

## CABINET

11 July 2023

### 2022/23 REVENUE AND CAPITAL OUTTURN

#### Report of the Portfolio Holder for Resources

Strategic Aim:	A modern and effective Council	
Key Decision: Yes	Forward Plan Reference: FP/280423	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr A Johnson, Portfolio Holder for Resources	
Contact Officer(s):	Kirsty Nutton, Director for Resources (s.151 Officer)	01572 758159 knutton@rutland.gov.uk
	Andrew Merry, Head of Finance (ds151)	01572 758152 amerry@rutland.gov.uk
Ward Councillors	N/A	

#### DECISION RECOMMENDATIONS

That Cabinet:

- Notes the outturn position, subject the external audit of the statutory statement of accounts, for:
  - Revenue Budget - Section 3
  - Capital Programme - Section 4
  - Dedicated Schools Grant (DSG) - Section 5
- Consider and approve the pilot for the reception at Catmose, as contained in Section 4, agreeing an additional budget £45k to be funded from reserves over 2023/24 and 2024/25.
- Approves the revised presentation and categorisation of General Fund balance and Earmarked Reserves as contained in Section 6 and Appendix D
- Approves the commitments for the Departmental Reserves as outlined Appendix D
- Approves the balance shown in the Innovation Fund to be used to invest in transformational activities required to deliver the savings as outlined in the Medium-Term Financial Plan. Drawn downs of this reserve will be subject to the usual governance processes.
- Recommends the use of additional grant funds for the Capital Programme as detailed in section 5.6

## **1 PURPOSE OF THE REPORT**

- 1.1 Under the Council's constitution Cabinet is responsible for overseeing matters relating to the Council's financial (capital and revenue) resources, within the budget set by Council each year at Budget Council.
- 1.2 This report provides Cabinet with the outturn position for both the revenue budget and capital programme for 2022/23, subject to any changes that may be needed as part of the finalisation of the Statement of Accounts and subsequent audit.

## **2 EXECUTIVE SUMMARY**

- 2.1 This report sets out the financial outturn for 2022/23 at the end of March 2023. The report compares the final outturn position to the revised budget and shows how the forecasted variance has changed during the year for revenue and capital expenditure. Use of Reserves and contributions 'to and from' are also detailed.
- 2.2 The key areas to note are as follows:
  - The outturn position shows an overall underspend of £0.4m which mainly relates to income received in advance of the service activity being undertaken.
  - The Council incurred legacy expenditure with regards to the pandemic such as additional staffing support as reporting requirements continued, the repayment of unspent grants, and delays in businesses claiming support. This was expected and funding was set aside in the Reserves to cover these costs.
  - The Peoples Directorate spent a net £0.3m more than budget. Pressures incurred for this directorate during the year included demand increases for Homecare, a small number of high-cost placements in Homecare and Residential provision. These pressures were offset by a fall in demand for direct payments and vacancies from difficulties in recruitment.
  - The Resources Directorate underspent to budget by £0.2m where vacancy savings were achieved in the Business Support Team, and Legal were able to complete more work in house, an increased focus on when external advice was requested, and increasing income from third parties.
  - Whilst the Council experienced financial challenges during the year due to economic challenges nationally, it was able to benefit from the increase in interest rates on its cash balances. This raised additional interest receipt income of £1.0m compared to the budget set.
  - The Council's net position meant that £1.4m of the approved £1.7m additional reserves was applied to the budget. Overall, the Council used £3.6m of reserves to fund activities in 2022/23. Section 7 contains further detail.
  - Capital Programme expenditure for the year is £7.1m. Projects which have completed during the year include works completed on highways, and the digital Rutland scheme providing superfast broadband to the County. Ongoing schemes include Catmose school expansion and works on highways. New schemes included in the programme include the Levelling Up Fund and Potholes. Section 4 provides further detail.
  - Work completed in year to manage the pressure on the Special Educational Needs block of the Dedicated Schools Grant (DSG), has reduced the gap between expenditure and funding from £0.7m in 2021/22 to a smaller deficit for 2022/23 of £0.3m. This increases the overall deficit to £1.3m, section 6 provides

further detail. The Council continues to work with the Department for Education (DfE) on its Delivering Better Value scheme to create a more financially sustainable service provision.

### 3 2022/23 REVENUE OUTTURN

- 3.1 During the year the Council faced a challenging financial environment largely the result of national and international events. Within days of the budget being approved, Russia invaded Ukraine, leading to global economic turmoil. In the following months significant inflationary pressures emerged across all directorates which created a considerable challenge for the Council in managing its 2022/23 budget and created a budget shortfall for 2023/24 and future years. The immediate pressures were managed quickly and effectively by all directorates through one-off measures, including holding vacancies, the use of the revenue contingency budget of £0.4m, and use of uncommitted reserves £1.4m. This was reported and approved by Cabinet in June, and Council in July 2022 by way of an exceptional report.
- 3.2 Against the backdrop described above Council approved an additional £1.7m use of reserves to underpin the 2022/23 revenue budget. This additional budget was approved under a modified approach to budget management in that additional budget funded from this reserve allocation would only be applied once the Strategic Director for Resources, working alongside the Corporate Leadership Team, assessed that all other possible mitigating actions to contain the additional budget pressures had been taken. This action resulted in the final application of additional budget being £1.4m from the approved total of £1.7m.
- 3.3 In summary, the net revenue budget for 2022/23, agreed at Full Council in February 2022 was approved at £42.3m. The following table reconciles the movements to the budget through the year to the revised budget for the 'Net Cost of Services' the year of £44.0m. (*Appendix A provides a reconciliation of the Directorate budgets compared to the November 2022 reported position*).

Budget allocated for 2022/23	£000	Approved at:
General financing for the year	39,656	Council February 2022
Application of reserves	2,689	Council February 2022
<b>Total Net Cost Services Budget</b>	<b>42,345</b>	<b>Council February 2022</b>
Additional application of reserves*	1,424	Council July 2022
Revenue funding of capital schemes	243	Council July 2022
<b>Revised Net Cost Services Budget</b>	<b>44,012</b>	

\* £1.4m of the approved £1.7m applied to fund the budget in year

- 3.4 In addition to inflation, services have continued to be impacted by increased demand for services. The level of demand for social care in Adult's and Children's services have continued to increase, with other services experiencing higher demand and cost, such as Home to School Transport for pupils with Special Educational Needs.
- 3.5 To manage within the budget set vacancies have been held as a mitigating action to the forecast overspends of budgets across the Council. This action was in line with the reports presented to Cabinet and Council throughout the year and part of a wider strategy for managing resources which has enabled the priorities in the Corporate Plan to still be progressed. Where schemes have been funded from external short term grants, and where there are short term project needs, officers have sourced additional resources to complete projects using private sector organisation who have relevant skills, expertise, and can increase capacity in the short term to deliver priorities. Examples of this includes the economic development

investment bids such as the Levelling Up Fund, furthering the waste management contract approach, drafting Rutland's Economic Strategy and reviewing the Council's asset base.

3.6 The Council has been able to benefit from additional investment income compared to the revised budget of November 2022. The Bank of England base rate performed above the expectations of economists. These expectations had been used to inform the Council's revised assumptions in the Autumn 2022 however income receipts achieved were greater than the revised budget due to interests' rates being higher and the Council benefitting from a more positive cash position due to delays in the capital programme and being in receipt of grant payments before expenditure has been incurred. The revised investment strategy enabled the Council to achieve an additional interest receipt income of £1.0m.

