

Executive Report

Cabinet – 5 December 2023

QUARTER 2 FORECAST OUTTURN, 2023/24 GENERAL FUND REVENUE, HOUSING REVENUE ACCOUNT, DEDICATED SCHOOLS GRANT AND CAPITAL PROGRAMME

| | |
|------------------------|--|
| Name of Cabinet Member | Councillor Townsend Cabinet member for Resources |
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| | |
|---|--------------------------------|
| Exempt / confidential / not for publication | No |
| Council Plan reference | 1 – “A Balanced Budget” |
| Wards affected | All wards |

Executive summary

This report sets out the 2023/24 quarter 2 (QTR) forecast outturn for the General Fund (GFRA); Dedicated Schools Grant (DSG); Housing Revenue Account (HRA) and Capital Programme; based upon income and expenditure between 1 April 2023 and 30 September 2023.

General Fund Services are currently forecasting an overspend of £2.155m. This is a decrease of (£1.864m) since the forecast reported at period 3. It should be noted that we have applied £1.182m of ASC Market Improvement and Sustainability funding following a detailed review of the grant conditions to offset higher than budgeted inflation on spot purchases since period 3. The continuing increase in demand and uncertainty around the inflation is causing pressure in year and will also continue into the Medium Term Financial Plan.

The Housing Revenue Account (HRA) forecast outturn is an underspend of £2.662m, which will be offset by an increase in the planned level of Revenue Contribution to Capital (RCCO). There will also be a transfer between reserves (RCCO to Major Repairs Reserve) of (£0.458m) to reflect the decrease value in depreciation linked to our stock values.

Public Health budget is forecasting a contribution from the Public Health reserve of £0.684m. The forecast overspend is as a result of using £0.709m for one-off political priority projects, offset by an underspend in the service of (£0.121m).

The Dedicated Schools Grant (DSG) is forecasting an improved position with an estimated surplus carry forward £4.646m rather than estimated budgeted surplus of £3.008m.

The Capital Programme is reporting an in-year forecast underspend of (£2.558m), of which £30.580m is planned to slip to later years, leaving an in-year variance of £28.022m. £27.199m of this variance relates to an acceleration of budget on the Housing Infrastructure Fund (HIF) Project which is Grant funded and now forecast to be spent in 2023/24 rather than future years. This leaves a £0.823m forecast overspend in year.

The report also includes recommendations to amend the 2023/24 Capital Programme, details of which are included in **Annex's M**.

The Tariff Programme is reporting and underspend of £6.386m against a budget of £56.270m, of this amount £6.386m is required to be slipped into 2024/25, leaving a nil variance.

The report also includes recommendations to amend the 2023/24 Tariff Programme, details of which are included in **Annex N**.

1. Proposed Decision/s

- 1.1 That the GFRA forecast outturn of £2.155m against budget be noted, together with the management actions set out at **Annex A** of this report.
- 1.2 That GFRA savings of £7.541m savings are forecast to be achieved (96% of budget) be noted, which is set out in **Annex B** of this report.
- 1.3 That the forecast outturn for the HRA is an underspend of (£2.662m), which has been offset through an increase in the transfer to reserves be noted, together with the management actions set out at **Annex C** of this report.
- 1.4 That the DSG forecast surplus carry forward of £4.646m be noted, together with the management actions set out at **Annex D** of this report.
- 1.5 That the reserves position as detailed in **Annex E** are noted.
- 1.6 That the forecast outturn on the 2023/24 Capital Programme is an overspend of £0.823m after proposed slippage of £30.580m and acceleration of budget of £27.199m as detailed in **Annex F** of this report be noted.
- 1.7 That the forecast outturn position of the 2023/24 tariff programme as detailed in **Annex G** be noted.
- 1.8 That the debt position of the Council at the end of quarter 2 as detailed in **Annex H** are noted.
- 1.9 That the Write-off of an unrecoverable debts that exceeds £50,000 as detailed in **Annex H** are approved.
- 1.10 That the Treasury Management report including prudential indicators, as detailed in **Annex I** are noted.

