

CORPORATE RESOURCES OVERVIEW AND SCRUTINY

Date of Meeting	Thursday 8th February, 2024
Report Subject	Revenue Budget Monitoring 2023/24 Month 9 and Capital Programme 2023/24 Month 9
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The purpose of this report is to provide Members with the Revenue Budget Monitoring 2023/24 (Month 9) Report and Capital Programme 2023/24 (Month 9).

RECOMMENDATIONS

1	That the committee considers and comments on the Revenue Budget Monitoring 2023/24 (Month 9) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.
2	That the committee considers and comments on the Capital Programme 2023/24 (Month 9) report. Any specific matters for attention will be noted and reported back to the Cabinet when it considers the report.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING POSITION 2023/24 (MONTH 9), CAPITAL PROGRAMME 2023/24 (MONTH 9)
1.01	The Revenue Budget Monitoring 2023/24 (Month 9) report will be presented to Cabinet on Tuesday 20th February, 2024. A copy of the report is attached as Appendix A to this report.
1.02	The Capital Programme 2023/24 (Month 9) report will be presented to Cabinet on Tuesday 20th February, 2024. A copy of the report is attached as Appendix B to this report.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Month 9); in Appendix B; Capital Programme 2023/24 (Month 9).

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	As set out in Appendix A; Revenue Budget Monitoring 2023/24 (Month 9); in Appendix B; Capital Programme 2023/24 (Month 9).

4.00	CONSULTATIONS REQUIRED / CARRIED OUT
4.01	None required.

5.00	APPENDICES
5.01	Appendix A; Revenue Budget Monitoring 2023/24 (Month 9) Appendix B; Capital Programme 2023/24 (Month 9)

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	None required.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham, Finance Manager Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Capital Programme: The Council's financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p>



CABINET

Date of Meeting	Tuesday 20th February, 2024
Report Subject	Revenue Budget Monitoring Report 2023/24 (Month 9)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

This monthly report provides the latest detailed overview of the budget monitoring position for the 2023/24 financial year for the Council Fund and Housing Revenue Account and presents the position, based on actual income and expenditure as at Month 9.

The projected year end position is as follows:

Council Fund

- An operating deficit of £2.502m which is a favourable movement of £0.440m from the deficit figure reported at Month 8.
- A projected contingency reserve available balance as at 31 March 2024 of £5.108m. (after the actual impact of pay awards and taking account of previously approved allocations).

Housing Revenue Account

- Net in-year revenue expenditure is forecast to be £0.049m higher than budget which is an adverse movement of £0.031m from the figure reported at Month 8.
- A projected closing balance as at 31 March, 2024 of £3.148m

The economic outlook remains challenging due to inflation levels remaining high.

The impacts of this, together with continued increases in service demand is becoming increasingly hard to deal with as our funding fails to keep up with the scale of these pressures.

To assist with managing these risks and mitigating the overall projected overspend, a moratorium on non-contractually committed spend has been put in place alongside a vacancy management process which continues.

At Month 9, £1.548m of deferred and/or delayed expenditure has been identified and is analysed by service within Appendix 2. The robust challenge of budget lines and commitments will continue, and further updates provided in future reports.

RECOMMENDATIONS

1	To note the report and the estimated financial impact on the 2023/24 budget.
2	To support the carry forward requests included in paragraph 1.10.

REPORT DETAILS

1.00	EXPLAINING THE REVENUE BUDGET MONITORING 2023/24
1.01	<p>The projected year end position is as follows:</p> <p>Council Fund</p> <ul style="list-style-type: none"> An operating deficit of £2.502m which is a favourable movement of £0.440m from the deficit figure reported at Month 8. A projected contingency reserve available balance as at 31 March 2024 of £5.108m (after the actual impact of pay awards and taking account of previously approved allocations). <p>Housing Revenue Account</p> <ul style="list-style-type: none"> Net in-year revenue expenditure forecast to be £0.049m higher than budget which is an adverse movement of £0.031m from the figure reported at Month 8. A projected closing balance as at 31 March, 2024 of £3.148m <p>To assist with managing these risks and mitigating the overall projected overspend, a moratorium on non-contractually committed spend has been put in place alongside a vacancy management process which continues.</p> <p>At Month 9, £1.548m of deferred and/or delayed expenditure have been identified and is analysed by service within Appendix 2. The robust challenge of budget lines and commitments will continue, and further updates provided in future reports.</p>
1.02	Hardship Funding from Welsh Government helped secure £16m of direct financial help in 2022/23 for areas such as self-isolation payments, statutory sick pay enhancement, free school meals direct payments and winter fuel payments. However, this funding ceased on 31 March 2023.

1.03 **Table 1. Projected Position by Portfolio**

The table below shows the projected position by portfolio:

Portfolio/Service Area	Approved Budget	Projected Outturn	In-Year Over / (Under) spend
	£m	£m	£m
Social Services	89.235	89.833	0.598
Out of County Placements	17.285	18.889	1.603
Education & Youth (Non-Schools)	10.327	9.942	(0.385)
Schools	114.043	114.291	0.248
Streetscene & Transportation	42.227	43.681	1.454
Planning Env & Economy	7.557	6.811	(0.746)
People & Resources	4.697	4.518	(0.179)
Governance	11.943	11.540	(0.403)
Assets	11.141	10.771	(0.370)
Housing & Communities	15.990	18.673	2.683
Chief Executive	1.672	1.656	(0.016)
Central & Corporate Finance	26.003	24.018	(1.985)
Total	352.121	354.623	2.502

The changes made to the approved budget since Month 8 between Schools and Education and Youth (Non Schools) relate to permanent exclusions and managed moves and to cover the Fresh Start provision.

1.04 The reasons for the monthly movements over £0.025m are shown in Appendix 1 and overall projected variances over £0.050m are summarised within Appendix 2 together with a summary of minor variances for each portfolio.

Significant Movements from Month 8

1.05 **Social Services (£0.072m)**

The favourable movement relates to:

Older People

- Localities £0.164m – Residential Care costs have increased by £0.118m and Domiciliary Care costs have increased by £0.067m. Both of these are demand led services. Capacity to deliver care has been affected by recruitment issues but recently there has been improvement within some parts of the care sector. There is a

	<p>decrease of (£0.021m) on staffing costs due to a number of minor variances on pay and travel.</p> <ul style="list-style-type: none"> • Community Equipment Contribution £0.030m – the increase in the annual contribution made to the North East Community Equipment Stores due to increases in pay following the Pay Award 2023/24. • Resources & Regulated Services (£0.122m) – positive variances for Older People Residential Care costs (£0.049m), Extra Care (£0.011m) and Homecare (£0.065m). Recruitment and retention continues to be a challenge and prolonged delays lead to a reduction in service provision. Day Care costs have increased by £0.032m. <p>Adults of Working Age</p> <ul style="list-style-type: none"> • Residential Placements (£0.064m) – adjustments to care packages have resulted in the decrease in projected costs. <p>Children’s Services</p> <ul style="list-style-type: none"> • Family Placement £0.132m – Costs have been transferred from Children’s Services professional support Leaving Care budget for payments associated with ‘When I am Ready’ foster allowances. This allows young adults previously in foster care as children to remain in the same placement until ready to move out. • Professional Support (£0.125m) – ‘When I am Ready’ costs have been transferred to Family Placement. <p>Minor variances across the Portfolio account for the remainder (£0.087m)</p>
1.06	<p>Out of County Placements £0.077m</p> <p>The adverse movement relates to:</p> <ul style="list-style-type: none"> • Children’s Services £0.142m - Net impacts of new placements, changes of placements, ended placements and removal of contingency provision. • Education & Youth (£0.065m) - Net impacts of new placements, changes of placements and reduction of contingency provision
1.07	<p>Governance (£0.178m)</p> <p>The favourable movement relates to:</p> <ul style="list-style-type: none"> • Review and revision of Bad Debt Impairment percentages within the Council Tax Collection Fund thereby increased the anticipated surplus by (£0.100m). • delayed / deferred expenditure within Internal audit for the moratorium (£0.029m) • revised contribution to Denbighshire County Council for the Procurement Service (£0.027m). <p>Minor variances across the Portfolio account for the remainder (£0.022m).</p>
1.08	<p>Central & Corporate (£0.102m)</p>

	<p>A further review of the Central Loans and Investment Account at Month 9 indicates a further improvement on the position.</p>
1.09	<p>Cumulative minor variances across the Council of (£0.165m) account for the remainder of the total monthly movement.</p>
1.10	<p>Carry Forward Requests</p> <p>Planning, Environment & Economy £0.050m To fund a specialist practitioner post for 12 months to work on the new established requirements for Special Procedures.</p> <p>Special Procedures will be introduced in Wales in 2024/25 and will be a regulatory framework for those who carry out skin piercing activities. It will supersede any local by-laws with respect to these activities, the requirements will be even more stringent. It is a mandatory licensing scheme, which will be resource heavy, particularly over the first 18 months. Existing practitioners will need to apply for a new licence and therefore new inspections will need to be undertaken by officers.</p> <p>This post will lay the groundwork for the Service thereby facilitating a future income stream once fully online and functioning.</p> <p>Governance £0.210m</p> <p>To request the anticipated underspend across the Customer Contact budget in 2023-24 is transferred to the Digital Strategy Reserve.</p> <p>The Digital Strategy Reserve (DSR) was created in 2018 using an invest to save budget of £0.550m and has subsequently been topped up with £0.353m from various revenue budget underspends bringing the overall allocation to £0.903m. To date £0.451m has been spent with the anticipated outturn into 2024/25 totalling £0.747m leaving a DSR balance of £0.156m to support the Council's ambitious Digital Strategy and transformation by resourcing the following fixed term posts:</p> <ul style="list-style-type: none"> • Digital Officers (G04) x 2 FTE • Digital Solutions Technician (G04) x 1 FTE • Transformation Officer (G06) x 0.6 FTE <p>These posts are critical in driving forward digital development and delivery of digital solutions to deliver change and are linked with the Council's new transformation programme. To retain the current postholders it is necessary to extend the fixed term contracts for a further two years until 31 March 2027. This carry forward would assist in topping up the DSR and avoid a future pressure bid within the MTFs.</p>
1.11	<p>Tracking of In-Year Risks and Emerging Issues</p> <p>Members were made aware when setting the budget that there were a number of open risks that would need to be kept under close review. An update on these is provided below.</p>

