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MID SUFFOLK CABINET	
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For consideration at the meeting on Monday, 4 MARCH 2024, the following additional or updated papers that were unavailable when the Agenda was printed.

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	Cabinet Member for Finance and Resources	

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Agenda Item 8

MID SUFFOLK DISTRICT COUNCIL

COMMITTEE: Cabinet	REPORT NUMBER: MCa/23/45
FROM: Councillor Rachel Eburne, Cabinet Member for Finance & Resources	DATE OF MEETING: 04 March 2024
OFFICER: Karen Watling, Interim Corporate Manager, Finance	KEY DECISION REF NO. CAB432/ CAB433

FINANCIAL MONITORING QUARTER 3 2023/24

1. PURPOSE OF REPORT

- 1.1 This report summarises the financial activities of the Council for the third quarter of 2023/24, covering General Fund Revenue, the Housing Revenue Account and the Capital Programmes for both funds. There is a new requirement from the start of 2023/24 to monitor the Council's Prudential Indicators on a quarterly basis and this data is attached as Appendix C.

2. OPTIONS CONSIDERED

- 2.1 The recommended option is set out in the Recommendations. There are no other available options.

3. RECOMMENDATIONS

- 3.1 That, subject to any further budget variations that arise during the rest of the financial year, the projected surplus on the General Fund of £2.36m referred to in section 4.2 and Appendix A of the report be noted;
- 3.2 That, subject to any further budget variations that arise during the rest of the financial year, the projected overspend on the Housing Revenue Account of £3.364m and the underspend on the capital programme of £23.248m referred to in section 4.3 and Appendix B of the report be noted;
- 3.3 That, the Council's compliance with the Prudential Indicators during quarter two referred to in section 4.4 and Appendix C of the report be noted.

REASON FOR DECISION

To ensure that Members are kept informed of the financial position for both General Fund Revenue and Capital, Housing Revenue Account and Capital and the Prudential Indicators.

4. KEY INFORMATION

Background

- 4.1 The Cabinet receives financial monitoring reports on a quarterly basis. This report covers the financial activity for the third quarter of 2023/24 and the amendments to projections for the year where necessary. It is important to remember that the figures being presented are not actuals at Q3, they represent what the outturn will be at the year-end if current trends are maintained.
- 4.2 The General Fund forecast outturn is a surplus of £2.36m against a budget of £3.68m. This has arisen from a combination of factors including shortfalls in income and slippage on budgeted business rates from Gateway 14. Statutory increases to planning fees have taken effect in year reducing the deficit on income. Financing charges have increased with higher interest rates worked into the forecast. See Appendix A for further details of the variances to the Revenue Budget. The General Fund Capital outturn has been revised to an underspend in year of £23m, primarily influenced by Gateway 14 and Mid Suffolk Growth. Projects continue to be reviewed against current spend with the Project Managers. Further detailed analysis of the capital programme expenditure and funding will continue into Q4.
- 4.3 The Housing Revenue Account forecast outturn has worsened from Q2 by £1.876m. A budgeted deficit of £0.806m is now forecast at £3.364m, the details of which are set out in appendix B. There is a significant variation anticipated on the HRA Capital Programme, only £17.748m of the £40.210m budget for new build and acquisitions is likely to be spent in 2023/24. The underspend of £22m will be re-phased to subsequent years.
- 4.4 There have been no breaches of the council's Prudential Indicators in the second quarter, and none are anticipated for the remainder of 2023/24. The new quarterly monitoring report for Prudential Indicators is attached as Appendix C.

5. LINKS TO THE CORPORATE PLAN

- 5.1 Ensuring that the Council makes best use of its resources is what underpins the ability to achieve the priorities set out in the Corporate Plan. Specific links are to financially sustainable Councils, managing our corporate and housing assets effectively, and property investment to generate income.

6. FINANCIAL IMPLICATIONS

- 6.1 These are detailed in the report.

7. LEGAL IMPLICATIONS

- 7.1 There are no specific legal implications.

