

## Appendix A. Q2 Budget Report 2018/19

### 1 REVENUE MONITORING

#### 1.1 The Budget – what is the current budget?

- 1.1.1 The current budget is that approved by Council/Cabinet as shown in the Quarter 1 Financial Management Report on 21<sup>st</sup> August 2018 (report No. 135/2018) and subsequently amended following changes made by Cabinet/Council as set out in Appendix B and summarised in the table below.

<b>Reconciliation of approved budget to current budget</b>	<b>£000</b>	<b>£000</b>
<b>Approved Net Cost of Services (135/2018)</b>		<b>37,679</b>
Changes already approved (as listed in Appendix B) (£37,679k to £37,947k)		268
Changes in this quarter for approval by Cabinet/Council (as listed in Appendix B)		140
<b>Current Net Cost of Services</b>		<b>38,087</b>
<b>Approved (Surplus)/Deficit (147/2017)</b>	<b>139</b>	
Changes in this quarter – grant income	(50)	
<b>Current (Surplus)/Deficit</b>	<b>89</b>	

#### 1.2 Overall Position – are we on track to achieve budget?

- 1.2.1 The table in para 1.2.2 sets out the Council's forecast revenue outturn for 31 March 2019 as at the end of September (Quarter 2). The Q2 revenue position is that the Council is forecasting a surplus of £267k compared to a budgeted deficit of £89k. The Council is in overall terms £356k under budget, a change of £251k since Q1.

1.2.2 The Revenue budget position at Q2 is as follows:

	Ref	Budget (Report 135/2018)	Revised Budget	Q1 Forecast Outturn	Q2 Forecast Outturn	Latest Forecast Year End Variance
		£000	£000	£000	£000	£000
People		18,284	18,687	17,454	18,129	(558)
Places		12,269	12,313	12,118	12,257	(56)
Resources		6,921	6,882	6,717	6,485	(397)
<b>Directorate Totals</b>	A,B,C	<b>37,474</b>	<b>37,882</b>	<b>36,289</b>	<b>36,871</b>	<b>(1,011)</b>
Pay Inflation		21	21	0	0	(21)
Social Care Contingency		184	184	0	0	(184)
<b>Net Cost of Services</b>		<b>37,679</b>	<b>38,087</b>	<b>36,289</b>	<b>36,871</b>	<b>(1,216)</b>
Appropriations		(2,241)	(2,241)	(2,241)	(2,241)	0
Capital Financing		1,644	1,644	1,644	1,644	0
Interest Receivable	D	(210)	(210)	(240)	(240)	(30)
<b>Net Operating Expenditure</b>		<b>36,872</b>	<b>37,280</b>	<b>35,452</b>	<b>36,034</b>	<b>(1,246)</b>
Financing		(34,610)	(34,795)	(34,615)	(34,800)	(5)
Transfers to/(from) reserves	A,E,F	(2,123)	(2,421)	(853)	(1,526)	895
Revenue Contribution to Capital	E	0	25	0	25	0
<b>(Surplus)/Deficit</b>	<b>A</b>	<b>139</b>	<b>89</b>	<b>(16)</b>	<b>(267)</b>	<b>(356)</b>
<b>General Fund 1 April 2018</b>		<b>(8,978)</b>	<b>(8,978)</b>	<b>(8,978)</b>	<b>(8,978)</b>	<b>0</b>
<b>General Fund 31 March 2019</b>		<b>(8,839)</b>	<b>(8,889)</b>	<b>(8,994)</b>	<b>(9,245)</b>	<b>(356)</b>

1.2.3 The key points to note are:

A The budget has been changed to reflect the additional use of earmarked reserves and the receipt of additional grant funding as detailed in Appendices B and C. The main change is the use of £268k of Better Care Fund reserve as approved by the Partnership Board. Confirmation of school improvement grant funding of £50k (assumed to be £0 in the approved budget) serves to reduce the current budget deficit;

B At Directorate level, the net position is an under spend of just over £1m which is only £174k different to Q1. The key underspends relate to lower

needs in children's services, transport and financial support; ring fenced budgets (public health and BCF); and resources underspends from staffing and ROPE.

- C There are 7 functional areas where forecast overspends are more than £25k over budget. As highlighted at Q1, the main emerging pressure that could impact beyond 2018/19 relates to waste management. Details are given in para 1.3.6
- D Income received on investments has continued to be better than predicted and it is anticipated that this will be over achieved by £30k.
- E The Chief Executive has approved the use of £25k from the Invest to Save reserve to fund capital works for the King Centre Phase 2B (see para 2.2.1).
- F At Q1 it was proposed to transfer any underspends in demand led areas to reserves as the Medium Term Financial Plan shows anticipated growth requirements in these services. The underspends reported at Q2 are £622k (including the social care contingency)

### 1.3 Directorate spend – what's the latest position at directorate level?

- 1.3.1 A full analysis of Directorate performance in respect of each function is provided in the accompanying Budget Excel file which is available on the Council website at:

[http://www.rutland.gov.uk/council\\_and\\_democracy/council\\_budgets\\_and\\_spending.aspx](http://www.rutland.gov.uk/council_and_democracy/council_budgets_and_spending.aspx)

#### ***People Directorate***

- 1.3.2 The People Directorate is forecast to be £558k under budget. The forecast variance is £272k less than the £830k variance estimated at Q1.
- 1.3.3 Within the Directorate forecast there are some significant over and under spends as follows:
  - (i) An underspend on the Better Care Fund of £115k (a slight increase of £5k on Q1). The Better Care Fund is a ringfenced grant and any under spend will be transferred to reserves at year end for use in future years. The forecast under spend is due to delays in the start of some schemes;
  - (ii) Directorate Management costs are forecast to be underspent by £45k due to staff vacancies;
  - (iii) The underspend on Adult Social Care of £46k is a decrease on that estimated at Q1 of £295k. This is mainly due to an increase in spend on Residential and Nursing (£297k) as a result of additional high cost

placements in both Older People and Learning Disabilities along with a reduction in income from the loss of nine substantial contributors;

- (iv) The Learning and Skills forecast underspend has increased by £39k from that reported at Q1. The underspend is as a result of staff vacancies; and
- (v) The Childrens services forecast underspend is £311k mainly as a result of reductions in requirements for Fostering services as children have been able to return home and an expensive care package for Children with Disabilities which is no longer required.

### **Resources Directorate**

1.3.4 The Resources Directorate is forecasting to be £397k under budget. A movement of £193k from the £204k estimated at Q1.

