



Cabinet

Tuesday, 9 July 2024

Financial Outturn 2023/24

Report of the Director – Finance and Corporate Services

**Cabinet Portfolio Holder for Finance, Transformation and Governance,
Councillor D Viridi**

1. Purpose of report

- 1.1. The purpose of this report is to outline the year-end financial outturn position for 2023/24, linked to the closure of accounts process and previous financial update reports.
- 1.2. To summarise, the revenue budget has an overall revenue efficiency position of £1.663m and the Capital Programme overall underspend position of £5.710m. The £1.663m is allocated for significant risks for 2024/25 onwards including biodiversity net gain, replacement finance and income management systems and housing benefits rent increases and for service demand such as Homes for Ukraine and Safer Streets. The capital underspend is largely being carried forward for the completion of existing projects.
- 1.3. The draft Statement of Accounts has been prepared and published on 31 May 2024, in accordance with statutory deadlines. The report has been to Corporate Overview Group (COG) and no significant issues were raised.

2. Recommendation

It is RECOMMENDED that Cabinet:

- a) notes the 2023/24 revenue position and efficiencies identified in **Table 1**, the variances in **Table 2** (and **Appendix A**);
- b) approves changes to the earmarked reserves as set out at **Appendix B** along with the carry forwards and appropriations to reserves in **Appendix E**;
- c) notes the re-profiled position on capital and approves the capital carry forwards outlined in **Appendix C** and summarised in **Appendix F**; and
- d) notes the update on the Special Expenses outturn at paragraph 4.20 and in **Appendix D**.

3. Reasons for Recommendations

To accord with good financial governance and the Council's Financial Regulations.

4. Supporting Information

4.1 The Council is required to categorise its income and expenditure as either revenue or capital. The General Fund account deals with the Council's revenue income and expenditure, where spend is incurred on day-to-day expenditure or on items used within the year. Capital income and expenditure is included in the Capital Programme. The Financial Outturn, for both revenue and capital, is presented below.

Revenue Outturn

4.2 The net revenue position in Table 1 below shows a transfer to reserves of £1.958m (originally planned to be a transfer to reserves of £1.082m (adjusted to £0.295m largely reflecting carry forward commitments from 2022/23) a net increase of £1.663m.

4.3 When setting the budget for 2023/24, inflation and pay increases were included; however, the national pay award was higher than anticipated at £2,125 per employee (average 6%) compared to budgeted 4% driven mainly by elevated levels of inflation. Revenue budget efficiencies from 2022/23 were carried forward to support these cost pressures. During 2023/24, the Council has continued to closely monitor the budget position, particularly as inflation has not reduced as quickly as anticipated and to identify efficiencies that may help in balancing the increased costs going into 2024/25.

4.4 There has been a sharp increase in the number of councils under pressure from increasing costs and the table below shows a positive outcome in what is a very challenging economic environment. There are continued cost of living pressures impacting on the Council's residents which also impact the Council's budget. The Council has continued to identify service efficiencies during the year to balance the additional pressures. A number of transfers were agreed by Cabinet on 12 March 2024, which are included in the final carry forward request totalling £0.294m shown in **Appendix E**. It is worth noting the service budgets have an efficiency position of £0.315m, with increased Business Rates income and additional grants accounting for further efficiencies of £1.16m and £0.219 respectively. Note there is a change since COG met, with £75k required by Environmental Health due to ongoing work pressures largely funded from their 2023/24 in-year underspend. This also meant a corresponding reduction in the amount committed to bio-diversity net gain potential land acquisition, reducing to £0.425m (previously reported to COG as £0.5m).

Table 1: Revenue Outturn Position

	Original Budget £'000	Revised Budget £'000	Revised Outturn £'000	Revised Variance £'000
Chief Executive	2,314	2,319	2,807	488
Finance & Corporate	4,100	4,078	3,431	(647)
Development and Economic Growth	(155)	55	432	377
Neighbourhoods	7,649	8,243	7,766	(477)
Sub Total	13,908	14,695	14,436	(259)
Capital Accounting Reversals	(1,895)	(1,895)	(1,895)	0
Minimum Revenue Provision	1,311	1,311	1,255	(56)

Total Net Service Expenditure	13,324	14,111	13,796	(315)
Grant Income (including New Homes Bonus)	(2,054)	(2,054)	(2,273)	(219)
Business Rates (including SBRR)	(4,905)	(4,905)	(6,065)	(1,160)
Council Tax	(7,953)	(7,953)	(7,953)	0
Collection Fund Deficit	506	506	537	(31)
Total Funding	(14,406)	(14,406)	(15,754)	(1,348)
Net Transfer to/(-)from Reserves	1,082	295	1,958	1663
Carry forward requests (Appendix E)				(369)
Reserves required				(1,294)
Net Surplus after c/fwds and reserve transfers				0

4.5 The main revenue variances are shown in **Table 2** (with more detail at **Appendix A**) some of which are requested to be carried forward. In the case of adverse variances if these trends do continue then it will place further pressure on the budget and services will have to identify further budget efficiencies.

