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Date: 16<sup>th</sup> July 2021

Dear Sir/Madam,

**Cabinet 21<sup>st</sup> July 2021**

I refer Item 7 on the Agenda for the Cabinet Meeting scheduled for Wednesday 21<sup>st</sup> July 2021, and attach a copy of the report 'General Fund, HRA and Capital Programme Outturn 2020-21', marked "to follow" on the agenda.

Yours faithfully,

BRENT DAVIS

Executive Director (Operations)

To: Members of the Cabinet

Councillor K. Wilson (Leader of the Council and Business and Regeneration)  
Councillor C. Golby (Deputy Leader and Housing and Communities)  
Councillor S. Croft (Finance and Corporate)  
Councillor K. Evans (Public Services)  
Councillor R. Smith (Planning and Regulation)  
Councillor J. Gutteridge (Health and Environment)  
Councillor C. Watkins (Leader of the Main Opposition Party and Observer)

**CABINET**

**Report Summary Sheet**

<b>Date:</b>	21 <sup>st</sup> July 2021
<b>Subject:</b>	General Fund, Housing Revenue Account and Capital Programme Outturn 2020/21
<b>Portfolio:</b>	Finance and Corporate
<b>From:</b>	Executive Director – Resources and Housing

<b>Summary:</b>	The report details the final outturn position for 2020/21 for the General Fund and Housing Revenue Account budgets and the 2020/21 and 2020/21 Capital Programme spend and financing. The report also includes an updated Capital Programme for 2021/22 to take account of slippage from the previous year.
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<b>Recommendations:</b>	<ul style="list-style-type: none"><li>2.1 The outturn position for 2020/21 for the General Fund, HRA and Capital Programmes be noted.</li><li>2.2 The earmarked reserve balances (as detailed in section 4 onwards and Appendix B) be approved.</li><li>2.3 That the updated General Fund and HRA Capital Programmes for 2021/22 as attached at Appendix E be recommended to Council for approval.</li><li>2.4 Due to the timescales involved with approving the Statement of Accounts for 2020/21, this report be marked not for call-in.</li></ul>
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<b>Reasons:</b>	The Council must achieve a balanced budget each year.
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<b>Options:</b>	To accept the report or request further information on the outturn position
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<b>Subject to call-in:</b>	No
<b>Forward plan:</b>	Yes
<b>DOF priorities:</b>	Theme 3, Priority 3
<b>Relevant statutes or policy:</b>	The Local Government Finance Act 1992 requires a balanced budget to be achieved each year. The Statement of Accounts must be approved by 31 <sup>st</sup> May each year, although for this year that has been extended to 31 <sup>st</sup> July due to COVID19 and auditor capacity.

<b>Equal Opportunity Implications:</b>	None
<b>Human Resources Implications:</b>	None
<b>Financial Implications:</b>	Included throughout the report
<b>Health Inequalities Implications:</b>	None
<b>Risk Management Implications:</b>	The Council must take a risk-based approach to setting its budget and appropriate level of reserves
<b>Environmental Implications:</b>	None
<b>Section 17 Implications:</b>	None
<b>Legal Implications:</b>	The authority must achieve a balanced budget and the Statement of Accounts must be approved by 31 <sup>st</sup> May each year, although this year that has been extended to 31 <sup>st</sup> July.

<b>Contact Details:</b>	Craig Pugh 02476 376104
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**AGENDA ITEM NO. 7**

**NUNEATON AND BEDWORTH BOROUGH COUNCIL**

**Report to: Cabinet, 21<sup>st</sup> July 2021**

**From: Executive Director – Resources and Housing**

**Subject: General Fund, Housing Revenue Account and Capital Programme Outturn 2020/21**

**Portfolio: Finance and Corporate (Cllr Sam Croft)**

**Delivering Our Future Theme: 3**

**Delivering Our Future Priority: 3**

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**1. Purpose of Report**

- 1.1. To present the final outturn position for 2020/21 for the General Fund and Housing Revenue Account budgets and approve the earmarked reserve balances as at 31<sup>st</sup> March 2021.
- 1.2. To report on the 2020/21 Capital Programme spend and sources of financing for the General Fund and HRA.
- 1.3. To approve the updated Capital programme for 2021/22 as attached at Appendix E, taking into account the slippage from 2020/21.

**2. Recommendations**

- 2.1 The outturn position for 2020/21 for the General Fund, HRA and Capital Programmes be noted.
- 2.2 The earmarked reserve balances (as detailed in section 4 onwards and Appendix B) be approved.

- 2.3 That the updated General Fund and HRA Capital Programmes for 2021/22 as attached at Appendix E be recommended to Council for approval.
- 2.4 Due to the timescales involved with approving the Statement of Accounts for 2020/21, this report be marked not for call-in.

### 3. General Fund Outturn 2020/21

- 3.1 The approved General Fund budget for 2020/21 was £16.186m and allowed for a contribution to reserves of £18,604. The final outturn position for 2020/21 is a contribution to general fund unallocated reserves of £99,326 – an overall positive variance of £80,722. A summary of the 2020/21 outturn is shown at Appendix A, along with an analysis of key variances. The Portfolio summary and key variances are shown by the Portfolio structure that was in place during 2020/21.
- 3.2 Clearly the Council's services and financial position during 2020/21 has been significantly impacted by the COVID-19 pandemic, particularly in relation to income streams and demand for temporary accommodation. The table below shows the key COVID related pressures during the year and the government grant that the Council has received to part-fund these. It should be noted that this table draws on the key areas where COVID-19 pressures were identified and there will most definitely be other areas of the council where income and expenditure pressures were experienced but not to the same extent as those below.

<b>Spend/Income pressure</b>	<b>£'000s</b>
Car park income (fines & meter income)	1,216
Temporary accommodation (net of additional subsidy received)	1,144
Reduced market income	285
Temporary closure of Civic Hall	247
Planning fee income	317
License fee income	72
Recoverable legal charges	90
Sports pitch hire	27
Leisure contract provision	254
Town centres re-opening	62
Protective equipment	117
<b>Total pressures</b>	<b>3,831</b>
<b>Government Grants:</b>	
MHCLG COVID Cost Pressures Grant	(2,171)
MHCLG Sales Fees and Charges Grant	(1,339)

ERDF	(62)
<b>Total grant income</b>	<b>(3,572)</b>
<b>Net cost</b>	<b>259</b>

- 3.3 Along with Portfolio budgets, we also have a number of 'below the line items' which cannot be directly attributed to services. These include items such as investment income and interest payable on borrowing, and contributions to and from reserves. These are also shown in the summary at Appendix A.
- 3.4 Under the current Business Rates Retention system local authorities retain a proportion of the business rates they collect in their area. 50% of total income is retained by government, and in two-tier areas 40% is retained by the Borough Council and 10% by the County Council. However, this income is subject to a tariff, based on what the government has calculated each authority needs to spend. A proportion of any growth is then subject to a levy payment of 50%, although as we are in a pool we are able to retain a larger proportion of any growth which is then shared across pool members. We received additional growth of £303k back from the Pool in 2020/21 along with some additional S31 grants from the government.
- 3.5 As part of the budget setting process each year we are required to forecast the income that we expect to collect from business rates. Business rates income can be extremely volatile, particularly due to appeals that can be lodged by businesses against the rateable value of a property (which is used to determine the business rates payable). The Valuation Office is responsible for making a decision on these appeals and local authorities have no control over the outcome. We have repaid over £673k of backdated business rates during 2020/21 as a result of successful appeals. At the end of the year we are also required to assess the level of outstanding appeals and make a provision for those which we consider may be successful. Our provision for outstanding appeals at the end of March 2021 has increased from £2.015m to £2.735m (this reflects NBBC's 40% proportion) and this is based on the current information available on outstanding appeals and those that are likely to be successful. Appeals are administered by the Valuation Office (VOA) and a new process called 'Check, Challenge, Appeal' was introduced in April 2017. This is a more onerous process and as a result there has been a significant drop in the number of appeals that have been lodged since its implementation. However, it is expected that once businesses and agents become more familiar with the new process that appeals will start to increase again closer to their previous level.

