

CABINET

15 February 2022

QUARTER 3 FINANCE UPDATE

Report of the Portfolio Holder for Finance, Governance and Performance, Change and Transformation

Strategic Aim:	All	
Key Decision: No	Forward Plan Reference: FP/151021	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr K Payne, Portfolio Holder for Finance, Governance and Performance, Change and Transformation	
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Ward Councillors	Not Applicable	

DECISION RECOMMENDATIONS

That Cabinet notes the updated financial position.

1 PURPOSE OF THE REPORT

- 1.1 To update Members on performance against the 21/22 budget and on any emerging finance issues that might affect the financial position in 21/22 and beyond.

2 EXECUTIVE SUMMARY

- 2.1 Periodic financial reporting normally covers two issues a) in year budget performance and b) future outlook – in particular our corporate priority of reducing the reliance on reserves. This report focuses on the first element only as the budget report (01/2022) shows the latest position on reducing reliance on reserves. There is also a brief capital update in section 4.
- 2.2 The table below updates **budget performance in 21/22**.

	Key questions	Position	Comments and where you can find out more
1	Are we on track to achieve overall budget?	Green	<p>In the mid-year report the forecast revenue position showed a favourable position - a surplus of £1.5m compared to a revised budgeted deficit of £291k.</p> <p>The position is now showing a £1.9m surplus due to further reductions to demand led budgets, particularly adults and children's which have moved £470k since the mid-year report (see 4.2 and 4.3).</p> <p>Resources forecast has decreased by £107k due to staffing vacancies and there is a further pressure in Places of £140k largely due to increases in special educational need transport (4.5).</p>
2	How confident are we about forecasts?	Amber	Confidence level at Q3 is higher with only the final quarter of the year to go. We have undertaken some due diligence over amount spent to date and have highlighted findings in section 3.2
3	Are there budgets under pressure?	Red	Yes, various budgets continue to see pressures. Section 3.2 gives an update on budgets overspent by £25k or more. The key point is that there have been no new budgets coming under pressure since the mid-year report.
4	Are we on track to achieve savings in the budget?	Green	Yes, no change.
5	Are there new pressures emerging?	Amber	<p>Yes, there are a range of possible pressures being watched. The 3 main pressures emerging that may impact the 22/23 budget these include.</p> <ul style="list-style-type: none"> • Commissioned Transport – demand for this service continues to grow. If this continues then the £170k pressure declared within the budget is unlikely to be sufficient. Para 3.1.1 gives further details but our approach is to monitor the position. • Energy Prices - Every six months, Ofgem, the energy regulator, reviews the maximum price that suppliers in England, Wales and Scotland can charge domestic customers on a standard - or default – tariff. This is called the energy price cap. The next review is due at the beginning of February, and the new cap will come into effect in April. Industry predictions suggest gas prices could go up by as much as 50%. If this is the case then it is likely that the Councils budgets will come under significant pressure, the 21/22 budget for Gas/Electric is c£470k with a forecast of £437k. The 22/23 budget has been uplifted to £504k, but if costs do increase then a cost pressure may materialise. The Council are monitoring the situation and will provide an

	Key questions	Position	Comments and where you can find out more
			<p>update in the Outturn Report should the energy price cap increase cause a pressure.</p> <ul style="list-style-type: none"> The Council have seen a rise in the use of B&B's for the homeless due to covid with stays being extended due to a lack of move on accommodation. The Government restrict the amount of subsidy received for these cases which has caused a pressure of up to £77k within Housing Benefits. The Council are monitoring this position to see if this continues into 22/23 (para 6.8 provides a further update).
7	Is Covid affecting the financial position?	Green	<p>Not for 21/22.</p> <p>There is likely to be some legacy costs continuing into 22/23 but at the moment the Council will have sufficient funding to cover. The budget report states the expected position on Covid for 22/23.</p>

3 REVENUE BUDGET Q3 UPDATE

3.1 Overall position

- 3.1.1 At Q3 the Council is forecasting to be £2.2m underspent against a surplus budget of £0.3m as per the table below.

