

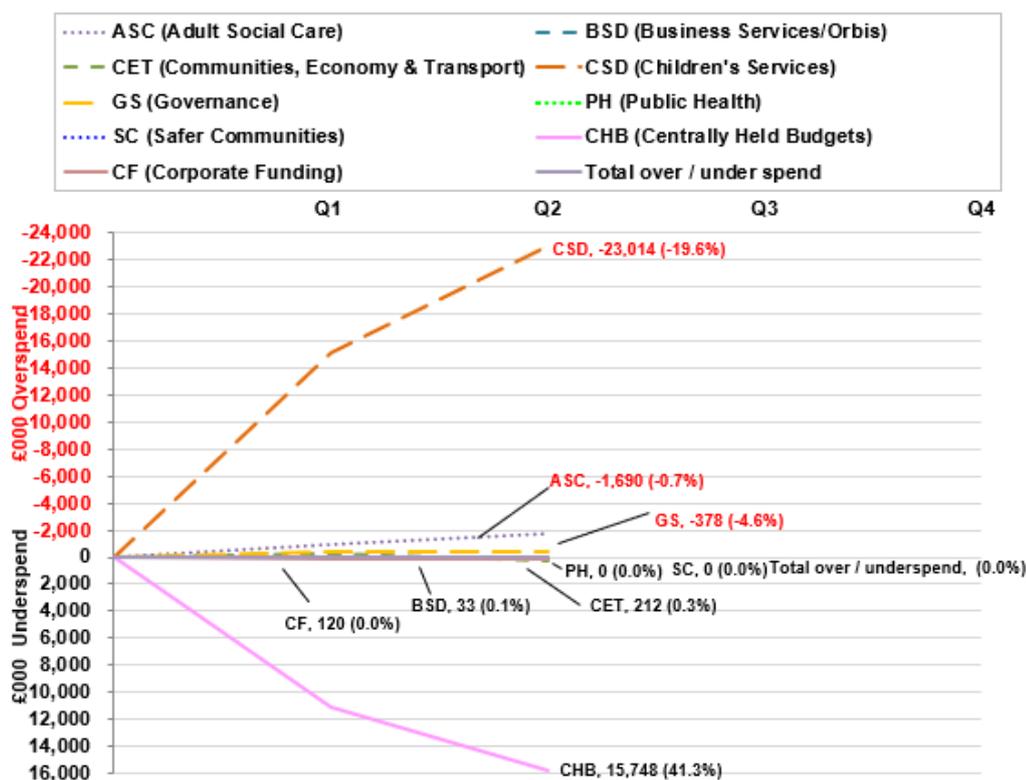
Council Monitoring Corporate Summary – Q2 2023/24

Council Plan performance targets

Priority	Red	Amber	Green
Driving sustainable economic growth	1	3	21
Keeping vulnerable people safe	2	0	10
Helping people help themselves	1	3	11
Making best use of resources now and for the future	1	1	5
Total	5	7	47

Performance overview Q1 2023/24	Performance overview Q2 2023/24	Measures off target by department
<p>Green, 52, 88% Amber, 5, 9% Red, 2, 3%</p>	<p>Green, 47, 80% Amber, 7, 12% Red, 5, 8%</p>	<p>There are 59 measures in the Council Plan. In Q2, 4 departments had measures that were off target.</p> <p>ASCH – 1 Red measure, 3 Amber measures</p> <p>BSD – 1 Red measure, 1 Amber measure</p> <p>CET – 1 Red measure</p> <p>CSD – 2 Red measures, 3 Amber measures</p>

Revenue budget outturn (net £000)