- 3.6 The table below shows the change in business rates income from the budget to the actual, after taking into account the provision for outstanding appeals:

	<b>2019/20 Actual £000</b>	<b>2020/21 Actual £000</b>	<b>2020/21 Budget £000</b>	<b>2020/21 Variance £000</b>
NBBC Income (40% share)	(13,518)	(8,403)	(13,898)	5,495
Section 31 Grants (S31)	(1,737)	(6,504)	(1,842)	(4,662)
<b>Gross Income</b>	<b>(15,255)</b>	<b>(14,907)</b>	<b>(15,740)</b>	<b>833</b>
Levy payable on growth above baselines (at 50%)	1,168	489	942	(453)
Pool growth (i.e. impact of reduced levy payable by pool)	(279)	(303)	(30)	(273)
Tariff payable	9,264	9,414	9,414	-
<b>Subtotal</b>	<b>(5,102)</b>	<b>(5,307)</b>	<b>(5,414)</b>	<b>107</b>
Adjustment required per accounting regulations	(308)	(5,999)	-	(5,999)
<b>Net Income per outturn</b>	<b>(5,410)</b>	<b>(11,306)</b>	<b>(5,414)</b>	<b>(5,892)</b>
Transfer of S31 + Tax Income Guarantee grants to earmarked reserves re' timing of deficit charges to GF	-	5,273	-	5,273
<b>Net Income re NDR</b>	<b>(5,410)</b>	<b>(6,033)</b>	<b>(5,414)</b>	<b>(619)</b>

- 3.7 From the table above, the net NBBC business rates income that has to be reflected in the accounts is around £5.9m more than originally budgeted, but this is primarily due to the impact of COVID-19 and the complex accounting treatment required for business rates. In the Chancellors budget in March 2020 additional business rates relief was announced due to the impact of COVID-19. This significantly reduced the business rates the Council had to collect in 2020/21 (by around £10m) and we received government grant to compensate us for this loss of income. However, the complex accounting treatment for business rates delays the impact of changes in income until future financial years and this impact is held in the Collection Fund. This means that the loss of income through business rates is not reflected in the General Fund in 2020/21 but the S31 grant received as compensation is included in the accounts, thus resulting in an artificial surplus in the General Fund and a loss in the Collection Fund. The losses in the Collection Fund will be charged to the General Fund in future years. Therefore £5.3m has been contributed to earmarked reserves so that it can be used to match the loss when it is accounted for in future years.

3.8 The levy payment due is calculated as 50% of growth above our baseline as set by government and therefore it can be seen from the table that overall our growth is lower than originally budgeted, in part due to the COVID-19 reliefs, hence the lower levy than budget. Also, part of the benefit of being a member of the Coventry & Warwickshire Business Rates Pool is that the actual levy payable by the pool to central government is less than 50% and therefore a share of the difference is re-distributed back to pool members in the form of pool growth.

3.9 The key variances for the year are shown in the table below:

<b>General Fund - Key Variances Analysis</b>	<b>£000</b>
<b>Overspends/ Under-recovery of income:</b>	
Reduced benefit overpayments identified as more movement to Universal Credit	547
Net Subsidy losses including significantly increased cost of temporary accommodation leading to losses in subsidy received from DWP	437
Car park income losses	244
Increased contribution to bad debts provision due to COVID-19 risks	133
NDR on void commercial properties	93
Increase insurance premiums/ claims	81
Additional recycling contract costs (net of income from sale of recycle)	68
Increase transport costs within refuse due to increasing fuel charges and additional collections due to COVID-19	56
increase in bank charges due to increased on-line car payments	54
Reduced licenses income (mainly taxi fees)	42
Additional NDR charge on car parks	18
<b>Subtotal</b>	<b>1,773</b>
<b>Underspends/ Over-recovery of income:</b>	
Salary savings (net of agency costs)	(656)
WCC Grant income to support COVID-19 pressures	(320)
Reduction in Depreciation charges	(236)
Community Recreation - reduced COVID-19 support measures to contractor and additional grant income	(148)
Additional green waste fee income	(141)
Additional commercial/ industrial rental income	(109)
Additional Discretionary Housing Payment grant	(95)
Predicted contribution to Building Control Partnership not required	(83)



<b>General Fund - Key Variances Analysis</b>	<b>£000</b>
Additional income on Cemeteries	(47)
Civic Hall underspend	(46)
Savings in Grounds Maintenance costs	(44)
No town centre events due to COVID-19	(44)
Reduced cost of Camp Hill support contribution	(42)
Savings on utility costs on corporate buildings	(35)
Reduced costs on printing and postage	(27)
Rental income from Civic Hall being used as COVID-19 testing/ vaccination centre	(22)
Settlement of legal claim (net of costs)	(17)
Reduced IT licenses	(5)
<b>Subtotal</b>	<b>(2,117)</b>
<b>Net Portfolio Variance</b>	<b>(344)</b>
Reversal of Depreciation charged to services	236
Net treasury management savings (interest plus MRP) due to deferral of new debt and improving returns on property fund and notice accounts	(270)
Earmarked Reserves - Contribution re Collection Fund Deficit timing (S31 + Tax Guarantee)	5,387
Earmarked Reserves - Contribution to Covid risk reserve	500
Earmarked Reserves - Contribution to Business Rates Retention Volatility Risk Reserve	499
Earmarked Reserves - Contribution to Financial Planning Reserve to support General Fund	503
Earmarked Reserves - Top up for other reserves (originally identified to support Covid pressures)	264
Earmarked Reserves - Reduced call on other reserves to support revenue expenditure	438
Retained business rates (incl additional S31 grant to support Covid reliefs)	(5,892)
Additional Government Grants received (incl' Covid-19 and EU Exit Preparation Grants)	(1,391)
Other items	(11)
<b>Final Net Variance</b>	<b>(81)</b>

3.10 The Civic Hall has been operating as both a COVID test and vaccination centre during the year with the Clinical Commissioning Group providing additional income to cover costs. Also, where possible employees have been redeployed into other vacant roles across the Council to help reduce fixed costs.

- 3.11 There has been a significant increase in costs for recycling again this year. This is due to a combination of increased contract costs which are indexed to inflation and reduced income because of fluctuations in the market price and reduced demand for recyclate along with increases in fuel costs compounded by additional rounds required to complete additional collections as tonnage increased as people have been working from home and therefore increasing local waste production.
- 3.12 The Council has received more income from the chargeable green waste service as the take-up has exceeded expectations. Approximately 23,700 households signed up for the service in 2020/21.
- 3.13 The Council has seen a continued significant increase in demand for temporary accommodation in recent years, and this continued for the whole of 2020/21. The total spend on temporary accommodation was almost £1.99m for the year compared to £1.30m for 2019/20. Of the total spend for 2020/21, only £565k was reimbursed by the Department of Work and Pensions through the Housing Benefit subsidy system, because of the way the national system operates. As an example, some of the Bed and Breakfast accommodation providers in the area can charge up to £100 per night/£700 per week but we are only able to claim around £98 per week back in subsidy. If the property is Council owned accommodation (such as the Gables Hostel and Eaton House) the Council can claim back 100% subsidy. The opening of Eaton House in December 2020 helped to reduce the cost of providing temporary accommodation, but COVID-19 has meant that we have to provide self-contained facilities for families and have also needed to keep more rooms voids during the year where we have had positive cases resulting in periods of self-isolation. These issues as well as the overall demand for temporary accommodation, exacerbated during COVID, has meant that external B&B facilities have still needed to be used during the year.
- 3.14 There have been a number of vacancies during the year which has generated savings, although this has also caused capacity issues, especially at a time when workload has been exceptionally high in many areas due to the impact of COVID-19. Despite attempts to recruit into some key posts there has been limited success due to market conditions, particularly in professional roles.

#### **4. Earmarked Reserves**

- 4.1 Earmarked reserves are held for specific purposes and transfers to and from earmarked reserves have been made through the year. These are for both capital and revenue purposes and include the Vehicle and IT replacement reserves, amongst others. A significant level of our reserves are held to manage future risks and liabilities– over £3.98m of

our current level of revenue reserves. This is an increase of £1.33m compared to the previous year but includes a new reserve of £500k re Covid risks as we move into recovery phase, and an addition of £500k to the Business Rates Retention reserve as we move closer to a reset in the NDR rates system which will most likely remove the growth we currently receive the benefit of.

