

Budget Report- Income & Expenditure Account
Quarter ending 30th September 2020

Summary

It has been quite an extraordinary first half of the year, with two quarters that could not have been more different. Q1 was dominated by the fallout of the Covid-19 pandemic and the consequent lockdown period. Q2 marked a resurgence with increased numbers of visitors, which initially had not been anticipated. The forecast for the outturn for the year is a revised deficit on the general fund of £61.6k against a budgeted deficit of £11.2k, a variance of £50.4k. Although the Council's financial position has stabilised and the forecast for the year has assumed a continuation in good visitor numbers and the implementation of the Council's works programme, the pandemic casts a long shadow and may result in further variances by year-end.

Service	Q2			Annual	
	Net Expenditure	Budgeted Net Expenditure	Variance Year to Date	Budgeted Net Expenditure	Projected Out-turn
Car Parks	(297,620)	(373,917)	76,297	(326,325)	(126,736)
Co-op	(10,537)	(10,710)	173	(19,435)	(19,262)
Boat Park	(13,441)	(14,328)	887	(31,935)	9,618
Public Conveniences	67,964	82,055	(14,091)	143,055	128,932
Burl Chine Chalets	0	0	0	(155)	(155)
Cemeteries	(8,893)	(13,435)	4,542	(23,520)	(18,819)
Parks and Operations	260,744	296,595	(35,851)	613,515	618,784
CCTV	1,299	500	799	3,000	3,799
Beach Gardens	2,735	15,275	(12,540)	33,610	26,169
Downs/Misc Grounds/PAG	(3,981)	(4,157)	176	(8,255)	85,423
Beaches/Foreshore	28,745	48,645	(19,900)	57,150	52,961
Beach Chalets/Bungalows	(10,974)	(97,790)	86,816	(89,395)	2,110
Publicity/Tourism	76,646	99,295	(22,649)	185,430	166,721
Allotments	(2,702)	(2,440)	(262)	(3,190)	(6,452)
General Buildings (inc. Caravan park)	(34,136)	(31,750)	(2,386)	(72,250)	(67,411)
Central services to the public:	175,800	172,530	3,270	348,585	345,708
DRM	18,838	21,345	(2,507)	37,495	52,487
Corp Management	14,622	9,400	5,222	53,200	58,645
Net Cost of Services	265,109	197,113	67,996	900,580	1,312,522
Interest payable and similar charges	2,019	3,750	(1,731)	5,600	3,869
Interest and investment income	(90,986)	(92,500)	1,514	(185,000)	(178,000)
Net Operating expenditure	176,141	108,363	67,778	721,180	1,138,391
Other Movements on the General Fund	39,130	0	39,130	25,500	(142,370)
Amount to be financed:	215,271	108,363	106,908	746,680	996,020
Financed by:					
Grants/Donations	(5,547)	0	(5,547)	(3,000)	(112,889)
Community Infrastructure Levy	(89,094)	0	(89,094)	0	(89,094)
Precept on Purbeck District Council	(366,195)	(366,195)	0	(732,390)	(732,390)
Total Financing:	(460,836)	(366,195)	(94,641)	(735,390)	(934,373)
(Surplus)/Deficit for the Period	(245,565)	(257,832)	12,267	11,290	61,648
General Fund Balance Brought Forward					(699,013)
General Fund Balance Carried Forward					(637,366)

Car Parks

Car park income has seen the most exceptional contrast between the two quarters to 30th September. During Q1, out of all the Council's revenue generating services, car parking income was hit the hardest by the fallout from the Covid-19 pandemic, being £155k down on budget. However, Q2 has seen a huge turnaround, reducing the losses in car parking income to £85k, recouping £70k of the losses incurred in Q1.

	Q2			Annual	
	Actual	Budget	Variance	Budgeted Outturn	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	23,275	22,910	365	44,180	45,040
Expenditure	70,080	78,973	(8,892)	173,245	270,197
Income	(390,975)	(475,800)	84,825	(543,750)	(441,973)
Net Expenditure	(297,620)	(373,917)	76,297	(326,325)	(126,736)

Whilst Q1 was dominated by the national lockdown, Q2 saw high numbers of visitors to the Council's car parks. Table 1 below highlights the contrast between the two quarters in the current financial year for the Council's long stay car parks, but also shows the contrast in income for Q2 between the current and previous two financial years.

