 Air Quality Monitoring Equip	50	0	(50)	Requirement to replace equipment and budget approved late in 2020/21 financial year. Procurement process in progress with delivery to take place in 2021/22. Carry-forward of underspent budget to be requested.
AA5205 CCTV replacement	8	12	5	
AA5207 Disabled Facilities Grant	1,250	771	(479)	Disabled Facilities grants have been difficult to progress following post lockdown mobilisation. Norfolk County Council have confirmed that any unspent BCF allocation can be carried forward into 2021/22. HIA team costs as yet to be capitalised which will reduce capital underspend.
AK0000 Private Sector Leasing – Empty homes	69	0	(69)	Project deferred until 2021/22 due to Covid pandemic. Carry-forward of underspent budget to be requested.
AQ0000 DFG Residents Contribution	0	12	12	Expenditure made under HIA budget but offset by income from recipients of the service.
AR0000 Strong & Well	0	4	4	
AB5207 HIA - Housing Assistance	250	173	(77)	Housing Assistance Grants have been difficult to progress following post lockdown mobilisation. Norfolk County Council have confirmed that any unspent BCF allocation can be carried forward into 2021/22.
AA2016 West End Street PA MUGA	80	0	(80)	Contract awarded anticipated start date June 21. Budget to be requested to be carried forward.

People & Neighbourhoods Capital Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AA1064 Earlham Park toilet replacement	79	6	(73)	Works have started on site. Anticipated completion date July 21. Budget to be requested to be carried forward.
AA1076 Sloughbottom Park Toilets	78	3	(75)	Contract award confirmed. Refurbishment of existing and installation of new disabled toilet module. Awaiting confirmation of anticipated completion date. Budget to be requested to be carried forward.
AD0000 Parks Demolition	0	0	0	Works completed.
EY5201 Play Sector 3 & 4 improvements	6	0	(6)	Funding used to deliver Bowers Avenue project see AA1133 CIL Nhood Bowers Avenue PA
FJ5201 St Georges open space and play	88	0	(88)	The disruption caused by the Covid pandemic and a lack of resource within the team has resulted in no project development/delivery work being undertaken.
FK5201 Wensum Park Play Area -	62	0	(62)	The disruption caused by the Covid pandemic and a lack of resource within the team resulted in no anticipated project delivery work not being undertaken. Budget to be requested to be carried forward.
FL5201 Bunkers Hill - Entrance & path	59	29	(30)	Phase 1 completed slightly slower than anticipated. Phase 2 works anticipated completion date Nov 22. Budget to be requested to be carried forward.
ES5201 S106 Mile Cross Gardens Play	0	0	0	
EV5201 S106 Castle Green Play	70	5	(65)	Connected to Castle Gardens project. Procurement documents have been prepared but procurement has been delayed because of a lack of staff time due to an increase in the size of the overall capital programme for the landscape team.
EX5201 Bowthorpe Southern park	5	0	(5)	The site was flooded and Covid pandemic prevented volunteer working to deliver the works. Anticipated completion date May 21. Budget to be requested to be carried forward.
AA5202 CIL GNGB Castle Gardens	150	0	(150)	Connected to Castle Green play project. Procurement documents have been prepared but procurement has been delayed due to lack of staff time due to an increase in the size of the overall capital programme for the landscape team.
AB5202 CIL GNGB Football Pitch	40	0	(40)	The disruption caused by the Covid pandemic when the refurbishments would have taken place prevented works from being delivered. GNGB where notified and approval was given for the works to be undertaken this year. Budget to be requested to be carried forward.

People & Neighbourhoods Capital Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AI5202 Earlham Millenium Green	10	0	(10)	Delays in material supplies. The work has been completed and there will be a balance remaining. Approval has been given from GNGB to make additional onsite improvements rather than return the budget. Budget to be requested to be carried forward.
AM5202 GNGB Community Access Improvements 20 Acre Wood	57	0	(57)	The disruption caused by the Covid pandemic and a lack of resource within the team resulted in no anticipated project delivery work not being undertaken. Budget to be requested to be carried forward.
AL5200 CIL Crowdfunding matched funding	12	12	0	
AA5200 Co-CIL Nhood Ketts Heights	0	0	0	
AB5200 CIL Nhood 20 Acre Wood	3	0	(3)	Delay in supply of site interpretation. Supplier being chased. Anticipated completion date June 21. Budget to be requested to be carried forward.
AD5200 CIL Nhood Community Enabling	6	3	(4)	Project not viable to progress during Covid pandemic and deferred until 2021/22. Carry-forward of underspent budget to be requested.
AQ5200 West Earlham CC	24	22	(3)	Works complete. Costs lower than anticipated.
AR5200 CILN Shopmobility Grant	10	10	0	
AA1133 CIL Nhood Bowers Avenue PA	50	25	(25)	Delays in procurement of contractor. Project in progress on site. Anticipated completion date July 21. Budget to be requested to be carried forward.
ZZ8039 CIL Neighbourhood Projects	116	0	(116)	Project not viable to progress during Covid pandemic and deferred until 2021/22. Carry-forward of underspent budget to be requested.
AK5200 CIL neighbourhood - Netherwood	28	11	(17)	Anticipated works were delayed due to contractor services issues and bird nesting season preventing completion. Works will be completed in autumn 21. Budget to be requested to be carried forward.
AA1037 Earlham Cemetery gates refurbishment	28	0	(28)	Work delayed due to Covid 19 pandemic and will extend into 2021/22. Underspent budget to be requested to be carried forward.
AB1037 Earlham Cemetery railings replacement	142	45	(97)	Work delayed due to Covid 19 pandemic and will extend into 2021/22. Underspent budget to be requested to be carried forward.
Total GF - People & Neighbourhoods	3,583	1,323	(2,260)	

