



**Cabinet**

**Tuesday, 14 March 2023**

**Revenue and Capital Budget Monitoring 2022/23 – Financial Update Quarter 3**

## **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 31 December 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 £1.723m for 2022/23 mostly as a result of Business Rates Pool, additional investment income and additional new burdens grants (in total 12.1% of Net Service Expenditure). This is proposed to be earmarked for additional cost pressures mainly in relation to a temporary decline in the value of pooled investments (see paragraph 4.13). The position is likely to change as further variances are identified in the final quarter.
- 1.4. There is a capital budget efficiency expected of £3.758m, primarily due to £1m for Traveller Site Acquisition which is to be removed from the 2022/23 programme leaving £1m remaining in the 2023/24 programme, £1m variance on Bingham Hub (of which £0.730m committed to post opening enhancements); support for registered housing providers (£0.504m) not wholly committed; anticipated savings on Cotgrave Ph II (£0.350m) and Manvers Business Park Enhancements (£0.3m). A recommendation to rephase some of these funds is discussed below.

### **2. Recommendation**

It is RECOMMENDED that Cabinet approve the attached report noting:

- a) the expected revenue budget efficiency for the year of £1.723m and proposals to earmark this for cost pressures (paragraph 4.1)
- b) the capital budget efficiencies of £3.758m including various re-profiling stated at paragraph 4.7, included in the MTFs to Full Council
- c) the expected outturn position for Special Expenses to be £3.2k below budget (paragraph 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 £1.723m with proposals to utilise this for in-year pressures given in **Appendix A**. Most notably it is proposed to earmark £0.973m for reductions in the value of the pooled investments which are sensitive to market forces (see paragraph 4.13). Use of efficiencies for earmarked reserves is as follows:

- Pooled Investments £0.973m
- Carry forwards £0.465m (Appendix F)
- Tree preservation works £90k
- Agency for planning £65k
- Local area energy planning £75k
- Council tax support fund £30k (paragraph 4.15)
- New sinking fund for Bingham Leisure Centre sports track £15k
- Staffing resource elections £10k.

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

**Table 1: Main Items Impacting on the Current Revenue Budget**

	<b>Pressure/ (efficiency) 2022/23 (£'000)</b>	<b>Reason</b>
<b>Projected in year costs/(efficiencies):-</b>		
<b>Agency costs</b>	296	Additional agency in Planning, Refuse less savings from vacancies
<b>Income Crematorium</b>	284	Income lost from delayed opening of the Crematorium (additional lost income £135k covered by carry forwards)
<b>Bingham Leisure Centre</b>	163	lost income from delayed opening (additional lost income £32k covered by carry forwards)
<b>Rental Income</b>	114	Rental income at Bingham Enterprise Centre and the Point
<b>Streetwise</b>	89	Streetwise external contracts
<b>Vehicle Maintenance</b>	54	Cost of repairs linked to older vehicles
<b>Investment Income</b>	(592)	Increase in investment receipts linked to higher interest rates and cash balances
<b>Planning Fees</b>	(205)	Increase in planning applications and unspent Uniper contribution (request to be carried forward)

<b>Economic Development</b>	(150)	Underspend on Growth Board £100k cfwd requested, £50k WBTC accessibility study now funded from UKSPF
<b>Software and Professional Costs</b>	(110)	Website £80k (planned revenue spend that has now been capitalised) Legal & Prof £30k
<b>Edwalton Golf Course</b>	(97)	increased usage and income
<b>Contingency</b>	(90)	Contingency now allocated re pay award and utilities
<b>Income from Homes For Ukraine checks</b>	(80)	Additional income for pre and post arrival checks
<b>Car Parks, Septic Tank emptying</b>	(67)	Increased income
<b>Other</b>	20	Underspend offsets lost income from Crematorium and Bingham
<b>Net Revenue Cost/ (Efficiencies)</b>	<b>(371)</b>	
<b>Grant Income</b>	(365)	New Burdens, Asylum Seekers, Homes for Ukraine and Test and Trace additional grants
<b>Business Rates</b>	(987)	Increase in Net Rates payable
<b>Total Net Projected Budget Variance</b>	<b>(1,723)</b>	

