

Carlisle City Council

Report to Executive

Meeting Date: 20 February 2023
Portfolio: Finance, Governance and Resources
Key Decision: No
Policy and Budget Framework: Yes
Public / Private: Public

Title: Revenue Budget Overview & Monitoring Report: April to December 2022
Report of: Corporate Director of Finance and Resources
Report Number: RD.58/22

Purpose / Summary:

This report provides an overview of the Council's overall budgetary position for the period April to December 2022 for revenue schemes only. The report also includes details of balance sheet management issues and bad debts written off in the period.

Recommendations:

The Executive is asked to:

- (i) Note the budgetary performance position of the Council to December 2022;
- (ii) Note the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;
- (iii) Note the release of reserves as set out in the table at paragraph 2.2, and note the virements approved as detailed in Appendix A;
- (iv) Approve the creation of an earmarked reserve for Talkin Tarn as set out in paragraph 2.7 for recommendation to Council.

Tracking

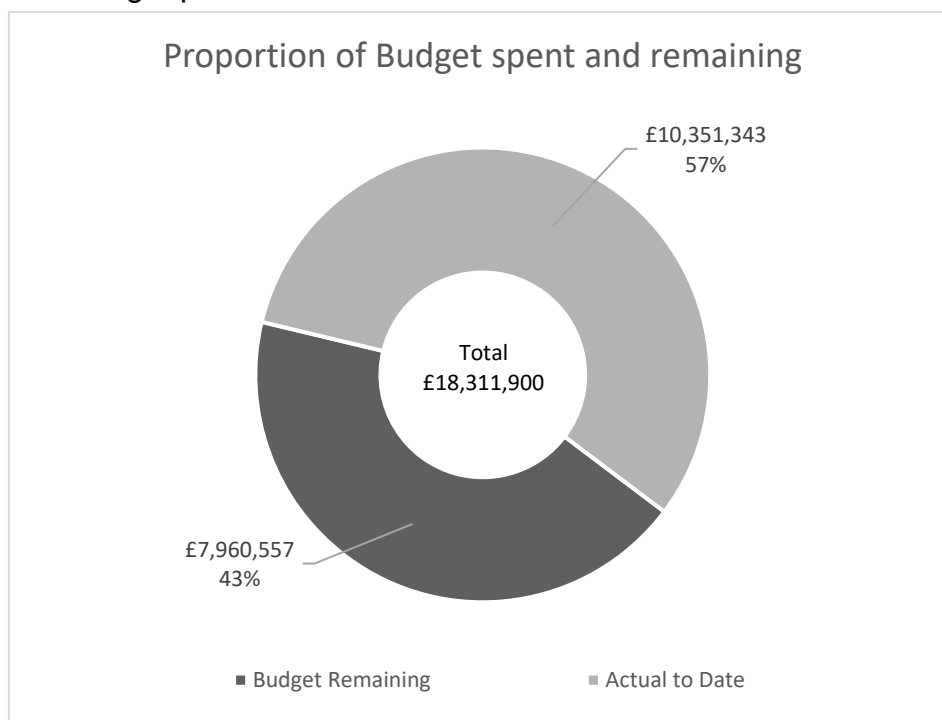
Executive:	20 February 2023
Scrutiny:	23 February 2023 (People Panel)
Council:	28 February 2023

1. Background

- 1.1. In accordance with the City Council's Financial Procedure Rules, the Corporate Director of Finance and Resources is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis. Further details of virements processed can be found in **Appendix A**. It is the responsibility of individual Chief Officers to control income and expenditure within their service areas and to monitor performance, taking account of financial information provided by the Corporate Director of Finance and Resources.
- 1.2. All Managers currently receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision-making process.
- 1.3. Please note that throughout this report:
- (i) the use of a bracket represents a favourable position i.e. either an underspend or additional income received,
 - (ii) the term 'underspend' is taken to include both reduced expenditure and/or increased income,
 - (iii) the term 'overspend' includes both spending above budget and/or shortfall in income.