Table 2: Main Items Impacting on the Current Revenue Budget

Main Variances		£'000
Adverse Variances		
Legal Services	Property related legal claim and associated solicitors' fees	445
Planning	Planning fees income reduced due to reduction in demand from new developments	351
Crematorium	Income target not achieved in first year	213
Streetwise	Legacy hire of vehicles £264k offset by salary savings due to in year vacancies and staff turnover £118k	131
Total		1,140
Favourable Variances		
Financial Services	Higher rates of interest	(528)
Environmental Health	Homes for Ukraine £168k (carry forward required) and Homelessness £150k funding	(326)
Utilities	Savings due to pessimistic budget set at height of price volatility	(261)
Economic Development	Strategic Growth Board underspend £92k and Development Corporation £100k (carry forward, £50k in 2024/25 and £50k in 2025/26)	(192)
Depot & Contracts	Diesel savings due to falling prices and delay in introduction of HVO £91k, increased income from Garden Waste £50k and Edwalton Golf £22k	(163)
Total		(1,470)
Other minor variances		71
Total Variances		(259)

4.6 Additional savings arise from Nottinghamshire Business Rates Pool surplus £0.588m (plus savings on levy budgeted £0.599m), additional Government grants £0.219m.

- 4.7 The global pandemic, followed by the war in Ukraine and recent troubles in the Middle East has meant the economic environment remained volatile and as a result the capital value of some of the Council's Treasury Investments has fluctuated. This has been reported to Council, Cabinet and to Governance Group as part of the Council's normal reporting process. At 31 March 2024, the value of the investments shows an overall increase in value of £0.272m. There remains an overall decrease in capital value since the initial investment was made, although over time this is expected to improve. The Council has created a reserve totalling £1.173m to mitigate the potential impact on the General Fund. The position will be closely monitored as part of ongoing monitoring of the Council's Treasury Management position.

Business Rates and Council Tax

- 4.8 The Council ensured that applicable Business Rates reliefs were applied, resulting in 2,113 businesses benefitting from over £10.6m of additional rates relief.
- 4.9 As a result of two severe flooding events in the Borough, the Council has administered flood relief and grants to affected properties. In total £50k relief, as awarded to 87 Council Tax properties and £23k relief to 11 businesses. Grants totalling £86k were also processed in addition to the relief awarded.
- 4.10 A review of Council Tax single person discounts was undertaken in year generating additional Council tax revenue £0.175m (Councils share £17.5k).

REPF (Rural England Prosperity Fund) and UKSPF (UK Shared Prosperity Fund)

- 4.11 Over a three year period, the Council has received £2.571m UKSPF (capital and revenue funding) and £0.596m REPF (capital only). Schemes have commenced on both communities and place and business support projects, and a grant funding pot for local organisations and local businesses was launched for projects taking place in 2024/25, with applications closing on 19th January 2024 for projects to be delivered by the end of March 2025, 32 projects have been identified to be supported and grant contracts are being finalised. In addition a number of projects have been identified to be commissioned/delivered by the Council as agreed by Cabinet in February 2024. Once projects are finalised these will be incorporated into the Council's budget and monitored through usual financial reporting.

Streetwise

- 4.12 Following the decision to bring back in house the Streetwise service in September 2022, the service is set to deliver £200k transformational savings by 2024/25. As stated in Table 2 the anticipated 2023/24 efficiencies have been eroded by other pressures in addition, significant changes have taken place involving recruitment, works scheduling and revisiting income generating business as well as significant investment in plant, vehicles and office upgrades. A summary report was delivered in March 2024 to the Communities Scrutiny Group highlighting all the good work over the last 12 months.

Rushcliffe Oaks Crematorium

- 4.13 Rushcliffe Oaks Crematorium opened on 3 April 2023. To the end of 2023/24 505 cremations were carried out, 32 of which were direct (no service). Income has not been as high as projected; however, the service has covered its costs in its first year with an overall net surplus of £61k. The original business plan has been amended due to the impact of Covid which changed the anticipated demand assumptions, and this has been revisited for 2024/25 budget. The facility and team have received incredibly positive feedback from industry colleagues and people who have attended services. It will take time for the facility to become established and the team are working hard on building key relationships and growing the business.

Carbon Reduction

- 4.14 The Council is committed to achieving carbon neutral status by 2030 and has adopted a Carbon Management Action Plan to monitor progress. Set across eight broad themes, several projects are already underway to decarbonise the Council's property assets, fleet vehicles and update the Council's policy and regulation framework. Within the framework, there is a requirement for some carbon offsetting through the establishment of a range of habitats to promote ecological recovery. In the first instance this will be explored through the Council's own portfolio and collaboration with partner organisations, however, it may be necessary to, for example, purchase additional land, and an appropriation of £0.425m has been set aside from 2023/24 efficiencies for this purpose.

Reserves

- 4.15 There are a number of movements in revenue reserves largely agreed as part of the budget setting process and budget monitoring for 2023/24. A net transfer to earmarked reserves of £1.274m comprises: £1.958m transferred to reserves from revenue less £0.684m reserves used for capital. The overall net movement on revenue reserves are detailed at **Appendix B**. The key points to note are:
- There are a number of 'transfers out' or use of reserves totalling £3.111m including: £1.311m from the New Homes Bonus (NHB) reserve (used to offset the Minimum Revenue Provision (MRP), this is a requirement by legislation to make a charge to the revenue budget for the recovery of internal borrowing for capital expenditure £1.037m transferred from the Organisation Stabilisation Reserve for approved carry forwards from 2022/23; and £0.353m appropriated to meet the Collection Fund deficit.
 - There are a number of 'transfers in' totalling £5.069m that increases reserves. Significant items comprise: £1.663m net efficiencies to cover carry forward and reserve commitments; £1.414m NHB receipts; £1.267m for regeneration and community projects to support capital spending going forward.