1.3.5 The main underspends are as follows:

- All expenditure on the ROPE project continues to be funded from external sources (grant, MOD) other than c£20k for work needed to access LEP growth funding. This leaves an £80k underspend on ROPE. At Q1, the ROPE budget was forecast to be spent in full;
- There is a £40k under spend on the HR policy budget (this is likely to be reduced next year);
- There are some savings on the Apprenticeship Levy (£22k – the levy reduces when staff costs are lower through vacancies) and Pension costs (£15k);
- Business support is underspent by £63k through staff savings including amalgamation of two posts following departure of the Business Support Manager;
- There are vacancy savings in Revenues and Benefits of c70k (this has increased since Q1 and will lead to a reduction in the team of 1 FTE in 19/20);
- There is one management team post currently vacant which will not be replaced in the near future giving a c£66k saving. The Q1 forecast assumed the post would be filled which is now not the case;
- The only area where there is potential overspend (currently estimated at £50k) is Legal. This budget is unpredictable and costs associated with additional local planning advice and tribunal claims may cause a pressure. Delivery of legal services has been under review and we have agreed to employ a Solicitor from the budget set aside for Peterborough. This post is expected to better manage the Peterborough contract to keep costs low, improve service responsiveness and deliver additional legal advice in house.

## **Places Directorate**

1.3.6 Whilst in overall terms, the Places Directorate is under budget by £56k, the carry forward of underspends from some functions into the next financial year of £170k results in an actual overspend of £114k. The key movements in forecast are as follows:

- (i) Waste Management overspend of £138k has not changed since reported at Q1, and is due to waste disposal costs for disposals of paint and other chemicals plus a fall in market price of recyclables in mixed paper and cardboards;
- (ii) Commercial Properties £53k overspend (as reported at Q1), is due to loss of income as a result of a number of void properties at Oakham Enterprise Park;
- (iii) Development control is currently forecasting a loss of Planning Application income £43k against budget based on the number and complexity of planning applications received to date;
- (iv) There has been an increase of £55k in the underspend on Commissioned Transport (now £99k) due to reduced demand;
- (v) Surpluses in Planning Policy are mainly due to vacancy management and costs incurred in respect of the production of the Local Plan rolling over into the following financial year;
- (vi) The Directorate Management forecast underspend has reduced since that reported at Q1 by £25k. The Directorate Management budget included £123k for the Places Directorate restructure and at Q1 was not forecast to be spent this financial year. Since Q1 costs have been incurred for recruiting to a new Deputy Director post.

## **Dedicated Schools Grant (DSG)**

1.3.7 The Dedicated Schools Grant as a whole is forecast to be over spent by £275k, this is an increase on that forecast at Q1 of £29k. The reasons for the over spends are detailed below.

1.3.8 The High Needs budget is showing a forecast overspend of £215k – any over spend is recovered from Schools in future years. This forecast is based on the pupils currently in the system with an EHC plan and an identified placement with costs. It does not include the outstanding EHC assessments for pupils where the outcome of the assessment is not yet known. At Q2, there are 10 outstanding assessments including 2 new requests received in July. A low cost estimate for these 10 cases (based on a cost of £8.5k per child) is £85k of additional cost.

1.3.9 The Early Years Block is forecast to be overspent by £27k for the financial year. The overspend is due to the numbers of 2 year olds being claimed for

being higher than the numbers recorded on the January Census.

## 1.4 High Risk/Pressure Areas

- 1.4.1 Whilst many forecasts can change quickly particularly those in demand-led areas (children's and adult social care, fostering and adoption, homelessness for example), the position at Quarter 2 is as follows:

Directorate	Within budget?	Ceilings>25k overspent?		Ceilings>£25k underspent?		Requests for budget changes?
		Q1	Q2	Q1	Q2	
Places	Yes	2	4	4*	3*	No
Resources	Yes	1	0	5*	4*	No
People	Yes	2**	3**	9*	9*	No

**\*Note:** Only underspends included where Directorates are not currently proposing to carry forward unused budget to next year

\*\* In the People Directorate, individual functions (e.g Direct Payments) may be overspent with corresponding underspends elsewhere as part of the strategy to manage needs within overall Adult Social Care budget.

- 1.4.2 Where functional forecasts are projected to be more than £25k over budget (listed in the table below) a detailed explanation of the current position is included in Appendix H.

Function	Amount Overspent	Further Detail Appendix H
<b>Peoples</b>		
ASC Community Inclusion	£28,000	H1
ASC Direct Payments	£73,000	H2
ASC Residential & Nursing	£36,000	H3
<b>Places</b>		
Waste Management	£138,000	H4
Commercial Properties	£52,000	H5
Development Control	£47,000	H6

## 2 CAPITAL PROGRAMME

### 2.1 Overall Programme – are we on track to achieve our approved capital budget?

2.1.1 The following table sets out the position against the Capital Programme as at the end of September 2018, including the total approved project budget, estimated outturn to the end of the projects and variances against budget.

	<b>Total Project Budget</b>	<b>Prior Years Outturn (A)</b>	<b>Estimated Future Outturn (B)</b>	<b>Total Project Outturn (A+B)</b>	<b>Total Project Variance</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Approved Projects</b>					
Commercialisation	13,096	6	13,090	13,097	1
Asset Management Requirement	7,512	525	6,987	7,512	0
Strategic Aims and Priorities	7,644	4,412	3,332	7,744	100
<b>Total</b>	<b>28,252</b>	<b>4,943</b>	<b>23,409</b>	<b>28,353</b>	<b>101</b>
<b>Financed By:</b>					
Grant	(12,208)	(3,558)	(8,650)	(12,208)	0
Prudential Borrowing	(13,279)	(582)	(12,697)	(13,279)	0
Capital Receipts	(1,632)	(143)	(1,488)	(1,632)	0
Revenue Contributions	(299)	(274)	(25)	(299)	0
Developers Contributions	(834)	(386)	(448)	(834)	0
Additional Revenue Contribution (Para 2.3.2)	0	0	(101)	(101)	(101)
<b>Total Financing</b>	<b>(28,252)</b>	<b>(4,943)</b>	<b>(23,409)</b>	<b>(28,353)</b>	<b>(101)</b>

## 2.2 Approved programme – Are there changes to the approved programme?

2.2.1 The approved capital programme was £27.415m as per the 2018/19 Quarter 1 Budget Monitoring Report (Report No: 135/2018). The net change to the capital programme is £837k, therefore giving a revised capital programme of £28.252m