Table 1: Gross Revenue and Usage (data from ASLAN/JustPark)

	Main Beach		North Beach		Broad Road		Total		
	Usage	Gross Income	Usage	Gross Income	Usage	Gross Income	Usage	Gross Income	Net Income
2018/19									
Q1 Sub Total	18,562	£83,951	1,357	£5,374	19,978	£77,205	39,897	£166,530	£138,775
July	10,188	£56,570	1578	£6,169	10,267	£46,250	22,033	£108,989	£90,824
August	13,523	£74,477	2066	£8,259	13,385	£59,214	28,974	£141,950	£118,292
September	6,451	£29,635	351	£1,305	7,035	£27,488	13,837	£58,427	£48,689
Q2 Sub Total	30,162	£160,682	3,995	£15,732	30,687	£132,952	64,844	£309,366	£257,805
H1 Total	48,724	£244,633	5,352	£21,106	50,665	£210,157	104,741	£475,896	£396,580
2019/20									
Q1 Sub Total	18,868	£85,432	1,241	£4,913	20,065	£78,101	40,174	£168,446	£140,372
July	10,033	£55,628	1133	£4,754	9,695	£42,661	20,861	£103,042	£85,868
August	12,870	£71,715	1873	£7,813	12,316	£56,735	27,059	£136,263	£113,552
September	6,714	£31,159	397	£1,531	6,604	£26,626	13,715	£59,316	£49,430
Q2 Sub Total	29,617	£158,501	3,403	£14,098	28,615	£126,022	61,635	£298,621	£248,850
H1 Total	48,485	£243,933	4,644	£19,010	48,680	£204,123	101,809	£467,067	£389,222
2020/21									
Q1 Sub Total	2,176	£9,224	167	£659	3,716	£29,553	6,059	£39,436	£32,863
July	9,317	£49,228	1778	£7,366	11,089	£48,952	22,184	£105,545	£87,954
August	15,202	£85,645	3314	£14,089	15,444	£71,152	33,960	£170,887	£142,405
September	10,556	£49,035	1089	£4,377	10,894	£43,709	22,539	£97,121	£80,934
Q2 Sub Total	35,075	£183,907	6,181	£25,833	37,427	£163,813	78,683	£373,553	£311,294
H1 Total	37,251	£193,131	6,348	£26,492	41,143	£193,366	84,742	£412,989	£344,157

As stated in the Q1 report, it was difficult to forecast what the annual outturn might be, with further losses in income having been estimated with visitor numbers remaining low at the time of writing the report. However, this has not proven the case and the forecast income has been increased accordingly. A further factor is that the Main Beach car park is scheduled to be closed during resurfacing works to be carried out in Q4, which will result in a further variance.

The council was also notified in March that the market licensee would not be operating for the 2020 season. With such short notice it was decided that the market would be brought in-house. Although income was initially expected to be below budget, the budget has now been surpassed, although there has been associated costs which were not budgeted, accounting for the employee costs variance.

With regards to expenditure, lower than budgeted charges have been incurred through cash collection and card charges. Costs are anticipated for the resurfacing of the North and Main Beach car parks in the second half of the financial year, plus the installation of electricity points in Main Beach. As shown in Appendix A ref 8, £30k was included in the 20/21 budget, however, £106k has been brought forward from 2019/20 ref BF7 & BF8. This amount will be offset by an appropriation from earmarked reserves. These works are currently out for tender and this may result in an uplift in the associated costs.

Projecting forward to year-end, a surplus of £126k is anticipated against a budgeted surplus of £326k a variance of £200k. As stated above however, this does include the costs of the extensive repairs to be carried out, with £136k being met from reserves set aside for this purpose. A full report will be issued to the Transport and Roads Committee in November.

Boat Park & Fishermen's Huts

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	4,173	8,320	(4,147)	8,320	4,530
Expenditure	8,226	8,542	(316)	13,645	46,869
Income	(25,840)	(31,190)	5,350	(53,900)	(41,781)
Net Expenditure	(13,441)	(14,328)	887	(31,935)	9,618

Income for the boat park was also affected by the lockdown, with income remaining £5k below budget at the end of the 2nd quarter. This variance is contingent upon all income received to date being retained.