Place Directorate

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
FF5201 S.106 Bowthorpe To Clover Hill	68	4	(64)	Delay has been caused by the lack of staff resources and a re-evaluation of the best method of implementation (via County or directly by City). Carry forward not whole budget because funding available is lower than the 2020/21 budget.
FG5201 St Stephens Towers Public Realm	63	1	(62)	Funding transferred to Transforming Cities budget.
AO5200 Yare - Wensum Green Infrastructure	95	6	(89)	Delays in moving to construction have been caused by a combination of insufficient staff resources due to lack of staff time because of an increase in the size of the overall capital programme for the landscape team, pausing to align the project with the transforming cities projects for adjacent locations on Marriott's Way and the need to re-consult on a highway element of the scheme in Norwich Road.
AD5202 CIL GNGB Riverside Walk	172	0	(172)	A tender process to appoint a contractor was undertaken but no contractor could be appointed meaning that construction could not happen in 2020/21. A fresh procurement exercise was delayed because of lack of staff time due to an increase in the size of the overall capital programme for the landscape team.
AG5202 UEA to Eaton boardwalk extension	29	1	(28)	We have deliberately delayed the project in order to align with work planned by the Environment Agency that will enable them to cite our funding as match to amplify the benefits. £1k variance between P11 and P12 due to less money spent on preparation of tender documents than anticipated.
AN5202 GNGB Marriott's Way/Hellesdon Station Green Infrastructure	36	1	(34)	The Transforming Cities match funded element involving the rerouting of Marriotts Way past the former Hellesdon Street has been accelerated and was completed in March 2021 ahead of schedule. This did not involve the use of the money in the City Council's capital programme, which will be employed on later phases.
AH1000 City Hall heating system	315	54	(261)	Refurbishment of hot water heating system is complete. Replacement of space heating boilers has been ordered. Construction phase commencing in June 2021 with final completion end of September 2021.

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AJ1000 City Hall Kitchens & Toilets	35	(3)	(38)	Project phased over three years refurbishing 8 kitchens and 8 toilets. Budget to be requested to be carried forward.
AL1000 City Hall chamber benches conservation	0	0	0	
AA1005 Mile Cross Depot Site	0	7	7	Delay in procuring a design team which has meant that ground works haven't been progressed. Design team now appointed and anticipating ground works package to commence this year. Budget to be requested to be carried forward.
AA1204 Traveller Site	5	0	(5)	Budget no longer required as site transferred to Broadland Housing.
AA1210 River Wensum Pontoon replace	0	1	1	
AA1255 St John Maddermarket retaining wall	70	0	(70)	Contract documents prepared for tender and statutory permissions/consultations in progress, but project to extend into 2021/22. Carry-forward of underspent budget to be requested.
AA1432 4 Exchange Street emergency lighting upgrade	0	0	0	Some elements of work considered to be tenant's responsibility with other minor works being funded from a revenue budget.
AA1546 Swanton Road - Interceptor Tank	23	23	0	
AA1728 20 Hurricane Way Fencing	20	18	(2)	Works complete for less than original budget.
AA1791 Old Meeting House replacement fire detection system	11	0	(11)	Heritage requirements/permissions to be obtained therefore project to extend into 2021/22. Carry-forward of underspent budget to be requested.
AA1911 Riverbank stabilisation (River Yare &	15	13	(2)	Scheduled survey work has been procured and report imminent.
AB1021 Motor Cycle Park	11	6	(5)	Scheduled survey work has been procured and report imminent.
AB2010 AFI Lawrence House Lift Refurb	190	0	(190)	Requirement for works identified and budget approved late in financial year. Works to complete in 2021/22. Budget to be requested to be carried forward.
AF0000 Riverside Footpath District Lighting	21	13	(8)	
AF1856 St Giles Suicide prev measures	10	0	(10)	Works to take place in 2021/22.
AV0000 Multi storey car parks structural lifecare survey	33	0	(33)	Structural survey postponed until 2021/22 due to Covid pandemic. Carry-forward of underspent budget to be requested.
AW0000 Transforming Cities Fund	162	0	(162)	This funding is our contribution to the County Council led Transforming Cities Fund programme and was based on their programme. Our contribution is linked to specific projects, none of which were completed in 2020/21 and therefore the money has

