

## Agenda No 9

### AGENDA MANAGEMENT SHEET

<b>Report Title:</b>	Finance & Performance Monitoring 2023/24 – Quarter 3
<b>Name of Committee:</b>	Cabinet
<b>Date of Meeting:</b>	5 February 2024
<b>Report Director:</b>	Chief Officer - Finance and Performance
<b>Portfolio:</b>	Finance, Performance, Legal and Governance
<b>Ward Relevance:</b>	All wards
<b>Prior Consultation:</b>	None
<b>Contact Officer:</b>	Paul Conway, Finance Manager, paul.conway@rugby.gov.uk
<b>Public or Private:</b>	Public
<b>Report Subject to Call-In:</b>	Yes
<b>Report En-Bloc:</b>	No
<b>Forward Plan:</b>	Yes
<b>Corporate Priorities:</b>	This report relates to the following priority(ies): <input checked="" type="checkbox"/> Rugby is an environmentally sustainable place, where we work together to reduce and mitigate the effects of climate change. (C) <input checked="" type="checkbox"/> Rugby has a diverse and resilient economy that benefits and enables opportunities for all residents. (E) <input checked="" type="checkbox"/> Residents live healthy, independent lives, with the most vulnerable protected. (HC) <input checked="" type="checkbox"/> Rugby Borough Council is a responsible, effective and efficient organisation. (O) <a href="#">Corporate Strategy 2021-2024</a> <input type="checkbox"/> This report does not specifically relate to any Council priorities but
<b>Summary:</b>	This report sets out the anticipated 2023/24 financial and performance position for the Council based on data at 31 December 2023 (Quarter 3). It also presents proposed 2023/24 budget adjustments for approval as required by Financial Standing Orders.

<b>Financial Implications:</b>	As detailed in the main report.
<b>Risk Management Implications:</b>	This report is intended to give Cabinet an overview of the Council's forecast spending and performance position for 2023/24 to inform future decision-making.
<b>Environmental Implications:</b>	There are no environmental implications arising from this report.
<b>Legal Implications:</b>	There are no legal implications arising from this report.
<b>Equality and Diversity:</b>	No new or existing policy or procedure has been recommended
<b>Options:</b>	Members can elect to approve, amend or reject the budget requests listed at recommendation 2.
<b>Recommendation:</b>	<ol style="list-style-type: none"> <li>1. The Council's forecast financial position for 2023/24 be considered;</li> <li>2. Performance information in section 6 be noted; and</li> <li>3. IT BE RECOMMENDED TO COUNCIL THAT 2023/24 Budget Virements as detailed in section 5 to be approved.</li> </ol>
<b>Reasons for Recommendation:</b>	A strong financial and performance management framework, including oversight by Members and all responsible officers is an essential part of delivering the Council's priorities and statutory duties.

**Cabinet - 5 February 2024**

**Finance & Performance Monitoring 2023/24 – Quarter 3**

**Public Report of the Chief Financial Officer**

**RECOMMENDATION**

1. The Council's forecast financial position for 2023/24 be considered;
2. Performance information in section 6 be noted; and
3. IT BE RECOMMENDED TO COUNCIL THAT 2023/24 Budget Virements as detailed in section 5 to be approved.

**Executive Summary**

The main purpose of this report is to provide a summary of the 2023/24 forecast position for the General Fund and the Housing Revenue Account. Also included is information on the Council's savings programme, performance measures and a request to approve budget virements.

The key findings of this report are as follows:

- **General Fund revenue (GF)** – there is a forecast pressure across services of £1.106m after considering the mitigation proposed with the allocation of the inflation shock budget (recommendation 3). This is offset from savings in the net cost of borrowing of (£1.249m).
- **General Fund capital programme** – the Capital programme is forecast to use £5.819m. This reflects a saving of (£0.880m) relating to schemes being completed under budget, or those being removed from the programme subject to a new business case being presented to members.
- **Housing Revenue Account (HRA)** – there is a forecast pressure of £0.144m across the HRA. This reflects a £0.820m pressure from services and a £0.485m reduction in revenue contributions to capital, due to the supplementary repairs budget approved at the December 2023 Cabinet. This is partially offset by (£1.162m) of savings in the net cost of borrowing.
- **Housing Revenue Account capital programme** – the Capital programme is forecast to consume £20.014m. This reflects a saving of (£0.571m).
- **Savings programme** – the savings target for 2023/24 is (£2.053m). The latest projection is for (£1.879m) to be delivered. There is a further (£0.162m) at risk of not being achieved and (£0.012m) is viewed as undeliverable.
- **Budget virements** – there are £0.900m of budget virements that are seeking approval.
- **Performance measures** – Quarter Three performance measures are detailed in Section 6

Members are requested to consider the Council's 2023/24 anticipated financial position and performance information in Section 6. It is also asked that members approve the budget virements contained in Section 5.

## **1. INTRODUCTION**

- 1.1. Local Authorities have a requirement to account separately for core operational services and the provision of dwellings. This is achieved by creating two reporting functions. The General Fund and the Housing Revenue Account
- 1.2. The General Fund is the main revenue account of the local authority, which includes day-to-day income and expenditure on the provision of services. Activities within the General Fund include waste and recycling, parks and recreation and regulatory services.
- 1.3. The Housing Revenue Account is a statutory requirement for local authorities with a council housing stock. It contains all the expenditure and income relating to the direct provision of that stock. Included in the Housing Revenue Account are elements such as rent, service charges, maintenance, repairs, and property management.
- 1.4. The Council takes a multiyear approach to its budget planning and monitoring, recognising that the two are inextricably linked. At three-month intervals officers provide their latest forecast expectations for each of the reporting units. This report offers the latest outlook based on the information available at 31 December 2023 (Quarter Three).
- 1.5. Throughout the report, pressures and savings are referred to. A pressure is an instance whereby forecast costs have exceeded budget or forecast income has not met target. This will be shown as a positive value. A saving occurs where forecast expenditure is lower than budget or forecast income is higher than the target. This is displayed using brackets.
- 1.6. This report also contains an update on savings proposals and the performance measures that are seen as fundamental to the Council's continued focus on improving its offering to the local community.

## 2. GENERAL FUND (GF) – (Appendix One)

### 2.1 GF Operating Position

2.2 The 2023/24 General Fund revenue forecast position is summarised in the table below.

Table 1. General Fund Revenue Forecast 2023/24

Type	Budget £000	Q1 Forecast £000	Q2 Forecast £000	Q3 Forecast £000	Q3 Variance to Budget £000
Income	(24,219)	(23,950)	(23,662)	(24,223)	(4)
Expenditure	42,805	42,792	43,509	43,915	1,110
Cost of General Fund services	18,586	18,842	19,847	19,692	1,106
Corporate items	2,050	1,106	1,047	801	(1,249)
<b>Total</b>	<b>20,636</b>	<b>19,948</b>	<b>20,894</b>	<b>20,493</b>	<b>(143)</b>

2.3 Following the budget virements detailed in section 5, General Fund services are forecasting a £1.106m pressure. This is offset by savings associated with corporate items, the result is a net saving of (£0.143m). Several services are suffering from challenges that are impacting on the overall budget.

2.4 The significant contributing factors are:

2.5 There is a reported pressure of £0.320m in planning income. Whilst the number of major planning applications received during the current financial year is similar to last year, the type and scale of these applications are smaller and hence the associated application fee is less. The number of planning applications and associated income tends to be linked to uncertainty in the global economic market, interest rate rises and cost of living concerns making investors and individuals more cautious about commencing new development.