- 4.2 As at 31<sup>st</sup> March 2021 our General Fund earmarked reserves stand at £18.47m, but this is artificially high due to the accounting treatment for business rates as explained in para 3.7 above. The Council holds both revenue and capital reserves as well as an unallocated balance. There are also reserves for specific risks that the Council faces, such as the Insurance Fund and Business Rates Retention, as well as unspent grants that are ring-fenced for a specific purpose. The earmarked reserve balances for the General Fund as at 31<sup>st</sup> March and the movements during the year are shown at Appendix B. A summary of the earmarked reserves held at 31<sup>st</sup> March are shown in the table below:

	<b>Mar-20</b>	<b>Mar-21</b>
	<b>£'000</b>	<b>£'000</b>
Risk Based Reserves	2,656	3,985
Collection Fund Deficit Timing	0	5,387
Revenue Earmarked Reserves	3,119	3,432
Financial Planning	1,275	1,508
Capital Earmarked Reserves	3,748	4,154
<b>Total</b>	<b>10,798</b>	<b>18,466</b>

- 4.3 The revenue earmarked reserve movements are very similar to the original budget, apart from use of the General Capital reserve, as lower contributions have been needed due to slippage in the capital programme.
- 4.4 The table above shows the £5.387m Collection Fund grants separately as this will be used in 2022/23 to match the deficit on the Collection Fund created as a result of the accounting treatment in 2020/21. It's important to note that the increase in this reserve is purely temporary and the contribution made in 2020/21 will be drawn down into the General Fund in 2021/22.
- 4.5 As part of our year end processes and closing the accounts we have reviewed our reserves to ensure the purpose for holding them and amounts held are still appropriate and made adjustments where necessary.

- 4.6 In addition to earmarked reserves there is a general unallocated balance that will stand at £1.45m at the end of March 2021, of which £1m is our minimum working balance. It's important to note that this balance did stand at £1.66m until March 2019 when it was drawn upon to offset the significant cost of temporary accommodation that year. The risk assessment which supported the budget report in February 2021 identified financial risks in the region of £1.4m, for which the Financial Planning Reserve is held and stands at £1.5m as at March 2021.
- 4.7 The overall level of reserves held should be linked to the likely financial risks facing the authority and this is assessed as part of the budget setting process each year. This takes into account the additional risks facing the authority due to the volatility in business rates income and the impact of further reductions in funding. The current level of reserves is still reasonable when compared to our budget risk assessment. The Financial Planning Reserve when taken along with the General Fund balance is within the target level from the reserves risk assessment. The Business Rates Retention reserve stands at £2.354m at the end of March 2021. This is considered a prudent approach given the complex accounting treatment for business rates, the continued uncertainty with appeals and the potential national reset of business rates baselines in 2021. The Council currently has growth of around £2m above its baseline and this could all be lost if the government was to introduce a full reset of business rates baselines with no transitional arrangements. There is also significant uncertainty around how the local and national economy can recover from the impact of COVID-19 and the impact on businesses in the borough. The retail relief granted in March 2021 has been reduced from July 2021 which may put pressure on collection rates and business viability.
- 4.8 The overall level of reserves held in the General Fund have increased by £2.28m, excluding the temporary NNDR reserve. largely due to slippage in the capital programme in 2020/21 and an increase in risk reserves due to Covid and the upcoming Business Rates reset. The CIPFA Resilience Index and LGA Financial Indicators Report both show that this Council has a lower level of reserves than similar authorities. The LGA analysis shows that our General Fund unallocated balance is less than half the average level of our Nearest Neighbours and our overall level of reserves is also lower than that same comparative group. Whilst the level of reserves that the Council holds is still considered reasonable in relation to the budget risk assessment, they are at the lower end of the prudent level and this will need to be taken into account as part of the budget setting process for 2022/23 and the Medium Term Financial Plan update. The £99k surplus in 2020/21 has been allocated to General Fund balances to ensure that this continues to reflect the risks that the Council faces.

- 4.9 Capital earmarked reserves are particularly low and there is a risk in the future, particularly if New Homes Bonus does not continue at the current level, that the Council may need to incur further borrowing to fund its basic capital programme.
- 4.10 The earmarked reserves for the HRA are also shown at Appendix B and are also referred to in more detail in section 5 below.

## **5. Housing Revenue Account 2020/21**

- 5.1 The original budget for the Housing Revenue Account for 2020/21 was a deficit of £288k, due to the increased contributions to capital. The actual outturn for the year is a reduced deficit of £289k - a variance of £1k. An outturn summary for the HRA is given in Appendix C along with the key variances for the year.
- 5.2 One of the main variances within the HRA is from additional costs from those budgeted of £594k for fire security measures being required at the supported housing sites whilst the properties were updated to meet fire safety standards. These costs were to ensure the safety of our tenants, particularly in Independent Living Units. This has previously been reported to Cabinet and has been funded from earmarked reserves. There has been delay experienced in many of the capital works, including the Fire Safety Programme. This is in part due to COVID-19. However, due to difficulties obtaining materials compliant with fire regulations, including appropriately certificated fire doors following the Grenfell tragedy.
- 5.3 There have been reduced debt interest costs of (£460k) as less borrowing has been taken out this year due to capital slippage plus the deferral of replacing maturing debt while cash flows allow, thereby avoiding a cost of carry. This slippage has also led to less revenue contributions to capital (£1,384k) being required.

5.4 There has also been an underspend of (£101k) for depreciation charges. As depreciation charges are used to finance capital spend via the Major Repairs Reserve (MRR), alongside other revenue contributions, a voluntary contribution to the MRR has been applied to fund capital slippage, thereby ensuring that the capital financing entries within the HRA net to zero and resources are ringfenced. This can be seen from the table below:

<b>Capital Financing Entries from the HRA:</b>	<b>Outturn</b>	<b>Budget</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Depreciation	8,360	8,461	(101)
Revenue Contribution to Fund Capital Outtlay	409	1,793	(1,384)
Voluntary Contribution to MRR	1,485	-	1,485
	<b>10,254</b>	<b>10,254</b>	<b>0</b>

5.5 As at 31<sup>st</sup> March 2021 the HRA general balance stands at £6.76m in addition to HRA earmarked reserves of £4.06m which are mainly for future capital needs of the stock and IT systems. The HRA Business Plan had a review and update as part of the 2021/22 budget setting process with the focus remaining on increasing HRA stock through new builds and acquisition, as well as regeneration needed to existing stock. The HRA balances will be used to facilitate this focus moving forward.

## **6. Capital Programme 2020/21**

6.1 The General Fund Capital Programme for 2020/21 was updated in February 2021 and a revised budget of £15.57m was approved. The actual outturn for the year is £10.53m and further details are given below and at Appendix D.

6.2 Of the overall underspend variance, £2.47m is requested to be re-profiled into 2021/22 and this is also reflected at Appendix D. This re-profiling is in addition to the Capital Programme changes that were approved in June and also reflected in this report. Reasons for major projects requiring re-profiling into 2021/22 are detailed below:

- £0.21m Tennis Courts Miners Welfare Park  
The procurement exercise was delayed but a contractor is now on site.
- £0.12m Leisure Strategy

Work on the project progressed well, the carry forward is only a result of the phasing of payments.

- £0.43m Vehicle Replacement  
Vehicles were ordered but due to lead in times they were not delivered until 2021/22.
- £0.18m Purchase of Investment Properties  
One property did not complete until June 2021.
- £0.29m Towns Fund Advanced Funding  
The contract was awarded with a completion date of June 2021.
- £0.79m Getting Britain Building  
This was a 2-year project with phased grant contributions.

