

2022/23 Period 9: Revenue Budget Monitoring

Summary

The full year forecast at the end of Quarter 3 for underlying Service budgets is £-625k (3.5%) lower than the management budget; the Central budgets are forecast to be £-905k (43.5%) lower than budget, resulting in an overall forecast of £-1,530k (7.6%) lower than budget.

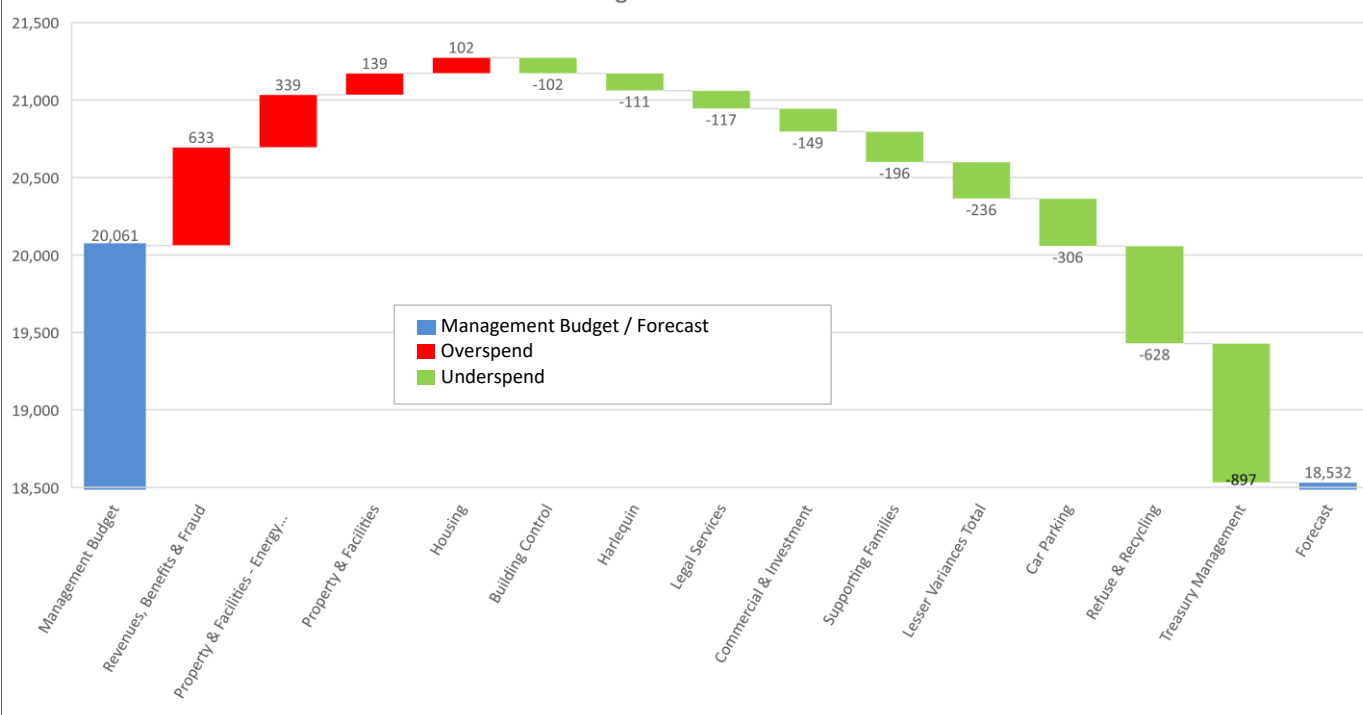
Reconciliation of Original Budget to Management Budget for 2022/23

	£000	£000
Original Budget		19,980
Unspent Budget brought forward from 2021/22	81	
Management Budget		20,062

Headline Revenue Budget Information 2022/23

	£000
Management Budget	20,062
Year End Forecast	18,532
Projected underspend	-1,530 (-7.6% of the budget)

Revenue Budget Outturn Variances £000



Forecast for Services is £625k under budget. Significant variances summarised below:

Revenues, Benefits & Fraud: £633k overspend driven by £440k net impact of reduced Housing Benefit subsidy; £138k higher Housing Benefit costs; £120k higher temporary staff costs with £18k overtime and £56k lower Homelessness Grant contribution which are partially offset by £168k lower staff costs due to vacancies within the team.

Property & Facilities - Energy Costs: £339k overspend driven by increased cost of gas & electricity.

Property & Facilities: £139k overspend driven by lower than budgeted rental income and higher rates costs.

Building Control: £102k underspend: Joint Venture is now forecast to provide a net surplus rather than the small loss budgeted.

