

2020/21 General Fund Revenue Significant Variance Analysis

Commercial & Operations						
Service Area	Current Expenditure Budget (less Budget Carry Forwards) £	Current Income Budget £	Current Budget (less Budget Carry Forwards) £	2020/21 Outturn (less Accounting Adjustments) £	Variance to Current Budget £	2020/21 Outturn Variance %
Building Control	805,239	(674,716)	130,523	43,423	(87,100)	(66.7%)
Commercial & Operations	262,900	0	262,900	269,844	6,944	2.6%
Community Resilience	404,250	(100)	404,150	374,942	(29,208)	(7.2%)
Corporate Operations	4,306,464	(919,676)	3,386,788	2,706,706	(680,082)	(20.1%)
Public Protection	1,094,600	(419,450)	675,150	551,627	(123,523)	(18.3%)
Street Scene	5,970,350	(1,583,600)	4,386,750	4,093,429	(293,321)	(6.7%)
Total	12,843,803	(3,597,542)	9,246,261	8,040,261	(1,206,000)	(13.0%)

Explanation of Significant Variances	£'000
<p>Building Control</p> <p>The Building Control partnership income has recovered strongly following an initial negative impact during quarter 1 of the pandemic and has returned to budgeted levels. The initial reduced income for the period April to June was partly offset by Furlough and Job Retention Scheme grants of £33k. At the outturn the trading account has made a surplus of £25k which will be re-invested into the service in future years</p>	(87)
<p>Corporate Operations</p> <p>In-year lease of office space rental to third parties for their occupancy at the Council offices resulting in additional rent and service charge income of (£62k)</p> <p>Markets income was (£20k) higher than the reduced amended budgets as essential items traders continued during the year</p> <ul style="list-style-type: none"> - Stamford (£14k) - Grantham (£6k) <p>Business Rates- in year revaluations of the Market functions by the Valuation Office have resulted in a net refund of previous years' charges (£21k)</p> <p>Crowdfunding – scheme has now ceased with an in year underspend of (£65k)</p> <p>Car parking ticket sales income from August 2020 to March 2021 were higher than the amended budgeted levels (£149k) despite the national changes in Covid-19 restrictions (overall for the year Grantham achieved approximately 28.9% of previous year income and Stamford achieved approximately 40.2%)</p>	(536)

<p>In year vacancy of Communities Officer has resulted in an underspend of (£24k). This post has now been recruited into</p> <p>Customer Services – In year customer services advisor vacancies and additional income received from Housing for call resourcing support (£53k)</p> <p>Open spaces & Closed Burial Grounds - there has been a reduction in responsive works required during the year (£36k)</p> <p>A grant was awarded during 20/21 to fund the re-opening of the High Street (£126k). To date £20k has been incurred that meets the strict criteria of the grant conditions</p>	
<p>Public Protection</p> <p>Two full time Environmental Health Officer posts were vacant during the year resulting in an underspend of (£39k). Recruitment is underway for these posts</p> <p>Income received arising from works undertaken in previous years - works in default and disabled adaptations (£20k)</p>	(59)
<p>Street Scene</p> <p>Additional income of (£46k) has been received for collection of bulky waste and the sale of wheelie bins for landlords and new developers in respect of new developments</p> <p>Vehicle Repairs - Cost of parts and consumables have been reduced in year due to the introduction of a stock management system and the previous capacity bid for increased prices has not been required resulting in a saving of (£40k)</p> <p>Green Waste Collection - Additional income of (£55k) 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> <p>Commercial Waste - The service continues to grow with additional strong annual sales value achieved each month after the initial lockdown was lifted</p> <p>Fuel prices remained low during the year with the average price being lower than the budgeted assumed price. This is resulted in an under spend of (£98k)</p>	(239)