3.7 Despite these challenging circumstances the Council's revenue outturn position for 2022/23 is an underspend position of £0.4m compared with the revised budget. This small underspend reflects monies received in advance of activity being undertaken. This funding is requested to be carried forward to be used in future years through reserves. Section 7 shows the reserves position.

Directorate and key services	Revised Budget £000	Net Expenditure £000	Variance to Budget £000	Overall Status
People – Adults Social Care	14,205	14,469	264	Overspend
People – Childrens Social Care	6,540	6,566	26	Overspend
Places	15,875	15,973	98	Overspend
Resources	7,963	7,740	(223)	Underspend
Projects	217	198	(19)	Underspend
Covid	-	444	444	Overspend
<b>Directorate Total</b>	<b>44,800</b>	<b>45,390</b>	<b>590</b>	<b>Overspend</b>
Appropriations	(2,478)	(2,473)	5	Overspend
Revenue Contribution to Capital	243	187	(56)	Underspend
Capital Financing	1,647	1,648	1	Breakeven
Interest Receivable	(200)	(1,182)	(982)	Underspend
<b>Net Cost of Services</b>	<b>44,012</b>	<b>43,570</b>	<b>(442)</b>	<b>Underspend</b>

3.8 The key budget variances are outlined in the following table by Directorate and by service area, with the pressures being highlighted in red and the underspends in green:

Directorate	Service area	Variance £000	Commentary
<b>People – Adult Social Care</b>	Community inclusion	116	Reliance on overtime and agency to fill rotas put pressure on the budget during the year. However, new recruitments appear to be successful. External funding ceased during the year for the supported living service.
	Daycare	(90)	Reductions in the number of people that meet the criteria to use the service. Future years budgets have been amended to reflect this.
	Direct payments	(256)	Reductions in the number of users as opposed to directly commissioned service. Future years budgets have been amended.
	Homecare	811	Demand increased by over 20% during the year along with a small number of high-cost

Directorate	Service area	Variance £000	Commentary
			placements. A fuel surcharge payment was also made during the year. Future years budgets have been amended.
	Prevention & Safeguarding	(83)	Activity was less than originally planned. Future years budgets have been amended.
	Residential	210	Additional high-cost placements, and an increase in rates due to a lack of beds at local authority rates. Future years budgets have been amended.
	Support & review staffing	(126)	Difficulties in recruiting to several posts. Further posts held in reflection to a future redesign of the service provision.
	Health and wellbeing in the community	(254)	Favourable variance reflects an amended approach to funding of the service through alternative grant funding where outcomes are a better match. This variance was expected.
<b>People – Childrens Social Care</b>	Referral & inclusion service	50	Additional costs incurred through use of agency staff to cover vacant post.
	Fostering, adoption & care leavers	177	Placement costs and demand have increased during the year.
	Safeguarding - children's	(106)	Favourable variance from holding vacancies and some savings made with partnership costs
	Contracts & Procurement	(106)	Favourable variance from holding vacancies and additional contributions from Health.
	SEND & inclusion	68	Additional costs incurred through use of agency staff to cover vacant post. Post has now been recruited to.
	Early intervention	(115)	Demand for services less than originally budgeted. Expected to be a single year occurrence.
	School & early years	(67)	Favourable variance reflects grant receipts contributing towards Council overheads in accordance with their terms and conditions
<b>Places</b>	Development control	(83)	Favourable variance reflects an increase in planning fee income because of large and speculative applications
	Economic development	(108)	Favourable variance from holding the climate change officer post and the use of grants received which funded bid submissions rather than use of General Funds
	Highways maintenance	(61)	Developer funds received late in the year contributed to being in receipt of additional income
	Commissioned transport	740	Adverse variance from additional demand in transport for children with Special Educational Needs (SEN).
	Transport management	(137)	Favourable variance from holding vacancies
	Waste management	(242)	A few factors have resulted in this favourable variance including lower tonnage of green waste due to dry summer weather experienced, and high market rates for the recyclable

Directorate	Service area	Variance £000	Commentary
			materials.
<b>Resources</b>	Finance	72	Agency staff used and whilst funding agreed the pressure was absorbed by the directorate. Additional bad debt provision provided for the Council and funded from this budget grouping.
	Business support	(126)	Favourable variance from holding vacancies
	Legal / governance	(103)	Revised approach to complete more work in house, an increased focus on when external advice was requested, and increasing income from third parties
	Revenues & benefits	100	Use of agency staff to cover planned leave, and pressure from the shortfall in subsidy for housing benefit administration costs.

3.9 Additional information as to the final performance of services compared to budget and movement since last report is provided in Appendix B.

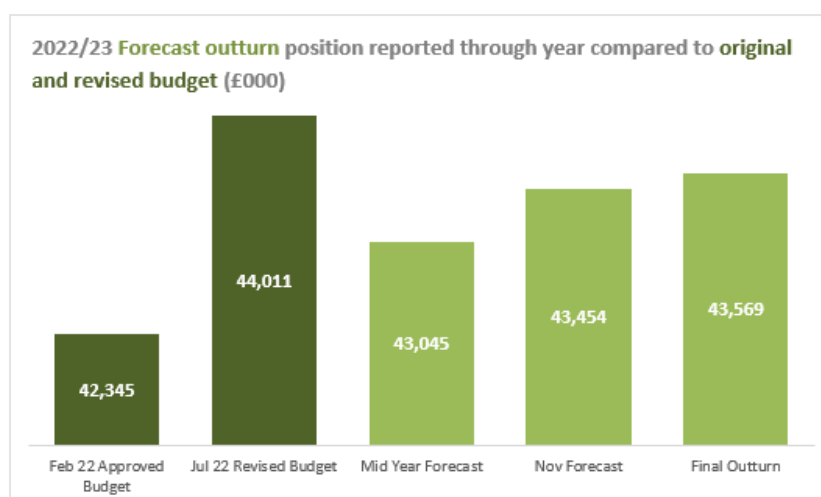
### Financing the Net Cost of Services

3.10 The following table shows the sources of income for the Council to fund the expenditure for 2022/23. As noted above, the drawn down from reserves was less than previously forecast. Additional income was received for Business Rates, Council Tax and slightly less Income from General Grants as the budgets were based on estimates due to the timing of receipt of more accurate information.

Financing items	Revised Budget £000	Net Income £000	Variance to Budget £000	Overall Status
Council Tax	(30,451)	(30,493)	(42)	Additional income
Business Rates	(3,463)	(3,519)	(56)	Additional income
General Grants	(5,987)	(5,983)	4	Less income received
Use of Reserves	(4,111)	(3,575)	536	Less reserves used
<b>Financing Total</b>	<b>(44,012)</b>	<b>(43,570)</b>	<b>442</b>	

### Financial Management through 2022/23 & impact on the Medium-Term Financial Plan

3.11 This section considers the movement in forecast outturn reported through the year in comparison to the original and revised budget approved by Council. The following chart illustrates this movement and reflects the uncertainty in the financial environment the Council has operated within during 2022/23.



3.12 Whilst the final outturn position for the Council has been delivered within budget the actual expenditure for the year was greater than the original budget, i.e. expenditure

exceeded the general fund income receipt. As a result, the use of additional funds through the application of reserves was required to support the 'everyday' expenditure of the Council which was the agreed short term strategy in advance of the transformation savings planned for future years.

