

Notice of Meeting

Cabinet

- Date:** Thursday 29 September 2022
- Time:** 6.00 pm or following the completion of the General Purposes meeting, whichever is later.
- Venue:** Conference Room 1, Beech Hurst, Weyhill Road, Andover SP10 3AJ

For further information or enquiries please contact:

Emma Horbury - 01264 368001
ehorbury@testvalley.gov.uk

Legal and Democratic Service

Test Valley Borough Council,
Beech Hurst, Weyhill Road,
Andover, Hampshire,
SP10 3AJ

www.testvalley.gov.uk

This is formal notice under The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 that part of this meeting may be held in private because the agenda and reports for the meeting may contain exempt information under Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) and that the public interest in withholding the information outweighs the public interest in disclosing it.

PUBLIC PARTICIPATION SCHEME

If members of the public wish to address the meeting they should notify the Legal and Democratic Service at the Council's Beech Hurst office by noon on the working day before the meeting.

Membership of Cabinet

MEMBER

WARD

Councillor P North (Chairman)

Bourne Valley

Councillor N Adams-King (Vice-Chairman)

Blackwater

Councillor P Bundy

Chilworth, Nursling & Rownhams

Councillor D Drew

Harewood

Councillor M Flood

Anna

Councillor I Jeffrey

Mid Test

Councillor A Johnston

Mid Test

Councillor T Tasker

Andover Romans

Cabinet

Thursday 29 September 2022

AGENDA

**The order of these items may change as a result of members
of the public wishing to speak**

- 1 Apologies**
- 2 Public Participation**
- 3 Declarations of Interest**
- 4 Urgent Items**
- 5 Minutes of the meeting held on 3 August 2022**
- 6 Recommendations of the Overview and Scrutiny Committee: None**
- 7 Cost of Living 4 - 7**

Leader
To consider a Cost of Living grant scheme for organisations engaged in supporting our communities.
- 8 UK Shared Prosperity Fund 8 - 11**

Leader
To consider a summary of projects to be supported through the UK Shared Prosperity Fund.
- 9 Corporate Financial Monitoring 12 - 43**

Finance and Resources
To consider the comparison of actual revenue income and expenditure against profiled budget for the four months ended 31 July 2022.

ITEM 7

Cost of Living

Report of the Leader

Recommended:

1. That £50,000 be allocated towards a Cost of Living Grant scheme for organisations that are working with vulnerable people in Test Valley.
2. That the Head of Strategy and Innovation and Head of Community and Leisure, in consultation with the Leader, be delegated authority to establish and implement the Cost of Living Grant scheme.
3. That the preliminary and proposed work of the Test Valley Partnership in supporting residents with the increased costs of living be noted.

SUMMARY:

- To report on the work that has been undertaken through the Test Valley Partnership to assist residents dealing with the cost of living crisis prior to understanding any initiatives that might be implemented by the new Prime Minister in the near future.
- To propose that a new Cost of Living Grant scheme is introduced to assist organisations in Test Valley that are directly supporting residents with the cost of living crisis.

1 Introduction

- 1.1 Factors such as the aftermath of the Covid pandemic and the war in Ukraine are leading to increases in global fuel and food prices, the like of which has not been seen for several decades.
- 1.2 Whilst the impacts of the cost of living crisis have been felt for most of this year, it is likely to become much worse during the autumn and winter months not least as the increase in energy prices bite further.

2 Background

- 2.1 The Government has introduced a number of measures to try and support households during the crisis. This has included:
 - a) A Council Tax rebate of £150 for band A to D properties
 - b) Reducing fuel duty by 5p per litre for 12 months from April 2022
 - c) Providing £400 for people's energy bills from October 2022
 - d) Cost of living payments to those on certain benefits or tax credits worth up to £600.

- 2.2 It is likely that the new Prime Minister will need to implement further measures over forthcoming weeks as energy and food prices continue to rise.
- 2.3 A special meeting of the Test Valley Partnership was convened by Cllr Phil North and Cllr Celia Dowden on 10 August. The purpose of the meeting was to:
- a) Identify what support is already provided in Test Valley
 - b) What gaps in provision are there and what can the partnership do to help.
- 2.4 The meeting identified that there was already much support provided by a range of agencies in the Borough. As a result, a dedicated area of the TVBC web-site has been created to sign-post people and organisations to the support already available <https://www.testvalley.gov.uk/cost-of-living>. In addition the TVBC communications team is running a campaign so that the information is disseminated across various social media platforms, the council's email newsletter and will feature in the forthcoming edition of Test Valley News.
- 2.5 The partnership also agreed that a sub-group would meet weekly on an ongoing basis from September to ensure that partners are aware of developments on the ground and can monitor at the earliest opportunity whether the partnership need to mobilise additional support or take more urgent action. The group involves organisations such as TVBC, the Citizens' Advice Bureaux and local food banks.
- 2.6 To support future quick response, TVBC representatives suggested that they would explore the introduction of a Cost of Living Grant scheme for local organisations that could be quickly implemented.
- 2.7 Finally, a further meeting of the Partnership will be held on the 4 October 2022 to reflect on any announcements of further support and see if any further local initiatives need to be implemented as part of an action plan which members of the partnership sign up to in order to coordinate our support to the people of Test Valley in the months ahead.
- 2.8 It is likely that the new proposed Cost of Living Grant scheme will be similar to the Covid emergency grants which offered up to £500 to organisations supporting the pandemic response. This time it is suggested the limit is higher at £1000, available for organisations supporting people with cost of living related challenges, but not to be used for direct cash support to households. It is proposed that the scheme will be worked up by the Head of Strategy and Innovation and Head of Community and Leisure in consultation with the Leader, working with colleagues in the voluntary sector through the Test Valley Partnership.

