

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY & FINANCE COMMITTEE

meeting date: 13 SEPTEMBER 2022
 title: REVENUE OUTTURN 2021/22
 submitted by: DIRECTOR OF RESOURCES
 principal author: VALERIE TAYLOR

1 PURPOSE

- 1.1 To report on the outturn for the financial year 2021/22 in respect of the Revenue Budget for this Committee.
- 1.2 Relevance to the Council's ambitions and priorities:
- Community Objectives – None identified
 - Corporate Priorities – to continue to be 'a well-managed Council providing efficient services based on identified customer needs' and within this priority meets the objective 'to maintain critical financial management controls, ensuring the authority provides council taxpayers with value for money'.
 - Other Considerations – none identified.

2 BACKGROUND

- 2.1 Our full Statement of Accounts were signed off for audit by the Director of Resources on 29 July 2022 and are now subject to audit.
- 2.2 The Statement of Accounts are expected to be submitted for approval to Accounts and Audit Committee at their meeting on 28 September 2022.

3 FINANCIAL INFORMATION

- 3.1 Shown below, by cost centre, is a comparison with the revised estimate. You will see an overall underspend of £68,980 on the net costs of services. After net transfers to earmarked reserves there is an overspend of £94,792 accounted for within Policy and Finance Committee. This has been taken from General Fund Balances.
- 3.2 In the table below are a number of services with a net cost of 'nil', marked **. This is where services are fully recharged out to other service areas.

Cost Centre	Cost Centre Name	Revised Estimate 2021/22	Actual 2021/22	Variance 2021/22	Associated Earmarked Reserve Variance	Net Variance 2021/22
BYELE	District By-Elections	11,420	11,537	117	0	117
CEXEC	Chief Executives Department**	0	0	0	0	0
CINTR	Clitheroe Interchange	7,430	2,518	-4,912	0	-4,912
CIVCF	Civic Functions	53,840	46,773	-7,067	0	-7,067

Cost Centre	Cost Centre Name	Revised Estimate 2021/22	Actual 2021/22	Variance 2021/22	Associated Earmarked Reserve Variance	Net Variance 2021/22
CIVST	Civic Suite**	-1,130	0	1,130	0	1,130
CLOFF	Council Offices**	-450	0	450	5	455
CLTAX	Council Tax	370,740	342,666	-28,074	0	-28,074
COMPR	Computer Services**	0	0	0	5	5
CORPM	Corporate Management	366,840	361,580	-5,260	0	-5,260
COSDM	Cost of Democracy	512,400	498,509	-13,891	0	-13,891
CSERV	Corporate services	163,050	145,942	-17,108	0	-17,108
DISTC	District Elections	17,060	-4,532	-21,592	18,784	-2,808
ELADM	Election Administration	37,180	36,476	-704	-6,656	-7,360
ELECT	Register of Electors	88,860	88,668	-192	0	-192
EMERG	Community Safety	69,830	65,722	-4,108	0	-4,108
ERNET	Emergency Radio Network	20	18	-2	2	0
ESTAT	Estates	52,360	63,773	11,413	558	11,971
FGSUB	Grants & Subscriptions - Policy and Fin	176,620	151,789	-24,831	-24,327	-49,157
FMISC	Policy & Finance Miscellaneous	115,210	82,902	-32,308	25,670	-6,638
LANDC	Land Charges	12,550	16,299	3,749	0	3,749
LICSE	Licensing	62,440	47,973	-14,467	0	-14,467
LUNCH	Luncheon Clubs	16,400	9,293	-7,107	0	-7,107
NNDRC	National Non-Domestic Rates	56,050	55,267	-783	0	-783
PARIS	Parish Elections	10,300	12,938	2,638	0	2,638
QPJUB	Queen`s Platinum Jubilee	20,000	16,000	-4,000	4,000	0
RESOR	Resources Department**	-2,040	0	2,040	0	2,040
SUPDF	Superannuation Deficiency Payments	88,260	87,677	-583	0	-583
Service cost centre variances		2,305,240	2,139,790	-165,450	18,042	-147,408
Coronavirus cost centre variances		-132,970	-36,500	96,470	145,730	242,200
TOTAL for this committee		2,172,270	2,103,290	-68,980	163,772	94,792

4 IMPACT OF CORONAVIRUS

4.1 The table at 3.2 shows a net overspend after movements in reserve of £94,792.

4.2 This net overspend can be separated between service specific activities and coronavirus specific activities as shown below:

Cost area	Net cost of services variance £	After transfers to/ from earmarked reserves £
Service cost centres	-165,450	-147,408
Covid-19 response	96,470	242,200
SUM	-68,980	94,792

4.3 Key movements are summarised at section 6 of the report, with a more detailed breakdown provided in the annex.

5 EARMARKED RESERVES

5.1 Reserves are important to local authorities as, unlike central government, we cannot borrow money over the medium term, other than for investment in assets, and we are required to balance our budgets on an annual basis.