Corporate						
Service Area	Current Expenditure Budget (less Budget Carry Forwards) £	Current Income Budget £	Current Budget (less Budget Carry Forwards) £	2020/21 Outturn (less Accounting Adjustments) £	Variance to Current Budget £	2020/21 Outturn Variance %
Centralised & Business Support	532,900	(3,200)	529,700	371,321	(158,379)	(29.9%)
Communications	325,610	(4,300)	321,310	349,740	28,430	8.8%
Corporate	3,411,444	(98,550)	3,312,894	2,808,599	(504,295)	(15.2%)
Finance	2,054,781	(76,350)	1,978,431	1,952,996	(25,435)	(1.3%)
Human Resources	350,000	(4,200)	345,800	385,668	39,868	11.5%
ICT Services	1,608,240	(97,200)	1,511,040	1,429,618	(81,422)	(5.4%)
Legal & Democratic	1,582,800	(187,500)	1,395,300	1,200,107	(195,193)	(14.0%)
OD & Change	526,559	0	526,559	509,679	(16,880)	(3.2%)
Revenues & Benefits	20,248,150	(20,373,420)	(125,270)	737,888	863,158	688.9%
TOTAL	30,640,484	(20,844,720)	9,795,764	9,745,616	(50,148)	(0.5%)

Explanation of Significant Variances	£'000
	(146)
Centralised & Business Support	
A reduction of postage, printing and advertising requirements during the financial year has resulted in an in-year under spend of (£146k). This underspend is a direct result of the changes to working practices that resulted in the majority of the workforce operating remotely	
Corporate	(472)
General reduction in anticipated expenditure across several different cost centres (£222k)	
Original budgeted procurement savings of £239k of which £40k included within the amended budget were not achieved due to the procurement programme being severely disrupted during Covid-19 and officers being reassigned to other priority during the year	
Senior team in year vacancies have resulted in underspends of (£80k)	
Completion of the agile rollout programme has resulted in under spends of (£40k) - offset by a reduced reserve movement	
New burdens grant monies of (£170k) have been received which are proposed to be moved to the newly created Covid Recovery reserve to aid additional works required in 2021/22	

<p>Human Resources</p> <p>Additional costs have been incurred (£41k) due to the requirement to appoint external specialist recruitment consultants to support the implementation of the corporate restructure that was approved by Council in October 2020</p>	41
<p>ICT Services</p> <p>Changes to centralised licence and corporate licence fees have resulted in savings of (£86k)</p> <p>Reduced number of office printers and usage during 2020/21 has resulted in savings of (£22k). This is a direct saving arising from staff not working from the main Council offices during the year</p> <p>Reduced level of income of £23k compared to budget arising from an external hosting agreement during 2020/21. This arrangement will be reviewed to ensure the Council is achieving value for money</p>	(85)
<p>Legal and Democratic</p> <p>Legal – In year vacancies and the required level of resource during Covid-19 through the Lincolnshire Legal Services partnership has resulted in an under spend of (£36k). The cost and volume of outsourced work continues to be assessed for the Lincolnshire Legal Services partnership</p> <p>Democratic & Elections – The majority of meetings have been held virtually during Covid-19 resulting in a saving of (£21k) on members travel expenses. Members Allowances have been underspent by (£36k) due to one vacant ward during the year and the distributed allocations in accordance with the member allowance scheme. Changes to individual registration have resulted in a saving of (£10k) in casual staff costs for canvassing. In year vacancies within the service area have resulted in an under spend of (£22k)</p>	(125)
<p>OD & Change</p> <p>Transformation savings of £100k included within the amended budget have not been achieved in 2020/21. The programme is being re-assessed in 2021/22</p> <p>Reduced requirement and availability of training courses has resulted in an under spend of (£63k)</p>	37
<p>Revenues & Benefits</p> <p>During Covid-19, the focus has been the administration of grants payments so recovering overpayments for benefit payments made without entitlement has recouped £106k below the budgeted level</p> <p>There has been a reduction in income from court costs amounting to £240k during the pandemic period following the temporary suspension of all recovery processes for Council Tax and Business Rates. Court dates have resumed in 2021/22</p> <p>Additional DWP grant income (£77k) has been received in 2020/21 which will be utilised for service improvements in future years</p> <p>In year vacancies within the service area in anticipation of automated processes which have been delayed has resulted in under spend of (£94k)</p> <p>Covid grant payments of £739k for Council Tax hardship have been made during 2020/21. These are funded by Section 31 grants received</p>	914