3 Corporate Objectives and Priorities

- 3.1 This proposal spans all of the corporate objectives but is most salient in the areas of enabling our people to live well and fulfil their aspirations and for communities to be empowered, connected and able to build upon their strengths.

4 Consultations/Communications

- 4.1 Organisations of the Test Valley Partnership met at a special meeting of the partnership on 10 August 2022 to discuss the issues and impacts of the cost of living crisis which has informed the content of this report.
- 4.2 The Test Valley Partnership brings together organisations working in the borough from across the public, voluntary and community sectors. Its purpose is to enable partners to have a good understanding of communities within the borough and as a result, the partnership is able to respond to the needs of communities in a co-ordinated and organised way by sharing skills, resources and information.

5 Risk Management

- 5.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified related to these proposals at this time.

6 Resource Implications

- 6.1 The Council has received a total of £221,000 from Hampshire County Council to deliver projects that support the most vulnerable members of our communities. As at 31 March 2022, a total of £48,400 had been spent against this funding, with the remainder carried forward into 2022/23.
- 6.2 Further commitments have been made to engage community mental health support for those with complex needs / resilience of families and young people (£85,500) and for inclusion of vulnerable people through deliberative activities (£58,000). This leaves approximately £29,100 available for use on this scheme.
- 6.3 The Head of Strategy & Innovation forecasts that the deliberative activities programme will be delivered for approximately £40,000, making a further £18,000 available for this scheme.
- 6.4 It is recommended that a draw from the budget contingency provision of £2,900 be taken to establish a budget of £50,000 for this Cost of Living Grant scheme.

7 Legal Implication

- 7.1 There are no legal implications arising from this report.

8 Equality Issues

- 8.1 The report sets out how the council and its partners will work with organisations who are supporting people with cost of living related challenges. This approach ensures that access to help and support will be wide ranging and accessible.

9 Conclusion and reasons for recommendation

- 9.1 As set out above, a special meeting of the Test Valley Partnership was convened to consider cost of living implications in the Borough. An outcome of this meeting was a commitment by TVBC representatives to explore whether a grant scheme could be quickly established to assist those agencies in the Borough supporting those residents hardest hit by the cost of living increase.
- 9.2 Initial funding has been identified which could be utilised for this purpose and it is recommended that a grant scheme be established and implemented at the earliest opportunity.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	0	File Ref:	N/A
(Portfolio: Leader) Councillor P North			
Officer:	James Moody	Ext:	8130
Report to:	Cabinet	Date:	14 September 2022

ITEM 8

UK Shared Prosperity Fund

Report of the Leader

Recommended:

1. That the projects identified in Shared Prosperity Fund Investment Plan summarised in paragraph 5.3 to the report be endorsed; and
2. That the Head of Planning Policy & Economic Development be delegated to submit monitoring reports to the Department of Levelling Up, Housing and Communities (DHLUC) in consultation with the Leader; and
3. That, if required, the New Homes Bonus Reserve be used to forward fund approved expenditure until government funding tranches are released.

SUMMARY:

- To outline the projects contained within the Council's UK Shared Prosperity Fund (UKSPF) Investment Plan.

1 Introduction

- 1.1 As part of the Government's Levelling Up agenda two funding streams were made available, the high profile Levelling Up Fund, to which the Council submitted a bid for Andover Town Centre, and the UK Shared Prosperity Fund (UKSPF). The purpose of this report is to outline how the Shared Prosperity Fund is to be used to meet the objectives of the Council and its partners.

2 Background

- 2.1 The UKSPF was launched with the aim of reducing inequalities and supporting economic development and community cohesion through the provision of £2.6B of funding. The funding covers the three year period from April 2022 to March 2025, with all areas of the UK receiving a formula-based allocation. The UKSPF replaces a raft of funding previously made available under the European Structural Funds.
- 2.2 The aim of the scheme is to support the UK government's Levelling Up commitment through three investment priorities (or themes): (a) Communities and place; (b) Supporting local business; and (c) People and skills. There is no set percentage split of how much funding should be spent against each of the three investment priorities.
- 2.3 A conditional financial allocation has been awarded to the Council of £1M. The funding is conditional upon the receipt of a satisfactory Investment Plan. In order to draw down this funding the Investment Plan needed to detail the local challenges and opportunities to economic growth and community cohesion. It also needed to identify proposed interventions (or projects) and outcomes under three themes of the Shared Prosperity Fund.

- 2.4 The finalised Investment Plan was submitted to the Department of Levelling Up, Housing and Communities (DLUHC) on the 1st August 2022 to meet the Governments deadline. This was done in consultation with the Leader.
- 2.5 There is no match funding requirement (unlike the Levelling Up Fund bid) and the UKSPF is not a competitive process. DHLUC will appraise the Investment Plan and it is anticipated that this will be undertaken by October 2022 based on the DHLUC timetable.

