



# Northumberland

## County Council

### CABINET

9 March 2021

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## **Financial Performance 2020-21 - Position at the end of December 2020**

Report of Chris Hand, Executive Director of Finance

Cabinet Member: Nicholas Oliver, Portfolio Holder for Corporate Services

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### **1. Purpose of report**

- 1.1 The purpose of the report is to ensure that the Cabinet is informed of the current financial position for the Council against the Budget for 2020-21.

### **2. Recommendations**

- 2.1 Members are requested to:

- a. note the report.
- b. note the projected underspend of £0.309 million and the assumptions outlined in this report.
- c. note the Covid-19 pressures currently identified, and that significant costs have been charged to the Covid-19 grant; including: the cost of the Improvement and Innovation Team (£1.160 million) which has supported Covid-19 related activities during 2020-21; and the cost of school portacabins procured during the year (£1.181 million).
- d. note that the Council will receive further funding in relation to the income that the Council has “lost” as a result of Covid-19. A claim of £1.962 million has been made for April to November. It is anticipated that £2.223 million will be received for the financial year.
- e. approve a further net re-profiling of £8.470 million to the capital programme; £13.291 million from 2020-21 to 2021-22; and £4.821 million from 2021-22 to 2020-21 to reflect estimated expenditure levels in the current financial year.
- f. approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets.
- g. note the progress on the delivery of the approved savings at Appendix B.

- h. approve financial support for Active Northumberland to fund the 20% furlough top up from 1 April to 30 June 2020 of £0.386 million and up to £3.744 million for the impact of Covid-19 from the Covid-19 grant income.
- i. approve the following which are assumed in the forecast position:
  - o Create a reserve of £0.250 million to meet repair and maintenance costs at a property that the Council leases where the leasing agreement will end during 2021. There is a requirement for the Council to restore the premises to its original condition as part of the leasing agreement. This is an estimate of the cost of the work, and it is prudent for the Council to set funding aside to cover this expenditure. It is proposed that the utilisation of this reserve is delegated to the Head of Property Services in conjunction with the Council's Section 151 Officer.
  - o Create a Collection Fund Smoothing Reserve of £25.795 million, £5.296 million from Council funds. As a result of Covid-19 the Council is estimating a Collection Fund deficit in relation to Council Tax and Business Rates. Government funding will be forthcoming to cover some of this; however, the balance needs to be met by the Council. The Government will allow this deficit to be recovered over a period of 3 years and this has been built into the Council's 2021-22 Budget and Medium-Term Financial Plan. It is prudent for the Council to set this sum aside in the current financial year. The final contribution to this reserve will be determined when the 2020-21 year-end position within the Collection Fund is calculated.
  - o Create a reserve to support businesses during the Covid-19 recovery period totalling £2.322 million. This is the funding received from the Business Rates pooling exercise which the Council participated in with the other North of Tyne local authorities. The money is to be utilised to support economic growth. It is proposed that the utilisation of this reserve is delegated to the Executive Director of Regeneration, Commercial & Economy and the Council's Section 151 Officer.
  - o Realign the outstanding debt position and increase the Bad Debt Provision at a cost of £0.674 million.
  - o Create a Restructuring Reserve of £1.000 million. This reserve will fund the one-off voluntary severance staffing costs required to support the Council's transformation agenda. All costs will be signed off by the relevant Executive Director and the Council's Section 151 Officer.
  - o Create a reserve of £11.100 million to support Council-commissioned services during the Covid-19 recovery and Advance

Northumberland in relation to financial pressures arising from the Covid-19 pandemic. It is proposed that the utilisation of this reserve is delegated to the Section 151 Officer in conjunction with the Head of Paid Service and Leader of the Council.

### **3. Link to Corporate Plan**

- 3.1 The Council's budget is aligned to the priorities outlined in the Corporate Plan 2018-21 "A Council that Works for Everyone".

### **4. Key issues**

#### **4.1 Overall Position**

- 4.1.1 The report provides information and analysis on the Council's financial performance and use of resources to the end of December 2020. The Council set its budget for 2020-21 on 19 February 2020 and this report focuses on the financial performance to the end of December 2020 and the projected year end position at that point in time.

### **5. Projected Revenue Outturn 2020-21**

- 5.1 The Council's projected revenue outturn position at the end of December, within each service area is shown in summary at Section 6 of the report (figures in brackets denote an underspend); and in detail within Appendices C - N of the report.
- 5.2 The Council's overall annual revenue expenditure is managed across a number of areas:
- a. The General Fund with a net budget of £314.648 million, providing revenue funding for the majority of the Council's services;
  - b. The Dedicated Schools Grant (DSG) of £139.563 million in 2020-21, which is ring-fenced for schools funding, overseen by the Schools' Forum, and managed within the Children's Services Directorate;
  - c. Public Health, a ring-fenced grant of £16.710 million in 2020-21, must be spent to support the delivery of the Public Health Outcomes Framework and is managed within the Adult Social Care and Commissioning Directorate;
  - d. The Housing Revenue Account (HRA) with anticipated gross expenditure of £36.543 million in 2020-21, is ring-fenced, and reported separately from the General Fund, and is managed within the Economy, Regeneration and Commercial Directorate.

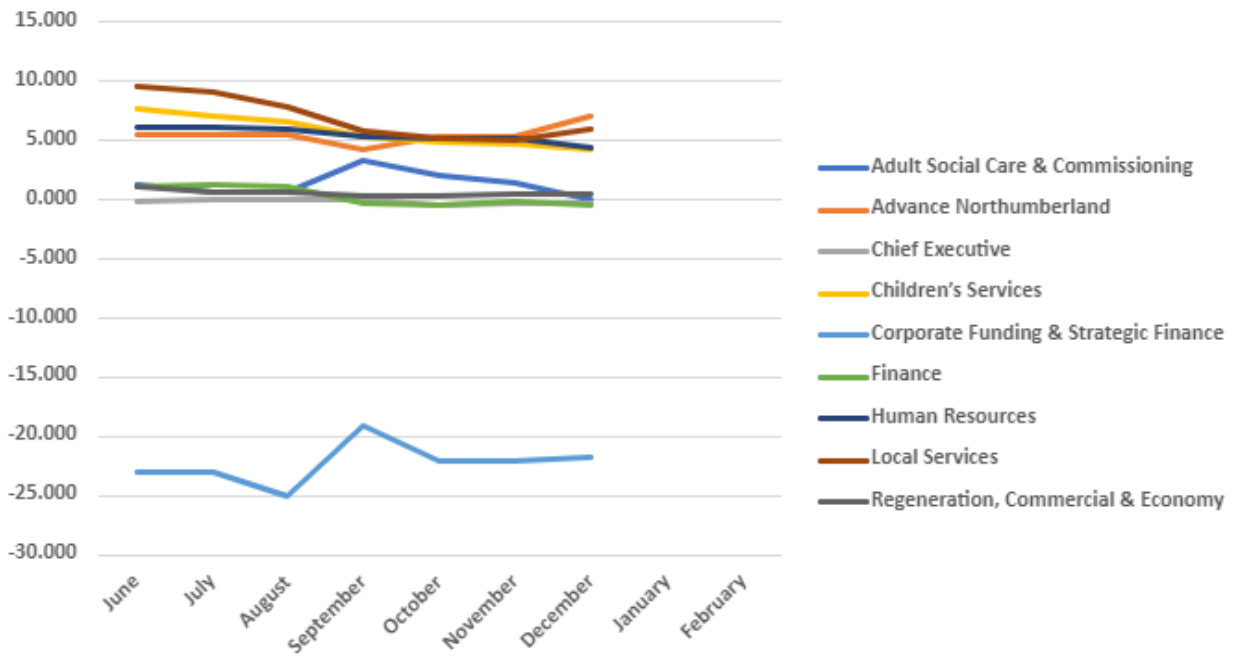
### **6. General Fund**

- 6.1 The following table provides a summary of how each Directorate is performing against the General Fund revenue budget for the 2020-21 financial year.