Growth & Culture						
Service Area	Current Expenditure Budget (less Budget Carry Forwards)	Current Income Budget	Current Budget (less Budget Carry Forwards)	2020/21 Outturn (less Accounting Adjustments)	Variance to Current Budget	2020/21 Outturn Variance
	£	£	£	£	£	%
Arts & Culture	2,329,172	(266,357)	2,062,815	1,441,240	(621,575)	(30.1%)
Development & Policy	1,539,471	(1,018,721)	520,750	558,636	37,886	7.3%
Growth Management	707,990	(148,225)	559,765	605,668	45,903	8.2%
Invest SK	549,981	(10,069)	539,912	457,416	(82,496)	(15.3%)
Leisure	2,797,884	(122,150)	2,675,734	2,612,709	(63,025)	(2.4%)
Total	7,924,498	(1,565,522)	6,358,976	5,675,669	(683,307)	(10.7%)

Explanation of Significant Variances	£'000
<p>Arts & Culture</p> <p>The Council were successful in securing Cultural Recovery grant of (£230k) for the Arts Centres. This was used to mitigate the losses of income during pandemic. A further application has been made for round 2 and the Council has been awarded £100k</p> <p>A number of employees were furloughed during the year and income has been received from the Job Retention Scheme for (£297k) to offset the costs £369k</p>	(527)
<p>Development & Policy</p> <p>The level of planning applications has increased this year resulting in income from fees and charges overachieving by (£120k). There were more major applications received against the amended budget. Agency costs have only partly been funded by a number of vacant posts within the service area with a net cost of £93k overspend. These necessary costs were covered by the additional income above and permanent recruitment is being undertaken during 2021/22</p> <p>Conservation - There are ongoing expenses for scaffolding to support a conservation building within the district £17k. Agency staff covering vacant posts has resulted in an overspend of £22k. Recruitment is underway</p>	12
<p>Growth Management</p> <p>Heritage Action Zone (HAZ) Projects have predominately been revenue in 2020/21 resulting in an overspend of £76k, mitigated by a reduction in contribution of grant required to fund capital expenditure</p> <p>Revenue works have now been completed on the university fit out space due to changing requirements resulting in an underspend of (£50)</p> <p>In year vacancies within the growth management team have resulted in an under spend of (£40k)</p>	(14)

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)
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Housing & Property						
Service Area	Current Expenditure Budget (less Budget Carry Forwards) £	Current Income Budget £	Current Budget (less Budget Carry Forwards) £	2020/21 Outturn (less Accounting Adjustments) £	Variance to Current Budget £	2020/21 Outturn Variance %
Assets & Estates	1,863,579	(854,000)	1,009,579	152,198	(857,381)	(84.9%)
Housing	1,296,252	(972,730)	323,522	132,947	(190,575)	(58.9%)
TOTAL	3,159,831	(1,826,730)	1,333,101	285,145	(1,047,956)	(78.6%)

Explanation of Significant Variances	£'000
<p>Assets & Estates Reduction in proposed alteration works to council offices in Grantham has resulted in an under spend of (£832k). It is proposed to carry forward an element of this budget to enable works to be undertaken during 2021/22</p> <p>Commercial rental income invoiced has exceeded the amended budget by (£218k). However as at 31 March 2021, £47k remains outstanding</p> <p>There has been a requirement to increase the security arrangements at a cost of £50k for the St Martins Park site in Stamford. This additional cost will be met from the Regeneration Reserve</p> <p>Feasibility costs have been reduced by (£74k) due to a change of focus away from commercial investment and development opportunities. The approved reserve movement will also be reduced</p>	(1,074)
<p>Housing In-year vacancies of homeless prevention officers have resulted in under spends of (£40k). However this function is being supported by the Rough Sleeper initiative Cost of converting properties to homelessness accommodation during the pandemic has been lower than the expected amended budget provision by (£65k)</p>	(105)