3 Corporate Objectives and Priorities

- 3.1 The projects contained within the Investment Plan touch on each of the four objectives of the corporate plan. There is also a significant connection with the objectives of Council strategies including the Climate Emergency Action Plan; interim Economic Strategy; and the principles of the two town centre masterplans.

4 Consultations/Communications

- 4.1 Officers have engaged directly with those external bodies such as the Health sector, Andover College, and University of Southampton Science Park whose ambitions link with the UKSPF themes.

5 UKSPF Investment Plan

- 5.1 In order for the Investment Plan to be successful it needs to identify interventions (or projects), and the necessary funding, in order to target those areas of Test Valley with deficiencies in line with the Government's Levelling Up Agenda. It is not a fund that can be distributed equally across the Borough but is aimed at creating opportunities in the context of supporting our communities, improving skills and supporting the local economy. The breadth of the projects listed below will meet one or a combination of these themes as required by the UKSPF.
- 5.2 The Investment Plan has been influenced and guided by the objectives of existing Council strategies and the shared aims of our partners. The solid structures of partnership and place based working which exists within the Borough provides a degree of confidence that the projects identified can be delivered.
- 5.3 The projects included in the Investment Plan are:-
- a) A contribution of £240,000 towards extending the teaching facilities within the Andover College campus to help deliver T-Level 3 courses in Construction Skills, Bricklaying and Carpentry.
 - b) Working with health sector colleagues a contribution of £280,000 to deliver a new Health Hub within the Chantry Centre, Andover. Whilst providing a facility in the short and medium term the creation of a health hub will also help inform any future accommodation requirements as part of the longer term town centre regeneration. The hub will be complemented by the creation of outreach worker posts, which will be part funded by a £110,000 contribution. Together they will help to address the wider determinants of poor health through early intervention and prevention within the most deprived communities in the Borough.

- c) Provide a £100,000 fund for community energy efficiency and decarbonisation projects across the Borough.
- d) Provide a £140,000 budget to support technological, process and nature-based innovation within our local rural land based businesses to enable measures to be introduced that reduce their carbon footprint.
- e) Supporting the University of Southampton Science Park's Catalyst Programme in conjunction with the University of Southampton Science Park and Hampshire County Council. The £30,000 grant to the programme will help provide innovation led business with commercial expertise and experience through mentoring and peer support with world class business leaders.
- f) A £100,000 fund to help deliver those projects identified by Romsey Future which help improve the public realm, deliver environmental and infrastructure improvements and increase footfall and visitors numbers to the town.

5.4 The milestones, expectations and outcomes of these projects will be monitored every six months by DLUHC with the possibility of qualitative updates on a more frequent basis also required. It is proposed that these monitoring reports are considered by the Test Valley Economic Partnership Board prior to submission.

6 Risk Management

6.1 An evaluation of the risks indicate that the existing controls in place mean that no significant risks have been identified at this time.

7 Resource Implications

7.1 The £1M will be phased over the next three years:

2022/2023	2023/2024	2024/2025
£66,000	£132,000	£802,000

7.2 As there is sufficient certainty that the funding will be received there is the option to use Council reserves from the New Homes Bonus to forward fund the projects in order to prevent unnecessary delay.

7.3 Revenue budgets will be updated to reflect the cost of interventions that are revenue expenditure. Interventions that will be classified as capital expenditure will be included in the next Capital Programme update.

7.4 It will be necessary to establish grant application mechanisms for some of the projects. Officers are considering what the best approach for considering and determining grants is. It is anticipated that this process can be met from within existing budgets. However, where this may cause resource implications for those particular projects the UKSPF indicates that authorities will be able to use up to 4% of their allocation to undertake necessary administration, such as project assessment, monitoring and evaluation and ongoing stakeholder engagement. Whether this is required will be kept under review.

8 Legal Implication

8.1 There are no legal implications arising from this report.

9 Equality Issues

9.1 There are no equality issues arising from this report.

10 Other Issues

10.1 Sustainability and Addressing a Changing Climate – the two projects relating to reducing the carbon footprint of rural business and supporting community energy efficiency schemes across the Borough both directly help address climate change.

10.2 Wards/Communities Affected – whilst some of the projects are specifically related to the Andover and Romsey wards, all wards have the potential to benefit from the Borough wide project.

11 Conclusion and reasons for recommendation

11.1 The Government has allocated £1M to the Council through the UK Shared Prosperity Fund. This report summarises the projects identified which best meet the UKSPF guidance and connect with the objectives of the Council and its partners.

Background Papers (Local Government Act 1972 Section 100D)

UK Shared Prosperity Fund: prospectus (1st August 2022)

<https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus/uk-shared-prosperity-fund-prospectus>

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:

0

File Ref:

N/A

(Portfolio: Leader) Councillor P North

Officer:

Graham Smith

Ext:

8141

Report to:

Cabinet

Date:

14 September 2022

ITEM 9

Corporate Financial Monitoring

Report of the Finance & Resources Portfolio Holder

Recommended:

That the financial position for each Service and the key revenue areas contained in the Annex to the report is noted.

SUMMARY:

- This report reviews the Council's revenue spending for the first four months of the 2022/23 financial year.
- It also examines the main differences between the original estimate for 2022/23 and actual spend to 31 July 2022 and provides explanations for significant variances.
- Overall, net expenditure to 31 July 2022 was £501,000 lower than budgeted at this stage of the year. This favourable variance comprises additional income and savings of £332,000 due to service related expenditure and £169,000 more income from the Council's investing and borrowing activities.

