

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest includes a crown with four maple leaves, a shield divided into four quadrants (top-left: a saltire, top-right: a stag's head, bottom-left: a sailing ship, bottom-right: an eagle), and a banner at the bottom with the motto "A NE FOR A".

Agenda Item 7

Financial Overview

Title: Financial Overview
Meeting: Executive
Date: 12 January 2020
Submitted By: Director of Corporate and Housing Services

1. Purpose of the Report

- 1.1 The main purpose of the report is to provide an updated assessment of the impact on the Council's finances in this unparalleled and uncertain time due to COVID-19. There is also an update on the budget planning process for 2021/22.

2. Recommendations

2.1 The Executive is invited to:

- (1) Note the updated assessment of the current financial year and to recognise the need for all Services to continue to exercise effective financial control
- (2) Note the update on the 2021/22 budget process

3. Considerations

3.1 General Fund

- 3.1.1 Appendix 1 sets out both General Fund net expenditure by Service and how it is financed. Movements between budget and projected outturn are expressed in monetary and percentage terms.
- 3.1.2 The net projected impact on reserves at 31 March 2021 is forecast to be a reduction of £0.765m, which is a marginal improvement from the position reported to Council in September. The projected balance for the General Fund is now £8.777m.
- 3.1.3 The significant variations are summarised for each Service below with further information on the financial movements from the September report to Council detailed at Section 3.4.

Children's Services – (Over budget by £4.847m, 2.3%)

- 3.1.4 Overall the Service is currently projecting an overspend of £4.847m, a marginal improvement from the position reported in September. To date the Service is projected to incur £6.7m of additional costs related to COVID-19. Primarily this includes £1.7m for teaching and support staff, increased school operational costs (i.e. school transport, cleaning, school meals, food costs and learning materials) of £3.7m and residential care costs of £1.3m.
- 3.1.5 The projection also reflects the loss of income totaling £1.3m for services that were not fully provided during the lockdown, such as school meals, breakfast clubs, childcare fees and music tuition. Planned budget savings (see para 3.3.1) of £3.4m will also not be achieved.
- 3.1.6 In addition to the financial issues arising from COVID-19, there are other ongoing budget pressures. Increasing demand for children's residential care has added £0.6m of unbudgeted costs, which is over and above the £2.4m attributed to direct COVID-19 costs and unachievable closer to home savings. There is also an anticipated overspend on NPDO insurance contracts of £0.233m due to a change made by our provider's insurer in the method of calculating a rebate and as such the receipt of refunds due to the Council have not been assumed in this projection. This remains an ongoing matter that officers will aim to clarify and resolve by the end of the financial year.
- 3.1.7 These budget pressures have been partially offset by Scottish Government funding of £4.8m for teaching and support staff, additional school meals and school operational costs.
- 3.1.8 As noted in the previous report to Council in September, the Scottish Government has agreed flexibility can be applied to early years funding. A total of £2.4m, including £1.7m carried forward from 2019/20 can be utilised to support the response to COVID-19 and services provided to children of key workers and vulnerable children.

Development Services – (Over budget by £2.844m, 10.3%)

- 3.1.9 The Service is currently projected to be over budget by £2.844m, an increase of £0.665m from the previous position. The main pressure is waste collection and treatment costs of £2.1m due to changes in operating arrangements and increase in household waste tonnage arising from COVID-19. The restricted provision of services has also resulted in a projected loss of income of £0.450m, which includes car park income, planning fees and building warrants. These pressures are partially offset by operational savings of £0.7m.
- 3.1.10 The Council has developed a rent deferment scheme for commercial tenants who have fallen into rent arrears during the lockdown. The primary focus of this is to retain businesses within the portfolio which will mitigate vacancies and rental income loss. This area will continue to be monitored closely, but there appears to be good demand for industrial property and so far occupancy levels are better than maybe expected. The current projected shortfall in budgeted income is still £0.3m.