2. 2022/23 Revenue Budget Monitoring

- 2.1 The budget position of the Council as at December 2022 is as follows:



2.2 The summarised revenue budgetary position as at December 2022 is shown in the following table:

		Original Budget £	Net Updated £	Net Budget to Date £	Net Spend to Date £	Variance £
Community Services	B1	11,263,900	12,254,200	9,404,674	9,443,702	39,028
Corporate Support	B2	143,600	237,500	375,946	359,471	(16,475)
Economic Development	B3	1,897,400	2,814,400	1,936,252	1,840,922	(95,330)
Finance & Resources	B4	2,859,600	2,586,200	1,520,608	598,751	(921,857)
Governance & Regulatory Services	B5	2,013,100	3,890,100	2,808,214	2,603,010	(205,204)
Corporate Management	B6	(3,474,000)	(4,380,100)	(4,918,693)	(4,813,814)	104,879
Service Expenditure		14,703,600	17,402,300	11,127,001	10,032,042	(1,094,959)
Exceptional Items	B7	215,400	909,600	697,776	319,301	(378,475)
Service Expenditure		14,919,000	18,311,900	11,824,777	10,351,343	(1,473,434)
Parish Precepts		731,500	731,500	731,500	731,304	(196)
Total		15,650,500	19,043,400	12,556,277	11,082,647	(1,473,630)
Transfers to/(from) Reserves						
Cremator Replacement Reserve		0	61,500			
Revenue Grants Reserve		0	(610,700)			
General Fund Reserve		166,100	(1,801,800)			
Planning Services Reserve		0	(25,500)			
Council Tax Income Reserve		0	(23,000)			
Carry Forward Reserve		0	(130,000)			
Operational Risk Reserve		(777,000)	(777,000)			
Building Control Reserve		0	(20,300)			
Tullie House Reserve		0	(800,000)			
Caldew Riverside Reserve		0	100,000			
Total Transfer to/(from) Reserves		(610,900)	(4,026,800)	(1,293,827)	947,465	2,241,292
Financed by:						
Precept from Collection Fund		(8,663,000)	(8,640,000)	(6,480,000)	(6,497,259)	(17,259)
Revenue Support Grant		0	0	0	(403)	(403)
Business Rate Retention		(6,376,600)	(6,376,600)	(4,782,450)	(5,532,450)	(750,000)
Total Grants		(15,039,600)	(15,016,600)	(11,262,450)	(12,030,112)	(767,662)
Total		(15,650,500)	(19,043,400)	(12,556,277)	(11,082,647)	1,473,630

2.3 Further details for each directorate can be found in **Appendices B1 – B7**. Each appendix shows a breakdown of the variances for the Directorate, with comments and a note of any performance issues. Although the net position is shown in the table above, the main variances are summarised in the table below.

Budget Area		Underspend £	Overspend £
Car Parking Income (excl. contracts)	B1	0	183,657
Bereavement Services	B1	0	148,925
Recycling and Waste Management	B1	(204,772)	0
Development Control Income	B3	(64,428)	0
Loan Interest (incl. new borrowing)	B4	(481,418)	0
Minimum Revenue Provision	B4	(79,479)	0
Investment Interest	B4	(230,168)	0
Revenues and Benefits	B4	(127,984)	0
Electoral Services	B5	(94,991)	0
Market Hall	B5	0	105,440
Asset Review Income	B5	(119,417)	0
Homeless Accommodation	B5	0	72,957
Salary Turnover Savings	B6	0	173,272

2.4 Some of the significant service expenditure and income variances are set out below:

- A shortfall in car parking income from tickets, permits and PCNs.
- A net overspend on Bereavement Services due to increased gas and electricity and reduced income from Cremation fees.
- A net underspend in Recycling and Waste Services due to increased income from plastic and card recycling, sale of recyclates and Bring Sites.
- An increase in Development Control fee income received.
- A saving from interest on borrowing due to no new borrowing scheduled for 2022/23 being entered into yet.
- A saving on Minimum Revenue Provision (MRP) due to the year-end Capital Financing Requirement being lower than anticipated due to underspends and carry forwards in the 2021/22 capital programme.
- Additional investment interest generated due to higher cash balances and increases in interest rates.
- A net underspend in Revenues and Benefits mainly due to additional grant income received.
- An underspend on Election costs as a result of there being no City Council elections in 2022/23.
- Overspend at Market Hall in relation to payment of consultants for the proposed Towns Deal project.
- Additional income generated from completed rent reviews.
- An underspend of £25,539 on expenditure on Homeless Accommodation and a shortfall in income of £98,496. This is a direct result of Covid-19 as changes to occupancy and the available provision have had to be made to ensure the health and wellbeing of residents and staff.

- A shortfall in salary turnover achieved against the budget to date due to the 2022/23 pay award. The recurring pressure will be addressed as part of the Cumberland Council budget process.

