

Commentary on Service Revenue Outturn

This Appendix provides a summary of the main variations and potential ongoing impacts of the 2020/21 revenue outturn at Service level. A detailed explanation at a Team level within each Service is provided in **Annexes A to M**.

Communities Directorate

Education Services DSG - (£5.315m net overspend; +2%)
Explanation of the net overspend
<ul style="list-style-type: none"> The DSG overspend primarily relates to the excessive growth and demand on services within the High Needs Block (HNB) of the DSG. Although the DSG overspend is often presented as a net figure (i.e. the High Needs Block overspend of £8.610m being offset by a Central Schools Services (CSSB) and Schools Block underspends, it is important to note that DfE rules do not allow an actual transfer of funds between the blocks, hence the requirement of High Needs Recovery and Sustainability plans within the SEND & Inclusion Change Programme (SICP).
Impact on the MTFS
<ul style="list-style-type: none"> The two major underspends in the School Block relate to the Schools Funding contingency £2.3m (held within Corporate Services and Resourcing), which the Schools Forum usually approve to transfer to the School Growth Fund, and a £0.4m under-spend on the Growth fund. This year, Schools Forum supported the Council's application to the Secretary of State for a "dis-application" of funding transfers between blocks. Therefore, these underspends will in part be used to contribute to the transfer of up to £1.8m from the Schools Block to the High Needs Block which will, in turn relieve some pressure on the High Needs Block in 2021/22.
Change since the position reported at Quarter 3 (reduction of £2.332m)
<ul style="list-style-type: none"> The High Needs Block overspend has decreased since the Q3 forecast was made by £2.106m. This is the result of reduced pressures on Flexible Learning and Alternative Provision, and reduced expenditure with Independent Special School settings, which reflects the objectives of the Recovery Plan.

Education Services Non- DSG - (£6.825m net overspend; +19%)
Explanation of the Covid pressures (£4.274m)
<p>Covid Pressures consist of</p> <ul style="list-style-type: none"> £0.412m for Early Years Hubs; £2.624m loss of Traded income; £0.965m of Home to School Transport costs; and the remainder of Covid costs relates primarily to child/family support.
Explanation of the non-Covid overspend (£2.348m)
<ul style="list-style-type: none"> Within the non-Covid overspend of £2.348m, there is a £4.506m overspend relating to the cost of placements for Children with Disabilities in residential care, as well as preventative care and assistance costs (e.g. direct payments, specialist agency staff/home care, short breaks/respite) to avoid an even greater number of children going into care. The primary area reporting underspends include the one off budget of £0.788m that is being held for the forward funding of places and the Warwickshire Academy site that is not needed now until 2021/22 due to the delay in the opening date from Jan'21 to Sept'21 (or later). This underspend is included in the list of requested carry forwards which are subject to Member approval. There are other one off underspends which can be categorised as staff vacancies and delays in recruitment; reduced operational expenditure from e.g. travel costs; and a £0.607m underspend of earmarked funding where plans and projects have been delayed primarily due to Covid which have now been re-phased into 2021/22 onwards.

Change since the position reported at Quarter 3 (increase of £1.012m)
<ul style="list-style-type: none"> The cost of placements for Children with Disabilities in residential care has increased by £0.592m from the forecast position reported in January 2021.

Environment Services - (£0.186m net underspend; -1%)
Explanation of the Covid pressures (£2.986m)
<p>The Covid related pressures are largely as previously reported and consist of:</p> <ul style="list-style-type: none"> Payments to Bus Operators (£1.492m) Reallocation of road space and works in town centres (£0.729m) Income losses within Forestry, Community Safety, Planning Delivery and Trading Standards (£0.351m) Emergency highways maintenance and compensation payments for highways contracts (£0.190m) Other operational Covid related pressures totalling (£0.224m).
Explanation of the non-Covid net underspend (£3.172m)
<p>Excluding Covid, the underspend of £3.172m is as a result of:</p> <ul style="list-style-type: none"> One off underspends on staffing due to holding posts vacant pending the service redesign (£1.700m) Income receipts (£0.683m) and grant funding received in March which is subject to a carry forward requests (£0.700m).
Change since the position reported at Quarter 3 (reduction of £1.762m)
<ul style="list-style-type: none"> Since the Q3 report the non-Covid underspend has increased by £1.762m due to: The grant funding received for utilisation in 2021/22 as described above (£0.700m); The over achievement of income within County Highways (£0.683m) was not included in the Q3 forecast as some has related to demand for permits and closures being higher towards the end of the year whilst roads are still quieter; and The remaining increase in underspend (£0.379m) was largely related to continued staffing vacancies.