Corporate and Housing Services – (Under budget by £0.073m, (0.3%))

- 3.1.11 There is no significant movement in the financial projection from the previously reported position. Projected additional expenditure arising from COVID-19 is £1.6m and includes a cost of £1m for personal protective equipment (PPE) for all Council Services. Loss of income of £0.6m is anticipated and includes printing charges, licensing fees and registration fees. This is being offset by operational savings arising from staffing vacancies. In addition a budget of £0.5m that was created to cover costs to consolidate the Scottish Local Government Living Wage will now not be required until next financial year.

Integration Joint Board – (Over budget by £0.502m, 0.7%)

- 3.1.12 For 2020/21, a net sum of £68.963m (£67.222m from the General Fund) was passed to the IJB. It is for the IJB to manage its expenditure within the resources provided. Excluding additional costs associated with COVID-19, the latest finance report presented to the IJB on 20 November 2020 noted this delegated budget is projected to overspend by £0.502m. Which is a marginal improvement of £0.157m from the previously reported position.
- 3.1.13 In respect of COVID-19, the IJB is still assuming that all additional costs, which includes the non-achievement of planned saving, associated with the crisis will be fully funded by the Scottish Government. The Scottish Government has confirmed that funding requirements in respect of unachieved savings linked to COVID-19 will be subject to further review and assessment in January. The Council's financial exposure would be any additional costs and unachieved savings that were not covered by government funding. Of the planned savings c£0.9m out of the £2.2m is currently deemed achievable, which is an improvement of c£0.4m from the position reported to Council in September.

Falkirk Community Trust – (Over budget by £1.217m, 11.2%)

- 3.1.14 FCT are currently projecting a deficit of £1.217m, which is a marginal improvement from the £1.3m deficit reported to Council in September. At this meeting it was confirmed that the Council will fund the Trust's COVID-19 driven deficit for 2020/21. If the funding received from income loss scheme is greater than currently estimated (see para. 3.1.20), this would help to mitigate the shortfall.
- 3.1.15 The most significant financial aspect for the Trust is the loss of customer income due to the closure of facilities during the lockdown period. However as sites reopen, it is still expected that it will take a period of time to return to the levels of income previously received. From the planned reopening dates, on average 18.5% of the prior year levels is anticipated to be achieved, with charitable income c£5.7m less than budgeted and a trading deficit of c£1m.
- 3.1.16 Lower operational costs as a result of the lockdown have helped to mitigate the loss of income. The projection is based on maintaining these savings to the year end and that facilities will be able to broadly operate within a pro-rata share of the operational budgets, after accounting for certain fixed costs and COVID related expenditure, from the reopening dates. The total projected operational savings are c£3m.

3.1.17 While the Trust's financial projection is based on the best information available, there is still a high degree of uncertainty and inevitably things may change over the coming months. One significant change since the last report to the Trust Board in November is the extension of the job retention scheme to March 2021. However, the potential for this extension to increase the projected funding would be at the expense of facilities either closing or remaining closed.

3.1.18 The expected income, excluding trading activities, from both Job Retention Support and Business Grant Funding schemes is £2.5m. If any of the sums paid were to be recovered by the Government at a later date, then a net cost will arise. The maximum exposure could be the equivalent value to lost monthly income of £0.750m less any operational savings.

Capital Financing Costs – (Under budget by £0.293m, (2.5%))

3.1.19 Ongoing debt restructuring and management will result in loan charge savings of £0.293m.

Revenue Support Grant – (Over budget by £9.139m, (3.8%))

3.1.20 The Council's Revenue Support Grant is currently expected to increase by £9.139m in response to COVID-19. This incorporates the following funding streams that have previously been noted:

- £4.484m, funding reflects the Council's share of £155m and will be applied to cost pressures arising from the crisis
- £1.447m from the Hardship Fund. This is a discretionary fund and no specific purpose has been identified.
- £1.416m from an estimated share of £49m of revenue consequentials to be applied to general cost pressures that are arising from the crisis.
- £1.792m from an estimated share of an income loss scheme. Work is progressing between Cosla and the Scottish Government to establish the exact share for each Council and the Council's share could be different from the current assumption. There is also a general concern that the overall funding available is insufficient to cover the amount lost.

