

# Regulatory/ Administrative Committee



21 April 2022

<b>Title</b>	Draft Q3 Revenue Monitoring Report as at 31 December 2021
<b>Purpose of the report</b>	To note
<b>Report Author</b>	Anna Russell, Deputy 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 31 December 2021 and the aggregate variances by cost centre reported in Appendix C2.</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 14 March 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 31 December, for the Regulatory/ Administrative Committees which are showing a projected net underspend of (7k) (September: (£73k)).
- 1.2 The forecast overspend of expenditure amounted to £107k (September: £45k) and the forecast over-recovery of income was (£114k) (September: (£117k)). The major change in the forecast from Q2 is as follows (*see key at end of this paragraph*):
  - (a) An (£8k) decrease in Committee Services net expenditure forecast.
  - (b) A (£179k) decrease in Corporate Management net expenditure forecast.
  - (c) A £14k increase in Elections net expenditure forecast.
  - (d) A (£14k) decrease in Electoral Registration net expenditure forecast.

*where the (negative) and positive changes indicate:*

*(negative): a favourable change = increase in income or decrease in spend*

*positive: an adverse change = decrease in income or increase in spend*

- 1.3 The net under recovery of income is further broken down to show the impact of COVID-19 on the Council forecast outturn position
- (a) COVID-19 – a projected net overspend of £24k (September: (£32k underspend)).
  - (b) Non COVID-19 – a projected net underspend of (£31k) (September: (£41k)).

The forecast outturn shows the projected impact of COVID-19 on Cost of Services is mainly an under recovery of fees, charges, and income for our Day Centres and Leisure Centres, together with significant underspends all shown below in section 2.

## **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 where there has been a significant change in variance since Q2.
- 2.2 A projected net underspend of (£7k) (September: £73k overspend), with significant net variances as follows:
- (a) Corporate Management - a net projected overspend of £159k (September: £88k overspend), which was due to the following:
    - i) (£138k) underspend (September: (£127k)) on the retention allowance budget.
    - ii) £322k overspend (September: £240k) due to the following:
      - £71k consultancy for constitutional and organisational change
      - £60k legal advice on property-related governance
      - £48k insurance claims handling fees and treasury management
      - £143k costs to be funded from reserves (£52k River Thames Improvement Programme), Government grants (£60k High Street Recovery); and capital (£31k brokers fees)
    - iii) No change in the forecast net over recovery of income of £25k reported last quarter
  - (c) Democratic Reporting & Management – Minor change in the total (£42k) underspend (September: (£41k)) reported last quarter.
  - (d) Elections - a net projected overspend of £30k (September: £16k), due to unexpected and therefore unbudgeted by-elections this financial year.
  - (e) HR – Minor change in the forecast (£27k) underspend (September: (£24k)) reported last quarter.
  - (f) ICT (Information & Comms Technology) – Minor change in the forecast (£35k) underspend (September: (£30k)) reported last quarter.
  - (g) Land Charges – No change in the forecast (£72k) over-recovery of income reported last quarter.

- (h) Legal – Minor change in the forecast (£21k) net underspend (September: (£26k)) reported last quarter.

**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 C1 – Regulatory Administrative Committees - Revenue Q3 31Dec21**