Fire and Rescue - (£0.085m net underspend; -0.4%)
Explanation of the Covid pressures (£0.258m)
<ul style="list-style-type: none"> The Covid related pressures are primarily a result of overtime.
Explanation of the non-Covid net underspend (£0.343m)
<ul style="list-style-type: none"> The underspend excluding Covid was mainly due to vacancies and reduced legal costs. These were partly offset by overspends on the roll out of uniform, cover for long term absence and the recently approved Firefighter Recruitment plan.
Change since the position reported at Quarter 3 (reduction of £0.360m)
<ul style="list-style-type: none"> The increased underspend of £0.360m since Q3 was due to a delay in PPE expenditure that was expected by year end, reduced activity in Hospital to Home and the arson Reduction Team and a late award of a contract generating training income.

Strategic Commissioning for Communities – (£4.935m net overspend; +22%)
Explanation of the Covid pressures (£5.917m)
<ul style="list-style-type: none"> The Covid pressures are largely the same as previously reported and comprise: <ul style="list-style-type: none"> Income losses from Parking, Country Parks, Waste Services, Speed Awareness and Business Centres (£4.283m), and Costs predominately made up of support to businesses, increased waste kerbside collections and social distance modelling (£1.634m). Covid pressures have reduced compared to the last report due to the timing of finalising £1.441m of grants to local businesses. The second round of applications to the Adapt and Diversify grant scheme is in May 2021. The above reduction was partially offset with an increased income loss within Speed Awareness (£0.251m) due to the refund of course fees and increased costs and income in waste services (£0.399m).

Explanation of the non-Covid net underspend (£0.982m)
<ul style="list-style-type: none"> After removing the Covid related pressures, the underspend (£0.982m) is largely driven by staffing underspends due to holding posts vacant pending the service redesign and projects that have been delayed due to Covid, for which carry forwards have been requested (£0.416m).
Change since the position reported at Quarter 3 (reduction of £1.678m)
<ul style="list-style-type: none"> The changes in Covid pressures and project delays are the main cause of the change to the Q3 forecast position.

People Directorate

Adult Social Care – (£3.328m net overspend; +2%)
Explanation of the Covid pressures (£12.651m)
<p>Covid expenditure consists of:</p> <ul style="list-style-type: none"> £7.838m increased package costs following hospital discharge; £3.829m financial support to providers to enable them to manage the impact of Covid; £0.785m staffing and working from home costs; £0.199m of other care related costs e.g. mental health, direct payments to people with disabilities.
Explanation of the non-Covid net underspend (£9.323m)
<ul style="list-style-type: none"> After removing the Covid related expenditure, the net variance is an £9.322m underspend, however Adult Social Care has benefitted from some of its core activity being funded through the Hospital Discharge Grant temporarily during our covid response. Other reasons for the underspend include delayed project implementation, reduced use of integrated community equipment and assistive technology, reduced transport costs due to a reduction in day opportunities, an increase in client contributions, reduced staffing costs, reduced nursing care costs due to the NHS temporarily funding nursing, the majority of which are non-recurrent. An additional contribution to the Better Care Fund of £1.000m was received from Warwickshire North CCG which is to be carried forward to fund projects in 2021/22.
Impact on the MTFS
<ul style="list-style-type: none"> Covid has had a significant impact on Adult Social Care, disrupting normal expenditure trends. It cannot therefore be assumed that underspends are recurrent until we are in a more stable post-Covid landscape. Most cost drivers have been impacted by Covid: <ul style="list-style-type: none"> Sadly, excess deaths during Covid have disproportionately impacted the over 65's cohort. This, in financial terms, may see expenditure in this group reduce in year. Conversely, some people have started receiving Adult Social Care sooner, due to Covid. In the short-term there has been net reduced expenditure. During the Covid response period until 1 September the Clinical Commissioning Groups (CCG) have fully funded those people requiring nursing care. Under usual circumstances some of this cohort could have been funded via the council with the CCG giving a financial contribution for the nursing funded element. This means that for this financial year the demand for this type of provision is unnaturally suppressed and is expected to increase back to a normal level of demand during 2021/22 as we complete transition from the Covid response. Certain areas of Social Care have seen a delay in demand as day and respite activities are impacted by Covid restrictions; while in some cases people have delayed coming to the Council for support as they are reluctant to start their support journey during these uncertain times. All of these factors have suppressed demand in a one-off, short-term way. Whilst significant financial relief has supported Adult Social Care providers, this has in some instances replaced the expenditure that the Council would have otherwise incurred. When the Covid situation recovers, there is an expectation that demand and service delivery will return.

