

Please ask for: Matt Berry

Extension No: 4589

E-Mail: mattberry@cannockchasedc.gov.uk

5 August, 2020

Dear Councillor,

CABINET

4:00 PM ON THURSDAY, 13 AUGUST, 2020

MEETING TO BE HELD VIA REMOTE ACCESS

You are invited to attend this meeting for consideration of the matters itemised in the following Agenda.

Yours sincerely,



T. McGovern,
Managing Director

To: Councillors:

Adamson, G.	Leader of the Council
Alcott, G.	Deputy Leader of the Council and Town Centre Regeneration Portfolio Leader
Preece, J.P.T.L.	Corporate Improvement Portfolio Leader
Pearson, A.R.	Community Safety and Partnerships Portfolio Leader
Mitchell, Mrs. C.	Culture and Sport Portfolio Leader
Johnson, T.B.	Economic Development and Planning Portfolio Leader
Newbury, J.A.A.	Environment and Climate Change Portfolio Leader
Martin, Mrs. C.E.	Health and Wellbeing Portfolio Leader
Kraujalis, J.T.	Housing Portfolio Leader

Civic Centre, PO Box 28, Beecroft Road, Cannock, Staffordshire WS11 1BG

tel 01543 462621 | fax 01543 462317 | www.cannockchasedc.gov.uk

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A G E N D A

PART 1

1. Apologies

2. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

To declare any personal, pecuniary or disclosable pecuniary interests in accordance with the Code of Conduct and any possible contraventions under Section 106 of the Local Government Finance Act 1992.

3. Updates from Portfolio Leaders

To receive and consider oral updates (if any), from the Leader of the Council, the Deputy Leader, and Portfolio Leaders.

4. Minutes

To approve the Minutes of the meeting held on 16 July, 2020 (enclosed).

5. Forward Plan

Forward Plan of Decisions to be taken by the Cabinet: August to October 2020 (Item 5.1 –5.2).

6. Final Accounts 2019/20

Report of the Head of Finance (Item 6.1 – 6.34).

7. Housing Revenue Account – Final Accounts 2019/20

Joint Report of the Head of Finance and the Head of Housing & Partnerships (Item 7.1 – 7.7).

8. Exclusion of the Public

The Leader to move:

That the public be excluded from the remainder of the meeting because of the likely disclosure of exempt information as defined in Paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 (as amended).

A G E N D A

PART 2

9. Cannock Town Centre – Current Position & Future Options

Not for Publication Report of the Head of Economic Prosperity (Item 9.1 – 9.16).

The Report is confidential due to the inclusion of information relating to the financial or business affairs of any particular person (including the Council).

No Representations have been received in respect of this matter.

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CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
CABINET

HELD ON THURSDAY 16 JULY 2020 AT 4:00 P.M.

VIA REMOTE ACCESS

PART 1

PRESENT: Councillors:

Adamson, G.	Leader of the Council
Alcott, G.	Deputy Leader of the Council and Town Centre Regeneration Portfolio Leader
Pearson, A.R.	Community Safety and Partnerships Portfolio Leader
Preece, J.P.T.L.	Corporate Improvement Portfolio Leader
Mitchell, Mrs. C.	Culture and Sport Portfolio Leader
Johnson, T.B.	Economic Development and Planning Portfolio Leader
Newbury, J.A.A.	Environment and Climate Change Portfolio Leader
Martin, Mrs. C.E.	Health and Wellbeing Portfolio Leader
Kraujalis, J.T.	Housing Portfolio Leader

1. Apologies

None.

2. Declarations of Interests of Members in Contracts and Other Matters and Restriction on Voting by Members

No other Declarations of Interest were made in addition to those already confirmed by Members in the Register of Members' Interests.

3. Updates from Portfolio Leaders

Leader of the Council

Government Assistance in Dealing with COVID-19 Response

The Leader advised that the Council had that day received notification of the third tranche of Government funding to help councils facing the financial pressures arising as a result of the pandemic. Cannock Chase Council was to receive £172,295 and the County Council was to receive just over £5 million. With regard to other lost income from sales; fees and charges, indications from Whitehall were that a co-payment scheme would be introduced with councils having to absorb the first 5% of the irrecoverable losses; the Government picking up 75% of the remainder; and local authorities meeting the balance. This would, obviously, impact negatively on the Council's ability to deliver its previously

agreed balanced budget.

Crime and Partnerships

Reopening of Restaurants and Bars

The Portfolio Leader reported that the reopening of restaurants and bars in the local area had gone smoothly without reported incidents.

Staffordshire Police, Fire and Crime Panel

The Portfolio Leader reported that he had attended a remote meeting of the Panel on Monday, 13 July, 2020. It was reported that there had been 60 new police officers appointed in Staffordshire. During lockdown, generally, there had been no significant rise in domestic abuse incidents across the country though in two Force areas incidents had nearly doubled. In Staffordshire there had been a slight fall with only 100 incidents reported.

Police stations were still being rationalised and consideration given to sharing accommodation with complementary services, such as community fire stations.

Culture and Sport

Re-opening of Leisure Facilities

The Portfolio Leader advised that, following the Government's confirmation week that indoor leisure facilities could re-open from the 25 July, the Council's provider, Inspiring Healthy Lifestyles (IHL) were ready to go.

A phased re-opening of centres would begin on Saturday, 25 July with Chase Leisure Centre opening its gyms and group exercise classes and racket sports; with the pool opening the following week on Saturday, 1 August for lane swimming, family swim sessions and Aqua-aerobics. The Learn to Swim programme would recommence in September.

Rugeley Leisure Centre would re-open in the second phase (1 August) to allow time to test and embed the new secure operating practice. However, because of the problems with the pool at Rugeley, facility members there would be able to use the pool at Chase LC.

Rugeley Swimming Pool

The Portfolio Leader advised that, as Members were aware, there had been problems with the tiling in the swimming pool at Rugeley Leisure Centre since the lockdown. IHL had been working with structural engineers and other pool consultants to identify the cause and appropriate remedial measures. Unfortunately it was not possible to give a timeline yet for the repairs to be undertaken. Tests on the structure of the pool tank needed to be completed, but as soon as anything further was known, residents would be updated.

Playgrounds and Green Gym Equipment

The Portfolio Leader advised that the Council had re-opened all of its play areas and outdoor gym equipment on 11 July. Signage had been installed providing advice and guidance to parents, children and users on how to use the equipment safely.

Green Lane Play Area

The Portfolio Leader advised that, unfortunately, the play area at Green Lane, which was designed, funded and installed by Rugeley Town Council, had been

vandalised within only a short time of opening.

Vulnerable Tenants Grass Cutting

The Portfolio Leader advised that the Council had also re-introduced the grass cutting service for vulnerable council tenants on Monday, 29 June. The scheme was suspended following the Government lockdown in late March in order to protect the most vulnerable Council housing tenants

Economic Development and Planning

Unemployment

The Portfolio Leader advised that unemployment data for June had been published earlier that day by the Office for National Statistics (ONS). There was a slightly improved position compared to May with 3,660 people now out of work and claiming benefits, which was down from 3,930 in May. The unemployment rate stood at 5.8% (down from 6.2% in May) and was below the West Midlands rate of 7.2%.

However, it was likely the true impact of the recession and its effect on unemployment was being masked by the Government's furlough scheme, so a more accurate picture would emerge in the autumn.

Furlough

The Portfolio Leader reported that HMRC had published the latest furlough data up to 30 June. The number of employments furloughed in the District had increased to 16,700 representing an employment take-up rate of 36% from 46,400 eligible employments. On a positive note, the number of employees furloughed in Cannock Chase was no longer the highest in Staffordshire, although the take-up rate of 36%, shared with Tamworth, was the highest in the County. It was hoped that many of local businesses who had furloughed staff would bring them back into gainful employment and protect local workers from unemployment.

Business support

The Portfolio Leader advised that the Council continued to work hard to support local businesses and ensure that they got access to the funding that they needed to safeguard their businesses.