1 Introduction

- 1.1 As part of responsible financial stewardship, it is recommended that the financial performance of the Council should be reviewed regularly.
- 1.2 Revenue budget monitoring is carried out every month for all services and presented to Cabinet regularly throughout the year.
- 1.3 This report examines the income and expenditure of each service over the first four months of the year. The Annex to the report shows the financial summaries of each service to 31 July 2022 together with an explanation of any significant variances.
- 1.4 Several key areas of income and expenditure, not all apparent within individual services have also been analysed and are also shown in the Annex.

2 Background

Profiling of Income and Expenditure

- 2.1 Not all income and expenditure is incurred equally over the year. For example, some costs (e.g. lease costs) are allocated at the end of the year, and others are stepped throughout the year (e.g. rental income is invoiced quarterly in advance). The manner that income or expenditure is received or incurred over the course of the year is referred to as its profile.

- 2.2 In order to make the analysis more relevant, the actual income and expenditure to 31 July is being compared against its profiled budget position at this time.

Analysis of income and expenditure

- 2.3 The Annex shows, by service, an analysis of original budget, profiled budget to date, actual expenditure to date and the variance between profiled budget and actual income / expenditure.
- 2.4 The Annex also shows an analysis of key areas of income and expenditure within the budget that are traditionally subject to variations in the year.

3 Analysis of Financial Performance

3.1 Chief Executive's Office

The Chief Executive's Office shows net expenditure to the end of July of £312,000 against a profiled budget of £289,000. This represents an adverse variance of £23,000 to date.

Higher than estimated employee costs are the reason for this variance and are due to no vacancies and one-off recruitment costs.

3.2 Community & Leisure

The Community & Leisure service shows net expenditure of £75,000 compared with a profiled net expenditure estimate of £125,000 – a favourable variance of £50,000.

Employee costs are £19,000 lower than estimated.

Income from managed sports facilities is £25,000 higher than budgeted but is offset by £12,000 less income from the Lights than budgeted, possibly due to the impact of the increase in the cost of living.

An unbudgeted grant for tree planting of £21,000 has also been received.

3.3 Environmental Service

Environmental Service shows net expenditure to the end of July of £924,000 against a profiled estimate of £1.098M. This is a favourable variance of £174,000.

One-off additional income from the sale of dry mixed recycling of £213,000 and higher than expected income from the sale of glass of £12,000 are offset by an increase in diesel costs and additional employee costs.

3.4 Finance & Revenues

The Finance & Revenues service shows net expenditure of £911,000 against a profiled estimate of £972,000, which is a favourable variance of £61,000.

This is due to an unbudgeted government grant and small savings in employee costs.

3.5 Housing & Environmental Health

The Housing & Environmental Health service has net expenditure of £633,000 against a profiled estimate of £672,000. This is a favourable variance of £39,000 which is mainly due to lower than estimated employee costs.

3.6 Information Technology

The IT service has net expenditure of £489,000 against a profiled estimate of £514,000. This is a favourable variance of £25,000 which is mainly due to lower than estimated employee costs.

3.7 Legal & Democratic

The Legal & Democratic service is showing net expenditure of £345,000 against a profiled estimate of £357,000, which is a favourable variance of £12,000.

This is due to lower than estimated employee costs partially offset by the unbudgeted cost of a borough by-election.

3.8 Planning & Building

The Planning & Building service shows net expenditure to the end of July of £547,000 against a profiled budget of £404,000. This represents an adverse variance of £143,000 to date.

This is due to higher than estimated employee costs and lower than estimated income from planning application and building control fees.

3.9 Planning Policy & Economic Development

The Planning Policy & Economic Development service is showing net expenditure of £979,000 against a profiled estimate of £1.008M. This represents a favourable variance of £29,000 which is mainly due to lower than estimated employee costs.

3.10 Property & Asset Management Service

The Property & Asset Management service has generated net income of £4.366M against a profiled estimate to the end of July of £4.243M – a favourable variance of £123,000.

Additional rental income from the Council's investment property portfolio and lower than budgeted employee costs are partially offset by increased utility costs in Council run buildings.

3.11 Strategy & Innovation

The Strategy & Innovation service is showing net expenditure of £285,000 against a profiled estimate of £277,000 to the end of July. This is an adverse variance of £8,000, which is mainly due to higher than expected employee costs to date.

3.12 Corporate & Democratic

The Corporate & Democratic service shows expenditure of £371,000 compared with the profiled estimate of £364,000. This is a favourable variance of £7,000.

3.13 Key areas of income and expenditure

The Annex also shows an analysis of significant items in the Council's budget. These can be spread across several services or cost centres.

While not necessarily under the direct control of one budget manager it is important that these items are reviewed regularly in total as they provide a good indication of the overall variances within the budget.

3.14 Investment Funds and borrowing costs

Net investment income to 31 July 2022 was £348,000 compared with a profiled estimate of £179,000 – this represents a favourable variance of £169,000 and reflects the increases that have been seen in interest rates since the budget was set in February 2022.

4 Risk Management

- 4.1 This report is for information purposes so the Council's Risk Management approach does not need to be applied.

5 Resource Implications

- 5.1 A favourable variance of £501,000 in the first four months of the year has been identified in this report. There is a mixture of adverse and favourable variances across the services and these will continue to be monitored and reviewed as part of the budget-setting process for 2023/24.