Harlequin: £111k underspend driven by higher income from amateur shows and room hire and lower staff costs due to vacancies.

Legal Services: £117k underspend driven by vacancies partially offset by lower income.

Car Parking: £306k underspend driven by higher than expected revenue from off-street parking.

Refuse & Recycling: £628k underspend driven by higher Garden Waste & Commercial Waste income and lower waste disposal costs.

Forecast for Central Budgets is £905k under budget. Significant variances summarised below:

Treasury Management: £897k underspend. Higher than budgeted interest income and lower borrowing costs due both to favourable rates and more funds on deposit.

1. General Fund Reserve		£000	£000
Balance at start of year			3,000.0
Add: Projected underspend	at 31 March 2023		1,529.5
Anticipated balance at End of Year before Reserves Review/Reallocations*			<u>4,529.5</u>
*Maximum General Fund Balance Required (2022/23 = £3m)		2,997.0	

Budget Monitoring: Summary 2022-23

Responsible Officer	Service	Original Budget £000	Total Variations £000	Management Budget £000	Year End Outturn £000	Year End Variance £000	Commentary
1. Service Budgets							
1a. Organisation							
Catherine Rose	Corporate Policy	236.0	0.0	236.0	205.4	(30.6)	Saving in staff costs due to vacancies.
	Projects & Business Assurance	212.6	0.0	212.6	168.3	(44.3)	Saving in staff costs due to vacancies.
Carys Jones	Communications	734.6	0.0	734.6	730.9	(3.7)	Minor variance
	Customer Contact	416.8	0.0	416.8	395.8	(21.0)	Saving in staff costs due to vacancies.
Darren Wray	Information & Communications Technology	1,810.0	0.0	1,810.0	1,880.1	70.1	Inflationary and other contract increases partially offset by saving in staff costs due to vacancies.
Kate Brown	Organisational Development & Human Resources	816.1	0.0	816.1	837.1	21.0	Underspend in staff costs due to vacancies has been offset by use of interim resources.
Joyce Hamilton	Legal Services	824.5	0.0	824.5	707.5	(117.0)	£300k saving in staff costs due to vacancies, partially offset by £120k higher legal and consultancy fees and £50k lower income.
	Land Charges	-102.1	0.0	-102.1	-166.0	(63.9)	Saving due to lower than budgeted SCC land charges expenses and higher than budgeted income.
	Democratic Services	868.3	0.0	868.3	835.4	(32.9)	Saving in staff costs due to vacancies.
	Electoral Services	502.5	0.0	502.5	437.5	(65.0)	Saving in staff costs partially offset by increased elections cost.
Pat Main	Corporate Support	187.5	0.0	187.5	143.9	(43.6)	Savings in stationery and postage costs.
	Finance	1,368.3	-124.0	1,244.3	1,288.3	44.0	Increased costs due to use of specialist interim resources
	Property & Facilities - Energy Costs	370.9	0.0	370.9	710.2	339.3	Increase in cost of gas and electricity
	Property & Facilities	-1,723.7	0.0	-1,723.7	-1,584.9	138.8	Cost of rates at Cromwell Road £37k and Regent House £14k; void space at Linden House Reigate £57k; and other minor variances.
	Commercial & Investment	149.3	0.0	149.3	0.0	(149.3)	Budget will not be used in 22/23.
1b. Place							
Simon Bland	Economic Prosperity	282.4	0.0	282.4	324.2	41.8	Lower markets income due to reduced demand.
Morag Williams	Fleet	1,458.7	0.0	1,458.7	1,510.6	51.9	Higher fuel costs, although this has fallen significantly since Q2.
	Refuse & Recycling	1,165.8	0.0	1,165.8	538.0	(627.8)	£300k higher Garden Waste income; £221k lower waste disposal cost driven by lower volumes; £54k higher income from domestic waste containers; £49k higher income from Commercial Recycling due to volumes.
	Engineering & Construction	63.2	0.0	63.2	86.7	23.5	Capitalised salary recharge of £18k will not take place this year as the team no longer carry out capital works.
	Environmental Health & JET	1,130.8	78.6	1,209.4	1,124.1	(85.3)	Higher income due to successful court actions against landlords.
	Environmental Licencing	-190.1	-78.6	-268.7	-344.9	(76.2)	Saving in staff costs due to vacancies.
	Greenspaces	1,546.9	0.0	1,546.9	1,546.3	(0.6)	Minor variance
	Car Parking	-804.1	0.0	-804.1	-1,110.5	(306.4)	Higher income from off-street parking, including season tickets and contract parking.
	Street Cleansing	952.7	0.0	952.7	962.4	9.7	Higher overtime costs.
Peter Boarder	Place Delivery	370.9	0.0	370.9	371.3	0.4	Minor variance
Andrew Benson	Building Control	45.0	0.0	45.0	-57.1	(102.1)	£41k lower Joint Venture costs and £61k extra income. The lower costs have been approved as a saving in 2023/24 .
	Planning Policy & Development Services	673.2	0.0	673.2	751.1	77.9	£256k lower income in planning fees due to lower volume of applications and £215k higher consultancy costs which are partially offset by £280k lower staff costs due to 9 vacancies and £130k extra grant income.