Change since the position reported at Quarter 3 (reduction of £2.374m)
<ul style="list-style-type: none"> The increase in underspend of £1.3m since Q3 can primarily be explained by the Better Care Fund additional contribution of £1.0m.

Children and Families - (£3.777m net overspend; +6%. £3.689m Covid pressures)
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Explanation of the Covid pressures (£3.689m)
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<p>The major Covid pressures include the following:</p> <ul style="list-style-type: none"> £1.100m additional placement costs; £1.015m for additional staffing costs; £0.536m for increased foster care/emergency/care leaver and unaccompanied asylum-seeking children payments; and £0.500m for additional costs of Legal Services due to court delays.

Explanation of the non-Covid net overspend (£0.089m)
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<ul style="list-style-type: none"> After removing the Covid related pressures, the variance for Children & Families is a £0.089m overspend. This position does mask a number of earmarked funding streams which, when taken account of, result in an underlying overspend of £5.825m, an increase of £1.558m since Q3. The major contributors to this underlying position as well as the increased overspend position since Quarter 3 are: <ul style="list-style-type: none"> A £4.476m Children in Care/Leaving Care Placements overspend mostly related to increases in both the numbers and complexity of residential placements (affecting average unit cost as well as market failure); and A £0.819m overspend on Leaving Care accommodation costs and allowances for young people (excluding delays in discharge due to Covid). The Children's Transformation Programme budget was set prior to the Covid pandemic. This presented difficulties in recruitment, engagement and commissioning in 2020/21, and as such the programme underspent by £2.382m. A recent refresh of the programme has profiled much of the planned activities and expenditure into 2021/22. As the result of less face to face contact due to Covid, there is an underspend on staff travel of £0.438m.

Impact on the MTFS

<ul style="list-style-type: none"> Significant additional resource to support children in care placements and funding for care leavers accommodation was included in the MTFS. Close monitoring will be required to assess whether the level of funding will be sufficient post-covid given the increased level of demand currently being experienced.

Change since the position reported at Quarter 3 (reduction of £0.858m)
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<ul style="list-style-type: none"> The major contributors to the increased overspend position since Quarter 3 are those demand areas that have seen a continual upward trend during 2020/21.

Strategic Commissioner for People - (£1.988m net underspend; -6%)
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Explanation of the Covid pressures (£1.509m)
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<p>The major Covid pressures include the following:</p> <ul style="list-style-type: none"> £0.926m on test and trace activity, of which £0.829m and £0.080 is funded from COMF and the Test and Trace Grants respectively; £0.344m additional cost of sexual health contract from postal and online costs; £0.087m medical and housing related support for homeless people; £0.055m overspend on the meals on wheels service; and £0.097m across a range of items including £0.018m of the £1.740m allocation for Covid recovery projects
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Explanation of the non-Covid net underspend (£3.497m)

<p>After removing the Covid related pressures, the variance is a £3.497m underspend. Significant reasons for this include:</p> <ul style="list-style-type: none"> Unutilised partnership funding received, to be transferred to an earmarked reserve for use in future years;
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<ul style="list-style-type: none"> Underspend across a range of contracts including Public Health, Domestic Abuse and Dietetics; and Further underspend from staffing, travel, conferences, and training costs. £0.475m is requested to be carried forward into 2021/22 for homelessness, housing support, funding of IT project staff and a contribution from Warwickshire North CCG for suicide prevention costs to be incurred in 2021/22.
Change since the position reported at Quarter 3 (reduction of £0.858m)
<ul style="list-style-type: none"> The change in the position reported at Quarter 3 is primarily due to projects extending across more than one financial year and the contribution from Warwickshire North CCG for suicide prevention costs to be incurred in 2021/22.