Revenue budget summary (£000) 2023/24**Services:**

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Adult Social Care	338,484	(105,448)	233,036	371,757	(137,031)	234,726	(33,273)	31,583	(1,690)
Safer Communities	2,030	(909)	1,121	2,236	(1,115)	1,121	(206)	206	-
Public Health	33,777	(33,777)	-	32,950	(32,950)	-	827	(827)	-
Business Services / Orbis	54,595	(26,729)	27,866	55,903	(28,070)	27,833	(1,308)	1,341	33
Children's Services	401,587	(284,187)	117,400	429,376	(288,962)	140,414	(27,789)	4,775	(23,014)
Communities, Economy & Transport	160,804	(88,403)	72,401	162,280	(90,091)	72,189	(1,476)	1,688	212
Governance Services	8,911	(738)	8,173	9,308	(757)	8,551	(397)	19	(378)
Total Services	1,000,188	(540,191)	459,997	1,063,810	(578,976)	484,834	(63,622)	38,785	(24,837)

Centrally Held Budgets (CHB):

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Treasury Management	21,630	(7,700)	13,930	19,031	(12,230)	6,801	2,599	4,530	7,129
Capital Programme	-	-	-	-	-	-	-	-	-
Unfunded Pensions	5,202	-	5,202	4,653	-	4,653	549	-	549
General Contingency	4,880	-	4,880	-	-	-	4,880	-	4,880
Provision for Budgetary Risks	4,272	-	4,272	740	-	740	3,532	-	3,532
Apprenticeship Levy	772	-	772	741	-	741	31	-	31
Levies, Grants & Other	14,845	(5,779)	9,066	14,700	(5,917)	8,783	145	138	283
Debt Impairment	-	-	-	656	-	656	(656)	-	(656)
Total Centrally Held Budgets	51,601	(13,479)	38,122	40,521	(18,147)	22,374	11,080	4,668	15,748

Corporate Funding:

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
Business Rates	-	(94,336)	(94,336)	-	(94,336)	(94,336)	-	-	-
Revenue Support Grant	-	(4,076)	(4,076)	-	(4,076)	(4,076)	-	-	-
Service Grant	-	(2,916)	(2,916)	-	(3,036)	(3,036)	-	120	120
Council Tax	-	(351,828)	(351,828)	-	(351,828)	(351,828)	-	-	-
Social Care Grant	-	(44,612)	(44,612)	-	(44,612)	(44,612)	-	-	-
New Homes Bonus	-	(351)	(351)	-	(351)	(351)	-	-	-
Total Corporate Funding	-	(498,119)	(498,119)	-	(498,239)	(498,239)	-	120	120

Divisions	Planned Gross	Planned Income	Planned Net	Projected Gross	Projected Income	Projected Net	(Over)/ under spend Gross	(Over)/ under spend Income	(Over)/ under spend Net
TOTAL	1,051,789	(1,051,789)	0	1,104,331	(1,095,362)	8,969	(52,542)	43,573	(8,969)
Use of Covid funding	-	-	-	-	(5,666)	(5,666)	-	5,666	5,666
Use of COMF	-	-	-	-	(1,596)	(1,596)	-	1,596	1,596
Use of Financial Management Reserve	-	-	-	-	(1,707)	(1,707)	-	1,707	1,707
FINAL TOTAL	1,051,789	(1,051,789)	0	1,104,331	(1,104,331)	0	(52,542)	52,542	0

Revenue Savings Summary 2023/24 (£'000)