1.12	<p>Council Tax Income</p> <p>The 'in-year' collection level is 85.3% the same level as the previous year. Rising costs-of-living continue to impact on the ability of some households to make payment of council tax on time.</p>
1.13	<p>Pay Award (Teacher and Non-Teacher)</p> <p><u>NJC (Green Book)</u></p> <p>The actual impact of the pay offer for 2023/24 was an additional £2.702m which is being met from Contingency Reserve.</p> <p><u>Teachers Pay</u></p> <p>Increases as previously outlined have been accepted by all teaching unions.</p>
1.14	<p>Pay Modelling</p> <p>No figures are currently included for any impact of the pay modelling review which is needed to try and address the difficulties currently being experienced in recruitment and retention. It is due to be completed later this year.</p>
1.15	<p>Waste Recycling Infraction Charge</p> <p>The Council did not meet the statutory minimum target, (64%) in 2021/22, for the percentage of municipal waste which must be recycled, prepared for re-use and composted, as specified in Section 3 of the Waste (Wales) Measure 2010. Welsh Government can therefore take steps to impose a penalty on the Council by way of an infraction fine. A potential penalty of up to £0.663m has been confirmed so presents a significant financial risk to the Council.</p> <p>Discussions took place in March,2023 between Welsh Government (WG) and the Council as to the reasons for not achieving the target. The Council has subsequently been instructed by WG to engage with the Waste and Resources Action Programme (WRAP) and Local Partnerships to review our waste strategy and develop a new action plan. Depending on the outcome of the review, the Minister will take a decision at that point whether to levy the fine.</p> <p>Unfortunately, the statutory recycling targets have not been achieved in 2022/23 too (non-verified), which means that a further infraction fine could be levied of around £0.470m should WG choose to do so, and monitoring of the authority's recycling performance for 2023/24 to date shows that the rates of recycling and residual waste tonnages are not improving, which could lead to not achieving the targets in 2023/24 also.</p>
1.16	<p>Homelessness</p> <p>There continues to be a significant and growing demand within the Homelessness service. The Council has a statutory duty to provide suitable</p>

	<p>temporary accommodation for Homeless persons and families who meet the Welsh Government eligibility criteria which are less stringent than in England. The growth in demand commenced in the second half of 2022/23 and continued to accelerate markedly between April and December,2023.</p> <p>One of the more significant influences of many is the sparsity of affordable accommodation in the private rented sector which is being influenced by the cost-of-living crisis and an increase in the numbers of no-fault evictions as many private rented sector landlords are leaving the sector and seeking to sell their properties. There is also an acute shortage of suitable available accommodation within the Council's own HRA housing stock and with other Registered Social Landlords (RSL's) within the area. This is particularly the case for single persons below age 55 which make up the highest proportion of those who are currently homeless in Flintshire. The Flintshire position in terms of both demand and supply pressures is known to be consistent on both a regional and national basis within Wales.</p> <p>The Council will continue to lobby Welsh Government via the WLGA in conjunction with other Welsh LA's who are experiencing these pressures to seek additional financial support.</p> <p>WG are currently providing support via the No One Left Out grant for which the 2023/24 allocation is currently £0.382m. One favourable impact of the increase in costs and demand is the ability to recover additional Housing Benefit income over and above the amount budgeted which is currently helping to offset the projected overspend by £0.441m.</p> <p>The mitigations options approved by Cabinet and Community and Housing Overview and Scrutiny are now being actively progressed by a Housing Options officer working group with a view to increasing the supply of accommodation for Homeless persons as alternatives to the more expensive emergency accommodation.</p>
1.17	<p>Storm Babet</p> <p>Storm Babet was an intense extratropical cyclone which affected many parts of the County from 19 October through to the end of 21 October 2023. This was followed rapidly by Storm Ciaran, which although saw less impact, still necessitated significant resources in response.</p> <p>The storm caused severe disruption to travel with many roads closed, railways flooded, schools closed, and properties being affected by flood water. Storm Ciaran also required a priority response and caused some additional costs.</p> <p>The Council has been incurring the financial impact of the emergency response, assessing damage to infrastructure and arranging the necessary remedial works to be carried out in the aftermath. This is currently estimated at £1.5m.</p> <p>There is an Emergency Financial Assistance Fund (EFAS) that Welsh Government have in place. However, Authorities are expected to make reasonable provision in their budgets to deal with contingencies. Therefore,</p>

if an Emergency Financial Assistance Scheme is activated, the authority affected will be expected to meet all eligible expenditure up to the level of its threshold.

Thresholds are calculated at 0.2% of authority's annual budget requirement and apply to the whole financial year, not to each incident within the financial year and for Flintshire, this amounts to emergency funding being provided at 85% for costs over and above the threshold of £0.711m. WG have been notified of our intention to allocate the costs against the EFAS scheme, which will require Minister approval.

There is a Severe Weather Earmarked Reserve totalling £0.250m which can assist in funding some of these costs.

The financial impact of Storms Babet and Ciaran is estimated as follows: -

Description	Costs to date £m	Projected future costs £m	Total Costs £m
Clean Up	0.300	0.150	0.450
Priority re-instatement works		1.000	1.000
Other storm damage costs		0.050	0.050
Total Projected Costs	0.300	1.200	1.500
Severe Weather Reserve			-0.250
EFAS Funding @ 85%*			-0.671
Projected net cost of storms			0.579

*£1.5m less £0.711m threshold = £0.789m x 85% = £0.671m

1.18 Other Tracked Risks

In addition, there are a number of risks being tracked which may be subject to change and these are summarised below.

1.19 Medium Term Financial Strategy (MTFS) Impact

An update on the latest budget position was reported in January and provided an update on the impact of the Welsh Local Government Provisional Settlement which had the effect of increasing the remaining budget gap to £12.946m.

Work on the remaining solutions to meet the gap has now been concluded and the final budget will be considered as part of the agenda for this meeting together and will include a projection of the medium-term position for 2025/26 and 2026/27.

All Portfolios consider their financial position, the risks within their service and the impacts on the Medium Term on a monthly basis as part of their Portfolio Management Team meetings.

1.20 Out of County Placements

	<p>The risks include continued high demand for placements where children and young people cannot be supported within in-house provision, and market supply limitation factors and inflationary pressures leading to higher costs. An additional amount of £1m was approved in the 2023/24 budget to reflect this.</p> <p>However, there remains a projected overspend for the current cohort of placements of circa £1.603m, although with 3 months of the year remaining this is likely to increase and a contingency of £0.200m is currently built into the outturn position for this, £0.100m for Children’s Services and £0.100m for Education placements.</p> <p>The service areas within this pooled budget will continue to do everything possible to manage these risks and additional investment has already been made to further develop in-house provision to help to mitigate against such financial pressures.</p>
1.21	<p>Streetscene & Transportation</p> <p><u>Fleet Contract Renewal</u> The current fleet contract, which has been in operation for 7 years, was renewed for a temporary period of 6 months from October 2023. Due to the current market conditions in re-procurement of contracts of this type, the cost of the new contract is considerably more than what was previously being paid, due to being protected from inflationary increases during the previous contract life. The cost of the contract will further increase from April 2024 and provision is being made within the 2024/25 budget considerations for this.</p> <p><u>Sustainable Waste Management Grant (SWMG)</u> The Minister for Climate Change has confirmed that the SWMG grant will be retained at the same level for this financial year. However, those local authorities that are not yet meeting the statutory recycling target of 70% will be required to use the grant to reach 70% and be required to demonstrate this. It has also been confirmed that the SWMG grant will likely become part of the Revenue Support Grant (RSG) funding from 2024/25. The current value of the grant is £0.742m per annum, but it is not yet confirmed whether the proportion that Flintshire will receive within the Welsh Local Government settlement will be similar to current levels.</p>
1.22	<p>Education & Youth (Non-Schools)</p> <p><u>Inclusion and Progression</u> The services that the Inclusion and Progression teams provide within Education and Youth portfolio are under significant pressure.</p> <p>Prior to the pandemic the service had seen increasing numbers of children and young people presenting with an increased level of significant and complex needs, resulting in the council being dependent on non-Flintshire provision.</p>

	<p>Post pandemic the situation has worsened with increasing numbers of pre-school children needing support and challenging behaviour causing concern across both primary and secondary schools. In addition, there are increased rates of emotionally based school avoidance. As a result, levels of attendance have reduced, whilst all forms of exclusions have increased. All of which contributes to a requirement for more specialist and bespoke intervention.</p> <p>The service is taking steps to actively manage demand, alongside reviewing provision, and seeking to develop and enhance in house provision.</p> <p>The pressures are being experienced across Wales, at a time when schools and central services are implementing the Additional Learning Need (ALN) reforms.</p> <p>Welsh Government have made additional grants available to support schools and councils. However, there are risks over reliance on temporary grant funding and its ability to meet demand within existing budgets and available grants.</p>
1.23	<p>Harpur Trust vs Brazel Case</p> <p>The potential financial impacts are still being determined in response to the Employment Appeal Tribunal (EAT) decision in the case of Harpur Trust v Brazel. The Supreme Court upheld the EAT judgment in the Brazel case in July 2022 which impacts on the calculation of holiday pay entitlements for staff who work for part of the year (i.e., term time). An approved carry forward from 2022/23 for £0.254m will provide some funding towards these costs.</p>
1.24	<p>Achievement of Planned In-Year Efficiencies</p> <p>The 2023/24 budget contains £9.265m of specific efficiencies which are tracked and monitored throughout the year. The Council aims to achieve a 95% rate in 2023/24 as reflected in the MTFs KPI's and fully achieved all efficiencies in the previous financial year.</p> <p>It is projected that 99% of efficiencies will be achieved in 2023/24 and further details can be seen in Appendix 3.</p>
1.25	<p>Unearmarked Reserves</p> <p>The final level of Council Fund Contingency Reserve brought forward into 2023/24 was £9.508m as detailed in the 2022/23 outturn report (subject to Audit).</p> <p>The brought forward balance on the COVID-19 Hardship Reserve was £3.743m. Internal claims for Quarters 1 to 3 in 2023/24 totalling £0.531m for Holywell Leisure Centre, Cambrian Aquatics, Streetscene & Transportation and Free School Meals covering the Christmas holiday period have been approved so far. The current balance remains at £3.212m.</p> <p>The projected contingency reserve available as at 31 March, 2024 is £5.108m (after the actual impact of final pay awards and previously approved allocations) and is shown in Appendix 4.</p>

The Council Tax Balance released to Reserves was overstated by £0.250m at Month 8 so it has been necessary to adjust the projected amount remaining by the same amount – see Appendix 4.

1.26 Earmarked Reserves

The table below provides a summary of earmarked reserves as at 1 April 2023 and an estimate of projected balances as at the end of the current financial year.