Specific Reserves

4.16 Commentary on earmarked reserves:

- The NHB Reserve balance of £9.652m is used to fund internal borrowing in relation to capital projects (MRP Minimum Revenue Provision).
- The Collection Fund Reserve balance of £1.085m is earmarked for: prior year deficits; risks associated with the decommissioning of the Ratcliffe-on-Soar Power Station; and pending reforms to the Business Rates system.
- The Organisation Stabilisation Reserve Balance of £3.261 will partly be used to fund the carry forward requests of £0.369m and the transfers to reserves of £1.294m (Appendix E). This includes the ongoing impact of cost of living and inflation increases.
- The Climate Change Reserve (£0.201m) is proposed to be further boosted with £0.425m from 2023/24 underspends towards improving biodiversity net gain and this reserve also continues to contribute to the Council's ambitions to become carbon neutral. The Council has begun major re-enhancement works at Cotgrave and Keyworth Leisure Centres which will incorporate energy efficiency technologies and some funds have been used in year to match fund this work and for the Cenex fleet review. In addition, HUG 1 (Home Upgrade Grant) 1 and LAD 3 (Local Authority Delivery) green energy grant awards to owner/occupiers have been completed, this is fully funded with no recourse to draw from the reserve.

4.17 Overall, whilst the level of Earmarked Reserves is a healthy £20.947m (22/23 was £19.673m), there continue to be risks going forward with both inflationary cost pressures, the cost of living coupled with delayed reforms and uncertainty over funding in the longer term and the funding of future capital (exemplified in the MTFS with reserves anticipated to reduce to around £12m by 2028/29). The Council has its own targets to reduce carbon emissions and to grow the Borough and this comes at a cost to be funded from reserves. The repayment of internal borrowing (MRP) has been reliant on NHB receipts, and these are anticipated to cease at the end of 2024/25. The General Fund balance of £2.604m accords with the Council's approved MTFS.

Revenue carry forward requests and Reserve Commitments

4.18 The Council's robust financial position enables it to fund service demand or cost pressures not identified in the budget. Some of these have already been mentioned above (eg biodiversity net gain) but other pressures include replacing and upgrading the Council's finance and income systems and rising housing benefit costs (see paras 6.3 and 6.4). These will also put further pressure on the Council's budget going forward (at least £0.4m) and are outside of the Council's control. Even more efficiencies will be required going forward in updating the Council's MTFS. Other requests are where the Council has received external funding and the service delivery spans more than one year. Requests for the use of reserves in 2024/25 (from 2023/24 efficiencies) to support continuing cost pressures and delivery of the Council's priorities are shown in **Appendix E**.

Capital

4.19 The year-end Capital Programme provision totalled £12.462m (see Table 3 and Appendix C). Actual expenditure in relation to this provision totalled £6.752m (54% of the budget) giving rise to a variance of £5.710m, £4.168m of which is recommended to be carried forward.

The main underspends are as follows:

- The Crematorium £1.197m underspend; the final account has yet to be fully agreed however at least £0.797m is a recognised saving. £0.4m carry forward is requested for post opening enhancements and a potential VAT liability relating to partial exemption.
- Bingham Arena and Offices £0.928m underspend; the account is being finalised with indicated potential savings of £0.678m (this is in addition to the £0.730m underspend already diverted to support Cotgrave and Keyworth Leisure Centre upgrades), the remaining £0.250m is requested to be carried forward for post opening enhancements.
- Support for Registered Housing Providers £0.763m, carry forward is requested with meetings taking place with developers and Homes England to explore opportunities to commit the provision.
- Retrofit Grants £0.480m, this is a new initiative funded through Midlands Net Zero Hub to retrofit properties with energy saving measures and carbon reduction technologies. A contract for provision is in place and works will commence 2024/25, a carry forward is requested.

A summary of the main variances can be found in **Appendix E and F** including savings of £1.558m, overspends of £16k, and a net carry forward request of £4.168m. Details of all variances can be found in **Appendix C**.

Table 3: Capital Summary

EXPENDITURE SUMMARY	Original Budget £000	Current Budget £000	Actual £000	Variance £000
Development and Economic Growth	1,470	2,885	431	(2,454)
Neighbourhoods	7,796	9,044	6,095	(2,949)
Finance & Corporate Services	160	353	226	(127)
Contingency	150	180	0	(180)
Total Expenditure	9,576	12,462	6,752	(5,710)
Financing Analysis				
Capital Receipts	(3,387)	(6,115)	(3,026)	3,089
Government Grants	(795)	(3,111)	(2,540)	571
Use of Reserves	(1,450)	(842)	(684)	158
Grants/Contributions	0	(73)	(83)	(10)
Section 106 Monies	(2,944)	(2,321)	(419)	1,902
Borrowing	(1,000)	(0)	(0)	0
Total Funding	(9,576)	(12,462)	(6,752)	5,710
Net Expenditure	-	-	-	-

- 4.20 **Appendix D** shows the Outturn position on the **Special Expenses** budget. Budgets within the Special Expenses area are also exposed to cost-of-living risks as costs increase and income from facility hire impacted by the cost-of-living pressure of household income. The Special Expenses outturn budget deficit for West Bridgford is £8k. The total net deficit in the notional West Bridgford Fund as at 31 March 2023, is £0.134m comprising of an opening deficit of £0.138m adjusted for reduced annuity charges of £12k and the in-year deficit of £8k. The budgets are set using estimates and the timing of expenditure can result in variances against the budget and has resulted in the £8k deficit. The budget going forward will aim to ensure deficits are recovered.