- 3.13 Movement in the directorate forecast outturns are shown in greater detail in Appendix B alongside the outturn position for service areas which have over or underspent by more than £0.025m. Some of these movements relate to an update in assumptions as uncertainties encountered during the year were refined, and other changes reflect the management action taken to mitigate the risk of cost pressures materialising.
- 3.14 The Finance Team, working with Heads of Services and budget managers in the directorates are looking in further detail at the financial performance against service delivery during the year to understand what lessons there are to be learnt in the budget management and how budget risks can be better managed as the Council moves towards financial sustainability. This analysis is being incorporated in the revised integrated budget process. At this stage no changes are recommended to the MTFP approved by Council in February 2023.

#### **4 REVISION TO THE 2023/24 BUDGET FOR A RECEPTION FACILITY AT CATMOSE**

- 4.1 Following recent feedback from customers, Councillors, external third parties and members of staff, a pilot for a reception offering at Catmose is outlined below.
- 4.2 The pandemic necessitated, and in some cases accelerated, a change in behaviour of customers interacting with the Council with fewer face to face contacts being made. This is not a unique position for the Council and can be seen nationally across other Councils and businesses alike.
- 4.3 This change in behaviour was recognised in previous MTFPs, as it has enabled an improved and more efficient service delivery to be design based on a digital experience. Examples include the Council's new internet site, MyAccount facility and increased use of dedicated telephone-based consultation booking system. These have helped enable Council services and information to be accessed on a 24/7 basis, and in turn facilitated savings cross the Council helping to deliver a balanced budget.
- 4.4 As part of a 2021/22 saving proposal to reduce the costs in Customer Services the reception area in Catmose was revised to be a self-service model which facilitated access to the Council via telephone, computer, or by post.
- 4.5 Accurate data on volumes accessing Catmose reception has not been recorded and therefore is not available. However, the Council has received feedback from some customers around their expectation of a face-to-face reception, both via formal letters, social media and comments directly to Councillors.
- 4.6 A solution based on a pilot for a reception / floor walker role for a period of a year, with a six-month review on numbers accessing this area. This additional resource will deal with simple customer requests, providing direction for people wishing to use the postbox or computer, helping customers to use the phone to connect to customer services or taking messages as required. It is proposed that the cover will be for office opening times using temporary contracts or agency staff. Estimated maximum additional costs would need to be funded from reserves at £17k for 2023/24 and £28k for 2024/25.

## 5 2022/23 CAPITAL OUTTURN

5.1 As part of the 2023/24 budget setting process an updated capital programme of £16.420m was approved by Council in February 2023. Further updates have been made through the year and these are noted in the following table. Updates to the capital programme are made in the following ways:

- Approval by Council or Cabinet;
- Emergency delegations;
- By the s151 Officer – this applies only to funding which is ring fenced i.e. where the Council receives funding which must be used for a specific purpose;
- Delegation within the Council's constitution; and
- Closed or completed projects are removed from the capital programme at Outturn.

5.2 The capital programme was increased by £27.1m, from £16.4m, to a revised capital programme of £43.5m. The majority of this increase relates to the inclusion of the Levelling Up Fund programme of £24.2m.

Project	Approval	£000	£000
<b>Approved Capital Programme (Budget Setting Report 37/2023)</b>			<b>16,420</b>
Oakham Police – Enquiry Desk	Delegation	58	
Emergency Lighting – Oakham Castle	Delegation	13	
Highways Capital Programme 2023/24	Council 11/2023	2,843	
Catmose Sports Hall Floor	Delegation	50	
Levelling Up Funding	Council 58/2023	24,151	
<b>Total New Capital Programme – Approved Since Budget Setting</b>			<b>27,115</b>
<b>Revised Capital Programme 2022/23</b>			<b>43,534</b>

5.3 The table below shows the capital outturn position for 2022/23. More detailed analysis by scheme can be found in Appendix C. The majority of the £543k underspend, resulted from the Digital Rutland project to provide superfast broadband, which is now completed.

Approved Projects:	Total Project Budget	Prior Years Outturn	Outturn 2022/23	Project Future Budget	Est. Total Project Spend	Total Project Budget Variance
	£000	£000	£000	£000	£000	£000
Not Started	5,076	-	-	5,076	5,076	-
In Progress	33,371	3,363	4,254	25,700	33,316	(55)
Completed	5,087	1,708	2,890	0	4,599	(488)
<b>Total</b>	<b>43,534</b>	<b>5,071</b>	<b>7,145</b>	<b>30,775</b>	<b>42,991</b>	<b>(543)</b>
<b>Financed By:</b>						
Grant	(39,810)	(4,640)	(6,852)	(28,131)	(39,622)	188
Prudential Borrowing	(349)	-	-	-	-	349
Capital Receipts	(595)	-	-	(595)	(595)	-
Revenue Contributions	(311)	(66)	(187)	(58)	(311)	-
Developers Contribution	(2,469)	(365)	(106)	(1,992)	(2,463)	6
<b>Total Financing</b>	<b>(43,534)</b>	<b>(5,071)</b>	<b>(7,145)</b>	<b>(30,775)</b>	<b>(42,991)</b>	<b>543</b>

5.4 The following table provides a summary update on key projects, over £500k.



Key capital project	Project update
Highways 2022/23	<p>Highways Capital Programme (Budget £2.6m - Report 52/2022 &amp; 110/2022) - the highways capital programme is grant funded from the Department for Transport (DfT).</p> <p>The Barleythorpe highways scheme was identified in year as being delayed, and funds for this scheme were reallocated to other priority projects within the 2022/23 highways capital programme. The delayed scheme is included in the 2023/24 highways schemes. The remaining highways projects for 2022/23 were all delivered within year, with only a small slippage on bridges and footway dressings.</p>
Integrated Transport	<p>Integrated Transport Capital Programme (Budget £1.3m - Report 25/2021 &amp; 177/2021) - the integrated transport programme is grant funded from the DfT.</p> <p>The programme is to improve the safety and amenity within integrated transport. Schemes valued under £10k are approved by the budget manager, those schemes over £10k but less than £200k are approved under delegation.</p> <p>Examples of schemes completed in 2022/23 include the purchased of two minibuses for the home to school transport statutory service, works to widen the footpath on the southern side of Barleythorpe Road and essential road lines and signage at Tixover.</p> <p>The available budget for 2023/24 will be £803k.</p>
Catmose School Expansion Project	<p>Catmose Project (Budget £5.4m – Report 38/2021) - The capital programme commissioned Catmose college to deliver 30 additional places through development of an 8 Form Entry secondary school.</p> <p>The project is managed by Catmose College with all works are expected to be completed by the October 2023</p>
Digital Rutland	<p>The original project was funded by Building Digital UK (BDUK) and Rutland County Council (RCC) based on a ratio split. The funding from BDUK was paid in full during the early stages of the Project.</p> <p>The clawback amount relating to Digital Rutland phases 1 – 3 has been agreed with BDUK, and the repayment of £232k made 2022/23. This project is now closed. The funding of this project included a further £188k of grant funding but, as the project came under the total budget available, this funding was not drawn down from the grant provider.</p>
Levelling Up Fund	<p>In January 2023, it was confirmed that Rutland and Melton had successfully secured a joint Levelling Up Fund (LUF) bid of £23m to support the economic development in both Rutland and Melton. This was approved by Council in March 2023.</p> <p>Rutland's Levelling Up projects focus on health innovation, a new sustainable transport scheme, and growing the County's visitor's economy.</p>

