



Cabinet

Tuesday, 13 December 2022

Revenue and Capital Budget Monitoring 2022/23 – Financial Update Quarter 2

Report of the Director – Finance and Corporate Services

Cabinet Portfolio Holder for Finance and Customer Access, Councillor G Moore

1. Purpose of report

- 1.1. This report presents the budget position for revenue and capital as at 30 September 2022.
- 1.2. Given the current financial climate, particularly the inflationary increases and impact on residents' cost of living, it is imperative that the Council maintains due diligence with regards to its finances and ensures necessary action is taken to ensure a balanced budget is maintained.
- 1.3. There is a predicted net revenue budget efficiency of £0.831m for 2022/23, mostly as a result of Business Rates Pool, additional investment income and additional new burdens grants (5.8% of Net Service Expenditure). This is proposed to be earmarked for additional cost pressures mainly in relation to pooled investments and a temporary decline in their value (see paragraph 4.13). The position is likely to change as further variances are identified during the year.
- 1.4. There is a capital budget efficiency expected of £4.98m, primarily due to support for registered housing providers (£1.958m) and Disabled Facilities Grants (£0.643m), a recommendation to rephase these funds is discussed below. In addition contingencies on the Bingham Leisure hub (£1m), and an underspend on Cotgrave Phase 2 (£0.350m).

2. Recommendation

It is RECOMMENDED that Cabinet approves the attached report noting:

- a) the expected revenue budget efficiency for the year of £0.831m and proposals to earmark this for cost pressures (para 4.1);
- b) the capital budget efficiencies of £4.98m including the re-profiling of provisions totalling £1.965m of which £0.465m to 2023/24 and £1.5m to 2024/25 (para 4.7); and
- c) the expected outturn position for Special Expenses to be £61k above budget (para 4.5).

3. Reasons for Recommendations

To demonstrate good governance in terms of scrutinising the Council's on-going financial position and compliance with Council Financial Regulations.

4. Supporting Information

Revenue Monitoring

4.1 For this financial year, the overall budget variance is expected to be an efficiency of £0.831m with proposals to utilise this for in-year pressures given in **Appendix A**. Most notably it is proposed to earmark £0.67m for reductions in the value of the pooled investments which are sensitive to market forces (see paragraph 4.13). The remaining efficiency is earmarked as follows:

- Funding to prune and fell Council trees identified as urgent in the tree survey £0.09m over 2 years
- Costs for Local Area Energy Planning project £0.075m each district or borough authority in Nottinghamshire.

4.2 Table 1 below summarises the main variations from revenue efficiencies and pressures.

Table 1: Main Items Impacting on the Current Revenue Budget

	Pressure/ (efficiency) 2022/23 (£'000)	Reason
Projected in year costs/(efficiencies):-		
Contingency	410	Increase due to utilities and payaward
Agency costs	342	Additional agency in Planning, Refuse
Bingham Leisure Centre & offices	169	Lost income from delayed opening
Vehicle Maintenance	74	Cost of repairs linked to older vehicles
Income Crematorium	65	Income lost from delayed opening of the Crematorium
Rental Income	60	Rental income the Point
IT contracts	59	Replacement contract for IDOX
Home Alarms	57	Replacement/upgrade of home alarm equipment not covered by BCF
Investment Income	(519)	Increase in investment receipts linked to increased interest rates and higher balances
Software & Professional costs	(111)	Software implementation (£11k), website development (£80k) and consultancy (£20k)
Edwalton Golf Course	(96)	Increased usage and income
Planning Fees	(91)	Increase in planning applications
Other	(87)	Minor variances eg training and recruitment costs
Homes for Ukraine	(60)	Grant to offset administration costs

Car Parks	(50)	Increase income
Court Costs	(35)	Council Tax court costs
Net Revenue Cost/ (Efficiencies)	187	
Grant Income	(158)	New Burdens, domestic abuse and Test and Trace additional grants
Business Rates	(860)	Increase in Net Rates payable
Total Net Projected Budget Variance	(831)	

- 4.3 The main adverse variances arise from: pay award and utilities, which have now been included in contingency, agency due to vacancies in planning and refuse, and unavoidable delays in the projects for Bingham Leisure Hub and the Crematorium resulting in a reduction of income streams (see paragraph 4.12). Increased income attributable to Business Rates pool surplus, rising interest rates on investments and additional grant income are among the biggest favourable variances.
- 4.4 The Revenue Monitoring statement by service area is attached at **Appendix A** and includes grant income, Minimum Revenue Provision (MRP) (funded by the New Homes Bonus) and income from Business Rates and Council Tax. Detailed variance analysis as at 30 September 2022, is attached at **Appendix B**.
- 4.5 **Appendix E** shows the Quarter 1 position on the Special Expenses budget. The expenditure is currently expected to be £61k above budget mostly due to increasing utilities and some footpath maintenance, this position may change later in the year as variances are identified.