6 Equality Issues

- 6.1 This report is for information purposes, so the Council's EQIA process does not need to be applied.

7 Other Issues

- 7.1 There are no other issues to consider.

8 Conclusion and reasons for recommendation

- 8.1 Overall, net expenditure is £501,000 lower than forecast at 31 July. There are a number of areas with large variances between the profiled budget and the actual income / expenditure to date.

- 8.2 The report does not make any recommendations for changes to budgets at this stage in the year and therefore the recommendation is that the current budget position be noted.

<u>Background Papers (Local Government Act 1972 Section 100D)</u>			
None.			
<u>Confidentiality</u>			
It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.			
No of Annexes:	1	File Ref:	N/A
(Portfolio: Finance & Resources) Councillor M Flood			
Officer:	Jenni Carter	Ext:	8236
Report to:	Cabinet	Date:	14 September 2022

SERVICE REVENUE INFORMATION

TOTAL EXPENDITURE	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Chief Executive's Office	855,847	288,674	312,463	23,789
Community & Leisure	475,247	125,044	75,424	(49,620)
Environmental Service	4,289,148	1,097,866	924,137	(173,729)
Finance & Revenues	2,618,508	972,460	910,901	(61,559)
Housing & Environmental Health	1,829,576	671,543	633,199	(38,344)
Information Technology	1,288,182	513,627	488,544	(25,083)
Legal & Democratic	1,037,718	357,309	344,553	(12,756)
Planning & Building	1,107,535	403,551	546,548	142,997
Planning Policy & Economic Development	2,135,942	1,008,277	978,912	(29,365)
Property & Asset Management	(8,032,465)	(4,243,351)	(4,365,695)	(122,344)
Strategy & Innovation	807,702	277,107	284,857	7,750
Corporate & Democratic Core	1,141,937	364,192	370,640	6,448
Net Investment Income	(535,000)	(179,000)	(348,000)	(169,000)
Borrowing costs	151,000	17,000	17,000	0
Net Service Controlled Service Expenditure	9,170,877	1,674,299	1,173,483	(500,816)

SERVICE REVENUE INFORMATION

CHIEF EXECUTIVE'S OFFICE	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Chief Executive's Office	380,676	133,550	153,521	19,971
Human Resources Service	475,171	155,124	158,942	3,818
Net Expenditure	855,847	288,674	312,463	23,789
Net Service Controlled Expenditure	855,847	288,674	312,463	23,789

SERVICE FINANCIAL MONITORING INFORMATION**ANNEX****CHIEF EXECUTIVE'S OFFICE****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	289
Actual Spend to 31 July 2022	<u>312</u>
Adverse Variance to 31 July 2022	<u><u>23</u></u>
<u>Employee Costs</u>	
Employee costs are higher than budgeted due to no vacancies and recruitment costs	21
Sundry variance	<u>2</u>
	<u><u>23</u></u>

SERVICE REVENUE INFORMATION

COMMUNITY & LEISURE	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Leisure Management				
Leisure Management	245,917	75,697	71,710	(3,987)
Net Expenditure	245,917			0
Parks, Countryside & Sport				
Managed Sports Facilities	(1,800,000)	(597,464)	(623,380)	(25,916)
Outdoor Sports Facilities	121,737	50,727	53,597	2,870
Playgrounds	8,910	0	0	0
Sports Development	14,050	4,680	1,730	(2,950)
Cemeteries	(98,420)	(24,094)	(25,538)	(1,444)
Grounds Maintenance	90,360	7,425	(14,254)	(21,679)
Nature Reserves	119,439	32,769	23,757	(9,012)
Urban Parks and Open Spaces	312,755	130,169	125,910	(4,259)
Net Expenditure	(1,231,169)	(395,788)	(458,178)	(62,390)
Community Development				
Community Engagement	1,010,765	362,421	363,624	1,203
Net Expenditure	1,010,765	362,421	363,624	1,203
Arts & Culture				
Andover Events Programme	155,208	51,709	53,156	1,447
Arts Function	22,212	17,396	23,714	6,318
The Lights	272,314	89,306	93,108	3,802
Net Expenditure	449,734	158,411	169,978	11,567
Net Service Controlled Expenditure	475,247	125,044	75,424	(49,620)

SERVICE FINANCIAL MONITORING INFORMATION**ANNEX****COMMUNITY & LEISURE****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	125
Actual Spend to 31 July 2022	<u>75</u>
Favourable Variance to 31 July 2022	<u><u>(50)</u></u>
Salary savings due to vacancies across the service	(19)
<u>Managed Sports Facilities</u>	
Net additional income	(25)
<u>Grounds Maintenance</u>	
Unbudgeted Tree Planting Grant	(21)
<u>The Lights</u>	
Higher than estimated utility costs	5
Net ticket, bar and room hire income lower than budgeted	12
Sundry variance	<u>(2)</u>
	<u><u>(50)</u></u>

SERVICE REVENUE INFORMATION

ENVIRONMENTAL SERVICE	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Grounds Maintenance	1,055,232	482,555	471,672	(10,883)
Waste Collection	2,160,382	517,024	311,418	(205,606)
Garden Waste Collection	(244,767)	(439,544)	(419,242)	20,302
Street Cleansing	855,517	274,055	282,170	8,115
Vehicle Workshop	(8,335)	(26,699)	(24,244)	2,455
ES Technical	461,995	132,335	124,480	(7,855)
Service Overhead Account	9,124	158,140	177,883	19,743
Net Expenditure	4,289,148	1,097,866	924,137	(173,729)
Net Service Controlled Expenditure	4,289,148	1,097,866	924,137	(173,729)