- 4.3 The main adverse variances arise from: 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 the Nottinghamshire Business Rates pool surplus and net rates, 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 31 December 2022, is attached at **Appendix B**.
- 4.5 **Appendix E** shows the Quarter 3 position on the Special Expenses budget. The expenditure is currently expected to be £3.2k below budget, 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 31 December 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 (£3.044m) giving a current budget of £22.213m. The projected outturn is around £18.5m, resulting in an estimated underspend of £3.7m. Primarily, this arises from:
- the removal of the £1m provision in 2022/23 for the Gypsy and Traveller Site: a funding bid was not successful, and other sources of funding are being investigated. The 2023/24 programme still contains £1m for site acquisition

- £1m on Bingham Leisure Hub comprises contract and other contingencies, however £0.730m of this is earmarked for post opening enhancements
  - the provision for Support for Registered Housing Providers not wholly committed at this stage (£0.504m), options continue to be assessed
  - £0.350m projected savings on Cotgrave Phase 2. Of this, it is requested that £0.270m re-profiled to 2023/24 to support newly costed enhancement schemes for CLC (additional £0.230m) and Keyworth Leisure Centre (additional £0.040m)
  - A request to re-profile £0.3m for Manvers Business Park to the 2023/24 capital programme
  - Capital Contingency currently sits at £0.259m. There is expenditure pressure of £150k at this stage on the Crematorium. The remaining 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, due to the reprofiling of the timing of receipts from depot disposal (-£1.2) and Sharpill overage (+£3.6m) the deferral of holly gate lane income (-£7.2m), and early repayment of the Streetwise loan (+£0.3m) this is now revised to £6.3m. 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 re-profiling of receipts, 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 paid in November 2022, the cost to the council was approximately £0.55m. The budget for 2022/23 included £0.33m for pay increases and a further £0.25m was allocated from 2021/22 underspends in anticipation of this. This represents a significant annual cost pressure to the Council which now forms part of the MTFs to be approved by Council in March. In addition, the potential associated impact on service provision contracts such as leisure are being monitored.
- 4.10 Inflation is expected to peak nationally at 11% with significant risk that the cost to the Council and again an impact 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 Services line. Projections for utilities have been reviewed and updated within service areas and remaining contingency released. 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 95.69% (slightly below target 97%). The potential financial impact is that it could lead to an increase in Collection Fund deficit, ultimately a pressure on the budget. Based on Quarter 3 performance (reported to Corporate Overview Group) 85.33% of Council Tax has been collected, compared to 85.46% last year (a decrease of 0.13%). For

Business Rates, currently 87.3% has been collected compared to 83.7% last year (an increase of 3.6%). 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 targets 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 Qtr1 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 £0.284m and £0.163m for the Crematorium and Bingham respectively. This is in addition to the £0.135m and £32k allocated from 2021/22 underspends to mitigate some of this loss. We are now in possession of the keys for Bingham Leisure Centre and this is due to open on 20 February 2023. The Crematorium is progressing well and due to open by April 2023.
- 4.13 The value of the Council's Multi Asset investments or pooled funds had recovered at the end of March 2022. However, there continue 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 £0.973m 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 (65%) 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 has been extended to April 2025, it is prudent to maintain a reserve whilst investments remain.
- 4.14 Planning income is currently projected at £0.170m over budget due to increased planning applications, however, this is not expected to fully cover the additional agency costs of £0.330m. Additionally a further £65k to fund agency for 2023/24 has been requested to be allocated from in year underspends. Whilst it is hoped that this will improve the situation is being closely monitored, particularly as planning application demand may reduce as a result of economic slowdown and houses not being built as quickly as expected.
- 4.15 The Government have announced a Council Tax Support Fund (£123k for Rushcliffe) to allow local authorities to support more economically vulnerable households (those in receipt of Local Council Tax Support) with up to £25 reduction on their Council Tax bill. In the MTFS due to be approved by Council in March, it is proposed that a further £30k from Council resources is used to further discount Council Tax bills for properties in bands A to D.