2.6 The Department for Levelling Up, Housing & Communities has reported that across the country planning application submissions during the first quarter of 2023/24 have dropped by 14% compared to the same period last year. Rugby Borough Council has not been immune from this trend which appears to have continued through the second and third quarters of 2023/24.

2.7 There is a pressure of £0.121m in relation to planning appeals. Following the refusal of planning permission, the applicant has the right to appeal to the Secretary of State who appoints a Planning Inspector to review the case. The majority of appeals are dealt with by Planning Officers, however in complex cases which require legal representation and expert witnesses on matters, the Council does not have the relevant expertise in house, e.g. landscape and heritage, then these services will need to be procured in order to defend the Council's decision.

2.8 There have been three major appeals that have required the procurement of legal and or experts in 2023/24. These are Dunchurch Park Hotel; Truck Stop at the A5 Cross in Hand; and Coventry Stadium. In addition to the three major

appeals mentioned, there is a two-day appeal hearing into the Top Road, Barnacle site during Quarter 4, where we have external legal support owing to the sensitivity and specifics of the case.

- 2.9 There is a £0.138m pressure in Parks and Open Spaces. £0.087m is related to higher-than-expected levels of maintenance and repairs of play areas partly due to vandalism and equipment needing to be made safe. There have been increased fencing works due to deterioration of adopted infrastructure. The service intends to review the arrangements for these activities. This includes embedding in the planning process the use of non-wooden street furniture and infrastructure. This should prolong the life of the asset as well as aiding the Council's sustainability and environmental aspirations.
- 2.10 There is a pressure of £0.209m within the Green Waste service. £0.078m can be attributed to a shortfall in income. When the budget was set the expectation was that there would be a certain level of growth in subscriptions. The expected level has not been realised. As part of the 2024/25 budget setting process reported elsewhere on this agenda, the current cost per subscription and number of participants are being reviewed and will be realigned based on current expectations. The Green Waste Service will also continue to be actively promoted to attract new customers.
- 2.11 The pressures on General Fund services are being alleviated by a (£1.247m) saving in the net cost of borrowing. Interest rates were budgeted at a prudent and responsible level. With Inflation remaining high, the Bank of England has continued to raise interest rates. Due to the level of cash reserves and delays in the capital programme, the Council has benefited from increased interest income and reduced interest expense exposure related to potential borrowing had the capital programme been on schedule.
- 2.12 Included within section 5 of this report is a virement request for £0.611m. Following a successful appeal against the level of business rates paid at RAGM there has been a one-off reimbursement relating to the period 2017 – 2022. There is a proposal within the General Fund budget setting document to transfer the £611,000 to a reserve and use it to balance the 2024/25 budget.
- 2.13 A comprehensive list of the forecast pressures and savings by Portfolio can be found in appendix 1.
- 2.14 Included within appendix 1 is a summary of the earmark reserve balances for the General Fund.
- 2.15 As part of the annual budget setting process an assessment of the required level of reserves needs to be undertaken, taking into account the potential future financial risks faced by the Council. It is considered prudent to hold sufficient reserves and balances to give the Council the ability to manage any peaks in expenditure and troughs in income and funding over the medium term, by making short term contributions towards balancing the budget and give the Council time to plan service changes and further efficiencies.

2.16 The budget stability reserve was established to assist the mitigation of volatility by allowing the council to call upon it in years where budget pressures occur and replenish it where there are savings. This reserve has not been significantly utilised for a number of years given the overall positive overall position at the end of the financial year. The budget setting process for 2024/25 will take account of pressures and savings reported in 2023/24 which are likely to impact on future years and combined with the mitigation included within appendix 1 of this report the service pressures will be dealt with across the MTFP

2.17 The information in appendix 1 also includes vacant posts on the establishment, although there are 48.84 vacant posts within the General Fund only 12 of these posts that have not been recruited to. The posts are in various stages of onboarding and based on the contract award date and the notice period they should be filled within a 3–4-month period.

## 2.18 General Fund Capital

2.19 The approved General Fund capital programme is £18.945m. Reprofiling and expected savings have resulted in a 2023/24 forecast of £5.819m.

Table 3. General Fund Capital Programme 2023/24

Type	Current Budget £000	Budget Reprofilling £000	Reprofiled Budget £000	Q2 Forecast £000	Q3 Forecast £000	Q3 Variance to Budget £000
GF Capital Programme	18,945	(12,246)	6,699	6,250	5,819	(880)

2.20 The current forecast includes (£12.246) of capital reprofiling. (£9.670m) is the planned loan to Caldecott Development Ltd. With no loan in the pipeline the scheme will be reprofiled to 2024/25.

2.21 As at Quarter Three there is a reported saving of (£0.880m) against this year's capital programme. The majority of this, (£0.611m), is for activity on the Great Central Walk bridge scheme. Once a full reappraisal of the work required has been undertaken, an updated request for funding will be made.

## 3. In Year Savings Programme

3.1 All savings proposals are required to have a delivery plan that is endorsed by Chief Officers. The 2023/24 savings target is (£2.053m). Current expectations are laid out below.

Table 2. Savings Proposals 2023/24

Type	Target £000	£000	£000	£000
Savings target	(2,053)	(1,879)	(162)	(12)

3.2 Of the (£2.053m), 92% are currently RAG rated green. This means under current projections, (£1.879m) of savings will be delivered. Details of the targets for each Portfolio can be found in appendix 1.

3.3 The Medium-Term Financial Strategy incorporates a saving target in each of the next three years. This reflects the challenging funding environment facing many local authorities, and the assembling of the Corporate Strategy Delivery Unit which will support the organisation to deliver efficiencies and develop new ways of working.

#### 4. HOUSING REVENUE ACCOUNT (HRA) – (Appendix Two)

##### 4.1 HRA Operating Position

4.2 The 2023/24 forecast Housing Revenue Account position as at the end of 31 December 2023 is a £0.144m pressure.

4.3 The HRA is a statutory account and any pressure at the end of the year must be settled by drawing down the corresponding amount from reserves. The 2023/24 reserves balance is forecast to be (£38.043m).

4.4 The latest revenue position is summarised in the table below.

Table 4. Housing Revenue Account Forecast 2023/24

Type	Current Budget £000	Q1 Forecast £000	Q2 Forecast £000	Q3 Forecast £000	Q3 Variance to Budget £000
Income	(18,461)	(18,222)	(18,186)	(18,142)	320
Expenditure	14,269	14,056	14,185	14,770	501
Cost of HRA services	(4,192)	(4,166)	(4,001)	(3,372)	821
Interest and investment income/expense	913	300	135	(249)	(1,162)
Net cost after interest	(3,279)	(3,866)	(3,866)	(3,621)	(341)
Contribution to capital expenditure	3,332	3,817	3,817	3,817	485
Contributions to (+) / from (-) reserves	49	49	49	49	0
<b>Total</b>	<b>102</b>	<b>0</b>	<b>0</b>	<b>246</b>	<b>144</b>

4.5 The HRA is forecasting a £0.320m pressure in relation to income. There is currently a higher-than-expected level of voids, including properties that require substantial works. This means that operatives may have to work in properties for several weeks to bring them back to a suitable condition. This results in a delayed turnaround time given the scope of work required.

4.6 Several initiatives have been put in place across relevant services to highlight and target properties in potential disrepair before they are returned in such a poor condition. Support and advice on property care is also available to residents. There is a review of the housing allocations policy in progress, and this is in tandem with a review of the lettings processes, as the two issues are interlinked. Proposals are being developed for the consideration of Members. Also, the recruitment to the new posts, approved by council in late 2023, in the housing service to facilitate a more proactive approach to tenancy and property management is progressing well.