8. RISK MANAGEMENT

8.1 Key risks are set out below:

Key Risk Description	Likelihood 1-4	Impact 1-4	Key Mitigation Measures	Risk Register and Reference*
We may be unable to react in a timely and effective way to financial demands.	3	3	Continued monitoring and reporting of the Councils financial forecast via quarterly reports to Cabinet. Reserves available to call upon.	Strategic Risk Register SRR004BDC
Service delivery may not be accomplished If economic conditions and other external factors are worse than budgeted for.	3	3	Budget control framework in place with Budget Holders and Assistant Directors with the Business Partner model operating effectively to support this. Continued monitoring and reporting of the Councils financial forecast during the year via quarterly reports to Cabinet.	Finance, Commissioning and Procurement ORR005BDC

9. CONSULTATIONS

9.1 Consultations have taken place with Directors, Corporate Managers and other Budget Managers as appropriate.

10. EQUALITY ANALYSIS

10.1 An equality analysis has not been completed because there is no action to be taken on service delivery as a result of this report.

11. ENVIRONMENTAL IMPLICATIONS

11.1 Directors, Corporate Managers and other Budget Managers continue to consider the environmental impact of their budgets and take the opportunity to reduce their carbon footprint as opportunities arise.

11.2 In subsequent years to support the Council's commitment to be Carbon Neutral by 2030, several initiatives have and are being undertaken from a combination of

the Council's own resources and those secured from external sources. Some of these are set out below.

- 11.3 A solar multi-function carport to generate electricity has been installed at Stowmarket Leisure Centre. The estimated CO₂ savings are equivalent to nearly 9 times the volume of the Royal Albert Hall and it is capable of generating enough power to supply 52 average homes in Stowmarket.
- 11.4 OZEV supported EV charging points are being moved to the implementation phase.
- 11.5 A property list of carbon emitting buildings is being established for future retrofit consideration.
- 11.6 A performance review of clean power installations on Council assets and operations and maintenance contracts is being commissioned.

12. APPENDICES

Title	Location
General Fund Financial Monitoring Quarter 1 2023/24	APPENDIX A
Housing Revenue Account Financial Monitoring Quarter 1 2023/24	APPENDIX B
Prudential Indicators Quarterly Monitoring	APPENDIX C

13. BACKGROUND DOCUMENTS

20 February 2023 General Fund Budget 2023/24 and Four-Year Outlook – MC/22/35

20 February 2023 Housing Revenue Account Budget 2023/24 – MC/22/36

20 February 2023 Joint Capital, Investment and Treasury Management Strategies 2023/24 – MC/22/39

General Fund Financial Monitoring Quarter 3 2023/24

Mid Suffolk District Council
March 2024



1. Background

1. Background

2. The General Fund Budget for 2023/24 was approved by Council in February 2023. After the easing of COVID pressures on the Council's budget new challenges are being driven by the economic effects of the War in Ukraine and the Cost-of-Living crisis, with inflationary pressures on costs and reductions in expected income. The impact of these factors across the whole organisation is projected to result in overspends.
3. Inflation, measured by the Consumer Price Index (CPI) remains high at 5.3% (Dec 2023), and while it is assumed to have reached a peak, continuing pressures on the cost of fuel, materials and services has been reflected in the forecast variances for 2023/24.
4. The Bank of England base rate remains at 5.25% (Jan.2024) and while the rate is assumed to have peaked reductions are not expected until May at the earliest. Monitoring continues to identify any risk to the Council's position and a review of the effects of the Council's borrowing has led to adjustments in the forecast to account for the additional borrowing costs.

5. Forecast position for 2023/24

6. Budget monitoring is a key tool and indicator on the delivery of the Council's plans and priorities for the year. There will be operational reasons for variances as well as the current inflationary pressures.
7. Based upon financial performance and discussions with budget managers and the Senior Leadership Team, key variations on expenditure and income compared to budget have been identified.
8. The overall position of the Council's Revenue General Fund for 2023/24 is forecast at Q3 to be a deficit of £2.3m from a budgeted £3.7m surplus, a variance to budget of £1.3m.
9. The key variances that make up this overspend are shown in the following sections of this report. The largest variances are deficits on planning income and costs in Law & Governance, mitigated by financing costs

with the effects of higher interest rates and an initial review of the Council's borrowing raising the interest projections for the year. Further work on enhancing the modelling for forecasting financing costs and interest income is being undertaken by the Finance Team.. Interest income from CIFCO Ltd is forecast to be below budget as the estimate incorrectly included principal repayment amounts which cannot be credited to the revenue budget.