Financial Outturn Conclusion

- 4.21 Despite the financial challenges experienced, prudent budgeting has negated the need to draw on reserves or to externally borrow. Inflation has now begun to fall; however, there remains a risk to both Council expenditure and to income receipts as household income contracts. Government funding reviews add a further level of uncertainty and risk making financial planning even more challenging. There are warning signs for the budget going forward with pressures on areas like planning and Streetwise and the impact of inflation impacting on contracts in areas such as finance and housing benefit payments affected.
- 4.22 The Council continues to drive efficiency and innovation and the Transformation and Efficiency Plan (now also incorporated into the Productivity Plan) includes projects over the medium term that continually challenge Council processes. Given the identified additional pressures the ability for the Council to drive more productivity is an increasing prerequisite.
- 4.23 Whilst the Council currently has a healthy reserves balance, this is a finite resource and reserves will diminish with unknown challenges on the horizon and the need to maintain the Council's assets. Reserves are necessary to insulate the Council against significant financial risks and enable the Council to deliver its corporate priorities, to improve services and invest and grow the Borough.
- 4.24 The year-end Financial Statements are subject to audit by Mazars and are anticipated to be considered by the Governance Scrutiny Group in September 2024.

5. Alternative options considered and reasons for rejection

There are no other options identified, subject to the views of Cabinet.

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 The transfer of the net surplus to reserves will relieve pressure on Council budgets such as system upgrades and service pressures arising post budget setting (as discussed in paragraphs 6.3 and 6.4 below) and carry forward of

budget efficiencies will assist the Council to meet its priorities to support and grow the Borough.

- 6.3 There is a need to replace key finance systems including the Income Management System and the main Financial Management System with projects commencing in 2024/25. Appropriations from underspends have been included in transfers to reserves in Appendix E totalling £0.331m; however, until the projects have been fully scoped and procured the resources required may alter, with the potential to increase further.
- 6.4 As a result of an increase in rent charges by a supported housing provider in the Borough, there is a pressure on the housing benefit budget as not all of this increase can be claimed through the Housing Benefits Subsidy. This is currently estimated to be a pressure of £0.235m per annum, however this is dependent upon a rent review by the Valuation Office Agency (VOA). An appropriation of £0.235m has been set aside from 2023/24 efficiencies to cover the expected 2024/25 shortfall. This is however, an ongoing pressure for future years and will need to be included in budget setting for 2025/26 onwards.
- 6.5 Changes in Central Government policy influences Business Rates received and their timing, for example policy changes on small Business Rates relief. There is also a risk from Government reform although as mentioned this is unlikely before 2026/27.
- 6.6 There is a continued risk from inflation to expenditure the Council incurs such as fuel and utilities but also on income from fees and charges. This is being closely monitored and if necessary, included in our normal financial reporting arrangements to Cabinet and Corporate Overview Group.
- 6.7 Recruitment continues to be challenging in the sector and this increases the pressure on the pay budgets and agency costs and the ability to deliver high quality services.
- 6.8 The Council needs to be properly insulated against such 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. The Council continues to ensure it is financially resilient at this most difficult of times.

7. Implications

7.1. Financial Implications

Financial implications are contained within the body of the report.

7.2. Legal Implications

There are no direct legal implications arising from this report.

7.3. Equalities Implications

There are no direct equalities implications arising from this report.

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

There are no direct Crime and Disorder implications arising from this report.

7.5. Bio Diversity Net Gain Implications

It is proposed to transfer funds in relation to bio diversity net gain (para 4.16) to help manage this risk in the future.

8. Link to Corporate Priorities

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

9. Recommendation

It is RECOMMENDED that Cabinet:

- a) notes the 2023/24 revenue position and efficiencies identified in **Table 1**, the variances in **Table 2** (and **Appendix A**);
- b) approves changes to the earmarked reserves as set out at **Appendix B** along with the carry forwards and appropriations to reserves in **Appendix E**;
- c) notes the re-profiled position on capital and approves the capital carry forwards outlined in **Appendix C** and summarised in **Appendix F**; and
- d) notes the update on the Special Expenses outturn at paragraph 4.20 and in **Appendix D**.

For more information contact:	Peter Linfield Director – Finance and Corporate Services 0115 914 8439 plinfield@rushcliffe.gov.uk
Background papers Available for Inspection:	Council 2 March 2023 – 2023-24 Budget and Financial Strategy; Cabinet September 2023 – Revenue and Capital Budget Monitoring Q1 Cabinet December 2023 – Revenue and Capital Budget Monitoring Q2 Cabinet March 2024 – Revenue and Capital Budget Monitoring Q3
List of appendices:	Appendix A – Revenue Variance Explanations Appendix B – Movement in Reserves Appendix C – Capital Variance Explanations Appendix D – Special Expenses Position Appendix E – Carry forward and reserve commitments Appendix F – Summary Capital carry forwards

Revenue Variance Explanations (over £25k)