Service	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
	£m	£m	£m	£m	£m
Adult Social Care & Commissioning	99.356	99.454	0.098	(8.080)	8.178
Chief Executive	2.004	1.775	(0.229)	(0.229)	0.000
Children's Services	62.795	67.029	4.234	(0.369)	4.603
Finance	42.367	41.862	(0.505)	(2.858)	2.353
Human Resources	22.643	27.051	4.408	(0.598)	5.006
Local Services	72.131	78.103	5.972	0.392	5.580
Regeneration, Commercial & Economy	7.321	7.750	0.429	(0.475)	0.904
<b>Total Services</b>	<b>308.617</b>	<b>323.024</b>	<b>14.407</b>	<b>(12.217)</b>	<b>26.624</b>
Corporate Expenditure and Income	6.031	9.265	3.234	(4.900)	8.134
<b>Total Net Expenditure</b>	<b>314.648</b>	<b>332.289</b>	<b>17.641</b>	<b>(17.117)</b>	<b>34.758</b>
<b>Budget funded by:</b>					
Council Tax	(200.886)	(200.886)	0.000	0.000	0.000
Retained Business Rates	(78.837)	(81.039)	(2.202)	(2.202)	0.000
Revenue Support Grant	(10.451)	(10.451)	0.000	0.000	0.000
Other Corporate Grants	(28.850)	(49.349)	(20.499)	0.000	(20.499)
Strategic Management Reserve	(2.160)	(1.000)	1.160	0.000	1.160
Other Earmarked Reserves	0.000	33.117	33.117	12.618	20.499
General Fund Reserve	6.536	6.536	0.000	0.000	0.000
Covid-19 Grant – Pressures	0.000	(24.981)	(24.981)	0.000	(24.981)
Covid-19 Grant – Sales, fees & charges	0.000	(2.223)	(2.223)	0.000	(2.223)
Business Rates Pool Growth	0.000	(2.322)	(2.322)	(2.322)	0.000
<b>Total Funding of Services</b>	<b>(314.648)</b>	<b>(332.598)</b>	<b>(17.950)</b>	<b>8.094</b>	<b>(26.044)</b>
<b>Net Total</b>	<b>-</b>	<b>(0.309)</b>	<b>(0.309)</b>	<b>(9.023)</b>	<b>8.714</b>

6.2 The following graph provides a trend analysis of the forecast outturn, by directorate over the year to date:

### 2020-21 Monthly Budget Monitoring Forecasts (£ million)



## 7. Other General Fund Items

7.1 During October to December 2020 the following has been released from the contingency:

	2020-21	2021-22
	£	£
Recurrent Items	893,530	127,020
Non-recurrent Items	827,860	99,310

\* This is the full year effect of the 2020-21 approvals

7.2 Appendix A is a schedule of all new grants and amendments to existing grants (capital and revenue) which the Council has been awarded during October to December 2020. In summary they are as follows:

Directorate	Grant Awarding Body	Grant	£
Adult Social Care & Commissioning	Department of Health and Social Care	Additional Test and Trace Service Support – LA7 Tranche 2	684,096
Adult Social Care & Commissioning	Department of Health and Social Care	Contain Outbreak Management Funding	1,612,170
Adult Social Care & Commissioning	Department of Health and Social Care	Contain Outbreak Management Funding – Tier 2 Allocation	967,302
Adult Social Care & Commissioning	Department of Health and Social Care	Contain Outbreak Management Funding – December Allocation	1,289,736
Chief Executive's	Department for Work & Pensions	Covid-19 Winter Grant Scheme	992,515
Corporate Funding	Ministry of Housing, Communities & Local Government	Covid-19 Support Grant – Tranche 4	3,164,059
Finance	Department for Business, Energy & Industrial Strategy	Local Restrictions Support Grants	17,922,780

Directorate	Grant Awarding Body	Grant	£
Finance	Department for Business, Energy & Industrial Strategy	Local Restrictions Support Grants	43,335,946
Finance	Ministry of Housing, Communities & Local Government	Test & Trace Self-Isolation Funding	261,353
Finance	Ministry of Housing, Communities & Local Government	New Burdens - Business Rates and Council Tax Admin Grant	40,984
Finance	Department for Business, Energy & Industrial Strategy	New Burdens - Covid-19 Business Grants Admin	101,250
Local Services	North East Combined Authority	Additional Dedicated Home to School and College Transport	Maximum up to 1,050,000
Regeneration, Commercial and Economy	Department for Transport	Northumberland Line Passenger Service Reinstatement Scheme	5,000,000
Regeneration, Commercial and Economy	Ministry of Housing, Communities & Local Government	Cold Weather Fund Grant (2020-21)	Maximum up to 10,000
Regeneration, Commercial and Economy	Ministry of Housing, Communities & Local Government	Cold Weather Fund	10,860

7.3 The Council at its meeting in February agreed to implement a range of savings and efficiencies totalling £9.800 million in 2020-21. A recent review of the delivery of those savings has been conducted and the results are illustrated at Appendix B.

**8. Ring-fenced Accounts - Dedicated Schools' Grant (DSG) - £0.231 million forecast overspend**

2020-21 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Dedicated Schools' Grant	141.411	(141.411)	0.000	0.231	0.231

- 8.1 In 2020-21, the Council expects to receive Dedicated Schools' Grant totalling £139.563 million, which is ring-fenced and will be passported through to fund schools; with an element retained centrally by the Council to provide a range of support to schools. Schools that have transferred to academy status receive their funding directly from the Department for Education – this amounts to a further £103.835 million for 2020-21.
- 8.2 There was a deficit of £0.607 million carried forward from 2019-20 and the 2020-21 grant allocation must be used to offset this position before any new commitments for the current year.
- 8.3 Despite a rise in school funding for 2020-21, there are 29 schools that are currently predicting a deficit position, of which 22 schools have an approved licensed deficit, 4 schools have a minor deficit of less than 0.05% of their budget; and work is ongoing with the remaining 5 schools to work towards an achievable budget recovery plan.
- 8.4 The School Reserve has been reducing gradually each year as schools rely on their individual reserves to support their annual running costs and maintained schools convert to academy status. For 2020-21 it is expected schools across all phases (except High Schools) will reduce their reserves by a further £0.465 million. There are two High Schools with significant deficits and budget recovery plans in place which should see an increase of £0.882 million in their reserves overall.

	Closing School Reserve	Closing School Reserve	Estimated School Reserve
	2018-19	2019-20	2020-21
	£m	£m	£m
Primary/First	3.057	2.381	2.215
Middle	0.871	0.714	0.578
Secondary/High	(1.503)	(1.669)	(0.787)
Special/PRU	1.095	0.872	0.709
<b>Overall</b>	<b>3.520</b>	<b>2.298</b>	<b>2.715</b>

- 8.5 The Covid-19 pandemic has had a significant impact on the financial position for some schools due to increased staffing, cleaning and PPE costs. All



schools have now received a Covid-19 Catch-up Premium grant and the settlement for exceptional costs for the Summer term. Further guidance is awaited from the Department of Education regarding claiming for additional costs incurred during the Autumn term and beyond.

## 9. Ring-fenced Accounts - Public Health

- 9.1 The Council's Public Health service will receive grant funding of £16.710 million in 2020-21. This funding is ring-fenced for the provision of services to improve the health of the local population and reduce health inequalities.
- 9.2 The terms of the grant allow unspent allocations to be carried over into the next financial year. Public Health carried forward a reserve of £5.039 million to the financial year 2020-21; £4.629 million carried over from previous years underspends and £0.410 million from the 2019-20 allocation.
- 9.3 The plan was to utilise £0.563 million from the Public Health reserve in 2020-21 to support service delivery. An additional £0.006 million has been utilised from the Public Health reserve during the year to fund the higher than previously budgeted pay award.
- 9.4 Additional funding of £1.000 million has been allocated to Children's Services to support the provision of Public Health services in Sure Start Centres and is included in the forecast outturn position below. An additional £0.352 million has been utilised from the Public Health reserve to part fund the allocation.
- 9.5 The summary below analyses the planned Public Health expenditure:

	<b>Current Budget</b>	<b>Forecast Outturn</b>	<b>Variance</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Staffing and Support Costs	1.228	1.228	-
Stop Smoking Initiatives	0.684	0.684	-
Drug & Alcohol Services	3.841	3.841	-
Sexual Health Services	1.908	1.908	-
0-19 Public Health Services	6.273	6.273	-
Other Health Initiatives	3.697	3.697	-
<b>Total Variances in Public Health</b>	<b>17.631</b>	<b>17.631</b>	<b>-</b>

**10. Ring-fenced Accounts - Housing Revenue Account (HRA) - £0.132 million forecast underspend**

2020-21 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Housing Revenue Account	37.772	(38.214)	(0.442)	(0.574)	(0.132)

10.1 The HRA is forecast to underspend by £0.132 million and the details explaining the factors leading to this variance are contained within Appendix N.

**11. CAPITAL PROGRAMME**

11.1 The capital programme for 2020-21 totalling £234.936 million was agreed by full Council on 19 February 2020.

11.2 The capital programme has changed during the year as the phasing of schemes was reviewed at the end of the previous financial year with £11.119 million re-profiled from 2019-20 to 2020-21 and two mid-year reviews resulting in a net in-year reprofiling of £97.658 million from 2020-21 to 2021-22. In addition, further approvals totalling £24.636 million for additional schemes and resourcing has been agreed.

11.3 The following table sets out the position as at the end of December:

Directorate	2020-21 Approved Budget Full Council 19.02.20	Approved Adjustments	Revised 2020-21 Budget	Expenditure to date	Forecast Expenditure	Net Variance	Over / (Under) spend	Reprofiling
	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care & Commissioning	2.224	(0.704)	1.520	0.501	1.152	(0.368)	-	(0.368)
Chief Executive's	4.627	(4.627)	-	-	-	-	-	-
Children's Services	71.739	(19.589)	52.150	40.344	52.224	0.074	0.094	(0.020)
Finance	49.290	(24.159)	25.131	13.034	24.761	(0.370)	(0.420)	0.050
Human Resources & OD	18.041	(7.817)	10.224	8.508	10.824	0.600	-	0.600
Local Services	48.249	8.304	56.553	30.714	50.543	(6.010)	(0.638)	(5.372)
Regeneration, Commercial and Economy	40.766	(13.311)	27.455	11.465	23.739	(3.716)	(0.356)	(3.360)
<b>Total Programme</b>	<b>234.936</b>	<b>(61.903)</b>	<b>173.033</b>	<b>104.566</b>	<b>163.243</b>	<b>(9.790)</b>	<b>(1.320)</b>	<b>(8.470)</b>
<b>Financed by:</b>								
Capital Receipts	4.671	-	4.671					
External Grants	57.663	5.492	63.155					
GF Borrowing	149.771	(53.921)	95.850					
GF Revenue Contributions (RCCO)	0.755	-	0.755					
HRA Borrowing	5.940	(5.940)	0.000					
HRA Contributions (MRR & RCCO)	16.136	(7.534)	8.602					
<b>Total Financing</b>	<b>234.936</b>	<b>(61.903)</b>	<b>173.033</b>					

11.4 Year-to-date capital expenditure is £104.566 million. The major areas of capital investment during the year to date are as follows:

- a. £26.973 million invested in transport schemes including infrastructure, traffic management and integrated transport schemes.
- b. £40.344 million invested in school buildings, including the construction of new schools at Hexham and Ponteland.