- 2.5 A subjective analysis of the summarised budgetary position excluding exceptional items as at September is shown in **Appendix C**.
- 2.6 As usual the Council's virement procedures will be utilised in 2022/23 to accommodate new areas of spend outwith the current base budgets which can be funded from underspends, as highlighted within this monitoring report, thus avoiding the additional use of reserves, or pressures on future years budgets.
- 2.7 Following the Place Panel on 1 December 2022 which reviewed the potential management arrangements at Talkin Tarn County Park following the Panel's visit to the site, the panel recommended:
1. that the Executive be asked to consider creating an earmarked reserve for surplus/carry forward monies for Talkin Tarn.
 2. that the Executive be asked to look into ways to reduce or remove Talkin Tarn's National Non Domestic Rate levy. The proposal was seconded and the Panel indicated its assent.

The Executive on 19 December 2022 decided to:

1. develop ideas for the creation of an earmarked reserve for surplus/carry forward monies in relation to Talkin Tarn
2. look at ways to reduce the National Non Domestic Rates levied at Talkin Tarn.

It is therefore proposed to set up an earmarked reserve for Talkin Tarn capital infrastructure projects for any net surplus income each financial year. Approval to release funds from the reserve could only be approved by an Officer Decision Notice by the Deputy Chief Executive in consultation with the Portfolio Holder and Corporate Director of Finance and Resources (or relevant officers within Cumberland Council). The projects would be subject to the normal governance and procurement procedures.

The National Non Domestic Rates levied at Talkin Tarn have been reviewed and there is no relief or discount that can be applied to reduce the liability, as it is the Billing Authority that are liable (i.e. the Council). Under the discretionary rate relief rules, the Council are not eligible for relief.

- 2.8 The following table provides a summary position of the income and expenditure within Exceptional Items:

		Original Budget £	Net Updated £	Net Budget to Date £	Net Spend to Date £	Variance £
Covid-19 Related Expenditure	B7	56,300	56,300	42,232	55,603	13,371
Covid-19 Government Grants	B7	0	0	0	(21,389)	(21,389)
Covid-19 Specific Grants	B7	0	(8,900)	(34,021)	(33,955)	66
Local Government Reorganisation	B7	159,100	862,200	689,565	319,042	(370,523)
Total Exceptional Items		215,400	909,600	697,776	319,301	(378,475)

2.9 Further details for this “directorate” can be found in **Appendix B7**. The main variances are also summarised below.

- A net overspend position on Council related expenditure as a result of Covid-19.
- Any costs associated with Local Government Reorganisation should either be covered through the City Council’s own budget approved or reimbursed from the Implementation Reserve.

3. Forecast Outturn Position 2022/23

3.1 The Council’s financial position is affected by a number of external factors that have a financial impact during the course of the year and ultimately at the year end.

These include:

- The general effect of local economic activity on the Council’s income streams e.g. car parking, tourism and leisure activities, and property rentals especially in relation to the retail sector and especially economic recovery following Covid-19.
- Fuel prices, energy costs and other inflationary issues.
- The effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control.
- The impact of the delay to the Fair Funding Review and Business Rates Retention Review.
- The impact of Covid-19 on Council’s budgetary position.

3.2 The Council’s financial position will continue to be closely monitored and the year end position will be reported fully at outturn. It will be important to maintain a prudent approach to ensure a sustainable position for future years to avoid any significant variance at year end.

3.3 The areas of significant variance noted in this report have been scrutinised fully and have been considered (where relevant) as part of the 2023/24 budget process for Cumberland Council where the position is deemed to be recurring in nature.

4. Funding

- 4.1 The main sources of funding for the Council are Council Tax Income and Business Rates income. Council Tax income does not vary in year from the amounts set at the budget, as any variation in Council Tax income received is usually adjusted in the Collection Fund Surplus/Deficit calculation for the following year's budget. However, the DLUHC announced a 3-year deficit recovery period for any arrears as at 31st March 2021.
- 4.2 Business Rates Income is largely prescribed by the amounts submitted to DLUHC on the NNDR1 form which estimates Business Rate Income for the year when calculated in January, however, there are two elements of this income that can vary throughout the year, namely, section 31 grants paid by government for business rates reliefs granted, and the levy and pooling calculations to the Cumbria Pool.
- 4.3 The current estimates of Business Rates income for the quarter to the end of December (still subject to review) are shown in **Appendix D**.

The figures show that based on current estimates the Council may receive an extra £750,000 (subject to review) in business rates income over and above what it has budgeted for. However, it is anticipated that this position could change significantly throughout the year depending upon the performance of other authorities in the Cumbria Pool and the amount of reliefs granted during the year that are subject to Section 31 Grant reimbursement and an updated position will be reported at outturn.

The previous 2-years saw government provide rating support to the retail leisure and hospitality sectors as a response to the COVID-19 pandemic. This resulted in larger deficits on the collection fund, however, for 2022/23 there is no such support so there should be no exceptional deficits on the collection fund and any surpluses or deficits reported at the end of the year will be as a result of actual collection rates.