	Budget (Outturn Report 66/2021)	Revised Budget	Q2 Forecast Outturn	Q3 Forecast Outturn	Latest Forecast Variance
	£000	£000	£000	£000	£000
People	20,153	20,116	19,318	18,840	(1,276)
Places	14,759	14,799	14,528	14,666	(133)
Resources	7,452	7,184	7,053	6,946	(238)
Covid	0	218	(279)	(279)	(497)
Directorate Totals	42,364	42,317	40,620	40,173	(2,144)
Pay Inflation	100	100	280	280	180
Social Care Contingency	274	274	0	0	(274)
Net Cost of Services	42,738	42,691	40,900	40,453	(2,238)
Appropriations	(2,478)	(2,478)	(2,478)	(2,478)	0
Capital Financing	1,647	1,647	1,647	1,647	0
Interest Receivable	(240)	(240)	(105)	(107)	133
Net Operating Expenditure	41,667	41,620	39,964	39,515	(2,105)
Financing	(39,163)	(39,198)	(39,754)	(39,754)	(556)
Revenue contribution to capital	77	87	87	87	0
Transfers to/(from) reserves	(2,140)	(2,208)	(1,787)	(1,787)	421
(Surplus)/Deficit	441	301	(1,490)	(1,939)	(2,240)
General Fund 1 April 21	11,508	11,508	11,508	11,508	

	Budget (Outturn Report 66/2021)	Revised Budget	Q2 Forecast Outturn	Q3 Forecast Outturn	Latest Forecast Variance
	£000	£000	£000	£000	£000
Local Plan	0	1,545	1,545	1,545	
General Fund 31 March 22	11,067	9,662	11,328	11,902	

3.2 Budget confidence

3.2.1 One of key areas of focus for the budget is around the reliability of forecasts. In particular, the large movement between Q3 and Q4 in 20/21 caused concern with Members questioning the Council's grip on the budget despite the majority of movement being caused by uncontrollable and unpredictable factors.

3.2.2 Throughout the year the Council has been reporting on the confidence level associated with budgets. Inevitably at Q3, with only one quarter remaining, the Council's confidence should be higher than at Q1 and Q2.

3.2.3 The confidence level is higher on the basis that:

- 70% of the Directorate forecast has already been spent (in cash terms);
- There is a significant contingency for the pay award – whether this is settled or not (see 6.9), the Council will have to accrue for an award; and
- The social care contingency will not be used given the current position on social care budgets and this has been reflected in the forecast.

3.2.4 For the 30% (£14m) of the forecast not spent, the Council has looked for outliers i.e. budgets (or spend types) that have a significant % of the forecast still to spend with only a quarter left. The following issues were highlighted:

- 32% relates to **staffing** (£4.5m). The main thing that will affect this position is vacancies. Assumptions have been made on the timing of known recruitment but there is still some uncertainty. The Council currently has 22 vacancies in active recruitment. There are a further 16 posts which are vacant on hold pending recruitment. Some of these are covered by agency staff and some by other interim arrangements e.g. staff acting up.
- Contributions to the **pension fund** are not evenly spread through the year. There is £250k remaining to be paid in the final quarter. No issue is expected here.
- There are a number of contracts the Council has with **other local authorities**. A large number of these are generally billed in the final quarter. We are expecting £800k of £1.8m to be billed in the final quarter.
- **Better Care Fund (BCF)** – The BCF is ring fenced expenditure and if it is not spent then it will have to be transferred to a ring fenced reserve. Currently there is still £1.4m of the budget to be spent.

- **Public health** – similar to BCF this is ring fenced expenditure and any underspend will be transferred to a ring fenced reserve. Some of this service is demand led and may fluctuate in the last quarter. There is c£440k to be spent in the final quarter. Underspends on ring fenced budgets do not impact the General Fund balance on the outturn.
- There are three budgets for major **contract renewals** (waste, leisure and highways). The budget for these three areas is £447k with current expenditure of £100k. Any underspend on these budgets will be required to carry forward to meet the cost in future years.
- **Legal** – the Current forecast of £440k only has expenditure of £200k. The legal budget has a number of areas where invoices have been disputed. There are 3 quarters of payments to Peterborough City Council and a significant (c£50k) of invoices in relation to SEND that will be settled in the last quarter. Section 4.1 gives further details on the legal forecast.

3.2.5 Inevitably, there are still areas where variables could change and there are unknowns including:

- The Council have only been undertaking **essential repairs** whilst the asset review is completed (see para 4.7 and 5.1.1). There is current expenditure of £230k against a forecast of £420k. The asset review is expected to highlight a significant number of issues with the Council's estate. If repairs are not commissioned before the year end, any underspends on this budget will be transferred to the repairs reserve to meet future repair liabilities.
- **Social Care** - If case numbers stay as they are now, then the forecast will not change. But our experience tells us that demand levels are unlikely to stay the same. Movement on a few cases can make a big difference even though it is only a few months (at the time of forecasting) until the year end.
- **Transport** – this is an area that has been volatile in the year. We still expect more SEN cases to come through. Para 4.5.2 explains the difficulties in forecasting this area.
- The Council has reviewed the **bad debt position** and the actual debt has reduced by c£200k since the Council recommenced chasing for arrears. It is expected that the position will continue to improve before the year end which will have a positive impact but there are a small number of social care cases which are under review.