- c. £4.535 million invested in fleet replacement.
  - d. £9.152 million invested in leisure facilities.
  - e. £3.815 million invested in the Council's housing stock.
- 11.5 There is a net forecast underspend of £9.790 million across the 2020-21 Capital Programme comprising of £8.470 million reprofiling (£13.291 million from 2020-21 to 2021-22 and £4.821 million from 2021-22 to 2020-21) and £1.320 million underspend. A summary of the significant variances can be found at Appendix O.
- 11.6 It is recommended that Cabinet approves a net reprofiling movement of £8.470 million; £13.291 million from 2020-21 to 2021-22; and £4.821 million from 2021-22 to 2020-21.

## 12. Capital Receipts

- 12.1 The level of 2020-21 Capital Receipts available to support the 2020-21 capital programme was estimated to be £4.671 million (after costs and HRA pooling). The in-year position is currently difficult to assess. However, the maximum receipts estimated to be achieved during this financial year is £1.000 million. Covid-19 has had a major effect on the confidence of occupiers and investors to commit to property deals nationally and locally and this has had an impact on the Council. For the proportion of the capital receipts not achieved then replacement borrowing would be required, at an estimated cost of £0.051 million per £1.000 million of additional borrowing required. The disposal programme has to date achieved minimal General Fund gross cash receipts during the year and the following table demonstrates the current position with regard to asset disposals:

General Fund Capital Receipts Activity During 2020-21	Actual £m
Completed and available for use in year	0.244
On the market	1.365
Terms Agreed	2.014
Contracts exchanged	0.575

- 12.2 The closing balance on the capital receipts reserve at 31 March 2020 was £3.102 million. This is available to support the capital programme in 2020-21.

### 13. TREASURY MANAGEMENT

13.1 The Treasury Management Strategy Statement for 2020-21 was agreed by full Council on 19 February 2020.

13.2 The following table summarises the Council's in-month borrowing activity for December 2020:

	Previous Month	Movement December 2020	Current
Outstanding principal - at month end (£m)	764.708	5.750	770.458
Weighted average interest rate - year to date (%)	2.982	(0.029)	2.953
Month end external borrowing as % of Operational Boundary (Borrowing)	75.931	0.571	76.502

13.3 Whilst the Council has an overall cap on borrowing through an Authorised Limit, the Operational Boundary is where the Council would expect its borrowing to be. At the end of December 2020, the Council's external borrowing represented 76.50% of its Operational Boundary, which was approved as part of the Treasury Management Strategy for 2020-21. The Operational Boundary is only a guide and may be breached or undershot without significant concern, with borrowings driven by economic and market considerations as well as interest rates.

13.4 The following table provides an analysis by type of the in-month borrowing activity for December 2020:

Lender Category	Repayment Type	Opening Balance	Repaid – December 2020	New Borrowing December 2020	Closing Balance
		£m	£m	£m	£m
PWLB	EIP	16.752	(3.250)	-	13.502
PWLB	Annuity	0.624	-	-	0.624
Salix	EIP	0.028	-	-	0.028
PWLB	Maturity	445.704	-	-	445.704
Other Local Authorities	Maturity	56.000	(16.000)	25.000	65.000
Other/Market	Maturity	245.600	-	-	245.600
<b>Total</b>		<b>764.708</b>	<b>(19.250)</b>	<b>25.000</b>	<b>770.458</b>

13.5 The following table summarises the Council's in-month investment activity for December 2020:

	Previous Month	Movement December 2020	Current
Outstanding principal - at month end (£m)	179.850	(12.170)	167.680
Weighted average interest rate - year to date (%)	0.809	(0.014)	0.795

13.6 The following table provides an analysis by type of the in-month investment activity for December 2020:

Category	Opening Balance	Repaid – December 2020	New Investment December 2020	Closing Balance
	£m	£m	£m	£m
Term Deposit Banks	10.000	-	-	10.000
Term Deposit Building Societies	5.000	-	-	5.000
Term Deposit Other Local Authorities	38.250	-	10.000	48.250
Money Market Funds	96.600	(68.800)	46.630	74.430
Notice Accounts	30.000	-	-	30.000
<b>Total</b>	<b>179.850</b>	<b>(68.800)</b>	<b>56.630</b>	<b>167.680</b>

13.7 The new investments made during December 2020 consisted of:

- £10.000 million fixed term deposit (at a rate of 0.050%) with a local authority.

There was a net repayment of Money Market Funds of £22.170 million. The movement in the Money Market Funds represents daily deposits and withdrawals to manage cashflow.

## Implications

<b>Policy</b>	This is the fourth year of this Administration's Medium-Term Financial Plan; and, it fully supports the priorities outlined in the Corporate Plan 2018-21 - A Council that Works for Everyone.
<b>Finance and value for money</b>	The report is of a financial nature and the detail is contained within the body of the report.
<b>Legal</b>	There are no specific legal implications within this report.
<b>Procurement</b>	There are no specific procurement implications within this report.
<b>Human Resources</b>	There are no specific human resources implications within this report.
<b>Property</b>	There are no specific property implications within this report.
<b>Equalities</b> (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	There are no specific equalities implications within this report.
<b>Risk Assessment</b>	The risks associated with the budget were considered in February 2020 and were considered to be acceptable.
<b>Crime &amp; Disorder</b>	There are no specific crime and disorder implications within this report.
<b>Customer Consideration</b>	There are no specific customer consideration implications within this report.
<b>Carbon reduction</b>	There are no specific carbon reduction implications within this report.
<b>Health &amp; Wellbeing</b>	The Council's budget is founded on the principle of promoting inclusivity.
<b>Wards</b>	All wards.

## Background papers

Cabinet 11 February 2020 and Council 19 February 2020: Medium Term Financial Plan and 2020-22 and Budget 2020-21.

## Report sign off

	<b>Name</b>
Deputy Monitoring Officer/Legal	Wendy Trainor
Executive Director of Finance & Section S151 Officer	Chris Hand
Relevant Executive Director	Chris Hand
Chief Executive	Daljit Lally
Portfolio Holder(s)	Nick Oliver

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**Schedule of New Grants and Amendments to Existing Grants**

**Appendix A**

<b>Directorate:</b>	Adult Social Care & Commissioning
<b>Grant Awarding Body:</b>	Department of Health and Social Care
<b>Name of Grant:</b>	Additional Test and Trace Service Support Grant – LA7 Tranche 2
<b>Purpose:</b>	To provide support towards expenditure incurred in relation to the mitigation against and management of local outbreaks of Covid-19
<b>Value:</b>	£684,096
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	November

<b>Directorate:</b>	Adult Social Care & Commissioning
<b>Grant Awarding Body:</b>	Department of Health and Social Care
<b>Name of Grant:</b>	Contain Outbreak Management Fund
<b>Purpose:</b>	To support local test, trace and contain activities as well as wider measures to protect public health and local economies.
<b>Value:</b>	£1,612,170
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	November 2020

<b>Directorate:</b>	Adult Social Care & Commissioning
<b>Grant Awarding Body:</b>	Department of Health and Social Care
<b>Name of Grant:</b>	Contain Outbreak Management Fund – Tier 2 Allocation
<b>Purpose:</b>	To support local test, trace and contain activities as well as wider measures to protect public health and local economies.
<b>Value:</b>	£967,302
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	November



<b>Directorate:</b>	Adult Social Care & Commissioning
<b>Grant Awarding Body:</b>	Department of Health and Social Care
<b>Name of Grant:</b>	Contain Outbreak Management Fund – December Allocation
<b>Purpose:</b>	To support local test, trace and contain activities as well as wider measures to protect public health and local economies.
<b>Value:</b>	£1,289,736
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	November

<b>Directorate:</b>	Chief Executive's
<b>Grant Awarding Body:</b>	Department for Work & Pensions
<b>Name of Grant:</b>	Covid-19 Winter Grant Scheme
<b>Purpose:</b>	To provide direct assistance to vulnerable households and families with children particularly affected by the pandemic.
<b>Value:</b>	£992,515
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	December 2020

<b>Directorate:</b>	Corporate Funding
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities & Local Government
<b>Name of Grant:</b>	Covid-19 Support Grant – Tranche 4
<b>Purpose:</b>	To help fund the additional costs and lost income incurred by local authorities, as a result of the Covid-19 pandemic.
<b>Value:</b>	£3,164,059
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	November 2020