## *Conclusion*

- 4.16 The financial position in the revenue budget is relatively stable, and due to the Business Rates Pool allocation, there is a projected overall budget efficiency of £1.723m. Inflation and the consequential rising costs of living present significant risks to the Council's budget. In addition, as mentioned above, the value of the Council's pooled funds has reduced significantly, this is mitigated as per proposed use of efficiencies (Appendix A). The Council must ensure it can support any adverse budgetary impact and proposes to utilise the £1.723m projected underspend to mitigate these risks.
- 4.17 The position on capital is currently positive, although with some delays on completion and handover of Bingham Hub and the Crematorium, which are due to open in February and April respectively. 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 in the final quarter.
- 4.18 Political uncertainty and the current economic climate continue, however, the final local government finance settlement on 6 February 2023 has delivered some clarity on future funding, including a new round of New Homes Bonus for 2023/24, the replacement of the Lower Tier Services Grant with minimum funding guarantee to ensure Local Authorities see an increase of at least 3% in core spending power (£0.326m for next two years), and a one off release of £0.020m from the Business Rates Levy account for 2023/24. The government have confirmed that the reset of Business Rates retention, new Homes Bonus and Fairer Funding review will not take place until at least 2025/26, however, levelling-up remains a priority.
- 4.19 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 has been 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 2025/2026 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 now accounts for a smaller proportion of net rates which reduces the risk. 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 MTFs 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	
Sustainable Growth	
The Environment	

## 9. Recommendation

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

- a) the expected revenue budget efficiency for the year of £1.723m and proposals to earmark this for cost pressures (paragraph 4.1)
- b) the capital budget efficiencies of £3.908m including various re-profiling stated at paragraph 4.7, included in the MTFS to Full Council
- c) the expected outturn position for Special Expenses to be £3.2k below budget (paragraph 4.5).

<b>For more information contact:</b>	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 <a href="mailto:plinfield@rushcliffe.gov.uk">plinfield@rushcliffe.gov.uk</a>
<b>Background papers Available for Inspection:</b>	Council 3 March 2022 – 2022-23 Budget and Financial Strategy Cabinet 12 July 2022 – Financial Outturn Report
<b>List of appendices (if any):</b>	<b>Appendix A</b> – Revenue Outturn Position 2022/23 – December 2022 <b>Appendix B</b> – Revenue Variance Explanations <b>Appendix C</b> – Capital Programme 2022/23 – December 2022 <b>Appendix D</b> – Capital Variance Explanations 2022/23 December 2022 <b>Appendix E</b> – Special Expenses Monitoring December 2022 <b>Appendix F</b> – Carry Forwards expected December 2022



## Revenue Outturn Position 2022/23 – December 2022

	Original Budget £'000	Revised Budget £'000	Projected Outturn £'000	Projected Outturn Variance £'000
<b>Chief Execs</b>	2,021	2,137	2,037	(73)
<b>Development and Economic Growth</b>	88	758	847	89
<b>Finance &amp; Corporate</b>	4,330	4,155	3,287	(649)
<b>Neighbourhoods</b>	6,749	7,688	8,196	508
<b>Sub Total</b>	<b>13,188</b>	<b>14,738</b>	<b>14,367</b>	<b>(371)</b>
<b>Capital Accounting Reversals</b>	(1,895)	(1,895)	(1,895)	0
<b>Minimum Revenue Provision</b>	1,293	1,293	1,293	0
<b>Total Net Service Expenditure</b>	<b>12,586</b>	<b>14,136</b>	<b>13,765</b>	<b>(371)</b>
<b>Grant Income (including New Homes Bonus)</b>	(1,861)	(1,861)	(2,226)	(365)
<b>Business Rates (including SBRR)</b>	(3,958)	(3,958)	(4,945)	(987)
<b>Council Tax</b>	(7,667)	(7,667)	(7,667)	0
<b>Collection Fund Deficit</b>	4,365	4,365	4,365	0
<b>Total Funding</b>	<b>(9,121)</b>	<b>(9,121)</b>	<b>(10,473)</b>	<b>(1,352)</b>
<b>Net Transfer to/(-)from Reserves</b>	<b>(3,465)</b>	<b>(5,015)</b>	<b>(3,292)</b>	<b>1,723</b>
<b>Amounts Committed from underspend</b>				
<b>Pooled Investments</b>			(973)	<b>(973)</b>
<b>Carry Forwards (Appendix F)</b>			(465)	<b>(465)</b>
<b>Tree Preservation Works</b>			(90)	<b>(90)</b>
<b>Local Area Energy Planning</b>			(75)	<b>(75)</b>
<b>Planning Agency</b>			(65)	<b>(65)</b>
<b>Council Tax Support Fund</b>			(30)	<b>(30)</b>
<b>Sinking fund Bingham Leisure Centre sports track</b>			(15)	<b>(15)</b>
<b>Staffing Resource Elections</b>			(10)	<b>(10)</b>
<b>Total Committed from underspend</b>			(1,723)	<b>(1,723)</b>
<b>Net Budget (Deficit)/Surplus</b>	<b>(3,465)</b>	<b>(5,015)</b>	<b>(5,015)</b>	<b>(0)</b>