5.5 Capital schemes that were completed during the year, £5.1m, are shown in the following table.

<b>Closed Capital Projects 2022/23</b>	<b>£000</b>
<b>Revised Capital Programme 2022/23</b>	<b>43,534</b>
Highways Capital Programme 2022/23	(2,537)
Devolved Formula Capital	(12)
School Energy Efficiency Improvement	(26)
Catmose Sports Hall Floor	(50)
Catmose Pool – Contribution	(150)
Digital Rutland	(2,229)
Uppingham Town Centre W/C	(27)
Exton Play Area Refurbishment	(14)
Great Casterton Primary	(43)
<b>Total Closed Capital Project for 2022/23</b>	<b>(5,087)</b>
<b>Capital Programme 2023/24</b>	<b>38,447</b>

### Funding Updates

5.6 The following additional funding allocations have been confirmed by Government since capital programme was set in February 2023. This additional funding requires Council approval before the funding can be allocated against any new projects and the capital programme updated accordingly.

<b>Capital programme funding updates</b>	<b>Est. at Budget Setting £000</b>	<b>2023/24 £000</b>
Devolved Formula Capital	12	4
Schools Condition Allocation	116	77
Basic Needs	-	1,758
Highways – Pothole (Additional Allocation)	-	423
UK Share Prosperity (UKSPF)	-	15
Rural England Prosperity	-	100
<b>Total</b>	<b>118</b>	<b>2,377</b>

## 6 DEDICATED SCHOOLS GRANT

6.1 The Council has a deficit balance on the Dedicated Schools Grant (DSG). From 1 April 2020 a new regulation was introduced that enabled any deficit on the schools' budget to be transferred to the Dedicated Schools Grant Adjustment Account. This had the effect of separating schools budget deficits from the local authority general fund for a period, initially set at three years but extended until March 2026.

6.2 The table below shows the expenditure requirements and funding available.

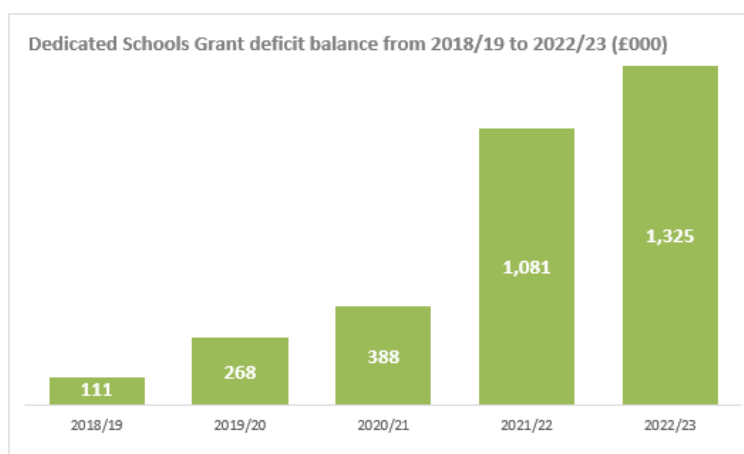
<b>Dedicated Schools Grant (DSG)</b>	<b>Schools</b>	<b>High Needs</b>	<b>Early Years</b>	<b>Central Schools</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>(Surplus) / Deficit from 2021/22</b>	<b>(1)</b>	<b>1,257</b>	<b>(107)</b>	<b>(69)</b>	<b>1,081</b>
DSG Allocations prior to recoupment	(28,367)	(5,272)	(1,718)	(184)	(35,540)
Transfer between blocks	142	(142)	-	-	-
Academy Recoupment	26,348	310	-	-	26,658

Dedicated Schools Grant (DSG)	Schools	High Needs	Early Years	Central Schools	Total
	£000	£000	£000	£000	£000
<b>Total Funding</b>	<b>(1,877)</b>	<b>(5,104)</b>	<b>(1,718)</b>	<b>(184)</b>	<b>(8,882)</b>
<b>Expenditure in Year</b>					
Schools' allocations	1,882	-	-	-	1,882
Nationally Agreed School Licences	-	-	-	41	41
Admissions Service- staffing costs	-	-	-	61	61
Statutory & Retained Duties	-	-	-	65	65
Education for under 5's	-	-	83	-	83
3 & 4 Year Old Funding	-	-	1,519	-	1,519
2 Year Old Funding	-	-	115	-	115
SEN Funding Maintained Schools and Academies	-	3,033	-	-	3,033
SEN Funding Post 16	-	159	-	-	159
SEN Recovery Plan Expenditure	-	246	-	-	246
SEN Funding - Independent Special Schools	-	1,113	-	-	1,113
SEN Funding EOTAS & Tuition	-	569	-	-	569
SEN Staff Recharge	-	197	-	-	197
Early Years Inclusion (SENI)	-	45	-	-	45
<b>Total Expenditure</b>	<b>1,882</b>	<b>5,362</b>	<b>1,717</b>	<b>167</b>	<b>9,128</b>
<b>(Under) / Overspends in 2022/23</b>	<b>5</b>	<b>258</b>	<b>(1)</b>	<b>(17)</b>	<b>245</b>
<b>(Surplus) / Deficit to 2023/24</b>	<b>4</b>	<b>1,515</b>	<b>(108)</b>	<b>(86)</b>	<b>1,325</b>

*SEN = Special Educational Needs*

6.3 For 2022/23 expenditure demands exceeded the funding available within the grant allocation by £0.2m, (£0.7m 2021/22), and increased the total deficit balance to £1.3m.

6.4 The following chart illustrates the growth of the deficit from 2018/19 to 2021/22 and shows that growth in 2022/23 was arrested by management actions taken to start to address the deficit balance.



6.5 With funding increasing to £5.6m in 2023/24 it is expected that the Council will manage within the funding allocation with further work required to 'make good' the deficit position from future DSG allocations.

6.6 To further support the recovery of the deficit the Council have a recovery plan in place and are part of the national 'Delivering Better Value' (DBV) programme. The Council is not unique in the deficit balance for the High Needs block. Through participation in this national scheme the Council is learning from best practice experienced in other Councils either from the sister programme 'Safety Value', or from the previous rounds of the DBV programme.

6.7 The DBV is commissioned by the DfE and supports 55 Local Authorities and their

local systems to identify the highest impact changes that each system involved can make to better support their local children with SEND and make plans to implement those changes. The programme places children and young people with SEND at the centre of the approach and decision making. The aim is to publish a programme of work to reduce spend on the programme and the DfE will provide the Council with £1.0m funding to support this programme of works. The Council plans to apply for this use of funds to the DfE by the end of June.

6.8 The Council has agreed to underwrite the DSG deficit reserve, although the statutory override removes the immediacy for this requirement through the use of a commitment against reserves of £1.3m. This enables the Council to manage the risk of not making good the deficit through future DSG funding by the end of 2025/26.

## 7 RESERVES POSITION

7.1 To enable the Council to manage its financial position, the Portfolio holder working alongside the S151 Officer will propose a Reserves Strategy to Council by the Autumn 2023. The Strategy will provide additional transparency in the use of reserves to cover and mitigate the strategic and operational financial risks the Council operates within. It is proposed that reserves will be reported under broad categories rather than the single General Fund use as described in the Budget Report. This will aid the transparency and assessment of use.