5.2 Reserves can be held for three main purposes:

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events or emergencies. This also forms part of general reserves;
- A means of building up funds or accounting for funds we are committed to spend, such as grant income we have received in year but not yet spent in full. This is done through our earmarked reserves to meet known or predicted requirements; our earmarked reserves are accounted for separately but remain legally part of the General Fund.

5.3 The table below provides details of the revised estimate, our actual outturn and the impact in both cases of the movement in earmarked reserves. Full details are provided of the earmarked reserves that have been impacted and the reason for the movement.

	Revised Estimate 2021/22	Outturn 2021/22	Variance	Reason for movement on Earmarked Reserve
	£	£	£	
Committee Net Cost of Services	2,172,270	2,103,290	-68,980	
<i>Service Specific Movements in Earmarked Reserves</i>				
FNBAL/H230 - Election Reserve The reserve was established from monies set aside on an annual basis to smooth out the cost of local elections held once every four years.	31,270	43,398	12,128	Annual addition to reserve to fund the cost of the full council elections. Final movement in reserve includes grant funding received to help with the future cost of ensuring elections are covid safe and an accountancy adjustment relating to amortisation of elections equipment.

	Revised Estimate 2021/22	Outturn 2021/22	Variance	Reason for movement on Earmarked Reserve
FNBAL/H328 - Repairs & Maintenance Reserve Reserve established to fund emergency repairs and maintenance items, including legionella and asbestos abatement	-5,260	-5,255	5	Funds released from reserve for final expenditure on painting the council offices.
FNBAL/H337 - Equipment Reserve This reserve was established by setting aside unspent budget provisions and miscellaneous grants received to fund equipment and new burdens imposed on the council.	0	8,103	8,103	A transparency code new burdens grant has been received and set aside in this reserve to fund future expenditures.
	-2,000	-2,000	0	Release from reserve of funds set aside to fund expenditure on a business continuity software update and associated training, originally planned during 2020/21, but postponed due to the pandemic.
FNBAL/H377 - Two-way radio Reserve established to set aside funds for the upkeep of the Lancashire Emergency Radio Network.	-20	-18	2	Previously unspent contributions that were set aside in reserve have been released to meet expenditure during the current year.
FNBAL/H376 Business Rates Growth Reserve Business rates growth set aside to be used to support revenue expenditure or the capital programme.	-6,680	-5,175	1,505	Release from reserve to fund the final implementation costs of Microsoft 365.
FNBAL/H375 - Flood Resilience, Response and Recovery Grant Reserve Grant funding relating to residual Flood Resilience Grants and also in respect of flood response and recovery.	0	-16,408	-16,408	Transfer of funds to the capital reserve following review at the end of the 2021/22 year.
FNBAL/H372 - Parish Grants Reserve This reserve holds resources set aside to fund the Parish Grant Scheme.	-20,000	-16,000	4,000	Release of funds for Queens Jubilee grants paid to Town and Parish councils during 2021/22.
FNBAL/H325 - VAT Shelter Reserve As part of the housing stock transfer to a social housing landlord a VAT shelter agreement was established. The council receives an annual payment from the landlord which is set aside in an earmarked reserve, largely to fund future capital expenditure.	23,150	34,477	11,327	Higher VAT shelter income was received from Ribble Valley Homes than anticipated at the time of setting the revised estimate.