**Revenue Variance Explanations**

<b>ADVERSE VARIANCES in excess of £25,000</b>			
<b>Service</b>	<b>Income / Expenditure Type</b>	<b>Reason</b>	<b>Projected Outturn Variance £'000</b>
<b>Crematorium</b>	Income	Loss of income due to slippage in build	284
<b>Planning &amp; Growth</b>	Employee Expenses	Planning agency (£330k), employee advertising (£26) offset by salary savings (£84k)	272
<b>Depot &amp; Contracts</b>	Income	Bingham Leisure Centre delay	163
<b>Property Services</b>	Income	Bingham Offices delay and point vacancies	114
<b>Streetwise</b>	Income	Streetwise (external contracts)	89
<b>Depot &amp; Contracts</b>	Employee Expenses	Agency (164k) offset by salary savings	66
<b>Depot &amp; Contracts</b>	Transport Related Expenses	Older vehicle repairs, tyres	54
<b>ICT</b>	Employee Expenses	Agency	37
<b>TOTAL ADVERSE VARIANCES &gt; £25k</b>			<b>1,079</b>
<b>FAVOURABLE VARIANCES in excess of £25,000</b>			
<b>Service</b>	<b>Income / Expenditure Type</b>	<b>Reason</b>	<b>Projected Outturn Variance £'000</b>
<b>Financial Services</b>	Income	Investment Income	(592)
<b>Planning &amp; Growth</b>	Income	Increased planning applications	(170)
<b>Economic Development</b>	Supplies & Services	£100k underspend on growth boards (cfwd) £50k West Bridgford Town Centre accessibility study funded from UKSPF	(150)
<b>Depot &amp; Contracts</b>	Third Party Payments	Surplus at Edwalton Golf Course	(97)
<b>Financial Services</b>	Supplies & Services	Contingency	(90)
<b>Environmental Health</b>	Income	Additional income £80k H4U checks.	(80)
<b>ICT</b>	Supplies & Services	Website surplus from c/f	(80)
<b>Depot &amp; Contracts</b>	Income	Tanker, car parks	(67)
<b>Planning Policy</b>	Employee Expenses	Vacant posts	(49)

<b>Business Support Unit</b>	Employee Expenses	Vacant posts	(30)
<b>Legal Services</b>	Supplies & Services	Savings on external provision of legal & prof services	(30)
<b>TOTAL ADVERSE VARIANCES &gt; £25k</b>			<b>(1,435)</b>
<b>OTHER MINOR VARIANCES</b>			<b>(15)</b>
<b>TOTAL VARIANCE</b>			<b>(371)</b>