Council Fund Earmarked Reserves 2023/24

Monitoring Summary Month 9

Reserve Type	Balance as at 01/04/23	Balance as at Month 9	Release to General Reserve	Estimated Balance as at 31/03/24
Service Balances	6,184,486	4,206,339	274,703	1,318,968
Workforce Costs	843,190	843,190	0	819,971
Investment in Organisational Change	1,350,875	1,350,875	0	930,138
County Elections	74,777	74,777	0	74,777
Local Development Plan (LDP)	115,360	115,360	115,360	0
Warm Homes Admin Fee	315,985	315,985	0	315,985
Waste Disposal	48,771	48,771	8,133	40,638
Design Fees	250,000	250,000	0	200,000
Winter Maintenance	250,000	250,000	0	0
Severe Weather	250,000	250,000	0	0
Car Parking	88,059	88,059	0	88,059
Insurance Reserves	2,201,372	2,201,372	0	2,325,000
School HWB ICT Replacement	526,447	526,447	0	789,670
Free School Meals	30,398	30,398	0	0
Flintshire Trainees	562,948	562,948	0	524,000
Rent Income Shortfall	106,118	106,118	0	106,118
Plas Derwen Wave 4	3,560	3,560	0	1,780
Customer Service Strategy	22,468	7,468	0	0
Supervision Fees	48,798	48,798	0	48,798
IT COVID Enquiry	142,301	142,301	0	132,000
ICT Servers Reserve	170,000	0	0	0
IT Infrastructure HWB	312,442	139,442	0	44,442
Schools Intervention Reserve	705,836	227,314	0	162,890
Organisational Change/ADM	873,546	1,226,546	0	626,546
NWEAB	330,927	330,927	0	0
Solar Farms	62,416	62,416	0	62,416
20 MPH Scheme	111,186	111,186	0	0
Employment Claims	109,846	109,846	0	109,846
Community Benefit Fund NWRWTP	683,164	683,164	0	229,792
Total B823 Balances	10,590,790	10,107,268	123,493	7,632,866
Schools Balances	6,716,596	6,716,596	0	1,606,613
Grants & Contributions	7,066,214	4,609,145	500,000	1,856,431
TOTAL	30,558,085	25,639,348	898,196	12,414,878

1.27 Housing Revenue Account

The 2022/23 Outturn Report to Cabinet on 18th July 2023 showed an un-earmarked closing balance at the end of 2022/23 of £3.786m and a closing balance of earmarked reserves of £2.690m.

1.28	The 2023/24 budget for the HRA is £39.418m which includes a movement of (£0.589m) from reserves.
1.29	Net in-year revenue expenditure forecast to be £0.049m higher than budget with a projected closing balance as at 31 st March, 2024 of £3.148m. Minor variances account for the adverse movement £0.031m.
1.30	The budget contribution towards capital expenditure (CERA) is £12.712m.

2.00	RESOURCE IMPLICATIONS
2.01	As set out within the report.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	The financial impacts as set out in the report are a combination of actual costs and losses to date and estimates of costs and losses for the future. There is the possibility that the estimates will change over time. The budget will be monitored closely, and mitigation actions taken wherever possible.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	None specific.

5.00	APPENDICES
5.01	Appendix 1: Council Fund – Movement in Variances from Month 8 Appendix 2: Council Fund - Budget Variances Appendix 3: Council Fund – Programme of Efficiencies Appendix 4: Council Fund – Movement on Un-earmarked Reserves Appendix 5: Housing Revenue Account Variances

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Various budget records.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Dave Ledsham Strategic Finance Manager Telephone: 01352 704503 E-mail: dave.ledsham@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p> <p>Council Fund: the fund to which all the Council's revenue expenditure is charged.</p> <p>Financial Year: the period of twelve months commencing on 1 April.</p> <p>Housing Revenue Account: the Housing Revenue Account (HRA) is a local authority account showing current income and expenditure on housing services related to its own housing stock. The account is separate from the Council Fund and trading accounts and is funded primarily from rents and government subsidy.</p> <p>Projected Outturn: projection of the expenditure to the end of the financial year, made on the basis of actual expenditure incurred to date.</p> <p>Regional Integration Fund (RIF): funding provided by Welsh Government to encourage integrated working between local authorities, health and housing.</p> <p>Reserves: these are balances in hand that have accumulated over previous years and are held for defined (earmarked reserves) and general (general reserves) purposes. Councils are required to regularly review the level and purpose of their reserves and to take account of the advice of the Chief Finance Officer.</p> <p>Revenue: a term used to describe the day-to-day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Variance: difference between latest budget and actual income or expenditure. Can be to date if reflecting the current or most up to date position or projected, for example projected to the end of the month or financial year.</p> <p>Virement: the transfer of budget provision from one budget head to another. Virement decisions apply to both revenue and capital expenditure heads, and between expenditure and income, and may include transfers from contingency provisions. Virements may not however be approved between capital and revenue budget heads.</p>

MONTH 9 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Social Services		
Older People		
Localities	0.164	Residential Care costs have increased by £0.118m and Domiciliary Care costs have increased by £0.067m. Both of these are demand led services. Capacity to deliver care has been affected by recruitment issues but recently there has been improvement within some parts of the care sector. There is a decrease of (£0.021m) on staffing costs due to a number of minor variances on pay and travel.
Community Equipment Contribution	0.030	This is due to an increase to the annual contribution to the North East Community Equipment Stores due to pay increases from the 2023/24 pay award.
Resources & Regulated Services	-0.122	There have been positive variances for Older People Residential Care of £0.049m, Extra Care of £0.011m and Homecare for £0.065m. Recruitment and retention continues to be a challenge and prolonged recruitment delays lead to a reduction in services. Day care costs increased by £0.032m.
Minor Variances	-0.022	
Adults of Working Age		
Residential Placements	-0.064	Changes to care packages have resulted in a decrease in projected costs
Minor Variances	-0.067	A number of minor movements across the service no more than -£0.025m individually.
Children's Services		
Family Placement	0.132	Costs have been transferred from Children's Services Professional Support Leaving Care budget for payments associated with "When I am Ready" foster allowances. This allows young adults who were in foster care as children to remain in the same placement until ready to move out.
Professional Support	-0.125	"When I am Ready" fostering costs have been transferred from the Leaving Care budget to the Family Placement Budget.
Minor Variances	0.031	
Safeguarding & Commissioning		
Minor Variances	-0.028	
Total Social Services	-0.072	
Out of County Placements		
Children's Services	0.142	Net impacts of new placements, changes of placements, ended placements and reduction of contingency provision
Education & Youth	-0.065	Net impacts of one new placement, and a number of ended placements
Total Out of County Placements	0.077	
Education & Youth (Non-Schools)		
Minor Variances	-0.018	
Total Education & Youth (Non-Schools)	-0.018	
Schools	0.016	
Streetscene & Transportation		
Highways Network	0.068	Further costs associated with clean up from Storm Babet and Storm Ciaran £0.075m
Regulatory Services	-0.048	Savings as a result of the Moratorium
Other Minor Variances	-0.032	Vacancy savings within Transport Strategy (£0.021m)
Total Streetscene & Transportation	-0.013	
Planning, Environment & Economy		
Regeneration	-0.027	Maximisation of Grant Income
Management & Strategy	-0.042	Commitment review and removal of prior year Purchase Orders
Total Planning & Environment	-0.069	
People & Resources		
HR & OD	0.026	£0.013m commitment for Annual License fee for cloud based payroll and HR software. Minor variances across the service account for the remainder.
Corporate Finance	-0.010	
Total People & Resources	0.017	
Governance		

MONTH 9 - SUMMARY

Service	Movement between Periods (£m)	Narrative for Movement between Periods greater than £0.025m
Internal Audit	-0.043	Moratorium deferred expenditure on Agency /Consultancy £0.029m, revised outturn on postage expenditure in Central Despatch, minor variances across the Service
Procurement	-0.027	Revised contribution to Denbighshire County Council for the Service.
Revenues	-0.101	At Month 9 a review of the impairment percentages relating to Council Tax debt in 2023/24 and the Council Tax Collection Fund have increased the anticipated Surplus to £0.250m
Minor Variances	-0.008	
Total Governance	-0.178	
Assets		
Minor Variances	-0.046	Industrial Unit Rents (£0.022m)
Total Assets	-0.046	
Housing and Communities		
Housing Solutions	-0.032	Net impacts of reduced hotel costs, reduced Housing Benefit income and other minor movements
Minor Variances	-0.009	
Total Housing and Communities	-0.041	
Chief Executive's		
	-0.010	
Central & Corporate Finance		
	-0.102	Further review of the Central Loans & Investment Account (CLIA) indicates a positive movement of (£0.100m)
Grand Total	-0.440	

Budget Monitoring Report - Month 9

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Social Services							
Older People							
Localities	23.247	23.474	0.227	0.063	-0.111	The Older Peoples residential care budget is projecting an overspend of £0.056m due to service demand net of client income from property recharges and expensed reimbursements where we are waiting on decisions of deputyships and assets held in trust. Homecare is £0.029m overspent. Locality workforce and professional support budgets are underspent by (£0.097m) due to vacancies, and day care is underspending by (£0.024m).	
Resources & Regulated Services	10.264	10.100	-0.164	-0.042	0.000	In-house residential care is expected to overspend by £0.087m due to staff and running costs. Homecare is predicted to underspend by £0.0260m due to vacancies. The Extra Care budget is projecting an overspend of £0.115m due to staff costs and day care is underspent by £0.106m.	
Minor Variances	1.360	1.326	-0.034	-0.042	0.000		
Adults of Working Age					0.000		
Children to Adult Transition Services	1.001	0.777	-0.224	-0.202	0.000	This is the cost of care packages for young adults transferring from Children's Services to Adult Social Care. Care packages are new this financial year and need to be estimated in the first instance, meaning costs can change throughout the year as service costs are finalised.	
Professional and Administrative Support	0.468	0.370	-0.097	-0.086	-0.011	The impact of in-year vacancies is resulting in the service underspend.	
Transition & Disability Services Team	0.818	0.757	-0.062	-0.054	-0.007	There are vacancies within this service and recruitment has been delayed resulting in the underspend.	
Residential Placements	2.607	2.856	0.250	0.314	0.000	This is the overall cost of care packages for mental health service users. This is a volatile service and additional service needs can be identified throughout the year leading to increased costs.	
Professional Support	0.859	0.801	-0.058	-0.058	-0.100	The underspend is due to in-year vacancies. Most of these have been filled now, with one vacancy remaining to be appointed to.	
Substance Misuse	0.385	0.331	-0.054	-0.036	0.000	There are currently three posts vacant within this service.	
Minor Variances	35.384	35.321	-0.063	-0.053	0.000		
Children's Services					0.000		
Family Group Meetings	0.126	0.217	0.091	0.072	-0.005	High demand is resulting in increased sessional workers hours and therefore increased costs.	
Family Placement	3.175	3.085	-0.090	-0.222	0.000	There are lower numbers of in-house foster carers than we have historically had	
Integrated Working	0.210	0.270	0.060	0.062	0.000	Pressures are due to contributions toward the Integrated Family Support Service and a shortfall in Supported People Funding	
Family Support	0.416	0.469	0.053	0.050	-0.020	Demand is high for this service which is resulting in additional sessional staff hours	
Legal & Third Party	0.262	0.602	0.340	0.336	0.000	Legal costs are overspent £0.206m due to the number of cases going through courts and some use of external legal professionals. Client support and Section 17 costs are overspent by £0.133m due to demand. Direct Payments are overspending by £0.001m.	
Residential Placements	1.669	1.331	-0.339	-0.343	0.000	The in-house residential care provision is in receipt of a significant Welsh Government grant which is offsetting in-year costs.	