	Project	Amount £000	Amount £000
<b>Approved Capital Programme (Q1 Budget Monitoring Report: 135/2018)</b>			<b>27,415</b>
<b>Approvals Since Q1</b>			
Strategic Aims & Priorities	Devolved Formula Capital – Increase on Estimated Funding (Ring Fenced)	9	
Strategic Aims & Priorities	S106 – Third party payment – Oakham Scout Group (Delegated approval)	12	
Strategic Aims & Priorities	S106 – Third party Payment – Great Casterton School (Delegated approval)	43	
Asset Management Requirements	Integrated Transport (Report No: 141/2018)	760	
Commercialisation	The King Centre, Greetham and Cottesmore Labs, Phase 2b (Delegated Approval)	25	
<b>Total Approvals Since Q1</b>			<b>849</b>
<b>Re-profiling (see 2.3.5)</b>			
Asset Management Requirements	ITB – Accident Cluster Site, Wireless Hill (Replaced with Report No 141/2018)	(14)	
Asset Management Requirements	ITB – Traffic Calming, Cottesmore (Replaced with Report No 141/2018)	(81)	
Asset Management Requirements	ITB – Safety Scheme, A1621 South Luffenham (Replaced with Report No 141/2018)	(2)	
<b>Total Re-profiling</b>			<b>(97)</b>
<b>New Capital Programme – Requesting Approval</b>			
Asset Management Requirements	Future Maintenance Requirements	85	
<b>Total New Capital Programme – Requesting Approval</b>			<b>85</b>
<b>Total Adjustments to Capital Programme</b>			<b>837</b>
<b>Revised Capital Programme 2018/19</b>			<b>28,252</b>

2.2.2 Appendix I includes a detailed breakdown of the capital projects and current forecast and a full list of additions and withdrawals.

## 2.3 Project progress – What is the current progress on major capital projects?

- 2.3.1 Highways (Report 16/2018) - Currently no delays are expected on any of the highways capital projects.
- 2.3.2 Disabled Facilities Grant - In October 2017 the Council introduced the Health and Prevention Grant Pilot, to support disabled and vulnerable clients to live independently and reduce the need for acute care. In 2017/18 the new scheme allowed the council to make additional revenue savings held t in the ASC reserve to support additional demand. The temporary demand is currently forecast at around £100k funding for this will come from either the Adult Social Care Reserve or Winter pressures funding (Council has received c£135k). Demand has been inflated at the start of the pilot as service users who would not qualify for support under DFG applications have been targeted, since April 2018 the average number of HAPs application has reduced to an average of 2 per month compared with 8 at the start of the pilot. It is anticipated that the pilot will support the Medium Term Financial Plan with the predicted growth requirements within Adult Social Care, along with future revenue savings.
- 2.3.3 Oakham Enterprise Park Phase 2a - A feasibility study for the project has been submitted by Gleeds. Further updates on the future of the project are expected in the coming months.
- 2.3.4 St Georges Barracks Officers Mess - Initial site valuation and feasibility studies are expected to be completed in 2018/19. All remaining works will be completed in future years if the scheme proceeds.
- 2.3.5 Integrated Transport Block (141/2018) - A new capital allocation of £760k was approved in September 2018. Various schemes shown separately in the existing capital programme are included in this figure.
- 2.3.6 Future maintenance requirements – the Council is required to fund investigation of future maintenance requirements for its assets e.g. Catmose. An amount of £85k is sought to fund this initial work.

## 2.4 Unallocated funding – what are we holding?

2.4.1 Currently the Council is holding capital funds that have not yet been committed to a project. A breakdown of the funds held is shown in the table below.

Uncommitted Funding Held	Opening Balance 2018/19	Grant Awarded	Capital Financing 2018/19	Uncommitted Funding
	£000	£000	£000	£000
Adult Social Care	(255)	0	0	(255)
Basic Needs	(3,072)	0	3,072	0
Capital Maintenance	(1,130)	(192)	440	(881)
Highways	(1,974)	(2,274)	3,369	(879)
Schools Targeted Capital	(149)	(211)	359	0
Miscellaneous	0	(808)	766	(42)
<b>Total</b>				<b>(2,028)</b>
Developer Contributions	(3,045)	(977)	248	(3,774)
Oakham North Agreement	(2,290)	(551)	200	(2,641)
Capital Receipts	(1,215)	(273)	1,488	0
<b>Total Uncommitted Funding Available</b>				<b>(8,443)</b>

### **3 CORPORATE FINANCE UPDATES**

#### **3.1 MTFP – what changes have there been since the budget was approved?**

3.1.1 The MTFP presents a position based on various assumptions and estimates about variables that are predominantly outside the control of the Council. The Council's experience is that these can change over time and sometimes quite significantly. The MTFP is updated regularly to take account of government decisions, ministerial announcements and other information which means that assumptions need to be revisited.

3.1.2 The MTFP was updated as part of the outturn in May 2018 (83/2018). The Finance team are working to revisit all MTFP assumptions. In particular the following assumptions are being considered:

- Housing growth (linked to the Local Plan) and impact on council tax but also revenue costs;
- Government funding;
- Business Rates retention and funding of some grants into Business Rates;
- Council tax income projections;
- New Homes Bonus; and
- Service growth and demand for social care.

3.1.3 Various models have been derived, all of which indicate that the Council could have a financial gap of between £500k - £2.5m over the next few years. The MTFP will be presented at budget setting.

#### **3.2 Social care: Green Paper**

3.2.1 In May 2018, we set out the scope of the Green Paper into Social Care. A Department of Health and Social Care spokesperson has confirmed that in the autumn (the original plan was to publish in the summer) the plans to reform adult social care will be announced alongside the long-term plan for the NHS, so the challenge of our growing ageing population can be addressed.

3.2.2 At a hearing of the economic affairs committee in the House of Lords on Tuesday (11 September), the Chancellor of the Exchequer Phillip Hammond said the green paper would set out several proposals to reflect different ways of delivering and funding the gap. The Council will continue to monitor the position to assess the impact.

### 3.3 Local Government Finance Settlement Consultation

3.3.1 The Government issued the 2019/20 Local Government Finance Settlement consultation paper in July 2018. The headlines from this paper and the likely impact are considered below:

- The four-year settlement offer is confirmed for 2019/20. For those authorities who did not accept the offer (Rutland did accept it), there is still the outside chance that changes could be made to their funding. The 4-year offer included:
  - a) Revenue Support Grant;
  - b) Business rates tariff and top-up payments;
  - c) Rural Services Delivery Grant; and
  - d) Transition Grant (this grant was only payable in 2016/17 and 2017/18).
- A final round of adjustments will be made to top-ups and tariffs in 2019/20 in respect of the 2017 revaluation. There will be no change in methodology from that used to adjust top-ups and tariffs in 2017/18 and 2018/19.
- MHCLG reminds us that the national baseline for New Home Bonus might be increased from 0.4% in 2019-20. Where the baseline is set in 2019/20 will depend entirely on actual housing growth (CTB1 October 2018). However, if growth remains the same as it was in the 2017 CTB1, then the national baseline ought to remain at 0.4%. Any increase in the baseline will cause a financial loss to the Council.
- There are no changes to the limits on council tax increases in 2019-20, although they are still subject to confirmation in the provisional settlement.
- Options for dealing with 'negative' RSG are set out in the paper. The Council has 'negative' RSG so will effectively pay £950k to Government from its government funding. One of the options being looked at is to simply not to make the tariff adjustments that are required for negative RSG to take effect. This would be a big boost to Council funding should it materialise.

