



Scrutiny Update

30 June 2021



Financial Update

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Programme Coverage 2021

This Session:-

- 2020/21 Outturn Review

- Council Reserves Position



2020/2021 Outturn

Budget Monitoring results by Service	2020/21 Budget (£000's)	Forecast Outturn (£000's)	Forecast Variance (£000's)
Children's Services	41,996	40,746	(1,250)
Adult Services	49,385	47,411	(1,974)
Public Health	12,381	11,959	(422)
Place	29,360	36,070	6,710
Strategy and Resources	5,227	7,045	1,818
Finance & Systems	7,900	7,711	(189)
Governance & Community Strategy	6,518	6,727	209
Total Directorate Budgets	152,767	157,669	4,902
Council-wide budgets	22,755	15,049	(7,706)
Net Service Expenditure variance	175,522	172,718	(2,804)
Funding			
Business Rates	(65,792)	(65,792)	
Council Tax	(103,990)	(103,990)	
Reserves Budget Support	(4,524)	(4,524)	
Collection Fund surplus	(1,216)	(1,216)	
Funding variance	(175,522)	(175,522)	
Net Revenue Outturn variance	0	(2,804)	(2,804)
Dedicated Schools Grant	139,392	140,363	971

2020/2021 Outturn

Adult Services £1.97m underspend:-

- Adult client budgets £5.2m u/s (due to Hospital Discharge Programme Funding)
 - Staffing u/s £1.2m
- Additional payments to care providers £1.5m
- Non achievement of savings programme £0.9m
- Contributions to Reserves to cover short term pressures and DFGs £2m

Children's Services £1.25m underspend:-

- Staffing Budgets u/s £1.5m
- Home to School Transport o/s £0.3m

Place £6.71m overspend:-

- Expenditure pressures – Additional waste collection /disposal costs £0.7m, operational buildings £0.1m
- Income Pressures – Trafford Leisure £2.1m, Reduced income from Strategic Investments £1.1m, car park income £1m, outdoor media advertising £0.5m, trade waste £0.1m, property rentals £0.7m

2020/2021 Outturn



Strategy and Resources

£1.82m overspend:-

- Traded services – reduced income £1.7m
- Staff car park income reduction £0.1m

Council-Wide Budgets £7.7m underspend:-

- Covid Grant Income £18.0m
- Treasury Management £5.1m o/s
- Contribution to earmarked reserves £5.2m re future Covid impact

Schools DSG Budgets £0.97m overspend:-

- High Needs o/s £1.3m
- Schools and Central Services £0.3m u/s



Earmarked and General Reserves as at 31/3/21

Usable Reserves	Opening Balance 1/4/2020 £m	Closing Balance 31/03/2021 £m	Change £m
Budget Resilience and Smoothing	31.25	42.90	11.65
Strategic Priority	11.74	13.55	1.81
Corporate	2.05	90.42	88.37
Corporate - General Reserve	7.00	8.00	1.00
Service Area Priorities	6.64	11.09	4.45
Earmarked Reserves	58.68	165.96	107.28
Capital Related Reserves	21.77	19.80	(1.97)
School Related Reserves	10.90	15.16	4.26
Total Usable Reserves	91.35	200.92	109.57

- Year end position is temporarily inflated by grants related to Covid activity which are committed to be spent in 2021/22 and grants to cover the deficit in business rate collection - £98m
- Also significant amounts of reserves committed to support the budget in 2021/22 and 2022/23 as agreed in February - £22m
- Reserves also needed in the medium term to cover shortfalls in income from “strategic” assets



Earmarked and General Reserves commitments 2021/22 to 2023/24

<i>Table 7 :</i>	Act Balance 1/4/21	Est Balance 1/4/22	Est Balance 1/4/23	Est Balance 1/4/24
<i>Usable Reserves</i>	£m	£m	£m	£m
Budget Resilience and Smoothing	42.90	29.71	18.99	15.49
Strategic Priority	13.55	10.36	6.85	6.85
Corporate	90.42	4.76	1.84	0.25
General Reserve	8.00	8.00	8.00	8.00
Service Area Priorities	11.10	6.81	5.21	5.21
Earmarked Reserves	165.97	59.64	40.89	35.80
Capital Related Reserves	19.80	12.24	5.29	5.29
School Related Reserves	15.16	15.17	15.17	15.17
Total Usable Reserves	200.92	87.05	61.35	56.26