6.3 Main project variances (after re-profiling) can be summarised as:

- £1.0m Camp Hill – Early Phase  
This was the final phase of the project which saw demolitions undertaken by the developer rather than NBBC. This project is fully funded by Developer Contributions.
- £1.1m Purchase of Investment Properties  
Budget included some elements which now form part of Towns Fund and Future High Streets.
- £0.71m Disabled Facilities Grant – HEART  
Project receives annual funding with £7.5m in the 2021/22 programme. It will be challenging to achieve this level of spend, therefore new options will be explored to utilise the underspend in the future.

6.4 Sources of finance for the General Fund Capital Programme are also shown at Appendix D with part being financed by Prudential Borrowing to fund the Council House conversion works.

6.5 The outturn for the HRA capital programme for 2020/21 was £15.13m against an approved budget of £17.22m. An additional amount of £2.09m requested to be re-profiled into 2020/21. This is in addition to the £9.29m approved as part of the February budget report. The main re-profile requests (including previous approvals) are:

- £0.25m Windows & Doors
- £0.26m District Heating Smart Meters
- £0.26m Fire Works (General Purpose)
- £1.08m Structural/Concrete Repairs  
All these projects were delayed due to Covid restrictions limiting working practices or due to working with vulnerable people.

6.6 Full details of the HRA capital programme outturn and financing are also shown at Appendix D. The HRA capital programme is managed at an overall budget position to allow for adjustments to individual programmes to match customer needs and deliver outputs that are most cost effective. Therefore, although there are a number of variances detailed in the Appendix D, the overall programme could be summarised into 4 areas:

	<b>2020/21 Updated Budget</b>	<b>2020/21 Outturn</b>	<b>2020/21 Variance</b>	<b>Amounts to re-profile to 2021/22</b>
Works to dwellings Construction/ Acquisitions/ Feasibility	£13.31m	£11.31m	(£2.00m)	£2.22m
Non dwelling works (i.e. shops, garages, environmental)	£3.21m	£3.06m	(£0.15m)	(£0.13m)
I.T.	£0.34m	£0.39m	£0.05m	-
	£0.36m	£0.37m	£0.01m	-
<b>Total</b>	<b>£17.22m</b>	<b>£15.13m</b>	<b>(£2.09m)</b>	<b>£2.09m</b>

6.7 The General Fund and HRA Capital Programmes for 2021/22 have been updated to take account of the previous year slippage as set out above as well as the new schemes that require approval. These are shown at Appendix E and Cabinet are requested to recommend the update programme to Council for approval.

6.8 Details of new schemes included in appendix E are listed below and are funded from grants and contributions:

- General Fund:
  - £443k – Green Homes – additional grant funding to support green homes works
  - £200k – Homeless Hostel Conversion – Funding received via COMF being utilised to convert existing hostel into self contained accommodation units to assist homelessness provision
- HRA:
  - £475k – Structural & Cladding – additional grant funding (green homes) to be utilised on social housing



## **7. Statement of Accounts 2020/21**

- 7.1 The Council is required to complete and publish its Statement of Accounts for 2020/21, signed by the S151 Officer, by 31<sup>st</sup> May each year. However, due to the ongoing impact of COVID19 and also ongoing issues with external auditor capacity, the deadline has been extended for all local authorities to 31<sup>st</sup> July. The Council is on track to meet this deadline.
- 7.2 The accounts will now be subject to external audit during August and September and must be approved by the Audit and Standards Committee by the end of September.

## **8. Conclusion and future challenges**

- 8.1 The 2020/21 outturn position for the General Fund has shown that it has been a very challenging year due to the wide-ranging and significant impact of COVID-19. Savings have been identified and additional government grant received to offset these spend and income pressures.
- 8.2 The Housing Revenue Account balances will support the business plan over the medium term, particularly to facilitate increased new build and acquisitions and improvement works to existing stock.
- 8.3 The council will be reviewing its Medium Term Financial Strategy as preparation for the 2022/23 budget setting process, particularly in light of the COVID-19 pandemic and any long term impact on the services the Council provides and our income streams. A Spending Review is also due this Autumn (delayed from 2020 due to COVID-19) and this makes financial planning very uncertain. Cabinet will be kept informed as further information on the Spending Review becomes available.

**Simone Hines**

### **Appendices:**

- A – General Fund Outturn Summary and Variance Analysis by Portfolio**
- B – Earmarked Reserves Summary**
- C – HRA Outturn Summary and variance analysis**
- D – Capital Programme 2020/21**
- E – Capital Programme 2021/22**

**General Fund Outturn Summary**

	<b>BUDGET</b>	<b>OUTTURN</b>	<b>VARIANCE</b>
	<b>2020/21</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>Portfolio Analysis:</u></b>			
Arts, Leisure and Economic Development	5,611	5,023	(588)
Central Services and Refuse	5,100	5,335	235
Finance and Civic Affairs	5,300	5,604	304
Housing, Health and Communities	1,494	1,487	(7)
Planning and Development	1,066	778	(288)
<b>Portfolio Total</b>	<b>18,571</b>	<b>18,227</b>	<b>(344)</b>
Central Provisions	335	324	(11)
Reversal of Depreciation and Impairment	(3,118)	(2,882)	236
Contributions to/(from) Reserves	(2,581)	7,403	9,984
Financing of Capital Expenditure	5,029	2,641	2,388
PWLB Premiums	21	21	-
Investment Income	(109)	(186)	(77)
Minimum Revenue Provision	482	427	(55)
Interest Payable	563	424	(139)
<b>Council Net Expenditure</b>	<b>19,193</b>	<b>26,399</b>	<b>7,206</b>
<b>Financed by:</b>			
NBBC Council Tax Precept	(9,168)	(9,168)	-
New Homes Bonus	(1,622)	(1,622)	-
Other Grants	(2,856)	(4,247)	(1,391)
NBBC Share of Council Tax Surplus	(151)	(155)	(4)
Business Rates Retention	(5,414)	(11,306)	(5,892)
<b>Total Funding</b>	<b>(19,211)</b>	<b>(26,498)</b>	<b>(7,287)</b>
<b>2020/21 Transfer from/ (to) General Fund Balances</b>	<b>(18)</b>	<b>(99)</b>	<b>(81)</b>