Service	Income / Expenditure Type	Reason	Outturn Variance £'000
Legal Services	Supplies & Services	Property related legal claim and associated solicitors' fees	445
Planning	Income	Planning fees income reduced due to reduction in demand from new developments	351
Crematorium	Income	Income target not achieved in first year	274
Property Services	Income	Capitalisation of salaries associated with slippage in the capital programme	157
Depot & Contracts	Premises Related	Joint use agreement and utilities at Toothill	153
Streetwise	Transport Related and Employees Expenses	Legacy hire of vehicles £264k offset by salary savings due to in year vacancies and staff turnover £118k	131
Economic Development	Income	Service charges, these are offset by associated savings including utilities	104
Depot & Contracts	Employee related	Agency	90

ICT	Supplies & Services	Cost of implementing the outsourcing contract (salary savings less agency and first year contract cost)	60
Depot & Contracts	Transport Related	Price of rubber has increased, and replacement levels of tyres continue to be a budget pressure	56
Depot & Contracts	Supplies & Services	£33k car park SLA 22/23, increased charges partly offset by increase in income	52
Crematorium	Supplies & Services	Grounds maintenance works	46
Property Services	Supplies & Services	Tree works to be funded from reserves	45
Central Mail	Supplies & Services	Postage	40
Home Alarms	Supplies & Services		33
Home Alarms	Income	Delays during year in implementation of digital alarms which have higher service charge	32
TOTAL ADVERSE VARIANCES > £25k			2,069

Revenue Variance Explanations (over £25k)

Service	Income / Expenditure Type	Reason	Outturn Variance £'000
Financial Services	Income	Higher interest rates	(528)
Utilities	Premises Related	Savings due to pessimistic budget set at height of price volatility	(261)
Environmental Health	Income	Homes for Ukraine funding £168k requested to carry forward	(176)
Economic Development	Supplies & Services	Strategic Growth Board underspend £92k and Development Corporation £100k, both requested to carry forward (£50k in 2024/25 and £50k 2025/26)	(192)
Depot & Contracts	Income	Parkwood contract savings £91k, additional income for Garden Waste £50k and Edwalton Golf Course £22k	(162)
Strategic Housing	Income	Additional funding for homelessness applied in year	(150)
Depot & Contracts	Transport Related	Diesel prices have come down and delay in implementation of HVO conversion	(91)

Service	Income / Expenditure Type	Reason	Outturn Variance £'000
Community Development	Income	AGP pitches additional income £61k, Bio-diversity net gain grant £28k	(89)
Economic Development	Income	Rents in excess of budget mainly due to Bingham £27k (fully occupied), Hollygate Lane £19k (rent inc and 100% occupation), Bardon £14k (rent review)	(87)
Depot & Contracts	Third Party Payments	East Leake Leisure Centre utilities savings £70k, Eastcroft Depot rental £50k	(70)
Financial Services	Supplies & Services	Unrequired contingency	(65)
Safer Streets (External Funding)	Supplies & Services	Delays to some works around CCTV carry forward required	(60)
Financial Services	Employee Expenses	Revenues & Benefits disestablished post, Customer Services in year vacancies now filled	(52)
Planning	Supplies & Services	Uniper funding required to be carried forward	(50)
Licensing	Income	Taxi income above budget	(50)

Service	Income / Expenditure Type	Reason	Outturn Variance £'000
Planning	Employee Related	Secondment backfilled part time	(43)
Depot & Contracts	Supplies & Services	Savings on equipment and materials	(34)
Environmental Health	Employee Related	Staff changes resulting in vacancies and lower pay scales, offset by agency	(31)
Revenues & Benefits	Income	Costs recovered	(30)
TOTAL FAVOURABLE VARIANCES > £25k			(2,221)
OTHER MINOR VARIANCES			(107)
TOTAL VARIANCE			(259)

Movement in Reserves

Movement in Reserves	Balance at 31.03.23	Transfers in	Transfers out	Balance at 31.03.24	Transfers in notes	Transfers out notes
	£000	£000	£000	£000		
Investment Reserves						
Regeneration and Community Projects	2,112	1,267	(153)	3,226	Special expenses play area £75k, annuity charges £63k, regeneration and community projects capital £1m and Sinking funds; Hook £20k and, RCP £20k for skateboard parks, Cremator £14k, Edwalton Golf Course £25k, Gresham Pitches £50k	Transfer out for Boundary Road Play Area, Adbolton Play Area and Gamston Enhancements
Investment Properties Sinking Fund	549	325	(79)	795	To reserves from Investment Properties income	Tfr out to cover works at the Point and Colliers Business Park
New Homes Bonus	9,549	1,414	(1,311)	9,652	Receipt in year	To offset the impact of MRP
Corporate Reserves						
Organisation Stabilisation	2,635	1,663	(1,037)	3,261	From in-year efficiencies to meet c/f and reserve appropriations	£270k budgeted general fund deficit plus £502k agreed carry forwards cabinet 2022 and £265k trf from reserves (£10k

