

Tendring District Council



Appendices Included:

Executive Summary	A summary of the overall position.
Appendix 1A	A summary of the overall position by Portfolio/Committee split by GF and HRA
Appendix 1B	An analysis by Department of all General Fund Revenue budgets.
Appendix 1C	An analysis of Housing Revenue Account Revenue budgets.
Appendix 1D	The position to date for General Fund and HRA capital projects.
Appendix 1E	Collection Performance
Appendix 1F	Treasury activity.
Appendix 1G	Income from S106 Agreements.
Appendix 1H	Proposed Adjustments to the Budget

Financial Performance Report In-Year Performance as at end of:

September 2023

(The variance figures set out in these appendices that are presented in brackets represent either a net underspend to date position or additional income received to date)

Financial Performance Report - Executive Summary as at the end of September 2023

The tables below show the summary position for the General Fund, Housing Revenue Account, Capital, Collection Performance and Treasury Activity.

General Fund - Summary by Department Excluding Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Office of the Chief Executive	(27,298,840)	(7,330,254)	(9,288,678)	(1,958,424)
Operations and Delivery	15,543,610	3,926,660	4,102,698	176,038
Place and Economy	11,755,230	2,628,041	2,553,618	(74,422)
Total General Fund	0	(775,553)	(2,632,361)	(1,856,808)

Housing Revenue Account

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
Total HRA	0	(4,305,573)	(4,489,139)	(183,566)

Capital

	Full Year Budget £	Profiled Budget to Date £	Actual to Date £	Variance to Profile £
General Fund	15,149,040	1,629,895	1,684,291	54,396
Housing Revenue Account	11,920,350	3,441,418	4,025,349	583,931
Total Capital	27,069,390	5,071,313	5,709,640	638,327

Collection Performance

	Collected to Date Against Collectable Amount
Council Tax	53.04%
Business Rates *	69.47%
Housing Rents	95.86%
General Debt	84.96%

Treasury

	£'000
Total External Borrowing	33,988
Total Investments	84,177

* The figure is performance against the budgeted Collection Fund amount rather than the debit collectable.

Revenue Budget Position at the end of September 2023

General Fund Portfolio / Committee Summary

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £
Corporate Finance and Governance	137,480	(1,963,268)	(1,974,786)	(11,518)
Assets	803,210	1,604,657	1,671,030	66,373
Economic Growth, Regeneration and Tourism	4,693,570	545,366	546,954	1,588
Environment	10,598,040	3,329,493	3,557,110	227,618
Leisure and Public Realm	5,643,350	707,901	490,433	(217,468)
Housing and Planning	8,600,160	2,656,201	1,259,725	(1,396,476)
Partnerships	3,420,230	1,283,861	1,278,221	(5,640)
Budgets Relating to Non Executive Functions	782,110	374,525	439,698	65,172
	34,678,150	8,538,736	7,268,385	(1,270,351)
Revenue Support for Capital Investment	2,143,080	0	0	0
Financing Items	(7,895,280)	(1,393,676)	(1,980,140)	(586,464)
Budget Before use of Reserves	28,925,950	7,145,060	5,288,245	(1,856,815)
Contribution to / (from) earmarked reserves	(14,784,380)	(122,620)	(122,616)	4
Total Net Budget	14,141,570	7,022,440	5,165,629	(1,856,811)
Funding:				
Business Rates Income	(3,058,440)	(2,230,832)	(2,230,832)	0
Revenue Support Grant	(696,440)	(373,816)	(373,816)	0
Collection Fund Surplus	(783,670)	(391,835)	(391,835)	0
Income from Council Tax Payers	(9,603,020)	(4,801,510)	(4,801,507)	3
Total	0	(775,553)	(2,632,361)	(1,856,808)

Revenue Budget Position at the end of September 2023

HRA Portfolio Summary

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £
Housing and Planning	(1,673,700)	(4,305,573)	(4,489,139)	(183,566)
	(1,673,700)	(4,305,573)	(4,489,139)	(183,566)
Revenue Support for Capital Investment	613,630	0	0	0
Financing Items	1,340,100	0	0	0
Budget Before use of Reserves	280,030	(4,305,573)	(4,489,139)	(183,566)
Contribution to / (from) earmarked reserves	(280,030)	0	0	0
Total	0	(4,305,573)	(4,489,139)	(183,566)