3.1.21 As reported to Council in September, Cosla's Local Government Finance Team together with Directors of Finance have been discussing with the Scottish Government options to help alleviate the financial pressures in both the current and next financial years.

3.1.22 Four options were put forward for consideration and three of these have been agreed by the Scottish Government. Two of the agreed flexibilities (use of Capital Receipts and Loans Fund Repayment Holiday) are relatively straight forward and consideration of these will be factored into the budget process for 2021/22.

3.1.23 However, the one relating to the restructuring of debt arising from PFI/PPP projects is proving to be challenging. Cosla has received draft guidance from the Scottish Government and this is currently being reviewed. Initial modelling and analysis has suggested that complexity, structure and age of individual contracts will have a significant bearing on the benefit for Councils. There is wide variability in impact between Councils and some may not gain the expected benefits that could contribute to addressing ongoing funding gaps in their current and next year's budgets.

3.1.24 The Scottish Government has had no response from the UK Government in relation to use of a proportion of general capital grant (the 4th fiscal flexibility being pursued). Although discussions between Cosla and Treasury officials suggest it is not something that would be considered at this time.

Council Tax (Under budget by £0.350m, 0.5%)

3.1.25 At the Council meeting in September it was forecast that the Council tax yield would be under budget by c£0.5m due to increased bad debt and a reduction in number of new build properties completed in 2020/21.

3.1.26 The position has stabilised and, while the two factors above remain valid, it is also expected that further growth in the costs of Council Tax Reduction by end of financial year, will be less than the funding provided by the Scottish Government. This has allowed the estimated 2020/21 shortfall in council tax yield to be reduced to £0.350m.

3.1.27 All recovery action has recommenced, in a sensitive manner, and a number of accounts have progressed to Summary Warrant stage of recovery and are being pursued by Sheriff Officers.

3.1.28 At the end of November the amount of council tax uncollected was no higher than it was in July and suggests monthly movement is now relatively well aligned with historical trends.

3.2 Trading Account

3.2.1 The BMD's work programme continues to be severely disrupted by the current crisis with COVID operating restrictions limiting the amount of work that can be undertaken. The current BMD trading account is now showing a deficit of £3.7m, an increase of £1m from the previous projection, and there is no prospect of a surplus being generated. This will result in a cost to the General Fund of c£0.5m.

3.3 2020/21 Agreed Savings

3.3.1 In light of the current crisis, Services reported to the Council in September on the deliverability of savings for 2020/21. There is no substantial change to the position that was previously reported. The status of savings is detailed at Appendix 2 and summarised in the table below.

	Savings Agreed £'000	Savings Achievable £'000	Net Cost/ (Saving) £'000
<u>Agreed Savings</u>			
Children's Services	(6,299)	(2,864)	3,435
Development Services	(2,380)	(1,873)	507
Corporate & Housing Services	(1,547)	(1,107)	440
	(10,266)	(5,844)	4,382
<u>Service Operational Savings</u>			
Property Savings	-	(146)	(146)
Misc Supplies & Services	-	(70)	(70)
	-	(216)	(216)
<u>Council Wide Savings</u>			
Living Wage	-	(500)	(500)
Non Domestic Rates	-	(180)	(180)
Loan Charges	-	(293)	(293)
	-	(973)	(973)
Sub Total Savings	-	(1,189)	(1,189)
Overall Totals	(10,266)	(7,033)	3,193

3.4 General Fund Reserves

- 3.4.1 The current estimated full year financial effect on the General Fund is as noted earlier a reduction of £0.765m. The table below provides a comparison with the position reported in September.