4 KEY REVENUE BUDGETS

4.1 Legal Budget

4.1.1 The service continues to forecast in line with that projected in the mid-year report. The forecast is made of the c£200k actually spent to date plus the following:

- £64k staffing costs;

- £45k for Peterborough City Council (only Q1 invoice paid to date, Q2 and Q3 invoices have been queried and will be settled when queries have been resolved);
- £50k for SEND tribunals being disputed, now resolved but actual invoices not paid yet; and
- Remaining £80k covers new cases and further expenditure on current cases.

4.2 Adult services

4.2.1 The forecast for Adults is £9m against a budget of £9.5m. The key changes since the mid-year report are:

- There has been new CCG funding received of £109k to support the homecare service to support early discharges from hospital. The additional costs of supporting this has required the service to bring in additional agency staffing to supplement the internal team at a cost of £40k.
- Staffing vacancies of £32k are now not expected to be filled this financial year in Daycare due to difficulties in recruitment (this is an area of saving for 22/23); and
- Demand continues to fluctuate and since Q2 there has been a slight reduction resulting in an additional underspend of £42k.

4.2.2 This position is very positive as the Council has included savings in the 22/23 budget which are predicated on the Council actively 'managing' demand and bringing in additional income to cover increased service costs.

4.3 Children's services

4.3.1 Children's services continues to see positive trend with the current forecast being £5.8m against the budget of £6.4m. This is a movement of £300k since the mid-year report. There are three main reasons for this swing:

- Continue to see staff turnover in this area which has resulted in an £80k swing since Q2. This is an area of risk which may require agency support in the short term which is not currently included in the forecast;
- High cost for agency cover stopped earlier than anticipated resulting in a £20k reduction in forecast,
- The Council has successfully been able to reunite two children with their families. This reduces the placement bill by £100k; and
- Other demand continues to fluctuate across childrens and since Q2 reduced by £100k.

4.4 Waste

4.4.1 As reported in the mid-year report there are two areas that cause the fluctuation in this budget: changes in the tonnages of waste and the cost of disposing the waste.

- 4.4.2 Over the last 3 months residual waste tonnage levels have dropped down to the same levels as 2020/21 (0% growth). We have forecast that growth would continue at 5% until the year end.
- 4.4.3 In addition, the Dry Mixed Recyclables (DMR) Co-Mingled gate fee has dropped to c£13 per tonne, being a £16 per tonne movement since Q2.
- 4.4.4 If these trends continue a swing of c£70k can be expected in the last quarter. Currently the forecast has not been adjusted to reflect this as additional work will be conducted in the last quarter to monitor the fees charged and movement on tonnages to see whether there is a sustained decrease, rather than a temporary dip. If this continues, we will also review the 22/23 budget for waste which has been increased.

4.5 Commissioned Transport

- 4.5.1 Since reporting a £104k overspend, there have been 12 additional contracts (for those with special educational needs) costing £122k and various changes to existing contracts resulting in the overspend increasing by a further £185k to £289k.
- 4.5.2 The current level of expenditure and budget pressures are expected to continue into 22/23 particularly in relation to SEN. This is an area where predicting demand is proving a significant challenge:
- We are seeing rising demand and are sighted on the number of claims but not all applications will be approved;
 - Other than those already in the pipeline, we do not know when or how many new claims will come forward;
 - Where claims are accepted then the location placement will drive the transport cost. There is little dedicated provision in County to meet need, which can mean greater travel.
- 4.5.3 During the budget setting process the impact of the rises in commissioned transport had been assessed based on Q2 data and a pressure of £172k for 2022/23 has been provided. The transport needs will continue to be assessed over the next 3 months and there may be a budget pressure over and above what is in the Council current Medium Term Financial Plan.