- 1.11 That the virements to the original budget as detailed in **Annex J** are approved.
- 1.12 That the current position on the Collection Fund as detailed in **Annex K** are noted.
- 1.13 That the procurement waiver decisions as detailed in **Annex L** are noted.
- 1.14 Cabinet approves the new budget allocations and approves the release of funding totalling £1.541m for new Capital Schemes set out in **Annex M**.
- 1.15 That the additions and amendments to the Tariff Programme are detailed in **Annex N** be approved.

2. Why is the decision needed?

- 2.1 To ensure that the Council delivers a balanced budget in 2023/24 in line with the Council Plan.

Key Issues

General Fund Revenue Account (GFRA)

- 2.2 General Fund Revenue Account (GFRA) – is currently forecasting an overspend of £2.155m. A number of actions have been taken to address the projected overspend reported at QTR1. The Corporate Leadership team are currently assessing measures to address the projected overspend.
- 2.3 The table below shows the forecast outturn position by service area.

Table 1 – General Fund Forecast Outturn

| General Fund High Level Revenue Summary | P6 Position | | | | Movement since P3 | |
|---|--------------------------|------------------|--------------|------------|---------------------|--------------------|
| | 2023/24 Full Year Budget | Forecast Outturn | Variance | % variance | Forecast Outturn P3 | Move-ment since P3 |
| Service | £m's | £m's | £m's | % | £m's | £m's |
| Adult Social Care | 100.447 | 102.387 | 1.940 | 1.9% | 2.937 | (0.997) |
| Public Health | 12.522 | 12.522 | 0.000 | 0.0% | 0.000 | 0.000 |
| Children's Services | 55.634 | 57.476 | 1.842 | 3.3% | 1.091 | 0.751 |
| Customer and Community | 6.135 | 6.123 | (0.012) | -0.2% | (0.111) | 0.099 |
| Planning and Placemaking | 2.107 | 2.040 | (0.067) | -3.2% | 0.037 | (0.104) |
| Environment & Property | 73.152 | 72.761 | (0.391) | -0.5% | 0.143 | (0.534) |
| Resources - Retained MKC | 5.259 | 4.978 | (0.281) | -5.3% | (0.294) | 0.013 |
| Resources - Shared Services | (0.215) | (0.215) | 0.000 | 0.0% | 0.000 | 0.000 |
| Law & Governance | 2.458 | 2.701 | 0.243 | 9.9% | 0.215 | 0.028 |
| Corporate Codes & Debt Financing | 17.181 | 16.057 | (1.124) | -6.5% | 0.001 | (1.125) |
| Assets Management | (26.030) | (26.030) | 0.000 | 0.0% | 0.000 | 0.000 |
| General Fund Requirement | 248.650 | 250.800 | 2.150 | | 4.019 | (1.869) |
| Total Financing | (248.650) | (248.645) | 0.005 | | 0.000 | 0.005 |
| Net Surplus / Deficit | 0.000 | 2.155 | 2.155 | | 4.019 | (1.864) |

2.4 General Fund Services are currently reporting a forecast overspend of £2.155m. The GFRA forecast outturn variance against budget and management actions are set out at **Annex A** of this report.

2.5 At P3 the forecast overspend reported was £4.019m an improvement of (£1.864m) in the quarter. The Key GFRA movement since P3 are:

