

# Neighbourhood Services Committee



11 November 2021

<b>Title</b>	Draft Q2 Revenue Monitoring Report as at 30 September 2021
<b>Purpose of the report</b>	To note
<b>Report Author</b>	Paul Taylor Chief Accountant
<b>Ward(s) Affected</b>	All Wards
<b>Exempt</b>	No
<b>Corporate Priority</b>	Financial Sustainability
<b>Recommendations</b>	<p>The Committee is asked to note the draft forecast outturn for 2021/22 as at 30 September 2021 and the aggregate variances by cost centre reported in appendix A below.</p> <p>(Please note that this is a draft report taken from the full report currently being prepared for the Corporate Policy &amp; Resources Committee meeting on 29 November and has been collated before the completion of a full review process and may be subject to change, and if this is the case the Committee will be notified.)</p>
<b>Reason for Recommendation</b>	Not applicable

## 1. Key issues

- 1.1 This report provides a summary of the forecast outturn position for the financial year 2021-22 as at 30 September, for the Neighbourhood Services Committee which is showing a forecast net overspend of £509k (June: £724k net overspend) a favourable improvement of £215k.
- 1.2 The forecast underspend of expenditure amounted to (£124k) (June: £253k overspend) and the forecast under recovery of income was £633k (June: £471k under recovery), with the major differences from Q1 being as follows:
  - (a) A forecast £98k increase in car park income.
  - (b) A forecast £50k reduction in DS Management salaries due to vacant posts.
  - (c) A forecast £28.9k reduction in Street Cleaning salaries due to vacant posts.
  - (d) A forecast £22.5k reduction in EH Admin other costs (consultants) due to the delay in the Heathrow expansion.

- (e) A forecast £15k reduction in SAT other expenditure (transport) due to fewer passengers using the service and therefore fewer journeys being made.
  - (f) Please note that the EV costs and subsequent funding have been netted off against each other, rather than showing the funding as income.
- 1.3 The forecast net under recovery of income is further broken down to show the impact of COVID-19 on the Council forecast outturn position as follows:
- (a) COVID-19 – a forecast net under recovery of income of £708k (June: £794k).
  - (b) Non COVID-19 a forecast net underspend of (£199k) (June: (£70k)).

The forecast outturn shows the forecast impact of COVID-19 on Cost of Services is mainly an under recovery of fees, charges, and income amounting to £621k (June: £711K) from our Car Parks, Building Control and SAT, offset by an increase in cemetery fees.

## **2. Significant Forecast Budget (under)/overspends at year end.**

- 2.1 Noting that we are only providing commentary for those budget lines with £20k or more variance and that some cost of services were below this reporting criteria last month and have now exceeded the reporting threshold.
- 2.2 A forecast net overspend and under recovery of income of £509k (June: £724k) and the significant net variances are as follows:
- (a) Car parks – a forecast under recovery of income of £642k (June: £740k) due to the reduction in shoppers and office workers requiring parking facilities.
  - (b) Building control – a forecast net overspend of £6k (June: £3k) due mainly to the following:
    - i) (£35k) underspend (June: (£20k) underspend) due to unfilled vacancies which are being recruited for.
    - ii) No change in the forecast £41k under recovery of income reported last quarter.
  - (c) Cemeteries – a forecast over recovery of income of £50k (June: (£49k) over recovery of income) due to higher deaths because of the pandemic.
  - (d) DS Management Support – a forecast underspend of (£60k) (June: (£10K) underspend) due to vacant posts.
  - (e) Environmental Protection Act – no change to the forecast underspend of £25k reported last quarter.
  - (f) Environmental Health Administration – a forecast underspend (£25k) (June: (2.5k) underspend) due savings in consultants fees because of a delay in the Heathrow expansion scheme.
  - (g) Street Cleaning - A forecast underspend of (£29k) due mainly to (£30k) of unfilled vacancies.
  - (h) SAT – a net forecast under recovery of income of £28k (June: £50k under recovery of income) due to the following:

- i) No change in the forecast 50k under recovery of income reported last quarter
- ii) A forecast (£22k) under spend in transport costs due to fewer passengers using the service and therefore fewer journeys being made.

**3. Other considerations**

3.1 None.

**4. Equality and Diversity**

4.1 Not applicable.

**5. Sustainability/Climate Change Implications**

5.1 Not applicable.

**6. Timetable for implementation**

6.1 Not applicable

**Background papers:** There are none.

**Appendices:**

**Appendix A – Net Revenue Budget Monitoring for the Neighbourhood Services Committee at 30 September 2021.**