Movement in Reserves	Balance at 31.03.23	Transfers in	Transfers out	Balance at 31.03.24	Transfers in notes	Transfers out notes
						elections holiday pay, £204k payaward, £33k Council Tax Support Fund)
Climate Change	329	0	(128)	201		CLC enhancements 50% match funding £108k, £20k Cenex Review
Treasury Capital Depreciation Reserve (IFRS 9)	973	200	0	1,173	Top up reserve	
Collection Fund S31 Reserve	1,438	0	(353)	1,085		Planned release of grant to cover deficit in collection fund
Development Corporation	365	0	(165)	200		Transfer to revenue to cover expenditure incurred, £100k is requested to be returned in 23/24 trf to reserves £50k for 24/25 and £50k for 25/26
Risk and Insurance	100	0	0	100		
Planning Appeals	349	0	0	349		
Elections	201		(150)	51		Released to revenue to cover local council elections
Operating Reserves						
Planning	131	0	(75)	56		Intended for £25k Transport Assessment, £50k Design Code, this was funded from in year

Movement in Reserves	Balance at 31.03.23	Transfers in	Transfers out	Balance at 31.03.24	Transfers in notes	Transfers out notes
						budgets and required to be returned from underspend.
Leisure Centre Maintenance	57	15	(44)	28	Create a sinking fund for the athletics track and Hockey Pitch at Bingham Leisure Centre	Old Bingham Leisure Centre decommissioning
Vehicle Replacement Reserve	885	185	(300)	770	Top up for Streetwise vehicle replacement reserve	Acquisition of vehicle and plant from Streetwise
TOTAL	19,673	5,069	(3,795)	20,947		
General Fund Balance	2,604			2,604		

Capital Programme Summary March 2024

	Original Budget £000	Current Budget £000	Actual YTD £000	Variance £000	Carry fwd (C)/ Saving (S)/ Overspend (O)/ Acceln (A)	Notes
DEVELOPMENT AND ECONOMIC GROWTH						
Compton Acres Fencing Special Expense	30	30	21	(9)	S	Works complete £9k saving
Quantock Grove Bingham POS	20	0	0	0		Works accelerated and completed in 2022/23
REPF (Rural England Prosperity Fund) Capital Grants	0	149	76	(73)	C	REPF nearly wholly committed, two grants totalling £71k now due to be released in 24/25
UKSPF (UK Shared Prosperity Funding) Capital Grants	0	147	129	(18)	C	Grants committed
Manvers Business Park Enhancements	0	100	0	(100)	C	Roller Shutter vehicle doors tender early 2024; works to follow in 24/25, carry forward required.

U10 Moorbridge Enhancements	0	30	38	8	O	Additional enhancement works required including provision of accessible toilet and shower. Flooring work complete. Overspend arises from new signage and furniture. Further works identified as part of HSE review may require a future Capital Contingency allocation
Bridgford Park Kiosk	25	25	0	(25)	C	Planning approval obtained to construct a dedicated staff toilet for the kiosk. Building regs application to be made and works to be tendered. Carry forward required.
Colliers Business Park Enhancements	0	40	24	(16)	C	Contract let to install new water supply pipework to mitigate liability issues primarily completed. Additional Barriers and Bollards to be assessed (£10k). Carry forward required.
Abbey Circus Fencing Special Expense	35	35	23	(12)	S	Works complete £12k saving.
Highways Verges: Cotgrave/Bingham/CB	100	0	0	0		Officer investigation of sites continues to prioritise work plan. Highways Authority will need to be consulted. No commitments yet and £100k provision reprofiled to 24/25
Traveller Site Acquisition	1,000	0	0	0		The capital programme contained £1m for site acquisition and development. This has now been reprofiled to 24/25. A second call for sites in the Borough has been requested.
Cotgrave Phase 2	0	50	12	(38)	C	Main contract completed 21/22. Peripheral works still to be commissioned for the Public Realm: new path, landscaping, seating, and trees. These works to be tendered. Carry forward will be required to meet commitments.
Bingham Arena	0	833	(95)	(928)	C/S	Opened 20 February.2023. Final account agreed. £730k of this year's provision originally earmarked for post opening enhancements has been reprofiled to 24/25 and redirected to support works at CLC. Carry forward £250k required for

						post opening enhancements, remaining £678k released as a saving
Water Course Improvements	210	0	0	0		Works originally re-profiled to 2023-24 and packaged together with 2023-24 provision to achieve efficiencies. Potential to fund from UKSPF in 24/25 so has been rephased. Rugby Road bank planned.
The Point	50	95	55	(40)	C	Balcony work completed; common area lighting and ramp roller shutter to be done. Carry forward required.
Bingham Market Place Improvements	0	68	62	(6)	C	Works complete; paving enhancements may be needed in 24/25 carry forward required.
West Bridgford Town Centre Environmental Improvements	0	10	10	0		Upgrade to WBTC Railings fully funded from UKSPF.
Rushcliffe Oaks Crematorium	0	1,273	76	(1,197)	C/S	Total provision including purchase of the land £8.5m. Building operational early Apr. Credit arises from over accrual for Cremator 22/23. This year's programme included a provision of £783k for the potential repayment of VAT in the event that we breached the partial exemption threshold. The threshold will not now be breached giving rise to a saving. There may be a potential VAT liability in 24/25 of approx. £150k which will need to be carried forward - this will continue to be monitored. A carry forward sum of £250k also be required sum for post opening enhancements. The remaining £797k is a saving (based on accrual of worst case final account figure) so this may be more.
Keyworth Cemetery	0	0	0	0		Surveys undertaken. Works to be agreed with the Diocese. Quotes to be sourced. No commitments yet. £25k provision rephased to 24/25.