4.6 Public Transport

- 4.6.1 The mid-year report explained that current year pressures including the Council decision to subsidise the commercial route 9 (Oakham to Stamford) c£23k and running the Oakham Hopper for 5 months c£24k can be absorbed by underspends.
- 4.6.2 A further issue officers are monitoring is around guidance issued by the Department for Transport regarding the withdrawal of paying full concessionary travel reimbursements in 2022/23 as has been the case during the pandemic. The operator for the RF1 and 747 route has expressed concerns that this will make the routes unviable and is considering terminating the contracts unless additional compensation is received. The Council is considering its response.

4.7 Property Services

- 4.7.1 No update from the mid-year report with the service largely being forecast on budget. The asset review may lead to urgent repair works being required. If the works do not materialise there is likely to be an underspend in this area and we would propose to set the underspend aside for future repairs. The current expenditure is £230k against a forecast of £420k.
- 4.7.2 The asset review data collection is now complete and currently going through the quality assurance process with data being released for officer assessment by the end of January. This data will inform the Asset Management Strategy which will be presented to Council late spring/early summer.

4.8 Discretionary Income Budgets

- 4.8.1 No change in forecasts on the discretionary income budgets, with all income streams on track to achieve forecasts.

5 BUDGETS OVERSPENT BY £25K

- 5.1 Outside of the high risk budgets there are 2 other functions overspending by more than £25k. Neither of these are new from Quarter 2.
 - 5.1.1 **Commercial Properties** – the current forecast shows a pressure of £96k, no change since the mid-year report. There is the risk of what the impact of the asset review will have on the Council Commercial Properties due to the age of some of the properties it is expected that there will be a number of high risk repairs that will need immediate mitigation that could impact this position.
 - 5.1.2 **Resource Directorate Management** - Additional costs arising from temporary agency cover for the Monitoring Officer. This is offset by changes in the management arrangements of the Business Support and Governance Teams.

6 OTHER REVENUE UPDATES

- 6.1 Outside of the budgets already identified as high risk there are a number of other updates:
 - 6.2 *Managing the Care Sector Funding*
 - 6.2.1 The Council has received a number of funding streams. Each funding stream has separate reporting requirements and returns, which the Council has to manage. The funding streams are:
 - 6.2.2 *Department Health and Social Care (DHSC) Workforce Recruitment and Retention Fund (£92k)*
 - 6.2.3 The main purpose of the Workforce Recruitment and Retention Fund (both this and the fund below) is to support local authorities to address adult social care workforce capacity pressures in their geographical area through recruitment and retention activity.
 - 6.2.4 The funding covers the period 21st October to 31st March and is similar to the funding we have previously received. Proportionally allocated out to providers based on staff numbers, and they will be reporting in January on progress against spend.

6.2.5 *DHSC Workforce Recruitment and Retention Fund 2 (£170k)*

6.2.6 Announced in December and runs 10th Dec to 31st March. Again, we have apportioned this per provider.

6.2.7 *CCG Headroom Funding*

6.2.8 This will effectively be two funds but from the same CCG funding pot:

- Worker Loyalty Retention Bonus: a payment of £250 or £500 dependent on hours worked to be made to social care providers in late Feb for workers who have worked between 13th Dec and 28th Feb. We will collate the numbers from providers and they will receive a lump sum from the CCG to make the payment. We have estimated up to £320k for Rutland based on 75% of the Counties social care workforce of c749 being eligible. The estimated funding ask includes associated employer on-costs.
- Early payment of National Living Wage: (This is being referred to as Levelling Up). A lump payment to providers to enable them to uplift to NLW early from 1st Jan. We have estimated c£250k for Rutland, again estimated on the overall workforce numbers and allowing that not all work full-time, nor are all on the current NLW. The formula was calculated by Leicester City, which City, County and us have all used the same formula.

6.3 Heritage grants acceptance

6.3.1 The Head of Culture & Registration has worked hard to secure two grants to support work around the major heritage finds uncovered in the County during lockdown.

6.3.2 The Council has accepted £13,000 from the Pilgrim Trust to undertake urgent conservation works to the Ichthyosaur fossil specimen found at Rutland Water.

6.3.3 The Council has also accepted £29,500 from the National Lottery Heritage Fund to undertake preliminary planning work in response to the fossil find, and the discovery of the Roman Villa and Mosaic. The funds will be used to identify the most appropriate way to conserve, display and promote these finds, potentially building to a major funding bid up to the level we secured for the Oakham Castle restoration (£2.16m) – depending on the feasibility work.