- **ASC Market Improvement and Sustainability funding (£1.182m)** - following a detailed review of the grant conditions, the grant has been used to offset higher than budgeted inflation on spot purchases since period 3.
- **Pay award (£0.544m)** – We originally budgeted for a 4% increase in pay inflation, we revised this forecast to 6% based on the final pay offer. Following acceptance of the pay offer by the Trade Unions we have now completed detailed calculations and the final cost has come in below 6%, reducing the projected pressure by £0.544m.
- **Tariff Risk Reserve contribution (£0.580m)** – Since 2013 the Council has made a fixed annual contribution to this reserve. With the recent increases to interest rates, interest will be added to the reserve and therefore the fixed contribution will no longer be required.
- **Parking (£0.550m)** - Parking income has increased as a result of higher demand, which is mainly due to pay and display and employee permits.
- **Home to School Transport £0.410m** - An additional pressure has arisen following the re-procurement of contracts for the new academic year finalised at the start of September. In addition, demand has continued to increase (7% compared to July 2023) and the current weekly cost has also increased (by 5%).
- **Children with Disabilities £0.363m** adverse movement based on a review of spend to date and current average package numbers and costs.
- **Property Operating Costs 0.368m** – A one-off business rate pressure for the delayed completion of the sale of Saxon Court (now forecast beginning January 2024) and for vacant properties where business rates will be incurred before the sale completes or development of the site commences.

Housing Revenue Account (HRA)

2.6 The HRA is currently reporting a forecast underspend of (£2.662m), which is an improvement of (£1.397m) since period 3. The underspend will be offset by an increase in the revenue contribution to capital reserves. There will also be a transfer between reserves (RCCO to Major Repairs Reserve) of (£0.458m) to reflect the decrease value in depreciation linked to the stock valuation.

2.7 The details of the HRA variance against budget are included in **Annex C**. The key movement of (£1.397m) in period are mainly due to:

- **Leasehold Service charges (£0.950m)** - Increased recovery due to uplift in billing and recovery of last year's actual service costs.
- **Bad debt provision (£0.487m)** - This is due to improved collection levels driven by management actions.

Public Health

2.8 Public Health is forecasting an overspend of £0.684m which will be a contribution from the ring-fenced reserve. The forecast overspend is as a result of using £0.709m for one-off political priority projects, offset by a continued underspend in Smoking Cessation Service (£0.121m) due to demand for the service not returning to pre covid levels. The demand trend is being reviewed and monitored regularly.

Dedicated Schools Grant (DSG)

2.9 When the budget was set, it was anticipated that there would be a surplus carry forward of £3.008m into 2024/25, however the forecast carry forward is a surplus of £4.646m.

2.10 The main area of risk is in high needs where there have been increases in the number of children requiring support at increasing levels of complexity. High needs funding remains a national issue and although we currently have a high needs surplus, this is one off and the future funding increases remain uncertain on the DSG and have not up until now, kept up with demand. In addition, the early years block is very volatile and remains uncertain in terms of the level of take up due to the impact of COVID-19. There is a low level of contingency in the block in which to deal with the pressures should they arise. Pending education reforms also add to the uncertainty to future funding levels.

Delivery of Savings

2.11 Savings of £7.723m were approved for implementation in 2023/24, and £0.163m savings were carried forward from 2022/23, resulting in a total of target of £7.886m to deliver in 2023/24. £7.541m (96%) is forecast to be delivered in year, and £0.345m (4%) will either not be delivered until next year or are undeliverable.

2.12 A full schedule of all delayed and non-deliverable budget reductions and income proposals is attached at **Annex B** to this report and sets out the detailed position on each of the individual proposals.

Collection Fund

2.13 The Collection Fund includes all income generated from council tax and business rates that is due in the year, including arrears, from council taxpayers and ratepayers. The current position of the Collection Fund is reported in **Annex K**.

Reserves

2.14 **Annex E** shows the reserves balances based on actual spending and contributions made as part of the MTFP and new in year movements approved by the Chief Finance Officer in line with the Council's Constitution.

2.15 The Council is forecasting a working balance of £27.913m. This is below the current minimum recommended level of £28.931m for 2023/24. Management actions are required to reduce the overspend in year to bring the General Fund balance back up in line with the minimum recommended level.

Revisions to the Capital Programme

2.16 There are a number of schemes that were not included in the original 2023/24 capital programme but have now completed the officer review process. Cabinet approval for resource allocation and spend approval is now sought to include new capital projects (summarised in **Annex M**) in the 2023/24 capital programme.