Capital Monitoring

- 4.6 The updated summary of the Capital Programme monitoring statement and funding position is shown at **Appendix C** as at 30 September 2022. **Appendix D** provides further details about the progress of the schemes, any necessary re-phasing, and highlights efficiencies.
- 4.7 The original Capital Programme for 2022/23 was £14.611m, with £10.646m carry forwards and other adjustments of (£1,079m) giving a current budget of £24.178m. The projected outturn is around £19.2m – resulting in an estimated underspend of £4.98m. Primarily, this arises from:
- the provision for Support for Registered Housing Providers not wholly committed at this stage (£1.958m). £1.5m to be re-phased to 2024/25 whilst options continue to be assessed;
 - £1m on Bingham Leisure Hub of contingencies, which are not wholly committed at this stage. Both delays in the project and work after the facility is handed over to the Council is likely to lead to an erosion of the contingency position;
 - £0.350m for unused contingencies on Cotgrave Phase 2; and
 - schemes for Water Course Improvements, Disabled Facilities Grants, Hound Lodge and Edwalton Golf Course totalling £0.465m are recommended to be re-phased to the 2023/24 Capital Programme.

Capital Contingency currently sits at £386k. This level of contingency will smooth out any further capital implications of Streetwise in-sourcing.

- 4.8 The Council was due to receive capital receipts of £11.4m in the year, this is now revised to £4.104m due to the potential deferral of income from Hollygate Lane to 2023/24. Receipts are primarily from the disposal of surplus operational and investment properties: the deferred receipt from the disposal of the Depot land, and from an overage agreement in place for Sharphill Wood site. The current projected overall variance still means that any borrowing requirement can be met from internal resources with no recourse to borrow externally this financial year. However, due to the potential delay of the Hollygate Lane receipt, a higher level of short-term, internal borrowing will be required.

Pressures Update

- 4.9 Staff pay negotiations are now complete with a pay award of £1,925 per employee agreed. The anticipated costs to the Council, are in the region of £0.8m. The budget for 2022/23 includes £0.33m for pay increases and a further £0.25m was allocated from 2021/22 underspends in anticipation of an increase in excess of the budget. The remaining shortfall is included within the Finance and Corporate projection and in the budget moving forward. However, this represents a significant annual cost pressure to the Council, which will need to be funded. In addition the potential associated impact on service provision contracts such as leisure are being monitored.
- 4.10 Furthermore inflation is expected to reach 14% later this year with significant risk that the cost to the Council may increase on both contracts that are index linked and those due for renewal, and on fuel and utilities. An uplift for inflation was included in the original budget, this was further increased from underspends in 2021/22 and contingency set aside within the Finance and Corporate line. The impact of the continued increase will be monitored closely and has been reflected in the 2023/24 budget setting.
- 4.11 There is also the potential knock-on effect that this may have on collection rates for Council Tax and Business Rates and on fees and charges as households struggle with the increase in the cost of living. Sundry Debtors are being monitored for reductions in collection and is currently at 95.22% (below target but has improved at the start of Quarter 3). The potential financial impact is that it could lead to an increase in the Collection Fund deficit, and ultimately a pressure on the budget. Based on Quarter 2 performance (reported to Corporate Overview Group) 57.64% of Council Tax has been collected, compared to 57.57% last year (an increase of 0.07%). For Business Rates, currently 66.84% has been collected compared to 66.01% last year (an increase of 0.83%). There is some distortion where £150 Energy Grants have been credited to Council Tax accounts; and similarly for Business Rates, awarding Covid Additional Restrictions relief in 2021/22, has led to a large carry forward of credit onto the current year meaning effectively that charges have been prepaid. The position on collection rates will continue to be monitored. Given the challenges on residents and businesses this represents a relatively positive position.
- 4.12 The two most significant items in the Council's Transformation Programme for 2022/23 are the Crematorium (£0.2m) and Leisure Strategy (£0.232m) mostly