Resources Directorate

Business and Customer Services - (£4.819m net overspend; +26%)
Explanation of the Covid pressures (£5.730m)
The Covid pressure is made up of:- <ul style="list-style-type: none"> Loss of income in general registration services and libraries and museums (£1.012m); Winter Support Grant expenditure (£1.876m); Expenditure on Welfare schemes, Shielding hubs and Clinically Extremely Vulnerable (CEV) support (£1.521m); Other operational Covid related expenditure including the set-up of the digital post room and enabling customer service calls to be taken from home (£0.410m)
Explanation of the non-Covid net underspend (£0.911m)
<ul style="list-style-type: none"> The remaining non-Covid related underspend of £0.911m is made up of one off staff underspend due to vacancies in areas not subject to savings plans and where the implementation of service redesign has been delayed and reduced operational costs as a result of Covid impacts on normal business.
Impact on the MTFS
<ul style="list-style-type: none"> The customer support area has not achieved MTFS savings due to Covid delays in implementation and shows an underspend, however, this is due to funding which was allocated specifically to enable the service redesign to take place. The in-year delay in this work has led to a carry forward request to enable it to be achieved in 2021/22.
Change since the position reported at Quarter 3 (reduction of £0.065m)

Commissioning Support Unit - (£6.281m net overspend; +98%)
Explanation of the Covid pressures (£6.951m)
The Covid related pressures comprise Contain Outbreak Management Fund (COMF) spending for Community Lateral flow testing (£1.682m), Central PPE supplies (£1.211m) and other COMF related spending of which further details can be found in Appendix C of this report (£3.581m). In addition, there is other operational spend made up mostly of staff related costs and unachievable recharges (£0.477m).
Explanation of the non-Covid net underspend (£0.670m)
Excluding the Covid pressures, there is a net underspend within CSU of £0.670m due to delays on the transition to the Portfolio Management Office (PMO) where funding set aside has not been used and is subject to a carry forward request, staff vacancies across the service and over achievement of income against the ESPO contract.
Change since the position reported at Quarter 3 (reduction of £1.014m)
The overspend has reduced since Q3 due to the fact that some COMF spending has been delayed and will take place in 2021/22.

Enabling Services - (£2.569m net underspend; -10%)
Explanation of the Covid pressures (£0.903m)
Covid pressures within the service have reduced compared to the previous report and comprise: <ul style="list-style-type: none"> • Expenditure on making offices safe, additional cleaning and security (£0.699m). • Other operational Covid related spend and losses of income in Catering, Maintenance and Minor Works, Recruitment and Vetting (£0.204m).
Explanation of the non-Covid net underspend (£3.472m)
The underspend is primarily due to the following: <ul style="list-style-type: none"> • An underspend in Digital and ICT, which is mostly incorporated into MTFs savings (£1.127m); • Facilities Management underspends from Shire Hall being closed for bookings (£0.174m); • Underspends across the service from project delays (e.g. Warwickshire Academy, Microsoft Sharepoint Migration, Meeting Room Technology, and the Graduate Scheme) which are subject to requests for carry forward into 2021/22 (£1.008m); • Income targets being exceeded in WES traded services (£0.383m); • Staff vacancies being held ahead of the new structure to be implemented in April, when these savings will be released as part of the MTFs; and • Some property income being received in year for work carried out and completed in a previous year.
Change since the position reported at Quarter 3 (reduction of £0.741m)
<ul style="list-style-type: none"> • Expenditure on making offices safe, additional cleaning and security has reduced by £0.394m since Q3 as additional lockdowns meant the spend on getting offices ready was not as high as first anticipated. • The forecast underspend excluding Covid pressures has increased by £0.396m from Q3 due to reductions on staffing and operational spending, and higher than forecast WES traded income being achieved.

Finance Service – (£0.156m net overspend; 2%. £0.431m Covid pressures)
Explanation of the Covid pressures (£0.431m)
The Covid costs primarily relate the significant increase in calls on the schools' absence insurance scheme (£0.394m). Other Covid costs relate to minor elements of operational expenditure.
Explanation of the non-Covid net underspend (£0.275m)
Excluding Covid the underspend of £0.275m is due to delays in populating the full structure following the service redesign; some additional Pension Fund income; and the traded Education Service exceeding their gross surplus target.
Change since the position reported at Quarter 3 (reduction of £0.114m)
The reduction of £0.114m in the net overspend since Q3 is mainly as a result of a reduction in the Covid funding to be applied to the schools' absence insurance scheme.