Employee costs are under budget year to date with the recruitment of seafront advisors being deferred until mid-June.

Expenditure is marginally below budget at the end of the quarter. However, projecting to year-end, expenditure is expected to be significantly over budget. As shown in Appendix A AD1 & AD2, additional works have been required for repairing both jetties. Costs of £4.3k have already been incurred, with a further £26k expected. There are also further costs of £2.9k for bollards at the diesel

store, ref AD6. These costs are included in the year-end outturn which has been revised to a deficit of £9.6k against a budgeted surplus of £31.9k. This may be revised, pending any decision on refunds and additional repairs that may be required.

Public Conveniences

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	68,051	82,142	(14,091)	145,080	130,957
Income	(87)	(87)	(0)	(2,025)	(2,025)
Net Expenditure	67,964	82,055	(14,091)	143,055	128,932

The costs related with the running and maintenance of the public conveniences are below budget at the end of the 2nd quarter due to the closure of the majority of council toilets for April and May, with associated cost savings for cleaning and water usage. The year-end outturn currently includes the annual NNDR costs. However, the Bill to provide 100% mandatory relief from business rates for public lavatories in England and Wales has been passed by the House of Commons. The Bill still needs to be approved by the House of Lords but, if passed in its current form, the relief will be backdated to 1st April 2020. This may result in a rebate of up to £14k.

Cemeteries

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	8,218	4,185	4,033	11,170	15,362
Income	(17,111)	(17,620)	509	(34,690)	(34,181)
Net Expenditure	(8,893)	(13,435)	4,542	(23,520)	(18,819)

The net surplus at the end of the 2nd quarter is £4.5k under budget for the cemeteries. This is due to higher than budgeted expenditure, with the carry-over of works from 2019/20, Appendix A, ref BF2 & BF16. This expenditure will be financed from an earmarked reserve and not affect the bottom line. Repairs to the wall at Northbrook cemetery, BF11, was also anticipated to be carried out in 2020/21, but this is now programmed for 2021/22.

Parks & Operations

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	220,268	246,633	(26,365)	493,265	458,695
Expenditure	87,921	100,585	(12,664)	215,425	252,087
Income	(47,445)	(50,623)	3,177	(95,175)	(91,998)
Net Expenditure	260,744	296,595	(35,851)	613,515	618,784

The income variance of £3.1k relates to car parking income from the overflow on King Georges field and an electricity recharge (offset by lower electricity charges).

There is a positive variance in employee costs of £26.3k at the end of the period. The majority of this relates to the vacant building's supervisor post and a general operative post which has been vacant for two months in Q2. Also, a 2.75% pay increase was implemented and backdated to 1st April, whereas the budgets were based upon the lower scale points receiving between 3.5% and 4% which also accounts for some of the variance.

Expenditure is under budget year to date by £12.6k. This is a result of a £5.3k underspend with regards to the newly budgeted highways works which was allocated a £14k budget for the year. However, the implementation and training has been delayed due to Covid-19, but some training has started in Q2. Festive lights are overspent by £4.6k, Appendix A BF4, with additional works having been required for the Shore Road festoon and lamp column repositioning. There is also an underspend in the Depot over many budget lines which cumulatively account for a £6.7k variance, the most significant being training (non-highways) at £3.4k and hired services at £2.4k. There is an overspend in the equipment budget, mainly due to PPE purchases, but in total the depot is under budget. The tree works budget is also under budget year to date, by £3.6k. However, this may be used during H2 given the variability of these works. Significant additional works in the year have been allocated to this department, being ground surveys for the spa at £32.9k and also the carry-over of £15k for electrical box maintenance, Appendix A AD5 and BF10 respectively.

With regards to projecting the year-end outturn and despite the additional expenditure, this is now projected at a deficit of £618k, against a budget of £613k a negative variance of £5k.