linked to Bingham Arena. In Quarter 1 it was reported that the realisation of these targets is linked to the successful opening of the facilities in line with the project plan. Previously reported delays due to external factors with the contractors (notably shortage in labour resources and materials) have continued and impact upon achieving the Transformation Plan targets. The projection is currently a shortfall of £0.65m and £0.169m for the Crematorium and Bingham respectively. This is in addition to the £0.135m and £0.32m allocated from 2021/22 underspends to mitigate some of this loss.

- 4.13 The value of the Council's Multi Asset investments or pooled funds had recovered at the end of March 2022. However, there continues to be fluctuations on these funds relating to the current economic climate and at Quarter 2 were reporting a net reduction of £1m, this has since worsened by £0.429m at the time of writing, following a slight recovery in the previous Quarter, demonstrating how sensitive the values are to market forces. An allocation of £0.2m was made from 2021/22 underspends to smooth the impact of the movements in value. A further £0.67m is proposed to be utilised from 2022/23 projected underspends. It should be noted that whilst the value of the assets does fluctuate, the returns from these investments are stable and represent a significant proportion of the Council's overall return on investments. When the capital appreciates in value the Council's revenue position will benefit. They are long term investments and form part of the Council's Treasury Management Strategy approved by Full Council as part of the Medium Term Financial Strategy (MTFS). It should also be noted that the statutory override currently in place could be extended in which case the need to fund any adverse financial position from April 2023 may not be required. In doing so we are being prudent.
- 4.14 Ongoing work in relation to the £250k crime prevention funding from The South Notts bid for Safer Street Funding (SSF) will be reflected in projections throughout the year.

Conclusion

- 4.15 The financial position in the revenue budget is stable, and due to the Business Rates Pool allocation there is a projected overall budget efficiency of £0.831m. Inflation and the consequential rising costs of living present significant risks to the Council's budget. The financial impact cannot be contained within existing budgets if the trend of cost increases continues. In addition, as mentioned above, the value of the Council's pooled funds has reduced significantly and, if the statutory override ceases as planned April 2023, could result in additional pressure on the General Fund. The Council must ensure it can support any adverse budgetary impact and proposes to utilise the £0.831m projected underspend to mitigate these risks.
- 4.16 The position on capital is currently positive, although with some delays on completion and handover of Bingham Hub and the Crematorium. There will still be no need to externally borrow this financial year. Challenges can arise during the year, such as sourcing materials and inflated costs, which may still impact on the projected year-end position and this will continue to be reported throughout the year.

- 4.17 Currently there is political uncertainty due to changes in Prime Minister and a delay in the spending review and thereafter the impact on local government. Consequently Business Rates retention and Fairer Funding changes seem unlikely in the near future, although levelling-up remains a priority. The settlement is expected week commencing 19 December, and any change from the draft announcement on 17 November will be incorporated into the MTFS.
- 4.18 The Council still has its own challenges such as meeting its own environmental objectives and positively upside risks to provide more employment opportunities, and economic and environmental development in the Borough by actively championing the Freeport and Development Corporation. As the economic background appears to be ever more volatile it is imperative that the Council continues to keep a tight control over its expenditure, identifies any impact from changing income streams, maintains progress against its Transformation Strategy and retains a healthy reserves position to help manage risks.

5. Alternative options considered and reasons for rejection

There are no other options proposed for consideration.