	Revised Estimate 2021/22	Outturn 2021/22	Variance	Reason for movement on Earmarked Reserve
FNBAL/H335 - Invest to Save Fund Reserve established to fund capital schemes that will generate recurring future savings as a result of the expenditure incurred. Additional income/ savings generated are repaid back to the fund from completed capital projects up to the value of the original capital expenditure.	5,430	5,438	8	A repayment to the invest to save fund of additional rental income generated from the Queensway Garages capital scheme which was originally funded from this reserve.
FNBAL/H269 - Revaluation of Assets Reserve Reserve established from monies set aside on an annual basis to smooth out the costs of the full revaluation of council assets which must be carried out every five years.	2,420	7,160	4,740	Contribution to the reserve to smooth out the cost of future valuations. The estimate has been increased following review at the end of the 2021/22 financial year.
FNBAL/H330 - Capital Reserve Used to fund the capital programme.	0	550	550	Sale of land and equipment is moved to the capital reserve to contribute towards the capital programme. There is a small contribution for 2021/22, being the amount generated from freehold sales during the year.
	0	16,408	16,408	Transfer of funds in from the Flood Resilience, Response and Recovery Grant Reserve following review at the end of the year.
FNBAL/H381 - RV Strategic partnership Ribble Valley Strategic Partnership funds held in reserve	0	-24,327	-24,327	Residual funds held in reserve from the Ribble Valley Strategic Partnership released back to general fund following review at the end of the 2021/22 financial year.
<i>Covid-19 Movements in Earmarked Reserves</i>				
FNBAL/H379 - Covid-19 Response Grant Reserve Reserve established as a contingency to offset potential future costs that may arise from the ongoing coronavirus pandemic.	125,010	407,086	282,076	New burdens grant funding received during 2021/22 has been set aside in this reserve. Actual funding received was higher than established at revised estimate and is largely due to un-ringfenced tranche funding of £242k that is accounted for at a corporate level.

	Revised Estimate 2021/22	Outturn 2021/22	Variance	Reason for movement on Earmarked Reserve
	-54,790	-97,636	-42,846	Other expenditure on the coronavirus response, which is mainly general expenditure funded from un-ringfenced grant funding.
FNBAL/H382 - Self-isolation Grants Reserve (principal) Reserve established to set aside test and trace support grant funds	62,750	-30,750	-93,500	Balance of discretionary test and trace self-isolation payment funding released from reserve to be repaid to funder following conclusion of the scheme.
Final net expenditure	2,333,550	2,428,342	94,792	

6 KEY MOVEMENTS FROM REVISED ESTIMATE TO OUTTURN

6.1 The main variations have been extracted and are shown at Annex 1. However, a summary of the major variations after movements in earmarked reserves is set out in the table below:

Service Area	Description of Variance	Variance £
Grant schemes	<p>There was an underspend when compared to the revised estimate on the following grant schemes where the value of approvals or applications was lower than the budgets available:</p> <ul style="list-style-type: none"> • Concurrent function grant schemes -£13k • Voluntary Organisation grants -£12k; and • Luncheon Club grants -£7k 	-31,830
CLTAX Council Tax	The council received a refund of £25k from HM Courts and Tribunals Service for overcharged magistrate court fees for council tax liability orders applied for between April 2014 and July 2018.	-25,566
FGSUB Grants and Subscriptions	Residual funds held in earmarked reserves from the dissolved Ribble Valley Strategic Partnership have been released back to general funds following review at the end of the 2021/22 financial year.	-24,326
RESOR Resources	Employee costs within the department were lower than estimated and were mainly due to a vacancy within the internal audit section. Underspends during the year were partially offset by expenditure on consultants that were engaged to ensure continuation of the internal audit service during the period of reduced staffing.	-18,914

Service Area	Description of Variance	Variance £
FMISC Policy and Finance Misc	New burdens grant funding was received during the year to help the council with the cost of meeting the increased external audit fees as a result of the Redmond Review.	-15,958
LICSE Licensing Income	£7k more income was received than estimated for premises licensing and £3k more for taxi licensing. New burdens grant funding of £4k was also received for the cost of implementing pavement licensing.	-14,037
Net support costs	Net Committee support service variance within Policy and Finance Committee service budgets.	23,920
Covid-19 un-ringfenced grant funding earmarked reserves movement	Movement of £242k of un-ringfenced grant funding to earmarked reserves created an overspend within this committee.	242,180

7 CONCLUSION

- 7.1 There have been a number of variations in both income and expenditure during the year, and this has given rise to an overall underspend of £68,980 on the net cost of services. After transfers to and from earmarked reserves the overall overspend is £94,792.

SENIOR ACCOUNTANT

DIRECTOR OF RESOURCES

PF36-22/VT/AC
19 AUGUST 2022

For further information please ask for Valerie Taylor.