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2023

Department - Chief Executive, Finance, IT, Governance and Partnerships

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Type of Spend</u>					
Direct Expenditure					
Employee Expenses	12,749,760	4,433,283	4,043,172	(390,112)	
Premises Related Expenditure	475,450	189,710	182,813	(6,897)	
Transport Related Expenditure	120,930	61,064	54,836	(6,228)	
Supplies & Services	10,277,230	2,547,618	2,282,549	(265,069)	
Third Party Payments	117,000	87,000	87,000	0	
Transfer Payments	37,459,910	15,867,245	15,356,995	(510,250)	
Interest Payments	9,340	3,199	3,319	120	
Direct Capital Financing Costs	2,335,900	0	0	0	
Total Direct Expenditure	63,545,520	23,189,119	22,010,684	(1,178,435)	
Direct Income					
Government Grants	(44,983,850)	(19,310,279)	(19,673,274)	(362,995)	
Other Grants, Reimbursements and Contributions	(1,639,030)	(1,155,175)	(980,589)	174,586	
Sales, Fees and Charges	(1,303,190)	(558,525)	(589,546)	(31,021)	
Rents Receivable	(1,050)	(365)	(290)	75	
Interest Receivable	(1,856,550)	(1,574,417)	(2,135,057)	(560,640)	
RSG, Business Rates and Council Tax	(14,141,570)	(7,797,993)	(7,797,990)	3	
Total Direct Income	(63,925,240)	(30,396,754)	(31,176,746)	(779,992)	
Net Direct Costs	(379,720)	(7,207,634)	(9,166,062)	(1,958,428)	
Net Indirect Costs	(12,134,740)	0	0	0	
Net Contribution to/(from) Reserves	(14,784,380)	(122,620)	(122,616)	4	
Total for Chief Executive, Finance, IT, Governance and Partnerships	(27,298,840)	(7,330,254)	(9,288,678)	(1,958,424)	

Department - Chief Executive, Finance, IT, Governance and Partnerships

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Chief Executive and Administration	0	182,279	130,977	(51,302)	
Total for Finance and IT Management and Administration	70	51,530	55,053	3,523	
Total for Finance	303,070	647,839	525,225	(122,614)	
Total for Finance - Other Corporate Costs	(1,927,520)	(5,211,617)	(5,920,155)	(708,538)	This primarily reflects the position against investment income which is included within Appendix H.
Total for Finance - Financing Items	(19,368,370)	49,922	22,586	(27,336)	
Total for Finance - RSG, Business Rates and Council Tax	(14,141,570)	(7,797,993)	(7,797,990)	3	
Total for Revenues and Benefits	2,410,630	1,053,603	(33,834)	(1,087,437)	This primarily reflects the timing differences associated with Housing Benefit payments and the reimbursement by the Government via the related subsidy system along with vacancy savings accrued to date.
Total for IT and Corporate Resilience	187,760	1,144,410	1,145,439	1,029	
Total for Health and Community	173,160	29,708	31,834	2,126	

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
Total for Governance Management and Administration	0	57,245	57,032	(213)	
Total for Legal	22,000	213,474	211,736	(1,738)	
Total for Communications	0	35,796	41,946	6,150	
Total for Democratic Services and Elections	1,846,080	814,653	853,256	38,603	
Total for Corporate Procurement and Contracts	11,000	109,975	56,165	(53,810)	
Total for Partnerships Management and Administration	0	46,026	85,651	39,624	
Total for Customer and Commercial	0	97,755	40,114	(57,641)	
Total for People	(31,120)	212,995	233,549	20,553	
Total for Organisational Development	187,910	58,858	89,878	31,020	
Total for Health and Community	1,564,110	133,940	165,938	31,998	
Total for Customer Contact	20,130	330,475	306,184	(24,291)	
Total for Careline and Community	1,443,820	408,871	410,739	1,867	
Total for Chief Executive, Finance, IT, Governance and Partnerships	(27,298,840)	(7,330,254)	(9,288,678)	(1,958,424)	

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2023

Department - Operations and Delivery

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Type of Spend</u>					
Direct Expenditure					
Employee Expenses	6,793,420	3,483,139	3,223,496	(259,643)	
Premises Related Expenditure	1,961,610	999,406	1,027,649	28,243	
Transport Related Expenditure	544,690	247,894	255,046	7,153	
Supplies & Services	5,408,260	1,764,939	1,909,059	144,120	
Third Party Payments	6,781,710	2,732,546	2,718,387	(14,158)	
Transfer Payments	378,900	191,125	677,027	485,902	
Total Direct Expenditure	21,868,590	9,419,049	9,810,664	391,615	
Direct Income					
Government Grants	(1,483,460)	(1,127,610)	(1,115,541)	12,069	
Other Grants, Reimbursements and Contributions	(1,822,900)	(857,752)	(321,587)	536,165	
Sales, Fees and Charges	(4,923,000)	(3,171,344)	(3,905,729)	(734,385)	
Rents Receivable	(384,800)	(219,403)	(270,296)	(50,893)	
Direct Internal Income	(166,390)	(94,040)	(94,812)	(772)	
Total Direct Income	(8,780,550)	(5,470,149)	(5,707,966)	(237,817)	
Net Direct Costs	13,088,040	3,948,900	4,102,698	153,798	
Net Indirect Costs	2,455,570	(22,240)	0	22,240	
Total for Operations and Delivery	15,543,610	3,926,660	4,102,698	176,038	