6. Risks and Uncertainties

- 6.1 Failure to comply with Financial Regulations in terms of reporting on both revenue and capital budgets could result in criticism from stakeholders, including both Councillors and the Council's external auditors.
- 6.2 Areas such as income can be volatile and are particularly influenced by public confidence and the general economic climate and Government legislation. The impact of this remains to be seen at this stage but is being closely monitored. The impact on income and expenditure likely to be affected by the inflationary increases will be taken into account during budget setting for 2023/24.
- 6.3 Any delay in anticipated capital receipts will mean that a higher level of temporary internal borrowing will be required. This can, however, be accommodated due to the level of cash reserves. There will be an opportunity cost by way of lost interest on sums invested. There remains a risk in the event of the need to borrow externally that the cost to the Council would be significant due to the level of interest rates.
- 6.4 There are significant budget risks going forward: most immediately relating to inflation increases and pay costs and the resulting impact on income receipts and in the medium term linked to potential changes to the Business Rates system and Fairer Funding by Central Government (although this is now unlikely to materialise until 2024/25 and heightened by political uncertainty); government policy in relation to waste collection, which is still under review; the potential impact of the power station closure (now 2024), and the Council's commitment to the Freeport and Development Corporation.
- 6.5 Business Rates is subject to specific risks given the volatile nature of the tax base with a small number of properties accounting for a disproportionate amount of tax revenue. Ratcliffe-on-Soar power station is due to close in 2024; however, due to the successful appeal earlier this year the impact of the closure on the Council has been reduced. Furthermore, changes in Central Government

policy influences Business Rates received and their timing, for example policy changes on small Business Rates relief.

- 6.6 The Council needs to be properly insulated against potential risks hence the need to ensure it has a sufficient level of reserves, as well as having the ability to use reserves to support projects where there is 'upside risk' or there is a change in strategic direction. Sufficient reserve levels are critical in ensuring the Council can withstand the financial shocks and maintaining sufficient reserves to address significant risks remains a key objective of the Council's MTF5 and is good financial practice.

7. Implications

7.1. Financial Implications

Financial implications are covered in the body of the report.

7.2. Legal Implications

There are no direct legal implications arising from this report. It supports the delivery of a balanced budget.

7.3. Equalities Implications

None.

7.4. Section 17 of the Crime and Disorder Act 1998 Implications

None.

8. Link to Corporate Priorities

Quality of Life	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.
Efficient Services	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.
Sustainable Growth	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.
The Environment	The budget resources the Corporate Strategy and therefore resources all Corporate Priorities.

9. Recommendation

It is RECOMMENDED that the Cabinet approves the attached report noting:

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- b) the capital budget efficiencies of £4.98m including the re-profiling of provisions totalling £1.965m of which £0.465m to 2023/24 and £1.5m to 2024/25 (para 4.7); and

- c) the expected outturn position for Special Expenses to be £61k above budget (para 4.5).

For more information contact:	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 plinfeld@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 3 March 2022 – 2022-23 Budget and Financial Strategy Cabinet 12 July 2022 – Financial Outturn Report
List of appendices (if any):	Appendix A – Revenue Outturn Position 2022/23 – June 2022 Appendix B – Revenue Variance Explanations Appendix C – Capital Programme 2022/23 – June 2022 Appendix D – Capital Variance Explanations 2022/23 June 2022 Appendix E – Special Expenses Monitoring June 2022

Revenue Outturn Position 2022/23 – September 2022

	Original Budget £'000	Revised Budget £'000	Projected Outturn £'000	Projected Outturn Variance £'000
Chief Execs	2,021	2,101	2,074	(27)
Development and Economic Growth	88	547	731	184
Finance & Corporate	4,330	4,846	4,627	(275)
Neighbourhoods	6,749	7,444	7,693	305
Sub Total	13,188	14,938	15,125	187
Capital Accounting Reversals	(1,895)	(1,895)	(1,895)	0
Minimum Revenue Provision	1,293	1,293	1,293	0
Total Net Service Expenditure	12,586	14,336	14,523	187
Grant Income (including New Homes Bonus)	(1,861)	(1,861)	(2,019)	(158)
Business Rates (including SBRR)	(3,958)	(3,958)	(4,818)	(860)
Council Tax	(7,667)	(7,667)	(7,667)	0
Collection Fund Deficit	4,365	4,365	4,365	0
Total Funding	(9,121)	(9,121)	(10,139)	(1,018)
Net Transfer to/(-)from Reserves	(3,465)	(5,215)	(4,384)	831
Amounts Committed from underspend				
Pooled Investments			(666)	(666)
Tree Preservation Works			(90)	(90)
Local Area Energy Planning			(75)	(75)
Total Committed from underspend			(831)	(831)
Net Budget (Deficit)/Surplus	(3,465)	(5,215)	(5,215)	0