	Sept £'000	Current £'000	Diff £'000
Government Funding	(14,552)	(16,552)	(2,000)
Loss of Income:-			
Service Fees and Charges	2,515	2,342	(173)
Council Tax	500	350	(150)
Commercial Rents	273	285	12
Additional Costs	6,957	9,428	2,471
Budget Savings Not Achieved	4,447	4,382	(65)
New Budget Savings	(1,255)	(1,189)	66
Integration Joint Board	659	502	(157)
Falkirk Community Trust	1,384	1,217	(167)
Overall Net Cost	928	765	(163)

- 3.4.2 The additional government funding is for a range of COVID-19 initiatives, including £0.840m (Young Person Guarantee) to deliver employability

opportunities focused on 16-24 year olds, £0.550m to support individuals at financial risk and £0.480m towards additional council tax reduction costs. This additional funding is broadly matched by the increase in the additional costs.

- 3.4.3 Appendix 1 shows a projected General Fund balance of £8.777m, a decrease of c£0.765m. The balance is still comfortably within the 2% policy range of annual revenue expenditure (giving a range of £7.5m-£11m) and is there to continue help mitigate the pressures flowing from the current crisis. It is important to note that the financial effect of the COVID driven crisis will last for several years at least, witness the projected unemployment levels, and it is essential that reserves are maintained to deal with this rolling pressure. It is also important not to lose sight of the other, non COVID, pressures that will place a strain on reserves eg child abuse claims. The financial position is still volatile and will need to be monitored closely over the remaining months as circumstances can change very quickly.

3.5 Housing Revenue Account (HRA)

- 3.5.1 Overall, the HRA spending of £64.803m (Appendix 3) is c£2.5m below the budgeted sum of £67.333m, which is broadly in line with the previously reported position. The figure for the HRA incorporates the costs of additional temporary accommodation of £1.5m and increase in the housing rents bad debt provision of £0.6m due to COVID-19. In addition this also absorbs the BMD projected deficit of £3.7m noted at para. 3.2.1. This follows agreement between COSLA and Audit Scotland that even if works are not carried out, the relevant costs (primarily employee costs and overheads) can still be charged to the HRA.
- 3.5.2 The overall budget saving of c£2.2m primarily reflects a reduction in the repair work undertaken of £4.446m, savings in employee costs of £0.842m and capital charges of £0.645m, offsetting the additional costs of Covid-19 (included within supplies and services), increased support services (£0.350m), reduced house rents/other income (£0.282m) and increased bad debt provision (£0.600m).
- 3.5.3 The estimate for the increase in bad debt that will ultimately have to be written-off remains at £600,000.
- 3.5.4 All tenants who have fallen into arrears have been contacted and offered support and advice to those who had difficulty in catching up with the rent that was overdue. This has been relatively successful but in a small number of cases the legal process has commenced by serving a Notice for Recovery of Possession and these notices will be issued, only where absolutely essential, from September onwards. These notices offer tenants an opportunity to resolve matters before court action commences.
- 3.5.5 At all stages the eligibility for tenants to receive help from Tenancy Support Fund, or through any other available means is assessed, along with the offer of specialist Debt Advice where appropriate.
- 3.5.6 The reserves balance brought forward at 1 April 2020 was £5.093m and it is anticipated that the current year surplus will increase reserves to £7.341m at 31 March 2021.

3.6 Revenue Budget 2021/22

- 3.6.1 Based on updated assumptions, and in particular the impact of COVID-19, the estimated budget gap for 2021/22 is £23m. Although assumptions have been made on how fiscal flexibilities may impact on this gap, as noted above discussions are ongoing with the Scottish Government and considerable uncertainty remains as to how the rules will apply in practice and this remains work-in-progress.
- 3.6.2 It should also be noted the Scottish Government has announced that its draft budget will be on 28 January 2021, with the third reading in the Scottish Parliament not until early March. The draft Local Government Settlement is expected to be announced on the same day in January. The funding provided by the Scottish Government is a key variable in the budget process and the ongoing uncertainty is not helpful.
- 3.6.3 The Budget Working Group has also been presented with a number of savings options identified to date by Services. It is clear at this stage, however, that more work is required by Services to identify further savings to give Members genuine choice. A series of further workshops were held prior to the Festive break and all relevant information shared with all Members.
- 3.6.4 Flowing from the February Council Budget meeting Members want to pursue a Zero Based Budget (ZBB) approach and mandated officers to explore this. The following three strand approach was agreed by the Council at its meeting in September:
- a) Identify the Council's areas of Discretionary spend i.e. the areas which albeit provide valuable services, the Council is not required to provide. This readily aligns with the essence of ZBB.
 - b) The ZBB approach is formally integrated into existing and future Council of the Future projects
 - c) The identification of an initial two areas for 'deep dive' reviews. An initial scoping document for a review of transport costs has been drafted and a second area is being explored within Children's Services.

