

2024-25 Budget Monitoring No.1

Cabinet	22nd August 2024
By	Chris Blundell, Director of Corporate Services - Section 151
Cabinet Portfolio Member	Cllr Rob Yates, Portfolio Holder for Corporate Services
Key Decision	No
Decision classification	Unrestricted
Call in status	For information
Ward:	All Wards

Purpose of the Report

This report provides the 2024/25 Quarter One budget monitor for General Fund revenue and capital forecasts against budget, as well as the Housing Revenue Account.

Recommendation(s):

1. That Cabinet notes the following:
 - (i) The General Fund revenue budget 2024/25 forecast position.
 - (ii) The General Fund Capital Programme 2024/25 forecast position.
 - (iii) The Housing Revenue Account position.
2. That Cabinet recommends to Council for approval the supplementary capital budgets, numbered (i) to (iv), as set out in section 8.4 and Annex 1 to this report.
3. That Cabinet agrees to the capital programme budget adjustments, numbered (i) to (iii), as set out in section 8.5 and Annex 1 to this report.

1. Summary of Reasons

- 1.1 This report provides Cabinet with a view on the 2024/25 forecast outturn for General Fund revenue and capital, as well as the Housing Revenue Account.
- 1.2 This report makes recommendations that Cabinet approve a number of budget adjustments to the Capital Programme as well as asking Cabinet to recommend to Council for approval where appropriate.

2. Background

2.1 As part of the budget monitoring process, we seek to provide Cabinet with timely and meaningful information pertaining to the anticipated Outturn. This report provides detailed information, covering each Service area and its associated projected position.

3. Relevant Issues

General Fund – Revenue Forecast 2024/25

3.1 The 2024/25 General Fund net revenue budget of £22.752m was agreed at the Council meeting on 8 February 2024. At the end of quarter 1, 30 June 2024, there was a forecast **£1.777m** overspend on General Fund revenue service budgets, largely due to the continued pressure arising within the Homelessness service alongside significant income shortfalls in a number of other services.

3.2 The council continues to face challenges as a result of the lasting effects of the pandemic and now the cost of living crisis, most notably through the aforementioned shortfall in service income and the ongoing impact on homelessness. Managers continue to estimate the financial impact of this and future monitoring will allow for greater certainty of where we will be over the coming months.

3.3 Table 1 below summarises at directorate level the **£1.777m** projected overspend on General Fund revenue services based on actuals to the end of quarter 1 and forecasts from budget holders for the remainder of the year. Paragraphs 4.1 - 4.5 explain variances between the budget and forecasts.

Table 1: General Fund - Forecast against Budget 2024/25

Function	Revised Budget £'000	Forecast £'000	Gross Variance £'000	Use of Reserves £'000	Net Variance £'000
Chief Executive	2,211	2,211	0	0	0
Corporate Services and s151 Officer	6,727	7,334	+607	-650	-43
Place	4,007	5,041	+1,034	0	+1,034
Environment	7,789	8,725	+936	0	+936
Net Service Spending	20,734	23,311	2,577	-650	1,927
Corporate Budgets	2,018	1,868	-150	0	-150
Net Revenue Expenditure	22,752	25,179	2,427	-650	1,777

Positive variances (+): *overspends or underachievement of income*
Negative variances(-): *underspends or surplus income*

4. General Fund detail by Department / Service Area:

The following section sets out the forecast net spending position, compared to the approved budgets for 2024/25, across the council's various service headings.

Chief Executive

4.1 A provisional outturn figure of +£0k Overspend.

(i) Communications and Digital

Due to the variable nature of spend around IT and Digital, a new Digital/Communications reserve was set up with £52k as an opening balance to facilitate spend associated with digital transformation projects. This reserve is intended to smooth the impact of new schemes in an ever changing Digital/ICT environment. Although there is currently the potential for an overspend in this area, in part due to the cost impacts of the recent Cyber incident, additional work is required to ascertain the likelihood of this being in excess of the reserve balance.