5. Balance Sheet Management

- 5.1 In line with CIPFA guidance and good practice, information relating to significant items on the Council's balance sheet is shown below. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis.

Balance Sheet item	Balance at 31/03/2022	Balance at Dec 2022	Note
Investments	£25.87m	£28.80m	(i)
Loans	£12.83m	£12.59m	(ii)
Debtors System	£1.74m	£0.99m	(iii)
Creditors System	£0.007m	£0.167m	

- (i) The anticipated annual return on these investments is estimated at £198,200 for 2022/23 with current forecasts anticipated to be significantly above these projections. Further details on the overall Treasury Management performance can be found elsewhere on the agenda.
- (ii) The cost of managing this debt (including any new debt budgeted for from 2022/23 onwards), in terms of interest payable, is budgeted at £850,000 in 2022/23 with costs currently showing a saving against budget due to new borrowing not entered into yet.
- (iii) There may be a significant impact on the cash flow of the Council if outstanding debts are not received. Any debts deemed to be irrecoverable are written off against a bad debt provision set up specifically for this purpose. Other significant debts relate to Council Tax, NNDR, and Housing Benefit overpayments.
- (iv) The Council's VAT partial exemption calculation for the period ending December 2022 is currently 1.97%, well below the 5% limit.

6. Bad Debt Write-Offs

- 6.1 The Corporate Director of Finance and Resources has delegated authority for the write-off of outstanding debts for NNDR, Council Tax and Debtors (including Penalty Charge Notices). In accordance with this, the Executive is asked to note that debts totalling £90,028.94 have been written off during Quarter 3 to the end of December 2022. A summary of bad debts is given in Table 1 in **Appendix E** of this report and these costs will fall against the following:

	£
General Fund	7,850.24
Council Tax (Collection Fund)	82,178.70
NNDR	0.00
Total Write-offs	90,028.94

- 6.2 The "write-ons" itemised in Table 2 in **Appendix E**, totalling £1,661.97 are in respect of balances originally written off that have since been paid. The write-ons will be credited as follows:

	£
General Fund	167.67
Council Tax (Collection Fund)	1,494.30
NNDR	0.00
Total Write-ons	1,661.97

- 6.3 In the case of the General Fund, the write-offs will be charged against provisions for bad debts. However, VAT, which has been identified separately, will be recouped in future VAT returns. Any write-off/write-on of Council Tax/NNDR will fall against the provisions within the Collection Fund. Any Council Tax court costs written off will be charged against the Bad Debt Provision within the General Fund.

7. Risks

- 7.1 The ongoing impact of issues identified will be monitored carefully in budget monitoring reports and appropriate action taken.
- 7.2 The main risk to the Council is the impact of energy and other cost of living inflationary pressures and also any on-going impact of COVID-19 in terms of additional costs and shortfalls of income.

8. Consultation

- 8.1 Consultation to date.
SMT and JMT have considered the issues raised in this report.
- 8.2 Consultation Proposed
People Panel will consider the report on 23 February 2023.

9. Conclusion and reasons for recommendations

- 9.1 The Executive is asked to:
- (i) Note the budgetary performance position of the Council to December 2022;
 - (ii) Note the action by the Corporate Director of Finance and Resources to write-off bad debts as detailed in paragraph 6;
 - (iii) Note the release of reserves as set out in the table at paragraph 2.2, and note the virements approved as detailed in Appendix A;
 - (iv) Approve the creation of an earmarked reserve for Talkin Tarn as set out in paragraph 2.7 for recommendation to Council.

10. Contribution to the Carlisle Plan Priorities

- 10.1 The Council's revenue budget is set in accordance with the priorities of the Carlisle Plan and the position for the third quarter of 2022/23 shows the delivery of these priorities within budget.

Contact details:

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Ext: 7289

Appendices attached to report:

- A, B1 to B7, C to E

Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:

- None

Corporate Implications:

Legal - The Council has a fiduciary duty to manage its finances properly and the proper reporting of the budget monitoring is part of this process.

Property Services - Property asset implications are contained within the main body of the report.

Finance - Financial implications are contained within the main body of the report.

Equality - This report raises no explicit issues relating to the public sector Equality Duty.

Information Governance - There are no information governance implications.