	1,470	2,885	431	(2,454)		
NEIGHBOURHOODS						
Vehicle Replacement	1,150	2,521	2,328	(193)	C	9 Refuse Collection vehicles acquired; 1 sweeper procured for Streetwise operations plus 1 to be delivered 24/25; plant and equipment for Streetwise bought outright from leasing arrangement. Carry forward required to meet commitments.
Support for Registered Housing Providers	2,623	1,179	416	(763)	C	Payments: £56k practical completion 7 units affordable housing on Garage Sites Ph 2 (£24k due in 24-25 for remaining 3 units); £340k for 4 units Nicker Hill; Meetings taking place with RPs/Developers and Homes England to explore opportunities to commit the provision. Carry forward balance to future years.
Discretionary Top Ups	0	98	102	4		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. £4k overspend to be covered by underspend on DFGs.
Disabled Facilities Grants	945	1,202	894	(308)	C	There is continued pressure on the Mandatory DFG provision. An additional allocation of £66k was made by DLUCH for 23/24 but RBC has had to commit its own resources to support service delivery. The underspend is committed to grants approved and a net carry forward of £304k is needed.
Hound Lodge Enhancements	250	0	0	0		The future of Hound Lodge is currently being assessed. Sum not committed. £250k provision rephased to 24/25.
Arena Enhancements	28	128	59	(69)	C/S	Some work required to upgrade reception and corridor floors. Work also to be undertaken on fire dampers. Carry forward of £65k required. £4k saving realised.

Car Park Resurfacing	0	96	17	(79)	C	Bridgford Road works now to commence early 24-25. Carry forward required.
Cotgrave & Keyworth Leisure Centre Enhancements	1,395	1,526	1,265	(261)	C	Work in progress. Salix Grant Funding of £1.215m awarded which needs 12% match funding £146k from the Climate Change Reserve. £1.5m of provision rephased to 24/25.
Edwalton Golf Club Enhancements	30	0	0	0		Sum not yet committed. £30k provision to convert flat rephased to 24/25. However, flooding issues need to be addressed first and are currently being assessed with a view to establishing a costed action plan for the proposed works.
Old Bingham Leisure Centre Improvements	0	42	44	2	O	£30k re-profiled to 23-24 pending options assessment.
SAFE4HEARTS UK Shared Prosperity Funded	0	18	15	(3)	C	New initiative supported by UKSPF funding. Provision of defibrillators to Community and other buildings. Carry forward required to meet commitments.
Gresham Sports Park Redevelopment	100	139	71	(68)	C	Swale works being undertaken. £10k expenditure on core cable replacement to lighting. CCTV cameras need replacing and quotes obtained. Carry forward of £60k required plus £8k to be redirected to RCP Play Area.
RETROFIT Grants	0	480	0	(480)	C	New Initiative funded through Midlands Net Zero Hub. Contract in place. Works will commence in 24/25 carry forward required.
Gamston Community Centre Enhancements Special Expense	50	6	3	(3)	S	To support any carbon reduction work, to be lead by the environmental energy audit. £3k spent on electric replacement of gas water heater. Potential government grant funding to be made available for Community Halls. £50k of the provision rephased to 24/25.
Lutterell Hall Enhancements Special Expense	0	77	0	(77)	C/S	Sum not yet committed £50k carry forward requested, £27k released as a saving

HUG1 (Home Upgrade Grants) and LAD3 (Local Authority Delivery) Green Energy Grants	0	455	435	(20)	S	New initiative, fully funded by Government Grants. Funds were to be spent by 31 March 2023 but deadlines extended: HUG1 31 May 2023 and LAD3 30 Sept 2023. Schemes complete £20k underspend.
HUG2 (Home Upgrade Grants) Green Energy Grants	0	356	0	(356)	C	New initiative, fully funded by Government Grant. Works to commence in 24/25 carry forward required.
Gresham Sports Pavilion	50	73	79	6	O	Flooring works complete at £7k. Changing Places Toilet works complete £55k. Overspend. Risk and cost pressure associated with Legionella investigation.
Rushcliffe Country Park Play Area	100	100	3	(97)	C	Tendered and works to commence Q1 24/25. Carry forward required plus £8k from the underspend on Gresham Spots Park Redevelopment.
Rushcliffe Country Park Visitor Centre	0	161	161	0		Development works complete, opening ceremony took place Oct 22. Footpath now complete; £28k for Sail Canopies funded from a Will Benefactor. Zero discharge toilet completed. Additional path work undertaken funded from UKSPF.
External Door/Window Upgrades Various Sites	0	46	0	(46)	C	To be undertaken ad hoc, U10 Moorbridge is next. Carry forward required.
Sharphill Wood Paths	0	17	10	(7)	C	New scheme to create stone footpath fully funded from UKSPF.
Capital Grant Funding	0	15	15	0		Grant scheme now closed.
Edwalton Community Facility Spec Exp	500	2	0	(2)	C	Planning application fee processed Oct Planning Committee. Works have to align with the build out of the site. £498k of the provision already rephased to 24/25. Negotiations about the build/acquisition ongoing.