7.2 The revised reserve classifications are illustrated below, and will be confirmed as part of the Reserves Strategy:

Reserve	Reserve description
General Fund	<p>This Fund is the statutory fund into which all the receipts of the Council are required to be paid in, and out of which all liabilities of the Council are to be met, except to the extent that statutory rules might provide otherwise.</p> <p>This reserve ultimately smooths the financial impact of unexpected events, major incidents or emerging risks, including:</p> <ul style="list-style-type: none"> <li>• Risks which exceed the other specific risk reserves (budget, inflation, and local taxation reserves)</li> <li>• The capacity to manage in-year budget pressures in relation to demand led service delivery</li> <li>• The general financial climate</li> <li>• Financial risks arising as a result of new government legislation or new burdens</li> </ul> <p>The Financial Sustainability Strategy states that this reserve must not be reduced lower than £3m over the period.</p>
Financial Sustainability Strategy Reserve	<p>This balance represents the strategic use of reserves to fund the budget gap whilst transformational activity is undertaken as per Appendix A of the Final Revenue and Capital Budget 2023/24 report.</p>
Departmental Reserves	<p>Amounts set aside by departments in accordance with financial guidance. These funds have been received in advance for specific projects covering multiple years (i.e. grant funding), or funding to cover specific activity (i.e. the Local Plan), or for existing commitments (i.e. DSG deficit). The balance will vary as the projects / commitments progress.</p>
Risk Reserve	<p>This reserve is to be mitigate some of the financial risk resulting from the uncertainty contained within the budget such as from rising rates of inflation, risks associated with delivering a challenging savings programme, and any timing differences due to Section 31 grants, future tax losses and the impact of the cost-of-living on income generating</p>

Reserve	Reserve description
	budgets.
Innovation Fund	The balance of the sums set aside which can be utilised to fund one-off type expenditure such as to fund service transformation with the aim of making current Council funding work harder i.e. efficiency gains.
Process Improvement Fund	<p>This reserve will be used following the application of a series of criteria:</p> <ul style="list-style-type: none"> <li>• Delivers against the Council's corporate strategy and priorities</li> <li>• Provides on-going revenue savings</li> <li>• Provides on-going revenue income</li> <li>• Repays costs back to the fund within an agreed period (preferably not exceeding five years) OR delivers a benefit to a related service that contributes to sustainability</li> </ul> <p>This reserve fund is not intended to:</p> <ul style="list-style-type: none"> <li>▪ Substitute existing funding-streams</li> <li>▪ Meet on-going revenue needs</li> <li>▪ Provide financial support for capital works</li> </ul>

7.3 The outcome of the above and the Council's underspend position outlined in section 3 is included in the summary table below. Further information is provided in Appendix D.

Statement of Accounts	Reserve name	April 2022 £000	Reclass. £000	(From) / To £000	Revised Cat. £000	March 2023 £000
General Fund	General Fund - minimum balance	13,328	-	(1,431)	(8,898)	<b>3,000</b>
	Financial Sustainability Strategy Reserve	-	-	-	2,865	<b>2,865</b>
Earmarked Reserves	Departmental Reserves	9,488	(4,723)	21	-	<b>4,786</b>
	Risk Reserve	4,154	-	(1,798)	175	<b>2,530</b>
	Innovation Fund	298	146	665	1,391	<b>2,500</b>
	Process Improvement Fund	6,671	(1,196)	(1,033)	4,468	<b>9,000</b>
	<b>Total</b>	<b>34,029</b>	<b>(5,773)</b>	<b>(3,575)</b>	<b>-</b>	<b>24,681</b>

*Reclass. – reclassification of reserve balance, see point 7.4 for explanation*

*Cat. – category based on outturn position, see points 7.1 and 7.2 above*

7.4 Following a review of reserve balances, as part of the year-end closure process, it was noted that contributions received as S106 had incorrectly been classified as earmarked reserves, £5.8m. These balances have been reclassified on the Council's balance sheet as Creditors reflecting the 'present obligation' for the Council to spend these funds in accordance with the terms and conditions with developers when these contributions were agreed.

7.5 Further information on the reserve movement is shown in Appendix D. Whilst it is anticipated that the drawn down of reserve requests will be used to fund particular projects in 2023/24 no reserves will be drawn down until a detailed expenditure plan is produced.

## 8 CONSULTATION

8.1 Formal consultation is not required for any decisions being sought in this report. Internal consultation has been undertaken with officers to agree commentary and final position on all directorates.

## **9 ALTERNATIVE OPTIONS**

9.1 None required.

## **10 FINANCIAL IMPLICATIONS**

10.1 The report highlights the impact of the outturn for 2022/23 and follows the advice from the Section 151 Officer.

10.2 Additional budget is request in relation for a reception offer at Catmose, this is proposed to be funded from reserves of £17k in 2023/24, and £28k in 2024/25.

10.3 The financial performance has been reviewed for potential impact on future budgets, this is provided in Appendix B.

10.4 The Council is in receipt of additional grant funding for capital schemes, an over of this funding and its use is provided point 5.6.

10.5 In recognition of the transformational activity that is required to deliver the savings contained in the MTFP it is proposed that an Innovation Fund is set up to 'seed' fund to deliver future savings.

## **11 LEGAL AND GOVERNANCE CONSIDERATIONS**

11.1 There are no legal implications arising from this report.

11.2 The recommendations include requests for approvals to carry forward budgets and transfer funds to reserves. The recommendations are made in accordance with the Council's Financial Procedure Rules.

## **12 DATA PROTECTION IMPLICATIONS**

12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

## **13 EQUALITY IMPACT ASSESSMENT**

13.1 An Equality Impact Assessment (EqIA) has not been completed as this report does not impact on Council policies and procedures.

## **14 COMMUNITY SAFETY IMPLICATIONS**

14.1 There are no community safety implications

## **15 HEALTH AND WELLBEING IMPLICATIONS**

15.1 There are no health and wellbeing implications

## **16 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

16.1 The report updates Cabinet and all members of the draft outturn position for 2022/23. The report also asks Members to approve budget carry forwards and transfers to/from reserves for the 2023/24 budget, and for use of reserves to fund transformational activity linked to future savings.

16.2 The report recommends a revised approach to the reception area at Catmose, and this proposal requires additional budget in order to resource the pilot approach which will ascertain how the area is used and volume demands.

## **17 BACKGROUND PAPERS**

17.1 Budget Setting Report (09/2022)

17.2 July Report Exceptional Report (104/2022)

17.3 August Update Report (156/2022)

17.4 November Update Report (03/2023)

17.5 SEND Funding (30/2023)

**18 APPENDICES**

- Appendix A – Budget Movements
- Appendix B – Directorate Appendices
- Appendix C – Capital Programme
- Appendix D – Reserves Position

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.

## Appendix A. Budget Movements on Directorate net expenditure

This appendix shows budget for directorate net expenditure and the use of reserves.

