

- (iv) **Impact on Resources (financial)** – There was an underspend of £235k against the final budget in 2022 / 23 leaving the general fund balance standing at £5.1m, which is above the minimum level required.
- (v) **Impact on Resources (human)** – None directly.
- (vi) **Impact on the Environment** – None directly.

Background papers: None.

Enquiries to: Lance Porteous, Lead Finance Specialist.

2022 / 23 Revenue Budget Variances

Area	Variance £000	Explanation
<i>Net Cost of Service:</i>		
Development Management Fees	(161)	Mainly due to higher than budgeted income for planning development fees, although fees relating to pre-application enquires and planning performance agreements were also higher.
Refuse	(124)	The variance is 3% of the gross cost of the service. There were a variety of underspends across expenditure budgets and also additional income for food waste contributions and recycling that contributed to the underspend.
Salary Costs	(114)	The variance is 1% of the salary budget and relates to vacant posts periodically occurring throughout the services due to staff movement.
New Burdens Grant	(86)	The Council administers government support schemes for residents in relation to the cost-of-living crisis. As such additional grant was provided by government.
Cemeteries	(59)	Higher than budgeted income was received for burial rights and plaques.
Leisure Contract	213	Recovery of membership following the pandemic has been impacted by the cost-of-living crisis. In addition, inflation has significantly increased operating costs, particularly energy, which means projected income levels have not been achieved.
Town Centre Car Parks	130	Income has not matched budget. An additional income target was added as part of the transformation and the budget has underperformed since, due to the pandemic.
Other Variances	(14)	Net of other variances.
Total Services Variance	(215)	
<i>Other Income and Expenditure:</i>		
Investment Income	(408)	The Bank of England Base Rate has significantly increased from when the budget was prepared, rising from 0.25% to 4.25% by the end of the financial year. As such the Council has received higher investment income than expected.
Business Rates Levy	326	The Council received a higher amount of business rates than budgeted, due to a reduction in its appeals provision, and as such has to pay a higher levy on this growth. Because of the way the rates retention system operates, the levy is recognised in year, but the additional income is recognised in future years. Therefore, the Council will benefit from additional income in future years.
Increase in Repairs and Renewals Reserve	50	In 2022/23 a number of unavoidable repairs and maintenance works were identified. This reserve sets aside funding to ensure they can be addressed future years.
Movements in other reserves	12	Net movement in other reserves.
Total Budget Variance	(235)	

Revenue Commitments

Name of Project	Account Name	Budget £000	Narrative
New Burdens - Salary funding	New Burdens Grants	273	Government support for administration of new burdens funding.
Test & Trace/UK Health Security grant	Covid 19 Track & Trace grant	183	Grant in relation to track and trace initiative.
Planning resources	Pre-apps	162	To fund planning resource to deliver against the additional fees that were received in 2022/23.
Tree Works MDC/ECC SLA March 2023	Tree Surgery	130	Work to be carried out in 2023/2024
New Burdens Grant	Administration Grant	130	New burdens grant income that will support future resources in respect of the administration of government support.
Resources Salaries	Finance Support	80	Additional funding to support closure activities and audit in respect of 2022/23 accounts.
Climate Action Plan implementation	Climate Action	48	To implement the Climate Action Plan 2023/24.
New burdens - Energy Rebate Scheme	NB CT Energy Rebate Scheme Exp	37	Grant to support the rollout of the energy rebate scheme.
LUF funding for commercial consultants	Consultants	29	To fund consultants in 2023/24.
New Burdens - NDR	NB Rate Relief Expenditure	28	Government support for administration of new burdens funding.
New burdens - software maintenance	Software Maintenance	27	Funding of software in relation to government new burdens activity for Revenue and Benefits.
BMX Track Prom Park	General Parks Maintenance	23	Project not completed in the current 2022/2023 financial year
Audit grant received	Government Grant	20	Grant in respect of increased audit fees.
New Burdens - Coach work grant	Customer Work Coach Grant	19	Grant to be spent in 2023/24.
FM Transformation - IT & Staff training	FM Implementation	15	Fund planned IT projects and training.
Election Management - District Elections	District Elections	13	To contribute to District Election costs in May 2023
Lease Tractor for the Parks team	Lease vehicle	12	Tractor to be acquired in 2023/2024
Consultancy fees	Consultancy Fees	11	Needed in 2023-24
Parks Improvement Fund	Parks Improvement Fund	10	For works that will be carried out in 2023/24.
His Majesty's Land Registry Project	Scanning of documentation	9	Ongoing project.
Magnox - Community Hub project	Magnox Cost of Living Expend	9	Remaining funding to be carried over for Community Hub grant
New Burdens - VEPS	Additional Admin grant	9	Government support for administration of new burdens funding.
Emergency generator	Equipment	8	Delivery in April
Management Development Programme	Corporate training	8	Training commitment
Asbestos Surveys	Legionella & Asbestos testing	6	Not all of the work is completed yet.
UKSPF - FTC extension part funding	UKSPF set up expenditure	6	To be used to part fund FTC extension of Lead Specialist Prosperity
Promotion and Education - Tourism	Promotion & Education	6	To deliver Tourism marketing
Five year periodic electrical testing for Princes Road	Maintenance	5	Essential works that were delayed due to contractor availability
5Y HLS Working Group Legal Advice	Consultancy	5	Budget required for Barrister advice on 5Y HLS
Electoral Registration Canvass	Canvass	5	To contribute District Election costs in May 2023
National Lottery Heritage	National Lottery Heritage grant expenditure	4	Delivery of grant objectives
Memorial topple testing repairs	Property Maintenance	2	Delay in works due to capacity and resource issues.
Independent annual play site inspections	Equipment Maintenance	2	Delay on inspector being able to complete onsite visits
Community Engagement	Engagement	2	To be spent on engagement in 2023/24
Difficult conversations training	Corporate training	1	Training commitment in 2023/24