POLICY & FINANCE COMMITTEE – VARIANCES 2021/22

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
<i>Main variances within Service Cost Centres</i>							
CEXEC: Chief Executive's Department							
Council staffing budgets at revised estimate assume average vacancy underspends of 2% across the authority on estimated costs due to turnover. Actual salary underspends within the Chief Executive department exceeded this estimate by £7k, mainly due to variances within the environmental health section.	-7,176						
Lower training requirements than allowed for within the departmental annual budget have resulted in underspends for tuition fees and associated travel and subsistence claims.	-4,190						
Planning appeal expenses previously charged to this cost centre have now been reimbursement as part of a planning appeal costs claim.		-1,604					
Reduced costs within other service areas has in turn reduced the charge to the Chief Executive Department for the year. Mainly in respect of the Resources department (-£1.4k)			-2,523				
Due mainly to the variances detailed above the net cost of running the Department was lower than the revised estimate for 2021/2022. This has in turn reduced the charge out to other service areas.			17,124				

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Total Chief Executive's Department	-11,366	-1,604	14,601	0	1,631	0	1,631
CINTR: Clitheroe Interchange							
Underspend on the budget available for repairs and maintenance costs at the old ticket office during the 2021/22 financial year.	-4,840						
Total: Clitheroe Interchange	-4,840	0	0	0	-4,840	0	-4,840
CIVCF: Civic Functions							
An order for mayoral medals was not completed by the end of the financial year bringing about the underspend shown.	-4,000						
Total Civic Functions	-4,000	0	0	0	-4,000	0	-4,000
CIVST: Civic Suite							
Higher than estimated income was received during the year for hire of the Council Chamber and Committee Rooms. Outturn will be used to inform future estimates.		-2,965					
The net cost of running the Civic Suite was lower than the revised estimate for 2021/2022. This has in turn reduced the charge out to other service areas.			6,879				
Total Civic Suite	0	-2,965	6,879	0	3,914	0	3,914
CLOFF: Council Offices							
The net cost of running the council offices was lower than the revised estimate for 2021/2022, mainly within the areas of utilities (-£1.4k) and temporary staffing (-£1.3k). This has in turn reduced the charge out to other service areas.			3,216				
Total Council Offices	0	0	3,216	0	3,216	0	3,216

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
CLTAX: Council Tax							
The postages estimate for the council tax section was based on prior year outturn with an estimate built in for inflation. Both the number and the unit cost of postages for the year were higher than estimated resulting in the variance shown.	3,113						
A refund was received from HM Courts and Tribunals Service for overcharged magistrate court fees for council tax liability orders applied for between April 2014 and July 2018.		-25,566					
The annual net cost of the Resources Department for 2021/22 was lower than estimated. This has in turn reduced the costs charged to other services (see RESOR).			-5,742				
Total Council Tax	3,113	-25,566	-5,742	0	-28,195	0	-28,195
COMPR: Computer Services							
Overspend on estimated software maintenance costs. Mainly resulting from an increase in annual charges from Jadu, providers of the software for the Council's corporate website. During 2021 Jadu standardised the Support & Maintenance for their products into three tiers (Basic, Standard & Enhanced). Previously the support and maintenance cost were agreed per customer, moving to the tiered system caused an increase in the council's support & maintenance cost.	3,647						

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Due mainly to the variance detailed above the net cost of running the section was higher than the revised estimate for 2021/2022. This has in turn increased the service charge out to other service areas.			-2,379				
Total Computer Services	3,647	0	-2,379	0	1,268	0	1,268
CORPM: Corporate Management							
Lower departmental running costs within the Chief Executive and Resources Departments has in turn reduced recharges to this cost centre (see CEXEC/RESOR)			-4,483				
Total Corporate Management	0	0	-4,483	0	-4,483	0	-4,483
COSDM: Cost of Democracy							
The cost of accessing emails remotely was charged to the coronavirus cost centres during the 2021/22 financial year.	-4,170						
Requirements for spend on member training were lower than the budget available for the year.	-1,668						
The net cost of running the Civic Suite was lower than the revised estimate for 2021/2022. This has in turn reduced the charge out to other cost centres (see CIVST)			-3,469				
The annual net cost of the Resources Department was lower than estimated. This has in turn reduced recharges out to other service areas, including those to this budget heading (see RESOR).			-1,707				
Total Cost of Democracy	-5,838	0	-5,176	0	-11,014	0	-11,014