As reported previously, the Council had launched a £1million Local Discretionary Grant scheme and Officers were working hard to process applications and ensure payment to local businesses as soon as possible. Both phases of the fund had now been opened and the latest figures were that over 160 applications for funding had been received. The Revenues and Benefits team and Economic Development team were busy processing the applications and businesses were asked to bear with the Council as the applications were processed as fast as possible.

The Council was also working in partnership to promote other business grant schemes and it was pleasing that there had been a healthy level of interest from Cannock Chase businesses in the GBSLEP Pivot and Prosper Fund. Work had also been undertaken in conjunction with Staffordshire County Council to promote free PPE starter packs to small businesses in the District – to date 1,000 packs had been distributed across the county and nearly 100 of those had gone to businesses in Cannock Chase.

The Leader confirmed that feedback from the GBSLEP indicated that local businesses had shown significant interest in the Pivot and Prosper scheme whereas other areas, such as North Warwickshire, had shown little interest by comparison.

McArthurGlen Designer Outlet

The Portfolio Leader reported that, as Members were aware, a decision had been taken by McArthurGlen to delay the opening of the Designer Outlet until February, 2021. Nonetheless, it was pleasing to note that the associated highway works were almost complete and that practical completion of the Designer Outlet was on track to complete by the autumn. The Council continued to work hard with McArthurGlen and Walsall College to ensure that local people were trained to take advantage of the job opportunities that would be on offer when the Outlet opened and the creation of these new jobs took on even more importance given the prevailing economic climate.

Environment and Climate Change

Contaminated Recycling Waste and Rejected Loads

The Portfolio Leader advised that Cannock Chase residents had been fantastic over recent months in showing their appreciation for bin collection staff since lockdown began. Unfortunately, there was an ongoing significant increase in the levels of contamination with 39 reject loads and the tagging of over 1,500 blue bins per week.

It was appreciated that recycling could be confusing, so, over the next 8 weeks the Council would be working with Biffa to raise awareness with residents by issuing more informative press and social media releases; providing advice on the side of bin lorries and putting a new sticker on all blue household bins across the District reminding residents of what should be put in the bin.

It was considered that with the help of residents the quality of the District's recycled waste could be improved, and the economic and environmental cost of incineration reduced.

Fly-tipping

The Portfolio Leader advised that, sadly, 100 tyres had been dumped near the A5 overnight. A witness had come forward and liaison was being undertaken with the Police in respect of surveillance. Members considered that the increase in fly-tipping was directly related to the disposal charges imposed by the County Council at their tips.

Health and Wellbeing

Local Response to COVID-19

The Portfolio Leader advised that the Staffordshire Local Outbreak Control Plan had been published on the County Council's website, this detailed how the County would respond to any local outbreaks referred by Public Health England from the national test and trace process. Council Environmental Health Officers had been working with County colleagues in developing procedures for work place outbreaks. Council EHO's had responded to some early notifications of local workplace incidents. Though the workplace itself was not implicated, Officers had ensured that the relevant precautions were in place and that employee contacts who had been advised to self isolate were doing so.

The Portfolio Leader had also attended two meetings of the Member Local Outbreak Control Board, both of which had been very informative. Members would be kept updated as and when meetings of the Board took place, which was presently fortnightly. The District had featured in some media articles which suggested that local numbers of cases were higher than expected. Whilst this was true, the numbers of cases were compared with an extremely low expected number, and the County Public Health service was not unduly concerned.

The Portfolio Leader also advised that she had invited Dr. Richard Harling, Director of Health and Care for Staffordshire County Council, and County Councillor Alan White to deliver a briefing to members on 22 July covering the local response to COVID-19. The Portfolio Leader hoped that all Members would take the opportunity to attend.

The Leader confirmed that the measure of 10 cases per 100,000 head of population, had risen at one point to 11.9 cases per 100,000, and people should not fool themselves into thinking that the problem had gone away.

Housing

Garage Sites

The Portfolio Leader advised that demolition works were about to be carried out at two derelict garage sites off Red Lion Lane, Norton Canes and High Meadow, Rawnsley. The works were being undertaken to stop vandalism and address health and safety concerns.

Hawks Green Depot Site

The Portfolio Leader advised that clearance works for the housing scheme at the Hawks Green Depot had completed and the site was now being levelled. A handover had taken place with the contractor. Forty four houses were to be built; half of which were to be for social housing. It was noted that on site waste materials were to be stored, sorted and recycled.

Town Centre Regeneration

Re-opening of Town Centres

The Portfolio Leader reported that the easing of lockdown restrictions had taken effect with many town centre businesses re-opening including shops, pubs, restaurants, cafes and hairdressers. Officers from the Economic Development and Environmental Health teams had been busy supporting many of shops, pubs and restaurants to ensure that they re-opened in a safe way and adapted their premises to be COVID-19 secure in line with the Government guidance.

Most business owners seemed to be keen to get things right and were co-operating with our Officers. Only a small number of establishments were not operating with the correct procedures in place and the Portfolio Leader requested that if any Members were aware of any premises that were not managing social distancing, could they get in touch with Officers from the Environmental Health team.

It was hoped that people continued to return to town centres, continued to shop local and spend money in local pubs and restaurants. However, the Portfolio Leader also encouraged them to continue to be responsible and stay safe.

Markets / Street Market

The Portfolio Leader also reported that the markets in Cannock and Rugeley had

now re-opened to the public.

The Street Market operated by Sketts re-opened on Friday, 19 June. The operator had followed all of the guidance and undertaken the appropriate risk assessments and reported that they were pleased with the new stall layout and the relocated stalls had, so far, been trading well. Social distancing measures had been put in place by Sketts, and it appeared, in general, that the public were adhering to social distancing of their own accord.

Cannock Town Centre Environmental Improvements

The Portfolio Leader advised that, as part of the £94,000 environmental improvement scheme, the Council was working with a professional artist to produce pieces of art on 14 roller shutter doors, including 7 opposite St. Luke's Church and 7 on vacant shops by the Beecroft Road subway underpass. The Council was seeking ideas and images from local community groups that reflected the local area that could be incorporated into the final designs. The professional artist would use these ideas to come up with the overall design theme for each shutter.

Furthermore, as part of the scheme, a contractor had been appointed to undertake improvements to street furniture in the town centre including bollards, signage boards, directional signage, benches, railings, canopies to shop frontages and painting the exterior to the subway by Beecroft Road car park. The work would commence within the next 4 weeks and it would brighten up the town centre ahead of the Designer Outlet opening.

Small Business Tour Bus

The Portfolio Leader reported that, after two years of trying, the Town Centre Partnership Officer had managed to arrange for the Small Business Tour Bus to be located in Cannock Town Centre on 11 November between 2 and 4pm. This offered a great incentive for small businesses to ask questions, new start ups to ask for advice etc. Mentors would be available on the date as well.

Small Business Saturday (SBS)

The Portfolio Leader advised Members that SBS was an event promoted all over the Country, promoted on social media and in the press. This would be an excellent platform for the businesses in Cannock and surrounding areas to participate. The SBS team would also be visiting some existing independent traders / businesses during their time in the town and promoting their stories on their platforms. Further information would follow in due course.

The Town Centre Partnership Officer was trying to get local crafters / artisan food stalls to attend on the day to help make the town centre all about small businesses whilst also adhering to social distancing rules.

Shopappy

The Portfolio Leader advised that Shopappy was a platform for businesses to use to promote their businesses using click and collect, special offers, food ordering in bars and restaurants, amongst other things.

GBSLEP had recommended the District for Shopappy to promote. It should be noted that the service was being offered free for 12 months. The TCPO for Cannock, had spoken with Shopappy and they would be promoting the service in Cannock and Rugeley. Shopappy were partners with VISA and a lot of their stories and successes are often in the Times or Guardian. Barclaycard had

even made TV adverts out of some of the successes.

This could be a lifeline for businesses, and anyone that was interested could register for free, using the 'Register New Account' button at shopappy.com/vendor.

4. Minutes

RESOLVED:

That the Minutes of the meeting held on 18 June, 2020, be approved as a correct record.