Budget Monitoring: Summary 2022-23

Responsible Officer	Service	Original Budget £000	Total Variations £000	Management Budget £000	Year End Outturn £000	Year End Variance £000	Commentary
1c. People							
Justine Chatfield	Community Development	426.7	-42.0	384.7	368.9	(15.8)	External grant income to fund some roles.
	Partnerships	303.1	87.3	390.4	344.5	(45.9)	Saving in staff costs due to vacancies.
	Community Centres	382.5	10.0	392.5	394.4	1.9	Savings in staff costs due to vacancies are offset by lower income at the Horley & Woodhatch centres.
	Voluntary Sector Support	200.1	26.1	226.2	226.2	0.0	
Richard Robinson	Housing Services	1,026.3	0.0	1,026.3	1,128.5	102.2	Extra bed & breakfast accommodation provision has driven higher net costs.
Simon Rosser	Revenues, Benefits & Fraud	805.9	0.0	805.9	1,438.7	632.8	£440k net impact of reduced Housing Benefit subsidy; £138k higher Housing Benefit costs; £120k higher temporary staff costs with £18k overtime and £56k lower Homelessness Grant contribution are partially offset by £168k lower staff costs due to vacancies within the team.
Duane Kirkland	Supporting People	167.3	0.0	167.3	143.4	(23.9)	Underspend on a budget that is no longer required. This has been approved as a saving in 2023/24.
	Supporting Families	56.4	0.0	56.4	-139.5	(195.9)	The backdated contribution from SCC for 2021/22 and 2022/23 is higher than budgeted.
	Harlequin	380.8	0.0	380.8	270.0	(110.8)	Higher income relating to amateur shows and room hire and lower staff costs due to vacancies.
	Leisure Services	-66.4	0.0	-66.4	-84.3	(17.9)	Management fee income higher than budget.
1d. Management Team							
Mari Roberts-Wood	Management Team	933.2	0.0	933.2	933.2	0.0	
Frank Etheridge	Emergency Planning	39.7	0.0	39.7	39.7	0.0	

Total Services 18,022.6 -42.6 17,980.0 17,355.4 (624.6) -3.47%

2. Central Budgets

Pat Main	Insurance	465.0	0.0	465.0	452.9	(12.1)	
	Treasury Management - Interest on Investments	-1,195.0	124.0	-1,071.0	-1,697.8	(626.8)	Includes interest on commercial loans and updated Bank of England interest rate forecasts.
	Treasury Management - Interest on Borrowing	455.0	0.0	455.0	184.8	(270.2)	Lower cost of borrowing for the capital programme than originally forecast.
	Treasury Management - Interest on Trust Funds	18.0	0.0	18.0	0.0	(18.0)	
	Minimum Revenue Provision	1,361.0	0.0	1,361.0	1,361.0	0.0	
	Employer Pension Costs	400.0	0.0	400.0	400.0	0.0	
Kate Brown	Apprenticeship Levy	78.0	0.0	78.0	78.0	0.0	
	Recruitment Expenses	40.0	0.0	40.0	40.0	0.0	
	Corporate Human Resources Expenses	86.8	0.0	86.8	86.8	0.0	
Pat Main	Central Budget Contingencies	99.2	0.0	99.2	99.2	0.0	
	Preceptor Grants	37.5	0.0	37.5	37.5	0.0	
	External Audit Fees	53.0	0.0	53.0	72.0	19.0	
	Internal Audit	59.0	0.0	59.0	62.3	3.3	Adjusted to include backdated contract fee increase.