2.17 Cabinet are asked to approve 6 schemes, with a budget allocation of £1.541m and add into the 2023/24 Capital Programme

Table 2 summarises the changes requiring approval on the capital programme.

| Scheme | Funding | 2023/24 £m | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | Total £m |
|---|-----------|---------------|---------------|---------------|---------------|---------------|----------------|
| Amendments to the programme: | | | | | | | |
| Disabled Facilities Grant | Gov Grant | 0.412 | 0.000 | 0.000 | 0.000 | 0.000 | 0.412 |
| Crack Sealing | Gov Grant | 0.709 | 0.000 | 0.000 | 0.000 | 0.000 | 0.709 |
| Health & Safety Fund | Virement | (0.040) | 0.000 | 0.000 | 0.000 | 0.000 | (0.040) |
| Public Rights of Way Bridges | Virement | 0.040 | 0.000 | 0.000 | 0.000 | 0.000 | 0.040 |
| Oxley Park - Off site open space improvements | Gov Grant | 0.050 | 0.000 | 0.000 | 0.000 | 0.000 | 0.050 |
| New Projects: | | | | | | | |
| Abbey Hill Roundabout Signals Upgrade | Tariff | 0.370 | 0.000 | 0.000 | 0.000 | 0.000 | 0.370 |
| Total Capital Programme | | 1.541 | 0.000 | 0.000 | 0.000 | 0.000 | 1.541 |

2.18 Cabinet are also asked to note that a further 4 schemes with budget allocations of £47.595m that have been previously approved, apart from the Lakes Estate Regeneration scheme which is included on this agenda. This has been reflected in **Annex F** and **M**.

Table 3 summarises the changes to note on the capital programme.

| Scheme | Funding | Resource Allocation | | | | | Total £m |
|--|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | 2023/24 £m | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | |
| Amendments to the programme: | | | | | | | |
| The Lakes Estate Regeneration - Cabinet 5 Dec 23 | Government Grant & Prudential Borrowing | (18.609) | 20.373 | 21.910 | 0.000 | 0.000 | 23.673 |
| New Projects: | | | | | | | |
| Adult Social Care Hub - DD 26 Sept 23 | Developer Contributions, Government Grant, Capital receipts | 5.419 | 0.800 | 0.000 | 0.000 | 0.000 | 6.219 |
| Galley Hill - Local centre - DD 26 Sept 23 | Capital Receipts | 0.150 | 0.000 | 0.000 | 0.000 | 0.000 | 0.150 |
| MKWRP Investment Programme - DD 7 Nov 23 | Revenue Contributions | 1.496 | 6.904 | 1.200 | 0.729 | 7.224 | 17.553 |
| Total Capital Programme | | (11.545) | 28.077 | 23.110 | 0.729 | 7.224 | 47.595 |

Capital Monitoring - 2023/24 Forecast Outturn

- 2.19 **Table 3** shows a summary of the forecast position for the 2023/24 capital programme compared to budget (resource allocation). The outturn position shows an underspend of (£2.558m) against a budget of £225.789m; however, after forecast slippage of £30.580m, this will result in a forecast variance of £28.022m in year, of which £27.199m relates to acceleration of grant funded budget into 2023/24 for the HIF project, leading to a net overspend of £0.823m.
- 2.20 Detailed individual project outturn, including total project positions are detailed in **Annex F**.