Department - Operations and Delivery

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for CD Operations and Delivery Management and Administration	0	161,066	186,663	25,597	
Total for Building and Public Realm Management and Administration	1,150	44,878	124,092	79,214	
Total for Public Realm	1,395,960	445,693	271,711	(173,983)	This primarily relates to increased parking income. It is not proposed to adjust the budget at the present time but the position will remain under review in the second half of the year.
Total for Waste and Recycling	5,956,180	1,875,067	2,159,087	284,020	This variance is primarily due to the invoices relating to recycling credit income from ECC being behind profile.
Total for Property and Projects	(284,210)	(498,657)	(634,718)	(136,061)	
Total for Development and Building Management	2,260	15	18	3	
Total for Coastal and Engineering	3,139,460	750,201	673,028	(77,173)	
Total for Open Space and Transport	867,510	87,272	214,795	127,523	This primarily relates to reduced crematorium income - please see the main body of report from further details.
Total for Housing and Environment Management and Administration	614,440	76,605	69,292	(7,313)	
Total for Housing	1,354,180	258,160	335,560	77,400	The variance primarily reflects the current increased cost of homelessness - please see the main body of report for further details.
Total for Environment	2,496,680	726,360	703,171	(23,189)	
Total for Operations and Delivery	15,543,610	3,926,660	4,102,698	176,038	

Corporate Budget Monitoring - General Fund Budget Position at the end of September 2023

Department - Place and Economy

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Type of Spend</u>					
Direct Expenditure					
Employee Expenses	5,599,770	2,809,729	2,781,386	(28,343)	
Premises Related Expenditure	1,468,670	843,596	1,111,330	267,734	
Transport Related Expenditure	44,540	23,070	15,563	(7,507)	
Supplies & Services	5,636,780	1,243,192	1,292,142	48,950	
Third Party Payments	45,870	45,000	(3,207)	(48,207)	
Total Direct Expenditure	12,795,630	4,964,587	5,197,215	232,628	
Direct Income					
Government Grants	(456,370)	(67,650)	(67,657)	(7)	
Other Grants, Reimbursements and Contributions	(37,830)	(31,830)	(86,911)	(55,081)	
Sales, Fees and Charges	(4,168,600)	(2,190,556)	(2,440,532)	(249,976)	
Rents Receivable	(81,450)	(46,510)	(48,497)	(1,987)	
Total Direct Income	(4,744,250)	(2,336,546)	(2,643,597)	(307,051)	
Net Direct Costs	8,051,380	2,628,041	2,553,618	(74,422)	
Net Indirect Costs	3,703,850	0	0	0	
Total for Place and Economy	11,755,230	2,628,041	2,553,618	(74,422)	

Department - Place and Economy

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Place and Economy Management and Administration	0	66,535	63,589	(2,946)	
Total for Planning Management and Administration	(125,110)	860,175	800,568	(59,607)	This relates to the variance against employee costs which are proposed to be used to fund agency staff within the budget area immediately below - please see Appendix H for further details.
Total for Planning Development	2,051,290	(307,900)	(327,584)	(19,684)	This primarily relates to the cost of agency staff - please see Appendix H for further details.
Total for Local Plan and Place Shaping Management and Administration	0	46,705	49,947	3,242	
Total for Strategic Planning	642,110	24,875	(11,735)	(36,610)	
Total for Place	50,620	9,505	7,535	(1,970)	
Total for Economic Growth	3,901,690	503,273	445,071	(58,203)	
Total for Sport and Leisure Operations	4,250,450	1,228,529	1,286,863	58,333	
Total for Tourism Arts and Events	984,180	149,638	191,070	41,432	
Total for Economy, Culture and Leisure Management	0	46,705	48,295	1,590	
Total for Place and Economy	11,755,230	2,628,041	2,553,618	(74,422)	

Corporate Budget Monitoring - Housing Revenue Account Budget Position at the end of September 2023

Housing Revenue Account

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Type of Spend</u>					
Direct Expenditure					
Employee Expenses	2,116,770	795,625	688,541	(107,084)	
Premises Related Expenditure	4,065,410	1,866,640	1,991,433	124,792	
Transport Related Expenditure	37,870	18,935	14,741	(4,194)	
Supplies & Services	637,110	254,470	215,768	(38,702)	
Third Party Payments	1,030	0	0	0	
Transfer Payments	25,000	16,500	17,550	1,050	
Interest Payments	1,205,860	341,359	345,534	4,175	
Direct Capital Financing Costs	2,027,930	0	0	0	
Total Direct Expenditure	10,116,980	3,293,529	3,273,566	(19,964)	
Direct Income					
Government Grants	0	0	0	0	
Other Grants, Reimbursements and Contributions	(8,440)	(220)	(4,308)	(4,088)	
Sales, Fees and Charges	(586,460)	(312,973)	(362,155)	(49,182)	
Rents Receivable	(14,532,500)	(7,285,909)	(7,396,235)	(110,326)	
Interest Receivable	(138,260)	0	(6)	(6)	
Total Direct Income	(15,265,660)	(7,599,102)	(7,762,704)	(163,602)	
Net Direct Costs	(5,148,680)	(4,305,573)	(4,489,139)	(183,566)	
Net Indirect Costs	5,428,710	0	0	0	
Net Contribution to/(from) Reserves	(280,030)	0	0	0	
Total for HRA	0	(4,305,573)	(4,489,139)	(183,566)	