10. Employee costs are also under pressure with several senior positions unfilled in Finance and Electoral Services which are currently filled by interims.
11. The Q3 forecast also includes a deficit against budget of £809k on Business Rates reflecting the fact that at the time of budgeting Gateway 14 was expected to be occupied by late 2023. With a phased occupation starting in 2024/25 and while we await ratings on the occupied warehousing at Port 1 – the updated forecast reflects the slippage in the original timeframe.
12. Employee costs are approximately 50% of the Council's expenditure and an increase of 4% was included in the budget. The pay award for the 2023/24 year has now been settled and the effects worked into the forecast. Recruitment remains challenging and the Council continues to experience gaps between people leaving the organisation and these posts being filled. The budget includes a £0.64m vacancy management factor of 5% on salaries centrally held outside of the service areas. The results of the Pay & Rewards project have added pressure to staffing costs. Some mitigation on the deficit against the salary budget will come from capitalisation of Salary costs for Capital and Transformation projects.

2. General Fund Revenue – Forecast

Service Area		Budget 2023/24	Full Year Forecast 2023/24	Variance to Budget (favourable) / adverse	Variance as % of Budget
		£'000	£'000	£'000	
Net Service Costs	Assets & Investments	449	381	(68)	-15%
	Communities & Wellbeing	666	636	(30)	-4%
	Corporate Resources	2,007	2,180	172	9%
	Customers, Digital Transformation & Improvement	2,287	2,258	(29)	-1%
	Economic Growth & Climate Change	496	495	(1)	0%
	Operations	3,819	3,766	(53)	-1%
	Housing	542	493	(49)	-9%
	Law & Governance	1,030	1,322	293	28%
	Planning & Building Control	1,403	1,955	552	39%
	HR & Organisational Development	694	708	14	2%
	Senior Leadership Team	736	733	(3)	0%
Housing Benefits	HB Transfer Payments	9,239	9,239		0%
	HB Grants and Contributions	(9,366)	(9,366)		0%
Net expenditure on services as above		14,003	14,802	799	6%
Recharges	Charge to HRA/Capital	(1,761)	(1,738)	23	1%
Capital Financing Costs	Interest Payable - CIFCO	416	416		0%
	Interest Payable - Other	1,090	1,090		0%
	Minimum Revenue Provision (MRP)	1,475	1,312	(163)	-11%
Investment Income	Pooled Funds Net Income	(566)	(503)	63	11%
	Interest Receivable - CIFCO	(2,187)	(2,040)	147	7%
	Interest Receivable - Gateway 14	(97)	(187)	(90)	-94%
	Interest Receivable Other	(31)	(297)	(266)	-868%
Total Net Cost of Services		12,344	12,856	511	8%
Government Grants	New Homes Bonus	(1,427)	(1,427)		0%
	Revenue Support Grant (RSG)	(132)	(132)		0%
	Services Grant	(92)	(92)		0%
	Rural Services Delivery Grant	(508)	(508)		0%
	Funding Guarantee	(450)	(450)		0%
Business Rates	Baseline Business Rates	(2,316)	(1,882)	434	-19%
	S31 Business Rates Grant	(3,416)	(3,201)	215	-6%
	Business Rates - Renewable Energy	(767)	(607)	160	-21%
	Growth / Pooling Benefit	(678)	(678)		0%
	Business Rates Prior Year Deficit/(Surplus)	790	790		0%
Council Tax	Council Tax	(6,846)	(6,846)		0%
	Council Tax Prior Year Deficit/(Surplus)	(177)	(177)		0%
Total Funding		(16,019)	(15,210)	809	-5%
Net Position Before Reserves		(3,675)	(2,355)	1,320	36%