Table 4: Capital Programme – 2023/24 Outturn at 31 March 2024

| Capital Summary | In Year Forecast Outturn | | | Forecast Outturn after Slippage | |
|---------------------------------------|--------------------------|--------------------------|-------------------|---------------------------------|--------------------------|
| | 2023/24 Revised Budget | 2023/24 Forecast Outturn | In year Variation | Project Slippage to later Years | 2023/24 Under/ Overspend |
| Service | £m's | £m's | £m's | £m's | £m's |
| Adult Social Care | 5.487 | 5.487 | 0.000 | 0.000 | 0.000 |
| Children Services | 29.095 | 26.139 | (2.956) | 2.566 | (0.390) |
| Housing and Regeneration – HRA | 69.906 | 54.074 | (15.832) | 16.857 | 1.025 |
| Housing and Regeneration - GF | 1.740 | 1.217 | (0.523) | 0.523 | 0.000 |
| Customer and Community | 3.239 | 3.189 | (0.050) | 0.050 | 0.000 |
| Planning and Placemaking | 12.824 | 10.565 | (2.259) | 2.267 | 0.008 |
| Environment and Property | 102.389 | 121.741 | 19.352 | 8.028 | 27.380 |
| Resources | 1.109 | 0.819 | (0.290) | 0.289 | (0.001) |
| Capital Programme Requirements | 225.789 | 223.231 | (2.558) | 30.580 | 28.022 |
| Capital Financing | | | | | |
| Capital Receipts | (27.757) | (27.757) | 0.000 | 0.000 | 0.000 |
| Major Repairs Reserve | (16.619) | (16.619) | 0.000 | 0.000 | 0.000 |
| Government Grants | (84.410) | (84.410) | 0.000 | 0.000 | 0.000 |
| Prudential Borrowing | (15.861) | (15.861) | 0.000 | 0.000 | 0.000 |
| Developer Contribution | (17.661) | (17.661) | 0.000 | 0.000 | 0.000 |
| Third Party Contributions | (0.616) | (0.616) | 0.000 | 0.000 | 0.000 |
| Parking Income | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Revenue Contributions | (57.646) | (57.646) | 0.000 | 0.000 | 0.000 |
| New Homes Bonus | (5.219) | (5.219) | 0.000 | 0.000 | 0.000 |
| Total Capital Financing | (225.789) | (225.789) | 0.000 | 0.000 | 0.000 |
| Net Surplus / Deficit | 0.000 | (2.558) | (2.558) | 30.580 | 28.022 |

2.21 Key Project Variances

- a) **Glebe Meadows Primary & Secondary School (£0.457m)** - The project is in 12-month aftercare phase with final retention payment to be released after any defect's rectification in September 23. Forecast includes any remaining fees, and the underspend can be re-allocated.
- b) **Melish and Gables Demolition (£1.149m)** - Demolition of both tower blocks completed and final account agreed. The costs have come out lower than expected leading to an underspend on this project.
- c) **HRA Asset Management £1.952m** – The forecast overspend is a result of:
 - Electrical & Wiring £0.193m - Pressure due to moving electrical checks for individual homes onto 5 year cycle by end of 24/25 £2.635m. This includes works completed in communal blocks to support individual upgrades/ compliance. This is part funded by reduction in Kitchens, Bathrooms & Fencing maintenance works (£2.441m).

- Voids £0.717m - Condition of voids means scale of works needed continues to run higher than anticipated. Pre & post inspections continue along with refreshed void standard to mitigate costs where possible.
 - Structural Roofing £0.552m - Roof replacements and upgrades to warm roofs needed where roofs are no longer repairable.
- d) **Netherfield Decarbonisation £0.329m** – Projected overspend as a result work on trial properties. There has been significant work done to mitigate cost achieved by simplifying external aesthetic features which do not contribute to thermal performance.
- e) **Housing Infrastructure Fund (HIF) £27.199m** - Highway procurement led by Berkeley Group and Project funding utilising HIF. Phase 1 onsite works commenced 25 September, the project has been extended to March 2025 with updated profiling hence acceleration of delivery compared to original plan, grant funding available to fund the in-year pressure. Project expected to come in line with budget overall. DoV has now been signed with Homes England, the Grant Share Agreement with Berkleys is being finalised.