## General Fund Outturn – Variance Analysis

	BUDGET 2020/21 £000	OUTTURN 2020/21 £000	VARIANCE 2020/21 £000	COMMENTS
<b>Arts, Leisure and Economic Development</b>				
Environmental Projects	89	79	(10)	<ul style="list-style-type: none"> <li>• Reduced transport and equipment costs</li> </ul>
Cemeteries	(58)	(93)	(35)	<ul style="list-style-type: none"> <li>• £25k additional grounds costs</li> <li>• (£55k) additional fee income</li> <li>• (£9k) salary saving due to vacancy</li> <li>• £4k increased operational costs and NNDR</li> </ul>
Allotments	(3)	(1)	2	<ul style="list-style-type: none"> <li>• (£2k) Reduced grazing rights.</li> </ul>
Parks	1,977	1,954	(23)	<ul style="list-style-type: none"> <li>• (£67k) reduced grounds maintenance works</li> <li>• (£22k) reduced operational running costs</li> <li>• (£26k) vacancy savings</li> <li>• £47k increase insurance claim costs</li> <li>• £30k contribution to reserves to fund works in 2021/22</li> <li>• £13k reduced pitch hire income</li> <li>• £3k increased NNDR</li> </ul>
Community Recreation	1,662	1,493	(169)	<ul style="list-style-type: none"> <li>• £15k additional utility costs for Etone Centre</li> <li>• (£16k) recovery of legal fees net of costs</li> <li>• (£54k) reduced pressure on management fee</li> <li>• (£22k) backdated rent income</li> <li>• (£11k) salary savings due to vacancy</li> <li>• (£74k) grant income received to support spend pressures</li> </ul>
Sports Development	288	178	(110)	<ul style="list-style-type: none"> <li>• (£92k) vacancy and restructure savings</li> <li>• (£18k) operational running costs savings</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Civic Hall	972	766	(206)	<ul style="list-style-type: none"> <li>• Covid restrictions prevented the Civic Hall from opening. Staff were redeployed to other services within the Council.</li> <li>• A £243 covid spend pressure virement was added and since then the site has been used as a test and vaccination centre which has generated income, reducing the financial pressures.</li> </ul>
Museum	453	418	(35)	<ul style="list-style-type: none"> <li>• Salary savings due to Covid delaying the opening of the museum.</li> <li>• Grant funding for Esme Fairburn project received</li> </ul>
Arts Development	13	12	(1)	<ul style="list-style-type: none"> <li>• Insignificant variance</li> </ul>
Community Centres	218	217	(1)	<ul style="list-style-type: none"> <li>• Insignificant variance</li> </ul>
	<b>5,611</b>	<b>5,023</b>	<b>(588)</b>	
<b><u>Central Services And Refuse</u></b>				
Refuse & Cleansing	3,339	3,639	300	<ul style="list-style-type: none"> <li>• £166k Increased transport costs mainly due to breakdowns &amp; hired vehicles for COVID impact.</li> <li>• £200k Additional net salary &amp; agency costs.</li> <li>• £26k Additional fly tipping costs.</li> <li>• (£41k) Additional income mainly WCC additional mileage refund and trade refuse.</li> <li>• (£50k) Reduced net running costs.</li> </ul>
Recycling	1,363	1,338	(25)	<ul style="list-style-type: none"> <li>• £146k Additional net cost of contract and related recycling income.</li> <li>• £60k Net salary &amp; agency costs.</li> <li>• £20k Increased net running costs.</li> <li>• (£85k) Additional income in recycling credits.</li> <li>• (£141k) Increased green waste fee income which is higher due to greater uptake than anticipated.</li> <li>• (£26k) Transport saving.</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Public Conveniences	173	155	(18)	<ul style="list-style-type: none"> <li>• (£15k) Utility and maintenance cost savings.</li> <li>• (£3k) Salary savings.</li> </ul>
Emergency Planning	177	140	(37)	<ul style="list-style-type: none"> <li>• (£37k) Grant income for COVID.</li> </ul>
Licenses	48	63	15	<ul style="list-style-type: none"> <li>• £42k Reduced income mainly due to drop in taxi drivers.</li> <li>• (£12k) Salary savings.</li> <li>• (£15k) saving across running costs</li> </ul>
	<b>5,100</b>	<b>5,335</b>	<b>235</b>	
<b><u>Finance And Civic Affairs</u></b>				
Markets & Street Trading	324	330	6	<ul style="list-style-type: none"> <li>• £63k Reduced income in part due to adverse weather.</li> <li>• (£46k) Reduced general running costs.</li> <li>• (£11k) Vacancy savings.</li> </ul>
Town Centre Management	287	257	(30)	<ul style="list-style-type: none"> <li>• (£28k) Reduced maintenance costs.</li> <li>• (£20k) no street entertainment due to Covid.</li> <li>• £14k lost promotional space income.</li> <li>• £4k increased operational costs.</li> </ul>
West Midlands Combined Authority	25	25	0	
Rent Allowances	(204)	357	561	<ul style="list-style-type: none"> <li>• £198k Net subsidy losses</li> <li>• (£19k) net salary and agency savings.</li> <li>• £65k increased contribution to bad debts over budget due to COVID-19 increasing risks of future collection of overpayments</li> <li>• £338k reduced overpayments identified.</li> <li>• (£20k) reduced running costs</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Rent Rebates	1,364	1,528	164	<ul style="list-style-type: none"> <li>• £144k subsidy losses due to increased level of homelessness in B&amp;B over and above thos originally assumed in the COVID-19 adjusted budget</li> <li>• (£21k) reduced agency and salary costs</li> <li>• £209k reduced recovery of overpayments</li> <li>• £57k increased contribution to bad debts over budget due to COVID-19 increasing risks of future collection of overpayments</li> <li>• (£206k) COMF Funding to support pressures</li> <li>• (£19k) reduced central overheads charged</li> </ul>
Electoral Registration	161	191	30	<ul style="list-style-type: none"> <li>• -Increased printing and postage costs due to COVID-19 marginally offset by increased shared service income</li> </ul>
Election Expenses	221	168	(53)	<ul style="list-style-type: none"> <li>• (£14k) savings relates to shared services income.</li> <li>• (£39k) net saving due to postponement of Borough &amp; PCC elections.</li> </ul>
Marketing, Promotions And Publicity	314	258	(56)	<ul style="list-style-type: none"> <li>• £14k increased salary costs due to restructure.</li> <li>• (£65k) saving on operational costs with events cancelled due to Covid.</li> <li>• (£5k) reduced central costs.</li> </ul>
Equal Opportunities	52	46	(6)	<ul style="list-style-type: none"> <li>• (£6k) Reduced central costs.</li> </ul>
Democratic Representation And Management	615	579	(36)	<ul style="list-style-type: none"> <li>• (£33k) Reduced central costs.</li> <li>• (£12k) members fees saving.</li> <li>• £11k increased subscription costs.</li> </ul>
Land Charges	(19)	(40)	(21)	<ul style="list-style-type: none"> <li>• (£15k) Increased income.</li> <li>• (£3k) reduced admin costs.</li> <li>• (£3k) reduced central costs.</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Economic Development	459	285	(174)	<ul style="list-style-type: none"> <li>• (£104k) reduced contribution to Camp hill regeneration running costs.</li> <li>• (£52k) salary underspend due to vacancies.</li> <li>• (£18k) general cost savings</li> </ul>
Revenues	820	708	(112)	<ul style="list-style-type: none"> <li>• (£30k) Net Salary and agency savings</li> <li>• (£10k) increased cost of collection income</li> <li>• (£22k) reduced bank charges</li> <li>• (£61k) reduced running costs.</li> <li>• (£26k) increased New Burdens funding</li> <li>• £33k Recoverable legal charges are lower than budget and a continuing trend from previous year.</li> </ul>
Council Tax Benefits	306	281	(25)	<ul style="list-style-type: none"> <li>• (£34k) Salary savings</li> <li>• £16k reduced admin' grant received</li> <li>• (£5k) reduced support service recharges</li> </ul>
Corporate Management	487	580	93	<ul style="list-style-type: none"> <li>• £20k reduced income from sale of land (de-minimis receipts).</li> <li>• £76k Additional bank and card charges.</li> <li>• £11k Additional consultancy cost.</li> <li>• (£11k) Additional corporate finance income.</li> <li>• (£3k) Reduced net running costs.</li> </ul>
Non Distributed Costs	31	23	(8)	<ul style="list-style-type: none"> <li>• Revenue costs of vacant Council House lower than budgeted.</li> </ul>
Mayoralty	57	28	(29)	<ul style="list-style-type: none"> <li>• (£21k) reduced car &amp; chauffer costs.</li> <li>• (£4k) reduced operations costs.</li> <li>• (£4k) reduced central costs.</li> </ul>
	<b>5,300</b>	<b>5,604</b>	<b>304</b>	
<b><u>Housing, Health And Communities</u></b>				

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Housing Advice Centre	502	490	(12)	<ul style="list-style-type: none"> <li>• (£12k) saving in homelessness mainly due to additional government grant supporting costs.</li> </ul>
Private Sector Grants	227	272	45	<ul style="list-style-type: none"> <li>• £5k increased salary costs</li> <li>• £30k reduced contributions</li> <li>• £10k increased legal costs</li> </ul>
Housing Strategy	54	53	(1)	<ul style="list-style-type: none"> <li>• (£1k) Net saving on running costs.</li> </ul>
Private Sector Housing Standards	222	218	(4)	<ul style="list-style-type: none"> <li>• (£10k) reduced salary costs.</li> <li>• £5k reduced fee income.</li> </ul>
Mobile Home Sites	(32)	(44)	(12)	<ul style="list-style-type: none"> <li>• £12k Reduced rental income.</li> <li>• (£17k) Additional caravan sales income.</li> <li>• (£7k) Reduced running costs.</li> </ul>
Community Development	10	7	(3)	<ul style="list-style-type: none"> <li>• Insignificant variance</li> </ul>
Voluntary Bodies	145	177	32	<ul style="list-style-type: none"> <li>• £20k Contribution to WCAVA.</li> <li>• £12k Additional contributions to voluntary bodies.</li> </ul>
Community Safety	366	314	(52)	<ul style="list-style-type: none"> <li>• (£26k) Reduced anti-social behavior reduction expenditure due to COVID.</li> <li>• (£26k) Reduced internal recharges.</li> </ul>
	<b>1,494</b>	<b>1,487</b>	<b>(7)</b>	
<b><u>Planning And Development</u></b>				
Environmental Protection	413	349	(64)	<ul style="list-style-type: none"> <li>• £10k Increased burial expenses.</li> <li>• (£5k) reduced operational costs.</li> <li>• (£59k) vacancy savings.</li> <li>• (£10k) reduced central costs.</li> </ul>
Food & Occupational Safety	341	324	(17)	<ul style="list-style-type: none"> <li>• (£35k) Vacancy savings</li> <li>• (£8k) central overheads recharges</li> <li>• (£2k) additional tattoo income.</li> <li>• £28k consultancy &amp; agency cover.</li> </ul>
Health Promotion & Inequalities	20	20	0	-