4.7 A £0.692m pressure relates to expenditure carried out in relation to property repairs, in particular roofing works. Currently the Council do not have any



internal roofers and therefor all roofing works is carried out by external contractors. There have been several rounds of recruitment where no one suitable has applied for the role. External roofing companies are also struggling to find candidates as the salary expectations for roofers has risen considerably.

4.8 Material costs have also risen with inflation which is compounding the issue. We currently use one contractor for most of most of the work with support from a secondary company for smaller works. A review of the roofing procurement framework is underway with the intention of opening out the tender process to encourage competition for the works. There is also industry wide pressure on scaffold costs led by the combined impact of material cost inflation, material shortages and labour shortages. We need to allow for higher access costs and accept that these will form a significant part of total repair costs over the next few years.

4.9 As with the General Fund, the HRA has benefited from interest rate decisions in relation to the net cost of borrowing. This has resulted in a (£1.162m) saving.

#### 4.10 HRA Capital

4.11 The approved HRA capital programme is £30.114m. Reprofiting and expected savings have resulted in a 2023/24 forecast of £20.014m.

Table 5. Housing Revenue Account Capital Programme 2023/24

Type	Original Budget £000	Budget Reprofiting £000	Reprofited Budget £000	Q2 Forecast £000	Q3 Forecast £000	Q3 Variance to Budget £000
HRA Capital Programme	30,114	(9,529)	20,585	18,802	20,014	(571)

4.12 As at Quarter Three there is (£10.629) of capital reprofiting. (£6.864m) relates to the Biart Place housing development. Delays in the planning process & subsequent main contractor award meant the project didn't commence until December 2023. Funds that had been earmarked for construction works in this financial year have been reprofited to subsequent years.

4.12 The current forecast contains (£0.571m) of savings. This is spread across several small schemes, the details of which can be found in appendix two.

## 5. SUPPLEMENTARY BUDGET REQUESTS AND VIREMENTS

5.1 Details of the supplementary budgets and virements, where approval is sought, are set out below:

Table 6. Virement requests

Portfolio Area	Value £	Details
Communities, Homes, Digital & Communications	59,104	
Finance, Performance, Legal & Governance	30,509	The virement requests in this table reflect the reallocation of inflation shock budget. With the pay award being approved at £1,925 per employee (average of 6.5%) compared to a budget of 4%, it is proposed that the budget is used in 2023/24 to fund the additional costs.
Growth & Investment	15,393	
Leisure & Wellbeing	34,021	
Operation & Traded Services	113,620	
Regulation & Safety	27,640	
Chief Executive	4,503	
Change & Transformation	4,665	The ongoing funding has formed part of the budget setting process for 2024/25
Corporate Items	(289,000)	
Leisure & Wellbeing	611,000	RAGM business rates - one off reimbursement
Budget Stability Reserve	(611,000)	RAGM business rates - one off reimbursement
<b>Total</b>	<b>0</b>	

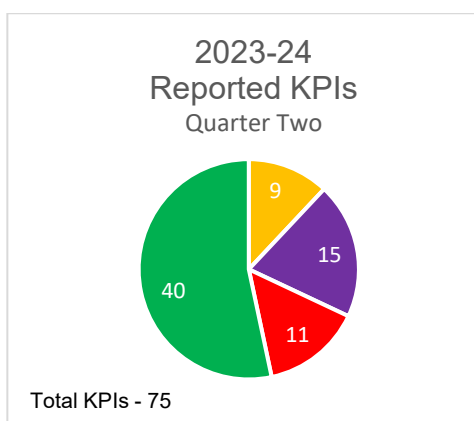
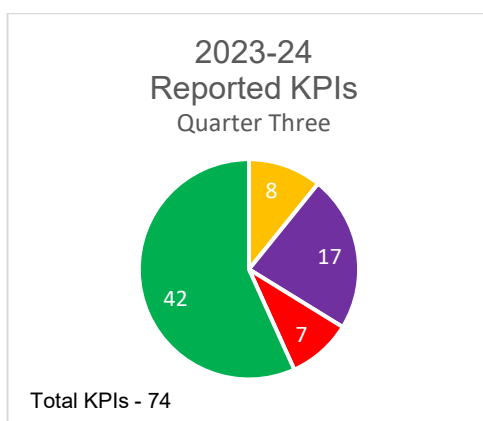
## 6. PERFORMANCE SUMMARY

- 6.1 The reporting dashboard has now been used across the Council, with officers recognising the role it can play in driving performance.
- 6.2 Over time the performance catalogue will continue to evolve. New measures will be added, and current ones, that may no longer be viewed as critical, will be replaced.
- 6.3 The 2023/24 Key performance indicators (KPI's) and key statistics can be accessed via the link shown below.

<https://www.rugby.gov.uk/w/performance-dashboard>

### 6.4 Key Performance Indicators (KPIs)

- 6.8 A key performance indicator is a quantifiable measure used to evaluate the success of an organisation in meeting objectives for performance. Information relating to the last two reporting periods of this financial year can be found in the charts below.



6.6 There are 42 (56%) KPIs that are RAG rated green. This means that for those measures, current performance is equal to or above target. There are 11% of the KPIs are attracting a red rating, that reflects current achievement being below target. There are a number of measures coloured purple where data is not presently available.

### 6.7 Portfolio Analysis (KPIs)

6.8 Available within the dashboard is the ability to interrogate KPIs for each Portfolio. Information relating to the last two reporting periods of this financial year can be found in the table below.

Table 7. Key Performance Indicators

Portfolio	Quarter Three					Quarter Two			
Communities and Homes	6	-	-	1		5	1	2	-
Digital and Communications	4	2	1	4		5	1	1	4
Finance and Performance	1	1	1	2		2	-	1	2
Legal and Governance	1	-	2	-		1	2	-	-
Growth and Investment	10	-	-	6		10	1	-	5
Leisure and Wellbeing	3	1	-	-		3	-	1	-
Operations and Traded Waste	3	2	3	1		3	-	5	1
Regulation and Safety	14	2	-	2		11	4	1	2
Council Target (All)	-	-	-	1		-	-	-	1
<b>Grand Total</b>	42	8	7	17		40	9	11	15

6.9 The Quarter Three highlights include a green rating within Finance and performance where the percentage of current year Non-domestic Rates collected is ahead of the target set at the start of the year.

6.10 In Communities and Homes there is a green rating associated with the percentage of homes rated (EPC) C and above. The demonstrates the Councils continued support to ensure homes are as energy efficient as possible.

6.11 There are some KPIs that fall into the red category where action is being taken to bring them back in line.

6.12 One of the KPI's with a red rating is the percentage of major voids completed on time. This directly links to the income and expenditure pressures in the HRA where initiatives are been put in place to highlight and target properties in potential disrepair before they are returned in such a poor condition.

### 6.13 Key Statistics

6.14 The Councils key statistics are important data points that provide insight and trends into measures that could be of interest to the wider community. There are currently 85 such measures.

- 6.15 For Quarter Three there is a positive trend in Grounds Maintenance for the percentage of planned works completed on schedule. This includes grass cutting, hedge trimming and the bedding of plants. All work has been completed within the agreed timeframes.
- 6.16 Within Regulation, the key statistic that reflects the number of cremations held at the Rainsbrook Cemetery is ahead of target. The performance of this metric is mirrored in the organisation's accounts, where income is currently trending ahead budget and due to the increased activity so are repairs and maintenance costs.
- 6.17 Information related to key statistics can be found on a separate tab within the dashboard.