SERVICE FINANCIAL MONITORING INFORMATION

ANNEX

ENVIRONMENTAL SERVICE

EXPLANATION OF KEY VARIANCES

	£ 000
Profiled Estimate to 31 July 2022	1,098
Actual Spend to 31 July 2022	<u>924</u>
Favourable Variance to 31 July 2022	<u><u>(174)</u></u>
Employee costs are higher than estimated across the service due to overtime and agency	39
<u>Waste Collection / Green Waste</u>	
Increased costs of diesel	17
Additional one-off income from sale of dry mixed recycling	(213)
<u>ES Technical</u>	
Glass income higher than expected to date	(12)
Sundry variance	(5)
	<u>(174)</u>

SERVICE REVENUE INFORMATION

FINANCE & REVENUES	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Finance Service	878,822	289,652	278,478	(11,174)
Customer Services Unit	627,118	242,657	233,606	(9,051)
Council Tax Support Administration	341,695	113,880	100,230	(13,650)
Housing Benefit	247,403	61,110	51,504	(9,606)
Local Taxation Services	523,470	265,161	247,083	(18,078)
Net Expenditure	2,618,508	972,460	910,901	(61,559)
Net Service Controlled Expenditure	2,618,508	972,460	910,901	(61,559)

SERVICE FINANCIAL MONITORING INFORMATION**ANNEX****FINANCE & REVENUES****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	972
Actual Spend to 31 July 2022	<u>911</u>
Favourable Variance to 31 July 2022	<u><u>(61)</u></u>
Employee costs across the service are lower than estimated	(6)
<u>Council Tax Support Administration</u>	
New Burdens grant re £150 Council Tax Rebate Scheme	(47)
Sundry variance	<u>(8)</u>
	<u><u>(61)</u></u>

SERVICE REVENUE INFORMATION**ANNEX**

HOUSING & ENVIRONMENTAL HEALTH	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) variance
	£	£	£	£
Housing Activities				
General Management	112,081	37,352	38,983	1,631
Housing Development	177,805	55,935	52,772	(3,163)
Hampshire Home Choice	814	(42,503)	(47,650)	(5,147)
Housing Options	523,671	284,421	270,292	(14,129)
Net Expenditure	814,371	335,205	314,397	(20,808)
Health Activities				
Business Support Team	114,090	36,167	34,425	(1,742)
Pollution	264,694	92,236	95,592	3,356
Health Protection	337,988	112,653	98,429	(14,224)
Animal Welfare	64,958	17,646	16,135	(1,511)
Pest Control	63,528	21,167	21,114	(53)
Housing Standards	169,947	56,469	53,107	(3,362)
Net Expenditure	1,015,205	336,338	318,802	(17,536)
Net Service Controlled Expenditure	1,829,576	671,543	633,199	(38,344)

SERVICE FINANCIAL MONITORING INFORMATION

ANNEX

HOUSING & ENVIRONMENTAL HEALTH

EXPLANATION OF KEY VARIANCES

	£ 000
Profiled Estimate to 31 July 2022	672
Actual Spend to 31 July 2022	<u>633</u>
Favourable Variance to 31 July 2022	<u><u>(39)</u></u>
Employee costs are lower than budgeted across the service	(40)
Sundry variance	<u>1</u>
	<u><u>1</u></u>

SERVICE REVENUE INFORMATION

INFORMATION TECHNOLOGY	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Management	150,249	56,690	32,221	(24,469)
Service Desk	137,362	61,315	58,346	(2,969)
Infrastructure	530,432	206,253	202,150	(4,103)
Corporate Services	460,039	186,846	195,827	8,981
Cloud Services	10,100	2,523	0	(2,523)
Net Expenditure	1,288,182	513,627	488,544	(25,083)
Net Service Controlled Expenditure	1,288,182	513,627	488,544	(25,083)

SERVICE FINANCIAL MONITORING INFORMATION**INFORMATION TECHNOLOGY****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	514
Actual Spend to 31 July 2022	<u>489</u>
Favourable Variance to 31 July 2022	<u><u>(25)</u></u>
Employee costs are lower than budgeted across the service	(18)
Sundry variance	<u>(7)</u>
	<u><u>(25)</u></u>

SERVICE REVENUE INFORMATION

LEGAL & DEMOCRATIC	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Legal Service	867,855	301,173	287,486	(13,687)
Land Charges	(71,074)	(37,039)	(44,566)	(7,527)
Council Elections	169,588	68,014	71,680	3,666
Registration Of Electors	88,530	13,240	13,241	1
Lotteries, Amusements & Gaming Permits	(3,864)	219	639	420
Alcohol & Entertainment Licensing	(30,414)	3,505	10,414	6,909
Scrap Metal Dealers	1,518	506	803	297
Hackney Carriages & Private Hire Vehicles	15,579	7,691	4,856	(2,835)
Net Expenditure	1,037,718	357,309	344,553	(12,756)
Net Service Controlled Expenditure	1,037,718	357,309	344,553	(12,756)