4. Consultation

- 4.1 There is no requirement to carry out a consultation based on the report proposals.

5. Implications

Financial

- 5.1 The financial implications are detailed within the report.

Resources

- 5.2 There are no resource implications arising from the report recommendations.

Legal

- 5.3 There are no legal implications arising from the report recommendations.

Risk

- 5.4 The report has flagged significant risks to the financial sustainability of the Council.

Equalities

- 5.5 EPIAs, as appropriate, were carried out as part of the Budget process which led to the approved Budget Savings and are updated as appropriate.

Sustainability/Environmental Impact

- 5.6 A sustainability assessment was not required.

6. Conclusions

- 6.1 The projected financial position for the current financial year has marginally improved. The deficit of c£0.7m can be managed by a combination of effective financial control by Services, implementation of the expected Fiscal Flexibilities and if necessary application of reserves.
- 6.2 Whilst the position for the current financial year looks manageable, a major challenge looms in the next financial year with a significant deficit to be bridged.

Director of Corporate & Housing Services

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Date: 4 December 2020

APPENDICES

Appendix 1 – General Fund Outturn Statement 2020/21
Appendix 2 – Savings Assessments
Appendix 3 – Housing Revenue Account 2020/21

Appendix 1

FALKIRK COUNCIL

GENERAL FUND

PROJECTED REVENUE OUTTURN STATEMENT 2020/21

	Budget	Projected	(Fav)/ Adv		Previous
	£'000	Outturn	Variance	%	(Fav)/ Adv
		£'000	£'000		£'000
Childrens Services	208,326	213,173	4,847	2.3	5,179
Social Work - Adult Services	3,678	3,678	-	-	-
Development Services	27,553	30,397	2,844	10.3	2,179
Corporate & Housing Services	28,727	28,654	(73)	(0.3)	(44)
Trading Accounts	(510)	-	510	(100.0)	503
Sub - Total	267,774	275,902	8,128	3.0	7,817
Falkirk Community Trust	10,896	12,113	1,217	11.2	1,384
Valuation Board	1,392	1,392	-	-	-
Integration Joint Board	67,222	67,724	502	0.7	659
Earmarked Funds	(2,571)	(2,571)	-	-	-
Capital Financing Costs	11,575	11,282	(293)	(2.5)	(293)
NET EXPENDITURE	356,288	365,842	9,554	2.7	9,567
Financed By :					
Revenue Support Grant	240,517	249,656	(9,139)	(3.8)	(9,139)
Non-Domestic Rates	46,281	46,281	-	-	-
Council Tax	69,490	69,140	350	0.5	500
NET INCOME	356,288	365,077	(8,789)	(2.5)	(8,639)
SURPLUS/(DEFICIT)	-	(765)	765	0.2	928
Add : General Fund Surplus as at 1 April 2020		9,542			
Transfers (to)/from Earmarked Funds		-			
General Fund Balance as at 31 March 2021		8,777			
Reserves Strategy Policy - Range	7,500 - 11,000				