Total Central Items 1,957.5 124.0 2,081.5 1,176.7 (904.8) -43.47%

Grand Total 19,980.1 81.4 20,061.5 18,532.1 (1,529.4) -7.62%

2022/23 COVID-19 Expenditure & Funding @ P9 2022/23	Funding B/Fwd From 21/22 £m	Funding Received In 22/23 £m	Forecast Expenditure £m	Forecast Recoupments £m
<u>Covid-19</u>				
<u>Closed Grants</u>				
Additional Restrictions Grant	(0.281)	-	-	0.281
Omicron Hospitality & Leisure Grant	(0.109)	-	-	0.109
Reopening High Streets / Welcome Back Fund	(0.036)	-	0.036	-
<u>Grants Continuing Beyond 1st April '22</u>				
Council Tax Hardship Grant	(0.254)	-	0.254	-
Environmental Health SLA	(0.120)	(0.062)	0.147	0.035
Test & Trace - Admin Funding	(0.050)	-	0.030	-
General Funding	(0.036)	-	0.032	-
New Burdens Funding	-	(0.032)	0.032	-
Test & Trace - Mandatory Scheme	(0.013)	(0.016)	0.031	-
Forecast Expenditure and Income 2022/23	(0.899)	(0.110)	0.562	0.425
Expected Net Underspend 2022/23	(0.022)			

2022/23 COVID ADDITIONAL RELIEF FUND		
Expenditure & Funding @ P9 2022/23	Forecast Expenditure £m	Forecast Funding £m
<u>Covid Additional Relief Fund (CARF)</u>		
Funding Received In 2021/22		(3.514)
NNDR Reliefs Granted During 2021/22	0.041	
Balance Carried Forward Into 2022/23	3.473	
	3.514	(3.514)
Balance Brought Forward From 2021/22		(3.473)
NNDR Reliefs Granted During 2022/23	0.087	
Remaining Balance (Repayable To DLUHC In Due Course)	3.386	
	3.473	(3.473)

2022/23 COUNCIL TAX ENERGY REBATE		Expenditure £m	Funding £m
Expenditure & Funding @ P9 2022/23			
Core Scheme (ended 30.09.22)			
Funding Received			(5.153)
£150 Payments Made To Band A-D Council Tax Payers		4.816	
£150 Council Tax Credits Made To Band A-D Council Tax Payers		0.323	
Final Expenditure and Income 2022/23		5.139	(5.153)
Final Net Funding Surplus (Returnable To DLUHC)		(0.014)	
Discretionary Scheme (ended 30.11.22)			
Funding Received			(0.332)
£150 Discretionary Payments		0.102	
£150 Discretionary Council Tax Credits		0.021	
Final Expenditure and Income 2022/23		0.123	(0.332)
Final Net Funding Surplus (Returnable To DLUHC)		(0.209)	
Administrative Costs			
Funding Received*			(0.057)
Software & Processing Costs		0.044	
Staffing & Administration Costs		0.048	
Final Expenditure and Income 2022/23		0.092	(0.057)
Final Net Expenditure (*final funding determinations were still underway at the start of 2023)		0.035	
Final Expenditure and Income 2022/23 (Entire Scheme)		5.354	(5.542)
Final Net Funding Surplus (Entire Scheme)		(0.188)	
End Of Scheme Summary			
Surplus Funding Returnable To DLUHC		(0.233)	
Potential Risk Currently Borne By RBBC:-			
69x £150 Ineligible Payments Made In Error		0.010	
Overspend On Admin Costs		0.035	
		(0.188)	

2022/23 UKRAINIAN REFUGEE SCHEMES	Forecast Expenditure £m	Forecast Funding £m
Expenditure & Funding @ P9 2022/23		
<u>Ukraine Family Scheme</u>		
Funding Received/Expected (costs are reimbursed in arrears by SCC)		(0.016)
Refugee Accommodation Costs	0.010	
Refugee Travel Costs	0.001	
Prepaid Cards	0.001	
Interpretation/Translation Costs	0.002	
Staff Overtime / Additional Hours	0.001	
Staff Travel Costs	0.001	
Forecast Expenditure and Income 2022/23	0.016	(0.016)
Forecast Nett Expenditure	0.000	
<u>Homes For Ukraine Scheme</u>		
Funding Received/Expected (costs are reimbursed in arrears By SCC)		(0.471)
Sponsorship Payments (estimate based on current no. of sponsors)	0.375	
Refugee Accommodation Costs	0.018	
Refugee Travel Costs	0.002	
Interpretation & Translation Services	0.002	
Prepaid Cards	-	
Staffing Costs (dedicated staff, overtime, additional hours etc)	0.070	
Staff Travel Costs	0.004	
Forecast Expenditure and Income 2022/23	0.471	(0.471)
Forecast Nett Expenditure	0.000	
Forecast Expenditure and Income 2022/23 (All Schemes)	0.487	(0.487)
Forecast Nett Expenditure (All Schemes)	0.000	
Summary:-		
Surplus Income Returnable To SCC	0.000	
Potential Cost To Be Borne By RBBC	0.000	