SERVICE FINANCIAL MONITORING INFORMATION**ANNEX****LEGAL & DEMOCRATIC****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	357
Actual Spend to 31 July 2022	<u>345</u>
Favourable Variance to 31 July 2022	<u><u>(12)</u></u>
<u>Legal Service</u>	
Employee Costs are lower than budgeted	(19)
<u>Land Charges</u>	
Higher than estimated income in the year to date	(8)
<u>Elections</u>	
Unbudgeted costs associated with a Borough By-Election	5
Sundry variance	<u>10</u>
	<u><u>(12)</u></u>

SERVICE REVENUE INFORMATION

PLANNING & BUILDING	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Development Control & Enforcement	1,079,486	396,904	507,583	110,679
Building Control	28,049	6,647	38,965	32,318
Net Expenditure	1,107,535	403,551	546,548	142,997
Net Service Controlled Expenditure	1,107,535	403,551	546,548	142,997

SERVICE FINANCIAL MONITORING INFORMATION**ANNEX****PLANNING & BUILDING****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	404
Actual Spend to 31 July 2022	<u>547</u>
Adverse Variance to 31 July 2022	<u><u>143</u></u>
Employee costs are higher than estimated across the service	37
<u>Development and Control</u>	
Lower than estimated income from pre-application & planning application fees	74
<u>Building Control</u>	
Lower than estimated building control fee income	26
Sundry variance	<u>6</u>
	<u><u>143</u></u>

SERVICE REVENUE INFORMATION

PLANNING POLICY & ECONOMIC DEVELOPMENT	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Planning Policy				
Planning Policy	911,453	313,479	290,417	(23,062)
Local Development Framework	432,266	64,012	64,012	0
Neighbourhood Planning	0	1,970	1,970	0
Sustainability	21,395	23,000	23,000	0
Net Expenditure	1,365,114	402,461	379,399	(23,062)
Economic Development				
Economic Development & Promotion	102,140	28,889	25,718	(3,171)
Promotion of Tourism	152,230	107,377	107,577	200
Town Centre Management	31,000	3,332	0	(3,332)
Net Expenditure	285,370	139,598	133,295	(6,303)
Regeneration				
South of Romsey Town Centre Project	30,000	10,760	10,760	0
Andover Town Centre Rejuvenation	455,458	455,458	455,458	0
Net Expenditure	485,458	466,218	466,218	0
Net Service Controlled Expenditure	2,135,942	1,008,277	978,912	(29,365)

SERVICE FINANCIAL MONITORING INFORMATION**PLANNING POLICY & ECONOMIC DEVELOPMENT****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	1,008
Actual Spend to 31 July 2022	<u>979</u>
Favourable Variance to 31 July 2022	<u><u>(29)</u></u>
Employee costs are lower than estimated	(21)
Sundry variance	<u>(8)</u>
	<u><u>(29)</u></u>

SERVICE REVENUE INFORMATION

PROPERTY & ASSET MANAGEMENT	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Property & Asset Management				
Estates Support Unit	1,160,257	409,698	432,008	22,310
Andover Market	(29,290)	(36,434)	(36,374)	60
High Street Bookings	(1,440)	(480)	(369)	111
Net Expenditure	1,129,527	372,784	395,265	22,481
Property Portfolio				
Business Park Development	(6,243,164)	(3,160,332)	(3,236,532)	(76,200)
Investment Properties	(1,199,505)	(533,056)	(538,956)	(5,900)
Corporate Properties	(420,316)	(199,216)	(227,943)	(28,727)
Union Street	(108,104)	(53,880)	(52,760)	1,120
Chantry Centre	(882,323)	(601,317)	(601,317)	0
Andover Bus Station	10,958	(6,432)	1,114	7,546
Net Income	(8,842,454)	(4,554,233)	(4,656,394)	(102,161)
Premises Management				
Andover Magistrates Court	240	80	0	(80)
Public Halls	28,085	435	108	(327)
Public Conveniences	97,610	23,295	16,833	(6,462)
Office Accommodation	278,792	111,686	101,914	(9,772)
Building Maintenance	94,744	17,638	20,442	2,804
Building Cleaning	16,442	5,144	7,124	1,980
Depot Costs	76,100	30,457	32,060	1,603
Leisure Facilities	74,030	13,500	23,825	10,325
Net Expenditure	666,043	202,235	202,306	71
Transport				
Engineers	113,673	89,457	55,991	(33,466)
Highways	16,460	344	2,974	2,630
Parking	(1,170,714)	(363,105)	(374,689)	(11,584)
Community Transport	55,000	9,167	8,852	(315)
Net Income	(985,581)	(264,137)	(306,872)	(42,735)
Net Service Controlled Income	(8,032,465)	(4,243,351)	(4,365,695)	(122,344)

SERVICE FINANCIAL MONITORING INFORMATION**PROPERTY & ASSET MANAGEMENT****EXPLANATION OF KEY VARIANCES**

	£ 000
Profiled Estimate to 31 July 2022	(4,243)
Actual Spend to 31 July 2022	<u>(4,366)</u>
Favourable Variance to 31 July 2022	<u><u>(123)</u></u>
Employee costs are lower than estimated across the service due to vacancies	(75)
Increase in utility costs across all properties	51
<u>Supplies & Services</u>	
Higher than budgeted professional fees	18
Purchase of audio equipment for Guildhall for meetings	4
<u>Rental Income</u>	
Additional rental income due to rent reviews	(131)
Sundry variance	<u>10</u>
	<u><u>(123)</u></u>