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
				not been paid to them. Thorpe Road contraflow is nearing completion so £66k will be paid early in 2021/22.
AY5204 CCAG2 Wayfinding	30	0	(30)	Project not yet commenced.
AA5203 Cycle safety funding	0	(1)	(1)	
AA5208 Cycle safety funding	0	1	1	
AE1856 St Giles multi storey car park lighting upgrade	104	81	(23)	Installation of new LED lighting now complete. Costs lower than initially anticipated.
AE5200 CIL Contribution Strategic	1,568	924	(644)	Lower CIL contributions in year due to developments being delayed by Covid pandemic.
AE5204 CCAG2 Fifers Lane/Ives Rd/Heyford	20	3	(17)	Project complete. Remaining funds to be reallocated to other cycling investment in the future.
AP5204 CCAG2 Wayfinding	12	0	(12)	Project not yet commenced.
AA1012 Memorial Gardens Undercroft	78	3	(75)	Expenditure to date covers NPS fees and survey report costs. Listed building planning consent and English Heritage approval may also be required. Works ordered with NNBL and project to complete in 2021/22. Carry-forward of underspent budget to be requested.
AA1019 Hay Hill Public Realm	0	1	1	
AA1287 Guildhall Nn Festival	161	0	(161)	The agreement for lease which allows the funding to be released in exchange for the works was agreed and sealed in March 2021. The latest programme from NNF is to commence works in May and to undertake over a 6 month timeframe whereupon their lease with the council for occupation of the Guildhall will commence. Carry-forward of budget to be requested.
AA1391 Townshend House Digital Hub	75	3	(72)	Minimum Energy Efficiency works now superseded by planned major refurbishment works of TH Digital Hub. The remaining £72k of the budget will be requested to be carried forward and incorporated within the major refurbishment budget.
AB1391 TF- Digital hub	0	9	9	Preliminary works in advance of 2021/22 Towns' Fund programme
AA2015 Carrow House, King Street	14	60	46	Expenditure committed in advance of grant release by MHCLG.
AX0000 Digitech Factory CCN TF	1,000	0	(1,000)	Towns' Fund grant released to City College Norwich in April 2021, therefore budget to be requested to be carried forward into 2021/22.
AZ0000 St Giles Street Public Realm	0	1	1	

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
BI0000 TF - Programme management	12	12	0	
AB1429 Asset Acquisition 6	42	42	0	
AA2010 Asset Acquisition 11	5	0	(5)	
ZZ7438 144A King Street	0	1	1	
AB0000 Asset investment for income (other	25,000	0	(25,000)	Programme of acquisitions suspended following change in PWLB borrowing regulations.
Place Total	29,503	1,285	(28,219)	

Resources Directorate

GF Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Forecast Variance (£000s)	Variance Notes
AB5206 Finance System	51	(17)	(68)	Final expenditure on the project deferred until 2021/22. Budget to be requested to be carried forward.
AC5206 HR System	11	4	(7)	Final expenditure deferred until 2021/22.
AA2013 NCSL Establishment	705	800	95	IT and equipment spend on the establishment of Norwich City Services Ltd. Additional spend in in 2020/21– this was incurred earlier than originally expected and will reduce the budget requirement.
AA1916 Equity Investment	3,500	1,150	(2,350)	Planned equity investment in Norwich Regeneration Ltd in 2020/21 completed.
AH0000 Capital contingency	60	0	(60)	Unrequired element of the capital contingency budget.
Total GF - Resources	4,327	1,937	(2,391)	

Total General Fund Capital Programme	39,311	5,854	(33,457)	
---	---------------	--------------	-----------------	--