Revenue Variance Explanations

ADVERSE VARIANCES in excess of £25,000			
Service	Income / Expenditure Type	Reason	Projected Outturn Variance £'000
Finance & Corporate	Contingency	Utilities inflation and payaward	410
Planning & Growth	Employee Expenses	Agency to support vacancies prior to restructure	208
Bingham Leisure Centre & Offices	Income	Reduced income due to slippage in build (£115k Lesiure £54k Offices)	169
Depot & Contracts	Employee Expenses	Agency due to sickness	134
Depot & Contracts	Transport Related Expenses	Older Vehicle Repairs	74
Crematorium	Income	Reduced income due to slippage in build	65
Property Services	Income	Rental income at the Point (vacancies)	60
ICT	Supplies & Services	Idox software replacement	59
Strategic Housing	Supplies & Services	Replacement home alarm equipment upgrades	57
Neighbourhoods	Supplies & Services	Utilities inflation special expense areas	56
TOTAL ADVERSE VARIANCES > £25k			1,292
FAVOURABLE VARIANCES in excess of £25,000			
Service	Income / Expenditure Type	Reason	Projected Outturn Variance £'000
Financial Services	Income	Investment Income due to rising interest rates	(519)
Depot & Contracts	Income	Edwalton Golf Course increased usage	(96)
Planning & Growth	Income	Increased planning application income	(91)
ICT	Supplies & Services	Website – unutilised part of carry forward budget	(80)
Environmental Health	Income	Homes for Ukraine funding for administration expense	(60)
Depot & Contracts	Income	Car park income due to increased usage	(50)
Revenues & Benefits	Income	Court Costs higher due to increase in cases	(35)
Financial Services	Supplies and servies	Software £11k and £20k consultancy not required	(31)
TOTAL ADVERSE VARIANCES > £25k			(962)
OTHER MINOR VARIANCES			(143)
TOTAL VARIANCE			187

Capital Programme 2022/23 September 2022

EXPENDITURE SUMMARY	Current Budget £000	Projected Actual £000	Projected Variance £000	Explanations
Development and Economic Growth	15,847	14,224	(1,623)	Variance primarily from contingency sums for Bingham Hub not fully allocated; potential savings on The Crematorium; and anticipated savings on Cotgrave PHII.
Neighbourhoods	7,582	4,661	(2,921)	Support for RHPs not wholly committed as options continue to be assessed; potential underspend on DFGs.
Finance & Corporate Services	363	313	(50)	Savings on Technical Infrastructure.
Contingency	386	0	(386)	Capital Contingency balance not yet allocated.
	24,178	19,198	(4,980)	
FINANCING ANALYSIS				
Capital Receipts	(4,775)	(4,225)	550	Savings projected on Cotgrave Ph II; DGFs; and unused contingency.
Government Grants	(2,964)	(2,822)	142	
Use of Reserves	(2,063)	(1,983)	80	
Grants/Contributions	(2)	(2)	-	
Section 106 Monies	(2,874)	(916)	1,958	Release of S106s for Affordable Housing, commitments not yet identified.
Borrowing	(11,500)	(9,250)	2,250	Contingencies on Bingham Hub not fully allocated yet and potential savings on The Crematorium.
	(24,178)	(19,198)	4,980	
NET EXPENDITURE	-	-	-	

Capital Variance explanations 2022/23 September 2022

CAPITAL PROGRAMME MONITORING - September 2022							
	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
DEVELOPMENT AND ECONOMIC GROWTH							
Manvers Business Park Enhancements	300				300		Works planned for later in the year. May be cost pressures on resources/materials.
Colliers BP Enhancements	8		1	1	25	17	Opportunity to install new water supply pipework to mitigate liability issues, currently considering best options. £17k to be requested from Capital Contingency. To be put out to tender imminently.
Traveller Site Acquisition	1,000				1,000		Projected actual to be refined when spending plans clearer. A grant application has been made for costs totalling £1.914m with 50% funding £957k. .
Cotgrave Phase 2	500	250	84	(166)	150	(350)	Main contract completed 21/22. Peripheral works still to be commissioned: car charging points, teen shelters, landscaping, frontage works, bird netting, and water supply. Savings anticipated.
Bingham Leisure Hub	7,673	3,837	3,702	(135)	6,673	(1,000)	A delay is now expected for completion and handover to late autumn. Contract and RBC Contingency sums not fully committed and continue to be allocated as handover protracted.
Water Course Improvements	60					(60)	Works to be deferred to 2023-24 and packaged together with 2023-24 provision to achieve efficiencies.