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
CSERV: Corporate Services							
Due to the ongoing pandemic throughout the 2021/22 financial year the perception survey has been put on hold until 2022/23 bringing about the underspend shown.	-3,520						
Ribble Valley News was not produced due to the impact of the pandemic on distribution.	-5,200						
Promotional activities and associated costs were restricted due to the impact of the pandemic, particularly on public events.	-4,249						
The annual recharge from the Resources department was lower than estimated, reducing recharges out to other cost centres including this service area (see RESOR).			-2,368				
Total Corporate Services	-12,969	0	-2,368	0	-15,337	0	-15,337
Elections: Various cost centres							
Funding of £20k was received from the Cabinet office during the year for additional COVID-related costs incurred when running local elections. £2k of the funding has been allocated, leaving a residual balance of £18k that has been set aside in the elections earmarked reserve to be used for future associated expenditures.	2,022	-20,806				18,784	
Adjustment to the balance of the cost of elections equipment that is accounted for within the elections earmarked reserve.						-6,656	

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Total Elections: Various cost centres	2,022	-20,806	0	0	-18,784	12,128	-6,656
EMERG: Community Safety							
Requirements for equipment purchases in respect of emergency planning and business continuity matters were lower than the budget available.	-2,985						
Total Community Safety	-2,985	0	0	0	-2,985	0	-2,985
ESTAT: Estates							
The cost per labour hour of time spent by the general works department on carrying out repairs at various properties was higher than estimated due to a high level of sickness absenteeism during the year.	3,013						
Backdated business rates liability following termination of previously leased out properties (old physio centre and Lowergate).	3,110						
Utility charges now payable by the council in respect of previously leased out properties. Includes an estimate for backdated invoices to be processed in the new financial year.	2,954						
Ground rental income varies year on year depending on the number of freehold reversions that have been completed, and for the 2021/22 financial year the level of income achieved was lower than the estimate. The associated earmarked reserve variance is the transfer of freehold reversion income to the capital earmarked reserve.		1,600				558	
Total Estates	9,077	1,600	0	0	10,677	558	11,235

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
FGSUB: Grants and Subscriptions							
Residual funds held in reserve from the Ribble Valley Strategic Partnership released back to general fund following review at the end of the 2021/22 financial year.						-24,326	
Lower Town and Parish Council claims for expenditure under the concurrent function grants scheme than allowed for in the budget.	-12,797						
The overall value of grants approved by committee to voluntary organisations during the year was lower than the budget available.	-12,013						
Total Grants and Subscriptions	-24,810	0	0	0	-24,810	-24,326	-49,136
FMISC: Policy & Finance Misc.							
Above inflationary increase to the cost of the annual desktop valuation of the council's assets. This results from the additional work now required of the council's valuer during the external audit process which includes a greater emphasis on challenging valuation assumptions than in earlier audits. This is partly tied in with the increased costs resulting from the Redmond Review (see below). Additional funds above that originally estimated have also been set aside in an earmarked reserve as an increased contribution towards the cost of the future full 5-yearly valuation that is due in March 2025.	3,410					4,740	
A transparency code new burdens grant received during the year has been set aside in		-8,103				8,103	

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
the equipment reserve to fund future expenditures.							
Grant funding received to support local authorities to meet the increased external audit fees as a result of the Redmond review.		-15,958					
Higher VAT shelter income was received from Ribble Valley Homes than anticipated at the time of setting the revised estimate. As this income is set aside in the VAT shelter earmarked reserve there is an associated movement in earmarked reserves variance.		-11,327				11,327	
Higher than average card charges during the year. Outturn will be used to inform future estimates.	1,738						
Total Policy & Finance Misc.	5,148	-35,388	0	0	-30,240	24,170	-6,070
LANDC: Land Charges							
Land charges income, which is driven by the housing market and the timing of release of new build properties, was lower than estimated during the latter half of the 2021/22 financial year. Outturn will be used to inform future estimates.		4,813					
Total Land Charges	0	4,813	0	0	4,813	0	4,813
LICSE: Licensing							
There has been an increase in the number of businesses paying for an annual premises licences. Outturn will be built into rolling averages to inform future estimates.		-7,752					

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Taxi licensing income returned closer to pre-pandemic levels during the January to March period than estimated.		-2,509					
New burdens grant funding received for the cost of issuing temporary pavement licences.		-3,776					
The annual net cost of the Chief Executive Department was lower than estimated. This has in turn reduced recharges out to other service areas, including those to this budget heading (see CEXEC).			-1,874				
Total: Licensing	0	-14,037	-1,874	0	-15,911	0	-15,911
LUNCH: Luncheon Clubs							
Applications for grant support from luncheon clubs was lower than the budget available for the year.	-7,020						
Total Luncheon Clubs	-7,020	0	0	0	-7,020	0	-7,020
NNDRC: National Non-Domestic Rates							
The annual net cost of the Resources Department was lower than estimated. This has in turn reduced recharges out to other service areas, including those to this budget heading (see RESOR).			-2,018				
Estimated new burdens funding for the cost of implementing the business rates relief measures announced at the Budget was not received during the financial year.		1,350					
Total National Non-Domestic Rates	0	1,350	-2,018	0	-668	0	-668
QPJUB: Queen's Platinum Jubilee							