### 3.4 Fair Funding

3.4.1 The fair funding review will set new baseline funding allocations for local authorities by delivering an up-to-date assessment of their relative needs and resources, using the best available evidence.

3.4.2 The fair funding review comprise three elements:

- Needs assessment - this will focus on how the structure of the needs assessment will take shape, including its approach to the Foundation Formula and service specific formulas.
- Relative resources - on implementation, a local authority's share of the quantum available for redistribution at Local Government Finance Settlements (LGFS) will depend on an assessment of: a. its relative funding need to deliver public services; b. as well as its local revenue raising capacity to meet these costs - or relative resources; c. any requirement for fixed-term transitional adjustments. The latest view is that the relative resources assessment will focus on council tax rather than other income. It will also use 'notional' rather than actual council tax. This is likely to work against those councils who have not increased council tax and favour Rutland.
- Transitional arrangements - how the move to a new model of funding will be managed.

3.4.3 The Government first consultation closed at the end of March 2018 and as yet there has been no response although updates from the working group confirm that the focus is on the distribution of funding not the amount of funding needed.

3.4.4 The timetable for the review indicates further consultation will take place later this year and an initial view of allocations will not be made until September/October 2019.

## 3.5 Business rates retention

3.5.1 There appears to be a growing consensus across local government and with MHCLG officials that the current Business Rate Retention System (BRRS) is too complicated and transfers too much risk to local government. Two local Councils have co-authored a paper on a potential design for a simplified system to deliver the following objectives:

- Operate within the existing primary legislation. There will not be an opportunity to change the current system through legislation before 2020. Primary legislation currently requires there to be tariffs and top-ups set for each local authority.
- Ensure that the system remains "localised" and that the proceeds from the system are funding local services.
- Rewards growth in business rates.
- Continues to support the devolution agenda and the agreements that have been reached about the use and control of business rates income within devolution agreements.

3.5.2 The proposal in the paper is essentially that an authority's Business Rate Baseline (BRB) will be set each year so that it matches its business rate

income. There will be no above-baseline growth, and no losses either. Each authority will receive a top-up or tariff calculated using this annually updated BRB. It means that the income each authority retains from the BRRS will equal its Baseline Funding Level (BFL). The practicalities of this proposal are:

- A provisional business rate baseline (and therefore top-up or tariff) will be determined based on each authority's NNDR1.
- The NNDR1 will be submitted earlier than is currently the case (possibly September rather than the end of January) so that the revised top-ups and tariffs can be published in the provisional settlement.
- Following the publication of the NNDR3 for each financial year, the top-up or tariff will be adjusted to take into account the outturn (i.e. collection fund surplus or deficit).
- Each authority would have an SFA allocation that is determined by the Fair Funding Review. The SFA would be used to determine the BFL for each authority, and would remain unchanged for, say, 5 years or until there is another funding review.
- There would be no requirement to apply indexation to the top-ups or tariffs (or BFL or BRB) because they would be set each year with reference to budgeted or actual business rates income.

3.5.3 This approach would suit Rutland and protect the Council from losses on appeals etc. It would also mean that growth proceeds would be shared amongst all authorities not just in the area where it was generated.

3.5.4 Future consultation is likely early next year.

## 3.6 New Homes Bonus – latest position?

3.6.1 The NHB is a scheme aimed at encouraging local authorities to grant planning permission for the building of new houses, in return for additional revenue. It is based on the net increase in the number of dwellings (additions less demolitions), with extra bonus for affordable homes, empty homes brought back into use and local authority owned and managed gypsy site pitches. Each additional property attracts a grant equivalent to the national average council tax for that Band (approx. £1,590 for a Band D property). An additional £350 is received for each affordable home.

3.6.2 In terms of latest performance, the NHB allocation for 2019/20 is based on performance achieved between October 2017 and September 2018.

<b>New Bonus (Council Band)</b>	<b>Homes Tax</b>	<b>Start position CTB1 Oct 2017</b>	<b>Actual CTB1 Oct 2018</b>	<b>Movement from base</b>
A		1,596	1,644	48
B		4,574	4,654	80
C		3,115	3,176	61
D		2,489	2,497	8
E		2,286	2,311	25
F		1,616	1,634	18
G		1,261	1,274	13
H		149	150	1
<b>Properties</b>		<b>17,086</b>	<b>17,340</b>	<b>254</b>
Empty Homes		127	183	(56)
Movement				198

- 3.6.3 The target in the MTFP was a movement in base of 252 properties which would have contributed £291,850. The 198 properties the base has moved will contribute £192,740.
- 3.6.4 The growth in new properties of 254 is broadly in line with the target in the MTFP of 252. NHB is paid on the number of band D equivalent properties; when the growth is converted to band D equivalents NHB will be received for 237 properties. This is due to a conversion rate of 93% as there are more properties built at below band D (189 of the 254 properties are band A to band C)
- 3.6.5 The overall underperformance can be attributed to an increase in the number of empty homes of 56. Empty homes are classified as properties being empty for more than 6 months, an increase in the number of empty homes reduces the amount of NHB paid.
- 3.6.6 Empty homes have historically been around 180, the number of empty homes was lower than usual in October 2017 as 36 long empty properties at Beckworth Court were demolished. Also there are currently 27 new builds at 3 sites where the properties have been completed by the builder but they are not yet occupied.
- 3.6.7 The long term MTFP position will be updated as part of the budget setting process.

### 3.7 School Funding – what changes are emerging?

- 3.7.1 The Government has announced indicative allocations for the Schools, High Needs and Central Schools Services blocks for 2019/20.
- 3.7.2 The indicative budget allocation for the schools block for 2019/20 is £23.057m compared to 2018/19 of £22.969m (an increase of £0.088m) equating to an increase of 0.4%. This figure is calculated using the October 2017 census data. The National Funding Formula sets the Primary and Secondary units of

funding for each authority based on last years census data and these will be used to calculate the funding received by the authority for 2019/20.

- 3.7.3 The indicative allocation for high needs for 2019/20 is £3.733m compared to 2018/19 of £3.690m (an increase of £0.04m) equating to an increase of 1.1%. This funding has been adjusted for the latest information on the numbers of pupils being imported/exported and changes in these numbers will impact the level of funding received by the authority.
- 3.7.4 The current level of spending on high needs is £3.856m in 2018/19 and therefore the allocation for 2019/20 is likely to be insufficient to cover costs next year. The authority has the opportunity to again transfer up to 0.5% of the school block (approximately £0.115m) to the high needs block for one year. If agreed, this transfer is for one year only and will automatically transfer back to the schools block the following year
- 3.7.5 Local Authorities can also apply to the Secretary of State for a disapplication of the funding formula to allow a greater than 0.5% transfer between the blocks. However, whilst we are still working on local arrangements, we do not believe this is an appropriate action.
- 3.7.6 The provisional allocation for the Central Schools Services block (CSSB) is £0.161m for 2019/20 compared to £0.163m in 2018/19 (a reduction of £2k) equating to a 1.2% reduction in funding.
- 3.7.7 The CSSB pays for the following services:
- Admissions Service
  - Nationally agreed copyright licence fees
  - The Local Authorities Statutory responsibilities (previously covered by the Education Services Grant)
- 3.7.8 There has not been an announcement on the Early Years allocations for 2019/20. This is not anticipated until December.