Governance and Policy – (£1.011m net overspend; +37%)
Explanation of the Covid pressures (£0.929m)
<ul style="list-style-type: none"> • The Covid pressures of £0.929m are made up of the loss of external income within legal services and spending within Communications on printing for the Council's Covid messaging.
Non-Covid net overspend (£0.083m)
Change since the position reported at Quarter 3 (increase of £0.015m)

Corporate Services and Resourcing

Corporate Services and Resourcing - (£0.035m net overspend; +0%)
Explanation of the Covid pressures (£4.792m)
A number of Covid related pressures and income are included within this budget area. These relate to: <ul style="list-style-type: none"> • Contribution to the cost of regional excess deaths mortuary costs of £1.030m; • Provision for a grant to Educaterers for the loss made as a result of continuing to provide

<p>school meals when only children of key workers were in school £0.355m;</p> <ul style="list-style-type: none"> • Loss of income from the Oxygen Finance rebate of £0.240m as payment terms were advanced for suppliers to help businesses with cash flow; • Loss of interest on investing cash balances in facilities with immediate access whilst the impact of the Pandemic on our cash flow was assessed (£1.286m including increased management fees); • £1.239m savings on borrowing that were unachievable due to cancellation of property sales (offset by the capital contingency); • £0.500m contract management savings undeliverable during Covid response phase; and • £0.142m increase in the cost of the Coroner service.
<p>Explanation of the non-Covid net underspend (£4.757m)</p> <ul style="list-style-type: none"> • The non-Covid underspend position does not yet include the final NNDR income and Local Income Tax Guarantee grant (council tax and NNDR) income but these will be included in the final accounts for the year. • The reported underspend is attributable to the following key factors: <ul style="list-style-type: none"> • £2.497m grant income above budget (Better Care Fund £0.969m, business rates £0.503m, £0.721m various other revenue grants); • £1,395m technical accounting adjustment relating to the lease of IT equipment; • £2,866m underspend on capital contingency (held to offset the loss of property sales); and • £0.961m underspend on the expenses on the sale of assets and other administrative costs
<p>Change since the position reported at Quarter 3 (reduction of £0.805m)</p> <ul style="list-style-type: none"> • The main change since Q3 was the impact of the end of year technical accounting adjustment relating to the leasing of IT equipment.

Commentary on Services Capital Outturn

This Quarter – Delays in capital spend by service

	2020/21 Approved Budget £000	2020/21 New Projects and over or underspends £000	2020/21 Adjusted Approved Budget £000	2020/21 Outturn £000	2020/21 Q4 project delays £000	2020/21 Adjustment for S278 delays £000	2020/21 Delays in capital spend £000
Education Services	17,750	1,803	19,553	17,105	(2,448)	-	(2,448)
Environment Services	70,431	1,916	72,347	54,392	(17,956)	11,797	(6,159)
Fire and Rescue	3,820	11	3,831	1,222	(2,609)	-	(2,609)
Strategic Commissioning Communities	11,472	442	11,914	5,810	(6,104)	-	(6,104)
Communities	103,473	4,172	107,645	78,529	(29,116)	11,797	(17,319)
Children and Families	287	-	287	95	(192)	-	(192)
Strategic Commissioning for People and Public Health	4,587	608	5,195	5,164	(31)	-	(31)
People	4,874	608	5,482	5,259	(223)	-	(223)
Business and Customer Support Services	310	(4)	306	316	10	-	10
Enabling Services	17,872	(2,816)	15,056	14,333	(723)	-	(723)
Governance and Policy	2,259	-	2,259	1,529	(730)	-	(730)
Resources	20,442	(2,820)	17,622	16,178	(1,444)	-	(1,444)
Total	128,789	1,960	130,749	99,965	(30,783)	11,797	(18,986)

Detailed explanation at a Service level is provided in **Annexes A to M**. The main reasons for the £30.783m movement to future years in the quarter compared to the approved budget are set out below. The delays on projects means the expected benefits of the schemes will not be realised to the original time frame.

Education Services – £2.448 million delay caused by:

- A reduction in devolved school's capital spending over which we have little control (£0.691m);
- High Meadow Infant School £0.446m as a result of Covid restrictions;
- Warwickshire Academy £0.588m due to additional conversion requirements which are still under review; and
- Most of the other reported delays are for less than £0.250m, but these are spread over many individual projects. This general reduction in 2020-21 spend on Education projects is likely to result from the Covid-19 pandemic slowdown and lockdown.