Beach Gardens

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	6,699	25,860	(19,161)	25,860	7,630
Expenditure	13,813	22,990	(9,177)	42,650	33,414
Income	(17,777)	(33,575)	15,798	(34,900)	(14,876)
Net Expenditure	2,735	15,275	(12,540)	33,610	26,169

Again, this department was initially impacted by Covid-19, with the leisure facilities being closed in the lockdown period and gradually being re-opened to the clubs and then the public.

Although income for this period has been significantly lower than budget, the enforced closure of this facility has resulted in lower staffing costs, the largest singular cost at Beach Gardens, and ironically limited the budgeted deficit at the end of the 2nd quarter with a positive variance of £12.5k overall.

The year-end outturn is now projected at a deficit of £26k against a budgeted deficit of £33k.

The Downs

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	2,533	1,783	751	3,575	97,828
Income	(6,515)	(5,940)	(575)	(11,830)	(12,405)
Net Expenditure	(3,981)	(4,157)	176	(8,255)	85,423

There has been little activity in this area with small positive variances over several budget headings being seen at the end of the 2nd quarter. The majority of expenditure anticipated by year-end, as shown in Appendix A BF5 & BF6, has been brought forward from 2019/20, again this expenditure will be financed from reserves.

Beaches & Foreshore

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	21,747	33,345	(11,598)	42,645	28,375
Expenditure	51,486	60,055	(8,569)	66,735	76,548
Income	(44,488)	(44,755)	268	(52,230)	(51,962)
Net Expenditure	28,745	48,645	(19,900)	57,150	52,961

At the end of the 2nd quarter a positive variance of £20k has been seen in this department. As shown above this is the result of positive variances in employee costs and expenditure. Income is accounted for on an accruals basis and as such out-turn may differ from forecast.

Employee costs are below budget due to the delay in recruiting to the Seafront Advisor posts.

With regards to general expenditure the main factors are an under spend in seaweed removal of £15k and reduced costs for the RNLI contract, with the late implementation of the service due to coronavirus contributing £4.5k to the variance. Repairs and Maintenance costs are currently £12.4k over budget due to repairs to the revetment being carried out, Appendix A ref AD3 refers. This will

further be exacerbated due to additional costs for repairs to the Stone Quay being carried at an expected cost of £17.9k, AD7.

Overall a revised year-end outturn of a net deficit of £52.9k against a budget of £57.1k is being projected at the end of the quarter despite the additional repairing costs.

Beach Huts

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	43,519	19,660	23,859	38,255	62,069
Income	(54,493)	(117,450)	62,957	(127,650)	(59,959)
Net Expenditure	(10,974)	(97,790)	86,816	(89,395)	2,110

With car parking, this department has been the most adversely affected in terms of loss of revenue. Although operational during Q2, this service was restricted due to coronavirus protocols.

All income received for the 1st quarter of the year was either refunded or deferred to 2021/22. Moving into Q2, restricted use for social distancing also meant that further refunds or deferrals were administered during Q2. As such forecast income for the year has been revised down to £60k.

Expenditure is showing a negative variance of £23.8k year to date and is due to the repairing works being carried out in the doors Appendix A, BF13, which was brought forward from 2019/20, again to be financed from reserves.

Overall year-end projections have been revised to a deficit of £2k against a budgeted surplus of £89k.

Publicity & Tourism

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	65,253	78,300	(13,047)	146,440	134,000
Expenditure	21,370	39,320	(17,950)	70,490	54,787
Income	(9,978)	(18,325)	8,347	(31,500)	(22,066)
Net Expenditure	76,646	99,295	(22,649)	185,430	166,721

With the closure of the Tourist information Centre during the 1st quarter, and restricted access during the 2nd quarter, all income lines are under budget, a £8.3k variance at the end of the first half of the year.

Employee costs are under budget, with the late recruitment of seasonal employees and a permanent post being vacant during H1. This post is being temporarily filled by a seasonal employee during H2.

Expenditure is also under budget, mainly insignificant individually but cumulatively totalling £17.9k, with cash collection, training, signage and advertising being the largest. Additional expenditure for a town centre recovery promotional film is being allocated to this department, costing £2.5k, Appendix A ref AD8, however, this will be offset by a contribution to the general fund of a£2.5k grant from Dorset Council.