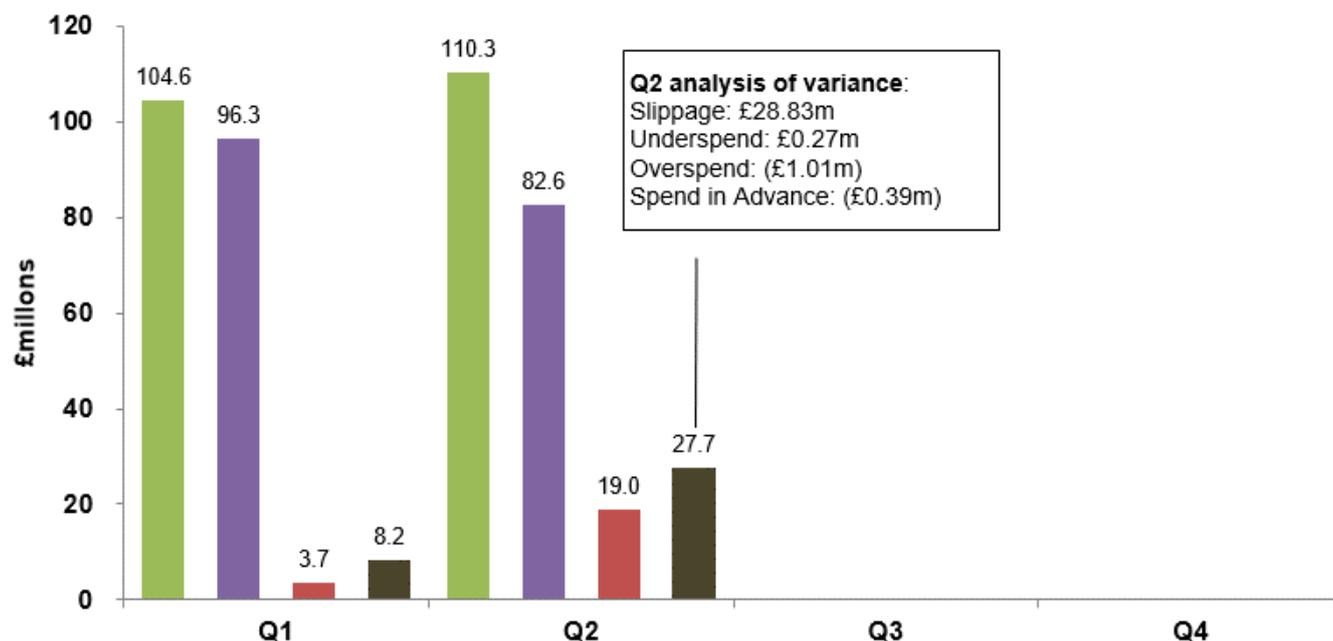
Service description	Original Target for 2023/24	Target including items c/f from previous year(s)	Achieved in-year	Will be achieved, but in future years	Cannot be achieved
ASC	-	-	-	-	-
BSD / Orbis	869	869	659	210	-
CS	-	-	-	-	-
CET	105	910	105	745	60
GS	-	-	-	-	-
Total Savings	974	1,779	764	955	60
ASC			-	-	-
BSD / Orbis			-	-	-
CS			-	-	-
CET			-	-	-
GS			-	-	-
Subtotal Permanent Changes ¹			0	0	0
Total Savings & Permanent Changes	974	1,779	764	955	60

Memo: treatment of savings not achieved in the year (£'000)	Temporary Funding ²	Part of reported variance ³	Total
ASC	-	-	0
BSD / Orbis	210	-	210
CS	-	-	0
CET	745	60	805
GS	-	-	0
Total	955	60	1,015

¹ Where agreed savings are reasonably unable to be achieved other permanent savings are required to be identified and approved via quarterly monitoring.

² Temporary funding will only replace a slipped or unachieved saving for one year. The saving will still need to be made in future years (or be replaced with something else).

³ The slipped or unachieved saving will form part of the department's overall variance. It will either increase an overspend or decrease an underspend. The saving will still need to be made in future years (or be replaced with something else).

Capital Programme (gross £ millions) – approved projectsKey: ■ Current budget ■ Forecast ■ Actuals ■ Variance**Capital Programme Summary 2023/24 (£'000)**

	Budget Q2	Actual to date Q2	Projected 2023/24	Variation (Over) / under Q2 budget	Variation analysis: (Over) / under spend	Variation analysis: Slippage to future year	Variation analysis: Spend in advance
Adult Social Care	2,367	257	1,259	1,108	-	1,108	-
Business Services	30,175	7,541	21,380	8,795	269	8,773	(247)
Children's Services	1,215	336	1,447	(232)	(232)	-	-
Communities, Economy & Transport	76,505	10,915	58,484	18,021	(781)	18,949	(147)
Gross Expenditure (Planned Programme)	110,262	19,049	82,570	27,692	(744)	28,830	(394)
Section 106 and CIL	2,548	-	-	-	-	-	-
Other Specific Funding	16,257	-	-	-	-	-	-
Capital Receipts	817	-	-	-	-	-	-
Formula Grants	31,966	-	-	-	-	-	-
Reserves and Revenue Set Aside	20,369	-	-	-	-	-	-
Borrowing	38,305	-	-	-	-	-	-
Total Funding	110,262	-	-	-	-	-	-