3. General Fund Revenue – Major Variances cont.

Area	Full Year Budget £'000	Full Year Forecast £'000	Variance Total £'000	Comments	% Variance
Assets & Investments	449	381	(68)		-15%
Strategic Property	375	306	(68)	£20K overspend on utilities not recharged to Wingfield Barns being negotiated with operator. (£80K) additional income to budget from Co-operative store in Needham Market contributing a receipt of (£20k) per quarter. (£21k) additional income to budget from tenant at Needham Lake - Duck & teapot café restaurant contributing rent receipts at £5K per quarter. (£19K) underspend on employee costs. £32K overspend on depot repair and maintenance costs.	-18%
The Councils' Companies	75	74	(0)		0%
Communities & Wellbeing	666	636	(30)		-4%
Communities	742	673	(70)	Underspends forecast on Health and Wellbeing (£24k), Community Achievement Awards (£5k), Physical Activity (£29k), Suffolk Youth Focus (£6k), Healthy Behaviours (£48k) and Community Safety (£22k) budgets. Overspend on Community Grants £5k and salaries £59k (pay review and less from reserves than budgeted)	-9%
Leisure Contracts	(76)	(36)	40	Negotiations ongoing with Management Company resulting in a risk of £40k overspend to budget.	52%
Corporate Resources	1,881	2,053	172		9%
Finance, Commissioning & Procurement	1,881	2,053	172	Overspend on Agency staffing to cover various vacancies in the team due to difficulty with recruitment and under budgeted on insurance premiums due to inflationary increases.	9%
Customers, Digital Transformation & Improvement	2,287	2,258	(29)		-1%
Communications	235	239	5	£1.7k overspend on salaries due to Pay & Reward Outcomes, (£3k) underspend due to unspent operating budgets and £6.1k overspend on Subscriptions due to increase in NLA costs for the current financial year.	2%
Customer Operations	692	689	(3)	(£24k) underspend due to vacancy savings in Q1 & Q2 and £21k unbudgeted spend for Inform 360 Services subscription costs which has been funded from the salary underspend.	0%
ICT	977	949	(28)	(£14k) underspend due vacant post for full year, £10k cost pressure on BT line charges due to 300% increase in costs, (£22k) underspend on SCC contract due to contract being less than budgeted for and (£2k) underspend on operating costs.	-3%
Strategic Policy, Performance & Improvements	384	381	(2)	(£30k) underspend due to vacancies in Q1 and £27k unbudgeted costs for Corporate Plan Refresh which has been funded from the salary underspend.	-1%
Economic Growth & Climate Change	496	495	(1)		0%
Climate Change	96	99	3		3%
Economic Growth & Climate Change	399	396	(4)		-1%
Housing	542	493	(49)		-9%
PV Panels	(114)	(113)	1		-1%
Housing Solutions	656	607	(50)	(£71k) budgeted reserves in Homelessness has been offset against staff costs. (£73k) underspend on salaries due to vacancies including Housing Needs and Standards Manager which has not been filled. This saving has been reduced by £20k in the Independent Living Service as not all expenditure qualifies for DFG funding and also £74k in Rough Sleepers service as Corporate recharges do not form part of RSI funding and have been incorrectly included in the budget.	-8%

3. General Fund Revenue – Major Variances cont.

Area	Full Year Budget £'000	Full Year Forecast £'000	Variance Total £'000	Comments	% Variance
HR & Organisational Development	694	708	14		2%
HR & OD	694	708	14	Overspend due to additional resource in team brought in that wasn't budgeted for (approx. £18.5k), £16.5k additional costs due to Pay and Reward outcomes and yearly Pay Award, £5k overspend on SCC advert costs due to an increase in vacancies and £5k increase in Subscription costs. (£33k) underspend on the Training budget is offsetting the cost pressures.	2%
Law & Governance	1,030	1,322	293		28%
Electoral Services & Land Charges	69	270	201	£22k overspend on salaries due to Pay Award and Pay Review. £58k forecast to year end for Consultancy fees to run service until new CM is in place, Land Charge income is forecast £66k less than budget. The overspend on the May 23 Elections is £38k and £17k is to be paid back to the Elections Claim Unit (ECU) for the 2021 Election underspend.	290%
Governance & Civic Office	466	544	78	Member Allowances are over by £54k due to increases agreed after the 22/23 budget was set and also an additional increase in 23/24 related to the staff Pay Review. £8k overspend on Car Mileage Allowance, £6k on Training and £10k overspend forecast on postage costs.	17%
Internal Audit, Risk & Data	93	97	3		4%
Shared Legal Service	401	411	10	£10k overspend due to implementation costs for new Case Management System (CMS)	2%
Operations	3,819	3,766	(53)		-1%
Car Parking	(198)	(245)	(47)	(£37K) underspend on Business Rates charged against budgeted for the year based on 23/24 revised valuations. (£3K) underspend on employee costs. Forecasted (£7K) underspend on merchant fees on transactions on machines.	-24%
Health & Safety, Business Continuity and Emergency Planning	214	206	(8)	Employee cost underspend due to consultancy support at Corporate Manager Level to update Health & Safety requirements organisationally while substantive post is recruited.	-4%
Public Protection	729	650	(80)	Transitional vacancies, job adverts out with a view of full establishment from Q3. Employee costs for backlog COVID works funded by additional income from prior years deferred Contain Outbreak Management Funding (COMF) contributions. Incentives being funded in year across Operations and Communities teams to reduce health inequalities in our district due to the fallout of the COVID pandemic.	-11%
Public Realm	1,564	1,672	108	£24K overspend on equipment costs and staff Protective clothing overspend including wild seed sowing for biodiversity and hire of vehicle. Additionally, vehicle maintenance and repair overspend of £141K. Full review taken place to optimise use of fuels and mitigation in place to address overspend. (£60K) underspend on employee costs.	7%
Recycling, Waste & Fleet	1,474	1,474	0	Major variances include waste Contract (£50K); Garden Waste income growth (£7K); Transitional officer vacancies (£25K); Materials Recovery Facility (MRF) costs (£13K) ; Trade waste income growth (£11K). Offset by proposed reduction in drawdown of budgeted waste reserve.	0%
Service Improvement (Environment & Community Services)	35	10	(26)	Current employee resource seconded Quarter 01-03 of financial year to Corporate Services.	-73%