<b>Directorate:</b>	Finance
<b>Grant Awarding Body:</b>	Department for Business, Energy & Industrial Strategy
<b>Name of Grant:</b>	Local Restrictions Support Grant
<b>Purpose:</b>	To provide support to businesses that were impacted by local Covid-19 alert levels and subsequent restrictions
<b>Value:</b>	£17,922,780
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	November 2020

<b>Directorate:</b>	Finance
<b>Grant Awarding Body:</b>	Department for Business, Energy & Industrial Strategy
<b>Name of Grant:</b>	Local Restrictions Support Grant
<b>Purpose:</b>	To provide support to businesses that were impacted by local Covid-19 alert levels and subsequent lockdown
<b>Value:</b>	£43,335,946
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	December 2020

<b>Directorate:</b>	Finance
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities & Local Government
<b>Name of Grant:</b>	Self-isolation payments funding
<b>Purpose:</b>	To offer financial support payments to those who have been instructed to self-isolate by NHS Track and Trace or the NHS Covid-19 App
<b>Value:</b>	£261,353
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	November 2020

<b>Directorate:</b>	Finance
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities & Local Government
<b>Name of Grant:</b>	Business Rates and Council Tax New Burden Admin Grant
<b>Purpose:</b>	Funding for the administration of the Business Rates Discount Schemes and Council Tax Hardship Fund
<b>Value:</b>	£40,984
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	December 2020

<b>Directorate:</b>	Finance
<b>Grant Awarding Body:</b>	Department for Business, Energy & Industrial Strategy
<b>Name of Grant:</b>	Business Rates and Council Tax New Burden Admin Grant
<b>Purpose:</b>	Funding for the administration of the Business Grants Schemes
<b>Value:</b>	£101,250
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	December 2020

<b>Directorate:</b>	Local Services
<b>Grant Awarding Body:</b>	North East Combined Authority
<b>Name of Grant:</b>	Department for Education – Additional Dedicated Home to School and College Transport
<b>Purpose:</b>	To assist with the provision of additional transport capacity for journeys to school and college during the period September to December
<b>Value:</b>	Maximum up to £1,050,000
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	September to December

<b>Directorate:</b>	Regeneration, Commercial and Economy
<b>Grant Awarding Body:</b>	Department for Transport
<b>Name of Grant:</b>	Department for Transport – Northumberland Line Passenger Service Reinstatement Scheme
<b>Purpose:</b>	To assist in the preparation of a Business Case and scheme design products necessary to enable a Decision to Deliver the Northumberland Line Passenger Service Reinstatement Scheme
<b>Value:</b>	£5,000,000
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	September to March

<b>Directorate:</b>	Regeneration, Commercial and Economy
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities & Local Government
<b>Name of Grant:</b>	Cold Weather Fund Grant (2020-21)
<b>Purpose:</b>	Support to get rough sleepers off the streets during the winter.
<b>Value:</b>	Up to a maximum of £10,000
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	April 2021 - Paid retrospectively

<b>Directorate:</b>	Regeneration, Commercial and Economy
<b>Grant Awarding Body:</b>	Ministry of Housing, Communities & Local Government
<b>Name of Grant:</b>	Cold Weather Fund
<b>Purpose:</b>	Support to get rough sleepers off the streets during the winter.
<b>Value:</b>	£10,860
<b>Recurrent/Non-recurrent:</b>	Non-Recurrent
<b>Profiling:</b>	June 2020

## Savings Analysis

## Appendix B

	2020-21					Total
	£m	£m	£m	£m	£m	£m
Adults	-	-	-	-	3.014	3.014
Children's	1.276	-	-	-	1.766	3.042
Finance	-	-	-	0.183	0.229	0.412
HR & OD	-	-	0.100	-	0.300	0.400
Local Services	0.698	-	0.086	0.894	1.091	2.769
Regeneration, Commercial & Economy	0.020	0.180	-	-	(0.037)	0.163
<b>Total</b>	<b>1.994</b>	<b>0.180</b>	<b>0.186</b>	<b>1.077</b>	<b>6.363</b>	<b>9.800</b>

### Key

Purple - unlikely that saving will be achieved in the year
Red - plans not in place or not fully developed
Amber - plans in place - awaiting delivery
Yellow - plans in place, progressing well, high confidence level that activities and savings will be delivered
Green - fully delivered - both activities and savings

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Adult Services

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Commissioned Services	66.918	70.546	72.553	2.007	(6.038)	8.045
In-house Services	9.930	8.793	8.095	(0.698)	(0.713)	0.015
Care Management	12.492	13.666	12.926	(0.740)	(0.826)	0.086
Support & Other Services	6.412	6.351	5.880	(0.471)	(0.503)	0.032
<b>Total Adult Services</b>	<b>95.752</b>	<b>99.356</b>	<b>99.454</b>	<b>0.098</b>	<b>(8.080)</b>	<b>8.178</b>

## NOTES - Predicted Year End Variances of £0.250 million or more

The main reasons for the forecast position for Adult Services are outlined below:

- a. Commissioned Services is forecast to overspend by £2.007 million. This is due to the following:
  - i. It is forecast that Commissioned Services will incur additional expenditure of £7.575 million supporting external providers in response to Covid-19. This includes £5.416 million to increase fees by a minimum of 5% to the end of the financial year; £0.500 million held to cover potential additional cost pressures; and £1.659 million for the provision of PPE;
  - ii. It is anticipated that £0.470 million income will be lost as a result of Covid-19. An uplift to client charging rates was put on hold temporarily to help service users; and, came into effect in October rather than April as budgeted. In addition, there was a loss of client contributions for day care whilst the service was suspended during lockdown but payments to providers continued in order to support the market; and,
  - iii. The arrangement where NHS England funded the social care provision for people being discharged from hospital during the Covid-19 crisis ended on 31 August 2020, although some funding is still in place until the backlog of care assessments is complete. Any additional interim care packages will be funded by NHS England for up to 6 weeks. Due to the unprecedented level of turnover in purchased care in the first half of the year an

underspend of £6.038 million is forecast.

- b. In-House Services is forecast to underspend by £0.698 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.381 million. During the temporary suspension of day care services due to Covid-19, there has been no requirement to fill vacant posts. In addition, the day care staff have been used to provide support in other areas of In-House services reducing the need for overtime and the use of casual staff in those areas;
  - ii. It is anticipated that income will be £0.158 million in excess of budget. This income is received from Northumberland CCG for service users who have been assessed as being eligible for Continuing Health Care or Section 117 funding;
  - iii. Non-staffing related budgets are forecast to underspend by £0.451 million. The temporary closure of day care services has resulted in a forecast underspend of £0.249 million in relation to catering provisions, client transport, vehicle hire and fuel; and,
  - iv. The unprecedented reduction in the level of purchased care has limited the need for support from the Short-Term Support Service resulting in a shortfall of recharge income of £0.292 million.
- c. Care Management is forecast to underspend by £0.740 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.504 million as a result of vacant posts. Additional costs of £0.083 million have been paid which relate to allowances and additional hours worked by staff to support the response to Covid-19; and,
  - ii. The Social Care in Prisons Grant is forecast to underspend by £0.135 million. Support for this service is being provided by other areas of Adult Services where the expenditure is already being incurred and forecast.
- d. Support & Other Services is forecast to underspend by £0.471 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.283 million as a result of vacant posts; and,
  - ii. Income from deputyship fees is forecast to be £0.101 million more than budget due to the increased level of vulnerable people who require help making decisions regarding their welfare and/or financial affairs.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Appendix D

### Forecast Revenue Outturn - Detailed budget summary by Service

Service: Adult Services: Public Health

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Public Health	(0.410)	0.000	0.000	0.000	0.000	0.000
<b>Total Public Health</b>	<b>(0.410)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

#### NOTES - Predicted Year End Variances of £0.250 million or more

There are no significant variances to report.



## Appendix E

### Forecast Revenue Outturn - Detailed budget summary by Service

Service: Chief Executive

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Chief Executive	0.312	0.324	0.345	0.021	0.021	0.000
Transformation	(0.582)	0.014	0.014	0.000	0.000	0.000
Improvement & Innovation	1.482	1.666	1.416	(0.250)	(0.250)	0.000
<b>Total Chief Executive</b>	<b>1.212</b>	<b>2.004</b>	<b>1.775</b>	<b>(0.229)</b>	<b>(0.229)</b>	<b>0.000</b>

#### NOTES - Year End Variances of £0.250 million or more

The forecast underspend within Improvement and Innovation is due to vacancies in the staffing structure during the early part of the year.