6.4 Protect and vaccinate

6.4.1 In light of the Omicron variant and from what we know about the low vaccination rates amongst the rough sleeping population, Omicron presents a severe risk to the individuals we protect. Therefore, the Council will receive £11.5k to ensure that it puts in place the right support and help us to vaccinate this vulnerable group with urgency.

6.5 COVID-19 Additional Relief Fund (CARF)

6.5.1 The allocations for the £1.5bn COVID-19 Additional Relief Fund (CARF) have now been published with Rutland's allocation being £946,908. This fund was originally announced in March 2021 alongside the decision to "rule out COVID-19 related MCC appeals" [Material Changes in Circumstances (MCC)]. The Council will have the discretion to make relief awards to qualifying businesses.

- 6.5.2 The Scheme will allow the Council to reduce business rate bills for 21/22 for those who have not benefitted from relief. A potential scheme is being worked up.

6.6 Bus grants

- 6.6.1 The Department for Transport have announced their final allocations for the Local Transport Authority Bus Recovery Fund. Rutland's allocation is £64k. This replaces the Covid-19 Bus Service Support Grant (CBSSG), the final CBSSG receipt of £50k for tranche 8 has been received in October. All these funds are paid over to the bus operator.

6.7 Discretionary Housing Payments

- 6.7.1 The Council has been supporting its most vulnerable and in order to continue this support the Council may need an additional £5k to be transferred from the Welfare Reserve to top-up the initial DWP allocation.

6.8 Housing Benefit homeless B&B cases

- 6.8.1 Full housing benefit subsidy from central government is not received for homeless placed in B&B accommodation; the B&B charges exceed the subsidy received by up to £434 a week. Based on current cases and weeks paid, the pressure could be £77k. Other elements within this budget may reduce the pressure, which is anticipated to be the worst-case scenario. Any pressure arising would be funded by the Welfare Reserve or from Covid funding. The increase is directly related to Covid with extended stays due to lack of move on accommodation for single homeless clients has led to longer stays. In 2019/20 (largely non covid year) the number of weeks of accommodation provided was 90, in both 20/21 and 21/22 this has risen to 171 weeks and 173 weeks respectively.

6.9 2021/22 Pay Award

- 6.9.1 The latest update is that there is still no agreement on the 2021/22 pay award. Unison have balloted their members on strike action but turnout was only 14.5%, which is below the 50% required to proceed to industrial action. We are awaiting the outcome of ballots conducted by Unite and GMB. There is still a stalemate in negotiations, but the risk of strike action is now low. We are awaiting further information from National Employers regarding next steps.

6.10 School improvement grant

- 6.10.1 Currently, the Council receives £50k per annum to fund school improvement functions which we use to spot purchase support for schools. The Government have concluded a consultation on reforming how these duties will be funded in the future. The results of this consultation are:

- the Government will proceed with reducing the local authority school improvement monitoring and brokering grant by 50% for financial year 2022/23 by 50% and fully remove by 2023/24; and
- provision will be included in the School and Early Years Finance Regulations 2022 (England) to instead allow local authorities to deduct funding for local authorities' core school improvement activities from maintained school budgets.

6.10.2 This approach will create a cost pressure for the Council and by 2023/24 we will only have one maintained school, so deducting any funding from the school will not be possible.

6.10.3 The Council will review the statutory functions in this area and decide on a cost effective model to meet the basic requirements and also what is provided nationally by the DfE with regards to academies.

6.11 Adult Social Care reforms

6.11.1 The Government's social care reforms including the implementation on a cap of £86,000 on the costs that individuals will have to pay towards their care will be in place from October 2023.

6.11.2 The Council has received some funding in the 22/23 settlement to do work on market sustainability. The issue here is that as self-funders (people who commission and negotiate their own rate of care which tends to be at a much higher rate than that paid by local authorities) approach local authorities to assess and commission care needs, there may be a significant market impact. In this regard, local authorities are being asked to:

- conduct a cost of care exercise to determine the sustainable rates and identify how close they are to it
- engage with local providers to improve data on operational costs and number of self-funders to better understand the impact of reform on the local market
- strengthen capacity to plan for, and execute, greater market oversight (as a result of increased commissioning) and improved market management to ensure markets are well positioned to deliver on our reform ambitions
- use this additional funding to genuinely increase fee rates, as appropriate to local circumstances.

6.11.3 Beyond work on the market issues, the Council will need to consider other issues such as IT, workforce capacity, information and advice, and the financial impact. Officers have had an initial meeting with officials from the Department of Health and Social Care and asked for resource to help implement the reforms. We have also had an internal project meeting to start some planning albeit detailed guidance is not due until May. The Council will need additional external resources to help deliver this project (new burdens funding is expected) and Members should note that the impact on internal resources will also be significant over the next 18 months.