Allotments

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	1,593	1,700	(107)	5,150	2,043
Income	(4,295)	(4,140)	(155)	(8,340)	(8,495)
Net Expenditure	(2,702)	(2,440)	(262)	(3,190)	(6,452)

To date allotments have performed largely as per budget, with very little activity to report. The year-end out-turn has been revised to a net surplus of £6.5k against a budgeted net surplus of £3.2k, with fencing works with an allocated budget of £3k being cancelled, Appendix A ref 3.

General Buildings/Areas

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	117	2,500	(2,383)	3,500	8,342
Income	(34,253)	(34,250)	(3)	(75,750)	(75,753)
Net Expenditure	(34,136)	(31,750)	(2,386)	(72,250)	(67,411)

Year to date there is very little activity to report, with only minor variances seen in expenditure. Expenditure for works that have been brought forward from 2019/20 is due to be incurred in the second half of the year, Appendix A, ref BF18 refers at £6k.

Central Services

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Employee Costs	113,082	120,930	(7,848)	241,860	227,900
Expenditure	67,953	59,125	8,828	122,450	131,243
Income	(5,235)	(7,525)	2,290	(15,725)	(13,435)
Net Expenditure	175,800	172,530	3,270	348,585	345,708

Income is below budget due to the cancellation of weddings at the Town Hall.

Employee costs show a variance of £7.8k, being costs relating to a vacant receptionist post.

Expenditure at the end of Q2 is over budget by £8.8k overall although the variances, both positive and negative, are cumulative over many budget headings. The significant variances are overspends for repairs and maintenance costs of £3k being the carry-over of repairs to the Annexe, Appendix A ref BF1 and legal and professional fees of £9.4k. These are partially offset by overall underspends.

Corporate Management & Democratic Services

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Expenditure	33,460	30,745	2,715	90,695	111,132
Income	0	0	0	0	0
Net Expenditure	33,460	30,745	2,715	90,695	111,132

These two departments have a small negative variance of £2.7k overall for the 1st half of the year. There are significant variances seen in the Dorset Property charges, with unforeseen works being required due to the jetties and revetment etc which have consequently increased surveyor costs.

The variance is due to increase by year-end due to the costs of the repairs to the Mayoral chain, brought forward from 2019/20 and ultimately to be financed from a reserve and the inclusion of a £11k budget for a website upgrade, Appendix A BF12 and AD4 refer.

Employee Costs

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Car Parks	23,275	22,910	365	44,180	45,040
Boat Park	4,173	8,320	(4,147)	8,320	4,530
Parks & Operations	220,268	246,633	(26,365)	493,265	458,695
Beach Gardens	6,699	25,860	(19,161)	25,860	7,630
Beaches - Cleaner	15,943	18,835	(2,892)	25,135	22,235
Beaches - Warden	5,804	14,510	(8,706)	17,510	6,140
Tourism	65,253	78,300	(13,047)	146,440	134,000
Central Services	113,082	120,930	(7,848)	241,860	227,900
Total	454,497	536,298	(81,800)	1,002,570	906,170

For the 1st half of the year, employee costs of £454k were seen against a budget of £536k with a positive variance of £82k being realised.

During H1, 3 permanent posts remained vacant, with a further permanent post becoming vacant during Q2. These vacancies have contributed to the variances realised in the Parks & Operations Department, Central Services and Tourism departments. The delay to seasonal recruitment has seen variances in Beach Gardens, Boat Park Beaches and, again, Tourism.

The only negative variance relates to the recharge of the Seafront Advisors to the Market, which did not have a budget allocated.

It is currently estimated that the employee costs overall will be £96k under budget at the end of the year, with two posts currently being actively recruited.

Interest & Investment Income

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Net Expenditure	(90,986)	(92,500)	1,514	(185,000)	(178,000)

Investment interest was under budget at the end of Q2 with a provisional surplus of £91k against a budget of £92.5k. Despite initial concerns regarding the impact of coronavirus on the Council's investments there has been little impact on the income return for the Council's strategic investments to date, although short term returns continue to be extremely low.