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
A budget of £20k was established at revised estimate for the maximum cost of grants to be paid to parish council's that provide a letter of intent to use it to commemorate the Queen's Platinum Jubilee (Policy and Finance Committee November 2021). Actual expenditure during the year was £16k, resulting in the variance shown. As the cost of the grants is to be met from the Parish Grants Reserve there is a corresponding movements in earmarked reserves variance.	-4,000					4,000	
Total Queen's Platinum Jubilee	-4,000	0	0	0	-4,000	4,000	0
RESOR: Resources Department							
Employee costs within the department were lower than estimated, mainly due to a vacancy within the internal audit section. The underspend is partially offset by expenditure on consultancy support which had been secured to help clear the resulting backlog of work (see below).	-39,641						
Cost of internal audit work undertaken by an external agency that was procured to ensure that appropriate testing of the internal control environment continued during a period of reduced staffing within the internal audit section.	20,700						
Higher than estimated spend on overtime during the year.	2,046						

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
Underspend on lease cars following delays to the delivery of a lease vehicle that was ordered during the 2021/22 financial year, but not received by the end of the year.	-4,260						
Departmental printing and stationery estimates based on prior year expenditure were lower than estimated, outturn will be used to inform future estimates.	-1,939						
Requirements for corporate training and training expenses were lower than allowed for within the budget.	-1,687						
Expenditure on advertising vacant positions was higher than estimated due to efforts to recruit into a vacancy position within the internal audit section during the financial year.	1,662						
Reduced costs within other service areas has in turn reduced the charge to the Resources Department for the year. Mainly in respect of the Council Offices and Civic Suite (CLOFF/CIVST).			-1,685				
Due mainly to the variances detailed above the net cost of the Resources Department was lower than the revised estimate for 2021/2022. This has in turn reduced the charge out to other service areas.			31,703				
Total Resources Department	-23,119	0	30,018	0	6,899	0	6,899
<i>Other variances</i>	-19,332	681	-6,754	-176	-25,581	1,512	-24,069
Variiances attributable to service cost centres	-97,272	-91,922	23,920	-176	-165,450	18,042	-147,408

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
<u>Coronavirus response variances allocated to this committee</u>							
<u>Contain Outbreak Management Fund allocations</u> Expenditure and therefore grant income allocations for Contain Outbreak Management Fund activities were lower than allocated at revised estimate. Remaining grant funds of £63k are available for the 2022/23 financial year.	-62,534	63,754	-1,220	0	0	0	0
<u>New Burdens Grant Funding</u> The income variance is mainly due to new burdens funding that was received in respect of the Omicron Hospitality and Leisure grant and Additional Restrictions Grant COVID-19 Schemes. The large variance in earmarked reserve movements is to add this income to the covid-19 earmarked reserve along with general, un-ringfenced grant funding that has been received during the financial year (£242k). As the un-ringfenced grant funding is accounted for at a corporate level it is not showing as income within this committee area.	54	-39,957	7	0	-39,896	282,076	242,180
<u>Grants received and distributed to local businesses and residents (Principal)</u> The net variance of £93k is largely to account for the return of Test and Trace Support Payment grant funds (TTSP) to the grant funding body following closure of the scheme towards the end of the financial year. There is a corresponding associated earmarked reserve	132,435	-38,910	0	0	93,525	-93,505	20

	Variance in Expenditure	Variance in Income	Variance in Support Services	Variance in Capital Charges	Total Variance	Associated Earmarked Reserve Variance	Net Variance
	£	£	£	£	£	£	£
variance.							
General response Higher direct expenditure on the coronavirus response than estimated that is mainly staffing related and that is funded from un-ringfenced grant funds held in earmarked reserves.	42,841	0	0	0	42,841	-42,841	0
Variations attributable to coronavirus cost centres within this Committee	112,796	-15,113	-1,213	0	96,470	145,730	242,200
Total Variances for Policy and Finance Committee	15,524	-107,035	22,707	-176	-68,980	163,772	94,792