## Capital Programme 2022/23 December 2022

EXPENDITURE SUMMARY	Current Budget £000	Projected Actual £000	Projected Variance £000	Explanations
<b>Development and Economic Growth</b>	15,847	13,334	(2,493)	Variance primarily arises from contingency sums for Bingham Hub not fully allocated; G & T Site £1m to be removed from the 22/23 programme; anticipated savings on Cotgrave PHII; plus further re-phasing of works at Manvers BP. Offset by cost pressure on the crematorium.
<b>Neighbourhoods</b>	5,754	4,794	(960)	Support for RHPs not wholly committed as options continue to be assessed; potential underspend on DFGs.
<b>Finance &amp; Corporate Services</b>	363	317	(46)	Savings on Technical Infrastructure.
<b>Contingency</b>	259	0	(259)	Capital Contingency balance not yet allocated.
	<b>22,213</b>	<b>18,455</b>	<b>(3,758)</b>	
<b>FINANCING ANALYSIS</b>				
<b>Capital Receipts</b>	(4,301)	(4,721)	(420)	Savings projected on Cotgrave Ph II; DFGs variance; and unused contingency.
<b>Government Grants</b>	(2,964)	(2,936)	28	
<b>Use of Reserves</b>	(2,072)	(669)	1,403	Traveller Site Acquisition from NHB now 23/24. Works on Investment Properties requested to be reprofiled to 23/24.
<b>Grants/Contributions</b>	(2)	(9)	(7)	
<b>Section 106 Monies</b>	(1,374)	(870)	504	Release of S106s for Affordable Housing, commitments not yet identified.
<b>Borrowing</b>	(11,500)	(9,250)	2,250	Contingencies on Bingham Hub not fully allocated yet and potential savings on The Crematorium.
	<b>(22,213)</b>	<b>(18,455)</b>	<b>3,758</b>	
<b>NET EXPENDITURE</b>	-	-	-	

## Capital Variance explanations 2022/23 December 2022

CAPITAL PROGRAMME MONITORING - December 2022							
	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>DEVELOPMENT AND ECONOMIC GROWTH</b>							
<b>Unit 10 Moorbridge Enhancements</b>	50	50	47	(3)	50		Enhancements works nearing completion to accommodate SEL in-sourcing. Capital Contingency allocation £50k processed.
<b>Manvers Business Park Enhancements</b>	300					(300)	Re-profile works to 23/24. May be cost pressures on resources/materials.
<b>Colliers BP Enhancements</b>	8	8	8		33	25	Opportunity to install new water supply pipework to mitigate liability issues, currently considering best options. Additional Barriers and Bollards needed. Works have been retendered and a site meeting has been arranged to finalise costs and contingency request this is expected to be around £25k.
<b>Traveller Site Acquisition</b>	1,000					(1,000)	A grant application was made for costs totalling £1.914m with 50% funding £957k. The grant was not approved so this year's provision to be removed pending further investigation of other funding availability. The draft capital programme for 23/24 contains £1m for site acquisition/development.

CAPITAL PROGRAMME MONITORING - December 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>Cotgrave Phase 2</b>	500	375	84	(291)	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. Of the £350 savings anticipated: £230k is needed for CLC Enhancements and £40k for KLC Enhancements in 2023/24 as a result of Henry Riley architects cost analysis.
<b>Bingham Leisure Hub</b>	7,673	5,756	4,665	(1,091)	6,673	(1,000)	Opening February 2023. Contract and RBC Contingency sums not fully committed and continue to be allocated as handover protracted. £730k of the variance will be earmarked for post opening enhancements.
<b>Water Course Improvements</b>							Works re-profiled to 2023-24 and packaged together with 2023-24 provision to achieve efficiencies. Potential to fund from UKSPF in 23-24
<b>The Point</b>	240	97	29	(68)	240		Upgrade office lighting £150k nearing completion; balcony waterproofing ongoing investigation; and auto doors to be done.
<b>Bingham Market Place Improvements</b>	68				50	(18)	PO raised. Works planned Mar/April 23; impacted by cold weather and material availability. Carry forward required.
<b>The Crematorium</b>	5,973	3,879	3,507	(372)	6,123	(150)	Total provision including purchase of the land £8.5m. Build is nearing completion. The cremator has been recently installed and tested. Potential cost pressures on the build being met from capital contingency.