REVENUE BUDGET MONITORING 2022/23

VIREMENTS PROCESSED FOR PERIOD OCTOBER TO DECEMBER 2022

Date	Virement Details	Recurring/ Non-recurring	Value	Authorised By
Requested by Officers (under £35,000 or delegated authority)				
13/10/2022	Release of Building Control Reserve to fund purchase of software licences	Non-recurring	9,500	OD.110/22 Corporate Director of Economic Development
25/10/2022	Provision of budget for Legacy project	Non-recurring	10,000	Corporate Director of Finance and Resources
25/10/2022 & 07/12/2022	Release of funding from Revenue Grant Reserve for Sustainable Food City Co-ordinator	Non-recurring	12,800	Corporate Director of Finance and Resources
25/10/2022 & 07/12/2022	Release of funding from Revenue Grant Reserve for One Public Estate	Non-recurring	24,300	Corporate Director of Finance and Resources
25/10/2022	Virement to provide recurring budget for additional Member Support Officer costs	Recurring	7,100	Corporate Director of Governance and Regulatory Services
25/10/2022	Virement to provide recurring budget for additional Regeneration costs	Recurring	63,900	Corporate Director of Economic Development
04/11/2022 & 12/12/2022 & 06/01/2023	Release of funding from Revenue Grant Reserve for St Cuthbert's Garden Village	Non-recurring	198,700	Corporate Director of Finance and Resources
08/11/2022 & 06/01/2023	Direct Revenue Financing from sale of Waste Receptacles towards Capital programme	Non-recurring	8,400	Neighbourhood Services Manager
12/12/2022	Release of funding from Revenue Grants Reserve for Homeless Accommodation	Non-recurring	41,800	Corporate Director of Finance and Resources
13/12/2022	Release of funding from Tullie House Reserve in respect of necessary repairs and re-purposing work to Castle Street property	Non-recurring	800,000	Corporate Director of Finance and Resources
Approved by Executive (£35,000 to £70,000 or delegated authority)				
Approved by Council (over £70,000)				
03/01/2023	Creation of an earmarked reserve for Caldew Riverside Remediation	Non-recurring	100,000	Council ED.01/23

REVENUE BUDGET MONITORING 2022/23

COMMUNITY SERVICES	Gross Expenditure	Gross Income	Recharges	Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	21,920,700	(5,930,700)	(3,735,800)	12,254,200
Budget to date	16,989,305	(4,431,464)	(3,153,167)	9,404,674
Total Actual	17,157,674	(4,575,028)	(3,138,944)	9,443,702
Variance	168,369	(143,564)	14,223	39,028
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	168,369	(143,564)	14,223	39,028

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Car Parking	1	16,744	161,728	15	178,487
Bereavement Services	2	46,310	102,583	32	148,925
Healthy Cities	3	(77,144)	(7,108)	0	(84,252)
Recycling and Waste Services	4	228,421	(426,101)	(7,273)	(204,953)
Miscellaneous	5	(45,962)	25,334	21,449	821
Total Variance to date		168,369	(143,564)	14,223	39,028

Note	Community Services - Comments
1.	Various minor overspends including budget savings to be found; Shortfall in ticket income, contract income and penalty charge notice income.
2.	Overspends on premises related costs; reduced income from cremation fees partly offset by increased income from Cemeteries fees.
3.	Underspends in relation to Leisure contract payments and Old Fire Station.
4.	Overspend on employee and transport costs. Surplus income from Plastic and Card recycling, Sale of recyclates and Bring Sites income.
5.	Minor underspends, shortfall in income and reduced trading income (recharges) across other services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

CORPORATE SUPPORT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	4,000,400	(307,500)	(3,455,400)	237,500
Budget to date	3,224,426	(256,582)	(2,591,898)	375,946
Total Actual	3,152,755	(201,472)	(2,591,812)	359,471
Variance	(71,671)	55,110	86	(16,475)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(71,671)	55,110	86	(16,475)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Customer Contact	1	(44,503)	59,563	92	15,153
Miscellaneous	2	(27,168)	(4,453)	(6)	(31,628)
Total Variance to date		(71,671)	55,110	86	(16,475)

Note	Corporate Support - Comments
1.	Underspends on employee related costs, shortfall in reception service fee income.
2.	Minor underspends and additional income across other services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	4,990,400	(1,759,600)	(416,400)	2,814,400
Budget to date	3,217,404	(968,810)	(312,342)	1,936,252
Total Actual	3,158,147	(1,004,925)	(312,300)	1,840,922
Variance	(59,257)	(36,115)	42	(95,330)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(59,257)	(36,115)	42	(95,330)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Development Control	1	(24,444)	(64,428)	0	(88,872)
Miscellaneous	2	(34,813)	28,313	42	(6,458)
Total Variance to date		(59,257)	(36,115)	42	(95,330)