Housing Revenue Account

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
<u>Analysis by Service/Function</u>					
Total for Finance - Financing Items	1,953,730	0	0	0	
Total for CD Operations and Delivery Management and Administration	(66,370)	(84,000)	(99,438)	(15,438)	
Total for Development and Building Management	5,155,040	1,911,076	1,948,924	37,848	
Total for Housing	(7,042,400)	(6,132,649)	(6,338,625)	(205,977)	
Total for HRA	0	(4,305,573)	(4,489,139)	(183,566)	

Corporate Budget Monitoring - General Fund Capital Programme Position at the end of September 2023

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
Expenditure					
Assets Portfolio					
IT Core Infrastructure Rolling Replacement	70,480	17,620	44,196	26,576	
Office Rationalisation	108,340	17,370	17,374	4	Engineering team is currently committed to a range of outdoor projects and plan to prioritise this work over winter in order to maximise use of time.
Carnarvon House Demolition	346,360	0	3,920	3,920	Demolition costs to be finalised, with remaining funding allocated to explore regeneration options at the site as part of the Levelling Up Fund project.
Laying Out Cemetery	133,110	14,050	14,048	(2)	Planning permission has been granted with conditions, these are currently being discharged and full project costing will be finalised in January 2024.
Public Convenience Works	40,000	0	0	0	
Weeley Crematorium Works	160,300	87,070	87,072	2	Minor works are still on-going, but should be completed by 2023/24
Total for Assets Portfolio	858,590	136,110	166,610	30,500	
Corporate Finance and Governance Portfolio					
Agresso e-procurement	84,000	0	0	0	
Total for Corporate Finance and Governance Portfolio	84,000	0	0	0	

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
Economic Growth, Regeneration and Tourism Portfolio					
SME Growth Fund Capital Grants	43,250	0	0	0	
Starlings and Milton Road Redevelopment	720,450	173,780	197,677	23,897	
Total for Economic Growth, Regeneration and Tourism Portfolio	763,700	173,780	197,677	23,897	
Housing and Planning Portfolio					
Replacement Scan Stations	12,000	0	0	0	
Housing in Jaywick	274,200	0	0	0	
Private Sector Renewal Grants/Financial Assistance Loans	287,170	0	0	0	
Disabled Facilities Grants	10,702,520	429,775	429,776	1	
Private Sector Leasing	75,660	0	0	0	
Empty Homes funding	152,220	0	0	0	
Total for Housing and Planning Portfolio	11,503,770	429,775	429,776	1	

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
Leisure and Public Realm Portfolio					
Projects associated with the Vista Road Land Swap	491,970	104,080	104,082	2	
Replacement of beach hut supports - The Walings	11,620	0	0	0	A structural report, specification and costings for replacement stagings is being procured to inform future further decision making.
Northbourne Depot Extension Works	17,740	15,530	15,526	(4)	Works complete, available underspend to be added to Vista Road Land Swap project above as this formed part of the same overall arrangements.
Cliff Park Rockery Works	66,500	1,920	1,920	0	Works commenced early September 2023 with the project due to be completed by March 2024.
CLC - Replacement of All Weather Pitch	393,310	319,150	319,149	(1)	
Clacton Skate Park Improvement Scheme	300,000	265,320	265,320	0	
CLC - Pool Cameras	4,010	3,200	3,200	0	
Swimming Pool Covers	100,000	0	0	0	
Seafronts - Beach Patrol Vehicles & Equipment	25,730	12,400	12,400	0	
New Beach Huts	64,600	0	0	0	
Works at Halstead Road Play Area, Kirby	1,290	0	0	0	
Changing Places Facility, Frinton on Sea	77,570	68,490	68,491	1	Project to be completed in Quarter 3
Changing Places Project	290,400	100,140	100,141	1	Projects now started and due for completion by the end of March 2024.
Marine Parade, Clacton - Playground Equipment	80,000	0	0	0	Project to be completed in Quarter 3
Total for Leisure and Public Realm Portfolio	1,924,740	890,230	890,229	(1)	
Partnerships Portfolio					
Careline - Replacement Telephone System	14,240	0	0	0	
Total for Partnerships Portfolio	14,240	0	0	0	
Total Approved General Fund Capital	15,149,040	1,629,895	1,684,291	54,396	

Corporate Budget Monitoring - Housing Revenue Account Capital Programme Budget Position at the end of September 2023

	2023/24 Current Full Year Budget £	2023/24 Profiled Budget to date £	2023/24 Actual to date £	2023/24 Variance to Profile £	Comments
Improvements, enhancement & adaptation of the Council's housing stock	6,697,870	1,463,853	1,971,797	507,944	
Spendells House Project	1,327,170	5,690	5,690	(0)	
IT Upgrade & Replacement	2,300	0	0	0	
Disabled Adaptations	400,000	189,235	276,875	87,640	
Jaywick Sands - Flexible Workspace Project	1,742,830	1,462,690	1,462,687	(3)	
HRA - New Build & Acquisitions - To Be Allocated	1,430,230	0	0	0	
HRA - Acquisitions - Council Dwellings	309,550	309,550	297,900	(11,650)	
HRA - Acquisitions - Non-Dwellings	10,400	10,400	10,400	0	
Total Housing Revenue Account Capital Programme	11,920,350	3,441,418	4,025,349	583,931	Please see main body of the Report for further details.