Budget Monitoring Report - Month 9

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Professional Support	6.128	6.961	0.833	0.958	-0.020	To sport adequate levels of child protection, the established staffing structure needs to be at a sufficient level to meet mandatory safeguarding standards. Vacancies are minimised where possible and additional temporary posts are sometimes required to meet the challenges demands of Childrens Services. Two managed agency teams are currently contracted to support the service. Reserves are being used to mitigate costs as much as possible but there is an overspend of £0.705m as a result. These costs wil increase if contracts are extended. The Leaving Care budget, which supports young people who were looked after children, is overspending by £0.040m due to increased numbers of care leavers which includes young adults who were unaccompanied asylum seeking children. Cost of Direct Payments to provide support to children with disabilities is £0.126m overspent due to service demand. Smaller variances across the service are £0.122m underspent.	
Minor Variances	0.361	0.375	0.014	0.013	0.000		
Safeguarding & Commissioning					0.000		
Business Systems & Financial Assessments	0.988	1.081	0.092	0.089	-0.032	A new social services IT system is being implemented. This requires additional project management and development costs.	
Charging Policy income	-3.385	-3.539	-0.153	-0.150	0.000	This is the income from service users who are charged a contribution towards the care they receive.	
Minor Variances	2.892	2.867	-0.025	0.002	-0.007		
Total Social Services	89.235	89.833	0.598	0.670	-0.313		
Out of County Placements							
Children's Services	12.281	13.762	1.480	1.338	0.000	The service is facing continued high demand for placements together with supply market challenges and inflationary pressures with 44 new placements made in the year to date and no longer any remaining contingency provision for the final quarter of the year.	
Education & Youth	5.004	5.127	0.123	0.189	0.000	The service is facing continued high demand for placements together with supply market challenges and inflationary pressures with 25 new placements made in the year to date and a remaining contingency provision of £0.100m for the final quarter of the year.	
Total Out of County Placements	17.285	18.889	1.603	1.526	0.000		
Education & Youth (Non-Schools)							
Inclusion & Progression	5.577	5.435	-0.142	-0.142	-0.110	Further in-year savings were identified at Month 8 within the Additional Learning Needs (ALN) service and Travellers service. Previously committed expenditure of £0.050m to offset the Primary School ALN Band C overspend, has now been funded from the Local Authority Education Grant - ALN Learner Provision funding. A further £0.060m was identified within the Traveller service from the 2022-23 budget c/f of £0.095m. This was committed for Trauma training. One course has been run to date and the service have made the decision not to run any more courses in 2023-24, therefore releasing the balance of £0.060m as a saving.	
Integrated Youth Provision	0.959	0.860	-0.098	-0.106	-0.030	Savings from staff vacancies	

Budget Monitoring Report - Month 9

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
School Improvement Systems	1.866	1.691	-0.175	-0.163	0.000	The School Improvement service reported an underspend at Month 8, relating to the Digital Adviser post. This role has not been appointed until September 2023, therefore creating an in-year saving. Other savings within the service relate to unexpected income from several grants around ACL (Adult Community Learning) to offset manager time. A further £0.034m was identified from additional grants - £0.027m from the Shared Prosperity fund Multiply project, £0.003m from the Citizens Curriculum grant and £0.004m for the secondment work to Estyn. The saving within the Early Entitlement service has come from a reduction in the payments to settings due to demography. The top-up subsidy continuing and other Welsh Government grants is allowing core budget to be released within the service.	
Minor Variances	1.925	1.956	0.030	0.043	0.000		
Total Education & Youth (Non-Schools)	10.327	9.942	-0.385	-0.367	-0.140		
Schools	114.043	114.291	0.248	0.232		Redundancy costs £0.290m over budget after taking account of reserves carried forward, Free School Meals price increase and take up totalling £0.126m, mitigated by (£0.100m) underspend in pension added years and a number of minor variances totalling (£0.084m) but each below (£0.025m).	
Streetscene & Transportation							
Service Delivery	10.843	11.068	0.225	0.236	-0.077	Service Delivery have implemented tight controls to the allocation of PPE, materials and receptacles through the in-house stores. Changes to the security provision in the Alltami Depot, Greenfield transfer station and HRC sites have generated savings in 2023/24, following a review of the service needs. Depot and HRC site cleaning costs have also been reviewed and reduced by £0.010m. The service is subject to increasing inflationary pressures and demand for temporary repairs on the road network, largely due to a lack of funding and investment in the highway network and fluctuating costs of tar and traffic management for repairs. Any overall overspend, is partly offset by performance of the in-house construction team delivering work such as 20mph scheme rather than contracting the work externally.	
Highways Network	8.594	9.927	1.333	1.266		The renewal of the fleet contract through contract extension from October, 2023 has realised an in-year overspend of £0.658m, of which £0.532m is Council Fund related within the centralised fleet budget. £0.170m is attributable to increases in both road fuel and streetlighting energy, increased insurance premiums and defective highway network infrastructure repairs. The projected costs in relation to the clean up and reinstatement works required following Storm Babet and Storm Ciaran have now increased by a further £0.500m to £1.5m. It is anticipated that some Emergency Financial Assistance Funding (EFAS) from WG can be claimed alongside the utilisation of the Severe Weather Reserve bringing the net cost down to a projected £0.579m.	Further increases on the Fleet Contract in 2024/25 are being considered within the MTFS.
Transportation	11.350	11.142	-0.208	-0.187	-0.190	Vacancies within Transport Strategy and moratorium on recruitment are contributing to the overall underspend.	
Regulatory Services	11.440	11.544	0.104	0.152	-0.120	The overspend variance is due to sustained high volumes of residual black waste being collected, together with the reduction in income levels for both recyclable materials and a reducing return on electricity generation from gas and solar at the former landfill sites.	
Other Minor Variances	-0.000	-0.075	-0.075	-0.000			
Total Streetscene & Transportation	42.227	43.681	1.454	1.467	-0.387		

Budget Monitoring Report - Month 9

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Planning, Environment & Economy							
Development	0.138	-0.189	-0.327	-0.336	-0.021	Receipt of a one off high value Planning Fee (£0.300m for Northern Gateway)	
Access	1.618	1.699	0.081	0.065	-0.047	Projected cost of Ash Die Back works projected to March, 2024 mitigated by savings from vacant posts and Countryside grant maximisation	
Climate Change	0.183	0.113	-0.070	-0.070	-0.007	Staff savings from vacant posts	
Regeneration	0.813	0.677	-0.136	-0.109	-0.020	Staff savings from vacant posts, Wales Rally GB budget saving, maximisation of grant income	
Management & Strategy	1.409	1.161	-0.248	-0.206	-0.046	Staff savings from vacant posts ; commitment review	
Minor Variances	3.396	3.350	-0.046	-0.022	-0.082		
Total Planning & Environment	7.557	6.811	-0.746	-0.678	-0.223		
People & Resources							
HR & OD	2.419	2.342	-0.077	-0.104	-0.046	Staff savings from vacant posts	
Corporate Finance	2.277	2.176	-0.101	-0.092	-0.097	Staff savings from vacant posts; feasibility studies projected expenditure lower than previously anticipated	
Total People & Resources	4.697	4.518	-0.179	-0.195	-0.143		
Governance							
Legal Services	0.992	1.194	0.202	0.205		Additional costs for locum services covering vacant posts	
Democratic Services	2.468	2.503	0.035	0.049		Backdated Superannuation costs and current level of Members Allowances	
Internal Audit	1.051	0.978	-0.074	-0.031	-0.043	Staff savings from vacant post, moratorium deferred expenditure on Agency/Consultation, revised outturn on postage costs	
Procurement	0.320	0.271	-0.049	-0.022	-0.027	Revised contribution to Denbighshire County Council for the Service	
ICT	5.328	5.265	-0.063	-0.074	-0.147	Estimated cost for packaged software application (Flare) lower than previously anticipated (£0.076m), delayed project savings £0.030m Moratorium, minor variances across the Service	
Customer Services	1.129	0.918	-0.211	-0.210	-0.060	Staff savings from previous vacancies, higher than anticipated fee income in Registrars, commitment challenge across the Service impact of the moratorium	
Revenues	0.655	0.412	-0.243	-0.142		Projected surplus on the Council Tax Collection Fund	
Minor Variances	0.000	0.000	0.000	0.000	-0.005		
Total Governance	11.943	11.540	-0.403	-0.225	-0.282		
Assets							
Administrative Buildings	0.353	0.354	0.000	-0.000			
CPM & Design Services	0.713	0.522	-0.191	-0.191		Due to increased fee income	
Industrial Units	-1.527	-1.586	-0.059	-0.038		Additional rent income	
Minor Variances	11.955	11.836	-0.120	-0.095	-0.020	Caretaking & Security (£0.045m), Policy (£0.036m).	
Total Assets	11.141	10.771	-0.370	-0.324	-0.020		
Housing and Communities							

Budget Monitoring Report - Month 9

Service	Approved Budget (£m)	Projected Outturn (£m)	Annual Variance (£m)	Last Month Variance (£m)	In-year Moratorium (£m)	Cause of Major Variances greater than £0.050m	Action Required
Housing Solutions	2.334	5.022	2.687	2.719		The Housing Solutions service is currently reflecting a net projected overspend of £2.687m. This is mainly due to a projected overspend of £3.583m on temporary accommodation within Hotels and B and B provision, which is being offset by additional Housing Benefit income of (£0.441m). There are also other projected underspends and mitigation impacts within the wider Housing Solutions service amounting to a net figure of £0.455m, including additional internal allocation of HSG to fund salary costs, use of reserves, minor salary savings due to vacancies and use of WG grant income. The service are actively implementing a number of mitigation measures, some of which may have operational impacts on other parts of the wider Housing service, which will be incorporated within an action plan to reduce the current level of projected overspend within the Homelessness service.	
Minor Variances	13.656	13.651	-0.004	0.005	-0.030		
Total Housing and Communities	15.990	18.673	2.683	2.724	-0.030		
Chief Executive's	1.672	1.656	-0.016	-0.005	-0.010		
Central & Corporate Finance	26.003	24.018	-1.985	-1.882			
Soft Loan Mitigation	0.000	0.000	0.000	0.000		The initial projection on the Central Loans and Investment Account (CLIA) was reported as an underspend of (£1.550m) due to the Council having not taken out any new short or long term borrowing and continuing to invest a significant amount of funds. This pattern has continued from the previous financial year resulting in no short term borrowing costs being incurred and the Council generating increased income from investments, which have increased in line with bank interest rates. The favourable variances improved further following the receipt of an NDR Windfall (£0.048m) at Month 6. Further reviews on the CLIA during October (£0.100m), November (£0.250m) and December (£0.100m).have positively increased the variance further up to the (£2.000m).	
Grand Total	352.121	354.624	2.502	2.942	-1.548		