5. Forward Plan

The Forward Plan of Decisions for the period July to September 2020 (Item 4.1 – 4.2 of the Official Minutes of the Council) was considered.

RESOLVED:

That the Forward Plan of Decisions for the period July to September 2020 be noted.

6. Priority Delivery Plans – Outturn for 2019/20 and Revisions for 2020/21

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 5.1 – 5.43 of the Official Minutes of the Council).

RESOLVED:

That:

- (A) The performance information relating to the Priority Delivery Plans for 2019/20, as detailed in report appendices 1a to 1d, be noted.
- (B) Council, at its meeting to be held on 5 August 2020, be recommended to approve the revised Priority Delivery Plans for 2020/21, as detailed in report appendices 3a to 3d.
- (C) The Officer capacity issues be noted, and the short to medium term solutions as set out in report paragraph 5.15 be agreed.

Reasons for Decisions

The Priority Delivery Plans (PDPs) were the annual documents that set out how the Council would achieve progress against the strategic objectives as set out in the Corporate Plan for 2018-23. These plans established the actions, performance measures and timetables for delivery that were the basis of the Council's quarterly and annual performance reporting framework.

7. Strategic Risk Register

Consideration was given to the Report of the Head of Governance and Corporate Services (Item 6.1 – 6.21 of the Official Minutes of the Council).

RESOLVED:

That the Strategic Risk Register, as set out in report appendix 2, be approved, and the progress made in the identification and management of the strategic risks be noted.

Reasons for Decision

All strategic risks and associated action plans had been reviewed, and the Council's risk profile was summarised as below:

Risk Colour	Number of Risks at 30 September 2019	Number of Risks at 31 May 2020
Red	1	4
Amber	4	3
Green	0	1
TOTAL:	5	7

8. Housing Revenue Account – Creation of New Posts

Consideration was given to the Report of the Head of Housing and Partnerships (Item 7.1 – 7.4 of the Official Minutes of the Council). Members were advised that a formal job evaluation had subsequently determined that the post of Special Complex Case Officer P/T should be established at Grade G with associated additional costs.

RESOLVED:

That the creation of the following two new posts, funded within budgetary provision for the Housing Revenue Account, be approved:

- Compliance Officer – Salary Grade H; 37 hours per week (£42,780 – including on-costs);
- Special Complex Case Officer – Salary Grade G; 18.5 hours per week (£18,050 – including on-costs).

Reasons for Decisions

The Housing Property Services Team was currently understaffed to deliver compliance across the board. To maintain and further develop the processes it was essential to recruit a new Compliance Officer position so that focus on all areas could be retained.

The new Special Complex Case Officer would ensure that services and teams were able to build resilience by tackling the individuals' demand for services and would achieve this by providing a resident centred housing service and link in with other partners to ensure service delivery was coordinated.

The meeting closed at 5:20 p.m.

LEADER

FORWARD PLAN OF DECISIONS TO BE TAKEN BY THE CABINET: AUGUST TO OCTOBER 2020

For Cannock Chase Council, a key decision is as an Executive decision that is likely to:

- Result in the Council incurring expenditure or making savings at or above a threshold of 0.5% of the gross turnover of the Council.
- Affect communities living or working in two or more Council Wards.

Further information about key decisions and the Forward Plan can be found in Sections 10 and 28 of the Council’s Constitution.

Representations in respect of any of matters detailed below should be sent in writing to the contact officer indicated alongside each item c/o Democratic Services, Cannock Chase Council, Civic Centre, PO Box 28, Beecroft Road, Cannock, Staffordshire, WS11 1BG or via email at membersservices@cannockchasedc.gov.uk

Copies of non-confidential items will be published on the Council’s website 5 clear working days prior to the relevant meeting date.

Item	Contact Officer / Cabinet Member	Date of Cabinet	Key Decision	Confidential Item	Reasons for Confidentiality	Representation Received
August 2020:						
Final Accounts 2019/20	Head of Finance / Leader of the Council	13/08/20	No	No		
Housing Revenue Account – Final Accounts 2019/20	Head of Finance and Head of Housing and Partnerships / Housing Portfolio Leader	13/08/20	No	No		
Cannock Town Centre – Current Position & Future Options	Head of Economic Prosperity / Town Centre Regeneration Portfolio Leader	13/08/20	No	Yes	Information relating to the financial or business affairs of any particular person (including the Council)	
September 2020:						
Cannock Railway Station	Head of Economic Prosperity / Economic Development and Planning Portfolio Leader	17/09/20	Yes	TBC		
Commonwealth Games 2022 – Legacy Proposal	Head of Economic Prosperity and Head of Environment and Healthy Lifestyles / Culture and Sport Portfolio Leader	17/09/20	TBC	TBC		
Disposal of Land at Avon Road	Head of Economic Prosperity / Town Centre Regeneration Portfolio Leader	17/09/20	No	Yes	Information relating to the financial or business affairs of any particular person (including the Council)	

Item	Contact Officer / Cabinet Member	Date of Cabinet	Key Decision	Confidential Item	Reasons for Confidentiality	Representation Received
October 2020						

Report of:	Head of Finance
Contact Officer:	Bob Kean
Telephone No:	01543 464334
Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Cabinet: 13/08/20

CABINET
13 AUGUST 2020
FINAL ACCOUNTS 2019/20

1 Purpose of Report

- 1.1 To present to the Cabinet the final accounts position for 2019/20.

2 Recommendations

- 2.1 That the final accounts position for the year ending 31 March 2020 be noted
- 2.2 That the financing of the capital programme as outlined in the report be approved.

3 Key Issues and Reasons for Recommendation

- 3.1 The overall revenue account position shows a transfer from balances of £292,000 as compared to a Revised Budget transfer of £227,000 representing an increase in the Transfer from Balances of £65,000.
- 3.2 The portfolio outturn for 2019/20 shows an unfavourable variance of £76,000 consisting of a number of minor variations
- 3.3 Investment income in year has increased by £85,000. Technical items show a variance of £834,000 however primarily relates to a reduction in the transfer to the business Rates equalisation reserve as a result in contribution to reserves of additional Business Rates income of £818,000.
- 3.4 Income from the Business Rates Retention Scheme was some £805,000 higher than anticipated, due to changes in the distribution methodology for both the Central Investment Fund and Contingency Fund forming part of the revised Governance arrangements for the 2019/20 Staffordshire and Stoke on Trent Business Rates Pool (pilot).

- 3.5 The Council Tax rate in year position showed a deficit of £125,000, however this was after a distribution of previous year surplus of £468,000. This combined with the surplus brought forward will provide a distribution to this council of £133,000.

4 Relationship to Corporate Priorities

- 4.1 The final accounts for 2019/20 cover all of the Council's priorities.

5 Report Detail

- 5.1 This report provides an analysis of the final accounts position for 2019/20. It covers the following accounts:-

- General Fund Revenue account – which bears the net cost of providing day-to-day services;
- Business Rates Retention
- Capital expenditure and how it is financed;
- Collection Fund.

- 5.2 Due to the COVID pandemic, the accounts deadlines have been amended to require draft accounts to be approved by the 31 August 2020 and final audited accounts to be published by the 30 November 2020. However the accounts have been prepared in advance of that timetable and have been published on the website on the 25 June 2020. The auditors are due to commence inspection on the 6 July 2020 and are planned to go to Audit and Accounts Committee in early September subject to audit progression.

General Fund Revenue Outturn

- 5.3 The table overleaf summarises the outturn position of the General Fund Revenue Account for the year compared with the budget position.
- 5.4 The Council's Net Expenditure (Portfolio Budgets) in relation to revenue budget for 2019/20 financial year was set by the Council in February 2019 at a net expenditure of **£12.234 million**. In determining the 2020/21 Budget in February 2020 Council approved the Forecast Outturn for 2019/20 of **£12.427 million**, an increase of £0.193 million as compared to the Original Budget.