Environment Services – £17.956 million delay caused by:

- £11.797m relates to S278 projects where there is little control over the timing of works;
- The A46 Stoneleigh junction scheme (£1.165m) resulting from a later than planned date for award of the main works contract due to a delay in getting final approvals from Highways England for the work. Issues around Covid-19 and progress on the earthworks element of the scheme have also pushed spend into future financial years. It is expected that these issues can be dealt with from the existing risk budget.

- Delay in payments on the A46 Stanks island scheme (£0.990m) resulting from contract disputes not being finalised this financial year as expected. In addition to this phase 2 works have been delayed due to Highways England technical approval issues;
- Delays of £1.2m relating to Area Delegated schemes as a result of changes to the use of these funds (see Cabinet report dated 11th June 2020); and
- There have some other smaller delays on projects, please see the annexes for further details.

Fire and Rescue – £2.609 million delay caused by:

- £1.891m relates to delays to the Fire and Rescue training capital programme. The future of the Fire Service response locations and the original Southam site is currently being reviewed by WCC Strategic Assets;
- Delays in the WFRS emergency services network project resulting from a dependency on the upgrade of incident command and control systems (£0.334m); and
- The adoption of an alternative timescale for the replacement of vehicles (£0.465m).

Strategic Commissioning for Communities - £6.104 million delay caused by:

- Transforming Nuneaton, where actual expenditure was less than forecast due to delays the project has met (£2.163m); significantly the costs associated with moving tenants from the acquired buildings to gain vacant possession to enable demolition have not been incurred as progress has been slowed due to Covid-19 (tenants operations and priorities shifted to address the pandemic) and finding workable solutions within budget;
- Covid-19 has placed extraordinary demands on contractors to produce a lot of equipment quickly which has delayed the order for measurement equipment to tackle climate change (£1.359m);
- The A429 cycle scheme in Warwick has re-profiled spend of £0.715m into later years with none of the expected in year spend occurring because of Engineering and Design Service capacity;
- Other notable delays are on A446 Stonebridge, Coleshill (£0.511m) and Emscote Road Warwick cycle scheme (££0.381m). The delays on these projects are due to resourcing, both within Engineering and Design Services who could not take on the project in year, and within the Transport Planning Unit as the response to the pandemic shifted some work priorities. The schemes will shortly be going out to consultation before progressing further design work.
- The payment of small business grants has also been pushed back (£0.328m) as a number of the larger investment projects awarded a grant in 2019/20 were delayed and the businesses requested additional time to deliver (and claim their grants). The large grant programme also saw a reduction in demand last year due to a nervousness on the part of businesses to invest and/or difficulties in raising the required match funding.
- The remainder relates to lots of delays over multiple projects, further details can be found in the annexes.

Children & Families Services - £0.192 million delay caused by:

- Delays in projects coming forward for adaptations to carer properties. The spend is reactive to requirements which vary significantly year on year and are difficult to predict (£0.075m).
- £0.065m is due to delays in obtaining planning permission for the adaptation of Children's Centres into Children and family centres, in particular, at St Michaels.
- £0.010m for Westgate children's centre safeguarding walkway where funding has been carried forward for expected remaining fees.

- £0.042m of spend has been delayed in relation to the establishment of a residential care facility for under 18s due to imposed delays around purdah which have pushed back the timeframe for the application for planning permission.

Enabling Services - £0.723m million delay caused by:

- Delays on both schools and non-schools maintenance projects as a result of COVID and the rules and requirements around social distancing and lockdown.

Governance and Policy - £0.730 million of delay caused by: -

- Rural services reduction in spending (£0.569m) caused by delays in some planned projects starting due to a backlog of work with the contractor on the Framework Contract.
- £0.189m is due to carry forward of funding for the rationalisation of county storage project where a final amount of minor works and invoicing will continue into 2021/22.

Covid related income and expenditure 2020/21

1. The table below provides a breakdown of the Covid related grants received by Warwickshire County Council that total the £67.192m presented in the main report. It also provides details of the total Covid expenditure incurred in 2020/21 of £51.020m leaving £16.172m funding above the level of expenditure. The grants to be carried forward will be held in earmarked reserves for use in 2021/22 onwards. £9.405m is ringfenced to deliver specific outcomes set out in the grant conditions with the remainder earmarked to fund other Covid costs in 2021/22 and future years.