## Appendix F

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Children's Services: Children's Social Care

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Adolescent Services	3.643	3.596	3.185	(0.411)	(0.440)	0.029
Family Placement	11.100	11.939	11.970	0.031	(0.497)	0.528
Purchase Budgets	7.097	4.250	8.696	4.446	2.062	2.384
Early Intervention and Prevention	4.590	4.949	3.551	(1.398)	(1.348)	(0.050)
Local Children's Safeguarding Board	0.097	0.125	0.063	(0.062)	(0.062)	0.000
Looked after Children	3.235	3.403	3.965	0.562	(0.398)	0.960
Social Work Teams	9.212	9.533	9.597	0.064	0.322	(0.258)
District Admin Offices	0.640	0.893	0.812	(0.081)	(0.081)	0.000
Family and Disability Services	2.573	2.717	2.720	0.003	0.163	(0.160)
Safeguarding Standards	1.111	1.176	1.103	(0.073)	(0.073)	0.000
Other Children's Services	2.228	2.224	1.844	(0.380)	(0.380)	0.000
<b>Total Children's Social Care</b>	<b>45.526</b>	<b>44.805</b>	<b>47.506</b>	<b>2.701</b>	<b>(0.732)</b>	<b>3.433</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Children's Social Care are outlined below:

- a. The Adolescent Services budgets are forecast to underspend by £0.411 million. This is due to an underspend on staffing and travel of £0.314 million as a result of several vacancies across the service.
- b. The Family Placement budget is forecast to overspend by £0.031 million, however the following should be noted:
  - i. The Adoption Allowances savings target of £0.176 million will be delayed as the decision was made by the service to delay the consultation due to the impact of Covid-19;

- ii. There is an overall forecast overspend on Foster Care and Special Guardianship Allowances of £0.029 million. Analysis shows that the budget would have underspent by £0.323 million based upon the number of Looked after Children in February 2020. However, the impact of Covid-19 has led to a rise in numbers which is estimated to cost an additional £0.352 million; and,
- iii. There is a forecast underspend on Independent Fostering Agencies of £0.138 million. Work has been undertaken in recent years to reduce the number of children placed in these settings as they are more expensive than an in-house Foster care placement.
- c. The Purchase budgets are forecast to overspend by £4.446 million. This is due to the following:
  - i. £3.430 million due to the overall cost of out of county residential care placements. This includes additional agency staff required to support short term placements in emergency accommodation, at a cost of £0.420 million. There are currently 47 placements. The estimated overspend resulting from Covid-19 is £2.384 million and this is as a result of the increase in the number of Looked after Children and a shortage of suitable accommodation.
  - ii. There are currently no Northumberland young people placed in secure accommodation, resulting in a saving of £0.105 million; and,
  - iii. There is a shortfall of £1.100 million on income anticipated from Northumberland CCG in respect of jointly funded clients.
- d. The Early Intervention and Prevention budget is forecast to underspend by £1.398 million. This is due to the following:
  - i. There is an underspend of £0.507 million on staffing and travel across the service, this is partly due to vacancies and as a result of furlough of staff at the Cubs and Kits and nursery;
  - ii. There is a shortfall in nursery income across the Children's centres of £0.217 million due to closure in the summer term and a revised forecast over the remainder of the year; and,
  - iii. Funding of £1.000 million has been received from Public Health to support service delivery that is in line with the terms and conditions of the grant.
- e. The Looked after Children budget is forecast to overspend by £0.562 million. This is due to the following:
  - i. Kylee House secure unit is expected to overspend by £0.800 million due to a shortfall in income from other local authorities that purchase placements of £1.021 million. This is offset by an underspend on staffing and running costs of £0.183 million as a result of reduced capacity following the Covid-19 outbreak; and,
  - ii. There is a forecast underspend on the Family Support Service of £0.182 million due to a delay in appointing to newly created posts when the service transferred in house.
- f. The Social work team budget is forecast to overspend by £0.064 million. This is due to the following:
  - i. There is a forecast underspend of £0.952 million due to vacancies across several teams which is offset by an overspend of £1.147 million on agency costs; and,

ii. There is a predicted underspend on client transport of £0.118 million linked to the effects of Covid-19 on service delivery.

g. The Other Children services budget is forecasting an underspend of £0.380 million. This is mainly due to an underspend of £0.354 million as a result of a staffing vacancies and associated travel costs.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Appendix G

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Children's Services: Education & Skills

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Director of Education & Skills	0.255	0.386	0.354	(0.032)	(0.050)	0.018
Curriculum & Learning	2.157	0.645	1.055	0.410	0.177	0.233
Alternative Education (Virtual Headteacher)	0.000	0.409	0.409	0.000	(0.001)	0.001
Special Educational Needs & Disability	5.854	5.679	5.821	0.142	0.502	(0.360)
School Organisation	15.317	10.865	11.853	0.988	(0.193)	1.181
School Improvement	(0.100)	0.005	0.030	0.025	(0.072)	0.097
<b>Total Education &amp; Skills</b>	<b>23.483</b>	<b>17.989</b>	<b>19.522</b>	<b>1.533</b>	<b>0.363</b>	<b>1.170</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Education and Skills are outlined below:

- a. The Curriculum and Learning Service is forecast to overspend by £0.410 million on the following:
  - i. There is a predicted loss of income of £0.233 million across the service as a result of the Covid-19 outbreak. This includes fee income for adult learning classes (£0.120 million), SLA income from Schools (£0.053 million) and income associated with the Health and Work programme (£0.060 million);
  - ii. There is a staffing underspend in the Employability team of £0.178 million following a service restructure earlier in the year; and,
  - iii. The Skills Service is predicting an overspend of £0.380 million, of which £0.244 million has been carried forward from 2019-20 and a further in-year deficit of £0.136 million. A full budget review and service restructure is underway in order to create a sustainable budget position going forward.
- b. The Special Educational Needs & Disability budget is forecast to overspend by £0.142 million. There

is a forecast overspend of £0.499 million based upon the full year cost of the routes in place for 1,261 pupils as at September 2020. This is offset by £0.360 million savings on contracts for the period April 2020 to July 2020.

- c. The School Organisation budget is forecast to overspend by £0.988 million on the following:
  - i. Portacabin hire as a result of delays to the capital builds at both Ponteland Secondary School and Hillcrest Special School following the Covid-19 pandemic amounting to £1.181 million; and
  - ii. An underspend of £0.213 million on staffing underspend, service running costs and historical pension costs across School Organisation.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Dedicated Schools' Grant

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Schools Block	85.238	84.922	84.720	(0.202)	(0.202)	0.000
Central Schools Block	3.241	2.733	2.771	0.038	0.038	0.000
High Needs Block	31.570	33.891	34.425	0.534	0.426	0.108
Early Years Block	17.175	17.410	17.271	(0.139)	(0.139)	0.000
<b>Total Dedicated Schools' Grant</b>	<b>137.224</b>	<b>138.956</b>	<b>139.187</b>	<b>0.231</b>	<b>0.123</b>	<b>0.108</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for the Dedicated Schools' Grant are outlined below:

**Schools Block:**

- a. A growth fund of £0.113 million was created for 2020-21 to fund additional places, if required, at those schools that transitioned from Middle to Primary Schools for September 2020. Based upon pupil numbers this has not been required this year. The Council has also received a further £0.072 million in funding relating to 2019-20 from the Wise Academy Trust for recovery of pupil funding relating to the closure of Haltwhistle Upper school.

**High Needs Block:**

- a. There is a forecast overspend across Independent Special Schools of £0.417 million including placements for the new academic year (currently 202 placements).
- b. There is an overspend on the cost of Alternative provision of £0.134 million based upon the current placements and with an additional 10 expected each month to year end. This includes £0.061 million of additional expenditure incurred for additional provision required in the summer term as a result of Covid-19.
- c. There is an anticipated underspend on SEN Support Services of £0.218 million. This is largely due to an underspend on vacant posts and staff travel along with additional income from the Teachers' Pension grant.
- d. There is an underspend on the EOTAS budget (Education other than at School) of £0.081 million

as a result of a reduction in pupil transport costs and running costs of the service.

- e. There is a forecast overspend of £0.342 million on top-up payments for children with an Education Health and Care Plan (EHCP). There was an increase of 50 plans during the Autumn term compared to the Summer term and this has resulted in a revised forecast.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.



## Appendix I

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Finance

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Revenues & Benefits	1.478	2.357	1.358	(0.999)	(1.098)	0.099
Customer Services	1.738	2.039	1.727	(0.312)	(0.351)	0.039
Internal Audit	0.564	0.611	0.761	0.150	0.150	0.000
Information Services	8.770	8.785	9.461	0.676	0.052	0.624
Corporate Finance	11.585	5.684	5.092	(0.592)	(0.597)	0.005
Fire & Rescue	14.196	15.915	15.770	(0.145)	(0.386)	0.241
Strategic Property	4.867	6.191	6.328	0.137	(0.275)	0.412
Procurement	0.720	0.785	1.365	0.580	(0.353)	0.933
<b>Total Finance</b>	<b>43.918</b>	<b>42.367</b>	<b>41.862</b>	<b>(0.505)</b>	<b>(2.858)</b>	<b>2.353</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Finance are outlined below:

- a. The Revenues and Benefits Service is forecast to underspend by £1.293 million due to:
  - i. An underspend on staffing amounting to £0.505 million due to a number of vacant posts throughout the service;
  - ii. Additional new burdens grant income of £0.580 million, mainly for the administration of the Covid-19 business grant schemes and the transition to Universal Credit;
  - iii. A net under recovery of legal costs of £0.304 million in relation to council tax. The number of liability orders is expected to be lower this year. The Covid-19 pandemic has meant that no costs are likely to be raised for the first half of the year and the Hardship Fund scheme has reduced the liability of the working age council tax support claimants; and,
  - iv. An underspend on Cost of Benefits in relation to Rent Allowance and Rent Rebate payments of £0.526 million. This is due to two reasons; a reduction in expenditure is forecast due to more people migrating over to Universal Credit, which covers housing support costs; and,

other welfare benefits having increased that were previously frozen by the government. This is offset by an estimated under recovery of overpaid benefits of £0.162 million.