Treasury Management

The Treasury Management Strategy (TMS), which provides the framework for managing the Council's cash balances and borrowing requirement, continues to reflect a policy of ensuring minimum risk, whilst aiming to deliver secure realistic investment income on the Council's cash balances.

The average level of Council funds available for investment purposes during Q2 was £293.169m. The total amount received in short term interest for Q2 was £3.540m at an average rate of 4.79%, compared to £3.058m at an average rate of 4.19% for Q1 2023/24. The anticipated average investment return for the year is currently 5.37%, from the 4.45% assumed at budget setting, based on the latest forecasts from our external treasury management advisors.

The Bank of England Base Rate was increased once in Q2 on the 3 August 2023 to 5.25%. The investment return outlook has improved however, the potential for increased interest rates into the future has reduced. 5.25% is expected to be the peak and the latest forecasts suggest marginal decreases in the bank rate from September 2024. Where possible a number of fixed term deposits with banks were placed for periods up to 1 year in Q2 at improved rates. These investments have been 'laddered' and will mature at different intervals in the next 12 months. This will take advantage of securing investment returns in future quarters.

In seeking investment opportunities, as defined by the TMS, opportunities have been taken to reinvest in maturing bank deposits that aligns to the United Nations' Sustainable Development Goals (SDGs). In Q2, a total of £18m was reinvested for a duration of six months, maintaining the £30m placed for investment in SDG deposits. We will look to place deals maturing with other local authorities in Q3 if the rates are favourable compared to traditional bank deposits.

No short-term borrowing was required in Q2. The majority of the Council's external debt, totalling £216.6m at Q2, is held as long-term loans. No long-term borrowing was undertaken in Q2, and no further cost-effective opportunities have arisen during Q2 to restructure the existing Public Works Loan Board (PWLB) or wider debt portfolio.

The Treasury Management budget is currently forecasting to underspend by £7.1m. This is based on the position outlined above with regard to balances held and investment returns and slippage on the capital programme reducing the need to borrow externally in 2023/24.

The performance of the Council's treasury management activity, against benchmarks and the key indicators set in the Treasury Management Strategy, as approved by Full Council on 7 February 2023, are set out at Appendix 2.

Reserves and Balances 2023/24 (£000)

Reserve / Balance	Balance at 1 Apr 2023	Forecast net use at Q1	Forecast net use at Q2	Movement	Estimated balance at 31 Mar 2024
Statutorily ringfenced or held on behalf of others:					
Balances held by schools	20,082	-	-	-	20,082
Public Health	7,812	(1,704)	(1,704)	-	6,108
Other	6,983	(821)	(882)	(61)	6,101
Subtotal	34,877	(2,525)	(2,586)	(61)	32,291
Service Reserves:					
Corporate Waste	19,883	(470)	(470)	-	19,413
Capital Programme	13,425	(4,062)	(4,062)	-	9,363
Insurance	7,363	133	133	-	7,496
Adult Social Care	3,099	-	-	-	3,099
Subtotal	43,770	(4,399)	(4,399)	-	39,371
Strategic Reserves:					
Priority / Transformation	17,398	(5,894)	(11,469)	(5,575)	5,929
Financial Management	41,880	(9,583)	(8,397) ¹	1,186	33,483
Subtotal	59,278	(15,477)	(19,866)	(4,389)	39,412
Total Reserves	137,925	(22,401)	(26,851)	(4,450)	111,074
General Fund	10,000	-	-	-	10,000
Total Reserves and Balances	147,925	(22,401)	(26,851)	(4,450)	121,074

