

2020/21 General Fund Revenue Significant Variance Analysis

Commercial & Operations						
Service Area	Current Expenditure Budget	Current Income Budget	2020/21 Current Budget	2020/21 Forecast Outturn	Variance to Current Budget	2020/21 Outturn Variance
	£	£	£	£	£	%
Building Control	805,239	(674,716)	130,523	65,709	(64,814)	(49.7%)
Commercial & Operations	262,900	0	262,900	269,900	7,000	2.7%
Community Resilience	404,250	(100)	404,150	406,550	2,400	0.6%
Corporate Operations	4,704,376	(895,676)	3,808,700	3,516,755	(291,945)	(7.7%)
Public Protection	1,198,600	(419,450)	779,150	759,100	(20,050)	(2.6%)
Street Scene	6,020,350	(1,583,600)	4,436,750	4,265,600	(171,150)	(3.9%)
Total	13,395,715	(3,573,542)	9,822,173	9,283,614	(538,559)	(5.5%)

Explanation of Significant Variances	£'000
<p>Building Control</p> <p>The partnership income has recovered during the pandemic to pre-Covid levels and reduced income from April to June has been offset by Furlough and Job Retention Scheme grants of £33k. The trading account is now forecast to make a surplus which will be re-invested into the service in future years.</p>	(65)
<p>Corporate Operations</p> <p>In year lease of office space rental at Council offices resulting in additional rent and service charge income of (£65k)</p> <p>Car parking – Income from August to December has been achieved at higher than anticipated levels despite Covid-19 restrictions (approximately 53% at Grantham, 73% at Stamford). Income levels had been assumed from January to March at 20% Grantham, 40% Stamford due to the current lockdown. This has resulted in an increased forecast income of (£159k)</p> <p>Crowdfunding – Scheme has now ceased with an in-year underspend of (£65k)</p>	(324)
<p>Street Scene</p> <p>Fuel - Prices remain low with a year to date average price of approximately 87p per litre compared to an average in 19/20 of approx. £1.008 per litre and £1.033 per litre in 18/19 resulting in savings of (£83k)</p> <p>Commercial Waste – The service continues to grow with additional strong annual sales value being achieved each month after the initial lockdown was lifted.</p> <p>Green Waste Collection – Further additional income of (£52k) has been received with 29,641 households renewing their subscription for 2020/21 and 1,589 new households joining the service throughout the year. 94.1% of these households made their payment online with 70.5% paying by direct debit.</p>	(161)
Total	(550)

Corporate						
Service Area	Current Expenditure Budget	Current Income Budget	2020/21 Current Budget	2020/21 Forecast Outturn	Variance to Current Budget	2020/21 Outturn Variance
	£	£	£	£	£	%
Centralised & Business Support	532,900	(3,200)	529,700	397,650	(132,050)	(24.9%)
Communications	325,610	(4,300)	321,310	348,010	26,700	8.3%
Corporate	3,445,444	(98,550)	3,346,894	2,908,125	(438,769)	(13.1%)
Finance	2,054,781	(76,350)	1,978,431	2,013,981	35,550	1.8%
Human Resources	350,000	(4,200)	345,800	352,400	6,600	1.9%
Legal & Democratic	1,582,800	(187,500)	1,395,300	1,319,416	(75,884)	(5.4%)
OD & Change	2,418,799	(121,200)	2,297,599	2,339,449	41,850	1.8%
Revenues & Benefits	20,258,150	(20,373,420)	(115,270)	(60,170)	55,100	(47.8%)
TOTAL	30,968,484	(20,868,720)	10,099,764	9,618,861	(480,903)	(4.8%)

Explanation of Significant Variances	£'000
Centralised & Business Support A reduction of postage, printing and advertising requirements during the pandemic has resulted in an in-year under spend of (£122k)	(122)
Corporate General reduction in anticipated forecast expenditure across several different cost centres (£174) No current spend against (£52k) EU exit funding received in previous year – offset by a reduced reserve movement Procurement savings of £40k are no longer achievable in 2020/21 during the pandemic. In year vacancies have resulted in an under spend of (£80k) Completion of the agile rollout programme has resulted in under spends of (£47k) - offset by a reduced reserve movement	(313)
Legal and Democratic In-year vacancies within the service area has resulted in an underspend of (£25k).	(25)
OD & Change Additional agency recruitment costs of £41k have been incurred in year.	41
Revenues & Benefits	18

Additional in year recovery of benefits overpayments (£70k). Reduction in court costs of £275k during the pandemic following the temporary suspension of the recovery processes for Council Tax and Business Rates. Court dates have been deferred until 2021/22. Additional grant income (£70k) has been received in 2020/21 which will be utilised for service improvements in future years. In year vacancies within the service area in anticipation of automated processes which have been delayed has resulted in under spend of (£117k)	
TOTAL	(235)

Growth & Culture						
Service Area	Current Expenditure Budget	Current Income Budget	2020/21 Current Budget	2020/21 Forecast Outturn	Variance to Current Budget	2020/21 Outturn Variance
	£	£	£	£	£	%
Arts & Culture	2,314,172	(266,357)	2,047,815	1,630,287	(417,528)	(20.4%)
Development & Policy	1,637,472	(1,018,721)	618,750	671,138	52,388	8.5%
Growth Management	707,9902	(148,225)	559,765	479,085	(80,680)	(14.4%)
Invest SK	549,981	(10,069)	538,912	430,000	(109,912)	(20.4%)
Leisure	3,005,584	(122,150)	2,883,434	2,901,626	18,192	0.6%
Total	8,215,198	(1,565,522)	6,649,676	6,112,136	(537,540)	(8.1%)

Explanation of Significant Variances	£'000
Arts Centres Successful Cultural Recovery grant application award of (£230k) – this will be offset with a reduction in future co-payment losses contribution for the Arts Centres. Furlough and Job Retention Scheme grants received for (£225k) Further reduction in admission charges income and rental income due to lockdown restrictions £37k	(418)
Development & Policy Several vacant posts, including maternity leave, and additional pressures on the land charges function are being addressed by agency staff which has resulted in a £52k overspend. Seeking to mitigate through additional income and permanent recruitment where practical.	52
Growth Management Revenue works on the university have been delayed during the pandemic. This is offset with reduced reserve funding.	(62)
Invest SK Following a review of the funding levels to ISK for the current financial year, a proportion of uncommitted budget has been returned to the Council which has resulted in an underspend of (£110k)	(110)
TOTAL	(538)

Housing & Property						
Service Area	Current Expenditure Budget	Current Income Budget	2020/21 Current Budget	2020/21 Forecast Outturn	Variance to Current Budget	2020/21 Outturn Variance
	£	£	£	£	£	%
Assets & Estates	2,307,579	(854,000)	1,453,579	889,675	(563,904)	(44.0%)
Housing	1,628,640	(972,730)	655,910	466,150	(189,760)	(28.9%)
TOTAL	3,936,219	(1,826,730)	2,109,489	1,355,825	(753,664)	(35.7%)

<p>Assets & Estates Reduction in proposed alteration works to council offices in Grantham has resulted in an under spend of (£500k) Additional commercial rental income received against amended budget of (£139k) Increase in security costs of £50k at St Martins Park.</p>	(589)
<p>Housing In-year homeless prevention officers has resulted in under spends of (£40k). Recruitment is currently in progress. Cost of converting properties to homelessness accommodation during the pandemic has been lower than the expected amended budget provision by (£65k) Homelessness grant of (£69k) received in a previous year is not expected to be utilised so will be transferred to reserves to be utilised in future years</p>	(174)
TOTAL	(867)