Adbolton Play Area Spec Exp	0	87	87	0		Works complete.
Greythorn Drive Play Area Spec Exp	75	105	3	(102)	C	Scheme to be funded from S106 Contribution. Works to start Q1 24/25. Carry forward required.
Bridgford Park Play Area Spec Exp	0	10	0	(10)	C	Minor expenditure written off to revenue. £10k to be carried forward to support Play Area Special Expense schemes in 24/25.
Boundary Road Play Area	0	70	63	(7)	S	Work completed. Carry forward balance to support Play Area Special Expense schemes in 24/25
West Park Julien Cahn Pavilion Special Expense	500	35	25	(10)	C	£15k enhancements carried out. £10k additional budget from English Cricket Board for Cricket Wicket. £475k of the provision rephased to 24/25.
	7,796	9,044	6,095	(2,949)		
FINANCE & CORPORATE SERVICES						
Information Systems Strategy	160	353	226	(127)	C	Rollout of the ICT Alignment Strategy to meet business needs and embrace changing technology. Cloud Based Solutions now being assessed. £126k carry forward required.
	160	353	226	(127)		
CONTINGENCY						
Contingency	150	180	0	(180)	C	Budget movement: Original Budget £150k £100k brought forward from 22-23 £30k allocation U10 Moorbridge; £40k allocation Colliers BP.
	150	180	0	(180)		
TOTAL	9,576	12,462	6,752	(5,710)		

Special Expenses Outturn 2023/24

	Original Budget £	Outturn Actuals £	Outturn Variance £	Reasons for variance
<u>West Bridgford</u>				
Parks & Playing Fields	438,100	442,222	4,122	Maintenance works including benches
West Bridgford Town Centre	92,100	95,442	3,342	Christmas lights switch on
Community Halls	96,900	104,962	8,062	Mainly due to shortfall in room hire at Gamston offset by small savings
Contingency	14,700	5,900	(8,800)	unrequired contingencies spend was for illegal encampment
Annuity Charges	100,100	100,100	0	
RCCO	75,000	75,000	0	
Sinking Fund (The Hook)	20,000	20,000	0	
Total	836,900	843,626	6,726	
<u>Keyworth</u>				
Cemetery & Annuity Charges	12,700	11,507	(1,193)	
Total	12,700	11,507	(1,193)	
<u>Ruddington</u>				
Cemetery & Annuity Charges	11,100	13,273	2,173	
Total	11,100	13,273	2,173	
TOTAL SPECIAL EXPENSES	860,700	868,406	7,706	

Carry Forwards and Reserve Commitments

Carry forward to 24/25		£'000
Safer Streets (externally funded)		57
Homes 4 Ukraine (external funding)		168
Streetwise sale of equipment replacements required		13
Uniper (external funding)		50
Household Support Fund 4 (external funding)		6
Environmental Health Agency Staff		75
Total carry forwards		369
Appropriation to/(from Reserves)		
Tree survey repair works		(45)
Climate change reserve – Arena CHP & PV survey		(8)
Land acquisition for biodiversity net gain		425
Housing benefit supported accommodation rent increase potential subsidy loss		235
Finance system replacement		200
Development Corporation		100
Planning reserve transfer underspend		75
Income management replacement		131
New Homes Bonus (MRP underspend)		56
Increase sinking fund Cremator		36
Relocation of customer contact centre		25
Bridgford Hall fire doors remedial works		25
Woodland Planting (match external funding)		16
Smoke Control Grants (external funding)		12
Edwalton Golf Course flood prevention measures		11
Total Reserves Appropriations		1,294
Total Carry Forwards and Reserves Commitments		1,663

Summary capital variances

Variance Analysis 23-24		£000
CARRY FORWARDS:		
REPF Capital Grants		(73)
UKSPF Capital Grants		(18)
Manvers Business Park Enhancements		(100)
Bridgford Park Kiosk		(25)
Colliers Business Park Enhancement		(16)
Cotgrave Phase 2		(38)
Bingham Arena		(250)
The Point		(40)
Bingham Market Place Improvements		(6)
Rushcliffe Oaks Crematorium		(400)
Vehicle Replacement		(193)
Support for Registered Housing Providers		(763)
Disabled Facilities Grants		(304)
Arena Enhancements		(65)
Car Park Resurfacing		(79)
Cotgrave & Keyworth Leisure Centre Enhancements		(261)
Safe4Hearts – UKSPF funded		(3)
Gresham Sports Park Redevelopment		(68)
RCP Play Area		(97)
Retrofit Grants		(480)
Lutterell Hall Enhancements Special Expense		(50)
HUG Green Energy Grants		(356)
External Door/Window Upgrades		(46)
Sharphill Wood Paths – UKSPF funded		(7)
Edwalton Community Facility Special Expense		(2)
Greythorn Drive Play Area Special Expense		(102)
Bridgford Park Play Area Special Expense		(10)
West Park Sir Julien Cahn Pavilion Special Expense		(10)
Information Systems Strategy		(126)
Contingency		(180)
	Sub-total	(4,168)
SAVINGS:		
Compton Acres Fencing Special Expense		(9)
Abbey Circus Fencing Special Expense		(12)
Bingham Arena		(678)
Rushcliffe Oaks Crematorium		(797)
Arena Enhancements		(4)
Gamston Community Centre Enhancements Special Expense		(3)
Lutterell Hall		(27)
HUG1 and LAD3 Grants		(20)
Boundary Road Play Area		(7)
Information Systems Strategy		(1)
	Sub-total	(1,558)
OVERSPEND:		
U10 Moorbridge Enhancements		8
Old Bingham Leisure Centre Improvements		2
Gresham Sports Pavilion		6
	Sub-total	16
ACCELERATION:		
	Sub-total	0
	TOTAL	(5,710)