Cannock Preliminary Outturn 2019/2020				
		Revised Budget	Actual	Variance to Revised
		£'000	£'000	£'000
	<u>Portfolios</u>			
1	Corporate Improvement	1,984	1,969	(15)
2	Environment	2,739	2,809	70
3	Culture and Sport	3,242	3,269	27
4	Economic Development	1,331	1,334	3
5	Housing (Housing general fund)	405	387	(18)
6	Health & Wellbeing	855	832	(23)
7	Town Centre Regeneration	192	203	11
8	Leader of the Council	1,297	1,332	35
9	Crime & Partnerships	382	368	(14)
10	Total Portfolios	12,427	12,503	76
11	Investment Income	(250)	(335)	(85)
12	Interest Payable	32	38	6
13	Technical Items	1,086	1,920	834
14	Net Expenditure	13,295	14,126	831
15	Use of Government Grants	(1,580)	(1,577)	3
16	Net Revenue Budget	11,715	12,549	834
	Financed by:			
17	Business Rates	(5,119)	(5,924)	(805)
18	Collection fund surplus	(100)	(64)	36
19	Council Tax	(6,269)	(6,269)	-
20	Total Financing	(11,488)	(12,257)	(769)
21	Trf to/(from) working balances	(227)	(292)	(65)
22	Net Revenue Budget	(11,715)	(12,549)	(834)

- 5.5 The table shows that net expenditure including Investment Income, Technical financing adjustments and use of government grants was **£12.549 million, £834,000** (7.1%) more than the budget.
- 5.6 The actual expenditure on portfolio budgets was £76,000 (0.61%) higher than anticipated, offset by investment income being £85,000 higher than expectations. Technical items shows a variance of £834,000 relating to an additional transfer to reserves of £818,000 in relation to Business rates pilot and changes in the pool distribution methodology.
- 5.7 Business rates incomes shows additional receipts of £805,000 reflecting changes in the distribution methodology for both the Central Investment Fund and Contingency Fund forming part of the revised Governance arrangements for the 2019/20 Staffordshire and Stoke on Trent Business Rates Pool (pilot). The above pool was formed on the 1 April 2019 with this Council previously being a member of the Greater Birmingham and Solihull Business Rates Pool. The new

pooling agreement for 2019/20 only (pilot year)) provided for 40% of the Levy saving to be retained by the relevant authority to promote economic growth rather than being retained by the pool.

- 5.8 The overall position, actual net expenditure and financing, resulted in a transfer from working balances of £0.292 million as compared to the budgeted figure of £0.227 million, an increased cost to the general fund of some £0.065 million

Net Portfolio expenditure

- 5.9 Net portfolio expenditure was £0.076 million higher than the budget .The principal cost variations, on each portfolio are as follows ((+) is an unfavourable variance (-) is a favourable variance):

Corporate Improvement

- Supplies and Services variations £31,000 (-)
- Technology – additional licence costs £24,000 (+)

Environment

- Waste and Recycling- contract costs £28,000 (+) and reduced income from sale of materials £14,000 (+)
- Off Street Parking – reduced income £91,000 (+), partly offset by reduced operational costs £19,000 (-)
- Private Sector Housing – additional income £13,000 (-)
- Grounds maintenance – additional income from agency services £18,000 (-)
- Vehicles – additional income £10,000 (-)

Culture and Sport

- Parks – reduced operational costs £13,000 (-)
- Leisure management contract – ATP Bradbury lane higher operational cost £62,000 (+)
- Cemeteries – higher than anticipated income £16,000 (-)

Economic Development

- Public buildings – additional service charges and rent £54,000 (-)
- Staffing variations £55,000 (+)

Housing (Housing General Fund)

- Housing services – additional income £16,000 (-)

Health and Wellbeing

- Taxation – additional income £29,000 (-)
- Licensing – reduced income £18,000 (+)

Town Centre Regeneration

- Markets reduced income £31,000 (+)
- Town Centre Management increased rent income £7,000 (-) together with reduced premises costs £6,000 (-)

Leader of the Council

- Increase in bad debts provision £46,000 (+)
- Supplies and services variation £17,000 (-)

Crime & Partnerships

- Supplies and services variation - £22,000 (-)

5.10 A summary of performance of the main streams of income against budget is set out in the following table:

Main Streams of Income			
			Outturn
	Forecast	Actual	Variance
	£'000	£'000	£'000
Waste & Recycling	(1,032)	(1,037)	(5)
Off Street Parking	(883)	(792)	91
Markets	(338)	(307)	31
Building Control	(373)	(371)	2
Local Taxation	(351)	(419)	(68)
Development Control	(422)	(428)	(6)
Licensing	(267)	(249)	18
Public Buildings	(227)	(287)	(60)
Cemeteries	(180)	(196)	(16)
Town Centre Management	(191)	(187)	4
Grounds Maintenance	(106)	(124)	(18)
Industrial Sites	(115)	(118)	(3)
Land Charges	(80)	(85)	(5)
Bus Shelters	(39)	(45)	(6)
Total Main Sources	(4,604)	(4,645)	(41)

5.11 Variations in income have been reflected in the budget for 2020/21 where appropriate. It should be noted however that the income from Taxation relates to court and penalty costs which has necessitated an increase in the provision for bad debts.

5.12 More detailed explanations for all expenditure and income variances greater than £10,000 and 10% are attached for each portfolio at **APPENDIX 1**.

5.13 No material variations other than service demand have occurred at outturn reflecting the ongoing detailed budget exercise undertaken each year. Any further variations that have arisen during the current year will be reflected, where appropriate, in the preparation of the financial plan 2021/22 – 2023/24 which will

form the basis for the preparation of the detailed base budget for 2021/22 this Autumn.

Business Rates Retention

- 5.14 The Business Rates Retention Scheme forms part of the new Funding regime for Local Government and incentivises Councils to promote economic growth in their area as they are entitled to retain a share of business rates growth.
- 5.15 The scheme came into operation with effect from April 2013; therefore 2019/20 is the seventh year of operation. Income being shared between central government, the Council, Staffordshire County Council, Staffordshire Commissioner Fire and Rescue Service and the Stoke on Trent and Staffordshire Business Rates Pool. For 2019/20 the Council was part of a 75% Business rates pilot.
- 5.16 The budget for 2019/20 included additional resources of around £1.642 million estimated Business Rates net Growth in the District since the scheme commenced. The final position was £0.805 million higher than anticipated.
- 5.17 The most significant change was as set out in paragraph 5.7 whereby the Council received additional income from participation in the 75% Business rates pilot and changes in the distribution methodology for both the Central Investment Fund and Contingency Fund forming part of the revised Governance arrangements for the 2019/20 Staffordshire and Stoke on Trent Business Rates Pool (pilot).

Working Balances

- 5.18 The final accounts overall show a contribution from working balances to the General Fund of £292,000. The General Fund balance was £2.916 million at 1 April 2019 and this was reduced during 2019/20 to £1.000 million at 31 March 2020. This also reflected a transfer of part of the balance to Earmarked Reserves for capital investment. The Council's policy is to retain a minimum General Fund balance of 5.5% of net expenditure, or the calculated risk factor whichever is the greater to cover contingencies and emergencies, for 2019/20 this amounted to £0.704 million.

Capital Outturn

- 5.19 The Council approves the Capital Programme for the financial year as part of the budget process and the amount that can be spent is limited by the amount of capital resources available to the Council. The 2019/20 capital programme was approved in February 2019.
- 5.20 Many of the schemes within the Capital Programme take some time to develop and implement so the detailed programme can experience many changes. Considerable variation will therefore arise over the 18 month period from the time the Capital Programme for the financial year is initially considered, right through to the end of March of the relevant year.

5.21 The Council spent £1.113 million on General Fund capital projects in 2019/20 which was £0.352 million less than the budget of £1.465 million. This is primarily as a result of timing delays in bringing projects to fruition.