### 3.8 Business Rates Forecast – what is the latest position?

- 3.8.1 The Council's budgeted position on Business Rates is £4.763m. The amount of rates budgeted comprises actual rates retained net of the levy (£151k, payable because the Council has achieved an actual outturn above its baseline) and tariff (£1.012m). The rates retained figure also includes compensation from DCLG (in the form of section 31 grants) for rates foregone due (c£387k) for implementation of Government policy e.g. small business rate relief.
- 3.8.2 The current position is showing that we would be in a surplus position for Income we will receive in 2018/19 of £150k. The main reason for the surplus is that we are receiving additional s31 grants than budgeted.

3.8.3 The MTFP has not been adjusted for this position because it is too early to assess the impact on 19/20 as overall rates retained will depend on perspective for growth, potential for appeals next year and eligible discounts. The position for 2018/19 has not been adjusted as any surplus will reduce the drawdown from the Business Rates earmarked reserve.

## 3.9 Other updates

3.9.1 **Collection Fund** - Council Tax represents 60% of the total income the Council receives, and even slight fluctuations can have a significant impact on the General Fund balance. For that reason the position on Council Tax is monitored closely. There are a variety of movements that can affect the Council Tax Collection Fund Balance, including additional Council Tax Support claims; fluctuations in the council tax base (e.g. number of properties the Council bills); and write offs.

3.9.2 The current deficit is c£25k which would be paid in 2019/20. This deficit has arisen due to the Valuation Office Agency (VOA) re-banding a whole street of 15 properties from Band B to Band A properties, with back dating (7 years). The current deficit is not included in the current MTFP as we expect this position to improve during the remainder of the year due to expected housing growth.

3.9.3 **Fees and charges: Green Waste** - The Green Waste service is on target to break even this year. With income projections higher than expected at £408k, both direct and indirect costs of providing the service are likely to be covered. The Revenue Account cost centre shows a forecast of £100,000 which covers the payback to the Invest to Save Reserve of £26,000 and general overheads and management costs which are shown elsewhere.

3.9.4 Given the current position, it is proposed that the Green Waste charge remains the same for 2019/20 at £35.00 and that no inflationary increase is applied. As promotion for the Scheme begins early in Quarter 3, Cabinet is being asked to recommend that Council set the fee at this level at the earliest possible opportunity. Reducing the discounted Green Waste charge for those in receipt of local Council Tax support to £26.00, instead of the current £26.25 is largely a tidying up exercise. This will also facilitate such subscriptions being able to be paid in two instalments, where individual circumstances may cause difficulties. In 2018/19, there were less than 100 bin subscriptions in total with Local Council Tax Support.

3.9.5 **LEADER funding** – In July, Cabinet agreed to use Council finances to support community organisations that had successfully applied for LEADER grant funding but required assistance in bridging the period between confirmation of grant award and completion of the works being funded. Two projects have been given Council support subject to them securing LEADER funding (the LEADER programme is now closed for applications):

- The restoration and maintenance of Clipsham Yew Tree Avenue.
- Reordering of St Peter's Church, Barrowden

## 4 FINANCIAL PERFORMANCE

### 4.1 Debtors – are we recovering our debts?

- 4.1.1 The Council's aged debt position shows an increase in debts outstanding from the previous quarter. The main reason for the increase is down to an increase in debt with East Leicestershire and Rutland CCG. See 4.1.2 for further details.

<b>Aged debt</b>	<b>Q1 £000</b>	<b>Q2 £000</b>
0-30 days	845	679
31-60 days	449	259
61-90 days	73	356
> 91 days	347	510
Deferred Payments	53	125
<b>Total</b>	<b>1,767</b>	<b>1,929</b>
<b>By Directorate</b>		
Corporate	671	562
People	625	801
Places	440	551
Resources	31	15
<b>Total</b>	<b>1,767</b>	<b>1,929</b>
<b>By Recovery Rating</b>		
Red	70	80
Amber	330	555
Green	1,367	1,294
<b>Total</b>	<b>1,767</b>	<b>1,929</b>

- 4.1.2 East Leicestershire and Rutland CCG has debt outstanding with the Council of £652k. Over the last 2 years we have been working closely with the CCG to reduce the oldest outstanding debt which is highlighted by the reduction of debt over 6 months old by £48k from last year. Of the £273k debt bought forward from last year £128k has been collected to date.
- 4.1.3 A meeting was held recently with the CCG where a new process has been agreed which will expedite the payment of invoices and work towards clearing the debt. An update on the impact of this new process will be provided at Q3.

### 4.2 Investment Income – is our return on investments as expected?

- 4.2.1 In the second quarter, the Council's average interest rate received on investments has been 0.75% on an average investment balance of £35,747k, which is an increase from the 0.66% in 2017/18. The increase is due to interest

rates improving following the increase of the Bank Rate on 2 August 2018 from 0.50% to 0.75%.

4.2.2 Although the achieved is above what we achieved last year, the rate is below the 6 month LIBOR interest rate - the average interest rate at which a selection of banks in London are prepared to lend to one another in British pounds with a maturity of 6 months – of 0.90%.

4.2.3 The Council's average interest rate achieved is below LIBOR due to the rate rise in August being unexpected. All information suggested a rate rise was expected in November and the Council's investment strategy was geared towards this. The Council is outperforming budget by c£30k with the rate of return in line with other councils performance.