2.22 2023/24 Key Slippage to later Years

- a) **Refurbishment for SEND pupils £2.000m** - Forecast to slip into 2024/25 due to the updated start on site in January 24. Still on programme to complete in July 24.
- b) **MK East - HIF Social Infrastructure £0.500m** – Forecast to slip into 2024/25. Started on site in August 2023 but there has been some delays and changes, project expected to continue.
- c) **Harrier Court £0.835m** - Complex project which now has a programme, work underway to engage with residents and market to tender for the works. Slippage modelled in due to market engagement risk and need to remove utilities from some properties.
- d) **Social Housing Decarbonisation Fund (SHDF) Wave 2 £14.154m** – Slippage forecast reflects the delay to the start of this programme. Further work is being carried out following the delivery of Wave 1 to ensure that this can be delivered within the budget. It is also subject to a wider review of the HRA budget.
- e) **Towns Fund Innovation Hub £1.607m** – This project is not going to proceed and funding will therefore need to be reallocated to other existing schemes within the Programme. This will need to be approved by the Towns Deal Board and DLUCh under change control.
- f) **Agora £5.700m** – Slippage forecast into next year. The PCSA contract has been awarded but not yet signed, work continues with contractors on design and BSA regs and roles/responsibilities. Contractor build price to be submitted early 2024, additional funding approvals to be sought March 24.

Revisions to the Tariff Programme

2.23 The revised programme is detailed in **Annex N** and included the following amendments to the Programme:

2.24 The new and amended schemes submitted for inclusion in the 2023/24 Tariff programme are shown in the table below:

Table 5 summarises the changes to note on the Tariff programme.

| Scheme | Resource Allocation | | | | | Total £m |
|---|---------------------|---------------|---------------|---------------|---------------|----------------|
| | 2023/24 £m | 2024/25 £m | 2025/26 £m | 2026/27 £m | 2027/28 £m | |
| Tariff Programme Council Sept 2023 | 44.710 | 31.358 | 16.173 | 12.288 | 8.765 | 113.295 |
| New Projects: | | | | | | |
| Abbey Hill Roundabout Signals Upgrade (see table 2.0 above) | 0.370 | 0.000 | 0.000 | 0.000 | 0.000 | 0.370 |
| Amendments to the programme: | | | | | | |
| Adult Social Care Hub - DD 26 Sept 23 | 4.530 | (1.364) | (0.750) | (0.750) | (0.830) | 0.836 |
| H10 connection to Church Farm - DD 12 Dec 23 | 0.710 | (0.710) | 0.000 | 0.000 | 0.000 | 0.000 |
| MKUH Radiotherapy Unit | 5.700 | (5.700) | 0.000 | 0.000 | 0.000 | 0.000 |
| Expansion Area Flooding & Drainage Schemes | 0.250 | 0.400 | 0.000 | 0.000 | (0.650) | 0.000 |
| Total Tariff Programme | 56.270 | 23.984 | 15.423 | 11.538 | 7.285 | 114.501 |

2023/24 Tariff Forecast Outturn

2.25 **Table 4** shows a summary of the forecast outturn for the Tariff programme compared to budget for 2023/24. The current position shows a forecast underspend of £6.386m; however, after slippage of £6.386m, this becomes a nil variance overall.

2.26 Detailed individual project forecast outturn position, including total project positions are detailed in **Annex G**.

Table 6 - Tariff Monitoring

| Tariff Summary | Forecast Outturn | | | Slippage | |
|-------------------------------|------------------------|--------------------------|-------------------|---------------------------------|--------------------------|
| | 2023/24 Project Budget | 2023/24 Forecast Outturn | In year Variation | Project Slippage to later Years | 2023/24 Under/ Overspend |
| Service | £m's | £m's | £m's | £m's | £m's |
| Roads and Highways | 5.574 | 2.941 | (2.633) | 2.633 | 0.000 |
| Public Transport | 1.233 | 0.500 | (0.733) | 0.733 | 0.000 |
| Schools | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Leisure and Culture | 9.495 | 9.222 | (0.273) | 0.273 | 0.000 |
| Social Care and Health | 15.240 | 15.230 | (0.010) | 0.010 | 0.000 |
| Other Services | 5.769 | 3.720 | (2.049) | 2.049 | 0.000 |
| Costs of Running Tariff | 0.174 | 0.174 | 0.000 | 0.000 | 0.000 |
| Works in Kind | 18.785 | 18.097 | (0.688) | 0.688 | 0.000 |
| Tariff Programme | 56.270 | 49.884 | (6.386) | 6.386 | 0.000 |
| Tariff Financing | | | | | |
| Tariff Receipts | (56.270) | (56.270) | 0.000 | 0.000 | 0.000 |
| Total Tariff Financing | (56.270) | (56.270) | 0.000 | 0.000 | 0.000 |
| Net Surplus / Deficit | 0.000 | (6.386) | (6.386) | 6.386 | 0.000 |