New-Build and Acquisitions - Subject to 1-4-1 Pooling Retained Receipts Regulations

	Required Expenditure to meet DLUHC Target by the end of the financial year:				
	2023/24 £	2024/25 £	2025/26 £	2026/27 £	2027/28 £
Capital Receipts	0	343,507	142,810	449,310	667,801
TDC Funded	0	778,995	214,035	673,965	1,001,702
Cumulative Expenditure	0	1,122,502	356,845	1,123,275	1,669,503
Committed Receipts	0	343,507	142,810	291,467	0
Uncommitted Receipts	0	0	0	157,843	667,801
Total Receipts	0	343,507	142,810	449,310	667,801

Collection Performance : Position at the end of September 2023

The collection performance against Council tax, Business Rates, Housing Rents and General Debt collection are set out below.

Council Tax			Business Rates		
	2022/23	2023/24		2022/23	2023/24
Quarter 1	27.33%	27.78%	Quarter 1	32.61%	33.73%
Quarter 2	53.77%	53.04%	Quarter 2	67.25%	69.47%
Quarter 3	79.34%		Quarter 3	100.44%	
Quarter 4	93.90%		Quarter 4	119.06%	
Housing Rents			General Debt		
	2022/23	2023/24		2022/23	2023/24
Quarter 1	97.76%	96.25%	Quarter 1	76.39%	71.24%
Quarter 2	96.39%	95.86%	Quarter 2	86.89%	84.96%
Quarter 3	97.03%		Quarter 3	88.12%	
Quarter 4	97.10%		Quarter 4	91.57%	

Treasury Activity : Position at the end of September 2023

Key Treasury Management Performance Data and Prudential Indicators are set out below.

TREASURY ACTIVITY

Borrowing	Opening Balance 1 April £'000	Borrowing to date £'000	Borrowing Repaid to date £'000	Balance to Date £'000	Comments
Long Term PWLB Borrowing - GF	136	0	4	132	
Long Term PWLB Borrowing - HRA	34,563	0	707	33,856	
TOTAL BORROWING	34,699	0	711	33,988	
Investments	Opening Balance 1 April £'000	Investments to date £'000	Investments Repaid to date £'000	Balance to Date £'000	Comments
<i>Investments less than a year</i>					
Investments with UK Government via Treasury Bills/Investments with DMO, and Local Authorities and other public bodies	68,800	275,700	278,500	66,000	Overall investments have increased over the reporting period due to the timing of the Council's cash flow such as expenditure budgets behind profile or income being received ahead of expenditure. More local authorities have been borrowing, but the investments with the DMO have fallen now that all of the BEIS unspent business rates grant has been returned.
Investments with UK financial Institutions (including Money Market Funds)	10,411	27,252	19,486	18,177	
Investments with non-UK Financial institutions	0	0	0	0	
Total Investments for less than a year	79,211	302,952	297,986	84,177	
<i>Investments for longer than a year</i>	0	0	0	0	In respect of investments with UK financial institutions, at the end of the period, investments were held with 8 counterparties, including 2 Money Market Funds.
TOTAL INVESTMENTS	79,211	302,952	297,986	84,177	
Interest Paid / Received	Full Year Budget £'000	Profiled Budget to Date £'000	Actual to Date £'000	Variance to date £'000	Comments
Interest Paid on Borrowing - GF	9	3	3	0	The weighted average rate of interest on the Council's GF borrowing is currently 7.05%. (on an accrued basis).
Interest Paid on Borrowing - HRA	1,206	341	346	5	The weighted average rate of interest on the Council's HRA borrowing is currently 3.57%. (on an accrued basis)
Interest Received on Investments	(1,757)	(1,456)	(2,017)	(561)	The weighted average rate of interest being received on the Council's investments is currently 4.34%. (on an accrued basis)
PRUDENTIAL INDICATORS					
	Approved Indicator £'000	Highest amount reached in the period £'000	Comments		
Authorised limit for external borrowing	75,609	34,699			
Operational boundary for external borrowing	65,584				

Income from S106 Agreements

Information in respect of S106 income has been split across two areas below - Where money has been formally allocated / being spent and where money remains unallocated / uncommitted.

Where related to capital schemes - see Appendix D for overall scheme progress.