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
The Point	240	65	27	(38)	240		Planned works to upgrade office lighting £150k; balcony waterproofing; and auto doors. Contractor appointed for office lighting and work to be completed over the winter.
Bingham Market Place Improvements	68				68		Pre-contract meeting early September with preferred supplier, PO raised. Works planned Feb/Mar 23.
The Crematorium	5,973	2,854	2,567	(287)	5,743	(230)	Total provision including purchase of the land £8.5m. Construction works progressing, building watertight, cremator installed, landscaping commenced. Potential cost pressures for materials and skilled labour. £230k saving from non-payable VAT in 21/22, may be further savings from contract contingency.
Keyworth Cemetery	25				25		Surveys undertaken. Works to be agreed with the Diocese.
	15,847	7,006	6,381	(625)	14,224	(1,623)	
NEIGHBOURHOODS							
Vehicle Replacement	1,218	926	905	(21)	1,214	(4)	3 Refuse Freighters and a 2nd hand glass recycler acquired and replacement BARTEC Units. Planned purchases: 1 Medical Waste Box Vans. Electric Ford Transit, and 2 vehicles for RCP. £304k paid to SEL to acquire VPE, a net contingency allocation processed for this acquisition .

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
Support for Registered Housing Providers	2,056				98	(1,958)	Commitments £98k 22-23 (£64k Garage Sites commitment now 23-24): £16k for 50% due on Practical Completion for 2 units of affordable housing on Garage Sites Ph 2 (remaining 8 in 23-24); £36k 2 Affordable Rent units Ruddington; and £46k for 50% SOS 2 Affordable Rent units RAF Newton. RBC has received £3.8m for land north of Bingham. Request to re-phase £1.5m of this to 24/25 whilst options are being assessed. Cabinet 12.07.22 approved £500k Capital Receipts backed budget to be transferred to Mandatory DFGs.
Assistive Technology							The original £40k provision transferred to support spending pressures on Mandatory DFGs meaning there are no funds available to support the £40k planned investment in Smart Hubs. Other options for financing the Hubs are being assessed.
Discretionary Top Ups	100	50	25	(25)	100		Due to spending pressures on Mandatory DFGs, Cabinet 12.07.22 approved amendment of the policy to temporarily suspend use of the Discretionary pot until a review of the national formula allocation is undertaken.
Disabled Facilities Grants	1,253	627	298	(329)	610	(643)	Budget movement comprises: £56k b/f; £40k provision from Assistive Technology and £25k from WHOP diverted here; £102k from historic underspends; and an additional £500k from Support for RHPs as approved by Cabinet 12.07.22. Request to split this £250k 2022/23 and £250k 2023/24.

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
Hound Lodge Enhancements	125					(125)	The future of Hound Lodge is currently being assessed. Defer this provision to 2023/24.
Arena Enhancements	155	30	7	(23)	105	(50)	£75k committed to upgrade reception and corridor floors. Remedial work required for defective plumbing in toilets/showers. Quotes being sought for first floor dry-side showers circa £20k
Car Park Resurfacing	215				200	(15)	Scope of works being finalised, works to be undertaken alongside EV Charge Points. Works planned after Christmas.
CLC Enhancements							Agreed deferral of work until Dec 2023 to allow delivery of corporate priorities: Bingham Hub and The Crematorium. Cabinet 11.10.22 approved rephasing to 23/24 Capital Programme.
EGC Enhancements	30					(30)	Defer to 23-24 pending options assessment.
KLC Enhancements							Agreed deferral of work until Dec 2023 to allow delivery of corporate priorities: Bingham Hub and The Crematorium. Cabinet 11.10.22 approved rephasing to 23/24 Capital Programme.
BLC Improvements	97					(97)	Provision to support any emerging Health and Safety enhancements not yet committed.
Gresham Sports Park Redevelopment	51				51		Allocated towards environmental improvements associated with the swale.
Gamston Community Centre Enhancements Special Expense	13				13		To support any carbon reduction work identified. Cavity Wall Insulation works up to £6k.