Note	Economic Development - Comments
1.	Minor underspends and increased fee income received to date.
2.	Minor underspends and shortfall in income across services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

FINANCE AND RESOURCES	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	32,872,200	(27,367,300)	(2,918,700)	2,586,200
Budget to date	26,129,346	(22,219,626)	(2,389,112)	1,520,608
Total Actual	25,516,270	(22,528,668)	(2,388,851)	598,751
Variance	(613,076)	(309,042)	261	(921,857)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(613,076)	(309,042)	261	(921,857)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Treasury and Debt Management	1	(560,083)	(230,168)	0	(790,252)
Revenues and Benefits	2	(49,126)	(78,903)	45	(127,984)
Miscellaneous	3	(3,866)	29	216	(3,621)
Total Variance to date		(613,076)	(309,042)	261	(921,857)

Note	Finance and Resources - Comments
1.	Saving on borrowing costs due to no new borrowing arrangements entered into yet & savings on Minimum Revenue Provision; improved levels of investment interest achieved.
2.	Various minor underspends; Increased level of Government Grants received.
3.	Minor underspends across other services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

GOVERNANCE AND REGULATORY	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	14,019,000	(6,304,100)	(3,824,800)	3,890,100
Budget to date	10,676,671	(4,999,493)	(2,868,964)	2,808,214
Total Actual	10,550,639	(5,115,607)	(2,832,022)	2,603,010
Variance	(126,032)	(116,114)	36,942	(205,204)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(126,032)	(116,114)	36,942	(205,204)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Industrial Estates	1	42,489	(54,690)	0	(12,201)
The Market Hall	2	105,430	10	0	105,440
Strategic Asset Investment	3	(109,797)	(3,625)	49	(113,373)
Homeless Accommodation	4	(25,539)	98,496	0	72,957
Electoral Services	5	(91,003)	(3,994)	6	(94,991)
Regulatory Services	6	(9,026)	(59,167)	13	(68,180)
Miscellaneous	7	(38,586)	(93,143)	36,874	(94,855)
Total Variance to date		(126,032)	(116,114)	36,942	(205,204)

Note	Governance & Regulatory Services - Comments
1.	Overspend on third party payments; increased rental income as a result of backdated rent reviews.
2.	Overspend in relation to payment of consultants for the Towns Deal project.
3.	Additional income generated from completed rent reviews; increased level of valuation fees received.
4.	Underspend on employee related expenditure and supplies and services; shortfall in income as a direct result of Covid-19 as changes to occupancy levels and the available provision have had to be made to ensure the health and wellbeing of residents and staff.
5.	Underspend on Election costs as a result of there being no City Council elections in 2022/23.
6.	Underspend on employee related expenditure; improved levels of licence income and agency fees received.
7.	Minor underspends and increased income across other services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

CORPORATE MANAGEMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	(2,404,300)	(1,975,800)	0	(4,380,100)
Budget to date	(3,484,999)	(1,433,694)	0	(4,918,693)
Total Actual	(3,382,040)	(1,431,774)	0	(4,813,814)
Variance	102,959	1,920	0	104,879
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	102,959	1,920	0	104,879

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Other Financial Costs	1	131,309	1,920	0	133,229
Miscellaneous	2	(28,350)	0	0	(28,350)
Total Variance to date		102,959	1,920	0	104,879