ALLOCATED / BEING SPENT

Scheme Type	Amount Committed / Planned to be Spent in 2023/24
	£'000
GF Revenue Schemes	221
GF Capital Schemes	245
HRA Capital Schemes	308
TOTAL	774

UNALLOCATED / UNCOMMITTED TO DATE

Permitted Use as per S106 Agreement	Amount Held / 'Spend by' Date			
	Less than 1 Year £'000	1 to 2 Years £'000	2 to 4 Years £'000	4 years + £'000
Regeneration Programme and Other Initiatives	0	0	0	2
Affordable Housing	0	0	0	1,175
Town Centre Improvements*	22	0	22	0
Conservation	0	0	0	337
Open Space *	2	30	40	2,597
TOTAL	24	30	62	4,111

* For schemes with a 'spend by' date of less than one year, this money must be spent as follows:

Open Space

£2,500 by November 2023

Town Centre Improvements

£22,000 by February 2024

Proposed Adjustments to the In-Year Budget September 2023

Description	Expenditure Budget £	Income Budget £	Reason for Adjustment
SECTION 1 - GENERAL			
GENERAL FUND REVENUE			
<i>The following items have no net impact on the overall budget</i>			
Planning Services - Agency Staff	38,660		Use of vacancies to support short term temporary staff costs.
Planning Services - Employee Expenses	(38,660)		
Levelling Up Fund - Business Case Expenses	(135,280)		This a general 'housekeeping' adjustment where money remaining from earlier Government Funding that was associated with developing the original business case etc. is proposed to be moved across and added to the wider project delivery budget.
Levelling Up Fund - Project Delivery	135,280		
Total General Fund Revenue with no net impact on the overall budget	0	0	
<i>The following items will be adjusted against the Forecast Risk Fund</i>			
Additional Treasury Investment Income		(560,630)	This reflects the on-going impact of the underlying base rate set by the Bank of England. The base rate has increased over the first half of the year and currently stands at 5.25%.
Leisure centre VAT		(110,420)	This reflects the recent published decision relating to leisure centre fees and charges which responds to the recent court ruling that in-house leisure services to the public are provided under a statutory framework and therefore treated as non-business for VAT purposes rather than standard rating, as had previously been the case. The amount included reflects the change in fees and charges effective from 1 November 2023.
Contribution to the Forecast Risk Fund	671,050		
TOTAL	671,050	(671,050)	
GENERAL FUND CAPITAL			
None			
HRA REVENUE			
None			
HRA CAPITAL			
None			

SECTION 2 - Carry Forward Requests from 2022/23 Referred to Cabinet (One-Off Adjustments)			Additional supporting information provided by the Service
	£		
1. HR Capacity	111,000	It is proposed to increase capacity within the HR Service on a fixed term basis along with supporting qualification training and consultancy support fees to support the design of strategic delivery models.	<p>This will support 3 key activities:</p> <ol style="list-style-type: none"> 1) An East of England Local Government Association Pay Review which in turn supports the financial forecast process. 2) Formal qualification training which cannot be funded via Apprenticeship Levy, which primarily relates to supporting the emerging requirements from the Housing Regulator (CIH Qualifications). 3) A fixed term recruitment advisor post to undertake a comprehensive review of the authority's recruitment practices (in light of the current recruitment challenges in LG nationally, regionally and locally).
2. Investment in Career Track Service	46,000	It is proposed to provide further investment in the career track service	This would provide additional funding for additional temporary staff, to support the service whilst new process and systems were introduced following Ofsted inspection.
3. Jaywick Community Centre Repairs	12,000	It proposed to undertake a number of repairs to the building.	It proposed to undertake a number of repairs to the building. The Jaywick Community Centre is an aging building and the amount of maintenance required is increasing on a yearly basis. Also, the cost of these repairs has increased substantially but the budget has remained the same for a number of years. A review of the building has recently been undertaken which highlights areas requiring attention.

SECTION 2 - Carry Forward Requests from 2022/23 Referred to Cabinet (One-Off Adjustments)			Additional supporting information provided by the Service
	£		
4. Leisure Centre Repairs	71,000	A recent survey has identified a number of relatively urgent cost pressures due to the age of the buildings. It is therefore proposed to utilise this funding towards building repairs during 2023/24.	A recent survey was completed on the pool filters at Clacton Leisure Centre, Dovercourt Bay Lifestyles and Walton on the Naze Lifestyles, and the current media filter condition is now in need of replacement. The media sand is compacted and has debris on the surface, which if not replaced will impact on the water quality. This is a maintenance task which is generally required around a 7 – 10 year cycle and that period has been exceeded. Following initial enquiries, the indicative cost received to replace the media for all the Council's pools is £96,827.
Revenue Commitments Reserve	(240,000)	The above amounts are currently being held within the revenue commitments reserve, which can therefore be used to fund the above requests	
Total	0		