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
Lutterell Hall Enhancements Special Expense	77				77		Potential upgrade works for the Main Hall Floor. Some external works required to resolve ramp access issues.
LAD2 Green Energy Grants	647	375	166	(209)	647		New initiative, fully funded by Government Grant. Scheme to facilitate external wall insulation, solar PV panels, and loft insulation in homes of non-standard construction. Commencing November, to be delivered in partnership with EON. Timescale has been extended due to COVID. Additional £240k awarded and received. E-on to issue outstanding invoices; Audit sign off autumn 22.
HUG and LAD3 Green Energy Grants	770				770		New initiative, fully funded by Government Grants. New Home Upgrade Grants and an extension of LAD2 (see above). Funds to be spent by 31 March 2023. 6 EWIs completed invoices awaited.
Gresham Sports Pavilion	32		1	1	32		Changing rooms and flooring options to be decided.
RCP Visitor Centre	542	491	343	(148)	542		Development works complete, opening ceremony took place Oct 22. £30k additional budget adjustment to be processed for Benches and Shelters funded from UK Shared Property Fund.
External Door/Window Upgrades Various Sites	46	5	2	(3)	46		To be undertaken ad hoc. Fountains Court done; Unit 10 Moorbridge to be done.
Alford Road Football Goals	10				10		Goal posts received; invoice to be processed.
Capital Grant Funding	15				15		One final grant of £15k committed.

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
Adbolton Play Area Special Expense	85				85		Planned enhancements Adbolton Play Area to be completed by Mar 23.
Boundary Rd Cycle Track Special Expense	3	3	3		3		Height barrier installed.
West Park Julien Cahn Pavilion Special Expense							Agreed deferral of work until Dec 2023 to allow delivery of corporate priorities: Bingham Hub and The Crematorium. Cabinet 11.10.22 approved rephasing to 23/24 Capital Programme.
Skateboard Parks	40	40	40		40		Final Skatepark Grant £40k released to Keyworth PC.
Warm Homes on Prescription	2	3	3		3	1	The original £25k transferred to support spending pressures on Mandatory DFGs meaning there are no funds available to support WHOP this year. £3k residual spent projected met by a budget adjustment from historic underspends on BCF.
	7,582	2,550	1,793	(757)	4,661	(2,921)	
FINANCE & CORPORATE SERVICES							
Information Systems Strategy	363	100	60	(40)	313	(50)	Rollout of the ICT Alignment Strategy to meet business needs and embrace changing technology. Cloud Based Solutions now being assessed. Savings projected on Technical Infrastructure.
Streetwise Loan 22/23							Loan not required. Cabinet 11.10.22 approved transfer provision to Capital Contingency to support the insourcing of Streetwise.

CAPITAL PROGRAMME MONITORING - September 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
	363	100	60	(40)	313	(50)	
CONTINGENCY							
Contingency	386					(386)	£150k original estimate bolstered by £150k Streetwise Loan not required from £21/22 and £206k unspent contingency in 21/22. Cabinet 11.10.22 approved a further £150k to be tipped in from SEL Loan 22/23 not required. £17k to be requested for Colliers BP. A net allocation of £270k processed to cover the acquisition of VPE from SEL.
	386					(386)	
TOTAL	24,178	9,656	8,234	(1,422)	19,198	(4,980)	

Special Expenses Monitoring September 2022

Budget Monitoring for Special Expense Areas - Quarter 2				
	2022/23 Original £	Forecast P6 £	Forecast Variance £	Reasons for variance
<u>West Bridgford</u>				
Parks & Playing Fields	437,500	472,600	35,100	Increase in utilities and works on footpath lighting
West Bridgford Town Centre	91,400	92,600	1,200	Christmas Lights Events
Community Halls	78,500	102,700	24,200	Increase in utilities
Annuity Charges	94,000	94,000	0	
RCCO	75,000	75,000	0	
Sinking Fund (The Hook)	20,000	20,000	0	
Total	796,400	856,900	60,500	
			0	
Keyworth			0	
Cemetery	7,900	7,900	0	
Annuity Charge	1,300	1,300	0	
Total	9,200	9,200	0	
			0	
Ruddington			0	
Cemetery & Annuity Charges	11,100	11,100	0	
Total	11,100	11,100	0	
			0	
TOTAL SPECIAL EXPENSES	816,700	877,200	60,500	