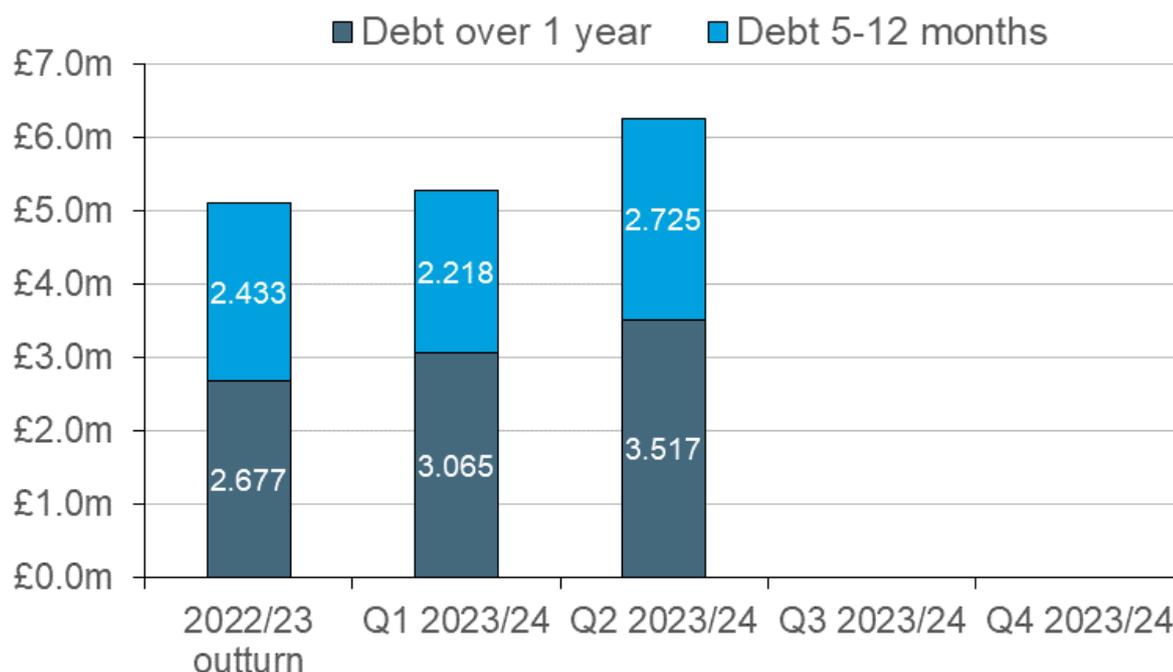
¹ Currently excludes any transfers relating to Q2 variances

Changes to Fees & Charges

Bikeability provides cycle safety training. During the quarter there was an approved change to the fee structure to schools, resulting in an increase of over 4% for two courses:

Course	Current Price	Proposed Price	Equivalent proposed price per person (£) *	Equivalent movement per person (£)	Movement (%)
Bike balance	£7.50 per child	£100 per class of 10 (4x30min)	£10.00	£2.50	33.3%
Beginners Group (Learn to Ride)	£12 pp (1h)	£75 per class of 6 (1h)	£12.50	£0.50	4.2%

*This is the minimum charge per person; if the class is below the maximum people allowed then the charge per person increases.

Outstanding debt analysis (£ millions)

The value of debt aged over 5 months at Quarter 2 has increased by £1.132m to £6.242m, compared to the 2022/23 outturn position of £5.110m.

£5.836m (93.48%) relates to Adult Social Care (ASC), which has increased by £1.621m compared to the 2022/23 outturn position of £4.215m. £0.473m of this increase relates to income due from the NHS Integrated Care Board (ICB).

The debt over 5 months related to income due to other departments has decreased by £0.489m to £0.406m at Q2, compared with the 2022/23 outturn position of £0.895m.

Recovery of debt continues to be a high priority focus. A debt working group has been set up to review the overall debt position and identify any mitigating actions that can be taken forward. A monthly ASC debt panel is also being introduced that will review complex and ongoing cases and ensure the most appropriate steps are taken to recover debt.