- b. Customer Services is forecast to underspend by £0.312 million mainly due to a number of vacant posts in the Contact Centre and One Stop Shops.
- c. Information Services is forecast to overspend by £0.676 million. This is mainly due to the following:
  - i. An overspend of £0.624 million in relation to additional Covid-19 costs, including the delayed implementation of Microsoft Office 365 along with costs in relation to a remote working solution, additional IT kit requirements and underachieved SLA income;
  - ii. An overspend on computer software of £0.360 million due largely to the delayed implementation of Oracle Fusion; and,
  - iii. An underspend of £0.225 million on staffing due to a number of vacant posts not being filled throughout the year.
- d. Corporate Finance is forecast to underspend by £0.592 million due largely to the Pensions Accounting Team transferring to South Tyneside.
- e. Procurement is forecast to overspend by £0.580 million. This is mainly due to unallocated PPE stock for Covid-19.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Human Resources &amp; OD

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Human Resources	2.563	4.154	3.823	(0.331)	(0.319)	(0.012)
Democratic Services	2.650	3.057	2.848	(0.209)	(0.118)	(0.091)
Registrars & Coroners	1.408	1.161	2.046	0.885	0.183	0.702
Communications	0.991	0.947	1.051	0.104	0.030	0.074
Elections	0.509	0.588	0.588	0.000	0.000	0.000
Legal	2.262	2.508	2.482	(0.026)	(0.026)	0.000
Tourism, Culture, Leisure & Heritage	13.390	9.984	13.985	4.001	(0.332)	4.333
Policy	0.064	0.244	0.228	(0.016)	(0.016)	0.000
<b>Total Human Resources &amp; OD</b>	<b>23.837</b>	<b>22.643</b>	<b>27.051</b>	<b>4.408</b>	<b>(0.598)</b>	<b>5.006</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Human Resources & OD are outlined below:

- a. Human Resources is forecast to underspend by £0.331 million due largely to vacant posts throughout the service.
- b. The Registrars and Coroners Service is forecast to overspend by £0.885 million due to:
  - i. A £0.394 million underachievement of income within Registrars due to a reduction in the number of weddings as a result of Covid-19; and,
  - ii. A £0.435 million overspend within Coroners as a result of increased body conveyancing costs as a result of Covid-19.
- c. The Tourism, Culture, Leisure & Heritage Service is forecast to overspend by £4.001 million:
  - i. Due to the closure of leisure facilities Active Northumberland furloughed the majority of their staff from 1 April to 30 June on 100% of their salary. A recommendation is included in this

report to agree to provide financial support to fund the 20% top up from 1 April to 30 June at a cost of £0.386 million. Discussions continue to take place between Active Northumberland and the Council to identify what further financial support is required to ensure liquidity of the business. The forecast assumes that Active Northumberland will be in a deficit position of £3.744 million this financial year if they do not use any of their reserves. This report includes a recommendation to financially support Active Northumberland up to this value. The forecast assumes that facilities remain closed for the rest of the financial year. Active Northumberland has applied for financial support through the Local Restrictions Support Grant schemes and it has been assumed that these will be made available up to 31 March 2021. The Council has submitted an application to Sport England's National Leisure Recovery Fund to claim up to £0.750 million to assist with reopening plans, which if successful can be utilised beyond 31 March 2021. The outcome of this application is expected in February and is not included in this forecast; and,

- ii. An underspend of £0.248 million on salary costs within the Library Service and Tourist Information Centres due to vacant posts exacerbated by site closures due to Covid-19.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Appendix K

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Local Services

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Local Services Management	24.670	24.546	24.536	(0.010)	(0.010)	0.000
Neighbourhood Services	10.223	10.156	11.713	1.557	(0.680)	2.237
Waste PFI Contract	18.288	18.904	20.004	1.100	0.000	1.100
Technical Services	19.999	18.525	21.850	3.325	1.082	2.243
<b>Total Local Services</b>	<b>73.180</b>	<b>72.131</b>	<b>78.103</b>	<b>5.972</b>	<b>0.392</b>	<b>5.580</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for the Local Services Directorate are outlined below:

- a. Neighbourhood Services is forecast to overspend by £1.557 million which is mainly due to the following:
  - i. Countryside is forecast to overspend by £0.161 million due to reduced car parking and trading income at Country Parks, a loss of income from trading concessions due to the impact of Covid-19; and, increased water charges across various country parks and other sites which is being investigated;
  - ii. Fleet is forecast to overspend by £0.162 million due to a reduction in MOT and other service income due to the impact of Covid-19; and, additional costs arising from the installation of vehicle screens to minimise the requirement for additional hire vehicles and mitigate costs associated with meeting Covid-19 restrictions;
  - iii. Neighbourhood Services is forecast to overspend by £0.240 million. There is a shortfall in market income of £0.069 million due to the closure of markets, additional cleansing of public conveniences £0.332 million and additional costs of £0.252 million in relation to cleansing of parks, signage, PPE, cleaning materials, equipment and vehicle hire in order to maintain social distancing during the delivery of key front-line services. These costs are offset by forecast underspends on salaries of £0.110 million, overachievement of income from Parish Councils of £0.093 million and other service underspends of £0.283 million mainly relating to fuel, repairs and maintenance and equipment maintenance; and,
  - iv. Waste Services is forecast to overspend by £0.994 million as a result of additional costs in

relation to PPE, cleaning materials, equipment, and vehicle hire of £0.307 million; as well as the employment of agency staff and payment of overtime as a result of implementing social distancing rules and covering the costs of staff shielding costing £0.352 million. There were additional costs of £0.243 million associated with traffic management to ensure that the queues on the highways accessing Household Waste Recovery Centres (HWRC) did not cause a danger to other road users. There is a significant shortfall in commercial income particularly trade waste £0.229 million due to implications of Covid-19 on business customers and a shortfall on income from rubble and recycling and sale of bins of £0.055 million. This is partially offset by a forecast over achievement in garden waste income £0.096 million and other income over achievement of £0.087 million.

- b. The Waste PFI budget is forecast to overspend by £1.100 million based on a number of assumptions linked to Covid-19 and its impact on kerbside waste, Household Waste Recovery Centres closure and overall waste generation patterns. Tonnage volumes for the third quarter have been analysed and there has been an 8% increase in volumes in the second half of the year linked to increased kerbside collections, this is expected to continue to the end of the financial year.
- c. Technical Services is forecast to overspend by £3.325 million which is mainly due to the following:
  - i. Highways construction and maintenance activities are forecast to overspend by £1.523 million due to staff not being able to work on their normal duties; or, the effect of staff shielding and not being able to work and therefore some backfilling of their duties being undertaken to meet statutory responsibilities. This was predominantly during the initial lockdown and across the summer. Delivery of the highways capital programme resumed at the end of June but the period of lockdown has prevented the recovery of costs from the capital programme. Risk assessments have been undertaken for the staff shielding so that resumption of some duties has been possible in some cases. In addition, to be prudent an allowance has been factored into the forecast in case of increased periods of sickness for the workforce;
  - ii. Winter maintenance is forecast to overspend by £1.750 million. This has been factored into the outturn position at this early stage in order to take a prudent view of the forecast financial position for the Directorate, taking into consideration the actual outturn for winter services in the past three years and current activity. There has been a significant amount of gritting activity with a number of snow events in recent weeks and the long-range forecast for the remainder of the year shows a continuation of the same weather pattern;
  - iii. Streetworks income is forecast to overachieve by £0.139 million. Despite the under recovery during the early part of the year due to Covid-19, activity has increased following the easing of restrictions with income levels not impacted by the current restrictions;
  - iv. The Parking budget is forecast to overspend by £0.722 million as a result of reduced income levels from parking charges, penalty charge notices and vendors at a number of locations. Minimal income was received for the period April to June when the majority of the Council's car parks were closed due to the lockdown and again reduced levels are expected during the current restrictions. It has now been forecast that £0.806 million and £0.306 million will be received from Parking Charges (budget £1.307 million) and Penalty Charge Notices (budget

£0.554 million) respectively; and,

- v. Home to School Transport is forecast to underspend by £0.669 million, which includes additional expenditure of £0.895 million to provide additional transport for Covid-19 reasons including ensuring that transport operates within Government guidelines regarding social distancing and school bubbles. This additional expenditure has been offset, partly by the £0.720 million grant provided by the Department for Education to provide additional vehicles during September to December. In addition, reduced rates were paid to operators between May and July (£0.303 million); and, contract negotiations have resulted in recurrent savings being achieved which have been factored into the 2021-22 budget (£0.541 million). The forecast assumes that 100% payments will be made to operators for the period January to March although it is intended to pay at a reduced rate where services are not required to run due to lockdown. However, it is too early to assess the effect of this.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Appendix L

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Regeneration, Commercial and Economy

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Economy & Regeneration	2.250	2.287	2.103	(0.184)	(0.184)	0.000
Executive Director of Regeneration, Commercial & Economy	0.019	0.251	0.286	0.035	0.035	0.000
Housing & Public Protection	3.483	3.749	3.979	0.230	(0.299)	0.529
Planning	7.609	1.034	1.382	0.348	(0.027)	0.375
<b>Total Regeneration, Commercial &amp; Economy</b>	<b>13.361</b>	<b>7.321</b>	<b>7.750</b>	<b>0.429</b>	<b>(0.475)</b>	<b>0.904</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for the Regeneration, Commercial and Economy Directorate are outlined below:

- a. Housing and Public Protection is forecast to overspend by £0.230 million which is mainly due to the following:
  - i. Public Protection is forecast to overspend by £0.031 million, mainly due to the anticipated shortfall in licensing (£0.356 million) and building control (£0.091 million) income resulting from the loss of business arising from the impact of Covid-19, partly offset by a forecast underspend on salaries of £0.284 million and other cost savings across the service of £0.122 million; and,
  - ii. Housing is forecast to overspend by £0.199 million mainly due to Northumbrian Water primary agency fee income being retained within the HRA to meet potential debt liability and administrative costs following the extension of water rate collection to south east area tenants.
- b. Planning is forecast to overspend by £0.348 million mainly due to a forecast underachievement of planning fee income of £0.350 million due to a reduction in major applications as large-scale schemes have experienced delays due to Covid-19.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.