2023/24 Efficiencies Outturn Tracker - Month 9

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
		2023/24 £m	2023/24 £m	2023/24 £m			
Portfolio							
Corporate							
Reduction In CLIA	Chris Taylor	0.364	0.364	0.000	C		
Actuarial Review	Gary Ferguson	1.874	1.874	(0.000)	C		
NI Reversal	Rachel Parry Jones	0.474	0.474	0.000	C		
Total Corporate Services		2.712	2.712	(0.000)			
Chief Executives / Assets							
Transport Savings	Neal Cockerton	0.010	0.010	0.000	C		
Vacancy Savings	Neal Cockerton	0.048	0.048	0.000	C		
3rd Sector Budget	Neal Cockerton	0.041	0.041	0.000			
Total Chief Executives		0.099	0.099	0.000			
People & Resources							
Modern Apprentices HR&OD	Sharon Carney	0.072	0.072	0.000	C		
Vacancy Savings Corporate Finance	Gary Ferguson	0.086	0.086	0.000	C		
Transport and Training Savings Corporate Finance	Gary Ferguson	0.016	0.016	0.000	C		
Total People & Resources		0.174	0.174	0.000			
Assets - ADMs							
Newydd	Rachael Corbelli	0.019	0.019	0.000	C		
Newydd NI	Rachael Corbelli	0.023	0.023	0.000	C		
Total Assets - ADMs		0.042	0.042	0.000			
Housing & Communities							
CTRS Reduction	Vicky Clark	0.147	0.147	0.000	C		
Total Housing & Communities		0.147	0.147	0.000			
Governance							
Members Support Budget	Gareth Owen	0.016	0.016	0.000	C		
Members Allowances	Gareth Owen	0.060	0.060	0.000	C		
Central Despatch	Gareth Owen	0.022	0.022	0.000	C		
Mold & Buckley Connects	Gareth Owen	0.060	0.060	0.000	C		
Total Governance		0.158	0.158	0.000			
Planning, Environment & Economy							
Vacancy Savings	Andrew Farrow	0.020	0.020	0.000	C		
Fee Income	Andrew Farrow	0.180	0.180	0.000	C		
Total Planning, Environment & Economy		0.200	0.200	0.000			
Streetscene & Transportation							
Enhanced Enforcement for Recycling	Katie Wilby					Side waste enforcement is already taking place with FPNs being issued, but the next steps for enforcing against those who do not habitually recycle will be to take enforcement action if residents place recyclable waste in their black bin. To introduce this will first require a period of education and engagement. Additional x3 recycling officers are currently being recruited and, once appointed, the aim is for these officers to support with door-knocking campaigns and community events in advance of introducing enhanced enforcement	Likely introduction is January 2024.
		0.046	0.046	0.000	O		
Part night Street Lighting	Katie Wilby	0.018	0.000	(0.018)	O	Difficult to implement in year due to the consultation required, and the limited opportunity following previous roll-outs. This will also require investment in the equipment to allow the switch-offs	Discussions being held with an update to come how we can achieve this saving.
Review Provision of Public Conveniences	Katie Wilby	0.012	0.000	(0.012)	O	The efficiency is largely reliant on the review of sites following the implementation of the Local Toilet Strategy and capital investment in FY 24/25-26/27.	
Extend, Repair & Reuse Initiatives	Katie Wilby	0.010	0.000	(0.010)	O	When this was put forward, we stated that the initiative would be dependent on investment funding either from WG Circular Economy grant funding or capital programme. We are still awaiting the outcome of our bid to WG, which is now unlikely given the current economic climate. Without the grant funding the initiative cannot be introduced and the efficiency will not be met.	
Waste & Recycling Round Review	Katie Wilby	0.075	0.075	0.000	C		
In House Highways Service	Katie Wilby	0.025	0.025	0.000	C		
Review of Security Arrangements Alltami Depot	Katie Wilby	0.050	0.050	0.000	C		
Apprenticeship Trainee Scheme Reduction	Katie Wilby	0.035	0.035	0.000	C		

Efficiency Description	Accountable Officer	Efficiency Target	Projected Efficiency	(Under)/Over Achievement	Efficiency Open/Closed (O/C)	Reason for variation	Mitigating Action if Amber or Red
		2023/24 £m	2023/24 £m	2023/24 £m			
Portfolio							
Increase Car Parking Charges	Income Generation	Katie Wilby	0.187	0.187	0.000	C	Decision approved and new charges will come into effect from October 2023 (original date planned was July 2023). Additional initiatives e.g. Free after Three and extension to parking times will mean that the original efficiency will be difficult to achieve unless the utilisation levels increase beyond current levels. Delays in being implemented.
Introduce Car Parking Charges on all Council Owned Car Parks	Income Generation	Katie Wilby	0.035	0.000	(0.035)	O	
Fleet Workshop	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Training Facility	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Funeral Services	Income Generation	Katie Wilby	0.010	0.010	0.000	C	
Total Streetscene & Transportation			0.523	0.448	(0.075)		
Social Services							
Contribution to Regional Team	Reduction in Contribution	Neil Ayling	0.050	0.050	0.000	C	
Reduced Contribution to EDT	Contract Costs Reduced	Neil Ayling	0.011	0.011	0.000	C	
Retendering of HFT	Contract Costs Reduced	Neil Ayling	0.040	0.040	0.000	C	
Total Social Services			0.101	0.101	0.000		
Education & Youth							
Central Management Budget	Schools Buildings Insurance / Temp	Claire Homard	0.060	0.060	0.000	O	
ALN Advocacy	Offset costs from LAEG ALN Grant	Claire Homard	0.020	0.020	0.000	O	
ALN Legal	Offset costs from LAEG ALN Grant	Claire Homard	0.010	0.010	0.000	O	
ALN Resource Provisions	Offset costs from LAEG ALN Grant	Claire Homard	0.100	0.100	0.000	O	
Early Years Entitlement	Budget Reductions	Claire Homard	0.095	0.095	0.000	O	
Youth Club Buildings	Building Closure	Claire Homard	0.017	0.017	0.000	O	
Youth Services	Vacant Posts (1 FTE 1 PT)	Claire Homard	0.056	0.056	0.000	O	
Youth Justice	Offset costs from Grant	Claire Homard	0.016	0.016	0.000	O	
Total Education & Youth			0.374	0.374	0.000		
Schools							
3% Reduction in Delegated Funding		Claire Homard	3.103	3.103	0.000	O	
NI Reversal (Schools & Teachers)		Claire Homard	0.857	0.857	0.000	O	
Actuarial Review		Claire Homard	0.776	0.776	0.000	O	
Total Schools			4.736	4.736	0.000		
Total 2023/24 Budget Efficiencies			9.265	9.190	(0.075)		

	%	£
Total 2023/24 Budget Efficiencies	100	9.265
Total Projected 2023/24 Budget Efficiencies Underachieved	-1	(0.075)
Total Projected 2023/24 Budget Efficiencies Achieved	99	9.190
Total 2023/24 Budget Efficiencies (Less Previously agreed Decisions)	100	0.000
Total Projected 2023/24 Budget Efficiencies Underachieved	0	0.000
Total Projected 2023/24 Budget Efficiencies Achieved	0	0.000

Movements on Council Fund Unearmarked Reserves

	£m	£m
Total Reserves as at 1 April 2023	19.162	
Less - Base Level	(5.769)	
Total Reserves above base level available for delegation to Cabinet		13.393
Less - COVID-19 Hardship Funding Allocation		(3.743)
Less - Children's Services Legal Costs		(0.142)
Add - Transfer to Reserve Budget 2023/24		0.006
Less - Clwyd Theatr Cymru (Month 2)		(0.100)
Less - actual impact of the pay award		(2.702)
Add - Total Balances Released to Reserves (Month 5)		0.648
Add - Council Tax Balance Released to Reserves (Month 7)		0.500
Less - Overstated Council Tax Balance at Month 7 (£0.250m previously released at Month 5)		(0.250)
Less - Month 9 projected outturn		(2.502)
Total Contingency Reserve available for use		5.108

Brought Forward 9.508

Budget Monitoring Report
Housing Revenue Account Variances

MONTH 9 - SUMMARY

Service	Revised Budget (£m)	Projected Outturn (£m)	Variance (£m)	Last Month Variance (£m)	Cause of Major Variance	Action Required
Housing Revenue Account						
Income	(38.829)	(38.689)	0.140	0.141	There is a net pressure relating to void properties of £0.251m. This relates to costs such as void rent loss, council tax charges and service charges and is net of additional income relating to new build properties and voids moving to target rent.	
Capital Financing - Loan Charges	7.010	7.010				
Estate Management	3.125	2.887	(0.239)	(0.245)	Projected vacancy savings of approximately (£0.304m) which is being offset by agency costs of £0.191m. Additional allocation of Housing Support Grant (£0.100m). Other minor variances of (£0.026m).	
Landlord Service Costs	1.617	1.483	(0.133)	(0.137)	Projected vacancy savings of approximately (£0.160m). We are also forecasting an increase in fleet costs of £0.033m and materials and hire of £0.045m. There is an anticipated reduction in subcontractor spend of (£0.032m). Other minor variances of (£0.019m).	
Repairs & Maintenance	12.150	12.404	0.253	0.255	Projected vacancy savings of approximately (£0.160m) . Increased Fleet Contract renewal costs of £0.126m. Anticipated increase of £0.250m for void Sub Contractor. Other minor variances of £0.035m.	
Management & Support Services	2.678	2.706	0.028	0.005	Projected vacancy savings of approximately (£0.061m). Insurance Costs £0.034m. Additional contribution to SARTH £0.021m. Support Service savings of (£0.024m). Other minor variances of £0.059m.	
Capital Expenditure From Revenue (CERA)	12.712	12.712				
HRA Projects	0.126	0.126	0.000	(0.000)		
Contribution To / (From) Reserves	(0.589)	(0.589)				
Total Housing Revenue Account	(0.000)	0.049	0.049	0.018		



CABINET

Date of Meeting	Tuesday, 20 th February 2024
Report Subject	Capital Programme Monitoring 2023/24 (Month 9)
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and Procurement
Report Author	Corporate Finance Manager
Type of Report	Operational

EXECUTIVE SUMMARY

The report summarises changes made to the Capital Programme 2023/24 since it was set in January 2023 to the end of Month 9 (December 2023), along with expenditure incurred to date and the projected outturn.

The Capital Programme has seen a net decrease in budget of (£1.803m) during the period which comprises of:-

- Net budget decrease in the programme of (£0.477m) (See Table 2 - All Council Fund (CF));
- Net Carry Forward to 2024/25 approved at Month 6 of (£1.151m)
- Identified savings at Month 9 of (£0.175m) (CF)

Actual expenditure was £43.441m (See Table 3).

Capital receipts received in the third quarter of 2023/24, along with savings identified total £0.316m. This provides a revised projected surplus in the Capital Programme at Month 9 of £2.312m (from a Month 6 funding surplus of £1.996m) for the 2023/24 – 2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

RECOMMENDATIONS

	Cabinet are requested to:
1	Approve the overall report.
2	Approve the carry forward adjustments, as set out at 1.12.