Description	Net Cost of Services £000	Capital Financing £000	Spend on Capital £000	Funding £000	Transfer to / (from) Reserves £000	Transfer to / (from) General Fund £000
<b>November Council Report</b>	<b>44,765</b>	<b>(1,031)</b>	<b>243</b>	<b>(39,797)</b>	<b>(2,556)</b>	<b>(1,624)</b>
Pay Award 2022/23 (i)	65	0	0	0	0	(65)
Business Intelligence Project (ii)	(100)	0	0	0	100	0
Procurement Projects (iii)	(373)	0	0	0	373	0
Local Plan (iv)	339	0	0	0	(339)	0
Hospital Discharge Funding (v)	104	0	0	(104)	0	0
<b>Revised Budget</b>	<b>44,800</b>	<b>(1,031)</b>	<b>243</b>	<b>(39,901)</b>	<b>(2,422)</b>	<b>(1,689)</b>

- i) Adjust to the final cost of the 2022/23 Pay Award.
- ii) The Council has earmarked £0.1m to develop the Council's performance reporting Capability.
- iii) The Council has three large procurement projects underway (Leisure, Waste and Highways). The Council allocated budgets for the completion of these during the year. Where underspends have been reported on these schemes this reflects a timing difference between activity compared to the original plan and therefore a transfer to reserves for these funds has been requested to reflect the timing difference in expenditure profile with future drawn downs required.
- iv) To fund the expenditure that has been undertaken in the year as required for the delivery of the Local Plan and associated costs that have been incurred as a result of not having a Local Plan in place.
- v) The Council has been awarded £0.1m to facilitate hospital discharges and links with working closely with the Integrated Care Board (ICB) and Leicestershire Partnership Trust. There was the requirement to undertake relevant activity in 2022/23 and this drawn down reflects the completion of the conditions of use such as planned spending reports and provision of weekly activity data.



## Appendix B. Directorate Appendices

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
<b>People Directorate</b> <i>(note ASC – Adult Social Care, CSC – Children’s Social Care)</i>								
ASC Community Inclusion	1,268	1,384	116	Reliance on overtime and agency to fill the rotas for the staffing of the Community Care Services continues to put pressure on these budgets. However, recruitment has been successful to new Community Support Workers (CSW) and good response to other vacancies. There was a £39k pressure in relation to the ICB stopping funding service users at our Supported Living service throughout 2022/23	Recruitment remains a risk to the budget in 2023/24	40	76	The continued reliance on overtime and agency to fill the rotas. It was planned that recruitment into more positions would occur prior to year end. As such the agency costs are greater than was forecast.
ASC Community Based Services Income	(425)	(381)	44	The impact of service users with fewer assets / less income than in previous years.	Budgets realigned	51	(7)	
ASC Daycare	104	14	(90)	Experienced a reduction in older people / physical disability attended day care in the past two years.	Budgets realigned	(90)	0	
ASC Direct Payments	1,415	1,159	(256)	Experienced a fall in the number of service users choosing to take a Direct Payment as opposed to a directly commissioned service.	Budgets realigned. The impact to be monitored regarding the increase in hourly rate leads to increase in demand	(187)	(69)	Continued reduction in service users, see impact of additional costs in following comment.
ASC Homecare	2,050	2,861	811	Increase in demand from 83 at the start of 2022/23 to be consistently over 100 from October. In Physical Disabilities Homecare there were three packages of	Budgets realigned	761	50	High increase in services users in the lasts half a year linked

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
				care that exceeded £100k which meant the cost was double that of the previous year. The Council agreed to pay a fuel surcharge to all providers in addition to their rate in recognition of additional pressures impacting on suppliers				to drop in Direct Payments
ASC Hospital & Reablement	721	739	18			8	10	
ASC Other	323	284	(39)	New delegation with Leicestershire County Council for Care Act Mental health social work and Mental Health Act AMHP work – signing of contract has been delayed causing an underspend.	The delegation is an ongoing contract with LCC and as such is in the 2023/24 budget	(43)	4	
ASC Prevention & Safeguarding	71	(12)	(83)	The level of activity has been less than was budgeted	None. Budgets realigned	(69)	(14)	
ASC P&S Staffing	206	237	31	Agency staff used to back fill a secondment post that could not be recruited to.	Agency worker will continue into 2023/24	18	13	
ASC Residential	3,803	4,013	210	Overspent by approximately £122k due to more high-cost placements (including payment for non-banded rates during the year as a result of the high level of demand; and people living longer than we expected). The Council increased rates to a number of providers during the year due to lack of beds at the Local Authority rate	Budgets realigned	252	(42)	Fluctuations in demand
ASC Support and Review Staffing	758	632	(126)	Underspent by £126k due to difficulties in recruiting to in-house and agency staff in a number of posts. Vacant posts held as service redesign expected.	A service redesign is planned and therefore there may be a budget saving	(128)	2	

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
BCF Hospital Flows	1,322	1,374	52	Following a review of current spend against the Public Health (PH) Outcomes Framework, it was agreed to maximise the grant usage of current PH spend with alternative activities (including BCF) which better aligned to outcome requirements of the grant. Timing of agreement occurred close to the end of last financial year and so not reflected in the assumptions of the 2022/23 budget build. This created a reported variance throughout the year	Maximisation of grant funding for suitable outcomes is ongoing and the 2023/24 budgets will reflect this at the start of the year.	9	43	Timing of agreement occurred close to the end of last financial year and so not reflected in the assumptions of the 2022/23 budget build. This created a reported variance throughout the year
BCF Unified Prevention	343	251	(92)			(84)	(8)	
BCF Enablers	170	92	(78)			2	(80)	
BCF Health & Wellbeing in the Community	1,078	942	(136)			(15)	(121)	
CSC – Permanency & Protection Service	476	486	10			28	(18)	
CSC – Referral & Inclusion Service	262	312	50	Overspend is due to agency staff covering vacancies	Potentially impact on future years as there is a national recruitment issue with Social Workers	78	(28)	Reduction in number of days worked by agency staff to mitigate the in year pressure
CSC – Fostering, Adoption & Care Leaver Service	1,981	2,158	177	The Council's placement costs have increased along with the number of children in care compared to the assumptions the budget was based upon.  * (UASC – Unaccompanied Asylum Seeking Children)	The cost-of-living increases and fee uplifts have been factored into the budgets. Risk remains regarding the costs of clients with complex needs.	(14)	191	Additional children with complex needs costing a total of £130k require care. Three new UASC* young people and two children with complex needs moved from an inhouse placement to an agency foster placement.

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
CSC - Safeguarding	378	272	(106)	Staff vacancy that was not filled and underspend in relation to some partnership costs.	None, linked work required as requested reserves funding.	(55)	(51)	Unable to recruit to posts. Alternative delivery of activity linked to the Domestic Abuse grant devised and linked to reserves
Contracts & Procurement	478	372	(106)	A vacancy held during the year and additional contributions to health for the Voluntary and Care Sector (VCS).  The work required by the DHSC project has now completed and will have no impact on the 2023/24 budget.	Budget relating to the vacant post remains in the 2023/24 budget to fund additional business support and legal costs for specific contract work.	(64)	(42)	Cost originally code to cost centre were funded from other Council budgets and legal work required was not undertaken in the year due to teams' capacity to initiate it
People - Directorate	1,429	1,391	(38)			21	(59)	
SEND & Inclusion	596	664	68	Agency costs covering vacant post	None, post permanently recruited too	45	23	
Early Intervention - Targeted	1,376	1,408	32	Children With Disabilities (CWD) overspent on placement costs. The service mitigated the full impact by restricting spend in other areas	None	148	(116)	Demand of service fluctuating for individual service user needs and posts not being successfully recruited to
Early Intervention - Universal & Partnerships	316	201	(115)	Underspend in youth services third party payments due to demand and elements of the contracts not fully utilised.	This is not likely to occur into future years.	(57)	(58)	Further underspends experienced for third party payments and demand reductions.
Housing	252	237	(15)			(28)	13	