CAPITAL PROGRAMME MONITORING - December 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>Keyworth Cemetery</b>	25				25		Surveys undertaken. Works to be agreed with the Diocese. Quotes being sourced.
	15,837	10,165	8,340	(1,825)	13,344	(2,493)	
<b>NEIGHBOURHOODS</b>							
<b>Vehicle Replacement</b>	1,284	1,262	1,047	(215)	1,338	54	3 Refuse Freighters, a 2nd hand glass recycler acquired. SEL plant and equipment bought as part of insourcing. New mowers also bought for SEL. Planned purchases: 1 Medical Waste and 1 Recycling Collection Box Vans; Electric Ford Transit; and 2 vehicles for RCP. Acceleration of £54k required from 23/24 for meet costs of 2nd hand replacement MATBRO yard loader.
<b>Support for Registered Housing Providers</b>	556				52	(504)	Commitments £52k 22/23: £16k for 50% due on Practical Completion for 2 units of affordable housing on Garage Sites Ph 2 (remaining 8 in 23-24) and £36k 2 Affordable Rent units Ruddington. Commitments £64k 23/24 for balance of Garage sites PLUS potential £400k for 4 units Nicker Hill. RBC has received £3.8m for land north of Bingham. £1.5m of this re-profiled to 24/25 whilst options are being assessed. Cabinet 12.07.22 approved £500k Capital Receipts

CAPITAL PROGRAMME MONITORING - December 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
							backed budget to be transferred to Mandatory DFGs.
<b>Assistive Technology</b>							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.
<b>Discretionary Top Ups</b>	100	75	43	(32)	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.
<b>Disabled Facilities Grants</b>	1,003	752	550	(202)	740	(263)	Budget movement comprises: £56k b/f; £40k provision from Assistive Technology and £25k from Warm Homes on Prescription (WHOP) diverted here – see below; £102k from historic underspends; and an additional £500k from Support for RHPs as approved by Cabinet 12.07.22. £250k of this re-profiled to 2023/24.



**CAPITAL PROGRAMME MONITORING - December 2022**

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>Hound Lodge Enhancements</b>	11	11		(11)	11		The future of Hound Lodge is currently being assessed. The original provision of £125k re-profiled to 2023/24 for enhancement works. Contingency allocation processed for £11k to meet costs of Washers and Dryers not planned in the original programme.
<b>Arena Enhancements</b>	155	105	8	(97)	115	(40)	£75k committed to upgrade reception and corridor floors. Remedial for upstairs showers complete, seals to be checked prior to redecoration works.
<b>Car Park Resurfacing</b>	215				200	(15)	Works out to tender; planned after Christmas with completion anticipated Mar/Apr. Potential underspend may be required to meet costs pressures for RCP.
<b>CLC Enhancements</b>							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.
<b>EGC Enhancements</b>							£30k re-profiled to 23-24 pending options assessment.
<b>KLC Enhancements</b>							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.

CAPITAL PROGRAMME MONITORING - December 2022

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>BLC Improvements</b>	97		3	3	40	(57)	Provision to support any emerging Health and Safety enhancements not fully committed. Need replacement boiler to support interim service delivery. Measures to address water ingress on roofs.
<b>Gresham Sports Park Redevelopment</b>	51	8	8		51		Allocated towards environmental improvements associated with the swale. New fencing provision undertaken.
<b>Gamston Community Centre Enhancements Special Expense</b>	13				8	(5)	To support any carbon reduction work. Contractor to be procured for polybead cavity wall insulation.
<b>Lutterell Hall Enhancements Special Expense</b>	77				50	(27)	Some minor enhancement work identified.
<b>LAD2 Green Energy Grants</b>	647	647	594	(53)	594	(53)	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. Scheme complete £53k Govt Grant repaid.

**CAPITAL PROGRAMME MONITORING - December 2022**

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>HUG and LAD3 Green Energy Grants</b>	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.
<b>Gresham Sports Pavilion</b>	32	22	9	(13)	32		Changing rooms and flooring options to be decided. Expenditure to date on height barrier alterations relating to EVCP. To be funded from Climate Change Reserve.
<b>RCP Visitor Centre</b>	542	492	384	(108)	604	62	Development works complete, opening ceremony took place Oct 22. £44k additional budget adjustment to be processed for Benches and Shelters funded from UK Shared Property Fund and a Will Benefactor. Additional £18k provision to be processed for diversion of Western Power high voltage cables funded from Climate Change Reserve as part of the EVCP. Extraction unit for cafe required and replacement furniture. May be budget pressures.
<b>External Door/Window Upgrades Various Sites</b>	46	7	2	(5)	20	(26)	To be undertaken ad hoc. Fountain Court done; Unit 10 Moorbridge to be done.
<b>Alford Road Football Goals</b>	10	10	3	(7)	3	(7)	Works complete. £7k underspend needed to support other WB Play Areas.
<b>Capital Grant Funding</b>	15				15		One final grant of £15k committed.
<b>Adbolton Play Area Special Expense</b>	85				5	(80)	Out to tender closing date 03.02.23. Works will start on site spring, expected completion now June. Carry forward required.