## Appendix M

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Other Corporate Expenditure and Income

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Corporate Items	(23.309)	23.112	19.911	(3.201)	(3.201)	0.000
Treasury Management	(26.050)	(26.408)	(23.908)	2.500	1.466	1.034
Capital Financing	87.458	9.327	6.162	(3.165)	(3.165)	0.000
Corporate Funding	(349.171)	(314.648)	(332.598)	(17.950)	8.094	(26.044)
Advance Northumberland	0.000	0.000	7.100	7.100	0.000	7.100
<b>Total Other Corporate Expenditure &amp; Income</b>	<b>(311.072)</b>	<b>(308.617)</b>	<b>(323.333)</b>	<b>(14.716)</b>	<b>3.194</b>	<b>(17.910)</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Other Corporate Expenditure and Income is outlined below:

- a. Corporate Items is expected to underspend by £3.201 million due to:
  - i. A corporate savings target of £0.560 million from previous years. £0.210 million has been achieved in year leaving a balance of £0.350 million which will not be achieved in the current year;
  - ii. A £0.380 million anticipated increase to the corporate bad debt provision; and,
  - iii. A forecast underspend of £4.000 million in relation to the contingency provision within the budget.
- b. Treasury Management is forecast to overspend by £2.500 million due to:
  - i. Deferred investment interest on a loan of £1.025 million. A modification to the loan has been agreed between the Council and the borrower. This is as a result of the Covid-19 pandemic. No interest will be paid on the loan in 2020-21, but it is anticipated that this will be recovered over future years; and,
  - ii. Interest receivable on third party loans will be underachieved by £1.422 million due to the

profiling of loans granted throughout the year along with lower interest rates than budgeted.

- c. Capital financing is forecast to underspend by £3.165 million largely due to an underspend on interest payable. This is as a result of actual borrowing levels being lower than originally forecast, due to reprofiling of the capital programme, and actual interest rates payable on the borrowing undertaken being lower than budgeted.
- d. Corporate Funding is expected to overachieve by £17.950 million due to:
  - i. A forecast underspend of £2.202 million due to additional business rates income in the form of Section 31 Grants and an overachievement of renewables income;
  - ii. Covid-19 grant funding of £24.981 million will be utilised to offset the pressures faced in services in relation to the pandemic. This includes the additional £3.164 million tranche 4 funding announced in October 2020 and received in November 2020. This allocation was not included in the budget;
  - iii. Compensation for lost sales, fees and charges income of £2.223 million is expected from the Government's cost sharing scheme;
  - iv. A recharge from the Strategic Management Reserve of £1.160 million will not be utilised as the Improvement and Innovation team has undertaken work in relation to Covid-19 and the cost of the service will be charged against the government funding received;
  - v. A Collection Fund Smoothing Reserve of £25.795 million will be created to offset the impact of the forecast Collection Fund deficits, which have arisen as a result of the Covid-19 pandemic, over the course of the Medium-Term Financial Plan. It is expected that £20.499 million will be received in central government funding, leaving £5.296 million for the Council to fund. It is proposed that this sum is set aside this financial year. The final figures will be determined when the 2020-21 Collection Fund year end position is finalised.
  - vi. Business Rates pool growth of £2.322 million is due to be returned from the North of Tyne Combined Authority. It is proposed that this is set aside to support businesses during the Covid-19 recovery period;
  - vii. £1.000 million will be set aside to fund the one-off staffing exit costs required to transform the Council during 2021-22. All costs will be signed off by the relevant Executive Director and the Council's Section 151 Officer.
  - viii. £11.100 million will be set aside to support Council-commissioned services during the Covid-19 recovery; as well as the Council's wholly-owned company Advance Northumberland in relation to financial pressures arising from the Covid-19 pandemic.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Appendix N

### Forecast Revenue Outturn - Detailed budget summary by Service

#### Service: Housing Revenue Account Expenditure and Income

Summary by Service	2019-20 Outturn	Budget	Forecast Outturn	Variance	Variance BAU	Variance Covid-19
Service	£m	£m	£m	£m	£m	£m
Housing Management	5.581	6.238	6.199	(0.039)	(0.054)	0.015
Housing Special	0.541	0.671	0.623	(0.048)	(0.070)	0.022
Repairs and Maintenance	7.738	7.844	7.720	(0.124)	(0.397)	0.273
Housing Capital Works	0.393	0.656	1.048	0.392	(0.049)	0.441
Other HRA Services	13.275	13.976	13.280	(0.696)	(0.696)	0.000
HRA Income	(28.980)	(29.827)	(29.444)	0.383	0.088	0.295
<b>Total HRA Expenditure &amp; Income</b>	<b>(1.452)</b>	<b>(0.442)</b>	<b>(0.574)</b>	<b>(0.132)</b>	<b>(1.178)</b>	<b>1.046</b>

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for the Housing Revenue Account are outlined below:

- a. Repairs and Maintenance is forecast to underspend by £0.124 million, mainly relating to an increase in Council Tax Charges on void properties of £0.256 million (See note d below), an overspend on salaries of £0.023 million (after allowing for the additional cost of employing Agency staff to clear the backlog of gas servicing as a result of Covid-19) and an underspend on consumable materials of £0.378 million.
- b. The Housing Capital Works Team is forecast to overspend by £0.392 million, mainly relating to downtime following the outbreak of Covid-19. Work within occupied Council dwellings recommenced in September 2020 albeit at a reduced level.
- c. Other HRA Services are forecast to underspend by £0.696 million, mainly relating to a forecast underspend of £0.537 million relating to interest paid on external loans as the rates are less than allowed for in the budget.
- d. HRA income is forecast to underachieve by £0.383 million which is mainly as a result of a forecast shortfall in dwelling rent income of £0.370 million following the effect of Covid-19 which has stopped

the re-let of available properties. Void rates are budgeted at 2.00% but are currently running at 3.3% but are due to reduce as void properties begin to be re-let.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Key Capital Movements

- a. **Adult Services** – £0.368 million reprofiling from 2020-21 to 2021-22 as follows:
  - i. £0.368 million reprofiling from 2020-21 to 2021-22 in relation to Disabled Facilities Grant. The impact of another lockdown has resulted in the continued reduction in referrals, shielding clients deferring their work and work taking longer to complete due to Covid-19 restrictions.
- b. **Children's Services** - £0.094 million overspend, £0.850 million reprofiling from 2020-21 to 2021-22 and £0.830 million reprofiling from 2021-22 to 2020-21 as follows:
  - i. £0.093 million overspend in relation to Stannington First School additional places due to increased groundworks. This will be funded from Section 106 funds;
  - ii. £0.200 million reprofiling from 2020-21 to 2021-22 in relation to the Schools Building Programme due to the latest forecast indicating expenditure of £2.100 million as a result of delays in agreeing the scope of works on outlined projects;
  - iii. £0.250 million reprofiling from 2020-21 to 2021-22 in relation to a new school build at Berwick Academy with preliminary investigation works now scheduled for 2021-22;
  - iv. £0.400 million reprofiling from 2020-21 to 2021-22 in relation to Schools Reorganisation West due to land ownership issues at Bellingham Middle School with the scheme unable to proceed until these are resolved;
  - v. £0.220 million reprofiling from 2021-22 to 2020-21 in relation to Basic Needs Grant to cover the overspend on the Special Provisions Capital Fund. There are forecast overspends at Hillcrest Special School, Astley Additionally Resourced Provision (ARP) for Pupils with SEND and Seaton Sluice ARP due to additional costs resulting from the delays caused by Covid-19, and, additional works not included in the original specifications; and,
  - vi. £0.610 million reprofiling from 2021-22 to 2020-21 in relation to Bedlington Whitley Memorial and West End first schools. The modular classrooms were handed over on 4 January 2021 with the external hard landscaping works now complete leaving only minor snagging and rendering to be completed in February half-term requiring the budget to be advanced.
- c. **Finance** - £0.420 million net underspend, £0.929 million reprofiling from 2020-21 to 2021-22 and £0.979 million reprofiling from 2021-22 to 2020-21 as follows:

Information Services – £0.107 million overspend, £0.140 million reprofiling from 2020-21 to 2021-22 and £0.591 million reprofiling from 2021-22 to 2020-21:

- i. £0.060 million reprofiling from 2020-21 to 2021-22 in relation to Office 365 implementation due to more work being carried out internally than planned, resulting in less third-party work being required in the current financial year;
- ii. £0.080 million reprofiling from 2020-21 to 2021-22 in relation to Hardware Infrastructure – there was a delay in the commencement of the project due to Covid-19;
- iii. £0.051 million reprofiling from 2021-22 to 2020-21 in relation to the upgrading of the County Hall IT infrastructure; and,
- iv. £0.540 million reprofiling from 2021-22 to 2020-21 in relation to the Desktop Refresh as a result of having to replace chrome books earlier than anticipated due to issues with Office 365. There is an overspend of £0.100 million against the budget due to the replacement of PC's with Laptops for Social Care staff due to Covid-19. This will be covered by a contribution from revenue.