6.12 Cyber funding

6.12.1 The Council has applied for funding from DLUHC for Cyber resilience and been notified that it has been provisionally successful with an award pending of £150k.

6.12.2 A cyber threat is now one of the biggest business continuity risks so the Council structured its bid in a way that would allow it to invest and upgrade the Council's network infrastructure, back up arrangements and security systems towards best in class.

6.12.3 The funding will be included in the budget but is likely to be spent in 22/23.

7 CAPITAL

7.1 The table below provides the answers to the key questions Members might be asking about the capital programme.

	Key questions	Further information
1	What's the latest capital programme and how has it changed since originally approved?	<p>The approved capital programme now stands at £28.752m, which is a net movement of £461k when compared to the capital programme approved as part of the Q2 Report.</p> <p>A list of changes is included in paragraph 7.2</p> <p>Any future year projects approved at budget setting will be included within the 2022/23 capital programme</p>
2	Are there capital projects forecasting to overspend?	No, currently we don't expect any of the capital projects to overspend.
3	How confident are we about forecasts?	The confidence level is good. Many of the large capital projects are monitored closely via project groups, these budgets are created based on supplier quotations and known costs.
4	What progress is being made in delivering projects? Are there any major delays?	<p>The Council is working closely with Building Digital UK (BDUK) on the closure of the Digital Rutland Project. Any underspends from the project will be clawback to BDUK, based on the original ratio split. It's expected that the project will come in under budget</p> <p>Progress on other key projects is being made, no major delays are expected.</p>
5	What projects have not started?	Some projects have been placed on hold, as part of the budget setting report, we have requested that these are deleted from the capital programme. This will be reflected in the 2022/23 capital programme.

7.2 The net change to the capital programme is £461k, therefore giving a revised capital programme of £28.752m. Change to the Capital Programme includes:

- Great Casterton C of E Primary School - £15k (Delegation)
- Uppingham Town centre - £27k (Delegation)
- Highway contribution from Northern rail - £10k (ring fenced)
- Brightways Move (Expansion Project) - £7k (Approved at Q2)
- Changing Place at Active Rutland Hub - £4k (Approved at Q2)

- Website Development - £49k (Report 173/2021)
- Speed Indication Devices - £350k (Report 177/2021)

8 CONSULTATION

- 8.1 Formal consultation is not required for any decisions being sought in this report. Internal consultation has been undertaken with officers to assess the impact of the forecast on the budget in future years.

9 ALTERNATIVE OPTIONS

- 9.1 Cabinet are requested to note the current position and future outlook. There are no alternative options.

10 FINANCIAL IMPLICATIONS

- 10.1 The report highlights the impact of the current forecast for 21/22 on the MTFP. The underspend is positive and will help subsidise future deficits giving the Council more time to right size the budget.

11 LEGAL AND GOVERNANCE CONSIDERATIONS

- 11.1 Where Directors wish to increase a functional budget by over £100k OR they anticipate that the overall Directorate budget is likely to be overspent (there is no de-minimis level) they must seek approval in advance from Cabinet or Council for a virement to cover any increase.
- 11.2 There are functions within the People Directorates that fall into this category but no specific request has been made because overspends can be contained within the overall budget.

12 EQUALITY IMPACT ASSESSMENT

- 12.1 An Equality Impact Assessment (EqIA) has not been completed for the following as this report does not impact on Council policies and procedures.

13 COMMUNITY SAFETY IMPLICATIONS

- 13.1 There are no community safety implications.

14 HEALTH AND WELLBEING IMPLICATIONS

- 14.1 There are no health and wellbeing implications.

15 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 15.1 The report updates Cabinet and all members of the forecast financial position for 21/22 which is positive. Whilst the Council has made good progress in tackling the funding gap, future years still look challenging. The Council still needs to address the funding gap as highlighted in the 2022/23 Budget Report.

16 BACKGROUND PAPERS

- 16.1 None

17 APPENDICES

Appendix A1	People Directorate
Appendix A2	Places Directorate
Appendix A3	Resources Directorate

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577

Appendix A1 – People Directorate

The Directorate Summary shows the performance against budget. Where a budget has an underspend then Officers may request a budget is carried forward to be used next year or put into earmarked reserves so it can be used for a specific purpose in the future.