Grant	2020/21 Total Income £m	2020/21 Total Expenditure £m	Value to be carried forward £m
LA Emergency Funding (Tranche 1-4)			
Un-ringfenced Revenue Grant - Tranche 1	14.071		
Un-ringfenced Revenue Grant - Tranche 2	10.611		
Un-ringfenced Revenue Grant - Tranche 3	3.456		
Un-ringfenced Revenue Grant - Tranche 4	3.696		
Subtotal	31.834	25.599	6.235
Other more specific Funding			
Hospital Discharge Grant	7.838	7.838	-
Road space reallocation - 'Active travel'	0.129	0.129	-
Bus services operators grant	1.592	1.492	0.100
Asylum	0.039	0.039	-
Sales, fees and charges income	4.111	4.111	
Infection Control Grant* (WCC retained element)	0.230	0.230	
Contain Outbreak Management Fund (COMF)	14.531	7.281	7.250
Community Testing 1	1.691	1.691	-
Emergency Assistance Funding for food and essential supplies	0.521	0.393	0.128
Clinically Extremely Vulnerable (CEV)	0.662	0.203	0.419
Winter Grant Scheme	1.876	1.876	
Test and Trace	2.138	0.098	2.040
Subtotal	35.358	25.421	9.937
Total	67.192	51.020	16.172
Infection Control Grant* (WCC retained element for PPE expenditure)			(0.230)
Total Funding held in reserve			15.942

Existing commitments against the £15.942m carry forward Covid funding include:

	£m
COMF committed for test, trace and contain activity	4.560
Travel Demand Management	0.100
Test and Trace	2.040
Covid Business Interruption Loan Scheme	0.350
Educaterers	0.300
Adapt and Diversify Grant Scheme	1.441
Improving Mental Health project (2-year project)	1.083
Mitigating the impact of Covid on BAME communities (2-year project)	0.388
Strategy and Commissioning for People third party contracts	0.152
CEV and Emergency Assistance activities	0.547
Total commitments	10.961

Of the remaining funding £2.694 relates to COMF where the funding is not yet allocated but we are required to spend it on COMF activities in line with the conditions of the grant and £2.287m is earmarked to fund any additional Covid cost in 21/22 that cannot be foreseen at this point.

2. In addition to the above, the Council received grant funding, which was required to be 'passport out' to providers and suppliers. For completeness, these are listed in the table below. Any underspend relating to these income streams will be returned to the awarding body in line with the conditions of the funding and will have no impact on the Council's reserves.

Grant	2020/21 Total Value	Amount to be returned to funding body	Proportion to be returned to funding body
	£m	£m	%
Infection Control Grants	13.174	0.152	1.1%
Workforce Capacity Fund	1.117	0.232	20.8%
Rapid Test Funding	1.778	0.081	4.6%
Total	35.672	0.465	1.3%

3. 2021/22 Covid funding

In addition to the £15.942m of the Covid funding that will be held in reserves, additional Covid funding is already announced for the new financial year to help local authorities to continue support the community throughout the pandemic. At the date of writing this report, the 2021/22 Covid grants that the Council is expected to receive are summarised in the table below:

Grant	2021/22 Actual / Indicative Value £m
Unringfenced Grants	
Covid Support Grant	10.843
Local Council Tax Support Grant	4.891
Covid-19 contingency funding for Fire and Rescue Authorities	0.040
Sales Fees and Charges April – June 2021 (estimate based on 2020/21)	1.028
Ringfenced Grants	
Home to School and College Transport funding	0.184
Covid Winter Grant Scheme (1-16 April 2021)	0.488
Covid Local Support grant (17 April to 20 June 2021)	0.330
Hospital Discharge Grant (via CCG)	TBC
Control Outbreak Management Fund 2021/22	2.798
Total* (note the value of some grants are estimates or TBC)	20.602

*Table 4 does not include grants that the Council is required to 'passport out' to providers.