3. General Fund Revenue – Major Variances cont.

Area	Full Year Budget £'000	Full Year Forecast £'000	Variance Total £'000	Comments	% Variance
Planning & Building Control	1,403	1,954	552		39%
Building Control	245	258	13	£51k Reduction in income partially offset by staff savings (£26k)	5%
Development Management, Heritage & Enforcement	684	1,250	567	£769k (50%) reduction in income partially offset by staff savings (£151k), increased Pre app income (£7k), increased PPA income (£11k) and savings on Judicial Review budgets not utilised (£28k).	83%
Service Improvement (Sustainable Communities)	38	39	0		0%
Strategic Planning	435	407	(28)	£130k Neighbourhood Planning income less than expected due to claim window timings partially offset by staff savings (£58k), underspends on consultancy fees (£37k) and advertising (£3K). Budget intended for Stalled Sites not being utilised this year (£53k)	-6%
Senior Leadership Team	736	733	(3)		0%
Senior Leadership Team	736	733	(3)		0%
Grand Total	14,003	14,802	799		6%

4. Earmarked Reserves

Reserve	Budget Balance as at 31/03/24	Actual Movement From Reserve 2023/24	Actual Movement To Reserve 2023/24	Further Commitments / Forecast 2023/4	Forecast Balance as at 31/03/24	To Reserve 2024/25	From Reserve 2024/25	Estimated Balance at 31/03/25	Committed 2025/26	Committed 2026/27	Committed 2027/28	Balance with known commitments as at 31st March 2028
Business Rates & Council Tax	5,201,905	-	-	-	1,119,985	4,081,920	0	4,081,920	0	0	0	4,081,920
Business Rates Retention Pilot (BRRP)	394,335	-	-	-	13,872	380,463	0	-48,855	331,608	-40,569	0	291,039
Carry Forwards	128,799	-	-	-	128,799	0	0	128,799	0	0	0	128,799
Climate Change and Biodiversity	849,433	-	-	-	220,292	629,141	0	629,141	0	0	0	629,141
Commercial Development Risk Management	5,364,025	-	-	-	5,364,025	0	0	0	0	0	0	0
Community Development Fund		-	-		500,000	500,000	0	500,000	0	0	0	500,000
Community Housing Fund	140,827	-	-	-	140,827	0	-28,441	112,387	-29,294	-30,173	-31,078	21,842
Commuted Maintenance Payments	390,323	-	-		45,757	436,080	0	-113,979	322,101	-74,455	-74,455	-74,455
COVID 19	841,624	-	-		6,992	848,616	0	-848,616	0	0	0	0
Elections Equipment	35,000	-	-	-	35,000	0	0	35,000	0	0	0	35,000
Elections Fund	158,895	-138,895	-	-	20,000	40,000	0	60,000	41,200	42,436	43,709	187,345
Expected Credit Loss Reserve	-	-	-		537,850	537,850	0	-537,850	0	0	0	0
Financial Resilience Reserve	-	-	-	-	0	1,000,000	0	1,000,000	0	0	0	1,000,000
Government Grants	326,851	-	-	-	326,851	0	0	326,851	0	0	0	326,851
Thriving Communities Fund	8,303,779	-1,110,000	-		7,312,272	14,506,051	5,398,610	-3,632,552	16,272,110	-4,947,386	-570,000	-250,000