**Name of Meeting:** Cabinet  
**Date of Meeting:** 5 February 2024  
**Subject Matter:** Finance & Performance Monitoring 2023/24 - Quarter 3  
**Originating Department:** Finance and Performance

**DO ANY BACKGROUND PAPERS APPLY**       YES       NO

**LIST OF BACKGROUND PAPERS**

Doc No	Title of Document and Hyperlink

The background papers relating to reports on planning applications and which are open to public inspection under Section 100D of the Local Government Act 1972, consist of the planning applications, referred to in the reports, and all written responses to consultations made by the Local Planning Authority, in connection with those applications.

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Exempt information is contained in the following documents:

Doc No	Relevant Paragraph of Schedule 12A

Appendix 1 - General Fund Dashboard - Quarter 3 2023-24

1) Revenue Forecasts

Portfolio	Current Net Budget	Exp to date plus commitments	Forecast	Employee Variance	Running Cost Variance	Income Variance	Pending Supplementary Budget/ Virement	Total Variance	Q2 Forecast Variance	Movement between Q2 and Q3
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Communities, Homes, Digital and Communications	2,648	6,915	2,639	(117)	(152)	201	59	(69)	75	(144)
Finance, Performance, Legal and Governance	3,502	3,586	3,525	(94)	262	(176)	31	(8)	188	(196)
Growth and Investment	1,511	1,745	1,898	(230)	315	286	15	372	420	(48)
Leisure and Wellbeing	4,060	3,730	4,353	(68)	484	(157)	34	259	213	46
Operation and Traded Services	5,333	4,674	5,808	252	318	(208)	114	362	347	15
Regulation and Safety	1,493	1,272	1,483	(181)	95	49	28	(37)	90	(127)
Chief Executive	(15)	(233)	83	98	10	(15)	5	94	89	5
Transformation Change Unit	(236)	250	(98)	(15)	133	16	5	134	141	(7)
Corporate Items - Other	2,339	2,162	801	(41)	(1,200)	(9)	(289)	(1,249)	(1,280)	31
<b>Total Approved Budget</b>	<b>20,635</b>	<b>24,103</b>	<b>20,493</b>	<b>(395)</b>	<b>266</b>	<b>(13)</b>	<b>0</b>	<b>(143)</b>	<b>283</b>	<b>(426)</b>

2) Head Count

Portfolio	Budgeted FTE's	Actual FTE's at Q3	Vacant FTE's
Communities and Homes	52.32	48.51	(3.81)
Digital and Communications	48.52	31.85	(16.67)
Finance and Performance, Legal and Governance	51.95	45.34	(6.61)
Growth and Investment	32.47	27.68	(4.79)
Leisure and Wellbeing	39.21	37.29	(1.92)
Operation and Traded Services	128.08	115.52	(12.56)
Regulation and Safety	40.16	34.79	(5.37)
Chief Executive	2.00	2.00	0.00
Transformation Change Unit	19.21	22.10	2.89
<b>Total</b>	<b>413.92</b>	<b>365.08</b>	<b>(48.84)</b>

3) Reserve Summary

Name of reserve	Balance at 01/04/23	Forecast contribution (to)/from	Balance at 31/03/24	Forecast contribution (to)/from	Balance at 31/03/25	Forecast contribution (to)/from	Balance at 31/03/26
	£000	£000	£000	£000	£000	£000	£000
Gen Fund Revenue Acc	(2,250)	0	(2,250)	0	(2,250)	0	(2,250)
GF Revenue Carry Forward Reserve	(168)	168	0	0	0	0	0
Business Rates Equalisation Reserve	(17,041)	2,152	(14,889)	(6,000)	(20,889)	0	(20,889)
Budget Stability Reserve	(2,871)	(611)	(3,482)	0	(3,482)	0	(3,482)
Town Centre Strategy Reserve	0	(4,750)	(4,750)	600	(4,150)	550	(3,600)
STW Pensions Reserve	(86)	0	(86)	0	(86)	0	(86)
Section Agreements	(1,937)	(151)	(2,088)	114	(1,974)	114	(1,860)
Non-Conditional Revenue Grants	(205)	205	0	0	0	0	0
Warwickshire Consortium Reserve	(2)	0	(2)	0	(2)	0	(2)
Other corporate reserves	(2,229)	54	(2,175)	114	(2,061)	114	(1,947)
<b>Total corporate reserves</b>	<b>(24,559)</b>	<b>1,763</b>	<b>(22,797)</b>	<b>(5,886)</b>	<b>(28,682)</b>	<b>114</b>	<b>(28,568)</b>
Communities, Homes, Digital and Communications	(616)	504	(112)	106	(6)	106	100
Finance, Performance, Legal and Governance	(59)	(1)	(60)	0	(60)	0	(60)
Growth and Investment	(322)	0	(322)	0	(322)	0	(322)
Leisure and Wellbeing	(105)	8	(97)	24	(73)	(6)	(79)
Operation and Traded Services	(126)	44	(82)	62	(20)	0	(20)
Regulation and Safety	(199)	90	(109)	(23)	(132)	(28)	(160)
Transformation Change Unit	(2,348)	419	(1,929)	413	(1,516)	150	(1,366)
Chief Executive							
<b>Total Portfolio earmarked reserves</b>	<b>(3,775)</b>	<b>1,064</b>	<b>(2,712)</b>	<b>582</b>	<b>(2,130)</b>	<b>222</b>	<b>(1,908)</b>
<b>Total Reserves</b>	<b>(28,335)</b>	<b>2,826</b>	<b>(25,508)</b>	<b>(5,304)</b>	<b>(30,812)</b>	<b>336</b>	<b>(30,476)</b>

4) Delivery of new savings & income targets

PORTFOLIO	Total	Red	Amber	Green
	£000s	£000s	£000s	£000s
Communities, Homes, Digital and Communications	(167)	(2)	(111)	(54)
Finance, Performance, Legal and Governance	(41)			(41)
Growth and Investment	(401)			(401)
Operation and Traded Services	(46)	(10)		(36)
Regulation and Safety	(227)			(227)

Chief Executive	(1)			(1)
Leisure and Wellbeing	(23)			(23)
Corporate Items	(1,147)		(51)	(1,096)
<b>TOTAL GF</b>	<b>(2,053)</b>	<b>(12)</b>	<b>(162)</b>	<b>(1,879)</b>
<b>Red and Amber savings- further details</b>				
		£000s	£000s	
Procurement Framework Pagabo			(51)	
Collection of street bins on unadopted roads across the borough		(10)		
Recharges to Warwickshire County Council for share of costs of Art Gallery and Museum			(96)	
Increase budget for Private Sector Leasing Properties			(15)	
Car allowances savings		(2)		
<b>TOTAL GF</b>		<b>(12)</b>	<b>(162)</b>	

5) Capital Summary

Portfolio	Current Budget	Exp to date plus commitments	Forecast	Pending Reprofiling Requests	Total Variance
	£000	£000	£000	£000	£000
Communities, Homes, Digital and Communication	2,775	1,231	1,585	369	(821)
Finance, Performance, Legal & Governance	59	33	34		(25)
Growth and Investment	46	31	46		0
Leisure and Wellbeing	2,000	830	1,204	821	25
Operation and Traded Services	3,758	3,100	2,629	1,132	3
Regulation and Safety Capital	547	293	320	164	(63)
Chief Executive	9,760	0	0	9,760	0
Transformation Change Unit					
<b>Grand Total</b>	<b>18,945</b>	<b>5,518</b>	<b>5,819</b>	<b>12,246</b>	<b>(880)</b>