Procurement - £0.481 million underspend and £0.040 million reprofiling from 2021-22 to 2020-21.

- i. £0.481 million underspend due to the Warm Homes Fund ending in November 2020. There are thirteen installations outstanding and it is forecast that eight can be delivered and funded but five will not be delivered under the current scheme leading to an additional NCC cost of around £0.035 million to be funded from the 2021-22 Renewable Energy Programme; and,
- ii. £0.005 million reprofiling from 2021-22 to 2020-21 in relation to the County Hall Solar Car Port.

Property Services - £0.049 million underspend, £0.789 million reprofiling from 2020-21 to 2021-22 and £0.349 million from 2021-22 to 2020-21.

- i. £0.050 million underspend due to the West Hartford Car Park project no longer proceeding;
- ii. £0.049 million reprofiling from 2020-21 to 2021-22 in relation to the refurbishment of the Your Link building as the project is now due for completion in early April 2021;
- iii. £0.080 million reprofiling from 2020-21 to 2021-22 in relation to the refurbishment of the Holy Island and Seahouses Public Toilets. The schemes commenced at the beginning of January with completion expected in May 2021;

- iv. £0.660 million reprofiling from 2020-21 to 2021-22 in relation to the refurbishment of County Hall due to Covid-19 and changes to the timescale for the completion of some elements;
  - v. £0.210 million reprofiling from 2021-22 to 2020-21 in relation to Leisure Buildings Essential Remedials due to works being advanced at Wentworth Pool to allow works to be undertaken during the current lockdown;
  - vi. £0.057 million reprofiling from 2021-22 to 2020-21 in relation to County Hall Solar PV due to design work currently taking place with commencement on site in May 2021; and,
  - vii. £0.082 million reprofiling from 2021-22 to 2020-21 in relation to the Alnwick Lindisfarne Site with the design work now complete and an anticipated commencement on site in late March 2021.
- d. **Human Resources & OD** – £0.200 million reprofiling from 2020-21 to 2021-22 and £0.800 million reprofiling from 2021-22 to 2020-21.
- i. £0.200 million reprofiling from 2020-21 to 2021-22 in relation to the Provision of Leisure Facilities with Morpeth as the start date has now been confirmed as early February 2021; and,
  - ii. £0.800 million reprofiling from 2021-22 to 2020-21 in relation to Blyth Sports Centre due to good progress on site enabling previously deferred expenditure to be accelerated.
- e. **Local Services** - £0.638 million net underspend, £6.672 million reprofiling from 2021-22 to 2020-21 and £1.300 million reprofiling from 2020-21 to 2021-22 as follows:
- Technical Services – £0.646 million underspend, £6.637 million reprofiling from 2020-21 to 2021-22 and £1.300 million reprofiling from 2021-22 to 2020-21.
- i. £3.199 million reprofiling from 2020-21 to 2021-22 in relation to the Local Transport Plan and the Highways Maintenance Investment in U and C roads (Total Programme £35.000 million). Good progress has been made on the delivery of the programme with schemes continuing to progress and implemented in the current financial year despite a delayed start due to Covid-19 restrictions and additional Department for Transport grant becoming available mid-year. A number of schemes will be required to be reprofiled for early in the new financial year;
  - ii. £1.122 million reprofiling from 2020-21 to 2021-22 in relation to Steel Structures Challenge Fund bid. A tender exercise has been concluded for a works contractor with commencement expected in the near future;
  - iii. £0.931 million reprofiling from 2020-21 to 2021-22 in relation to the Streetlighting Replacement and Modernisation programme. Certain elements of work were removed from the main contract, such as decorative lighting, subways and signage, and will now be delivered in-house. In addition, the scheme is estimated to underspend against the

current budget by £0.616 million. There is no allowance in the forecast for any repayment from the contractor in respect of the contract settlement as negotiations are yet to be finalised;

- iv. £0.150 million reprofiling from 2020-21 to 2021-22 in relation to Electric Vehicle Charger Installations as further schemes are to be identified for implementation;
- v. £0.350 million reprofiling from 2020-21 to 2021-22 in relation to Union Chain Bridge. The contract commenced on 1 July 2020 with a construction start date of 18 August. It is anticipated the scheme will complete on 13 January 2022;
- vi. £0.120 million reprofiling from 2020-21 to 2021-22 in relation to Ponteland Section 106 highways improvements with works scheduled to be delivered during 2021-22;
- vii. £0.070 million reprofiling from 2020-21 to 2021-22 in relation to A189 Moor Farm Roundabout Section 106 Improvements with final construction works now due in 2021-22;
- viii. £0.650 million reprofiling from 2020-21 to 2021-22 in relation to the Car Parks programme. Schemes are continuing to be designed and progressed for delivery in 2021-22;
- ix. £0.045 million reprofiling from 2020-21 to 2021-22 in relation to the Loansdean Flood and Coastal Erosion scheme as discussions with the landowner continue, with works expected to be delivered in 2021-22;
- x. £0.153 million reprofiling from 2021-22 to 2020-21 in relation to the Salt Barns programme. Works are progressing on the Otterburn salt barn;
- xi. £0.080 million reprofiling from 2021-22 to 2020-21 in relation to the Lynemouth Bay Landfill Encapsulation scheme. All of the pre-construction and enabling works will be completed in the current financial year with the main construction works due to commence in 2021-22. This funding will be required to be advanced to address one of the work areas as there is an opportunity for quick intervention due to no consent being required to undertake the works, and to enable completion prior to the nesting season which could delay works;
- xii. £1.050 million reprofiling from 2021-22 to 2020-21 in relation to the construction of the new Amble Car Park. The purchase of the site has been recently concluded with on-going design in the current financial year with the scheme itself being constructed during 2021-22;
- xiii. £0.017 million reduction in reprofiling from 2021-22 to 2020-21 in relation to the Ovingham Surface Water Scheme. The main works will still be undertaken in 2021-22 as favourable ground conditions are required to undertake the scheme; and,



- xiv. £0.030 million underspend on Cramlington Sporting Club Flood Alleviation scheme due to it being designed and delivered in a more cost-effective manner than originally anticipated.

Neighbourhood Services – £0.008 million net overspend and £0.035 million reprofiling from 2020-21 to 2021-22

- i. £0.031 million overspend across the Country Parks Improvement Programme that is due for completion in the current financial year;
- ii. £0.023 million underspend in relation to the capital outlay for the Glass Recycling Pilot scheme due to the cost of the equipment being lower than originally anticipated; and,
- iii. £0.035 million reprofiling from 2020-21 to 2021-22 in relation to the Parks Enhancement Programme as the works at Eastwood Park have been reassessed due to Covid-19 restrictions and weather conditions with the scheme now being rescheduled for Spring.

- f. **Regeneration, Commercial and Economy** - £0.356 million underspend, £4.272 million reprofiling from 2020-21 to 2021-22 and £0.912 million reprofiling from 2021-22 to 2020-21 as follows:

Housing Revenue Account – £1.173 million reprofiling from 2020-21 to 2021-22 and £0.554 million reprofiling from 2021-22 to 2020-21.

- i. £0.445 million reprofiling from 2020-21 to 2021-22 in relation to the Major Repairs Reserve. It was originally assumed that the refurbishments to sheltered accommodation would commence in the current financial year but this work is now scheduled to commence in 2021-22;
- ii. £0.101 million reprofiling from 2020-21 to 2021-22 in relation to scheme works which have been delayed due to Covid-19;
- iii. £0.627 million reprofiling from 2020-21 to 2021-22 in relation to a capital new build scheme, which has been delayed due to issues relating to the land purchase; and,
- iv. £0.554 million reprofiling from 2021-22 to 2020-21 in relation to HRA re-provision and new build. The scheduled commencement dates on sites have been moved a number of times.

Housing General Fund – £0.356 million underspend

- i. £0.356 million underspend in relation to Empty Homes Repair and Lease due to the scheme ending on 31 March 2021.

Regeneration - £3.100 million reprofiling from 2020-21 to 2021-22 and £0.358 million reprofiling from 2021-22 to 2020-21

- i. £0.100 million reprofiling from 2020-21 to 2021-22 in relation to Rural Growth Fund due to a project at Old Bewick being delayed as a result of nesting bats;

- ii. £3.000 million reprofiling from 2020-21 to 2021-22 in relation to Ad Gefrin Borderlands funding as the requirements of other funding is utilised first; and,
- iii. £0.358 million reprofiling from 2021-22 to 2020-21 in relation to Broadband Phase 2 Gainshare. The budget was previously reprofiled into 2021-22 but the Local Full Fibre Network project has now been approved to utilise this funding in the current financial year.