UPDATED LONG TERM FINANCIAL FORECAST

APPENDIX 2A

Line	Budget 2023/24	Estimate 2024/25 Reported to Council February 23	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	
	£ (1)	£ (2)	£ (3)	£ (4)	£ (5)	
Underlying Funding Growth in the Budget						
1	Council Tax Increase 1.99%	(0.181)	(0.185)	(0.191)	(0.195)	(0.199)
2	Ctax increase by £5 (amounts set out are over and above 1.99% above)	(0.068)	(0.065)	(0.064)	(0.060)	(0.056)
2a	Council Tax Increase 3%	(0.024)	0.000	(0.033)	0.000	0.000
3	Growth in Business rates - Inflation	0.000	(0.138)	(0.231)	(0.199)	(0.163)
4	Growth in Council Tax - general property / tax base growth	(0.217)	(0.106)	(0.187)	(0.192)	(0.196)
5	Growth in Business Rates - general property / tax base growth	(0.531)	0.464	(0.041)	(0.051)	(0.061)
6	Collection Fund Surpluses b/fwd - Ctax	(0.477)	(0.100)	(0.100)	(0.100)	(0.100)
7	Collection Fund Surpluses b/fwd - BR	(0.307)	0.000	0.000	0.000	0.000
		(1.806)	(0.129)	(0.847)	(0.796)	(0.776)
Net Cost of Services and Other Adjustments						
8	Change in RSG (including other financial settlement funding)	(0.441)	1.461	0.750	0.000	0.000
9	Remove one-off items from prior year	(0.352)	0.000	(0.375)	0.000	0.000
10	Remove one-off items from prior year - Collection Fund Surplus	(3.192)	0.784	0.784	0.100	0.100
11	LCTS Grant To Parish Council's	0.004	(0.041)	0.000	0.000	0.000
12	Revenue Contrib. to Capital Programme	(0.012)	0.000	0.000	0.000	0.000
13	Specific change in Use of Reserves	3.233	0.073	0.073	0.000	0.000
14	On-going savings required	(0.450)	(1.150)	(0.500)	(1.000)	(1.500)
15	Other Adjustments	(0.458)	0.000	0.000	0.000	0.000
16	Use of New Homes Bonus	0.000	0.000	(0.500)	0.000	0.000
17	Gain from Essex Business Rates Pool Membership	0.000	0.000	(0.400)	0.000	0.000
18	Savings / Increased Income - On-going	(0.293)	0.000	0.000	0.000	0.000
		(1.961)	1.127	(0.168)	(0.900)	(1.400)
Cost Increases						
19	Inflation - Employee / Members Allowance Costs (including annual review adjustments)	2.117	0.776	1.000	0.691	0.588
20	Inflation - Other	1.011	0.271	0.701	0.230	0.233
21	Unavoidable Cost Pressures	1.444	0.250	0.500	0.500	0.500
		4.572	1.297	2.201	1.421	1.321
	Add back Use of Forecast Risk Fund in Prior Year	0.431	0.000	0.000	2.422	2.146
22	Removal of Previous Years Use of Other Reserves to Fund Structural Deficit	0.000	1.528	1.236	0.000	0.000
23	Structural Budget Deficit / (Surplus)	1.236	3.823	2.422	2.146	1.291
24	Use of Other Reserves - To fund structural deficit	(1.236)	0.000	0.000	0.000	0.000
	Net Budget Position	(0.000)	3.823	2.422	2.146	1.291
25	Use of Forecast Risk Fund to support the Net Budget Position	0.000	(3.823)	(2.422)	(2.146)	(1.291)

Use of Forecast Risk Fund to Support the Net Budget Position Above

	Budget 2023/24	Estimate 2024/25 Reported to Council February 23	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27
	£	£	£	£	£
Outturn b/fwd from prior years	(3.316)	(6.142)	(6.142)	(3.970)	(2.074)
Applied in year as set out in the forecast above	0.000	3.823	2.422	2.146	1.291
Additional contributions generated / required in year	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)
Additional contributions via the Financial Strategy Process	(2.576)	0.000	0.000	0.000	0.000
Balance to Carry Forward	(6.142)	(2.569)	(3.970)	(2.074)	(1.032)