4.2.4 The table below shows our current investments as at 30 September 2018.

Investment Number	Amount Invested	Interest Rate	Date Invested	Maturity Date	Number of Days
<b>Banks - UK</b>					
1	1,000,000	0.75%	27-Apr-18	29-Oct-18	185
2	2,000,000	0.70%	15-May-18	15-Nov-18	184
3	2,000,000	1.21%	29-Mar-18	28-Mar-19	364
4	3,000,000	1.01%	05-Jun-18	04-Jun-19	364
5	1,000,000	1.05%	28-Jun-18	27-Jun-19	364
6	2,000,000	1.25%	06-Sep-18	05-Sep-19	364
7	3,603,103	0.65%	Instant Access		
<b>Building Societies</b>					
8	1,000,000	0.73%	03-Apr-18	03-Oct-18	183
9	1,000,000	0.82%	12-Apr-18	12-Oct-18	183
10	1,000,000	0.81%	27-Apr-18	29-Oct-18	185
11	3,000,000	0.71%	08-May-18	08-Nov-18	184
12	1,000,000	0.70%	19-Jun-18	18-Dec-18	182
13	1,000,000	0.78%	04-Jul-18	04-Jan-19	184
14	2,000,000	0.80%	08-Aug-18	08-Feb-19	184
<b>Local Authorities</b>					
15	5,000,000	0.85%	17-Apr-18	17-Oct-18	183
16	5,000,000	0.70%	19-Apr-18	19-Oct-18	183
<b>Total</b>	<b>34,603,103</b>				

## Appendix B. Approved Budget Changes

This Appendix shows changes to the budget. In accordance with FPR's, Cabinet can approve virements in any functional budget of up to £250k in any one year to a cumulative value of £500k across all functions. Changes above £500k must be approved by Council on a recommendation from Cabinet. For the purposes of the rules, Cabinet is allowed to use earmarked reserves (approved by Council) in an unlimited way as long as they are used for their intended purpose and is allowed to carry forward unused budget from one period to the next so use of these reserves are not counted against the delegated limit for functional budget changes and are therefore shown separately (Cabinet Other).

Description	Source of Funding	Net Cost of Services £000	Capital Financing £000	Funding £000	Transfer to/(from) Reserves £000	Spend on Capital £'000	(Surplus)/ Deficit £000	Cabinet* £500k Limit £000	Cabinet Other £000	Council £000	Ch Exec. s151 Officer £000
<b>Changes already made</b>											
Approved Budget (43/2018)		36,644	(807)	(34,542)	(1,215)	0	80				
Approved Budget at Q1 (135/2018)		37,679	(807)	(34,610)	(2,123)	0	139	0	1,211	0	100
Better Care Fund (i)	ER	268			(268)		0		268		
The King Centre Phase 2B (ii)	ER				(25)	25	0				25
Approved Budget at Q2		37,947	(807)	(34,610)	(2,416)	25	139	0	1,479	0	125
<b>Changes awaiting approval</b>											
Sustainable Drainage (iii)	ER	5			(5)		0		5		
Winter pressures funding (iv)		135		(135)			0	135			
School improvement grant (v)				(50)			(50)				50
Approved Budget at Q2		38,087	(807)	(34,795)	(2,421)	25	89	135	1,484	0	175

- (i) The Partnership Board have approved the use of £268k of returned funding to increase the BCF programme in 2018/19.
- (ii) The commercial property board approved the conversion and subdivision to two suites to let to commercial tenants to generate additional income
- (iii) Funding to cover works associated with Rutland Flood Risk Management plan undertaken by Peterborough City Council.
- (iv) Winter pressures funding received targeted at reducing delayed transfers of care
- (v) School improvement grant funding confirmed

## Appendix C. Reconciliation of Directorate budgets

This Appendix shows the changes to individual Directorate budgets and in accordance with Financial Procedure Rules identifies movement of budgets between directorates.

	Approved Budget 2018/19 £'000	Budget at Q1 2018/19 £000	Better Care Fund £000 (i)	Coroner £000 (ii)	Sustainable Drainage £000 (iii)	ASC Winter Pressures £'000 (iv)	Budget At Q2 2017/18 £000
People	18,136	18,284	268			135	18,687
Places	12,033	12,269		39	5		12,313
Resources	5,906	6,921		(39)			6,882
Pay Inflation	384	21					21
Social Care Contingency	184	184					184
<b>Net Cost of Services</b>	<b>36,643</b>	<b>37,679</b>	<b>268</b>	<b>0</b>	<b>5</b>	<b>135</b>	<b>38,087</b>

- (i) At the end of 2017/18, £268k underspend funding was returned to the CCG with the agreement that it would be given back in 2018/19. The Partnership Board have approved the use of this returned funding to increase the BCF programme in 2018/19
- (ii) Transfer the management of the Coroner Service
- (iii) Funding to cover works associated with Rutland Flood Risk Management plan undertaken by Peterborough City Council.
- (iv) The Council has received funding from Government to meet Winter Care cost pressures.

## Appendix D. Virements

This Appendix shows virements made within Directorate budgets in accordance with para 4.10 of the Financial Procedure Rules by Directors and the Chief Executive/Section 151 Officer.

Function	Current Ceiling	Revised	Movement	Reason
Chief Executive	243,000	234,000	(£9,000)	Transfer of budget to fund additional project work.
Accountancy and Finance	686,300	695,300	£9,000	
Communications	216,400	188,970	(£27,430)	Transfer of budget to cover additional work in Information Administration
Customer Services	321,700	349,130	£27,430	
Communications	188,970	178,970	(£10,000)	Transfer of £10,000 to cover costs associated with customer improvement work
Customer Services	349,130	359,130	£10,000	
Corporate Costs	175,900	169,900	(£6,000)	Transfer Standards of Conduct budget to Legal and Governance function
Legal and Governance	490,900	496,900	£6,000	
Corporate Costs	169,900	161,500	(£8,400)	Transfer Stationery budget to Business Support function
Business Support	941,500	949,900	£8,400	
Business Support	949,900	930,800	(£19,100)	Transfer Blue Badge Administration to Customer Services
Customer Services	359,130	378,230	£19,100	
Lighting, Barriers and Traffic Signals	139,400	127,400	(£12,000)	Transfer from Barriers where less work has been required, to fund works currently focused around Minor Repairs.
Road Maintenance	664,200	676,200	£12,000	

## Appendix E. People Budget Monitoring Summary

Function	Outturn 2017/18	Approved Budget	Revised Budget	Q1 Forecast	Q2 Forecast	Q2 Variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000
Directorate Management Costs	1,632	1,466	1,661	1,650	1,616	(45)
Business Intelligence	133	139	142	130	133	(9)
Crime Prevention	256	257	258	245	254	(5)
Contract Savings	(60)	0	0	0	0	0
<b>Total Directorate Costs</b>	<b>1,962</b>	<b>1,862</b>	<b>2,061</b>	<b>2,024</b>	<b>2,003</b>	<b>(58)</b>
Public Health	7	266	295	295	313	18
BCF Programme Support	142	106	135	99	106	(29)
BCF Unified Prevention	246	335	393	258	392	(1)
BCF Holistic Management of Health & Wellbeing	931	906	1,165	971	1,077	(88)
BCF Hospital Flows	1,015	1,043	1,043	1,031	1,046	3
<b>Adults and Health (Ringfenced)</b>	<b>2,342</b>	<b>2,656</b>	<b>3,031</b>	<b>2,653</b>	<b>2,934</b>	<b>(97)</b>
Non BCF Contract and Procurement	551	571	575	538	548	(27)
ASC Community Inclusion	905	824	842	881	870	28
ASC Prevention and Safeguarding	126	164	164	167	187	24
ASC Prevention and Safeguarding - Staffing	457	410	332	322	324	(8)
ASC Housing	119	128	131	97	121	(10)
ASC Support and Review - Daycare	199	218	218	211	224	6
ASC Support and Review - Direct Payments	618	667	667	780	741	73
ASC Support and Review - Homecare	1,621	1,803	1,849	1,803	1,817	(33)
ASC Community Income	(293)	(275)	(275)	(265)	(291)	(16)
ASC Support and Review – Other	278	294	429	298	398	(31)
ASC Support and Review - Residential & Nursing	2,756	2,633	2,733	2,472	2,768	36
ASC Support and Review – Staffing	609	563	443	438	437	(6)