REPORT DETAILS

1.00	EXPLAINING THE 2023/24 CAPITAL PROGRAMME MONITORING POSITION – MONTH 9
1.01	Background Council approved a Council Fund (CF) Capital Programme of £33.041m and a Housing Revenue Account (HRA) Capital Programme of £29.457m for 2023/24 at its meeting on 24 January 2023.
1.02	For presentational purposes the Capital Programme is shown as a whole, with sub-totals for the Council Fund and HRA. The HRA programme is 'ring fenced' and can only be used for HRA purposes.
1.03	Changes since Budget approval Table 1 below sets out how the programme has changed during 2023/24. More detailed cumulative information relating to each Portfolio is provided in Appendix A:-

Table 1

REVISED PROGRAMME	Original Budget 2023/24	Carry Forward from 2022/23	2023/24 Previously Reported		Savings - This Period	Changes - This Period	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25			
			£m	£m			
People & Resources	0.350	0.150	(0.113)	0.000	0.000	(0.023)	0.364
Governance	0.357	0.294	0.585	(0.100)	(0.055)	0.023	1.104
Education & Youth	3.696	8.462	4.802	(0.527)	(0.120)	(1.468)	14.845
Social Services	3.680	0.171	2.210	(1.337)	0.000	0.969	5.693
Planning, Environment & Economy	0.040	1.018	1.531	(0.725)	0.000	0.270	2.134
Streetscene & Transportation	1.500	5.756	9.692	(0.546)	0.000	(0.296)	16.106
Housing and Communities	1.660	0.186	0.987	0.000	0.000	0.000	2.833
Capital Programme and Assets	21.758	1.992	0.698	(0.996)	0.000	0.048	23.500
Council Fund Total	33.041	18.029	20.392	(4.231)	(0.175)	(0.477)	66.579
HRA Total	29.457	0.000	(3.177)	0.000	0.000	0.000	26.280
Programme Total	62.498	18.029	17.215	(4.231)	(0.175)	(0.477)	92.859

1.04

Carry Forward from 2022/23

Carry forward sums from 2022/23 to 2023/24, totalling £18.029m (all CF), were approved as a result of the quarterly monitoring reports presented to Cabinet during 2022/23.

1.05

Changes during this period

Funding changes during this period have resulted in a net decrease in the programme total of (£0.477m) (all CF) A summary of the changes, detailing major items, is shown in Table 2 below:-

Table 2

CHANGES DURING THIS PERIOD		
	Para	£m
<u>COUNCIL FUND</u>		
Increases		
Services to Older People	1.06	2.930
Other Aggregate Increases		1.025
		3.955
Decreases		
Learning Disability	1.07	(1.961)
Schools Modernisation	1.08	(1.935)
Other Aggregate Decreases		(0.536)
		(4.432)
Total		(0.477)

1.06 Introduction of Housing with Care Fund and the Integration and Rebalancing Capital Fund grant from Welsh Government (WG) in relation to Croes Atti Newydd Residential Care scheme.

1.07 Re-profiling of prudential borrowing and grant adjusted for in year expenditure in relation to the relocation of day service provision relocation project.

1.08 Re-profiling of grant funding over financial years following the commencement of works at Ysgol Croes Atti, Flint.

1.09 **Capital Expenditure compared to Budget**
 Expenditure incurred as at Month 9, across the whole of the Capital Programme was £43.441m. The breakdown of expenditure is analysed in Table 3, along with the percentage spend against budget.
 This shows that 46.78% of the budget has been spent (CF 44.09%, HRA 53.59%). Corresponding figures for Month 9 2022/23 were 49.32% (CF 42.37%, HRA 60.70%).

1.10 The table also shows a projected underspend (pending carry forward and other adjustments) of £1.810m on the Council Fund and a break-even position on the HRA.

Table 3

EXPENDITURE	Revised Budget	Cumulative Expenditure Month 9	Percentage Spend v Budget	Projected Outturn	Variance Budget v Outturn (Under)/Over
	£m	£m	%	£m	£m
People & Resources	0.364	0.000	0.00	0.364	0.000
Governance	1.104	0.651	58.97	1.016	(0.088)
Education & Youth	14.845	6.454	43.48	13.601	(1.244)
Social Services	5.693	2.067	36.31	5.619	(0.074)
Planning, Environment & Economy	2.134	0.603	28.26	2.134	0.000
Streetscene & Transportation	16.106	6.744	41.87	15.780	(0.326)
Housing & Communities	2.833	1.652	58.31	2.833	0.000
Capital Programme & Assets	23.500	11.187	47.60	23.422	(0.078)
Council Fund Total	66.579	29.358	44.09	64.769	(1.810)
Disabled Adaptations	1.100	0.660	60.00	1.100	0.000
Energy Schemes	5.235	3.337	63.74	5.235	0.000
Major Works	1.714	1.422	82.96	1.714	0.000
Accelerated Programmes	0.595	0.241	40.50	0.595	0.000
WHQS Improvements	13.436	7.558	56.25	13.436	0.000
Modernisation / Improvements	2.200	0.000	0.00	2.200	0.000
SHARP Programme	2.000	0.865	43.25	2.000	0.000
Housing Revenue Account Total	26.280	14.083	53.59	26.280	0.000
Programme Total	92.859	43.441	46.78	91.049	(1.810)

1.11 Details of the variances for individual programme areas are listed in Appendix B, which includes the reasons, and remedial actions which may be required, where those variances exceed +/- 10% of the revised budget. In addition, where carry forward into 2024/25 has been identified, this is also included in the narrative.

1.12 **Carry Forward into 2024/25**
During the quarter, carry forward requirements of £1.810m (all CF) have been identified which reflects reviewed spending plans across all programme areas. These amounts can be split into two areas, those required to meet the cost of programme works and/or retention payments in 2024/25.

1.13 Information relating to each programme area is contained in Appendix B and summarised in Table 4 below:

Table 4

CARRY FORWARD INTO 2024/25	Month 4	Month 6	Reversed	Sub Total	Month 9	Total
	£m	£m	£m	£m	£m	£m
	Governance	0.143	0.012	(0.055)	0.100	0.088
Education & Youth	0.197	0.330	0.000	0.527	1.244	1.771
Social Services	1.337	0.000	0.000	1.337	0.074	1.411
Planning, Environment & Economy	0.508	0.217	0.000	0.725	0.000	0.725
Streetscene & Transportation	0.046	0.500	0.000	0.546	0.326	0.872
Capital Programme & Assets	0.898	0.154	(0.056)	0.996	0.078	1.074
Council Fund	3.129	1.213	(0.111)	4.231	1.810	6.041
TOTAL	3.129	1.213	(0.111)	4.231	1.810	6.041

1.14 Additional Allocations

There have been no additional allocations identified in this quarter.

1.15 Savings

The following savings have been identified in the programme this quarter:

- Demolition of former Penyffordd Junior CP School - £0.120m. Core funding returned to the programme following award of grant funding from WG for the works.
- Governance £0.055m. The environmental monitoring systems replacement funding can be returned following the approval of the datacentre relocation project.

1.16 Funding of 2023/24 Approved Schemes

The position at Month 9 is summarised in Table 5 below for the three year Capital Programme between 2023/24 – 2025/26:-

Table 5

FUNDING OF APPROVED SCHEMES 2023/24 - 2025/26		
	£m	£m
Balance carried forward from 2022/23		(0.937)
Increases		
Surplus in 2023/24 to 2025/26 Budget	(0.365)	
		<u>(0.365)</u>
Decreases		
Actual In year receipts	(0.835)	
Savings	(0.175)	<u>(1.010)</u>
Funding - (Available)/Shortfall		(2.312)

1.17 Capital receipts received in the third quarter of 2023/24, along with savings identified total £0.316m. This provides a revised projected surplus in the Capital Programme at Month 9 of £2.312m (from a Month 6 funding surplus of £1.996m) for the 2023/24 – 2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources.

1.18 The 2024/25 – 2026/27 Capital Programme was approved on the 6th December 2023, with a funding surplus of £0.052m. Following the provisional local government settlement, the Council will receive a reduced allocation in 2024/25 of £0.033m compared to the estimated funding. This gives a potential reduction of £0.099m over the three-year programme, resulting in a deficit of £0.047m.

The capital receipts and savings identified this quarter results in the programme being back in a surplus position of £0.269m.

1.19 **Investment in County Towns**

At its meeting on 12th December 2017, the Council approved a Notice of Motion relating to the reporting of investment in county towns. The extent and format of the reporting was agreed at the Corporate Resources Overview and Scrutiny Committee on 14th June 2018.

1.20 Table 6 below shows a summary of the 2022/23 actual expenditure, the 2023/24 revised budget and budgets for future years as approved by Council at its meeting of 6th December, 2023. Further detail can be found in Appendix C, including details of the 2023/24 spend to Month 9.

Table 6

INVESTMENT IN COUNTY TOWNS			
	2022/23	2023/24	2024 -
	Actual	Revised	2027
	£m	Budget	Budget
	£m	£m	£m
Buckley / Penyffordd	0.745	5.408	9.288
Connah's Quay / Shotton	2.225	1.438	0.000
Flint / Bagillt	2.135	5.868	26.498
Holywell / Caerwys / Mostyn	4.195	1.246	0.000
Mold / Treuddyn / Cilcain	5.713	22.659	36.188
Queensferry / Hawarden / Sealand	0.520	2.839	0.000
Saltney / Broughton / Hope	1.250	0.326	16.000
Unallocated / To Be Confirmed	0.980	5.554	27.580
Total	17.763	45.338	115.554

1.21 The inclusion of actuals for 2022/23 and approved schemes for future years allows a slightly fuller picture of investment plans. However, expenditure which has occurred in years prior to 2022/23 has not been included, and the expenditure and budgets reported should be considered in that context.

1.22 There are two significant factors which increase allocations to areas, which are homes developed under SHARP, and new or remodelled schools. The impact of these can be seen in the detail shown in Appendix C.

1.23 Some expenditure cannot yet be allocated to specific towns as schemes are not yet fully developed or are generic in nature and not easily identifiable to one of the seven areas. As such schemes are identified the expenditure will be allocated to the relevant area.

1.24 Information on the split between internal and external funding can be found in Appendix C.

1.25 In addition to the information contained in Appendix C, there is also considerable capital expenditure on the HRA Welsh Housing Quality Standard (WHQS), which was originally outside the scope of this analysis. A summary is provided in Table 7 below, albeit using a slightly different catchment area basis.

Table 7

WHQS Programme		
	2022/23 Actual £m	2023/24 Budget £m
Holywell	3.380	4.210
Flint	1.450	1.390
Deeside & Saltney	2.250	1.390
Buckley	1.060	1.390
Mold	3.000	3.451
Connah's Quay & Shotton	1.970	1.390
Total	13.110	13.221

1.26 The 2021 Prudential Code introduced a new requirement that monitoring of prudential indicators should be reported quarterly as part of capital monitoring. This update is provided in Appendix D.

2.00 RESOURCE IMPLICATIONS

2.01 Financial implications - As set out in the body of the report.

2.02 Personnel implications - None directly as a result of this report.

3.00 IMPACT ASSESSMENT AND RISK MANAGEMENT

3.01 The legacy impacts of the pandemic along with the supply and demand of materials, leading to cost increases, higher tender prices and project delays will continue to be monitored closely during the year. Due to the re-profiling of schemes from 2022/23 and resources available to manage and deliver schemes, the levels of planned expenditure in 2023/24 may be affected, resulting in a high level of carry forward requests to re-phase budgets into the 2024/25 programme.

Grants received will also to be closely monitored to ensure that expenditure is incurred within the terms and conditions of the grant. The capital team will work with project leads to report potential risks of achieving spend within timescales and assist in liaising with the grant provider.