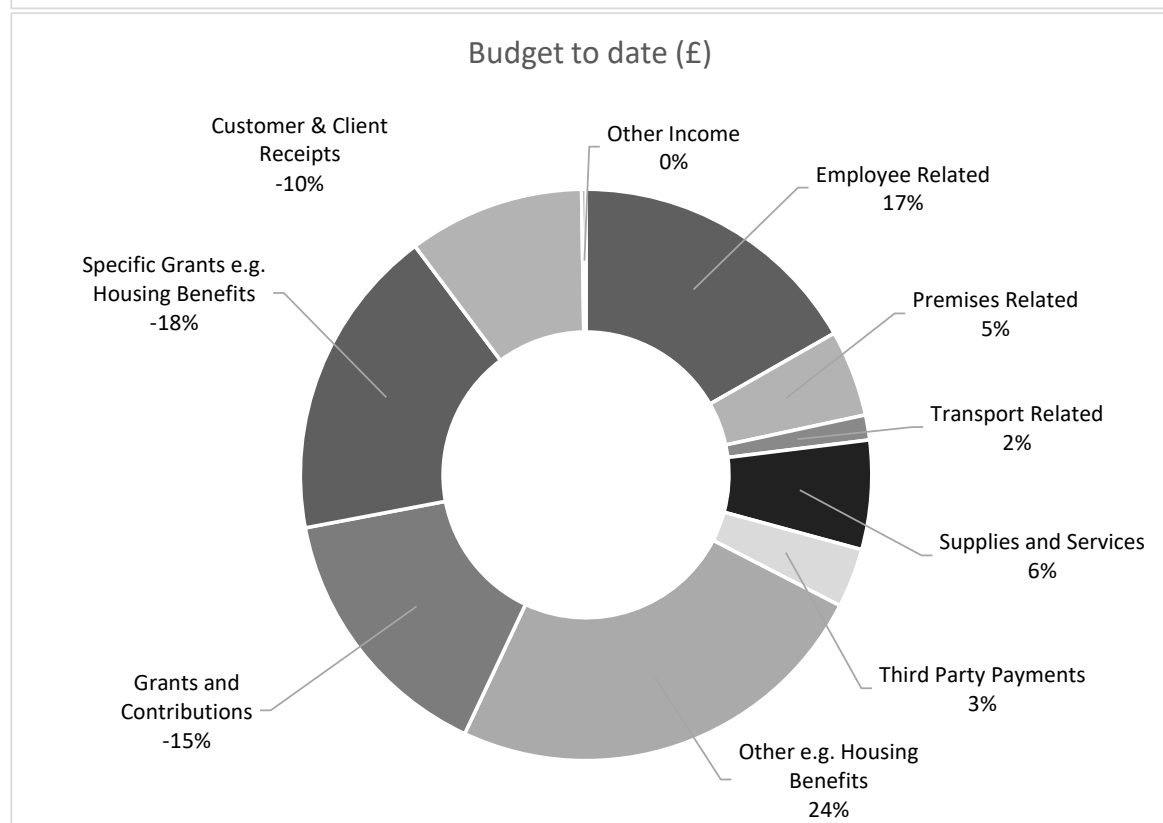
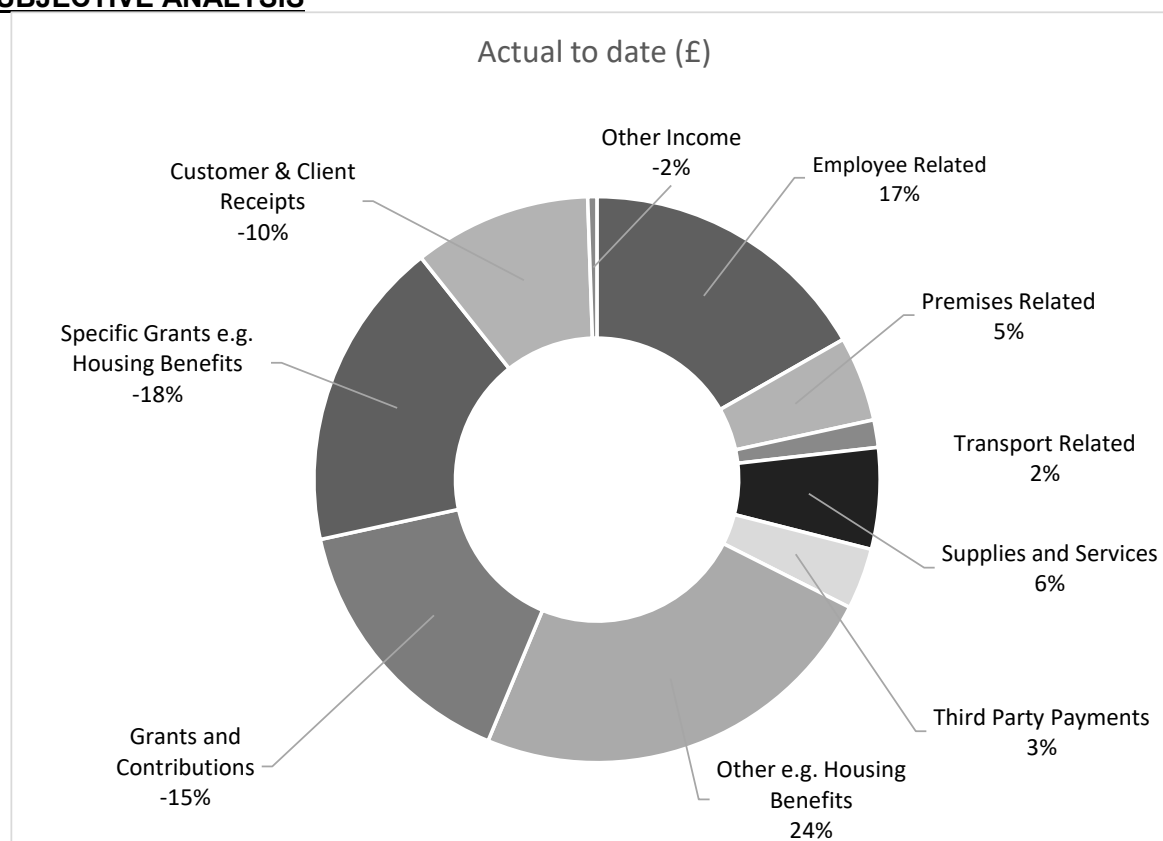
Note	Corporate Management - Comments
1.	Shortfall in savings for Salary Turnover (£173,272); partly offset by additional savings found (£38,800).
2.	Minor underspends across other services within the Directorate.