	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Car Parks	659	577	(82)	<ul style="list-style-type: none"> <li>• £240k reduced income impacted by Covid19 shutdown.</li> <li>• (261k) reduced capital depreciation charge.</li> <li>• (40k) reduced operational costs impacted by Covid.</li> <li>• (£11k) vacancy savings.</li> <li>• (£10k) reduced central costs.</li> </ul>
Public Passenger Transport	68	66	(2)	<ul style="list-style-type: none"> <li>• (£10k) Vacancy savings.</li> <li>• £4k reduced income.</li> <li>• £4k additional running costs.</li> </ul>
Land Drainage Works	8	20	12	<ul style="list-style-type: none"> <li>• -Weir clearing works</li> </ul>
Street Nameplates	21	19	(2)	-
Footpath Lighting	12	10	(2)	-
Building Control	107	22	(85)	<ul style="list-style-type: none"> <li>• (£85k) Expected end of year Covid impact support payment not required.</li> </ul>
Development Control	282	158	(124)	<ul style="list-style-type: none"> <li>• (£18k) Reduced court costs.</li> <li>• (£15k) innovation budget not required.</li> <li>• (£22k) reduced central overheads.</li> <li>• (£47k) vacancy savings.</li> <li>• (£17k) increased income.</li> <li>• (£5k) general service costs.</li> </ul>
Planning Policy & Applications	402	352	(50)	<ul style="list-style-type: none"> <li>• (£50k) Reduced borough plan costs .</li> <li>• (£5k) central service recharges.</li> <li>• (£4k) vacancy savings.</li> <li>• £9k reduced street naming income.</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
Commercial Property	(1,127)	(991)	136	<ul style="list-style-type: none"> <li>• (£100k) increased rental income from Bedworth Town Centre and Abbey Street/New Century Way.</li> <li>• £135k NNDR and utility costs for vacant properties.</li> <li>• £84k reduced income from NABCEL following the renegotiation of the basis for calculating lease income.</li> <li>• £17k net increased running costs partly offset by increased recoverable charges for NABCEL</li> </ul>
Industrial Estates	(143)	(151)	(8)	<ul style="list-style-type: none"> <li>• (£8k) increased rental income</li> </ul>
Environmental Sustainability	3	3	0	-
	<b>1,066</b>	<b>778</b>	<b>(288)</b>	
<b>Total All Portfolios</b>	<b>18,571</b>	<b>18,227</b>	<b>(344)</b>	
<b><u>Below the Line:</u></b>				
Central Provisions	335	324	(11)	<ul style="list-style-type: none"> <li>• Reduced payments to pension fund</li> </ul>
Reversal of Depreciation and Impairment	(3,118)	(2,882)	236	<ul style="list-style-type: none"> <li>• Mainly reduced depreciation charges on Car Parks due to decreased valuations (COVID-19 losses related)</li> </ul>
Contributions to/ (from) Reserves	(2,581)	7,403	9,984	<ul style="list-style-type: none"> <li>• £5.4m relating to Collection Fund Deficit timing differences (NDR Section 31 + Tax Income Guarantee)</li> <li>• £2.4m reduced call on capital reserves</li> <li>• £1.0m increased contribution to risk reserves</li> </ul>
Financing of Capital Expenditure	5,029	2,641	(2,388)	<ul style="list-style-type: none"> <li>• Capital slippage delaying financing (and drawdown of earmarked reserves)</li> </ul>
Net Cost for Debt and Investments (incl MRP and Premiums as relate to servicing debt)	957	686	(271)	<ul style="list-style-type: none"> <li>• (£139k) interest payable due to capital slippage delaying new debt and deferral of replacement of maturing debt due to interest rates</li> <li>• (£55k) reduced Minimum Revenue Provision due to capital slippage delaying the timing of charge to revenue</li> <li>• (£77k) increased investment income from improving returns on property fund and notice accounts.</li> </ul>

	<b>BUDGET 2020/21 £000</b>	<b>OUTTURN 2020/21 £000</b>	<b>VARIANCE 2020/21 £000</b>	<b>COMMENTS</b>
<b>Council Net Expenditure</b>	<b>19,193</b>	<b>26,399</b>	<b>7,206</b>	
Funding	(19,211)	(26,498)	(7,287)	<ul style="list-style-type: none"> <li>• (£1.39m) additional Covid Grants (general un-ringfenced, Sales Fees &amp; Charges plus Tax Income Guarantee)</li> <li>• (£1.23m) historical NDR growth repaid from safety net and reduced levy charge</li> <li>• (£4.66m) increased S31 Grant re NDR Covid reliefs</li> </ul>
<b>2020/21 Net Transfer from/ (to) General Fund Balances</b>	<b>(18)</b>	<b>(99)</b>	<b>(81)</b>	

## Earmarked Reserves Summary

<b><u>General Fund</u></b>	<b>Opening Balance 2020/21 £000</b>	<b>Net Transfer £000</b>	<b>Closing Balance 2020/21 £000</b>
<b>Revenue Reserves</b>			
Insurance Fund	(669)	(1)	(670)
Borough Plan	(257)	-	(257)
HEART	(487)	160	(327)
Homelessness	(383)	(231)	(614)
Innovations/Invest to save	(88)	23	(65)
Repossession Grants	(92)	-	(92)
Financial Planning Support	(1,275)	(233)	(1,508)
Local Authority Mortgage Scheme (LAMS)	(89)	-	(89)
General Fund - revenue budget	(295)	80	(215)
Planning for the Future	(342)	(139)	(481)
Skills and Development (Barratt)	(182)	-	(182)
Transforming Nuneaton & Bedworth Feasibility	(130)	(231)	(361)
New Burdens Funding - Revenues and Benefits	(299)	(4)	(303)
Business Rates Retention	(1,856)	(498)	(2,354)
Local Welfare Scheme Grant	(32)	15	(17)
Museum Donations	(21)	-	(21)
Future High Street/ Towns Fund	(270)	28	(242)
Covid Resilience	-	(500)	(500)
Collection Fund Deficit Timing (Grants)	-	(5,387)	(5,387)
Other revenue reserves	(282)	(345)	(627)
<b>Total Revenue Reserves</b>	<b>(7,049)</b>	<b>(7,263)</b>	<b>(14,312)</b>
<b>Capital Reserves</b>			
Computer Strategy & Replacement	(427)	28	(399)
Vehicle & Plant Replacement	(582)	68	(514)
CCTV Replacement	(334)	(50)	(384)
General Capital	(1,701)	(263)	(1,964)
Leisure Facilities Replacement	(354)	76	(278)
Revenues & Benefits System	(145)	100	(45)
Transforming Bedworth	-	(100)	(100)
Other Capital	(205)	(266)	(471)
<b>Total Capital Reserves</b>	<b>(3,748)</b>	<b>(407)</b>	<b>(4,155)</b>
<b>Total General Fund Reserves</b>	<b>(10,797)</b>	<b>(7,670)</b>	<b>(18,467)</b>