No	Year	Ref	CotF	Description	Agreed		Deliverability		
					Savings £'000	FTE Impact			
1	20/21	CS21	✓	Support and Learning Review of Additional Support Needs Services	427	2.0		301	126
2	20/21	CS25		Review and Reduction of Childrens Services Central Support Staff	72	2.0			72
3	20/21	CS26	✓	Fees and Charges	75	0.0	75		
4	20/21	CS29	✓	Secondary and Digital Learning Review	380	9.7			380
5	20/21	CS30	✓	Primary Learning Review	367	7.6			367
6	19/20	CS12	✓	Reprovisioning of the School Estate-Mothballing. Full Year Effect of 2019/20 Budget decision	76	0.0			76
7	19/20	CS13	✓	ELC-Realignment of Early years Peripatetic Team. Full Year Effect of 2019/20 Budget decision	225	6.5			225
8	19/20	CS15	✓	Secondary Savings Target - Re-provisioning of school registration process. Full Year Effect of 2019/20 Budget decision	261	0.0			261
9	19/20	CS16	✓	Adjusting the demographic growth projections within secondary schools. Full Year Effect of 2019/20 Budget decision	151	0.0			151
10	19/20	CS18	✓	Primary Savings Target - Redesign of teaching support in nursery classes. Full Year Effect of 2019/20 Budget decision	315	0.0			315
11	19/20	CS19	✓	Primary Savings Target - Removal of additional discretionary support classes. Full Year Effect of 2019/20 Budget decision	109	0.0			109
12	19/20	CS28	✓	Closer to Home - Social Work Childrens Services. Shifting the balance of care and external provision to support children	1,879	0.0	1,097		782
13	20/21			Demographics and Inflation rebasing	1,962	0.0	1,962		
					6,299	27.80	3,134	301	2,864

Assessment of 2020/2021 Agreed Savings Options
Development Services

No	Year	Ref	CotF	Description	Agreed		Deliverability		
					Savings £'000	FTE Impact			
1	20/21	DV9		Review of the Waste Strategy	65	1.00			65
2	20/21	DV31		Staff reduction within the Planning and Environment Unit.	30	1.00			30
3	20/21	DV36	✓	Smart Working Smart Travel Project	200	0.00			200
4	20/21	DV43	✓	Review of Cemeteries and Crematorium operations	34	0.00			34
5	20/21	DV44	✓	Staff reduction in waste Services	90	2.00			90
6	20/21	DV45	✓	Savings through improved efficiency of service - Roads and Grounds Maintenance	155	2.00	132	23	
7	20/21	DV46	✓	Reform of the Planning and Building Standards Service	186	2.80		186	
8	20/21	DV47	✓	Staff savings through improved efficiency of design, Roads and Transport Services	100	1.50			100
9	20/21	DV48	✓	Review of short term vehicle/plant hires	50	0.00			50
10	20/21	DV50		Reduce revenue budgets in Planning & Environment Unit	54	0.00			54
11	20/21	DV55		Reduce the NHSFV travel contractover provision	39	0.00			39
12	20/21	DV61	✓	Electric Vehicle (EV) chargepoint income	10	0.00		10	
13	20/21	DV63	✓	Cemeteries and Crematorium staff Savings	31	0.65	31		
14	20/21	DV64	✓	Reduction in Roads Maintenance Budget	110	0.00			110
15	20/21	DV66	✓	Reduction in Overtime Working - Roads Maintenance	200	4.00	100		100
16	20/21	DV67	✓	Reduction in Overtime Working - Grounds Maintenance	50	1.00	25		25
17	20/21	DV68	✓	Staff reduction in Environmental Health services	50	1.00			50
18	20/21	DV75	✓	Review of commercial property and asset management - third party payments	32	0.00			32

Assessment of 2020/2021 Agreed Savings Options
Development Services

No	Year	Ref	CotF	Description	Agreed		Deliverability		
					Savings £'000	FTE Impact			
19	20/21	DV79	✓	Commercial property & Asset Management Unit staff savings.	70	1.50			70
20	20/21	DV80	✓	Commercial property & Asset Management review of head leases.	58	0.00			58
21	20/21	DV81	✓	Commercial property & Asset Management savings in supplies & services	20	0.00			20
22	19/20	DV37	✓	Savings from installing LED street lighting	199	0.00			199
23	20/21			Inflation Rebasing	547	0.00			547
					2,380	18.45	288	219	1,873