The Council has a prudent policy of allocating its own capital receipts to fund capital projects only when receipts are received rather than when it is anticipated the receipt will be received, and this position continues to be the case. In line with current policy no allowance has been made for these receipts in reporting the Council's capital funding position.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	No consultation is required as a direct result of this report.

5.00	APPENDICES
5.01	Appendix A: Capital Programme - Changes during 2023/24
5.02	Appendix B: Variances
5.03	Appendix C: Investment in Towns
5.04	Appendix D: Prudential Indicators – Quarter 3 2023/24

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Capital Programme monitoring papers 2023/24.

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: Chris Taylor, Strategic Finance Manager Telephone: 01352 703309 E-mail: christopher.taylor@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	<p>Budget Re-profiling: Capital schemes are very dynamic and a number of factors can influence their timing and funding. Budget re-profiling assures that the correct resources are available in the correct accounting period to finance the actual level of expenditure.</p> <p>Capital Expenditure: Expenditure on the acquisition of non-current assets or expenditure which extends the useful life of an existing asset</p> <p>Capital Programme: The Council’s financial plan covering capital schemes and expenditure proposals for the current year and a number of future years. It also includes estimates of the capital resources available to finance the programme.</p> <p>Capital Receipts: Receipts (in excess of £10,000) realised from the disposal of assets.</p> <p>Carry Forward: Carry forward occurs when schemes due to be completed in a given financial year are delayed until a subsequent year. In this case the relevant funding is carried forward to meet the delayed, contractually committed expenditure.</p>

CERA: Capital Expenditure charged to Revenue Account. The Council is allowed to use its revenue resources to fund capital expenditure. However the opposite is not permissible.

Council Fund (CF): The fund to which all the Council's revenue and capital expenditure is charged.

Housing Revenue Account (HRA): The fund to which all the Council's revenue and capital expenditure relating to its housing stock is charged.

MRA: Major Repairs Allowance. A general capital grant from WG for HRA purposes.

Non-current Asset: A resource controlled (but not necessarily owned) by the Council, from which economic benefits or service potential are expected to flow to the Council for more than 12 months.

Section 106: Monies are received from developers/contractors pursuant to Section 106 of the Town & Country Planning Act 1990. These sums are available for use once the relevant terms of the individual agreement have been met. The monies are most commonly used for educational enhancement, play areas, highways and affordable housing.

Target Hardening: Measures taken to prevent unauthorised access to Council sites.

Unhypothecated Supported Borrowing (USB), commonly referred to as Supported Borrowing - Each year Welsh Government provide Councils with a Supported Borrowing allocation. Councils borrow to fund capital expenditure equivalent to that annual allocation, Welsh Government then include funding to cover the revenue costs associated with the borrowing for future years within the Revenue Support Grant. The Council decides how this funding is spent.

Unsupported (Prudential) Borrowing: Borrowing administered under the Prudential Code, whereby Authorities can set their own policies on acceptable levels and types of borrowing. The Prudential Framework allows Authorities to take out loans in response to overall cash flow forecasts and other factors provided they can show that the borrowing is to meet planned capital expenditure in the current year or the next three years.

CAPITAL PROGRAMME - CHANGES DURING 2023/24

	Original Budget 2023/24	Carry Forward from 2022/23	2023/24 Previously Reported		Savings (Current)	Changes (Current)	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25			
	£m	£m	£m	£m	£m	£m	£m
Council Fund :							
People & Resources							
'Headroom'	0.350	0.150	(0.113)	0.000	0.000	(0.023)	0.364
	0.350	0.150	(0.113)	0.000	0.000	(0.023)	0.364
Governance							
Information Technology	0.357	0.294	0.585	(0.100)	(0.055)	0.000	1.081
Registry Office	0.000	0.000	0.000	0.000	0.000	0.023	0.023
	0.357	0.294	0.585	(0.100)	(0.055)	0.023	1.104
Education & Youth							
Education - General	0.650	6.999	1.971	(0.197)	0.000	(0.205)	9.218
Primary Schools	1.000	0.813	(0.519)	0.000	(0.120)	0.526	1.700
Schools Modernisation	1.546	0.000	2.029	0.000	0.000	(1.935)	1.640
Secondary Schools	0.000	0.560	1.321	0.000	0.000	0.146	2.027
Special Education	0.500	0.090	0.000	(0.330)	0.000	0.000	0.260
	3.696	8.462	4.802	(0.527)	(0.120)	(1.468)	14.845
Social Services							
Services to Older People	1.250	0.097	1.000	(1.337)	0.000	2.930	3.940
Learning Disability	2.430	0.000	0.031	0.000	0.000	(1.961)	0.500
Children's Services	0.000	0.074	1.179	0.000	0.000	0.000	1.253
	3.680	0.171	2.210	(1.337)	0.000	0.969	5.693
Planning, Environment & Economy							
Closed Landfill Sites	0.000	0.250	0.000	(0.250)	0.000	0.000	0.000
Engineering	0.000	0.383	0.000	(0.356)	0.000	0.000	0.027
Energy Services	0.000	0.000	0.349	0.000	0.000	(0.009)	0.340
Ranger Services	0.000	0.035	0.105	0.000	0.000	0.000	0.140
Town Centre Regeneration	0.000	0.320	1.046	0.000	0.000	0.156	1.522
Private Sector Renewal/Improv't	0.040	0.030	0.031	(0.119)	0.000	0.123	0.105
	0.040	1.018	1.531	(0.725)	0.000	0.270	2.134
Streetscene & Transportation							
Waste Services	0.000	3.805	0.217	0.000	0.000	0.003	4.025
Cemeteries	0.000	0.259	0.000	0.000	0.000	0.000	0.259
Highways	1.500	1.640	0.711	(0.500)	0.000	(0.299)	3.052
Local Transport Grant	0.000	0.006	8.764	0.000	0.000	0.000	8.770
Solar Farms	0.000	0.046	0.000	(0.046)	0.000	0.000	0.000
	1.500	5.756	9.692	(0.546)	0.000	(0.296)	16.106

	Original Budget 2023/24	Carry Forward from 2022/23	2023/24 Previously Reported		Savings (Current)	Changes (Current)	Revised Budget 2023/24
			Changes	Carry Forward to 2024/25			
	£m	£m	£m	£m	£m	£m	£m
Housing & Communities							
Affordable Housing	0.000	0.000	0.700	0.000	0.000	0.000	0.700
Disabled Facilities Grants	1.660	0.186	0.287	0.000	0.000	0.000	2.133
	1.660	0.186	0.987	0.000	0.000	0.000	2.833
Capital Programme & Assets							
Administrative Buildings	0.663	0.325	0.034	(0.052)	0.000	0.000	0.970
Community Asset Transfers	0.000	0.597	0.227	(0.541)	0.000	0.000	0.283
Leisure Centres & Libraries	0.395	0.419	0.259	(0.245)	0.000	0.000	0.828
Play Areas	0.200	0.376	0.178	(0.130)	0.000	0.048	0.672
Theatr Clwyd	20.500	0.275	0.000	(0.028)	0.000	0.000	20.747
	21.758	1.992	0.698	(0.996)	0.000	0.048	23.500
Housing Revenue Account :							
Disabled Adaptations	1.100	0.000	0.000	0.000	0.000	0.000	1.100
Energy Schemes	2.311	0.000	2.924	0.000	0.000	0.000	5.235
Major Works	1.836	0.000	(0.122)	0.000	0.000	0.000	1.714
Accelerated Programmes	1.121	0.000	(0.526)	0.000	0.000	0.000	0.595
WHQS Improvements	13.221	0.000	0.215	0.000	0.000	0.000	13.436
Modernisation / Improvements	2.200	0.000	0.000	0.000	0.000	0.000	2.200
SHARP Programme	7.668	0.000	(5.668)	0.000	0.000	0.000	2.000
	29.457	0.000	(3.177)	0.000	0.000	0.000	26.280
Totals :							
Council Fund	33.041	18.029	20.392	(4.231)	(0.175)	(0.477)	66.579
Housing Revenue Account	29.457	0.000	(3.177)	0.000	0.000	0.000	26.280
Grand Total	62.498	18.029	17.215	(4.231)	(0.175)	(0.477)	92.859

PEOPLE & RESOURCES

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
'Headroom'	0.364	0.000	0.364	0.000	0	0.000		Corporate provision - to be allocated as requested and approved.	Any unspent allocation will be the subject of a carry forward request at outturn.
Total	0.364	0.000	0.364	0.000	0	0.000			

GOVERNANCE

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Information Technology	1.081	0.628	0.993	(0.088)	-8	(0.012)	£0.037m ICT Cyber Security and £0.051m for datacentre works to take place in 2024/25.	Carry Forward - Request approval to move funding of £0.088m to 2024/25.	Savings Identified, £0.055m for environmental monitoring systems replacement.
Registry Office	0.023	0.023	0.023	0.000	0	0.000			
Total	1.104	0.651	1.016	(0.088)	-8	(0.012)			

Variance = Budget v Projected Outturn

EDUCATION & YOUTH

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Education - General	9.218	4.071	8.471	(0.747)	-8	0.000	Ongoing R&M and energy efficiency improvements £0.444m, Classroom Ventilation £0.066m, Upgrades of Kitchen Equipment £0.075m, Safeguarding works at various schools £0.062m and ongoing programme Fire Alarm upgrades £0.100m.	Carry Forward - Request approval to move funding of £0.747m to 2024/25.	
Primary Schools	1.700	0.997	1.700	0.000	0	0.000			£0.120m saving identified for demolition of former Penyffordd Junior CP School.
Schools Modernisation	1.640	0.271	1.640	0.000	0	0.000			
Secondary Schools	2.027	1.068	1.669	(0.358)	-18	0.000	Ongoing R&M and kitchen ventilation rolling programme works to fall into 2024/25, £0.058m. Holywell ATP and survey works to fall into 2024/25 £0.300m.	Carry Forward - Request approval to move funding of £0.358m to 2024/25.	
Special Education	0.260	0.047	0.121	(0.139)	-53	(0.330)	DDA schemes to be delivered in the 2024/25 financial year.	Carry Forward - Request approval to move funding of £0.139m to 2024/25.	
Total	14.845	6.454	13.601	(1.244)	-8	(0.330)			

Variance = Budget v Projected Outturn

SOCIAL SERVICES

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Services to Older People	3.940	1.178	3.940	0.000	0	0.000			
Learning Disability Services	0.500	0.017	0.500	0.000	0	0.000			
Children's Services	1.253	0.872	1.179	(0.074)	-6	0.000	Foster care adaptation scheme costs of £0.074m likely to fall into 2024/25.	Carry Forward - Request approval to move funding of £0.074m to 2024/25.	
Total	5.693	2.067	5.619	(0.074)	-1	0.000			

Variance = Budget v Projected Outturn

PLANNING, ENVIRONMENT & ECONOMY

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Closed Landfill Sites	0.000	0.000	0.000	0.000	0	0.000			
Engineering	0.027	0.000	0.027	0.000	0	(0.098)			
Energy Services	0.340	(0.083)	0.340	0.000	0	0.000			
Ranger Services	0.140	0.084	0.140	0.000	0	0.000			
Townscape Heritage Initiatives	1.522	0.427	1.522	0.000	0	(0.119)			
Private Sector Renewal/Improvement	0.105	0.175	0.105	0.000	0	0.000			
Total	2.134	0.603	2.134	0.000	0	(0.217)			