Insulation Project Reserve	-	-	-		2,000,000	2,000,000	0	-2,000,000	0	0	0	0
Homelessness	337,019	-	-		41,105	378,124	0	-86,934	291,190	-86,934	-86,934	-86,934
Strategic Planning Reserve	310,715	-	-	-	269,773	40,942	0	-10,000	30,942	-10,000	-10,000	0
Neighbourhood Planning Grants	72,523	-	-	-	255	72,268	0	72,268	-26,523	-26,523	-26,523	-7,301
Planning (Legal)	1,259,913	-	-	-	1,259,913	0	-107,000	1,152,913	-107,000	-107,000	-107,000	831,913
Planning Enforcement	45,000	-	-	-	45,000	0	0	45,000	0	0	0	45,000
Repair & Renewals	292,690	-	-	-	292,690	0	0	292,690	0	0	0	292,690
Rough Sleepers	25,665	-	-	-	25,665	0	0	25,665	0	0	0	25,665
Strategic Priorities Housing	1,578,000	-	-	-	1,578,000	0	0	0	0	0	0	0
Strategic Priorities Economy	984,759	-	-	-	984,759	0	0	0	0	0	0	0
Strategic Priorities - Wellbeing	870,178	-	-	-	870,178	0	0	0	0	0	0	0
Strategic Priorities - Communities	290,701	-	-	-	290,701	0	0	0	0	0	0	0
Strategic Priorities Corporate Services	200,000	-	-	-	200,000	0	0	0	0	0	0	0
Strategic Efficiencies	250,000	-	500,000	-	750,000	0	0	750,000	0	0	0	750,000
Temporary Accommodation	362,585	-	-	-	362,585	77,850	-85,918	354,518	-8,068	-8,068	-9,316	329,066
Waste	186,148	-	-	-	186,148	0	-186,148	0	0	0	0	0
Welfare Benefits Reform	6,573	-	-	-	6,573	0	0	6,573	0	0	0	6,573
Well-being	89,387	-70,000	-	-	624	18,763	0	18,763	0	0	0	18,763
Gateway 14 Dividend Reserve	-	-	-	-	0	20,000,000	-1,594,332	18,405,668	-3,883,639	0	0	14,522,030
Skills & Innovation Reserve	-	-	-	-	0	3,188,664	-3,188,664	0	0	0	0	0
TOTAL	29,297,652	-1,318,895	500,000	-468,489	28,010,269	29,705,124	-12,469,289	45,246,104	-9,172,667	-870,716	-541,597	34,661,124

5. General Fund Capital

1. Background

2. Use of capital and one-off funds is critical and needs to be linked into our future delivery plans.
3. With complex capital schemes it is difficult to accurately assess the level of payments that will be made during the financial year. The Council continues to embark on new projects where it is difficult to accurately predict how payments will fall. Councillors should therefore focus on whether overall outcomes are being achieved because of the capital investment rather than variances against the plan for a particular year.

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4. Forecast position for 2023/24

5. The £23m variance on the budget of £31.4m is primarily influenced by the following projects;
 - Gateway 14 £10.75m
 - Mid Suffolk Growth £9.25m
 - Joint Depot £1.2m request to delay project until 2025/26 (as part of Budget Setting at Council meeting in February 2024).
6. Details of the variances to budget are shown on the following slides.