Assessment of 2020/2021 Agreed Savings Options
Corporate & Housing Services

No	Year	Ref	CotF	Description	Agreed		Deliverability		
					Savings £'000	FTE Impact			
1	20/21	CHS4	✓	Procurement savings from supplier contracts	300	0.0	200		100
2	20/21	CHS5	✓	Increased income from contract rebates and prompt payment of invoices	79	0.0	79		
3	20/21	CHS7	✓	Procurement - staffing - vacancy management	25	0.5			25
4	20/21	CHS12	✓	PT&I Staffing Restructure	98	1.0			98
5	20/21	CHS41	✓	Absence Service Review	134	-			134
6	20/21	CHS47	✓	Increased fee income - licensing and registration	18	0.0	18		
7	20/21	CHS48	✓	Increased legal fee income	12	0.0	12		
8	20/21	CHS54	✓	Increase vacancy management	16	0.0			16
9	20/21	CHS55	✓	Licensing digital channel shift	28	1.0	28		
10	20/21	CHS60	✓	Health & Safety Incident Reporting System	30	1.0			30
11	20/21	CHS61	✓	Self-service payroll support	25	1.0			25
12	20/21	CHS69	✓	Reduction in customer and business support staffing levels	527	24.0	50		477
13	20/21	CHS72	✓	Reduce audit and checking undertaken on the payroll	25	1.0			25
14	20/21	CHS82	✓	Extend purchase of annual leave	20	0.0			20
15	20/21	CHS85	✓	Digital subscriptions	3	0.0			3
16	20/21	CHS86	✓	Telecoms - Review Provision of Telephony	53	0.0	53		
17	20/21	CHS90		Savings from lower commission on debt recovery	54	0.0			54
18	20/21	CHS93	✓	Staff savings - Communications & Participation	21	-			21
19	20/21	CHS95	✓	Staff savings - Policy & Community Planning and Welfare Reform	21	0.5			21

Assessment of 2020/2021 Agreed Savings Options
Corporate & Housing Services

No	Year	Ref	CotF	Description	Agreed		Deliverability		
					Savings £'000	FTE Impact			
20	20/21	CHS96	✓	Staff savings - Governance	18	0.5			18
21	20/21			Inflation Rebasing	40				40
					1,547	30.50	440	0	1,107

					Alternative Savings		Deliverability		
					£'000	FTE Impact			
22				20/21 Property Savings for Bo'ness/Camelon One-stop shop (one year only - underspend)	146				146
23				Miscellaneous Supplies & Services	70				70
					216				216

440	0	1,323
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FALKIRK COUNCIL
HOUSING REVENUE ACCOUNT
PROJECTED REVENUE OUTTURN STATEMENT 2020/21

	<u>Budget</u>	<u>Projected</u>	<u>(Fav)/ Adv</u>		<u>Previous</u>
	<u>£'000</u>	<u>Outturn</u>	<u>Variance</u>		<u>(Fav)/ Adv</u>
		<u>£'000</u>	<u>£'000</u>	<u>%</u>	<u>Variance</u>
					<u>£'000</u>
Employee Expenses	8,421	7,579	(842)	(10.0)	(721)
Property Expenses	24,867	20,421	(4,446)	(17.9)	(4,446)
Transport Expenses	30	20	(10)	(33.3)	(10)
Supplies and Services	4,051	6,984	2,933	72.4	2,616
Third Party Payments	1,850	1,980	130	7.0	130
Support Services	4,746	5,096	350	7.4	350
Capital Charges	21,954	21,309	(645)	(2.9)	(645)
Sub-Total	65,919	63,389	(2,530)	(3.8)	(2,726)
Integration Joint Board	1,414	1,414	-	-	-
Compensatory Lump Sums	-	-	-	-	-
Gross Expenditure	67,333	64,803	(2,530)	(3.8)	(2,726)
Income	67,333	67,051	(282)	(0.4)	(300)
Surplus/(Deficit)	-	2,248	2,248		2,426
Add: Surplus brought forward at 1 April 2020		5,093			
Projected Surplus at 31 March 2021		7,341			