2.27 2023/24 Key Slippage to later Years

- **A422 Junction Improvements £2.000m** – The scheme is unlikely to be delivered this year due to other works on other junction and this being a diversion route for these other works. The funding will be required in future years.
- **Phase 2 Expansion Teaching & Learning £2.000m** - Study work is ongoing to inform future development proposal for this scheme which is unlikely to happen this financial year. Funding will be used in future years once the proposals has been developed and agreed.
- **Planning & Transport Patronage and Subsidy £0.500m** – Currently there are no proposals that are likely to be developed for this financial year. The funding will be required in future years.
- **Works in kind £0.689m**- The majority of the works covered by this element have been or are in the process of being delivered. The Council acknowledges the completion of the works when the credits are recovered against contributions due which will always be later.

Debt Collection and Performance

2.28 **Annex H** details the Council's overall debt position and collection performance in quarter.

2.29 The Council's scheme of delegation requires that where the value of an individual debt to be written off exceeds £50,000 it should be referred to Cabinet for authorisation following the relevant approval by s151 Officer.

2.30 There were no debts written off in Q1 that exceeds £50,000 and requires authorisation.

Treasury

2.31 **Annex I** provides a summary Treasury Management Activities to 30 September 2023.

Virements

2.32 Financial procedure rules require virements between services to be reported and agreed, **Annex J** details the virements processed in the quarter.

Procurement Waivers

2.33 Financial procedure rules require all variations to the ordering system to be approved by the Director of Finance and Resources. A summary of the procurement waivers are in **Annex L**.

3. Implications of the decision

| | | | |
|-------------------|---|-------------------------------------|---|
| Financial | X | Human rights, equalities, diversity | |
| Legal | X | Policies or Council Plan | X |
| Communication | | Procurement | |
| Energy Efficiency | X | Workforce | |

a) Financial implications

These have been detailed in this report and supporting Annexes.

| | | | | | |
|---------|---|------------------|---|------------------|---|
| Capital | Y | Revenue | Y | Accommodation | N |
| IT | N | Medium Term Plan | Y | Asset Management | Y |

b) Legal implications

Legal implications may arise in relation to specific capital schemes or revenue projects. In particular a capital scheme or revenue project may be needed to meet a specific legal requirement. These implications are addressed in the individual project appraisals. There are no significant legal implications arising as a result of this report.

c) Other implications

Policy: The recommendations of this report are consistent with the Council's Medium Term Financial Plan.

Carbon and Energy Management: All capital schemes consider Carbon and Energy Management implications at the capital appraisal stage before they are added to the capital programme. All new buildings included within the report for inclusion in the capital programme will be built to achieve EPC rating A.

Equalities Impact Assessments for capital projects will be undertaken for each scheme in accordance with the Councils EIA Policy.

List of annexes

| | | |
|---------|---|-----------------------------|
| Annex A | – | GFRA Variances |
| Annex B | – | Savings Tracker |
| Annex C | – | HRA Variances |
| Annex D | – | DSG Variances |
| Annex E | – | Reserves Position |
| Annex F | – | Capital Monitoring |
| Annex G | – | Tariff Monitoring |
| Annex H | – | Debt Position |
| Annex I | – | Treasury |
| Annex J | – | Virements |
| Annex K | – | Collection Fund |
| Annex L | – | Procurement Waivers |
| Annex M | - | Capital Programme Additions |

Background papers - None