Function	Outturn 2017/18	Approved Budget	Revised Budget	Q1 Forecast	Q2 Forecast	Q2 Variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000
ASC Hospital and Reablement	513	546	447	349	368	(80)
<b>Adults and Health (Non Ringfenced)</b>	<b>8,459</b>	<b>8,545</b>	<b>8,555</b>	<b>8,091</b>	<b>8,509</b>	<b>(46)</b>
Safeguarding	171	201	220	170	215	(5)
Referral, Assessment and Intervention Service	206	239	198	201	203	5
Permanency and Protection Service	510	475	423	395	394	(29)
Fostering, Adoption and Care Leaver Service	1,743	1,720	1,618	1,462	1,416	(202)
Early Intervention - Targeted Intervention	1,300	1,355	1,353	1,251	1,313	(40)
Early Intervention - SEND & Inclusion	294	239	343	338	326	(17)
Early Intervention - Universal and Partnership	373	388	375	369	353	(22)
<b>Childrens</b>	<b>4,597</b>	<b>4,615</b>	<b>4,531</b>	<b>4,184</b>	<b>4,220</b>	<b>(311)</b>
Schools and Early Years	375	458	509	502	463	(46)
Rutland Adult Learning and Skills Service (RALSS)	36	0	0	0	0	0
<b>Learning and Skills</b>	<b>411</b>	<b>458</b>	<b>509</b>	<b>502</b>	<b>462</b>	<b>(46)</b>
<b>Total People - GF (Ringfenced)</b>	<b>2,342</b>	<b>2,656</b>	<b>3,031</b>	<b>2,653</b>	<b>2,934</b>	<b>(97)</b>
<b>Total People – GF (Non Ringfenced)</b>	<b>15,428</b>	<b>15,480</b>	<b>15,656</b>	<b>14,801</b>	<b>15,195</b>	<b>(461)</b>
<b>Total People (Excluding DSG)</b>	<b>17,770</b>	<b>18,136</b>	<b>18,687</b>	<b>17,454</b>	<b>18,129</b>	<b>(558)</b>
Schools Dedicated Schools Grant (DSG)	(12)	0	0	246	275	275
<b>Total People (Including DSG)</b>	<b>17,758</b>	<b>18,136</b>	<b>18,687</b>	<b>17,700</b>	<b>18,403</b>	<b>(283)</b>

## Appendix F. Places Budget Monitoring Summary

Function	Outturn 2017/18	Approved Budget	Revised Budget	Q1 Forecast	Q2 Forecast	Q2 Variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000
Directorate Management Costs	224	332	329	202	227	(102)
<b>Directorate Management Costs</b>	<b>224</b>	<b>332</b>	<b>329</b>	<b>202</b>	<b>227</b>	<b>(102)</b>
Development Control	333	153	167	175	214	47
Drainage & Structures	172	195	200	197	201	1
Emergency Planning	30	30	30	32	32	2
Environmental Maintenance	1,099	1,096	1,088	1,095	1,105	17
Forestry Maintenance	100	119	119	119	116	(4)
Highways Capital Charges	1,530	1,532	1,532	1,532	1,532	0
Highways Management	176	157	170	89	186	16
Commissioned Transport	1,455	1,558	1,573	1,530	1,475	(99)
Lights Barriers Traffic Signals	101	139	127	121	127	0
Parking	(332)	(339)	(334)	(353)	(350)	(16)
Pool Cars & Car Hire	92	101	101	102	102	1
Public Protection	385	396	417	416	418	1
Public Rights of Way	82	94	94	92	93	(1)
Public Transport	732	751	826	795	835	9
Road Maintenance	953	618	676	680	692	16
Transport Management	447	393	331	406	325	(7)
Waste Management	2,544	2,196	2,197	2,333	2,335	138
Winter Maintenance	326	273	273	273	273	0
<b>Environment, Planning and Transport</b>	<b>10,225</b>	<b>9,462</b>	<b>9,589</b>	<b>9,633</b>	<b>9,708</b>	<b>120</b>

<b>Function</b>	<b>Outturn 2017/18</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q2 Variance to budget</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Planning Policy	354	419	426	431	351	(75)
Tourism	4	23	23	17	15	(8)
Health & Safety	28	38	38	33	9	(30)
Property Services	1,066	995	1,013	1,005	1,037	24
Building Control	(34)	(49)	(49)	(31)	(36)	13
Commercial & Industrial Properties	(227)	(293)	(292)	(265)	(240)	52
Economic Development	193	184	208	143	151	(57)
Culture & Registration Services	141	87	102	99	103	1
Libraries	495	446	527	510	532	6
Museum Services	386	373	380	376	388	8
Sports & Leisure Services	11	17	19	5	12	(7)
<b>Development and Economy</b>	<b>2,418</b>	<b>2,240</b>	<b>2,396</b>	<b>2,323</b>	<b>2,321</b>	<b>(74)</b>
<b>Total Places</b>	<b>12,866</b>	<b>12,033</b>	<b>12,313</b>	<b>12,157</b>	<b>12,257</b>	<b>(56)</b>

## Appendix G. Resources Budget Monitoring Summary

Function	Outturn 2017/18 £'000	Approved Budget £'000	Revised Budget £'000	Q1 Forecast £'000	Q2 Forecast £'000	Q2 Variance to Budget £'000
Chief Executives Office	130	276	459	446	341	(118)
Direct Management Cost	305	293	299	258	277	(22)
Communications	135	183	179	179	179	0
Corporate Costs	189	215	162	143	139	(22)
Pensions	230	220	220	205	205	(15)
Audit Services	165	169	169	170	170	1
Insurance	244	250	250	250	250	1
Accountancy & Finance	648	633	695	682	696	1
Information Technology	1,263	1,380	1,386	1,385	1,378	(9)
Business Support Services	484	512	931	877	868	(63)
Members Services	182	211	211	211	211	1
Customer Services Team	290	271	378	357	347	(32)
Elections	57	89	90	77	81	(10)
Legal & Governance	517	337	497	536	476	(20)
Human Resources	484	457	474	483	498	24
Revenues & Benefits	335	402	433	394	337	(96)
Financial Support	23	50	50	23	33	(17)
<b>Total Resources Directorate</b>	<b>5,680</b>	<b>5,947</b>	<b>6,882</b>	<b>6,678</b>	<b>6,485</b>	<b>(395)</b>

## Appendix H. Adverse variances over £25k

This Annex shows requests for increases in budget ceilings where existing forecasts predict that budgets will be overspent or an explanation of the current position.