Due to the low impact that Covid-19 has had on the income return from strategic investments year to date, the annual outturn has only been revised down by £7k. This may require further adjustment during the second half of the year, when the short-term impact may become more apparent. A Treasury Report for the 1st half of the financial year (H1) has been issued separately.

General Fund-Financing

	Q2			Annual	
	Actual	Budget	Variance	Budget	Projected Outturn Q2
	£	£	£	£	£
Grants/Donations	(5,547)	0	(5,547)	(3,000)	(112,889)
Community Infrastructure Levy	(89,094)	0	(89,094)	0	(89,094)
Precept on Dorset Council	(366,195)	(366,195)	0	(732,390)	(732,390)
Financing received:	(460,836)	(366,195)	(94,641)	(735,390)	(934,373)

£89k has received from Dorset Council in respect of the Community Infrastructure Levy (incorrectly reported as £98k in Q1), which has been appropriated to an earmarked reserve, to finance future infrastructure expenditure.

A grant of £5.5k was also received from Dorset Council's Discretionary Grant budget to help alleviate some of the costs incurred during the pandemic.

A further receipt of £92k being grant monies from the MMO is due in respect of the Fishermen's slipway capital project. As the grant funding for this project was not received in the year in which the expenditure was incurred, again and in order to account for the grant money correctly, this project was part financed from the general fund in 2019/20 as an upfront payment, pending receipt of the grant. An extract from the 2019/20 Financial Review explains:

'Although the grant funding has been approved for the project, the Council is required by the Practitioner's Guide to show grant funding in the year of receipt (rather than matched against expenditure). As such, all expenditure that is due to be met from the EMFF Grant (75% of costs) in the current financial year is shown as being financed from the General Fund due to the timing of the works and the grant receipt crossing two financial years. This expenditure, £78,471, will be replenished on receipt of the grant funding. Grant funding of £13,947 is also pending from expenditure incurred in 2018/19, with a total of £92,442 due from the MMO.'

As such the receipt of this grant will be placed into the general fund, with £92k expected to be received this financial year.

Further contributions of £11.9k are anticipated by year-end with a forecast of £112.9k being received from grants/donations and other contributions.

Movements on the General Fund

Once again, at the end of the last financial year, there had been a considerable underspend on projects. As such a total of £325,000 was identified as expenditure which was likely to be incurred in 2020/21 relating to projects that had been approved for 2019/20. These projects are identified in Appendix A, ref: BF1 to BF 19. As such this sum was placed into a reserve, and this will be appropriated to the general fund as and when the expenditure is incurred, therefore not affecting the general fund. At the end of the 2nd quarter a sum of £49,964 had been appropriated to the general fund for this purpose. It is now expected that a total of £257k will be moved into the general fund from the earmarked reserve by year end.

Revenue Account - General Overview

The outlook at the end of the 1st half of the council's financial year is decidedly more positive than at the end of the 1st quarter. A negative variance of £96k had been realised at this point and, with an extremely cautious approach, it was anticipated that by year-end that this would be a variance of £384k against budget. The majority of the estimated variance related to a loss of car parking revenue.

However, this variance has reduced to £12.2k at the end of Q2 and the forecast outturn for the year is a deficit on the general fund of £61.6k against a budgeted deficit of £11.2k. This forecast makes some assumptions such as no further local/regional lockdowns, and in an ever-evolving situation with Covid-19, these assumptions may not be met. These may result in lower than forecast income, albeit

with a lower impact than that of the summer season and programmed works may not be able to go ahead resulting in lower expenditure etc.

The revised outturn is remarkable given the difficulties faced in Q1 and the addition of £113k of expenditure, Appendix A AD 1-8 and the programmed works schedule. This year has highlighted the importance of holding robust reserves and with the uncertain future given Covid-19 it is important to remain prudent whilst delivering services.