5. General Fund Capital

GENERAL FUND CAPITAL PROGRAMME 2023/24	Revised Budget 2023/24	Actual Spend at Q3	Forecast at Q3	Budget Variance	Expected Carry Forward to 2024/25	Explanation of Major Variances
Assets and Investments						
NMMS Library	-	27,000	27,000	27,000	-	Project complete
Strategic Assets - woolpit	4,784	4,784	4,784	-	-	Woolpit actual costs utilised from strategic investment fund budget as this work relates to the capital project that fell outside of the CIL monies.
Regeneration Fund - Former Council Offices	-	-	-	-	-	This scheme has now been combined with the Housing Delivery programme by Mid Suffolk Growth Ltd (see below)
New Joint Depot	1,200,000	-	-	(1,200,000)		£6m required over 2024-26 period. Approved at Council Feb 23. 2024/25 expenditure for land purchase, design fees and part time project management. Assuming completion 2 years from March 2024, (1 year legals/design/planning and 1 year to build). Request will be made to move budget to 2025/26 as part of the budget setting approvals at Council in Feb 2024.
Housing Delivery - capital loan to Mid Suffolk Growth Ltd (formerly MS Growth and Regen Fund - former Council Offices)	9,663,213	1,822	413,213	(9,250,000)		£2.5m for purchase of land for construction of open market housing - 24/25. £1.5m for the construction of open market units on land at De Saumarez Drive, Barham in future years. Other projects not going ahead.
Wingfield Barns	34,000	-	-	(34,000)	(34,000)	Heritage asset. Currently occupied by tenant. Improvements to be carried out so that Tenant will continue occupation. Build works (exterior on property) to be completed by end of 23/24
Strategic Investment Fund	2,821,216	46,338	50,000	(2,771,216)	(2,771,216)	Funding for opportunistic and time sensitive projects/acquisitions to achieve key council service objectives
Needham Lake Visitors Centre	-	-	-	-	-	Project complete - has spend where no further spend expected.
Gateway 14 Ltd (capital loan to company)	10,750,000	-	-	(10,750,000)		This budget to be vired to Skills & Innovation Centre as no new loans needed for Gateway 14 Ltd. Request will be made to transfer budget as part of the budget setting approvals at Council in Feb 2024.
Gateway 14 Skills and Innovation Centre			350,000	350,000		Project going to Jan 24 Council for approval. Circa £350k needed in 2023/24 for enabling works
Corporate Buildings - Planned Maintenance / Enhancements	266,629	24,419	60,001	(206,628)	(206,628)	Currently costs of consultant on new HQ Office move, Touchdown points and new depot scoping works. The carry forward budget of unspent capital is to make more semi-permanent enhancements to ageing depots should there be a substantial delay in sourcing a new depot such as drainage improvements, roof enhancements.
Total Assets and Investments	24,739,842	104,363	904,998	(23,834,844)	(3,011,844)	

5. General Fund Capital

GENERAL FUND CAPITAL PROGRAMME 2023/24	Revised Budget 2023/24	Actual Spend at Q3	Forecast at Q3	Budget Variance	Expected Carry Forward to 2024/25	Explanation of Major Variances
Corporate Resources						
Replacement Finance Management System	75,000	288,365	335,141	260,141	-	Costs are 50/50 split. 23/24 overspend included for 24/25 budget approval.
Total Corporate Resources	75,000	288,365	335,141	260,141	-	
Customers, Digital Transformation and Improvement						
ICT-Hardware/Software Refresh:	150,000	22,551	48,000	(102,000)	(102,000)	£102k profiled to 24/25 - Collaboration Hardware/Hybrid Working – to spend around 50% of budget in 23/24,
Public Protection - Verso Software Upgrade Project	-	30,000	30,000	30,000		To be re-charged from ICT budget. Invoice £60K set-up costs - split 50:50 for new licence software.
Additional Projects Major Contracts	-	61,000	61,000	61,000		Re: Oracle - No Budget
Total Customers, Digital Transformation and Improvement	150,000	113,551	139,000	(11,000)	(102,000)	

5. General Fund Capital

GENERAL FUND CAPITAL PROGRAMME 2023/24	Revised Budget 2023/24	Actual Spend at Q3	Forecast at Q3	Budget Variance	Expected Carry Forward to 2024/25	Explanation of Major Variances
Economic Development and Regeneration						
Solar Car Ports	-	1,195	1,195	1,195		Project completed
Business Hub Cross Street, Eye	330,000	395,806	442,000	112,000		Project complete, overspend due to additional works carried out for Low Carbon opportunities that were not in the original budget. £112k overspend is being funded from Climate Change Reserve.
SHELF Project Prof & Consultancy Fees	-	135,923	135,923	135,923		Project to go for Council approval in Jan 24. Anticipated all works except 3G pitch to go ahead in 2024/25.
EV Charging Points	240,000	126,076	220,000	(20,000)	(20,000)	Variance due to costs for installation of Charging Points in Mid Suffolk being less than expected due changes in Phase 1b and Phase 2. OZEV (DfT) grant funding of £316k received which is 75% of the overall project costs. Remaining 25% coming from Climate Change Reserve. To date 75% of £316k has been received
Economic Development and Regeneration	570,000	659,000	799,118	229,118	(20,000)	
General Fund Housing						
Mandatory Disabled Facilities Grant	899,882	486,453	575,947	(323,935)	(323,935)	We are planning to spend the Grant allocation received from Suffolk County of £698k. Policies are being reviewed to increase Minor Adaptation grants from £7.5k to £15k and Discretionary Funding Grants from £10k to £20k. Cabinet will need to approve these increases for 2024/25.
Renovation/Home Repair Grant	128,175	37,176	120,000	(8,175)	(8,175)	
Empty Homes Grant	469,000	-	28,900	(440,100)	(440,100)	
Grants for Affordable Housing	340,000	-	-	(340,000)	(340,000)	No spending envisaged currently. Budget requirement to be reviewed.
Total General Fund Housing	1,837,057	523,630	724,847	(1,112,210)	(1,112,210)	