7) Revenue variance narrative											
PORTFOLIO	Total Q3 Variance to Budget	Item Variances to budget	Pressure/(Saving)	Expenditure Type	Service Area	Description	Root Cause Analysis - When you have found a material variance you must first determine the root cause of the variance.	Impact - Next, quantify the impact. This involves not only understanding the impact to the current month; also if no changes are made, what the go-forward impact to the business is for both favourable and unfavourable budget variances.	Action - The final part of any analysis should include an action for the business. What can be put in place to mitigate the impact.	Q2 Variance	Movement from Q2 to Q3
Communities, Homes, Digital and Communications	(69)	80	Pressure	Income	Welfare Services	Income related to the Lifeline service	There have been difficulties in trying to expand the service as recruiting suitable candidates has been challenging, due to the salary level and the unsociable working hours of the roles.	Due to the inability to increase numbers within the team, expansion of the service is difficult.	Have engaged consultancy support to evaluate the potential for the service area to generate additional revenue set against the additional costs for enabling this. The findings will inform recommendations for service development in 2024/25	78	2
		(243)	Saving	Expense	Corporate Property Central Utilities	Gas	Gas price estimates for 2023/24 for our wholesaler ESPO projected that prices could rise by 285% for this financial year - a compounded increase of 412%. This was in addition to the projected rise in 2022/23 of 33%. According to ESPO from the quarter 2 energy report the price of gas is now significantly lower due to higher volumes of storage and gas levels being maintained meaning that panic buying of gas is unlikely to happen as did in the second half of 2022. The average unit price of gas for the council has actually increased by 195%.	Based upon the latest information it is anticipated that there will be a significant decrease in the expected cost of gas for this financial year	Continue to review and monitor energy price expectations.	0	(243)
		101	Pressure	Expense	Corporate Property Repair and Maintenance	Repair and maintenance costs	Sheer volume of requests for unplanned maintenance has increased the dependency on external contractors. Rising material prices have had a compounding effect.	Tends to be shocks that are difficult to plan for that incurs the expenses	Review the the expected workload and available funding during the current budget setting process	53	48
		(47)	Saving	Expense	Corporate Property and Maintenance	Staff vacancies	A Senior Corporate Property Officer left in March. Property officer promoted and the post could not be backfilled. A town Hall Superintendent left in October and recruitment is underway to fill that vacancy.	Obvious issues around resilience in what is already a small team.	There are sustained issues in recruitment and the role is currently out to advert again but with a revised job title that may increase 'hits' by jobseekers with the required skill sets. A market supplement will be considered if appropriate.	0	(47)
		(55)	Saving	Expense	Housing, Benefits and Advice	Bed & breakfast costs	There has been a great deal of work undertaken to move families from B&B accommodation to existing housing stock.	There is currently only one family in B&B accommodation. This has led to a reduction in spend on temporary accommodation	Bed and breakfast costs are demand driven and the council has a statutory obligation to support going forward. The budget will continue to be monitored throughout the year. This is not something that can be accurately forecast and other options are considered before a placement into Bed and Breakfast accommodation which is only used as a last resort to address a crisis.	(58)	3
		102	Pressure	Expense	ITC & Support Services	Consultancy costs	The organisation has recently implemented CX regulatory software. A consultant was employed to help with this activity. Consultants have also been used to assist with other activities within the service	The consultants expertise was key in delivering the software ahead of schedule and enabling the organisation to benefit from the system sooner than anticipated	This is a one off cost borne in this financial year	80	22
		(86)	Saving	Expense	Customer Support Services	Salaries	The service has been operating with vacant posts including the manager post for part of the year. There has also been a level maternity leave. There are currently 2 vacant apprentice posts remaining for which they hope to recruit later in the year	2023/24 salary saving	Continued effort to recruit vacant posts	0	(86)
Finance, Performance, Legal and Governance	(8)	57	Pressure	Expense	Financial Services	Staff vacancies	A difficult recruiting environment has led to continued vacancies within the team. A recruitment campaign during the Autumn didn't identify any suitable candidates. As an interim measure contractors have been used to fill vacancies.	The cost of agency workers is a burden on our resources.	A new recruitment campaign is planned for January 2024	99	(42)
		(150)	Saving	Income	Council Tax and NNDR Collection	Court Summons	The court summons are for non payment of Council Tax and Business Rates. The additional income for 2023/24 is higher than expected following increased debt recovery work this year	Allows Rugby Borough Council to recover debt unpaid through official channels agreed in Court.	With the continuation of debt collecting for Council Tax and Business Rates, this will provide a steady income stream at a lower value for future years.	0	(150)
		53	Pressure	Expense	Council Tax and NNDR Collection	Admin fee for reassessing the rateable value of businesses	10% admin fee charged to RBC from Analyse Local who review the rateable value of our business rate properties. The benefit of this service provided by Analyse Local is additional business rate income following the increase in the rateable value.	Helps to increase business rate yield.	Costs are higher than expected this year due to one particular business and a permanent budget has been created for Analyse Local from 2024/25.	40	13

Growth and Investment	372	320	Pressure	Income	Planning	Planning income	Based on the current level of income received there is an expectation that this year's budget will not be achieved. Whilst the number of major planning applications received during the current financial year is similar to last year, the type and scale of these applications are smaller and hence the associated application fee is less. The number of planning applications tends to be linked to uncertainty in the global economic market, interest rate rises and cost of living concerns making investors and individuals more cautious about commencing new development. Planning income fluctuates each year because of such external factors. The Department for Levelling Up, Housing & Communities has reported that across the country planning application submissions during the first quarter of 23/24 have dropped by 14% compared to the same period last year. Rugby Borough Council has not been immune from this trend which appears to have continued through the second and third quarters of 23/24.	Pressure on the budget	This revenue stream will be closely monitored.	363	(43)
		121	Pressure	Expense	Planning	Appeal costs	Following the refusal of planning permission the applicant has the right of appeal to the Secretary of State who appoints a Planning Inspector to review the case. The majority of appeals are dealt with by Planning Officers however in complex cases which require legal representation and expert witnesses on matters which the Council does not have the relevant expertise in house e.g landscape and heritage then these services will need to be procured in order to defend the Council's decision. There have been three major appeals that have required the procurement of legal and or experts in 23/24. These are Dunchurch Park Hotel; Truck Stop at the A5 Cross in Hand; and Coventry Stadium. In addition to the three major appeals mentioned, there is a two-day appeal hearing into the Top Road, Barnacle site during Quarter 4, where we have external legal support owing to the sensitivity and specifics of the case.	Pressure on the budget	The costs will be closely monitored.	112	9
		(129)	Saving	Expense	Development Strategy	Staff vacancies	Recruitment to vacant roles has proved challenging for two Senior Planning Officer posts.	At a certain point during this year there were four vacant roles.	Two of the those posts have now been filled and a recruitment campaign is underway to fill the remaining posts but they are unlikely to be filled before the end of 2023/24.	(86)	(43)
		45	Pressure	Expense	Town Centre CCTV and Management	Other Agencies - Rugby First	Contribution to Rugby First for managing the CCTV control room for the Town Centre. The costs have increased following high inflation during 2023/24. The inflationary increase that we have seen is built into the contract which states that a CPI uplift will be applied for the period November - March.	Overspends are likely to occur during the year for this contract as we cannot predict exactly what inflation will be at the time of budget setting.	Finance to work with the service during the budget setting process to ensure sufficient budget is set for this contract to reduce the overspend that may occur during the year.	0	45
Leisure and Wellbeing	259	140	Pressure	Income	Sports and Recreation	Under-achievement of budgeted income	Vacancies across permanent and casual staff have played a part in the projected income shortfall across On-Track, Play and Recreation and Sports Development.	This has resulted in a pressure on budgeted income.	There is a ongoing recruitment campaign to fill the vacancies within the service. The Service is currently embarking on identifying additional income opportunities. This could include corporate sponsorship and additional grant funding.	150	(10)
		(76)	Saving	Expense	Sports and Recreation	Staff vacancies and under utilisation of casual staff	General recruitment has proved challenging. There are vacant part-time posts within the Play Ranger and On-Track teams yet to be filled.	This has created pressure on the service and reduced income opportunities	There is a recruitment campaign underway to fill vacant posts	(58)	(18)
		47	Pressure	Income	Parks & Open Spaces	Income	The budget included £47,000 of external funding, however, this contract has now come to an end and therefore there is no income available to meet the budget.	This has created a pressure against the income budget on the service	The 2024/25 budget has been realigned to reflect the external funding no longer being received.	61	(14)
		87	Pressure	Expense	Parks & Open Spaces	Maintenance, cleaning & repairs	Repairs to play equipment, cleaning services and fence repairs have all resulted in increased spend against the anticipated budget	Additional pressure on overall budget.	Review arrangements for these types of services	12	75
		(40)	Saving	Income	Benn Hall	Income	Increased demand has led to additional event and bar sales income	Over achievement of budgeted income	24/25 budgets have been increased inline with current expectations, however, this additional income is funding a new post	(30)	(10)
		70	Pressure	Expense	Benn Hall	Running costs	Increased demand has led to additional stock purchases of £20,000, however, this has been offset by increased sales income. There are pressures on salary costs and technician support, however, these are costs are expected to reduce now that a new post has been approved. There are one-off equipment purchases totalling £7,000.	Increased pressure on expenses	24/25 budgets have been increased inline with current expectations	60	10
		0	Saving	Rates Refund	RAGM	Refund of Business Rates at RAGM	Following a successful appeal against the level of business rates paid at RAGM, there has been a one off reimbursement relating to the period 2017 - 2022	£611,000 refund associated with historic business rates charges.	There is a proposal within the General Fund budget setting document to transfer the £611,000 to a reserve and use it to balance the 2024/25 budget.		