Capital Outturn Position			
	Budget	Actual	Variance from Budget
	£'000	£'000	£'000
Corporate Improvement	72	69	(3)
Environment	362	198	(164)
Culture and Sport	156	103	(53)
Economic Development	318	141	(177)
Housing (Housing general fund)	427	457	30
Town Centre Regeneration	85	104	19
Crime & Partnerships	45	41	(4)
Total	1,465	1,113	(352)

5.22 The major items of capital spend in the year were:

- **£0.457 million** on Disabled Facilities Grants;
- **£0.132 million** on Hawks Green rationalisation
- **£0.126 million** on purchase of operational vehicles
- **£0.104 million** on relocation from Anson Street to Rugeley Market
- **£0.102 million** on works to the car park at ATP Bradbury lane

The detailed Capital Programme outturn for 2019/20 is attached at **APPENDIX 2** along with explanations for major variations.

5.23 The capital programme of £1.113 million was financed in the following way:

Capital Financing	£'000
Capital grants and contributions	471
Capital receipts	601
Direct Revenue Financing	41
Total	1,113

5.24 The uncommitted resources at 31 March 2023, is now estimated to be £0.592 million as compared to £0.567 million as previously reported. This reflects additional capital receipts from land sales, partly offset by additional scheme expenditure.

Collection Fund

5.25 Cannock Chase is the billing authority and as such has a statutory requirement to establish and maintain a separate fund covering the collection and distribution of amounts due in respect of council tax and national non-domestic rates

(NNDR). Net Business Rates attributable to the Council are accounted for as part of the General Fund under the new Business Rates regime.

Council Tax

- 5.26 The net position on the Collection Fund for the year was a deficit of £0.167 million for Council Tax, however this includes the distribution of previous years surpluses (Estimated £0.468 million), leaving an in year surplus of £0.301 million. The overall surplus for Council tax, after taking account of previous years' surpluses leaves a net surplus on the fund of £0.983 million at 31 March 2020 (of which £0.133 million relates to this Council).

National Non Domestic Rates

- 5.27 A deficit of £0.254 million exists in relation to Business Rates as at 31 March 2020. The deficit is however notional and represents a timing difference between estimated Business Rates returns and actual returns. This Council's actual retained Business Income is in line with the Income and Expenditure account after taking into account the timing deficit required as part of the Collection Fund Statutory requirements.

6 Implications

6.1 Financial

The financial implications have been referred to throughout the report.

6.2 Legal

The legal implications have been referred to throughout the report.

6.3 Human Resources

There are no human resource implications arising from this report.

6.4 Section 17 (Crime Prevention)

There are no implications arising from this report.

6.5 Human Rights Act

There are no identified implications in respect of the Human Rights Act 1998 arising from this report.

6.6 Data Protection

There are no implications arising from this report.

6.7 Risk Management

The formal reporting of the Council's financial position is part of the overall control framework that is designed to minimise the financial risks facing the Council.

6.8 Equality & Diversity

There are no identified implications arising from this report.

6.9 Best Value

The Council's financial planning processes and financial procedure rules ensure that best value is achieved.

7 Appendices to the Report

Appendix 1: Detailed Revenue Outturn 2019/20

Appendix 2: Capital Outturn 2019/20

Previous Consideration

None

Background Papers

Available in Financial Services

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CORPORATE IMPROVEMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Legal Services						
Expenditure	245,770	245,770	245,770	-	0.0%	
Income	(162,180)	(162,180)	(162,180)	-	0.0%	
Net	83,590	83,590	83,590	-		
Technology						
Expenditure	772,870	793,490	820,940	27,450	3.5%	
Income	(175,440)	(196,060)	(199,929)	(3,869)	2.0%	
Net	597,430	597,430	621,012	23,582		
Governance						
Expenditure	136,960	136,960	137,324	364	0.3%	
Income	(30,290)	(30,290)	(30,290)	-	0.0%	
Net	106,670	106,670	107,034	364		
Human Resources						
Expenditure	237,890	243,990	243,995	5	0.0%	
Income	(137,640)	(143,740)	(143,740)	-	0.0%	
Net	100,250	100,250	100,255	5		
Customer Services						
Expenditure	320,210	322,210	321,635	(575)	(0.2%)	
Income	(88,410)	(88,410)	(88,446)	(36)	0.0%	
Net	231,800	233,800	233,189	(611)		
Corporate Services						
Expenditure	209,460	227,640	206,229	(21,411)	(9.4%)	
Income	(38,060)	(39,240)	(39,967)	(727)	1.9%	
Net	171,400	188,400	166,262	(22,138)		

CORPORATE IMPROVEMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Communications						
Expenditure	280,750	290,750	282,628	(8,122)	(2.8%)	
Income	(23,720)	(23,720)	(24,303)	(583)	2.5%	
Net	257,030	267,030	258,325	(8,705)		
Policy & Performance						
Expenditure	114,540	102,540	96,647	(5,893)	(5.7%)	
Net	114,540	102,540	96,647	(5,893)		
Land Charges						
Expenditure	71,090	73,090	71,341	(1,749)	(2.4%)	
Income	(71,090)	(80,090)	(84,501)	(4,411)	5.5%	
Net	-	(7,000)	(13,161)	(6,161)		
Audit						
Expenditure	241,400	258,650	258,650	-	0.0%	
Income	(111,660)	(128,910)	(128,910)	-	0.0%	
Net	129,740	129,740	129,740	-		
Risk						
Expenditure	783,220	787,220	795,434	8,214	1.0%	
Income	(681,330)	(687,030)	(694,561)	(7,531)	1.1%	
Net	101,890	100,190	100,873	683		
Resilience						
Expenditure	81,910	81,910	79,559	(2,351)	(2.9%)	
Income	(50,710)	(50,710)	(48,359)	2,351	(4.6%)	
Net	31,200	31,200	31,200	-		

CORPORATE IMPROVEMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Customer Serv Mgmt (incl Social Alarms)						
Expenditure	143,160	147,160	152,947	5,787	3.9%	
Income	(97,010)	(97,010)	(99,233)	(2,223)	2.3%	
Net	46,150	50,150	53,714	3,564		
Portfolio Total	1,971,690	1,983,990	1,968,680	(15,310)		

ENVIRONMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Waste & Recycling						
Expenditure	2,797,420	2,791,420	2,841,626	50,206	1.8%	
Income	(1,042,440)	(1,059,440)	(1,065,705)	(6,265)	0.6%	
Net	1,754,980	1,731,980	1,775,921	43,941		
Regulatory Services						
Expenditure	523,360	531,540	516,337	(15,203)	(2.9%)	
Income	(25,510)	(56,910)	(45,152)	11,758	(20.7%)	Reduced recharge income, partly offset by additional pest control income (£6k)
Net	497,850	474,630	471,185	(3,445)		
Cleansing Services						
Expenditure	419,150	419,150	410,113	(9,037)	(2.2%)	
Net	419,150	419,150	410,113	(9,037)		
Drainage Services						
Expenditure	8,440	8,440	8,249	(191)	(2.3%)	
Net	8,440	8,440	8,249	(191)		
Street Cleansing						
Expenditure	653,080	684,720	691,605	6,885	1.0%	
Income	(653,080)	(662,220)	(671,364)	(9,144)	1.4%	
Net	-	22,500	20,241	(2,259)		
Countryside Management						
Expenditure	245,330	303,430	310,936	7,506	2.5%	
Income	(63,720)	(116,220)	(114,792)	1,428	(1.2%)	
Net	181,610	187,210	196,145	8,935		

ENVIRONMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Grounds Maintenance						
Expenditure	881,770	928,270	951,516	23,246	2.5%	
Income	(881,770)	(931,770)	(967,953)	(36,183)	3.9%	
Net	-	(3,500)	(16,437)	(12,937)		
Conservation Areas						
Expenditure	157,080	157,080	137,377	(19,703)	(12.5%)	Staffing variations (£16k) and minor variations
Net	157,080	157,080	137,377	(19,703)		
Public Clocks						
Expenditure	4,950	4,950	4,616	(334)	(6.7%)	
Net	4,950	4,950	4,616	(334)		
Off Street Parking						
Expenditure	636,710	517,110	497,795	(19,315)	(3.7%)	Reduced income from car parks (combined impact of COVID 19 and use of new beecroft road car park).
Income	(1,089,550)	(907,950)	(815,078)	92,872	(10.2%)	
Net	(452,840)	(390,840)	(317,282)	73,558		
Hawks Green Depot						
Expenditure	115,960	115,960	126,208	10,248	8.8%	
Income	(137,190)	(137,190)	(136,796)	394	(0.3%)	
Net	(21,230)	(21,230)	(10,588)	10,642		
Bus Shelters						
Expenditure	32,340	32,340	42,093	9,753	30.2%	Additional works funded from S106 contributions £8k S106 contributions to fund works (£8k), partly offset by reduced income
Income	(39,290)	(39,290)	(44,624)	(5,334)	13.6%	
Net	(6,950)	(6,950)	(2,531)	4,419		

ENVIRONMENT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Private Sector Housing						
Expenditure	252,360	235,360	233,681	(1,679)	(0.7%)	
Income	(43,530)	(43,530)	(54,812)	(11,282)	25.9%	Additional miscellaneous receipts
Net	208,830	191,830	178,869	(12,961)		
Vehicles						
Expenditure	179,170	208,430	216,533	8,103	3.9%	
Income	(210,750)	(244,010)	(263,146)	(19,136)	7.8%	
Net	(31,580)	(35,580)	(46,613)	(11,033)		
Portfolio Total	2,720,290	2,739,670	2,809,264	69,594		

CULTURE AND SPORT PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Parks & Open Spaces						
Expenditure	1,252,780	1,413,700	1,384,270	(29,430)	(2.1%)	
Income	(153,080)	(289,680)	(273,062)	16,618	(5.7%)	
Net	1,099,700	1,124,020	1,111,207	(12,813)		
Stadium						
Expenditure	110,190	86,190	86,541	351	0.4%	
Income	-	-	(715)	(715)	n/a	
Net	110,190	86,190	85,826	(365)		
Cemeteries						
Expenditure	181,370	234,760	236,035	1,275	0.5%	
Income	(174,940)	(198,630)	(214,451)	(15,821)	8.0%	
Net	6,430	36,130	21,584	(14,546)		
Contract Monitoring						
Expenditure	260,570	222,160	215,515	(6,645)	(3.0%)	
Income	(90,310)	(44,710)	(44,710)	-	0.0%	
Net	170,260	177,450	170,805	(6,645)		
Leisure Management Contract						
Expenditure	1,915,500	1,903,100	2,002,096	98,996	5.2%	Operational costs Bradbury Lane
Income	(175,370)	(175,370)	(173,487)	1,883	(1.1%)	
Net	1,740,130	1,727,730	1,828,610	100,880		
Leisure, Planning & Marketing						
Expenditure	107,200	152,810	165,213	12,403	8.1%	
Income	(18,710)	(61,510)	(111,649)	(50,139)	81.5%	Additional discretionary rate relief reimbursement (£39k) and pitch strategy grant (£10k)
Net	88,490	91,300	53,563	(37,737)		

CULTURE AND SPORT PORTFOLIO

Final Accounts 2019-2020

Comments £5,000 and 10%

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget	
	£	£	£	£	%
Allotments					
Expenditure	2,560	2,560	2,710	150	5.9%
Income	(4,640)	(4,640)	(5,481)	(841)	18.1%
Net	(2,080)	(2,080)	(2,772)	(692)	
Portfolio Total	3,213,120	3,240,740	3,268,823	28,083	

ECONOMIC DEVELOPMENT AND PLANNING PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Economic Development						
Expenditure	618,280	711,430	407,891	(303,539)	(42.7%)	Rephased spending re Economic Development Projects (£339k), staffing variations (£6k), general underspends (£14k), partly offset by contribution to reserves of section 106 receipts £55k
Income	(429,490)	(522,640)	(232,990)	289,650	(55.4%)	Rephased spending re Economic Development Projects £339k, partly offset by additional S106 receipts (£55k)
Net	188,790	188,790	174,901	(13,889)		
Management & Support						
Expenditure	589,630	639,870	487,237	(152,633)	(23.9%)	Rephased LDF spend (£128k), staff vacancies (£18k) and minor variations
Income	(192,990)	(266,230)	(99,563)	166,667	(62.6%)	Rephased LDF spend £128k, reduced use of reserves £43k and minor variations
Net	396,640	373,640	387,674	14,034		
Development Control						
Expenditure	349,090	536,940	591,388	54,448	10.1%	Staffing variations £65k partly offset by general underspends
Income	(369,100)	(525,050)	(535,958)	(10,908)	2.1%	
Net	(20,010)	11,890	55,431	43,541		
Building Control						
Expenditure	636,060	596,560	594,481	(2,079)	(0.3%)	
Income	(517,220)	(492,970)	(490,891)	2,079	(0.4%)	
Net	118,840	103,590	103,590	-		
Industrial Sites						
Expenditure	8,590	8,590	5,345	(3,245)	(37.8%)	
Income	(122,000)	(122,000)	(125,310)	(3,310)	2.7%	
Net	(113,410)	(113,410)	(119,964)	(6,554)		

ECONOMIC DEVELOPMENT AND PLANNING PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Public Buildings						
Expenditure	790,510	853,060	887,610	34,550	4.1%	
Income	(329,110)	(329,110)	(390,143)	(61,033)	18.5%	Additional service charges and rent (£54k)
Net	461,400	523,950	497,467	(26,483)		
Civic Ballroom						
Expenditure	610	610	-	(610)	(100.0%)	
Income	(13,700)	(13,700)	(19,828)	(6,128)	44.7%	Additional income from election room hire
Net	(13,090)	(13,090)	(19,828)	(6,738)		
Caretakers and Cleaners						
Expenditure	261,870	255,870	255,305	(565)	(0.2%)	
Income	-	-	(34)	(34)	n/a	
Net	261,870	255,870	255,271	(599)		
Portfolio Total	1,281,030	1,331,230	1,334,542	3,312		

HOUSING GENERAL FUND PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Circular 8/95						
Expenditure	35,520	35,520	37,532	2,012	5.7%	
Net	35,520	35,520	37,532	2,012		
Housing Act Advances						
Expenditure	-	-	6	6	n/a	
Net	-	-	6	6		
Housing Services						
Expenditure	723,550	757,550	769,769	12,219	1.6%	
Income	(363,200)	(388,200)	(420,143)	(31,943)	8.2%	Additional grant (£5k), contribution from reserves (£11k) and housing benefit recovered (£13k)
Net	360,350	369,350	349,625	(19,725)		
Portfolio Total	395,870	404,870	387,163	(17,707)		

HEALTH AND WELLBEING PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Benefits Payments						
Expenditure	21,870,230	19,940,490	19,631,815	(308,675)	(1.5%)	
Income	(21,951,550)	(20,021,810)	(19,713,126)	308,685	(1.5%)	
Net	(81,320)	(81,320)	(81,310)	10		
Food Safety						
Expenditure	368,580	359,930	356,438	(3,492)	(1.0%)	
Income	-	(21,500)	(25,136)	(3,636)	16.9%	
Net	368,580	338,430	331,302	(7,128)		
Management & Administration						
Expenditure	53,960	55,960	62,465	6,505	11.6%	Staffing variations
Net	53,960	55,960	62,465	6,505		
Mortuary						
Expenditure	81,880	144,180	144,043	(137)	(0.1%)	
Income	(93,480)	(155,780)	(160,278)	(4,498)	2.9%	
Net	(11,600)	(11,600)	(16,236)	(4,636)		
Taxation						
Expenditure	2,881,450	2,999,770	3,137,475	137,705	4.6%	
Income	(2,267,760)	(2,379,180)	(2,546,623)	(167,443)	7.0%	
Net	613,690	620,590	590,852	(29,738)		
Licensing						
Expenditure	200,500	200,500	194,660	(5,840)	(2.9%)	
Income	(267,100)	(267,100)	(249,274)	17,826	(6.7%)	
Net	(66,600)	(66,600)	(54,614)	11,986		