APPENDIX A

APPENDIX 2

Name of Project	Account Name	Budget £000	Narrative
Business Partner Practioner training	Resources Training	1	Training commitment in 2023/24
Strategic Workforce Planning Programme	Resources Training	1	Training commitment in 2023/24
Members training	Members Training	1	Planned member training in 2023/24
Chair's planned expenditure	Chair's Budget	1	Expenditure in May 2023
Total		1,341	

Movement in Earmarked Reserves

Reserve	Balance 1 April 2022	Transfers Out	Transfer In	Balance 31 Mar 2023	Purpose
Business Continuity	(10)	-	-	(10)	To provide funding for emergency requirements such as salt, sand bags or other business continuity requirements
Community grants	(1)	-	-	(1)	The time limits on these grants exceed the financial year in which the budget provision was made, necessitating a reserve to cover the outstanding liabilities.
Community Housing Fund Grant	(116)	-	-	(116)	Reserve to support Community-led housing delivery. Objective is to help deliver affordable housing aimed at first time buyers in response to the problem second homes can cause in reducing supply.
LDP review	(581)	316	(565)	(830)	Following the adoption of the Local Development Plan, this reserve will now fund the work to enable implementation of the CIL, and also to meet the regulations to ensure that the LDP is reviewed regularly.
Community Safety	(78)	-	-	(78)	Reserve set aside to fund Community Safety activities.
Community Sports Network/Health & Wellbeing	(41)	-	-	(41)	A grant was received from the Government in 2011/12 to support sports networks; this is being utilised year by year as necessary.
Council Tax and Business Rates equalisation	(3,637)	1,705	(774)	(2,706)	This reserve is to counter the timing differences in Business Rates funding and mitigate the risks associated with fluctuations in income.
Economic Development	(65)	16	-	(48)	Reserve set aside to support economic development activities in the District.
Electoral Registration	(102)	-	-	(102)	Reserve set aside to support Electoral works.
Feasibility Study reserve	(78)	4	-	(74)	To fund feasibility studies for potential strategic projects
Heritage Projects: Environmental Imps	(8)	-	-	(8)	The Council gives grants in support of environmental initiatives and historic buildings. The time limits on these grants exceed the financial year in which budget provision is made, necessitating a reserve to cover outstanding liabilities
Homeless reduction Act Grant	(56)	-	-	(56)	Reserve set up to use three years of grant funding for Homelessness Reduction Officer.
Insurance liability	(52)	-	-	(52)	The Council maintains external insurance policies to cover major risks. In many cases the policies have excess clauses that require the Council to meet the first part of each claim. The Council has established this reserve to cover its liabilities under policy excesses and finance any claims for small risks not insured externally.
Neighbourhood Plan Applications	(29)	-	-	(29)	Funding to be utilised in supporting the preparation of neighbourhood plans.
New Homes Bonus reserve	(391)	391	-	-	Funding to support general fund pressures
Pensions Reserve	(520)	-	(520)	(1,040)	To provide a reserve to enable the Council to forward fund the pension deficit for 3 years in 2021.
Repairs & renewals fund	(177)	5	(50)	(222)	To provide funds to support additional revenue / capital costs arising from the need to maintain the Council's asset base. £50k has been added to the reserve to be released in 23/24.