Risk Assessment of Each Line of the Forecast

APPENDIX 2B

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<i>Underlying Funding Growth in the Budget</i>		
Council Tax Increase 1.99%		Although this always remains subject to future Government policy, it is expected that an allowable inflationary uplift will always be a feature in the Local Government finance settlement and associated council tax referendum principles.
Ctax increase by £5 (amounts set out are over and above the 1.99% above)		Although similar to the above, there is less certainty around the level of increase that the Government may allow over and above a 'base' inflationary uplift. However it is expected that such increases will be allowable in the short to medium term without invoking the need to hold a referendum. This will remain subject to on-going review.
Ctax increase by 3% (amount set out are over above the 1.99% / £5 increases above)		The Government announced additional flexibility in their 2022 Autumn Statement / Finance Settlement where they committed to providing Local Authorities with the ability to increase council tax by 3% per year without requiring a referendum. The Government have confirmed this commitment for 2024/25 which will remain subject to on-going review for 2025/26 onwards.
Growth in business rates - Inflation		Similar to Council Tax above, based on the historic trend of inflationary uplifts in the poundage applied to rateable values, modest inflationary increases are relatively certain over the life of the forecast. However there remains the risk that the Government may 'cap' or 'freeze' future annual increases that they may not support by making additional funding available to Local Authorities - although this risk is reducing given the Government have to date 'reimbursed' Councils for any 'lost' income.
Growth in business rates / council tax - general property growth		Underlying growth in business rates and council tax are expected to remain relatively stable and robust in the long term, although the longer term impact from COVID 19 and the more general major economic challenges faced globally / nationally remains unclear at the present time. This is in addition to the potential impact from future Government policy relating to the business rates retention framework.
Collection Fund Surpluses b/fwd		Although only relatively modest amounts have been included in the forecast, similarly to the above, the longer term impact from COVID 19 and the more general major economic challenges faced globally / nationally remain unclear.

Risk Assessment of Each Line of the Forecast

APPENDIX 2B

Relevant line of the Forecast	RAG Assessment of Risk	Comments
<i>Net Cost of Services and Other Adjustments</i>		
Reduction in RSG		Based on recent Government announcements, they are committed to supporting Council's, especially as they acknowledge the financial pressures they are facing. Although a 'base' level of Government support is now included in the forecast from 2024/25 onwards, it still remains subject to their wider / comprehensive funding review that will not now happen until the after the next parliamentary elections. Any future reductions in Government support are likely to increase the level of savings required to secure the Council's financially sustainable future.
Remove one-off items from prior year		These are known adjustments
Remove one-off items from prior year - Collection Fund Surplus		These are known adjustments based on the assumptions set out above concerning the year on year change in the collection fund position
LCTS Grant To Parish Council's		This will be subject to confirmation of the level of RSG receivable from the Government, as to date the Council has committed to providing funding to Town and Parish Councils that mirrors the changes in RSG.
Revenue contributions to the capital programme		This is based on reoccurring 'base' amounts that support the replacement of IT hardware along with the provision of disabled facilities grants. Any changes to this line of the forecast would be via the management of cost pressures below rather than being a risk in isolation.
Specific change in Use of Reserves		Changes in the use of reserves primarily reflect other changes elsewhere in the budget/ forecast so are not a significant risk in isolation.
Use of potentially one-off funding		<p>Unlike in previous years, new homes bonus grant funding along with the benefit of being a member of the Essex Business Rates Pool have now been included in the forecast. The risk of building this funding into the base budget is acknowledged, which would undoubtedly require additional savings to be identified in the medium to longer term if they were no longer receivable in future years.</p> <p>The on-going forecast will remain 'live' to this risk and adjustments will be made to reflect changes to this risk as timely as possible along with associated reporting.</p>

Risk Assessment of Each Line of the Forecast

APPENDIX 2B

Relevant line of the Forecast	RAG Assessment of Risk	Comments
On-going savings required		<p>This line of the budget fundamentally acts as the 'safety valve' for other changes elsewhere in the forecast and would need to be increased if adverse issues were experienced or estimates were not in line with predictions. Although the long term forecast provides flexibility in the timing of the delivery of such savings, the scale of the savings required is significant and to a large extent reflects costs that have already been incurred rather than being based on forecasted budget deficits - e.g. recent Officer pay award settlements, which are in effect being supported by the Forecast Risk Fund until the associated on-going savings can be secured. The Council will continue to undertake the necessary activities to identify opportunities / options to balance efficiencies alongside potential reductions in service provision. This will need to be undertaken alongside the development of corporate priorities and include wherever possible exploring ways to reduce the Council's costs / liabilities. Potential savings will also need be risk assessed in terms of deliverability etc. as part of managing the associated governance / implementation processes.</p>
Cost Increases		
Inflation and Unavoidable Cost Pressures		<p>Alongside the savings target above, it is recognised that this element of the forecast presents the greatest risk, especially given the amount of unavoidable cost pressures that have emerged over recent years - a position likely to continue given the current inflationary pressures, wider economic challenges, contract costs, asset / equipment replacement and demand led service such as homelessness. Identifying opportunities to reduce such liabilities will need to be a key activity going forward. Although on-going revenue items remain the most difficult items to respond to, one-off items, such as those associated with repairing / refurbishing assets could also have a significant impact on the forecast. One-off funding has been made available elsewhere in the budget to support these one-off costs, which therefore contributes to the mitigation of this risk.</p> <p>In terms of inflationary risk, this will reduce over time but based on current forecasts, it is likely to be more persistent in the short term than originally anticipated.</p> <p>Another significant risk to the forecast is external income, especially from elsewhere in the public sector where similar financial pressures are being experienced. Such items include the funding from the major preceptors in respect of the Council Tax Sharing Agreement - This has been reflected in the forecast based on ECC's current commitment, but it may need to be reviewed in the future.</p>