HEALTH AND WELLBEING PORTFOLIO
Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
COVID 19						
Expenditure	-	-	53,638	53,638	n/a	Spend of grant £28k, balance contributed to reserves
Income	-	-	(53,638)	(53,638)	n/a	Additional grant
Net	-	-	-	-		
Portfolio Total	876,710	855,460	832,459	(23,001)		

TOWN CENTRE REGENERATION PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Markets						
Expenditure	410,850	458,050	458,906	856	0.2%	
Income	(355,130)	(337,530)	(306,987)	30,543	(9.0%)	
Net	55,720	120,520	151,919	31,399		
Town Centre Management						
Expenditure	259,780	266,780	246,054	(20,726)	(7.8%)	
Income	(178,360)	(191,360)	(187,483)	3,877	(2.0%)	
Net	81,420	75,420	58,571	(16,849)		
Miscellaneous Properties						
Expenditure	7,170	7,170	4,182	(2,988)	(41.7%)	
Income	(11,130)	(11,130)	(12,058)	(928)	8.3%	
Net	(3,960)	(3,960)	(7,875)	(3,915)		
Portfolio Total	133,180	191,980	202,615	10,635		

LEADER OF THE COUNCIL PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Democratic Services						
Expenditure	568,760	569,980	559,992	(9,988)	(1.8%)	
Income	-	(1,220)	(880)	340	(27.9%)	
Net	568,760	568,760	559,112	(9,648)		
Elections						
Expenditure	271,670	308,600	314,593	5,993	1.9%	
Income	(1,150)	(44,380)	(45,404)	(1,024)	2.3%	
Net	270,520	264,220	269,189	4,969		
Executive Management & Support						
Expenditure	297,750	349,690	401,243	51,553	14.7%	Balance of Brexit grant to reserves £32k and additional corporate initiatives spend £22k Brexit grant (£35k) and additional use of reserves (£22k)
Income	-	(20,440)	(71,265)	(50,825)	248.7%	
Net	297,750	329,250	329,978	728		
e-Government						
Expenditure	20,310	20,310	15,640	(4,670)	(23.0%)	
Net	20,310	20,310	15,640	(4,670)		
Grants & Contributions						
Expenditure	166,240	166,240	162,699	(3,541)	(2.1%)	
Net	166,240	166,240	162,699	(3,541)		
Finance						
Expenditure	1,058,880	1,058,880	1,105,104	46,224	4.4%	
Income	(790,750)	(790,750)	(836,974)	(46,224)	5.8%	
Net	268,130	268,130	268,130	-		

LEADER OF THE COUNCIL PORTFOLIO
Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Corporate Management						
Expenditure	102,520	108,520	117,705	9,185	8.5%	
Income	(37,730)	(37,730)	(37,730)	-	0.0%	
Net	64,790	70,790	79,975	9,185		
Non Distributed Costs						
Expenditure	318,290	318,290	312,082	(6,208)	(2.0%)	
Income	(40,000)	(40,000)	(40,000)	-	0.0%	
Net	278,290	278,290	272,082	(6,208)		
Excluded Items						
Expenditure	45,500	42,500	87,516	45,016	105.9%	Sundry debtor bad debt provision
Income	(711,590)	(711,590)	(712,381)	(791)	0.1%	
Net	(666,090)	(669,090)	(624,865)	44,225		
Portfolio Total	1,268,700	1,296,900	1,331,940	35,040		

CRIME & PARTNERSHIPS PORTFOLIO

Final Accounts 2019-2020

	Original Budget	Annual Budget	Total Spend including Commitments	Variance from Annual Budget		Comments £5,000 and 10%
	£	£	£	£	%	
Partnerships						
Expenditure	205,330	371,010	361,569	(9,441)	(2.5%)	
Income	-	(165,680)	(155,335)	10,345	(6.2%)	
Net	205,330	205,330	206,234	904		
CCTV						
Expenditure	217,610	225,910	213,480	(12,430)	(5.5%)	
Income	(49,140)	(49,140)	(52,025)	(2,885)	5.9%	
Net	168,470	176,770	161,455	(15,315)		
Portfolio Total	373,800	382,100	367,689	(14,411)		

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CORPORATE IMPROVEMENT CAPITAL PORTFOLIO

Final Accounts 2019-2020

Budget **Total Spend** **Variance from Budget** **Comments**

£ £ £

Civic Centre Car Park 71,740 68,812 -2,928 Project complete

Portfolio Total **71,740** **68,812** **-2,928**

ENVIRONMENT CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
	£	£	£	
Wheelie Bins	100,030	62,015	-38,015	Expenditure reflects demand
Home Security Grants	9,880	9,179	-701	Take up rates low due to Brexit
Grounds Maint Vehicles	108,880	22,955	-85,925	Vehicle ordered but not yet received
Street Cleansing Vehicles	93,390	93,290	-100	
Countryside Vehicles	50,240	10,100	-40,140	Vehicle commitments slipped to 2020-21
Portfolio Total	362,420	197,539	-164,881	

CULTURE AND SPORT CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
	£	£	£	
Additional Cemetery Provision	49,690	0	-49,690	Project started but delayed
Stile Cop Cemetery Phase 1	3,120	0	-3,120	Residual balance
Addit car park 5's Pavilion	98,020	102,723	4,703	Scheme complete
Stile Cop Cemetery Modular Build	5,000	0	-5,000	Slippage
Penny Cress Green Play Area	0	550	550	Project started earlier than budgeted
Portfolio Total	155,830	103,273	-52,557	

ECONOMIC DEVELOPMENT & PLANNING CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
	£	£	£	
Let's Grow Grants	19,440	8,980	-10,460	Slower than anticipated demand
Hawks Green Rationalisation	298,000	132,509	-165,491	Project slippage
Portfolio Total	317,440	141,489	-175,951	

HOUSING GENERAL FUND CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
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	£	£	£	
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Private Sector Decent Homes	27,000	0	-27,000	Project slipped
DFG Private Grants	400,470	456,907	56,437	Identification rates higher than anticipated
Portfolio Total	427,470	456,907	29,437	

TOWN CENTRE REGENERATION CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
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	£	£	£
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Anson Street

	85,000	104,311	19,311
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Project complete - overspends due to additional works required above contract

Portfolio Total

	85,000	104,311	19,311
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CRIME & PARTNERSHIPS CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
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	£	£	£	
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CCTV technology upgrade	45,000	40,950	-4,050	Project complete
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Portfolio Total

45,000	40,950	-4,050
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CRIME & PARTNERSHIPS CAPITAL PORTFOLIO

Final Accounts 2019-2020

	Budget	Total Spend	Variance from Budget	Comments
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	£	£	£	
Grand Total	1,464,900	1,113,280	-351,620	

Joint Report of:	Head of Finance and Head of Housing & Partnerships
Contact Officer:	Bob Kean Nirmal Samrai
Telephone No:	01543 464334 01543 464210
Portfolio Leader:	Housing
Key Decision:	No
Report Track:	Cabinet: 13/08/20

CABINET
13 AUGUST 2020
HOUSING REVENUE ACCOUNT – FINAL ACCOUNTS 2019/20

1 Purpose of Report

- 1.1 To present to the Cabinet the final accounts position for the Housing Revenue Account (HRA) 2019/20.

2 Recommendations

- 2.1 That the final accounts position of the HRA for the year ending 31 March 2020 be noted.
- 2.2 That the financing of the capital programme as outlined in the report be approved.

3 Key Issues and Reasons for Recommendation

- 3.1 The overall revenue account position shows net expenditure increasing by £0.072 million when compared with the budget agreed by Council.
- 3.2 Income at 31 March, 2020 was £19.796 million, broadly in line with the revised budget position of £19.788 million reported to Cabinet in February 2020.
- 3.3 Expenditure at 31 March 2020 was £19.706 million compared to the revised budget position of £19.626 million reported to Cabinet in February 2020. The £0.080 million increase in expenditure relates primarily to savings in supervision and management, repairs and maintenance and bad debts provision offset by an additional RCCO contribution.