Requests to Carry Forward Resources from 2020/21 to 2021/22

Service	Amount £m	Proposed use of the Funding
Communities Directorate		
Education Services – Non DSG	0.788	The forward funding of places at the Warwickshire Academy site that are not needed till 2021/22. This is due to the delay in the opening date from Jan'21 to Sept'21.
	0.059	Works at Arley nursery funded from rental income that were delayed from 2020/21 to 2021/22 due to Covid.
Environment Services	0.500	Specific grant funding for Community Bus Services. The funding covers at least 3 years of activity and was not able to be implemented in 2020/21 due to Covid restrictions.
Fire and Rescue Services	0.005	Completion of project work using funded received in February 2021 from Nuneaton and Bedworth Healthily Living Network.
	0.004	Completion of project work using funding received from Warwickshire Police & Crime Commissioner.
	0.236	Fire Protection Grants received during 2020/21 have been used to fund some of the staff costs originally included within the £300,000 MTFs allocation for fire protection. The carry forward would enable these staffing arrangements can be continued for a further year.
Strategy & Commissioning - Communities	0.023	Completion of mitigation work for phase 2b of the High-Speed Rail project which has been subject to delays.
	0.044	Increased rental income from the Transforming Nuneaton project as buildings have remained occupied for longer as a result of project delays, which is required to be spent on the Transforming Nuneaton project.
	0.042	Consultancy expenditure delayed during 2020/21 required to complete the new Minerals plan.
	0.172	Use of Cycling Fund/Commonwealth Games funding delayed due to Covid.
	0.105	Specific grant funding for Community Bus Services not used in 2020/21.
	0.030	Apprenticeship Boost - Programme to encourage SME employers help employees progress onto a second apprenticeship due to decline in apprenticeship take up during multiple lockdowns in 2020/21.
	0.080	MIPIM international business development conference postponed until the 2021/22 financial year.
	0.011	Atherstone Enterprise Centre - grant funding committed to support NWBC establish an Enterprise Hub. Timescales have been delayed due to changing circumstances pushing delivery of the project into 2021/22.
Total Communities	2.099	

Service	Amount £m	Proposed use of the Funding
People Directorate		
Adult Social Care	2.235	Joint service improvement projects with Health that could not be delivered in 2020/21 due to Covid and therefore these projects will now take place in 2021/22.
Strategic Commissioning - People	0.166	Integrated Project Support (Homelessness) – During 2020/21 the focus has been Covid response and support homeless people with COVID, which has taken considerable effort and partnership working. The funding will enable the Service to pick up the non-covid work in the new financial year, that we haven't been able to progress in 2020. Activity will include extending the physical health nursing service until March 2022 and a fixed term post to support delivery of the homelessness strategy and taking forward other opportunities to support homeless people, following the 'everyone in' directive.
	0.116	Housing Support Project - The 12-month contract is starting later than planned and will run from 1 Oct 2020 to 31 Sep 2021. Therefore, there is an underspend in 2020-21 but that balance will be needed to fund the service in 2021-22.
	0.094	To continue to fund MOSAIC project temporary staff working on the Client Information Systems Review
	0.100	Contribution from Warwickshire North CCG towards Kooth online mental health support for young people.
Total People Directorate	2.710	
Resources Directorate		
Business and Customer Services	0.187	One-off funding received to support implementation of the Customer Functional Operating Model which due to delays will be required to support the impact on the service in 2021/22.
	0.020	Canal & River Trust - development of Water strategy for Warwickshire Canals and Rivers. Delays caused by furlough of staff at Trust meant work could not be started in 2020/21.
Commissioning Support Unit	0.160	Employing a programme/line manager on a 2-year fixed term contract to manage the Council's business cycle as a new integrated planning approach embeds.
Enabling Services	0.415	Warwickshire Academy Project Funding –to support the running costs of the site up to school opening/social care accommodation going live
	0.145	Graduate Scheme Funding – The 2-year placements span three financial years therefore the funding will be used to meet remaining commitment against the placements.
	0.100	Oracle licensing cost following an audit in 2020.

Service	Amount £m	Proposed use of the Funding
Enabling Services (continued)	0.020	5G and Digital Infrastructure - Match funding to support a mobile connectivity project aligned to the digital and infrastructure strategy.
	0.015	5G and Digital Infrastructure - To undertake a survey of Mobile Network coverage across Warwickshire.
	0.092	Meeting Room Technology required as a result of changes in working due to the impacts of the pandemic.
	0.104	To cover additional staffing within HR team to meet excess demand in the area.
	0.117	The final stage of the Microsoft Sharepoint Migration project has been delayed and will now complete in 2021/22.
Finance	0.037	To employ additional resource to project manage and support the Abacus system upgrade project which has been delayed until 2021/22
Total Resources Directorate	1.412	
Total Carry Forward Requests	6.221	