PORTFOLIO	Q3 Variance to Budget	Variances to budget	Pressure/(Saving)	Expenditure Type	Service Area	Description	Root Cause Analysis - When you have found a material variance you must first determine the root cause of the variance.	Impact - Next, quantify the impact. This involves not only understanding the impact to the current month; also if no changes are made, what the go-forward impact to the business is for both favourable and unfavourable budget variances.	Action - The final part of any analysis should include an action for the business. What can be put in place to mitigate the impact.	Q2 Pressure/(Saving)	Variances to Q2
Operation and Traded Services	362	78	Pressure	Income	Green Waste	Shortfall in income compared to budget	When the budget was set the expectation was that there would be a certain level of growth in subscriptions. The expected level has not been realised. In relation to this there is a requirement to review the current fee structure. The subscription cost hasn't increased in several years. This is contributing to the overall pressure within the service.	This has led to a negative impact on budget.	The current review of all fees and charges includes an annual CPI increase. The service will continue to be promoted to attract new customers.	83	(5)
		(77)	Saving	Expense	Whole Portfolio	Salary vacancies across Portfolio	The portfolio has seen high staff turnover during 2023/24 with 12 FTE's still left to fill compared to the budgeted FTE's	Increased agency costs and overtime due to Operations and Traded providing frontline services which need to run on a daily basis.	The service is working with HR to recruit to the vacancies.	0	(77)
		315	Pressure	Expense	Whole Portfolio	Agency Staff variance across Portfolio	The high levels of staff sickness, absence and vacancies have necessitated the need to turn to the agency market to ensure that the service continues to operate. There is also a need to use agency staff to cover holiday periods.	Agency staff is an expensive resource.	The service is working with HR to help manage the sickness and absence levels. The service is currently looking into initiatives to deliver efficiencies across working practices	104	211
		88	Pressure	Expense	Domestic Waste Collection/ Recycling	Repair and Maintenance of Vehicles including Hire of vehicles	With inflation high, the cost of vehicle repairs, fuel and hire costs have increased in 2023/24. As the service needs to continue, vehicles have to be hired to replace those waiting to be repaired.	This has created additional strain on the current budget	The service will work to identify the reasons for the high repair and maintenance costs.	19	69
		(171)	Saving	Income	Trade Waste Collection	Additional income compared to budget	The actual income for this service is running ahead of budget expectations	Additional income	Continue to promote the service to attract new customers. Continue to review the customer base and realign the budget based on the current expectations	(171)	0
		(46)	Saving	Income	Domestic Waste Collection/ Recycling	Sale of motor vehicles	6 vehicles have been sold so far during 2023/24 which were below the capital deminimis of £10,000 which results in them being classified as additional income for General Fund Revenue as oppose to a capital receipt.	Additional income	Review fleet to see if there are any other planned disposals	(46)	0
Regulation and Safety	(37)	211	Pressure	Income	Car Parking	Pay & display, season tickets, company leases and Rugby Central lease	Changes to working patterns and visitor numbers to the town centre have reduced. People are working in a hybrid manner and increased online shopping and out of town shopping centres have reduced footfall in the town centre	Reduced income when comparing to pre-covid. Government modelling suggests that current working patterns and shopping habits are unlikely to reverse	There is an intention to review the car parking fee structure and include an update during the 24/25 budget setting exercise.	200	11
		(54)	Saving	Income	Regulatory Services	Reimbursement of legal costs	Due to successful court prosecution of Brandon Estates Ltd regarding Brandon Stadium, a reimbursement of council fees and officer time was awarded. The costs were built up over several years but the total recovery is realised during this financial year.	One-off recovery associated with Brandon Stadium	One-off benefit, no action required	(54)	0
		(178)	Saving	Expense	Whole Portfolio	Staff Vacancies	<b>Regulatory Services</b> - The service are experiencing difficulties in recruiting to vacancies. This ranges from specialist to non specialist staff. Warden Patrol recruitment is proving extremely challenging. <b>Bereavement Services</b> - The service has had to operate with 3 vacancies. (Cremation technician, 1.5 FTE admin staff and the service manager) The admin staff posts and manager posts have now been filled. <b>Safety and Resilience</b> - There are two Senior Safety and Resilience Officer vacancies within the service <b>Licensing</b> - There is a vacant trainee licensing officer post plus a part-time car park officer post has not been replaced	This is causing resilience issues and pressure on the teams, especially when other staff members are on annual leave.	The service are actively trying to recruit to vacancies to ease the pressure on the remaining team members.		
Transformation Change Unit	134	105	Pressure	Income	RBC Developments Ltd	Interest Income	A pause with the RBC Developments initiative has led to a planned loan of £9,760,000 been reprofiled to 2024/25.	The anticipated interest income associated with the loan will no longer materialise.	Further exploration on how RBC Developments can be utilised.	105	0
		(43)	Saving	Expense	RBC Developments Ltd	Administrative costs	A pause with the plans for RBC Developments Ltd has led to no administrative costs been reported for this financial year.	No administrative costs for for this financial year	Further exploration on how RBC Developments can be utilised.	(43)	0
		77	Pressure	Expense	Transformation Change Unit	Capital salary recharges	Less time is being charged to capital schemes compared to what was anticipated during the budget setting process	Underachievement of budget that will likely to continue unless the charging profile is changed	Further work is required as to who should be charging time to capital schemes and at what level.	79	(2)
Corporate Items - Other	(1,249)	(1,247)	Saving	Expense	Financing and Investment Income and Expenditure	Net Cost of Borrowing	Interest rates were budgeted at a prudent and responsible level. Due to inflation remaining high the Bank of England has continued to raise interest rates.	Due to the level of our cash reserves and delays in the capital programme the Council has benefited through increased interest income and reduced interest expense exposure related to potential borrowing that would have occurred if the capital programme was on schedule.	Review intended use of balances and monitor interest rate expectations	(1,072)	(175)