- 3.4 The final accounts therefore show a transfer to working balances of £0.090 million compared with a planned transfer of £0.162 million, a reduction of £0.072 million.
- 3.5 Working balances at 31 March 2020 are now £1.663 million compared to the £1.735 million reported to Cabinet in February 2020.
- 3.6 The report sets out the capital outturn of £2.678 million compared to a budget of £3.901 million a reduction of £1.223 million. Details of financing for the current year and resources available are also included.

4 Relationship to Corporate Priorities

- 4.1 The implementation of the 2019/20 HRA budget contributed to a number of the service aims within the Housing Portfolio section of the 2019/20 Housing, Crime & Partnerships Priority Delivery Plan.

5 Report Detail

- 5.1 This report provides an analysis of the final accounts position for 2019/20. It covers the following accounts:-
- Housing Revenue Account – which bears the revenue cost of providing day-to-day services to housing tenants;
 - Housing Revenue Account Capital expenditure and how it is financed;
- 5.2 Due to the COVID pandemic, the accounts deadlines have been amended to require draft accounts to be approved by the 31 August 2020 and final audited accounts to be published by the 30 November 2020. However the accounts have been prepared in advance of that timetable and have been published on the website on the 25 June 2020. The auditors are due to commence inspection on the 6 July 2020 and are planned to go to Audit and Governance Committee in early September subject to audit progression.

Housing Revenue Account Outturn

- 5.3 The table overleaf summarises the provisional outturn position of the Housing Revenue Account for the year compared with the budget position.

Housing Revenue Account Outturn 2019/20			
	Revised Budget	Actual Outturn	Variance
	2019/20	2019/20	2019/20
	£'000	£'000	£'000
Income			
Dwelling Rent	(19,391)	(19,394)	(3)
Non Dwelling Rent	(348)	(349)	(1)
Interest	(1)	(0)	1
Other	(12)	(15)	(3)
General Fund Contribution	(36)	(38)	(2)
Total Income	(19,788)	(19,796)	(8)
Expenditure			
Repairs and Maintenance	5,691	5,225	(466)
Bad Debt Provision	100	78	(22)
Supervision & Management			
General	3,611	3,470	(141)
Special	797	742	(55)
Total Management	4,408	4,212	(196)
Capital Financing	7,158	7,109	(49)
RCCO	2,269	3,082	813
Total Expenditure	19,626	19,706	80
Working Balance Transfer	162	90	(72)

- 5.4 The Housing Revenue Account Net Expenditure for the 2019/20 financial year was set by the Cabinet in February 2019 with a transfer to Working Balances of £0.063 million. In determining the 2020/21 Budget in February 2020 Council approved the Revised Budget transfer to working balances for 2019/20 of £0.162 million.
- 5.5 The table shows that net income was £0.090 million, £0.072 million less than anticipated.
- 5.6 The principal variations (greater than £10,000) are as follows ((+) is an unfavourable variance (-) is a favourable variance):

Repairs and Maintenance

- Gas Maintenance reduced costs £289,000(-)
- Void works £136,000(-)

Bad Debts Provision

- Review of requirement £22,000 (-)

Supervision and Management General

- Staff vacancies, insurance, bank charge, RTB sales £141,000(-)

Supervision and Management Special

- Lower decorations spend £11,000(-)
- Lower minor works spend on sheltered schemes £21,000(-)
- Other underspends £23,000(-)

Capital financing

- Less Interest payable £68,000(-)
- Depreciation £19,000(+)

RCCO

- Increased transfer to reserves £812,000 (+) following calculation of minimum working balance

5.7 As a result of the changes in income and expenditure outlined above, the net surplus which was estimated in respect of the 2019/20 HRA, has reduced by £0.072 million.

5.8 This has resulted in a change to working balances, which at 31 March 2020 are now £1.663 million compared to the £1.735 million reported to Council in February 2020.

Capital Outturn

5.9 The 2019/20 HRA Capital Programme was determined by Council in February 2019 and was reviewed as part of the 2020/21 Budget in February 2020.

5.10 Details of the outturn expenditure in relation to the 2019/20 HRA capital programme is outlined in Appendix 1. This shows that total spend was £2.678 million in 2019/20 which was £1.223 million less than the revised budget set in February 2020 of £3.901 million.

5.11 The main items of capital slippage are;

- £0.193 million Central Heating Upgrades
- £0.105 million Housing Service Vehicles
- £0.549 million Hawks Green Residential
- £0.088 million Demolition of garages

5.12 Details of the achievements against the targets in respect of dwelling improvements which resulted from the implementation of the 2019/20 HRA capital programme are detailed overleaf.

Improvements	Target Outputs 2019/20	Actual Outputs (31 March)	Variance
External and Environmental Works	35	35	0
Kitchen Improvements	11	4	(7)
Bathroom Improvements	52	37	(15)
Central Heating Improvements	483	457	(26)
Electrical Upgrades	684	512	(172)
Window Refurbishment and Double Glazing	3	3	0
Provision of Council Dwellings	58	51	(7)

5.13 The capital programme of £2.678 million was financed in the following way.

Capital Financing	£'000
Capital grants and contributions	145
Major Repairs Reserve	1,820
Capital receipts	713
Total	2,678

5.14 After financing the HRA capital programme, the HRA has £13.113 million of capital resources as at 31 March, 2020 to finance the programme up to 2022/23.

5.15 The uncommitted resources as at 31 March, 2023 are now estimated to be £3.058 million, a £1.668 million increase on the forecast as included in the Approved Budget. This is primarily due to additional affordable housing, 1-4-1 receipts and RCCO together with resources released as part of the 2019/20 outturn.

6 Implications

6.1 Financial

The financial implications have been referred to throughout the report.

6.2 Legal

The legal implications are set out throughout the report.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

There are a number of risks associated with the management of the Housing Revenue Account.

These risks are managed through a prudent approach to budgeting and regular monitoring of actual and forecast income and expenditure.

An adequate level of working balances is also maintained which comprises 10% of net operating expenditure.

6.8 Equality & Diversity

This report presents the outturn position in respect of the 2019/20 Housing Revenue Account budget and as such does not require an Equality Impact Assessment as this was undertaken when the agreed budget was determined.

6.9 Best Value

None

7 Appendices to the Report

Appendix 1: HRA Capital Outturn 2019/20

Previous Consideration

Housing Revenue Account Budgets 2018-19 to 2020-21	Cabinet	7 February 2019
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Housing Revenue Account Budgets 2019/20 to 2022/23	Cabinet	30 January 2020
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Background Papers

None

Housing Revenue Account Capital Programme 2019/20 Outturn

Scheme	Revised Budget £000	Outturn £000	Variance £000	Explanation
Demolition of Garages	90	2	(88)	Delays in works, budget to slip to 2020/21
Moss Rd Estate New Build	15	4	(11)	Scheme complete
Former Garage Sites Development	177	174	(3)	Scheme complete
DFG Public Grants	200	176	(24)	Reflects activity
Kitchen Replacement	54	54	0	
Bathroom Replacement	150	130	(21)	Reflects activity, balance to slip to 2020/21
Central Heating Upgrades	960	767	(193)	Delays in works, balance to slip to 2020/21
External Envelope Works	605	520	(85)	Balance to slip to 2020/21
Provision of Double Glazing	10	6	(4)	Reflects tenant take up, balance to slip to 2020/21
New Alarms - HRA Stock	1	0	(1)	None required
Upgrading of Electrical Systems	510	435	(75)	Balance carried forward to 2020/21
Provision of Dropped Kerbs	2	2	0	
Replacement of Housing Service Vehicles	335	230	(105)	Delay in purchase, balance to slip to 2020/21
Contingency for Unforeseen Works	60	0	(60)	No spend required in 2019/20
Right to Compensation	5	0	(5)	No spend required in 2019/20
Hawks Green Residential	727	178	(549)	Scheme delayed, balance to slip to 2020/21
TOTAL	3,901	2,678	(1,223)	