<b><u>Housing Revenue Account</u></b>	<b>Opening Balance 2020/21 £000</b>	<b>Net Transfer £000</b>	<b>Closing Balance 2020/21 £000</b>
<b>Revenue Reserves</b>			
Housing & Planning Act Changes	(350)	-	(350)
Service Delivery Improvements	(152)	-	(152)
Planning for the Future	(179)	-	(179)
Grounds Maintenance & Tree Works	(40)	-	(40)
Other revenue reserves	-	(10)	(10)
<b>Total Revenue Reserves</b>	<b>(721)</b>	<b>(10)</b>	<b>(731)</b>
<b>Capital Reserves</b>			
General Capital	(3,274)	475	(2,799)
Computer Strategy	(533)	-	(533)
<b>Total Capital Reserves</b>	<b>(3,807)</b>	<b>475</b>	<b>(3,332)</b>
<b>Total Housing Revenue Account Reserves</b>	<b>(4,528)</b>	<b>465</b>	<b>(4,063)</b>

## Appendix C

Housing Revenue Account

	<b>BUDGET</b>	<b>OUTTURN</b>	<b>VARIANCE</b>
	<b>2020/21</b>	<b>2020/21</b>	<b>2020/21</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b><u>Expenditure</u></b>			
Supervision & Management (General)	5,260	5,009	(251)
Supervision & Management (Special)	3,859	4,284	425
Repairs & Maintenance	5,136	5,178	42
Depreciation	8,461	8,360	(101)
Capital Expenditure	1,793	409	(1,384)
Interest Payable	2,397	1,937	(461)
<b>Total Expenditure</b>	<b>26,906</b>	<b>25,176</b>	<b>(1,730)</b>
<b><u>Income</u></b>			
Dwelling Rent Income	(23,037)	(23,278)	(241)
Non-Dwelling Rent Income	(589)	(571)	18
Other Income (Services & Facilities)	(2,066)	(1,940)	126
Interest Receivable	(47)	(23)	24
Government Grant	0	(95)	(95)
<b>Total Income</b>	<b>(25,739)</b>	<b>(25,907)</b>	<b>(168)</b>
<b>HRA Net Expenditure</b>	<b>1,167</b>	<b>(731)</b>	<b>(1,898)</b>
<b><u>Adjustments</u></b>			
Voluntary Contribution to Major Repairs Reserve	0	1,485	1,485
Transfers to/ (from) Earmarked Reserves	(879)	(465)	414
<b>Total Adjustments</b>	<b>(879)</b>	<b>1,020</b>	<b>1,899</b>
<b>Net HRA</b>	<b>288</b>	<b>289</b>	<b>1</b>

## Appendix C

<b>HRA Key Variances 2020/21</b>	<b>£000</b>
<b>Overspends/ Under-recovery of income:</b>	
Cost of urgent security/ fire safety services (funded from earmarked reserves)	594
Additional contractor costs within repairs and maintenance due to vacancies with teams	299
Additional cost of insurance and compensation payments	138
Additional council tax payments on voids	111
Other income below budgeted amounts	65
Income from ILO schemes below budget (was adjusted by £90k during year)	58
Investment interest	24
Net other minor variances	21
Reduced garage rents income due to voids	19
<b>Subtotal</b>	<b>1,329</b>
<b>Underspends/ Over-recovery of income:</b>	
Interest payable below budget as new debt deferred due to capital slippage and option to increase under borrowed position	(460)
Salary underspends across HRA (net of agency spend)	(378)
Increased dwelling/ hostel rent income in part due to use of void properties to support homeless provision	(241)
Grounds maintenance savings due to COVID-19 preventing works plus contract savings	(180)
Consultancy budget underspends as works deferred	(170)
Material savings within Repairs service	(129)
Green Homes grant plus Improvement & Development Agency grant income to support revenue costs	(95)
Reduced legal fees due to COVID-19 preventing court action	(79)
Star Survey deferred to 2021/22	(10)
<b>Subtotal</b>	<b>(1742)</b>
<b>Capital Financing Items:</b>	
Reduced depreciation charges <i>(depreciation charges are contributed to the Major Repairs Reserve and are ring-fenced for capital spend)</i>	(101)
Reduced capital spend financed by HRA revenue due to slippage	-1,384
Voluntary contribution to the Major Repairs Reserve to fund capital slippage in 2021/22	1,485
<b>Subtotal</b>	<b>0</b>
Reduced contribution from Earmarked Reserves	414
<b>Net Variance</b>	<b>1</b>

## General Fund Capital Outturn 2020/21

	2020/21 Updated Programme Budget	2020/21 Outturn	2020/21 Variance	Amounts to re-profile to 2021/22
	£	£	£	£
<b><u>Arts, Leisure &amp; Economic Development</u></b>				
Pauls Land Pavilion	10,500	-	(10,500)	10,500
Sandon Park/Jack Whetstone Pavilion	27,870	-	(27,870)	27,870
Kersley Community Centre Car Park Improvements	1,400	1,325	(75)	-
Pingles Athletics Stadium - Upgrading Floodlights	24,600	24,626	26	-
Preliminary Works – Riversley Park Bridge	40,000	-	(40,000)	40,000
Pingles – Running Track Replacement	104,570	104,570	-	-
Tennis Courts – Miners Welfare Park	210,000	234	(209,766)	209,770
Leisure Strategy	400,000	274,683	(125,317)	125,310
Replacement Cemeteries Software	-	(1,265)	(1,265)	-
<b><u>Central Services &amp; Refuse</u></b>				
ICT Strategy Programme	166,800	56,435	(110,365)	100,000
Major Repairs	185,000	163,014	(21,986)	-
Vehicle & Plant Replacement	768,000	338,589	(429,411)	429,410
Waste Management – In Cab Technology	-	166	166	-
Civica APP (Flare)	73,200	78,750	5,550	-
<b><u>Finance &amp; Civic Affairs</u></b>				
Camp Hill - Early final phase	2,408,235	1,357,718	(1,050,517)	100,000
Purchase of Investment Properties (incl properties to lease)	3,460,000	2,201,152	(1,258,848)	180,000
Abbey Street Regeneration Phase 1	-	64,280	64,280	-



	<b>2020/21 Updated Programme Budget</b>	<b>2020/21 Outturn</b>	<b>2020/21 Variance</b>	<b>Amounts to re-profile to 2021/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Towns Fund Advanced Funding	1,300,000	1,009,108	(290,892)	290,890
Getting Britain Building	895,630	103,930	(791,700)	791,700
Transforming Bedworth	10,000	-	(10,000)	10,000
<b><u>Housing, Health &amp; Communities</u></b>				
HEART	4,000,000	3,285,230	(714,770)	-
Empty Property Loans	100,000	49,040	(50,960)	-
Empty Homes & Works in Default	40,000	-	(40,000)	-
Green Homes Project	-	216,900	216,900	-
Mobile Home Sites	317,500	300,467	(17,033)	17,030
Conversion of Council House	894,000	885,709	(8,291)	8,290
<b><u>Planning &amp; Development</u></b>				
Replacement CCTV Cameras	9,700	-	(9,700)	9,700
CCTV – Wireless Technology	120,000	-	(120,000)	120,000
Purchase of Bus Shelters	-	15,600	15,600	-
<b>Total Capital Programme</b>	<b>15,567,005</b>	<b>10,530,261</b>	<b>(5,036,744)</b>	<b>2,470,470</b>
<b>Financed by:</b>				
Capital Receipts	2,870,735	1,529,972		390,890
Earmarked Reserves	4,149,520	2,640,870		1,061,980
Grants & External Contributions	6,652,750	5,473,710		1,017,600
Prudential Borrowing	1,894,000	885,709		-
<b>Total</b>	<b>15,567,005</b>	<b>10,530,261</b>		<b>2,470,470</b>