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
Public Health	(248)	(234)	14	The 0-19 Children's provision was retendered and brought partially in-house during the year. The previous contract costs reduced and the replacement internal staffing did not start concurrently with the contract changes resulting in reduced expected spend. Additionally, a number of elements of the Public Health spend are activity-based and consequently forecast on a quarterly basis resulting in some changes .	Maximisation of grant funding for suitable outcomes is ongoing and the 2023/24 budgets will reflect this at the start of the year.	23	9	
RALASS	21	22	1	RALASS – Rutland Adult Learning & Skills Services	Potential as the delivery of the service is reviewed	39	(38)	Income levels improved in the final quarter
Schools & Early Years	223	156	(67)	Grant received in the final quarter	None	(30)	(37)	Grant received in the final quarter
<b>Total</b>	<b>20,745</b>	<b>21,035</b>	<b>290</b>			<b>659</b>	<b>(372)</b>	
<b>Places Directorate</b>								
Building Control	15	33	18			2	16	
Commercial & Industrial Properties	(244)	(267)	(23)			(97)	74	In line with the Asset Review report only essential repairs have been carried out when needed.
Crime Prevention	122	105	(17)			(14)	(3)	
Cultural & Regulatory	165	150	(15)			0	(15)	
Development Control	223	140	(83)	Increased planning fee income due to several large-scale speculative applications	If the Council continues to receive speculative planning	(144)	61	The Council has lost two planning appeals

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
					applications, then additional income could be achieved.			and costs of £38k have been allowed.
Director - Places	438	432	(6)			(9)	3	
Highway Structures	173	174	1			0	1	
Economic Development	249	141	(108)	The Climate Change Officer Post has been held vacant for the year and budget for bids for UKSPF and LUF were not required as funding received to facilitate this	None. Post removed for 23/24 and funding was a one off.	(111)	3	
Emergency Planning	37	36	(1)			0	(1)	
Environmental Services	1,436	1,407	(29)	The underspend is the result of a vacant post that we have been unable to recruit to despite two attempts and an unexpected influx of burials during March which doubled the anticipated income for the cemetery.	None.	47	(76)	Additional income not previously anticipated linked to increased burials at the end of the financial year
Forestry	108	108	0			0	0	
Health & Safety	45	42	(3)			(1)	(2)	
Highways Capital Charges	1,828	1,828	0			0	0	
Highways Management	419	358	(61)	Unexpected S278 fee received late in March of £51k	The staffing position in the highways team is supplemented by agency staff and this could create future pressures	106	(167)	Late receipt of income and costs relating capital works charged to schemes

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
Commissioned Transport	2,210	2,950	740	Additional demand for Special Educational Needs (SEN) transport mid-year, including placements out of county requiring specialist individual transport contracts at short notice	This budget is likely to continue to be under pressure as demand is continues to rise	322	418	Demand-led and short notice of additional requirements for cases. Contract price increases due to rising transport costs.
Leisure	221	210	(11)			0	(11)	
Libraries	487	483	(4)			0	(4)	
Lighting/Safety/Barriers/Traffic Signal	154	202	48	Pressure related to increased utility costs for street lighting	Budgets realigned	7	41	
Museum	458	458	0			9	(9)	
Parking	(204)	(173)	31	A shortfall in income due to a reduction in income from staff parking permits.	Potentially. Income position will be monitored.	47	(16)	
Pool Cars and Car Hire	107	111	4			(1)	5	
Planning Policy	835	790	(45)	Additional CIL receipts over and above those budgeted and a staff member reduced hours	None	(18)	(27)	
Property Services	1,139	1,160	21			28	(7)	
Public Protection	416	391	(25)	Additional License Fee income		10	(35)	
Public Rights of Way	35	24	(11)			20	(31)	
Public Transport	834	824	(10)	Small final variation in actual performance compared to original budget set. However, forecast outturn variance linked to late	None.	(115)	105	Numbers of concessionary fares to be monitored to see if this was a one off or

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
				increase in number of concessionary fares paid in the final quarter.				an indication of greater confidence in returning to Public Transport
Road Maintenance	339	351	12			0	12	
Tourism	1	8	7			(1)	8	
Transport Management	412	275	(137)	Underspend due to vacant posts		(128)	(9)	
Waste Management	3,137	2,895	(242)	Green waste tonnages lower than expected due to the dry weather conditions over the summer, and high market rates for recycled materials.	Budgets realigned	(258)	16	
Winter Maintenance	280	325	45	Extreme weather conditions resulted in more gritting runs undertaken and mobilising the ploughs.	Risk remains if extreme weather conditions are over and above our expectations	0	45	
<b>Total</b>	<b>15,875</b>	<b>15,973</b>	<b>98</b>			<b>(299)</b>	<b>395</b>	
<b>Resources Directorate</b>								
Accountancy /Finance	691	763	72	Interim staffing arrangements and bad debt provision increased by £12k. The interim staffing was agreed but funding not drawn down as the pressure was managed as part of the Resources directorate as a whole	None	53	19	
Audits	199	184	(15)			2	(17)	
Business Intelligence	227	197	(30)			(21)	(9)	
Chief Executive	273	282	9			(3)	11	



Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
Communications	213	166	(47)	Staffing underspend due to delays in recruiting two Communications Officers	None. Request made to carry forward £15k underspend to support future communications activity around Transformation Programme.	(62)	15	
Corporate Costs	173	152	(20)			2	(23)	
Business Support Services	674	548	(126)	Staffing Underspends due to vacant posts	None	(113)	(12)	
Customer Services	202	181	(21)			(29)	8	
Director - Resources	332	332	0			(6)	6	
Elections	130	131	1			7	(6)	
Financial Support	40	9	(31)	Fewer awards made for financial crisis and additional administration funding received in year for the Household Support Fund	None. Awards are year specific and can vary based on demand.	(8)	(23)	
Human Resources	488	479	(9)			(7)	(2)	
Corporate Insurance	258	275	17			(1)	17	
Information Communication Technology	1,691	1,695	4			30	(26)	
Legal/Governance	676	573	(103)	More legal work provided in-house and effective gatekeeping / using locum	Potential for additional savings	(89)	(14)	

Function	Revised Budget £000	Net Expenditure £000	Variance to budget £000	Commentary on Outturn Position	Impact on MTFS	Nov.22 Forecast Variance £000	Change £000	Commentary on Movement from November 2022
				solicitors as an alternative to provide practice / recovering costs from third parties where there is an entitlement / generating an income	over and above those already removed.			
Members	290	263	(27)	Vacancies in elected Member positions at various points in the financial year.	None, all posts to be filled as a result of Local Elections	(25)	(2)	
Pensions	1,045	1,046	1			(1)	2	
Revenues & Benefits	363	463	100	The overspend is a result of using agency staff to fill vacancies and to provide cover for maternity leave. There is also a shortfall between Housing Benefit payments and the subsidy received because of: homeless cases, war pensioners etc	None. Benefits vary based on demand, and this will be monitored	37	63	
<b>Total</b>	<b>7,963</b>	<b>7,740</b>	<b>(223)</b>			<b>(234)</b>	<b>8</b>	