Ref	Function	Reason for Overspend
H1	<b>ASC Community Inclusion</b>	The overspend is as a result of an increased need to support service users with end-of-life care with some cases requiring 24 hour care. This has resulted in increased staffing costs to cover the additional needs requirement.
	Budget £842k	
	Forecast £870k	
H2	<b>ASC Direct Payments</b>	The overspend in Direct Payments is due to increased costs for some service users and an increase in the total number of packages (20 additional packages since time of setting budget) as a result of the promotional work undertaken by the Directorate to encourage individuals to take personal responsibility for their own provision which has the benefit of reducing requirements for Homecare and Residential Care (reduction of 10 packages since time of setting budget).
	Budget £667k	
	Forecast £741k	
H3	<b>ASC Residential &amp; Nursing</b>	The increase in residential costs is as a result of additional high cost placements in Older People and Learning Disabilities not known about at time of setting budget.
	Budget £2,733k	
	Forecast £2,768k	There has also been a significant reduction in anticipated income due to the loss of nine substantial contributors estimated at £235k per annum.
H4	<b>Waste Management</b>	There is an overspend on Waste Disposal of circa £200k, the majority of which is due to the cost of disposal of paint and other chemicals which has been costing £2k per tonne.  The balance of the overspend comes from the additional cost of handling recycling. Our agreement with the contractor is that we share the gain or pain on movements in the market price when they “sell on” the waste materials. There has been a significant decline in the mixed paper and cardboard markets with prices falling from £25 per tonne to £0.  The overspend on the function is reduced because of the increased take up of the new green waste service resulting in over achievement of income, although this will only offset overhead costs.
	Budget £2,197k	
	Forecast £2,335k	

<b>Ref</b>	<b>Function</b>	<b>Reason for Overspend</b>
H5	<b>Commercial Properties</b>	The reason for the overspend is as a result of a number of void properties at Oakham Enterprise Park resulting in loss of income. In particular, Unit 4 which has a target rent of c£39k. Since Q2 net costs have increased by £24k, due to repairs and being and funding of an Oakham Enterprise Park Surveyor post.
	Budget (£292k)	
	Forecast (£240k)	
H6	<b>Development Control</b>	Development control is currently forecasting a loss of Planning Application income £43k against budget due to the number and complexity of planning applications received during the year to date being on trend with applications received in 2017/18 which was also a low application year. This has been partly mitigated by £10k be vacancy management.  Land Charges income is also forecast £12k below budget.
	Budget £167k	
	Forecast £214k	

## Appendix I. Detailed Capital Programme

Project Description	Approved Budget Outturn	Approved since Outturn	Approved since Q1	Total Project Budget	Prior Year Outturn	Estimated Future Year Outturn	Estimated Project Outturn	Project Over/ (Under) Spend
	£000	£000	£000	£000	£000	£000	£000	£000
Oakham Enterprise Park	2,206	0	0	2,206	6	2,200	2,206	0
St Georges - Officers Mess	850	0	0	850	0	850	850	0
Investment Properties	10,000	0	0	10,000	0	10,000	10,000	0
The King Centre, Empingham & Ketton	0	14	0	14	0	15	16	1
The King Centre, Greetham & Cottesmore	0	0	25	25	0	25	25	0
<b>Total Commercialisation Capital Programme</b>	<b>13,056</b>	<b>14</b>	<b>25</b>	<b>13,095</b>	<b>6</b>	<b>13,090</b>	<b>13,097</b>	<b>1</b>
Schools Maintenance	455	0	0	455	85	370	455	0
Oakham C of E (Single Storey)	651	0	0	651	10	641	651	0
Catmose College - Phase 2	130	0	0	130	0	130	130	0
Catmose College - Phase 3	1,950	0	0	1,950	0	1,950	1,950	0
Uppingham C of E (Add- 30 places)	200	0	0	200	1	199	200	0
Barleythorpe Primary Contribution	200	0	0	200	0	200	200	0
P3 - English Martyrs - Inc Capacity	133	0	0	133	130	3	133	0
Highways Capital Projects	2,409	0	0	2,409	0	2,409	2,409	0
Integrated Transport Block	202	0	663	865	0	865	865	0
Barleythorpe Road Car Park	0	6	0	6	0	6	6	0
Oakham Town Centre	428	0	0	428	299	129	428	0
Future Maintenance Requirements	0	0	85	85	0	85	85	0
<b>Total Asset Management Requirements Capital</b>	<b>6,758</b>	<b>6</b>	<b>748</b>	<b>7,512</b>	<b>525</b>	<b>6,987</b>	<b>7,512</b>	<b>0</b>
Devolved Formula Capital	18	0	9	27	0	27	27	0

Project Description	Approved Budget Outturn	Approved since Outturn	Approved since Q1	Total Project Budget	Prior Year Outturn	Estimated Future Year Outturn	Estimated Project Outturn	Project Over/ (Under) Spend
	£000	£000	£000	£000	£000	£000	£000	£000
Healthy Pupil Capital Grants	0	5	0	5	0	5	5	0
Disabled Facilities Grants	221	0	0	221	0	321	321	100
Transforming Care	394	(394)	0	0	0	0	0	0
Autism Innovation	19	0	0	19	15	4	18	0
Kendrew - Nursery Provision	10	0	0	10	0	10	10	0
SEND	700	116	0	816	0	816	816	0
Rutland Hub - Feasibility Study	40	(40)	0	0	0	0	0	0
Greetham Play Area	28	0	0	28	28	0	28	0
Greetham Heating System	12	0	0	12	0	12	12	0
Sports Grants	500	0	0	500	343	157	500	0
Oakham Castle Restoration	2,400	0	0	2,400	1,927	473	2,400	0
Digital Rutland	2,378	0	0	2,378	2,068	310	2,378	0
Digital Rutland Phase 3	905	0	0	905	0	905	905	0
Planning Software (Ilox)	50	0	0	50	25	25	50	0
S106 – Third Party payment	0	0	55	55	0	55	55	0
Oakham Market Town Trade Stall	14	0	0	14	0	14	14	0
IT Project	205	0	0	205	6	199	205	0
<b>Total Strategic Aims and Priorities Capital</b>	<b>7,893</b>	<b>(312)</b>	<b>64</b>	<b>7,644</b>	<b>4,412</b>	<b>3,332</b>	<b>7,744</b>	<b>100</b>
<b>Total Capital Programme</b>	<b>27,707</b>	<b>(292)</b>	<b>837</b>	<b>28,252</b>	<b>4,944</b>	<b>23,409</b>	<b>28,353</b>	<b>101</b>