Housing Revenue Account

HRA Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
AG5206 Tenancy & Estate Management	767	547	(220)	Project phasing has been extended. Phase 1 to complete Oct 21 and Phase 2 in May 22. Budget to be requested to be carried forward.
AA5205 CCTV replacement	0	9	9	
5110 Electrical - Internal	3,126	2,625	(501)	Delivery delayed, plus lower than anticipated fees.
5120 Whole House Improvements	1,332	328	(1,004)	Delayed completions.
5121 Kitchen Upgrades	1,435	1,379	(56)	Slippage due to Covid, completion early 2021/22. Lower than anticipated fees.
5122 Bathroom Upgrades	2,050	1,736	(314)	Slippage due to Covid, completion early 2021/22. Lower than anticipated fees.
5130 Boilers - Communal	3,177	531	(2,646)	Delays with procurement have led to slippage on major schemes, (Barnards Yard & Mile Cross) and transfer of major schemes into 2021/22.
5131 Boilers - Domestic	2,562	1,436	(1,126)	Underspend and a lack of take up due to Covid. Lower than anticipated fees.
5140 Insulation	102	(12)	(114)	Underspend as no works this year. Credit created by over accrual of retention payment in previous year.
5141 Solar Thermal & Photovoltaic	564	549	(15)	Underspend as fees included within the cost of works.
5150 Windows - Programme	3,126	691	(2,435)	Replacement windows in tower blocks did not take place in the year and fees lower than anticipated.
5151 Composite Doors	1,076	556	(520)	Issue with certification of doors slowed programme delivery.
5160 Comm Safe - DES	874	788	(87)	Delays due to Covid, completions due early 2021/22.
5161 Estate Aesthetics	769	373	(396)	Completion of planned projects delayed and fees lower than anticipated.
5163 HRA Shops	461	145	(316)	Works not started yet at Witard, Suffolk and Distillery sites.
5171 Sheltered Housing Comm Facilities	113	130	17	Overspend from increased fees due to more work than anticipated.
5180 Planned Maint - Roofing	1,281	242	(1,039)	Delays in completing planned programme of works and fees lower than anticipated.
5181 Planned Maint - Structural	4,837	1,526	(3,311)	Slippage due to approval delays and lower fees than anticipated.
5182 Tower Block Regeneration	1,627	852	(775)	Underspend as tender price lower than anticipated plus slippage due to access issues for contractor. Works at Winchester Tower making good progress but some of underspent budget will be requested to be carried forward.
5183 Planned Maint - Lifts	154	93	(61)	Underspend due to low tender on Aylmer Tower works and lower fees than anticipated.

HRA Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
5190 Disabled Adaptations	717	468	(249)	Underspend caused by postponed works due to Covid and subsequent delays due to contractor resources.
5191 Stairlifts	121	134	13	Overspend resulting from increase in demand.
5192 Sheltered Alarms	190	36	(154)	Programme has slipped due to access issues arising from Covid. Underspent budget will be requested to be carried forward.
AB5100 New Build Opportunities	7,272	11	(7,261)	Purchase of Hethersett site is further delayed into 2021/22. Due to revised rules on RTB receipts, not anticipating continuing with significant property acquisitions but some are already in process and awaiting completion in 2021/22. Budget to be requested to be carried forward for outstanding projects.
AE521X Open Market Property Acquisitions	2,335	2,257	(78)	Carry forward to be requested to cover cost of upgrade works on acquisitions.
AD5100 New Build - Goldsmith Street	980	199	(781)	Final account agreed following lengthy negotiations. Retention payment of £216k has been accrued and minor works underway. Anticipated additional final costs to be in region of £35k which we be requested to be carried forward.
AJ5100 LANB - Northumberland Street	689	4	(685)	The sale of the land is still with the receivers – we are working with the receiver and undertaking an options appraisal for the development.
AI5100 LANB - Three Score Phase 3	1,490	55	(1,435)	Design work progressing with anticipated planning submission in June 2021 and start on site by October 2021. Underspent budget to be requested to be carried forward.
AO5100 Affordable Housing Opportunities Oak St	150	0	(150)	Project cancelled. Opportunity to purchase withdrawn by developer.
AP5100 LANB Argyle Street	660	37	(623)	Delay in procuring a design team but now on RIBA stage 2 and design being worked up to an anticipated planning application submission by August 2021. Underspent budget to be requested to be carried forward.
AQ5100 LANB Kings Arms PH	179	189	10	Expenditure includes fees for design to achieve planning consent, design to inform construction specification and payment to landowner.
AB1005 Mile Cross Depot Site	3,100	48	(3,052)	Delay in procuring a design team which has meant that ground works haven't been progressed. Design team now appointed and anticipating ground works package to commence this year. Budget to be requested to be carried forward.
AM0000 Capital Grants to Housing	3,827	550	(3,277)	Cabinet approval granted for additional grant funding to be released against existing schemes due to increased cost. New schemes limited due to Covid pandemic.
AA5100 Demolition & Site	127	5	(122)	This budget is used in the early stages of projects and where garage sites

HRA Capital Expenditure Programme	Current Budget (£000s)	Provisional Outturn (£000s)	Provisional Variance (£000s)	Comments
Maintenance				may need to be demolished for redevelopment due to ASB but none required in 2020/21
Total HRA capital programme	51,270	18,517	(32,754)	