8) Capital variance narrative								
PORTFOLIO	Q3 variance	Scheme	Current Budget £000	Expenditure plus commitments £000	Current Forecast £000	Pending Reprofitting Requests £000	Variance £000	Narrative
Communities, Homes, Digital and Communication	(821)	Lawrence Sheriff Almshouses	100	0	100	0	0	The budget has recently been approved to provide funding towards the refurbishment of the Almshouses
		Corporate Property Enhancements	225	44	150	(75)	0	Fire doors at the town hall and some electrical works will be started this year but will not be completed until 2024/25. Any underspend at year end is to be reprofiled for ongoing works.
		Housing Acquisition Fund	294	0	0	(294)	0	No properties are planned to be purchased or completed during 23/24 for the benefit of the General Fund.
		Carbon Management Plan	200	0	0	0	(200)	The Carbon Management Plan is designed to help the organisation meet its carbon reduction objectives. Discussions are underway on how to best use any funding. Once this becomes clear a report will be laid before Cabinet to request the funds.
		Great Central Walkbridge	611	0	0	0	(611)	Project needs to be reappraised and approved. Budget will be removed until that work has been carried out. Once a full appraisal of the scheme has been completed a request will be made for funding.
		Disabled Facilities Grant	831	780	831	0	0	Additional grant funding is to be paid over to NBBC and the remaining budget is for our salary costs for managing the scheme
		Town Hall Adaptations	78	57	78	0	0	
		UKSPF - White Good Scheme	62	62	62	0	0	
		ICT Renewal Programme	124	66	124	0	0	The programme is on track to deliver
		ICT Refresh Programme - Infrastructure	145	141	145	0	0	The programme is due to complete in Q4
		ICT Refresh Programme - AV Equipment	18	5	18	0	0	The programme is on track to deliver for delivering audio visual equipment within the council
		Digitalisation and Development Programme	72	77	77	0	5	Spend required to progress new website
Parks & Grounds Inspection System	15	0	0	0	(15)	Budget no longer needed as existing apps cover this work now.		
			2,775	1,232	1,585	(369)	(821)	
Finance, Performance, Legal & Governance	(25)	Corporate Asset Management System	29	4	4	0	(25)	Budget not required as the new supplier integration has been delayed for 2 years.
		Income Management System	30	28	30	0	0	
			59	33	34	0	(25)	
Growth & Investment	0	UKSPF - Market Equipment	31	31	31	0	0	
		UKSPF - Town Centre Public Realm Improvements	15	0	15	0	0	
			46	31	46	0	0	
Leisure & Webeing	25	Preventative Conservation	101	93	101	0	0	
		Queen's Diamond Jubilee Leisure Centre Project	420	426	426	0	6	
		Open Spaces Refurbishment - Safety Improvements	71	20	90	0	19	Report for additional funds to be presented to Cabinet on 8th January 2024
		Open Spaces refurbishment Glamara Close play area	10	2	10	0	0	
		Open Spaces Refurb. Apple Grove/Sorrell Drive	224	224	224	0	0	
		Park Connector Network	167	0	51	(116)	0	This is the match funding for external funds. Reprofiled as the scheme will need to be tendered in January with works expected to start in March
		New Bilton Recreation Ground Refurbishment	150	0	10	(140)	0	Due to needing to consult and tender in January 2024, the work is not likely to start until 2024/25, apart from architects costs likely for March
		Open Spaces Refurbishment - Charwelton Drive	150	0	10	(140)	0	Due to needing to consult and tender in January 2024, the work is not likely to start until 2024/25, apart from architects costs likely for March
		Alwyn Road Changing Rooms	435	7	10	(425)	0	Design change, delays with end users' requirements so most of the spend will now be in 2024/25.
		Athletics Track	17	16	17	0	0	
		UKSPF Capital - Floodlights Project	50	50	50	0	0	
		UKSPF Capital - Bicentenary Project	29	0	29	0	0	
		UKSPF Capital - Bandstand Works	19	12	19	0	0	
		UKSPF Capital - St. Andrew's Garden Improvements	40	0	40	0	0	
		UKSPF Capital - Newbold Quarry accessibility	51	0	51	0	0	
		UKSPF Capital - Caldecott Park Accessibility	30	0	0	(30)	0	Scheme is no longer required and funding will be reprofiled into 2024/25. An alternative project has not yet been identified but the UKSPF money has to be spent by the end of Year 3 (2024/25). When a new scheme has been identified, this will be included in the next UKSPF progress report.
		UKSPF Capital - Albert Street Hoarding	36	0	36	0	0	
			2,000	849	1,174	(851)	25	
Operation and Traded Services	3	Route Optimiser system	10	13	13	0	3	
		Street Furniture	42	17	42	0	0	
		Sherbourne Recycling	861	869	861	0	0	
		Purchase of Waste Bins	88	56	88	0	0	
		Purchase of Vehicles	2,757	2,187	1,625	(1,132)	0	Delays in Vehicles being manufactured, now expected in April
			3,758	3,143	2,629	(1,132)	3	
Regulation and Safety	(63)	Safer Streets	208	123	137	(68)	(2)	Underspend of (£2k) to be returned to grant provider. £68k to be spent in 2024/25 as per grant conditions
		Rainsbrook Cemetery preparation	131	123	97	(34)	0	Additional report to be taken to Council in Feb 2024 for remainder of budget for scheme.
		Memorial Safety	82	0	20	(62)	0	Needs to go to tender. Forecast of £20k for Q4 once contract in place.
		Croop Hill Chapel refurbishment	60	0	0	0	(60)	Report required for a new budget as this is an old scheme- no spend this year
		Crematorium Memorialisation Project	53	40	53	0	0	Budget expected to be spent in full- remaining works due in March
		Crematorium automatic door upgrade	13	12	13	0	(0)	Budget to be spent in full
			547	298	320	(164)	(62)	
Chief Executive	0	Caldecott Development Loan	9,760	0	0	(9,760)	0	Due to a pause on the RBC Developments initiative, this loan has been reprofiled to 24/25
			9,760	0	0	(9,760)	0	
<b>General Fund Total</b>	<b>(880)</b>		<b>18,945</b>	<b>5,586</b>	<b>5,789</b>	<b>(12,276)</b>	<b>(880)</b>	