Function	Outturn 2020/21	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget
Directorate Management	1,842,592	1,807,100	1,787,300	1,775,100	1,747,500	(39,800)
Business Intelligence	136,581	158,000	195,700	161,300	151,100	(44,600)
Total Directorate Costs	1,979,173	1,965,100	1,983,000	1,936,400	1,898,600	(84,400)
Public Health	(54,730)	52,200	52,200	17,600	(4,800)	(57,000)
BCF Programme Support	85,989	220,500	122,500	123,300	121,700	(800)
BCF Unified Prevention	347,976	394,000	438,800	433,400	431,500	(7,300)
BCF Holistic Management of Health & Wellbeing	923,454	956,000	909,200	938,900	934,700	25,500
BCF Hospital Flows	1,058,061	1,135,000	1,235,000	1,233,800	1,239,900	4,900
Adults and Health (Ringfenced)	2,360,750	2,757,700	2,757,700	2,747,000	2,723,000	(34,700)
Non BCF Contract & Procurement	402,412	466,600	465,300	439,300	438,100	(27,200)
ASC Community Inclusion	1,186,072	1,041,600	1,023,100	1,097,200	1,016,800	(6,300)
ASC Prevention & Safeguarding	23,612	149,700	119,400	29,900	19,900	(99,500)
ASC Prevention & Safeguarding - Staffing	288,477	280,800	329,300	318,700	340,000	10,700
ASC Housing	180,736	151,300	120,800	107,600	110,400	(10,400)
ASC Support & Review - Daycare	12,938	201,600	201,600	13,000	13,000	(188,600)
ASC Support & Review - Direct Payments	921,871	1,013,200	1,013,200	1,341,500	1,348,900	335,700
ASC Support & Review - Homecare	1,793,316	1,874,400	1,869,700	2,004,600	1,910,400	40,700
ASC Community Income	(409,313)	(380,000)	(380,000)	(457,100)	(441,800)	(61,800)
ASC Support & Review - Other	303,821	337,700	324,100	272,000	288,400	(35,700)

Function	Outturn 2020/21	Approved Budget	Revised Budget	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget
ASC Support & Review - Residential & Nursing	3,250,471	4,063,900	4,063,900	3,569,300	3,598,900	(465,000)
ASC Support & Review - Staffing	489,731	522,600	525,200	516,800	499,600	(25,600)
ASC Hospital & Reablement	111,741	467,600	464,900	466,900	472,400	7,500
Adults and Health (Non Ringfenced)	8,555,884	10,191,000	10,140,500	9,719,700	9,615,000	(525,500)
Safeguarding	334,143	353,100	351,500	382,500	325,500	(26,000)
Referral, Assessment and Intervention Service	268,410	258,400	256,400	197,800	198,800	(57,600)
Permanency and Protection Service	614,194	629,200	620,800	550,800	431,200	(189,600)
Fostering, Adoption and Care Leaver Service	1,988,072	1,939,700	1,912,500	1,945,100	1,816,600	(95,900)
Early Intervention - Targeted Intervention	1,066,986	1,206,600	1,136,600	976,300	933,800	(202,800)
Early Intervention - SEND & Inclusion	372,050	435,000	430,400	457,400	432,600	2,200
Early Intervention - Universal and Partnership	260,954	326,400	314,700	261,700	222,100	(92,600)
Childrens	4,904,809	5,148,400	5,022,900	4,771,600	4,360,600	(662,300)
Schools & Early Years	211,826	176,600	216,900	148,700	207,100	(36,800)
Rutland Adult Learning & Skills Service (RALSS)	26,624	(1,900)	(4,900)	(4,900)	30,100	35,000
Learning and Skills	238,450	174,700	212,000	143,800	237,200	(1,800)
Total People - GF (Ringfenced)	18,039,067	20,236,900	20,116,100	19,318,500	19,414,100	(1,308,700)

Appendix A2 – Places Directorate

The Directorate Summary shows the performance against budget. Where a budget has an underspend then Officers may request a budget is carried forward to be used next year or put into earmarked reserves so it can be used for a specific purpose in the future.