APPENDIX A
APPENDIX 3

Reserve	Balance 1 April 2022	Transfers Out	Transfer In	Balance 31 Mar 2023	Purpose
Revenue commitments	(361)	350	(1,341)	(1,352)	This reserve exists to smooth out the timing differences between monies being earmarked to expenditure from the annual revenue budget and the expenditure actually occurring
Sports Development	(37)	7	-	(30)	Reserve set aside to fund Sports Development activities.
FDO external funding from Plume	(1)	-	-	(1)	Specific external funding towards the post of Football Development Officer
Corporate Delivery Fund Reserve	(131)	38	(35)	(128)	To provide funds for strategic projects
Transformation	(952)	117	-	(835)	To provide funds to meet the one-off investment costs of efficiency savings or service reductions to be realised in future years. Also to enable the upfront costs of potential income generating projects.
Waste Contract Implementation	(15)	-	-	(15)	Contributions towards the procurement and mobilisation of the new Waste contract
Income & Expenditure Budget Equalisation	-	-	(49)	(49)	Released from the BDP to smooth out income and expenditure over years
Total Specific Reserves	(7,439)	2,949	(3,334)	(7,824)	

2022/23 Provisional Capital Outturn

Capital Project	Description	2022/23 Budget £000	2022/23 Expenditure £000	2022/23 Balance £000	Carry Forward £000
New Accessible Playsite	The original tender for this work did not receive any suitable responses and so the works need to be retendered and carried out this year, it will also be combined with a new Capital budget in 2023/24	48	0	48	48
Splash Park New Elements	Now that the resurfacing works have been completed a review of the element replacements can be done for 2023/24	30	0	30	30
Blackwater LC - Air Handling Unit	Discussions taking place with Places Leisure on replacement and what is required	25	0	25	25
New replacement laptops - Rolling replacement programme		24	8	16	0
New BLC Car park entrance and drainage works		25	26	(1)	0
Burnham on crouch Houseboats berth	The project has been delayed and is ready to get underway in 2023/24	117	6	111	111
Gym Expansion Dengie 100		30	0	30	0
Parks Vehicle - Rolling replacement programme		100	97	3	0
New Animal warden vehicle		12	12	0	0
PC and Printer Replacement Programme		47	61	(14)	0
Prom Park New Footpath (Entrance Road)		20	19	1	0
Prom Park Entrance Road Bollard Lighting		16	16	0	0

APPENDIX A

APPENDIX 4

Capital Project	Description	2022/23 Budget £000	2022/23 Expenditure £000	2022/23 Balance £000	Carry Forward £000
Prom Park Skate Park Resurfacing	This was delayed due to the possibility of S106 funding the project. This will not be happening, and the project will be MDC funded and start in June. Specification is all done	45	0	45	45
Marine lake pumping station		11	11	0	0
Oaktree Meadow Surfacing		21	21	0	0
Burnham On Crouch Pontoon	External funding has been approved and will be combined with the MDC budget and will commence in the next few months	60	0	60	60
White Horse Lane resurfacing	Project delayed. The specifications are now complete and will be going out to Tender	77	0	77	77
Butt Lane subsidence repairs	Project delayed. The specifications are now complete and will be going out to Tender	60	0	60	60
BLC - New hot water boilers		31	24	7	0
Prom Park Entrance Road Resurfacing		40	41	(1)	0
Splashpark surface		137	122	15	0
TOTAL		975	464	512	455