### Housing Revenue Account Capital Outturn 2020/21

	2020/21 Updated Programme Budget	2020/21 Outturn	2020/21 Variance	Amounts to re-profile to 2021/22
	£	£	£	£
Decent Homes	1,900,000	1,957,906	57,906	-
Roof Coverings/Modifications	965,000	1,029,561	64,561	-
Windows & Doors	700,000	447,125	(252,875)	253,000
Sheltered Alarm Call System	267,000	233,187	(33,813)	34,000
Door Entry Scheme	81,000	-	(81,000)	65,000
New Properties (Construction)	1,910,000	1,560,638	(349,362)	-
Byford Court – Rebuild	6,620	132,588	125,968	(126,000)
District Heating Smart Meters	262,000	1,751	(260,249)	260,000
District Heating Boilers	15,000	16,402	1,402	-
Fire Risk Assessments (General Purpose)	40,000	30,430	(9,570)	-
Fire Works (General Purpose)	260,000	-	(260,000)	260,000
Acquisition of Properties	1,297,000	1,369,572	72,572	-
Level Access Showers	438,000	405,954	(32,046)	32,000
Aids & Adaptations	600,000	436,304	(163,696)	104,000
Central Heating	1,000,000	1,020,672	20,672	37,000
Garages	60,000	64,504	4,504	-
Slabs to Tarmac	200,000	245,017	45,017	-
Lift Renewal Works	100,000	51,620	(48,380)	48,000
Fire Safety Upgrade Works	2,916,000	3,086,759	170,759	-
PIR Electrical Works (sheltered Housing & Communal)	445,000	451,088	6,088	-
Voids	800,000	820,890	20,890	-

	2020/21 Updated Programme Budget	2020/21 Outturn	2020/21 Variance	Amounts to re-profile to 2021/22
	£	£	£	£
Structural: Concrete Repairs/Cladding	2,000,000	926,630	(1,073,370)	1,073,000
Environmental Works	80,000	78,505	(1,495)	-
Housing Management System	356,000	368,317	12,317	-
Fire Damaged Works	55,000	40,288	(14,712)	50,000
Capital Salaries	439,170	353,534	(85,636)	
Contingency	27,000	-	(27,000)	
<b>Total Capital Programme</b>	<b>17,219,790</b>	<b>15,129,242</b>	<b>(2,090,548)</b>	<b>2,090,000</b>
<b><u>Financed by</u></b>				
Major Repairs Reserve	12,590,000	12,590,000		-
Earmarked Reserves/ Revenue	930,690	408,697		238,514
Capital Receipts	1,129,100	392,272		736,827
Capital Grants/ Contributions	660,000	942,932		-
Borrowing	1,910,000	795,341		1,114,659
<b>Total</b>	<b>17,219,790</b>	<b>15,129,242</b>		<b>2,090,000</b>

**General Fund Capital Programme – 2021/22 Updated**

	<b>2021/22 Base Programme Budget £</b>	<b>Additional amounts re- profiled from 2020/21 £</b>	<b>Other Adjustments £</b>	<b>Updated Programme 2021/22 £</b>
<b><u>Business &amp; Regeneration</u></b>				
Transforming Bedworth	90,000	10,000		100,000
Abbey Street Regeneration (Phase 1)	16,842,500			16,842,500
Bridge to Living	5,884,700			5,884,700
Flood Alleviation	607,150			607,150
Towns Fund	2,475,000			2,475,000
Christmas Lights	40,000			40,000
Towns Fund Advanced Funding		290,890		290,890
Getting Britain Building		791,700		791,700
Replacement CCTV Cameras		9,700		9,700
CCTV - Wireless Technology		120,000		120,000
<b><u>Finance &amp; Corporate</u></b>				
ICT Strategy Programme	200,000	100,000		300,000
Business Continuity	430,000			430,000
Camp Hill - Early final phase		100,000		100,000
<b><u>Housing &amp; Communities</u></b>				
Purchase of Residential Properties		180,000		180,000
HEART	7,512,210			7,512,210
Empty Homes & Works in Default	40,000			40,000

	<b>2021/22 Base Programme Budget £</b>	<b>Additional amounts re- profiled from 2020/21 £</b>	<b>Other Adjustments £</b>	<b>Updated Programme 2021/22 £</b>
Empty Property Loans	100,000			100,000
Green Homes	314,000		443,100	757,100
Mobile Home Sites		17,030		17,030
Conversion of Council House		8,290	11,510	19,800
Homeless Hostel Conversion			200,000	200,000
<b><u>Public Services</u></b>				
Major Repairs	210,000			210,000
Vehicle & Plant Replacement	250,000	429,410		679,410
Sub-Regional Materials Recycling Facility	4,496,000			4,496,000
Leisure Strategy	605,725	125,310		731,035
Bedworth Cycle Hub	308,550			308,550
Play & Teenage Provision	45,000			45,000
Nomad Cameras	90,000			90,000
Fly Tipping Cameras	54,000			54,000
Pauls Land Pavilion		10,500		10,500
Sandon Park/Jack Whetstone Pavilion		27,870		27,870
Preliminary Works – Riversley Park Bridge		40,000		40,000
Tennis Courts Miners Welfare Park		209,770		209,770
<b><u>Health &amp; Environment</u></b>				
Target Hardening Measures	100,000			100,000
<b>Miscellaneous Schemes</b>	100,000		(11,510)	88,490

	<b>2021/22 Base Programme Budget £</b>	<b>Additional amounts re- profiled from 2020/21 £</b>	<b>Other Adjustments £</b>	<b>Updated Programme 2021/22 £</b>
<b>Total Capital Programme</b>	<b>40,794,835</b>	<b>2,470,470</b>	<b>643,100</b>	<b>43,908,405</b>
<b>Financed by:</b>				
Capital Receipts	880,000	390,890		1,270,890
Earmarked Reserves	1,594,000	1,061,980	200,000	2,855,980
Grants & External Contributions	17,568,265	1,017,600	443,100	19,028,965
Prudential Borrowing	20,752,570			20,752,570
<b>Total</b>	<b>40,794,835</b>	<b>2,470,470</b>	<b>643,100</b>	<b>43,908,405</b>

### Housing Revenue Account Capital Programme – 2021/22 Updated

	2021/22 Base Programme Budget	Additional amounts re- profiled from 2020/21	Other Adjustments	Updated Programme 2021/22
	£	£	£	£
Decent Homes	2,500,000			2,500,000
Roof Coverings/ Modifications	850,000			850,000
Windows & Doors	700,000	253,000		953,000
Sheltered Alarm Call Systems	100,000	34,000		134,000
Door Entry Scheme	150,000	65,000		215,000
New Properties (Construction)	6,567,650			6,567,650
Byford Court Rebuild	1,658,050	(126,000)		1,532,050
Large Scale Improvement Feasibility	310,000			310,000
District Heating - Smart Meters	50,000	260,000		310,000
District Heating Boilers	435,000			435,000
Fire Risk Assessments (General Purpose)	-			-
Fire Works (General Purpose)	2,500,000	260,000		2,760,000
Acquisition of Properties	3,250,000			3,250,000
Level Access Showers	750,000	32,000		782,000
Aids & Adaptations	650,000	104,000		754,000
Central Heating	1,000,000	37,000		1,037,000
Garages	-			-
Slabs to Tarmac	200,000			200,000
Lift Renewal Works	100,000	48,000		148,000
Fire Safety Upgrade Works	-			-
PIR Electrical Works (Sheltered Housing & Communal)	400,000			400,000
Voids	650,000			650,000

	2021/22 Base Programme Budget	Additional amounts re- profiled from 2020/21	Other Adjustments	Updated Programme 2021/22
	£	£	£	£
Structural & Cladding / Concrete Repairs	1,600,000	1,073,000	474,600	3,147,600
Environmental Works	70,000			70,000
Housing Management System	100,000			100,000
Fire Damage Works	-	50,000		50,000
CCTV Renewal – GP Flats	50,000			50,000
Capital Salaries	316,430			316,430
Contingency	100,000			100,000
<b>Total Capital Programme</b>	<b>25,057,130</b>	<b>2,090,000</b>	<b>474,600</b>	<b>27,621,730</b>
<b><u>Financed by</u></b>				
Major Repairs Reserve	9,543,000			9,543,000
Earmarked Reserves/ Revenue	3,699,630	238,514		3,938,144
Capital Receipts	1,645,000	736,827		2,381,827
Capital Grants/ Contributions	2,169,500		474,600	2,644,100
Borrowing	8,000,000	1,114,659		9,114,659
<b>Total</b>	<b>25,057,130</b>	<b>2,090,000</b>	<b>474,600</b>	<b>27,621,730</b>