REVENUE BUDGET MONITORING 2022/23

EXCEPTIONAL ITEMS	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30 December 2022	£	£	£	£
Annual Budget	1,245,900	(336,300)	0	909,600
Budget to date	988,984	(291,208)	0	697,776
Total Actual	634,820	(315,519)	0	319,301
Variance	(354,164)	(24,311)	0	(378,475)
Carry Forwards/Reserves & Provisions				0
Adjusted Variance	(354,164)	(24,311)	0	(378,475)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Covid-19 Related Expenditure & Grants	1	16,433	(24,385)	0	(7,952)
Local Government Reorganisation	2	(370,597)	74	0	(370,523)
Total Variance to date		(354,164)	(24,311)	0	(378,475)

Note	Exceptional Items - Comments
1.	A net underspend position on Council related expenditure as a result of Covid-19.
2.	A net underspend position on Local Government Reorganisation expenditure. The balance will be required to support the ongoing process.

SUBJECTIVE ANALYSIS

BUSINESS RATES INCOME

	2021/22 Outturn	2022/23 NNDR1	2022/23 Q3
Local Share of Income (Per NNDR1)	(17,415,961)	(16,489,930)	(16,489,930)
Renewables (Per NNDR1)	(378,052)	(412,335)	(412,335)
Renewables Bfwd (NNDR3 Previous Year)	4,122	0	0
Enterprise Zone (Per NNDR1)	(418,227)	(225,003)	(225,003)
Tariff (Per Final Settlement)	12,569,244	12,568,847	12,568,847
Section 31 Grants (reimbursement of funded reliefs)			
Section 31 Grants (Flooding)	(5,055,072)	(3,206,585)	(3,284,541)
Section 31 Grant Expanded Retail Discount, Nursery and Local Newspaper			
Estimated Collection Fund Deficit/(Surplus) per NNDR1	9,462,618	2,958,134	2,958,134
Spreading of Deficit	0	197,036	197,036
Levy Payable to Pool	1,349,235	1,660,000	1,443,000
Pool Redistribution	(700,000)	(940,000)	(726,608)
Total Income	(582,093)	(3,889,836)	(3,971,400)
Budget			
Section 31 Grant B/Fwd (Earmarked Reserve)	9,462,618	3,155,200	3,155,200
Baseline Funding	(3,335,200)	(3,335,700)	(3,335,700)
Business Rates Multiplier Grant	(173,800)	(340,900)	(340,900)
Additional Rates Income - Pooling/Growth	(2,700,000)	(2,700,000)	(2,700,000)
Total Budget	3,253,618	(3,221,400)	(3,221,400)
Additional Income retained	(3,835,711)	(668,436)	(750,000)

BAD DEBT PROVISION

TABLE 1		Write-Offs		Comments
Type of Debt		December 2022		
		No.	£	
NNDR (General)		0	0.00	01/10/22 to 31/12/22
Council Tax		74	82,178.70	01/10/22 to 31/12/22
Debtors:				
Private Tenants		0	0.00	01/10/22 to 31/12/22
Housing Benefit Overpayments		5	2,886.99	01/10/22 to 31/12/22
General Fund		7	4,713.25	01/10/22 to 31/12/22
Penalty Charge Notices:				
On Street		0	0.00	01/10/22 to 31/12/22
Off Street		3	250.00	01/10/22 to 31/12/22
TOTAL		89	90,028.94	
TABLE 2		Write-Ons		Comments
Type of Debt		December 2022		
			£	
NNDR (General)		0	0.00	01/10/22 to 31/12/22
Council Tax		6	1,494.30	01/10/22 to 31/12/22
Debtors:				
Private Tenants		0	0.00	01/10/22 to 31/12/22
Housing Benefit Overpayments		3	41.35	01/10/22 to 31/12/22
General Fund		10	126.32	01/10/22 to 31/12/22
TOTAL		19	1,661.97	