

## Appendix A

### 2021/22 General Fund Revenue Significant Variance Analysis

<b>Commercial &amp; Operations</b>						
Service Area	Current Expenditure Budget	Current Income Budget	<b>2021/22 Current Budget</b>	2021/22 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	£	£	%
Building Control	937,201	(833,885)	<b>103,316</b>	73,080	(30,236)	(29.3%)
Commercial & Operations	273,765	0	<b>273,765</b>	264,750	(9,015)	(3.3%)
Community Resilience	103,959	0	<b>103,959</b>	106,700	2,741	2.6%
Corporate Operations	4,365,248	(2,121,743)	<b>2,243,505</b>	2,417,855	174,350	7.8%
Public Protection	1,733,726	(639,850)	<b>1,093,876</b>	1,089,350	(4,526)	(0.4%)
Street Scene	6,521,010	(2,089,395)	<b>4,431,615</b>	4,568,265	136,650	3.0%
<b>Total</b>	<b>13,934,909</b>	<b>(5,684,873)</b>	<b>8,250,036</b>	<b>8,520,000</b>	<b>269,964</b>	<b>3.3%</b>

<b>Explanation of Significant Variances</b>	<b>£'000</b>
<p><b>Corporate Operations</b></p> <p>Car parking – Current income levels compared to 2019/20 are 60% for Grantham and 85% for Stamford car parks, with occupancy rates still being impacted. Forecast income for December to March has been included at 60% for Grantham and 90% for Stamford, resulting in a total loss of income of £287k in year. This will partly be funded by the final co-losses income compensation scheme claim.</p> <p>Markets -The use of casual staff at both Grantham and Stamford market has been reviewed and resources have been realigned to create efficiency savings of (£31k).</p> <p>Community Fund – The budget carry forward approved for this programme has not been required for the three rounds completed in 2021/22.(£83k)</p> <p>Utilities – Anticipated forecast reduction in costs due to lower electricity and gas usage at both the Council Offices and South Kesteven House as the majority of staff continue to work from home (£25k)</p>	<b>174</b>
<p><b>Public Protection</b></p> <p>A reduction in taxi licensing income of £20k is expected due to Covid-19. Currently licence applications for hackney licences have reduced by 20% for drivers and 10% for vehicles as there has been less demand for this service during restrictions.</p> <p>Various in year vacancies have resulted in an underspend of (£41k).</p>	<b>(5)</b>
<p><b>Street Scene</b></p> <p>Commercial Waste – The service continues to grow with additional annual sales value being achieved but not at the budgeted level. This is partially offset by the costs not incurred of servicing the budgeted level of new customers e.g disposal costs</p>	<b>137</b>

Green Waste Collection – Additional income of (£59k) has been received with the service closed on 30 November for new customers for 2021/22. 30,481 households renewing their subscription for 2021/22 (29,641 in 2020/21) and 1,304 new households joining the service. 95.5% of these households made their payment online with 70.5% paying by direct debit.

Workshop – A combination of increase in price and quantity of consumables, external and specialist repair work in particular on end-of-life vehicles, in particular the food waste vehicle for £49k, has resulted in a forecast overspend of £160k. Further forecasting work is being undertaken in the service area and it is proposed this additional spend is funded by the Waste reserve.

<b>Corporate</b>						
Service Area	Current Expenditure Budget	Current Income Budget	2021/22 Current Budget	2021/22 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	£	£	%
Centralised & Business Support	488,800	(3,200)	<b>485,600</b>	418,700	(66,900)	(13.8%)
Communications	256,100	(4,300)	<b>251,800</b>	243,000	(8,800)	(3.5%)
Corporate	1,609,462	(67,500)	<b>1,541,962</b>	1,952,100	410,138	26.6%
Finance	1,310,700	(93,550)	<b>1,217,150</b>	1,257,950	40,800	3.4%
Human Resources	290,600	(5,800)	<b>284,800</b>	230,400	(54,400)	(19.1%)
ICT Services	2,061,658	(93,350)	<b>1,968,308</b>	1,788,690	(179,618)	(9.1%)
Legal & Democratic	2,061,350	(545,600)	<b>1,380,750</b>	1,401,800	21,050	1.5%
OD & Change	534,224	(33,000)	<b>501,224</b>	625,250	124,026	24.7%
Revenues & Benefits	20,330,674	(20,417,200)	<b>(86,526)</b>	(120,726)	(34,200)	39.5%
<b>TOTAL</b>	<b>28,808,568</b>	<b>(21,263,500)</b>	<b>7,545,068</b>	<b>7,797,164</b>	<b>252,096</b>	<b>3.3%</b>