## Appendix C. Capital Programme

Project Description	Total Project Budget	Prior Year Outturn	2022/23 Outturn	Future years Outturn	Total Estimated Project Outturn	Project Over / (Under) Spend	Project Status	2023/24 Capital Budget
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Asset Management Requirements Capital Programme</b>								
School Maintenance	36	16	3	17	36	0	In Progress	36
School Capital Expansion Project	5,400	1,860	3,024	516	5,400	0	In Progress	5,400
Asset Review	565	0	0	565	565	0	Not Started	565
Highways Capital Projects	2,606	0	2,515	86	2,601	(5)	Mixed	86
Highways Capital Projects (2023/24)	2,843	0	0	2,843	2,843	0	Not Started	2,843
Integrated Transport Block	1,324	345	176	803	1,324	0	Mixed	1,301
Emergency Active Travel	103	2	83	18	103	0	In Progress	103
Emergency Lighting – Oakham Castle	13	0	0	13	13	0	Not Started	13
St Eabbass Close	4	0	0	4	4	0	Not Started	4
ITCP – Barleythorpe Roundabout	100	0	105	0	105	5	Completed	0
<b>Subtotal</b>	<b>12,994</b>	<b>2,223</b>	<b>5,906</b>	<b>4,865</b>	<b>12,994</b>	<b>0</b>		<b>10,351</b>
<b>Strategic Aims and Priorities Capital Programme</b>								
Devolved Formula Capital 22/23	12	0	12	0	12	0	Completed	0
Devolved Formula Capital 23/24	12	0	0	12	12	0	Not Started	12
School Energy Efficiency Improvement	26	0	26	0	26	0	Completed	0
Disabled Facilities Grant 22/23	495	0	225	269	495	0	In Progress	269
Disabled Facilities Grant 23/24	270	0	0	270	270	0	Not Started	270
Changing Place at Anglian Water	78	0	0	78	78	0	Not Started	78
Changing Place at Uppingham	80	0	0	80	80	0	Not Started	80
SEND	727	716	3	8	727	0	In Progress	727
SEND 2021/22	821	9	664	148	821	0	In Progress	822
Catmose Sport Hall Floor	50	0	50	0	50	0	Completed	0
Sports Grants	418	343	0	75	418	0	In Progress	418
Catmose Pool - Contribution	150	0	150	0	150	0	Completed	0
Oakham Police – Enquiry Desk	58	0	0	58	58	0	Not Started	58
Digital Rutland – LFFN Project	2,229	1,686	0	0	1,686	(543)	Completed	0
Uppingham Town Centre WC	27	0	27	0	27	0	Completed	0
Exton Play Area Refurbishment	14	0	14	0	14	0	Completed	0
Gt Casterton C of E Primary S106	43	22	21	0	43	0	Completed	0
SMSJ Fire Exit and Lighting	17	6	0	11	17	0	In Progress	17

Project Description	Total Project Budget	Prior Year Outturn	2022/23 Outturn	Future years Outturn	Total Estimated Project Outturn	Project Over / (Under) Spend	Project Status	2023/24 Capital Budget
	£000	£000	£000	£000	£000	£000	£000	£000
Affordable Housing, Brooke Road	650	0	0	650	650	0	Not Started	650
UK Share Prosperity Allocation (UKSPF)	24	0	0	24	24	0	Not Started	24
Levelling Up Fund	24,151	0	10	24,141	24,151	0	In Progress	24,151
Oakham Enterprise Park – Unit 2 and 4	110	66	0	44	110	0	In Progress	110
Website Development	49	0	37	12	49	0	In Progress	49
IT Projects	30	0	0	30	30	0	Not Started	30
<b>Total</b>	<b>30,540</b>	<b>2,848</b>	<b>1,239</b>	<b>25,910</b>	<b>29,997</b>	<b>(543)</b>		<b>27,765</b>
<b>Total Capital Programme</b>	<b>43,534</b>	<b>5,071</b>	<b>7,145</b>	<b>30,775</b>	<b>42,991</b>	<b>(543)</b>		<b>38,116</b>

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## Appendix D: Reserves Movements

Reserves Movements during 2022/23	April 2022	Reclassification	To / (from) Reserves	Transfer per MTFP	General Fund Allocation	March 2023
	£000	£000	£000	£000	£000	£000
<b>General Fund</b>	<b>13,328</b>	-	<b>(1,431)</b>	<b>(2,865)</b>	<b>(6,033)</b>	<b>3,000</b>
Financial Sustainability Strategy Reserve	-	-	-	2,865	-	2,865
<b>Departmental Reserves</b>						
Commuted Sums	649	-	(233)	-	-	417
Developer Contributions	5,773	(5,773)	-	-	-	-
Public Health	407	-	(53)	-	-	354
Tourism	11	-	28	-	-	39
Better Care Fund	937	-	(200)	-	-	737
High Needs Reserve	-	-	1,025	-	-	1,025
Local Plan	1,705	-	(356)	-	-	1,348
Grants	-	1,050	(797)	-	-	254
Culture Reserve	6	-	-	(6)	-	-
Procurement Reserve	-	-	373	-	-	373
Early Intervention	-	-	54	-	-	54
Children's Safeguarding	-	-	54	-	-	54
Biodiversity	-	-	11	-	-	11
Domestic Abuse Grant	-	-	114	-	-	114
Future use within fund	-	-	-	6	-	6
<b>Total Departmental Reserves</b>	<b>9,488</b>	<b>(4,723)</b>	<b>21</b>	-	-	<b>4,786</b>
<b>Risk Reserve</b>						
Collection Fund Timing Differences	1,983	-	(1,767)	-	-	216
Social Care Reserve	1,316	-	-	(1,316)	-	-
Legal & Insurance	100	-	-	(100)	-	-
Hardship Reserve	187	-	(40)	(147)	-	-
Ash Die Back	500	-	-	(500)	-	-
Rutland Adult Learning	40	-	-	-	-	40
Neighbourhood Plans	27	-	9	(36)	-	-
Future use within fund	-	-	-	2,100	175	2,274
<b>Total Risk Reserves</b>	<b>4,154</b>	-	<b>(1,798)</b>	-	-	<b>2,530</b>
<b>Innovation Fund</b>						
Invest to Save	173	-	(100)	(73)	-	-
Training	125	-	(16)	(110)	-	-
CST Improvements	-	146	(49)	(97)	-	-
PowerBI Project	-	-	100	-	-	100
Future use within fund	-	-	730	279	1,391	2,400
<b>Total Innovation Fund</b>	<b>298</b>	<b>146</b>	<b>665</b>	-	<b>1,391</b>	<b>2,500</b>
<b>Process Improvement Fund</b>						
Oakham North	3,213	-	(45)	-	-	3,168
Repairs	249	-	-	(249)	-	-
Highways	396	-	(30)	(366)	-	-
Brexit	266	-	-	(266)	-	-
Digital Rutland	26	-	-	(26)	-	-
Budget Carry Forward	1,837	(1,196)	(474)	(167)	-	-
Covid	774	-	(484)	(290)	-	-
Future use within fund	-	-	-	1,364	4,468	5,832
<b>Total Process Improvement Fund</b>	<b>6,761</b>	<b>(1,196)</b>	<b>(1,033)</b>	-	<b>5,642</b>	<b>9,000</b>
<b>Total General Fund &amp; Earmarked Reserves</b>	<b>34,029</b>	<b>(5,773)</b>	<b>(3,575)</b>	-	-	<b>24,681</b>