Variance = Budget v Projected Outturn

STREETSCENE & TRANSPORTATION

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Waste Services	4.025	0.000	4.025	0.000	0	0.000			
Cemeteries	0.259	0.000	0.000	(0.259)	-100	0.000	The Hawarden cemetery extension project to progress in 2024/25.	Carry Forward - Request approval to move funding of £0.259m to 2024/25.	
Highways	3.052	1.895	2.985	(0.067)	-2	(0.500)	Works in relation to charging infrastructure for electrical vehicles are to progress into 2024/25.	Carry Forward - Request approval to move funding of £0.067m to 2024/25.	
Local Transport Grant	8.770	4.849	8.770	0.000	0	0.000			
Solar Farms	0.000	0.000	0.000	0.000		0.000			
Total	16.106	6.744	15.780	(0.326)	-2	(0.500)			

Variance = Budget v Projected Outturn

HOUSING & COMMUNITIES

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Affordable Housing	0.700	0.000	0.700	0.000	0	0.000			
Disabled Facilities Grants	2.133	1.652	2.133	0.000	0	0.000			DFG spend is customer driven and volatile.
Total	2.833	1.652	2.833	0.000	0	0.000			

Variance = Budget v Projected Outturn

CAPITAL PROGRAMME & ASSETS

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget	Actual Exp.	Projected Outturn	Variance (Under)/ Over	Variance %age	Variance Prev Qtr	Cause of Variance	Action Required	Comments
	£m	£m	£m	£m	%	£m			
Administrative Buildings	0.970	0.219	0.970	0.000	0	(0.024)			
Community Asset Transfers	0.283	0.283	0.283	0.000	0	0.000			
Leisure Centres & Libraries	0.828	0.646	0.828	0.000	0	0.000			
Play Areas	0.672	0.458	0.594	(0.078)	-12	(0.130)	Work to progress into 2024/25.	Carry Forward - Request approval to move funding of £0.078m into 2024/25.	Playarea spend is volatile and is driven by the replacement rolling programme.
Theatr Clwyd	20.747	9.581	20.747	0.000	0	0.000			
Total	23.500	11.187	23.422	(0.078)	-0	(0.154)			

Variance = Budget v Projected Outturn

HOUSING REVENUE ACCOUNT

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
Disabled Adaptations	1.100	0.660	1.100	0.000	0	0.000			
Energy Services	5.235	3.337	5.235	0.000	0	0.000			
Major Works	1.714	1.422	1.714	0.000	0	0.000			
Accelerated Programmes	0.595	0.241	0.595	0.000	0	0.000			
WHQS Improvements	13.436	7.558	13.436	0.000	0	0.000			
Modernisation/Improvements	2.200	0.000	2.200	0.000	0	0.000			
SHARP	2.000	0.865	2.000	0.000	0	0.000			
Total	26.280	14.083	26.280	0.000	0	0.000			

Variance = Budget v Projected Outturn

SUMMARY

Capital Budget Monitoring 2023/24 - Month 9

Programme Area	Total Budget £m	Actual Exp. £m	Projected Outturn £m	Variance (Under)/ Over £m	Variance %age %	Variance Prev Qtr £m	Cause of Variance	Action Required	Comments
People & Resources	0.364	0.000	0.364	0.000	0	0.000			
Governance	1.104	0.651	1.016	(0.088)	-8	(0.012)			
Education & Youth	14.845	6.454	13.601	(1.244)	-8	(0.330)			
Social Services	5.693	2.067	5.619	(0.074)	-1	0.000			
Planning, Environment & Economy	2.134	0.603	2.134	0.000	0	(0.217)			
Streetscene & Transportation	16.106	6.744	15.780	(0.326)	-2	(0.500)			
Housing & Communities	2.833	1.652	2.833	0.000	0	0.000			
Capital Programme & Assets	23.500	11.187	23.422	(0.078)	-0	(0.154)			
Sub Total - Council Fund	66.579	29.358	64.769	(1.810)	-3	(1.213)			
Housing Revenue Account	26.280	14.083	26.280	0.000	0	0.000			
Total	92.859	43.441	91.049	(1.810)	-2	(1.213)			

Variance = Budget v Projected Outturn

INVESTMENT IN COUNTY TOWNS - 2022/23 ACTUAL SPEND

APPENDIX C

TOWN FUNDING	22/23 ACTUAL £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	4,278	32		402		255		3,456		10		33					90		4,278	0	4,278
EDUCATION & YOUTH																					
Ysgol Glanrafon	428									332	96								332	96	428
Ysgol Croes Atti, Flint	431					128	303												128	303	431
Ysgol Croes Atti, Shotton	556			297	259														297	259	556
SOCIAL SERVICES																					
Ty Nyth, Children's Residential Care	1,408									812	596								812	596	1,408
Croes Atti Newydd Residential Care Home, Flint	913					913													913	0	913
Relocation of Tri-Ffordd Day Service provision	239												239						239	0	239
PLANNING, ENVIRONMENT & ECONOMY																					
Solar PV Farms	759			759															759	0	759
STREETSCENE & TRANSPORTION																					
Improvements to Standard Yard Waste Transfer Station	249		249																0	249	249
Highways Maintenance	2,312	331		309				545		595		286		68			179		2,313	0	2,313
Transport Grant	2,992		133		199	15	521	11	183		75		201	70	873		711		96	2,896	2,992
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	3,197										3,197								0	3,197	3,197
	17,762	363	382	1,767	458	1,311	824	4,012	183	1,749	3,964	319	201	377	873	269	711		10,167	7,596	17,763
AREA TOTAL			745		2,225		2,135		4,195		5,713		520		1,250		980				

INVESTMENT IN COUNTY TOWNS - 2023/24- MONTH 9

APPENDIX C (Cont)

TOWN FUNDING	ACTUAL TO DATE £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000	
EXPENDITURE																					
HOUSING - HRA																					
SHARP	865						14		736								115		0	865	865
EDUCATION & YOUTH																					
Ysgol Croes Atti, Flint	189							189											0	189	189
Ysgol Penyffordd Extension	587	244	343																244	343	587
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	995							995											0	995	995
Relocation of Tri-Ffordd Day Service provision	17										17								0	17	17
STREETSCENE & TRANSPORTION																					
Highways Maintenance	1,876	120		53		354		16		207		181		39		906		1,876	0	1,876	
Transport Grant	4,849		63		1,326		167	5	49		288		2,429		306		216	5	4,844	4,849	
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	9,581										9,581								0	9,581	9,581
	18,959	364	406	53	1,326	354	1,365	21	785	207	9,886	181	2,429	39	306	906	331	2,125	16,834	18,959	
AREA TOTAL			770		1,379		1,719		806		10,093		2,610		345		1,237				

INVESTMENT IN COUNTY TOWNS - 2024- 2027 BUDGET

APPENDIX C (Cont)

TOWN FUNDING	FUTURE BUDGET £000	BUCKLEY		CONNAH'S QUAY		FLINT		HOLYWELL		MOLD		QUEENSFERRY		SALTNEY		UNALLOCATED		TOTALS			
		Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Internal £000	External £000	Total £000			
EXPENDITURE																					
EDUCATION & YOUTH																					
Joint Archive Facility, FCC and DCC	12,800									3,079	9,721								3,079	9,721	12,800
Ysgol Croes Atti, Flint	11,848					4,672	7,176												4,672	7,176	11,848
Drury County Primary	4,800	1,680	3,120																1,680	3,120	4,800
Elfed High School	4,488	1,571	2,917																1,571	2,917	4,488
Saltney/Broughton Area	16,000												5,600	10,400					5,600	10,400	16,000
SOCIAL SERVICES																					
Croes Atti Newydd Residential Care Home, Flint	14,650					6,050	8,600												6,050	8,600	14,650
Relocation of Tri-Ffordd Day Service provision	4,388									1,885	2,503								1,885	2,503	4,388
STREETSCENE & TRANSPORTION																					
Highways Asset Management Plan	4,980																4,980		4,980	0	4,980
CAPITAL PROGRAMME & ASSETS																					
Theatr Clwyd - Redevelopment	19,000										19,000								0	19,000	19,000
HOUSING & COMMUNITIES																					
Affordable Housing	22,600																22,600		22,600	0	22,600
	115,554	3,251	6,037	0	0	10,722	15,776	0	0	4,964	31,224	0	0	5,600	10,400	27,580	0	52,117	63,437	115,554	
AREA TOTAL			9,288	0	0	26,498	0	0	0	36,188	0	0	16,000	27,580							

Prudential Indicators Q3 2023/24

The Council measures and manages its capital expenditure, borrowing and commercial and service investments with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Table 1 - Capital Expenditure in £ millions: The Council has undertaken and is planning capital expenditure as summarised below. The increase in forecasted expenditure between 2022/23 to 2023/24, in the main relate to works at Theatr Clwyd and the Band B schools programme.

	2022/23 Actual	2023/24 Forecast	2024/25 Estimate *	2025/26 Estimate
Council Fund	30.016	64.769	28.626	29.737
Housing Revenue Account	24.997	26.280	29.498	24.664
Total	55.013	91.049	58.124	54.401

* £3.3m of capital expenditure in 2024/25 arises from a change in the accounting for leases and does not represent cash expenditure.

Table 2 - Capital Financing Requirement in £ millions: The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt.

	2022/23 Actual	2023/24 Forecast	2024/25 Estimate *	2025/26 Estimate
Council Fund	218.939	229.537	318.425	325.603
Housing Revenue Account	133.623	132.942	139.369	141.665
Total	352.562	362.479	457.794	467.268

* £75m of the CFR increase in 2024/25 arises from a change in the accounting for leases.

Table 3 - Gross Debt and the Capital Financing Requirement in £ millions: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	2022/23 Actuals	2023/24 Forecast	2024/25 Estimate	2025/26 Estimate
Debt (Incl Leases)	297.951	304.336	403.678	419.582
Capital Financing Requirement	352.562	362.479	457.794	467.268

Table 4 - Debt and the Authorised Limit and Operational Boundary in £ millions: The Council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	2023/24 Limit	30.09.23 Actual
Operational Boundary - Total	403	320
Authorised Limit - Total	438	320

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Table 5 - Net Income from Commercial and Service Investments to Net Revenue Stream in £ millions: The Council’s income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

	2022/23 Actual	2023/24 Forecast	2024/25 Estimate	2025/26 Estimate
Total net income from service and commercial investment	1.672	1.705	1.652	1.652
Proportion of net revenue stream	0.51%	0.48%	0.46%	0.46%

Table 6 - Proportion of Financing Costs to Net Revenue Stream in £ millions: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

	2022/23 Actual	2023/24 Forecast	2024/25 Estimate	2025/26 Estimate
Council Fund	3.6%	3.9%	4.2%	4.4%
HRA	17.2%	17.4%	16.2%	16.7%