5. General Fund Capital

GENERAL FUND CAPITAL PROGRAMME 2023/24	Revised Budget 2023/24	Actual Spend at Q3	Forecast at Q3	Budget Variance	Expected Carry Forward to 2024/25	Explanation of Major Variances
Leisure Contracts						
Stowmarket Leisure Centre - Extension and Refurbishment	1,426,000	-	130,000	(1,296,000)	(1,296,000)	Awaiting costings by consultants on improvement works - anticipated delay in works into 2024/25 where agreed timetable of works can be produced. Expect to carry forward.
Stradbroke Pool - Refurbishment	546,000	7,043	16,000	(530,000)	(530,000)	Awaiting costings by consultants on improvement works - anticipated delay in works into 2024/25 where agreed timetable of works can be produced. Expect to carry forward.
Total Leisure Contracts	1,972,000	7,043	146,000	(1,826,000)	(1,826,000)	
Operations						
Replacement Refuse Freighters - Joint Scheme	370,220	174,100	162,220	(208,000)	(208,000)	Predicted costs based on vehicle replacement program. Estimated costs based on previous purchases (1 vehicle delivered in 23/24) plus inflation.
Recycling Bins	100,000	141,225	160,000	60,000	60,000	Value increased to reflect actual costs in 2023/24. Continued increased new build developments means more bins are required. Costs recovered through increased revenue.
Electric Buses	560,000	-	-	(560,000)	-	As per Cabinet decision on 5/12/23 - capital budget no longer required. Expenditure now classified as revenue spend.
Total Operations	1,030,220	315,325	322,220	(708,000)	(148,000)	
Planning						
CIL Funded Infrastructure Grants	-	4,174,942	4,329,977	4,329,977	-	Forecast budget for 24/25 based on potential spend for existing approved CIL Bids. Funded from CIL Reserve
Total Planning	-	4,174,942	4,329,977	4,329,977	-	

5. General Fund Capital

GENERAL FUND CAPITAL PROGRAMME 2023/24	Revised Budget 2023/24	Actual Spend at Q3	Forecast at Q3	Budget Variance	Expected Carry Forward to 2024/25	Explanation of Major Variances
Public Realm						
Street care - Vehicles and Plant Renewals	90,000	64,535	90,000	-		Scheme is replacing old for new trailer (normally 8 years shelf life). Full budget to be utilised.
S106 Open Spaces Grants	-	347,788	347,788	347,788	-	Funded from S106 monies
Needham Lake Footpath - Planned Maintenance	83,000	-	20,000	(63,000)	(63,000)	20k spend on paths in this financial year and approx. 80k toilet refurb in 24/25
Parking Strategy Implementation	115,000	-	15,000	(100,000)	(100,000)	Carry forward expected for Car Park Strategy implementations including signage and meter equipment to bring improved enforcement. Delays in project due to new political scope and requirement.
Planned Maintenance / Enhancements - Car Parks	305,000	18,486	50,000	(255,000)	(200,000)	£50k spent this financial - unlikely to spend more - 200k to be carried forward into 24/25 in line with Car Park Strategy
Total Public Realm	593,000	430,809	522,788	(70,212)	(363,000)	
Sustainable Communities						
Play Equipment	250,000	-	50,000	(200,000)	(200,000)	Project has experienced lots of delays.50k spend in this financial year - rest is likely to be Carried forward into 24/25
Community Development Grants	232,628	184,881	184,881	(47,746)	(47,746)	The budget is oversubscribed and we expect the budget to be fully allocated to community organisations each year. Whilst all funding will be allocated this financial year, applicants are given 6 months to spend from award. As such full spend will not be achieved within the same financial year and carry forward will be requested for those grants awarded.
Total Sustainable Communities	482,628	184,881	234,881	(247,746)	(247,746)	
Total General Fund Capital Spend	31,449,747	6,801,910	8,458,970	(22,990,777)	(6,830,800)	

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