

Budget monitoring - over/(under) spend (all figures are in £ thousands)

| | £000s |
|--|--------------|
| Revenue | |
| Income year-end variance | 1,757 |
| Expenditure year-end variance | (1,397) |
| Net year-end variance to budget before use of General Fund: | 360 |
| Utilisation of General Fund balance | (360) |
| Net year-end forecast variance to budget | 0 |
| Capital | |
| Net year-end underspend variance to budget (allowing for carry forward and external funding) | (127) |
| Reserves | |
| Net year-end under utilisation variance to budget (excluding Section 31 grants) | 1,658 |

Key performance indicators

| | Value | Target | Trend in year to date |
|---|------------|---------------|---|
| Families and Communities | | | |
| Number of households in Temporary Accommodation (as at last day of month) | 71 | 55 |  |
| Number of households in Bed and Breakfasts (as at last day of month) | 19 | 15 |  |
| Day to day | | | |
| Total amount of debt over 90 days (£) | £978,244 | £470,000 |  |
| Percentage rate of return on investments | 0.15% | 0.25% |  |
| Car park income (£) | £3,227,875 | £4,693,883 |  |
| Income from Commercial Waste (£) | £2,409,388 | £2,543,422 |  |
| Overall Apex budget (£) | £823,387 | £509,055 |  |
| Percentage of contacts - online / email | 49.30% | 30.00% |  |
| Income from entire property portfolio | £4,480,222 | £4,406,454.46 |  |
| Percentage of void properties | 4.67% | 6% |  |

Quarter 3 - 1 October to 31 December 2021

Commentary

The third quarter's performance continues to be affected by the impact of the COVID-19 pandemic and associated restrictions. A number of indicators are showing signs of recovery but the situation is complex, as some services are continuing to experience backlogs in income and service delivery.

Financial Performance – as experienced in 2020 to 2021, the COVID-19 pandemic has continued to adversely impact the council's income levels, and at the same time costs have increased as a result of new burdens such as Outbreak Control and so on. In addition to this, further increases in the bad debt provision are anticipated as a consequence of the risks around income generation and potential business failures.

The key drops in our revenue income streams are driven by:

- **R**educed numbers in our car parks, whilst these are beginning to recover from the COVID-19 lockdown restrictions, footfall numbers are still not at the levels previously experienced. This will be closely monitored in the coming months; however, it is uncertain how quickly this will take place, and how any customer behavioural changes will impact on our income as we move into the next steps of recovery.
- **C**losure of the Apex and cancellation of events. Easing of lockdown restrictions has allowed us to begin to recommence our events programme, however as with our other income streams it is not certain how quickly we will recover to pre-pandemic levels, or how behaviour change will continue to impact on numbers.
- **M**arkets income is down against the budget due to the impact of the pandemic on trading during Quarter 1. Recovery of the markets is continuing, however the effects of the pandemic are still very evident.

These income pressures have been mitigated to an extent by the government's sales, fees and charges compensation scheme, however this was in operation for the first quarter of the year only. Whilst this is much welcomed, it does not fully compensate for the additional pressures caused by the income reductions. Further details are available in appendix F.

The earmarked reserve balance at the year-end is £1.66 million higher than budgeted, further details on individual reserves are available in appendix H. The increased balance is mainly due to timing differences on the council's Capital Programme, leading to reduced financing requirements during the year. These requirements will increase during the coming years as projects come to fruition. Central government provided Section 31 Grants upfront (£7.4 million) to cover the expanded rate reliefs introduced to combat the impact of COVID-19. These reserves will be required as those reliefs are foregone through into 2022 to 2023.

Number of households in temporary accommodation - In order to respond to the government's instruction to provide accommodation during the COVID-19 outbreak more places have been found and funded.

Number of households in bed and breakfast accommodation - The number of households in Bed and Breakfasts have increased as the council supports people through the cold weather and under instruction from DLUHC to accommodate rough sleepers

Debt over 90 days - The underlying position continues to worsen with commercial property and trade waste debt increasing during this volatile period of supply and income certainty. The council is taking a pragmatic approach and is working with tenants regarding payment profiles as a result of COVID-19. See also appendix J.

Car parking - Parking transaction levels are still below pre-COVID levels due to the ongoing impact of the pandemic behavioural changes. Usage of car parks continues to improve with income now fluctuating around the 80% to 85% of pre-pandemic levels in Bury. Agreed increases to on-street tariffs have just been introduced in November which should begin to take effect.

Property income - Non-payment of back rent by certain large tenants remains an ongoing management issue following COVID-19, but overdue debt levels lower than peak.