Appendix A

Significant One-Off Revenue Expenditure 2020/21							
Ref:	Service Area	Project	Estimated Project Cost	Actual expenditure to date	Revised/ Programmed	Lead Body	Status Update
	<u>New projects for 2020/21</u>						
1	Beach Gardens	Perimeter fencing	3,500	-	October	STC	Order raised
2	Beach Gardens	Staging	2,000	-	November	STC	Works pending
3	Allotments	Fencing	3,000	-	October	STC	Cancelled
4	Depot	Air conditioning	4,000	4,992	June	STC	Completed
5	Seafront	Signage - Water	2,000	-	n/k	STC	
6	Beaches	Lifejacket Lockers	1,750	-	March	STC	Programmed for March 2021
7	TIC	Event Management and Booking System	4,000	-	October	STC	
8	Car Parks - North Beach	Surface Repairs & Maintenance	30,000	-	January	DC	Tender ongoing
9	De Moulham Estate	Road repairs	17,000	-	January	DC	Tender Ongoing
			67,250	4,992			
	<u>Projects brought forward from 2019/20 to be financed from Earmarked Reserve</u>						
BF1	Annexe	Repairs	6,600	5,145	June/July	DC	Works completed
BF2	Cemeteries	Chapel Repairs	2,340	4,641	June	DC	Completed June 2020. Additional works carried out in July
BF3	The Square	Seat Repairs	5,130	515	June/July	STC	Works in progress
BF4	Festive Lights	Seafront Lights-R & M	2,010	5,320	May/June	STC	Completed-additional works were required.
BF5	The Downs	Wall Rebuild/Stabilisation	73,500	-	Q3	DC	Works under way. Costs revised down from £85k
BF6	Peveril Point	Road repairs, signage and line markings	20,000	430	Q3	DC	Initial survey carried out
BF7	Car Park - General	Surface Repairs & Maintenance	100,000	-	January	DC	Tender ongoing
BF8	Car Park	Electrical Box Installation - Main Beach	6,000	-	January	DC	Tender ongoing
BF9	Parks & Operations	St Marks Playing Field repairs	7,500	-	n/k	STC	Pending transfer
BF10	Spa/Recreation Ground	Electrical Boxes - Maintenance	15,000	-	Q3	STC	Awaiting quotes
BF11	Cemeteries	Northbrook cemetery - Wall repairs	10,000	-	2021/22	STC	Deferred to 2021/22
BF12	DRM	Mayoral Chain - Refurbishment	6,500	-	November	STC	Awaiting the return of the chain.
BF13	Beach Huts	Locks/Doors refurbishment	38,000	29,123	June/July	DC	Works complete
BF14	Town Hall Annexe	Contribution to R&M Annexe	8,000	-	n/k	Police	This project is unlikely to go ahead this financial year
BF15	Depot	Installation of Extractor Fan	2,000	-	2021/22	STC	Deferred to 2021/22
BF16	Cemeteries	Matting - Disabled access	2,250	1,980	May/June	STC	Works completed
BF17	Car Parks	Trees - Main Beach	2,000	1,930	April	STC	Works completed

BF18	Station	Landlord's Electrical Safety Certificate	6,000	-	Q3	STC	Pending
BF19	Monuments	Survey/Testing	1,000	880	June	STC	Report received
			313,830	49,964			
	<u>Additional projects approved for 2020/21</u>						
AD1	Boat Park	Fishermen's Jetty repairs	26,492	-	Q3	DC	Minute 283, Extraordinary Meeting 29th June and Minute 306 Monthly Meeting 27th July 2020
AD2	Boat Park	Jetty repairs	4,350	Accrued	July	DC	Minute 283, Extraordinary Meeting 29th June
AD3	Stone Quay	Repairs	14,742	14,742	September	STC/DC	Minute 305 (b), Monthly Meeting 27th July 2020- complete
AD4	DRM	Website	11,000	-	Q3	STC	Minute 21 (a), Monthly Meeting 14th September 2020
AD5	Spa	Ground Surveys	32,925	-	Q3/4	DC	Minute 28 (a), Monthly Meeting 14th September 2020
AD6	Boat Park	H&S Diesel Store	2,904	-	October	DC	Minute 29 (a), Monthly Meeting 14th September 2020
AD7	Stone Quay	Repairs	17,895	-	September	STC/DC	Minute 29 (d) Monthly Meeting 14th September 2020
AD8	Tourism	Filming-Town recovery	2,500	-	Q3	STC	Minute 39, Monthly Meeting 23rd September 2020
			112,808	14,742			