HOUSEHOLD SUPPORT FUND ROUNDS 1 TO 3 Expenditure & Funding @ P9 2022/23	Round #1 (period covered:- 06.10.21 - 31.03.22)		Round #2 (period covered:- 01.04.22 - 30.09.22)		Round #3 (period covered:- 01.10.22 - 31.03.23)	
	Funding £m	Expenditure £m	Funding £m	Expenditure £m	Funding £m	Expenditure £m
	(actuals)	(actuals)	(actuals)	(actuals)	(actuals)	(forecast)
The Household Support Fund is a Government scheme aimed at alleviating the financial pressures falling on households as a result of the cost of living crisis. There is a specific focus on supporting households with energy, food & water bills.						
Initial Grant Allocation (received via Surrey County Council)	(0.383)		(0.324)		(0.302)	
Support Issued To Households						
Council Tax Reduction Strand (pro-active payments made to CTR recipients)		0.181		-		-
Referral Strand (referrals made to us from 3rd parties)		0.103		-		-
Fuel Vouchers (distributed via VCS partners)		0.019		0.025		-
Food Vouchers (distributed via VCS partners)		-		0.053		0.085
Cash Payments (made to pensioner households on Council Tax Support)		-		0.188		0.006
		0.303		0.266		0.091
Contributions To Voluntary/Community Sector Partners						
Stripey Stork		0.008		-		0.012
Fuel Grants		0.008		-		0.025
East Surrey Domestic Abuse Service		0.006		-		0.020
'I Choose Freedom' (previously known as Reigate & Banstead Women's Aid)		0.006		-		0.020
Food Clubs		0.005		-		0.025
Renewed Hope Trust		0.002		-		-
Gateway Allotment Project		0.002		-		-
Merstham Mix		0.001		-		-
Surrey Community Action		0.001		-		-
Community Debt Advice		-		-		0.005
		0.039		0.000		0.107
Housing Support						
Contributions Towards Rent Arrears		0.023		0.020		0.030
Rent Assistance / Rehoming Of Donyings Cabin Occupants		0.008		-		-
Contribution To ESDAS Sanctuary		0.005		0.005		-
Energy & Food Support For Specific Housing Clients		-		-		0.010
		0.036		0.025		0.040
Other Support (some elements still being scoped)						
Warm Hubs		-		-		0.010
Mayor's Trust Fund		-		-		0.016
		-		-		0.026
Administration Costs						
RBBC Staff Costs (costs falling outside BAU)		0.003		0.009		0.015
Admin Contributions Claimed By VCS Partners		0.005		0.001		0.009
Software & Administration Services (NEC Software Solutions)		-		0.015		0.005
		0.008		0.025		0.029
		(2.20% of spend)		(8.08% of spend)		(9.75% of spend)
Grant Closure/Reconciliation						
Grant Top-Up To Eliminate Overspend (received from Surrey County Council)	(0.003)		-		tbc	
Recoupment Of Unspent Grant (excess funding returned to Surrey County Council)		-		0.008		0.009
No. Of Households Supported		4,294		2,451		tbc
Total Funding & Expenditure	(0.386)	0.386	(0.324)	0.324	(0.302)	0.302

2022/23 SYRIAN REFUGEES SCHEME	Forecast Expenditure £m	Forecast Funding £m
Expenditure & Funding 2022/23		
<u>Refugee Family Support</u>		
Grant Received		(0.027)
Local Auth. Funding Received		(0.040)
Staff Costs	0.095	
Travel Costs	0.001	
Refugee Accommodation Costs	0.057	
Refugee Nursery Fees	0.005	
Miscellaneous Expenditure	0.004	
Forecast Expenditure and Income 2022/23	0.162	(0.067)
Forecast Nett Expenditure	0.096	

** The overspend is funded by Contribution from Reserves cfd from 21/22 as shown in J14

2022/23 AFGHAN REFUGEES SCHEME	Forecast Expenditure £m	Forecast Funding £m
Expenditure & Funding 2022/23		
<u>Afghan Refugees Scheme</u>		
Grant Received		(0.072)
Local Auth. Funding Received		(0.012)
Staff Costs	0.037	
Refugee Accommodation Costs	0.017	
Miscellaneous Expenditure	0.002	
Forecast Expenditure and Income 2022/23	0.056	(0.084)
Forecast Nett Expenditure	(0.028)	