Function	Outturn 2020/21	Revised Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget
Directorate Management	122,981	388,200	189,700	299,100	255,300	(132,900)
Directorate Management Costs	122,981	388,200	189,700	299,100	255,300	(132,900)
Development Control	179,286	140,700	128,900	56,400	56,400	(84,300)
Drainage & Structures	187,139	169,900	168,900	168,900	150,800	(19,100)
Emergency Planning	33,475	35,900	33,500	33,500	33,500	(2,400)
Crime Prevention	109,665	115,500	126,800	111,400	111,400	(4,100)
Environmental Maintenance	1,360,666	1,418,200	1,432,200	1,409,900	1,426,600	8,400
Forestry Maintenance	104,063	115,500	116,300	115,500	115,500	0
Highways Capital Charges	1,720,200	1,828,400	1,828,400	1,828,400	1,828,400	0
Highways Management	327,011	481,200	462,120	489,000	496,300	15,100
Commissioned Transport	1,843,783	1,914,600	1,953,300	2,018,300	2,203,500	288,900
Lights Barriers Traffic Signals	123,025	147,200	149,700	149,700	131,600	(15,600)
Parking	125,010	(67,600)	(70,520)	(177,000)	(177,000)	(109,400)
Pool Cars & Car Hire	91,627	104,000	103,800	103,300	100,400	(3,600)
Public Protection	402,019	402,900	402,900	399,200	399,200	(3,700)
Public Rights of Way	41,860	32,900	32,900	41,900	43,765	10,865
Public Transport	744,988	766,200	756,500	710,700	755,600	(10,600)
Road Maintenance	262,183	366,600	370,600	282,700	317,200	(49,400)
Transport Management	340,253	368,500	345,500	320,900	321,700	(46,800)
Waste Management	2,714,765	3,095,200	3,053,500	3,079,600	3,067,200	(28,000)
Winter Maintenance	300,770	274,100	274,100	274,100	274,100	0
Planning Policy	404,769	421,200	573,800	440,400	417,267	(3,933)

Function	Outturn 2020/21	Revised Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget
Tourism	13,815	0	0	0	0	0
Health & Safety	37,389	39,900	39,800	39,800	39,800	(100)
Property Services	950,913	1,128,700	1,115,400	1,121,100	1,100,700	(28,000)
Building Control	(36,539)	17,000	17,000	17,000	17,000	0
Commercial & Industrial Properties	(291,286)	(272,600)	(153,100)	(177,600)	(176,400)	96,200
Economic Development	114,434	128,700	129,900	109,400	111,400	(17,300)
Culture & Registration Services	179,691	114,600	182,700	141,600	135,000	20,400
Libraries	461,639	456,600	459,400	446,200	449,200	(7,400)
Museum Services	436,007	417,400	435,900	426,100	416,700	(700)
Sports & Leisure Services	271,062	249,100	254,700	249,000	244,600	(4,500)
Total Places	13,676,662	14,798,700	14,914,600	14,528,500	14,666,732	(131,968)

Appendix A3 – Resources Directorate

The Directorate Summary shows the performance against budget. Where a budget has an underspend then Officers may request a budget is carried forward to be used next year or put into earmarked reserves so it can be used for a specific purpose in the future.

Function	Outturn 2020/21	Revised Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q3 Variance to Budget
Chief Executives Office	244,666	228,500	227,800	201,400	201,400	(27,100)
Directorate Management	304,492	307,400	304,800	342,000	348,400	41,000
Communications	307,387	192,700	192,900	186,200	193,000	300
Corporate Costs	167,037	161,000	171,100	174,000	174,000	13,000
Pensions	784,190	905,900	903,900	903,900	901,100	(4,800)
Audit Services	192,704	193,000	196,500	186,500	188,500	(4,500)
Insurance	247,193	271,000	237,800	237,800	237,800	(33,200)
Accountancy & Finance	630,096	619,200	545,900	583,300	582,300	(36,900)
Information Technology	1,576,589	1,524,400	1,521,500	1,509,980	1,522,100	(2,300)
Business Support Services	679,166	781,500	788,100	755,400	700,600	(80,900)
Members Services	259,165	283,900	281,800	283,100	282,500	(1,400)
Customer Services Team	255,458	183,800	185,700	187,100	151,900	(31,900)
Elections	75,995	122,600	126,960	131,400	138,150	15,550
Legal & Governance	696,739	573,400	566,700	577,000	592,400	19,000
Human Resources	449,401	463,000	458,800	443,300	406,600	(56,400)
Revenues & Benefits	398,105	332,900	315,480	316,370	298,200	(34,700)
Financial Support	26,359	40,000	29,500	34,500	27,000	(13,000)
Total Resources Directorate	7,294,742	7,184,200	7,055,240	7,053,250	6,945,950	(238,250)