Appendix 2 - Housing Revenue Account (HRA) Dashboard - Quarter 3 2023/24

1) Revenue Summary

Service	Current Budget	Total Income/Expenditure	Forecast	Pending Supplementary Budget /Virement	Pending Reserve Movement Requests	Total Variance
	£000	£000	£000	£000	£000	£000
Rent income from dwellings	(16,968)	(10,127)	(16,720)	0	0	249
Rent income from land and buildings	(115)	(75)	(115)	0	0	0
Charges for services	(1,236)	(703)	(1,163)	0	0	72
Contributions towards expenditure	(142)	(28)	(143)	0	0	(1)
<b>Total Income</b>	<b>(18,461)</b>	<b>(10,933)</b>	<b>(18,142)</b>	<b>0</b>	<b>0</b>	<b>320</b>
Transfer to Housing Repairs Account	4,789	3,816	5,481	0	0	692
Supervision & Management	5,827	4,611	5,652	0	0	(175)
Rent rates, taxes and other charges	125	90	125	0	0	0
Depreciation and impairment	3,120	3,121	3,120	0	0	0
Debt management costs	24	0	24	0	0	0
Provision for bad or doubtful debts	66	0	50	0	0	(17)
<b>Total Expenditure</b>	<b>13,951</b>	<b>11,637</b>	<b>14,452</b>	<b>0</b>	<b>0</b>	<b>501</b>
HRA share of Corporate/Democratic Core Costs	318	0	318	0	0	0
<b>Net cost of HRA services</b>	<b>(4,192)</b>	<b>705</b>	<b>(3,372)</b>	<b>0</b>	<b>0</b>	<b>820</b>
Interest payable and similar charges	1,104	0	1,104	0	0	0
Interest and Investment Income	(191)	0	(1,353)	0	0	(1,162)
<b>Net Operating expenditure</b>	<b>(3,279)</b>	<b>705</b>	<b>(3,621)</b>	<b>0</b>	<b>0</b>	<b>(341)</b>
Contributions to (+) / from (-) reserves	49	0	49	0	0	0
Revenue Contributions to Capital Expenditure	3,332	0	3,817	0	0	485
<b>(Surplus) / Deficit for the Year on HRA Services</b>	<b>102</b>	<b>705</b>	<b>245</b>	<b>0</b>	<b>0</b>	<b>144</b>

2) Head Count- Vacancies (HRA)

Service	Budgeted FTE's 23/24	Actual FTE's at Q3	Vacant FTE's at Q3	
Housing	32.99	26.98	(6.01)	Recruitment in progress following restructure approved at Council in November
Property Repairs Service	47.25	44.18	(3.07)	

3) Reserves & Balances

Name of reserve / balance	Balance as at 1/04/23	Forecast contribution (to)/from	Forecast balance as at 31/03/24	Forecast contribution (to)/from	Forecast balance as at 31/03/25	Forecast contribution (to)/from	Forecast balance as at 31/03/26
	£000	£000	£000	£000	£000	£000	£000
Housing Revenue Account Balances	(4,085)	245	(3,840)	0	(3,840)	0	(3,840)
HRA Capital Balances	(17,436)	2,994	(14,442)	631	(13,811)	(3,953)	(17,764)
HRA Major Repairs Reserve	(5,061)	440	(4,621)	(756)	(5,377)	(412)	(5,789)
Housing Repairs Account	0	0	0	0	0	0	0
HRA Climate Change Reserve	(976)	(600)	(1,576)	576	(1,000)	0	(1,000)
HRA - Transformation Reserve	0	(100)	(100)	0	(100)	0	(100)
Sheltered Housing Rent Reserve	(358)	(49)	(407)	(49)	(456)	(51)	(507)
Right to buy Capital Receipts	(12,767)	(291)	(13,058)	2,350	(10,708)	424	(10,284)
	<b>(40,683)</b>	<b>2,639</b>	<b>(38,043)</b>	<b>2,752</b>	<b>(35,291)</b>	<b>(3,992)</b>	<b>(39,283)</b>

4) Capital Summary						
Service	Current Budget	Total Expenditure	Forecast	Pending Supplementary Budget/ Virement/ Reprofiting	Total Variance	Narrative
	£000	£000	£000	£000	£000	
Automated Repairs System	74	74	80	0	6	
Bell House Redevelopment	0	0	0	0	0	
Biard Place - Capital	10,964	1,075	4,100	6,864	0	Delays in the planning process & subsequent main contractor award have resulted in onsite construction commencing in Dec 23. This has resulted in funds earmarked for this financial year been reprofiled to subsequent years.
Housing Management System	110	92	110	0	0	This is for phase 2 which will complete next year.
Fire Risk Prevention Works	149	16	60	0	(89)	£27k allocated so far, work is generated from fire door inspections. 24 fire doors remedial jobs have been raised Estimated saving of £89K as there hasn't been any substantial work arising from the fire risk assessments.
Rewiring	275	102	275	0	0	Spend is driven by what is required by voids. Currently 10 rewires at allocated stage, approx cost will be £150k.
Lifeline Renewal Programme	83	43	50	0	(33)	Estimated cost at year end for the new cloud based equipment
Finlock Gutter Improvements	100	29	50	0	(50)	This will eventually not be needed as gutterings are replaced with PVC. Budget for 24/25 will go down to £60k
Rebuilding Retaining Walls	80	17	30	0	(50)	Work is reactive & unpredictable. Only minor works currently highlighted.
Replacement Footpaths	100	28	50	0	(50)	Work is reactive & unpredictable. No works currently committed, remaining budget for ad-hoc requests
Driveways	50	0	50	0	0	Large jobs planned in next quarter. £30k already raised on PO's to be costed against this cost centre.
Fire Risk Prevention works voids	70	53	70	0	0	Expected to end the financial year on Budget
Rewiring Unplanned Renewals	100	49	100	0	0	48 remedial jobs have been raised. Full schedule of costs is been worked on.
Fire Risk Unplanned Renewals	90	0	50	0	(40)	Work was delayed while clarity was sought from H&S as to training requirement of operatives, work will begin to be booked in. Estimated savings of £40k
Roofing unplanned renewals	100	0	50	0	(50)	Review of roofing has been carried out majority is revenue cost and cannot be capitalised.
Disabled Adaptations	250	119	200	0	(50)	This is not something that can be accurately profiled as demand is reactive to service requests. When such requests are made wider consideration has to be given of overall housing needs and it may be that an alternative housing solution other than adaption is appropriate however this is all down to the individual household requirements.
Kitchen Modifications	1,171	614	1,050	121	0	A contractor has taken on an additional 40 kitchens that are for completion year end. Any underspends are to be carried forward for the continuing project.
Kitchen Modifications Voids	200	46	100	0	(100)	£75k required for multiple void kitchens on planned programme for 23/24. £100k saving.
Kitchens non voids	56	10	56	0	0	£60k on schedule so budget should be spent by year end.
Heating Upgrades	155	82	125	0	(30)	£65k is committed against this with a possible saving of £30k due to some older jobs for 19/20 and 20/21 which were billed at the prices that were applicable when the job was first agreed.
Bathroom Modifications	358	187	358	0	0	£204k is committed against this so full spend is expected
Bathroom Modifications - voids	100	69	85	0	(15)	Volume of voids requiring bathroom modifications remains constant.
Bathrooms non voids	60	19	40	0	(20)	£30k on current schedule so may be underspend at year end
Housing Window Replacement	10	3	10	0	0	Full spend is expected by year end
Carbon Management Plan (HRA)	2,180	0	872	1,308	0	40% to be spent in 23/24 and 60% to be reprofiled to 24/25 in accordance with the grant funding. Work has commenced.
Purchase of Council Houses	8,093	5,271	8,093	0	0	To date we have acquired 30 properties with a further 5 likely to complete this financial year (2023/24) - these are at conveyancing. A further 24 properties are at various stages in the pipeline.
Rugby Gateway - Cala Homes	0	(3)	0	0	0	
Rounds Gardens Capital	1,736	382	500	1,236	0	Spend in this financial year is significantly less than predicted as the detail of the potential scheme with the adjacent landowner has been delayed due to the transfer of the land between different business units of our potential partner. There will be some spend this year as consultants advise on the build
Rounds Gardens demolition	3,314	3,057	3,314	0	0	
Property Repairs Team Vehicle	86	38	86	0	0	Expected receipt 23/24 provided there are no delays
<b>Overall Total</b>	<b>30,114</b>	<b>11,471</b>	<b>20,014</b>	<b>9,529</b>	<b>(571)</b>	