<b>Explanation of Significant Variances</b>	<b>£'000</b>
<b>Centralised &amp; Business Support</b> Continuing reductions in postage, printing and advertising requirements during this year has resulted in a forecast under spend of (£68k). New ways of working have been incorporated into the budget setting process for 2022/23.	<b>(68)</b>
<b>Corporate</b> Procurement savings continue to be reviewed during the year although it is unlikely	<b>410</b>

that additional budgeted savings of £188k are achievable in 2021/22. Employee efficiencies of £300k are unlikely to be achieved during the year.	
<b>HR</b> In year vacancies has resulted in a forecast underspend of (£63k)	<b>(54)</b>
<b>ICT</b> As hybrid working arrangements and restrictions on working from home continue, additional hardware requirements in the offices have been postponed. A reserve movement to the ICT reserve will no longer be required in 2021/22, providing funding in future years. (£70k) In year vacancies have resulted in a forecast underspend of (£93k). Permanent recruitment is underway.	<b>(180)</b>
<b>Legal &amp; Democratic</b> Land Charges – The total of local searches has now reached pre Covid-19 levels although the split between chargeable full searches and non- chargeable personal searches has increased by 5% to 62% resulting in a forecast reduction in income of £30k.	<b>21</b>
<b>OD &amp; Change</b> Process automation projects are currently being reviewed so is unlikely to achieve savings of £170k in 2021/22. Reduced requirement and availability of training courses has resulted in a forecast under spend of (£45k)	<b>124</b>
<b>Revenues &amp; Benefits</b> In year vacancies of Revenues and Benefits officers has resulted in a forecast underspend of (£48k). Permanent recruitment has been undertaken.	<b>(34)</b>

<b>Growth &amp; Culture</b>						
Service Area	Current Expenditure Budget	Current Income Budget	2021/22 Current Budget	2021/22 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	£	£	%
Arts & Culture	2,927,220	(1,266,050)	<b>1,661,170</b>	1,601,860	(59,310)	(3.6%)
Development & Policy	1,538,748	(1,408,100)	<b>130,648</b>	297,248	166,600	127.5%
Growth Management	551,871	(293,663)	<b>258,208</b>	111,463	(146,745)	(56.8%)

Invest SK	370,000	0	<b>370,000</b>	370,000	0	0.0%
Leisure	3,394,100	(210,350)	<b>3,183,750</b>	3,226,384	42,634	1.3%
<b>Total</b>	<b>8,781,939</b>	<b>(3,178,163)</b>	<b>5,603,776</b>	<b>5,606,955</b>	<b>3,179</b>	<b>0.1%</b>

<b>Explanation of Significant Variances</b>	<b>£'000</b>
<p><b>Arts Centres</b></p> <p>An additional successful Cultural Recovery grant application award of (£100k) will be utilised to partially support the phased reopening of the venues as they offer a reduced programme during 2021/22. In year vacancies across a number of posts (£94k) and a forecast reduction of spend on District festivals of (£146k), the above grant and job retention scheme claims of £50k to the end of September when the scheme ceased has achieved a balanced position for the year.</p>	<b>(59)</b>
<p><b>Development &amp; Policy</b></p> <p>There has been a reduced number of major planning application throughout the year which typically have significant planning application fees, resulting in an income forecast reduction of £110k. The number of non-major applications have remained consistent with previous years.</p> <p>Planning Performance Agreements (PPA) - Predicted income to ensure cost recovery has been reduced by £35k to reflect the reduced number of PPAs received compared to budgeted. There is increased monitoring to ensure the income received reflects the total cost to the Council, especially where external consultants have been utilised and costs ending up higher than originally anticipated.</p>	<b>167</b>
<p><b>Growth Management</b></p> <p>In year vacancies have resulted in a forecast under spend of (£100k)</p> <p>Vacant office space - Reduction in running costs of units whilst they remain vacant (£47k)</p>	<b>(146)</b>

<b>Housing &amp; Property</b>						
Service Area	Current Expenditure Budget	Current Income Budget	2021/22 Current Budget	2021/22 Forecast Outturn	Forecast Variance	Forecast Variance
	£	£	£	£	£	%
Assets & Estates	1,645,131	(1,150,150)	<b>494,981</b>	405,300	(89,681)	(18.1%)
Housing	1,232,750	(665,251)	<b>567,499</b>	593,399	25,900	4.6%
<b>TOTAL</b>	<b>2,877,881</b>	<b>(1,815,401)</b>	<b>1,062,480</b>	<b>998,699</b>	<b>(63,781)</b>	<b>(6.0%)</b>

<b>Explanation of Significant Variances</b>	<b>£'000</b>
<p><b>Assets &amp; Estates</b></p> <p>Reduction in running costs of St Martin's Park during the master planning of this project has resulted in a forecast reduction of (£114k). This is offset by a reduced reserve movement from the Regeneration reserve.</p>	<p><b>(90)</b></p>