SERVICE REVENUE INFORMATION

STRATEGY & INNOVATION	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
Strategy & Innovation	807,702	277,107	284,857	7,750
Net Expenditure	807,702	277,107	284,857	7,750
Net Service Controlled Expenditure	807,702	277,107	284,857	7,750

SERVICE FINANCIAL MONITORING INFORMATION

ANNEX

STRATEGY & INNOVATION

EXPLANATION OF KEY VARIANCES

	£ 000
Profiled Estimate to 31 July 2022	277
Actual Spend to 31 July 2022	<u>285</u>
Adverse Variance to 31 July 2022	<u><u>8</u></u>
Employee costs are higher than budgeted	11
Sundry variance	<u>(3)</u>
	<u><u>(3)</u></u>

SERVICE REVENUE INFORMATION

CORPORATE & DEMOCRATIC CORE	Updated Estimate 2022/23	Profiled Estimate to 31/7/22	Actual Expenditure to 31/7/22	Adverse / (Favourable) Variance
	£	£	£	£
<u>Corporate</u>				
Corporate Subscriptions	26,390	23,300	23,313	13
Emergency Planning	36,586	26,096	24,954	(1,142)
Corporate Public Relations, Information & Consultation	18,300	(1,000)	(634)	366
Corporate Management	142,150	60,818	68,004	7,186
Delivering Public Services Electronically	21,490	21,490	23,692	2,202
Strategic Partnership	2,700	899	(228)	(1,127)
Allocated Central Overheads	143,676	52,374	51,580	(794)
Non-distributable Costs	190,600	0	0	0
Net Expenditure	581,892	183,977	190,681	6,704
<u>Democratic</u>				
Councillors	476,929	156,247	161,509	5,262
Councillor Meetings	26,000	3,664	2,018	(1,646)
Mayoral Office	43,616	11,640	8,390	(3,250)
Civic Ceremonies	13,500	8,664	8,042	(622)
Net Expenditure	560,045	180,215	179,959	(256)
Net Service Controlled Expenditure	1,141,937	364,192	370,640	6,448

SERVICE FINANCIAL MONITORING INFORMATION

CORPORATE & DEMOCRATIC CORE

EXPLANATION OF KEY VARIANCES

	£ 000
Profiled Estimate to 31 July 2022	364
Actual Spend to 31 July 2022	<u>371</u>
Adverse Variance to 31 July 2022	<u><u>7</u></u>
No significant variances	
Sundry variance	<u>7</u>
	<u><u>7</u></u>

KEY FINANCIAL AREAS

	Updated Estimate 2022/23 £'000	Profiled Estimate to 31/7/22 £'000	Actual to 31/7/22 £'000	Adverse / (Favourable) Variance £'000	Comments
Expenditure					
Staff Costs	21,595	7,120	6,928	(192)	This includes all salary, recruitment, relocation and post entry training costs, net of the 4.5% vacancy management provision.
Borrowing Costs	151	17	17	0	This is the interest paid on external borrowing.
	21,746	7,137	6,945	(192)	
Income					
Investment Income	(535)	(179)	(348)	(169)	This is the net income generated by the management of the Council's cash investment portfolio.
Building Control Income	(375)	(125)	(100)	25	This is the income generated by fees in respect of Building Control work performed by the Council.
Car Parking Income	(1,826)	(590)	(590)	0	This includes season tickets and all on and off street parking income.
Development Control Income	(1,315)	(438)	(373)	65	This is income from Planning Applications and legal fees relating to the applications.
Investment Property Income	(6,109)	(2,970)	(3,111)	(141)	This includes the rental income for all the Council's industrial land and buildings, excluding those that have been purchased as part of the Project Enterprise initiative.
Investment Income from Property Purchases	(2,201)	(1,044)	(1,042)	2	This includes the rental income for investment properties that have been purchased as part of the Project Enterprise initiative and is expected to return a yield of 7.1% in the year on an investment of £31.1m.
Land Charges Income	(250)	(74)	(82)	(8)	This is income from Local Land Charge Search Fees.
Leisure Income	(2,658)	(813)	(836)	(23)	This includes all income from Community & Leisure services including indoor and outdoor leisure facilities, The Lights and cemeteries.
	(15,269)	(6,233)	(6,482)	(249)	
Total	6,477	904	463	(441)	

SERVICE FINANCIAL MONITORING INFORMATION
KEY AREAS OF INCOME AND EXPENDITURE
EXPLANATION OF KEY VARIANCES

	£ 000
Profiled Estimate to 31 July 2022	904
Actual Spend to 31 July 2022	<u>463</u>
Favourable Variance to 31 July 2022	<u><u>(441)</u></u>
<u>Staff Costs</u>	
Staff costs are lower than anticipated at this point in the year, mainly due to vacancies	(192)
<u>Income</u>	
Investment income is higher than budgeted due to a better than budgeted average rate of return	(169)
Building control income is lower than estimated in the year to date	25
Development control income is lower than estimated in the year to date	65
Income from investment properties is higher than estimated in the year to date	(141)
Income across the Community & Leisure service is higher than anticipated	(23)
Sundry variance	<u>(6)</u>
	<u><u>(441)</u></u>