**CAPITAL PROGRAMME MONITORING - December 2022**

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>Boundary Rd Cycle Track Special Expense</b>	3	3	3		3		Height barrier installed.
<b>West Park Julien Cahn Pavilion Special Expense</b>							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.
<b>Skateboard Parks</b>	40	40	40		40		Final Skatepark Grant £40k released to Keyworth PC.
<b>Warm Homes on Prescription</b>	2	2	3	1	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.
	5,754	3,436	2,697	(739)	4,794	(960)	
<b>FINANCE &amp; CORPORATE SERVICES</b>							

**CAPITAL PROGRAMME MONITORING - December 2022**

	Current Budget £000	Budget YTD £000	Actual YTD £000	Variance £000	Projected Actual £000	Variance £000	
<b>Information Systems Strategy</b>	363	215	129	(86)	317	(46)	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.
<b>Streetwise Loan 22/23</b>							Loan not required. Cabinet 11.10.22 approved transfer provision to Capital Contingency to support the insourcing of Streetwise.
	363	215	129	(86)	317	(46)	
<b>CONTINGENCY</b>							
<b>Contingency</b>	259					(259)	£150k Original Estimate; + £300k unused Streetwise (SEL) loans + £206k brought forward - £336k for acquisition SEL VPE - £50k U10 Moorbridge Enhancements -£11k Hound Lodge = £259k balance. Potential £150k needed for The Crematorium.
	259					(259)	
	<b>22,213</b>	<b>13,816</b>	<b>11,166</b>	<b>(2,650)</b>	<b>18,455</b>	<b>(3,758)</b>	

## Special Expenses Monitoring December 2022

Budget Monitoring for Special Expense Areas - Quarter 3				
	2022/23 Original	Forecast P6	Forecast Variance	Reasons for variance
	£	£	£	
<b>West Bridgford</b>				
<b>Parks &amp; Playing Fields</b>	437,500	436,650	(850)	
<b>West Bridgford Town Centre</b>	91,400	93,200	1,800	Christmas Lights Events
<b>Community Halls</b>	78,500	74,400	(4,100)	NDR Savings at Lutterell Hall
<b>Annuity Charges</b>	94,000	94,000	0	
<b>RCCO</b>	75,000	75,000	0	
<b>Sinking Fund (The Hook)</b>	20,000	20,000	0	
<b>Total</b>	796,400	793,250	(3,150)	
<b>Keyworth</b>			0	
<b>Cemetery</b>	7,900	7,900	0	
<b>Annuity Charge</b>	1,300	1,300	0	
<b>Total</b>	9,200	9,200	0	
			0	
<b>Ruddington</b>			0	
<b>Cemetery &amp; Annuity Charges</b>	11,100	11,100	0	
<b>Total</b>	11,100	11,100	0	
			0	
<b>TOTAL SPECIAL EXPENSES</b>	816,700	813,550	(3,150)	

## Carry Forwards

Description	Amount (£)
Ukrainian Private Rental Sector Support - balance to be rolled forward	178,000.00
Homes for Ukraine (H4U) Income re sponsor home visits	64,000.00
Edwalton Golf Course Wildlife areas seed planting; 23-24 £5k and 24-25 £5k	10,000.00
Website carry forward from 21/22 planned revenue spend which has now been capitalised, now required for Backup Solution	80,000.00
Economic regeneration growth board	78,000.00
Uniper funding underspend carry forward to fund staffing in 2023/24	35,000.00
Neighbourhood planning grant Ruddington	20,000.00
<b>Total carry forwards</b>	<b>465,000.00</b>