Director of Corporate Services and s151 Officer

4.2 A provisional outturn figure of +£607k Overspend.

(i) Human Resources -£43k

The service is forecast -£43k underspend in this area, mainly due to two vacancies in the service that are planned for recruitment.

(ii) Housing Benefit +£650k

The Council processes over £35m of Housing Benefit (HB) payments that in the main are funded by HB subsidy payments from central government. At this early point in time we are forecasting a +£650k overspend compared to budget. Due to the scale and the nature of the transactions the accounting for HB is complex and volatile and as such difficult to forecast from a financial planning perspective, consequently it is challenging to quantify the individual impact of all the factors that contributed to this overspend, but it is expected that Cost of Living pressures will have had a significant impact.

In addition to the Cost of Living pressures, the national benefits regime for Temporary Accommodation is also having an increasing significant impact on our financial performance. The amount of HB subsidy that can be claimed for TA is predicated on the January 2011 Local Housing Allowance (LHA) rates; these rates are now over 13 years old and their on-going application results in a short-fall in the amount of subsidy we can claim versus the costs incurred and as such is contributing the financial pressure in this service area.

The Council, through the Practitioners Operational Group (POG - this is a national working group of local authorities and Department of Work and Pension (DWP)) are engaging with DWP on this matter.

This pressure has been further exacerbated by the legacy reductions in HB admin grants that Local Authorities receive.

Work is underway to review the impact of this ongoing pressure on the budget and Medium Term Financial Strategy (MTFS), with growth expected to be covered over the life of the MTFS. For 2024/25 it is proposed that this overspend be financed from the Council's equalisation reserve.

Director of Place

4.3 A provisional outturn figure of +£1.034m overspend:

(i) Housing Services +£800k

The pandemic resulted in additional pressures being placed on the service to place vulnerable homeless and rough sleepers in temporary accommodation (TA), this pressure has then been further compounded by the cost of living crisis and is likely to result in a forecast overspend of +£800k for 2024/25.

It is very difficult to predict the overspend on TA with any certainty due to the variation of the numbers in TA, the cost of providers that are available to provide the required accommodation and the timing of HB recoveries. At the end of June 2024 there were approximately 300 households placed in TA.

The Council has taken some steps in order to reduce its overall temporary accommodation spend including the successful development of Foy House in Margate, the acquisition of Truro Road and the Porchlight proposal to retain 41 units within the district. The Council is looking at all possible future opportunities to provide temporary accommodation to support vulnerable homeless and rough sleepers whilst reducing its overall budgetary impact.

(ii) Planning £0k

There may be a shortfall in planning applications income due to a reduction in the number of applications received and this will be closely monitored over the next quarter. The timing of medium to major planning applications is the major contributing factor on the amount of income received in a particular financial year; there can be quite a degree of volatility in these income streams from one year to the next.

It may be possible to contain any shortfall of income against the budget through a reduction in contribution to the Local Plan reserve (this contribution is based on income received, therefore, less income equals a lower contribution), in the structure and an increase in pre application income.

(iii) **Property +£89k**

Last financial year, the property team successfully increased the rent roll by £204k, by addressing backlog rent reviews and securing new lettings. This year, the team is on track to deliver an additional £150k of new income, with £30k already achieved to date, aligning with our forecasted targets. There will be further increases in rental income year-on-year in line with market trends.

Despite these positive strides, the team are currently facing an overspend of £89k. This is due to a combination of factors, including a large loss from a 4-unit property for which the lessee went into liquidation, leaving circa £80k loss of income, £100k from an increase in the Property income target as part of the 2024/25 budget setting process, and approximately £40k in increased electricity charges.

(iv) **Building control +£145k**

This is mainly due to income being below budget +£145k, primarily as a result of the delayed impact of delivering planned service changes.

Director of Environment

4.4 **A provisional outturn figure of +£936k overspend:**

(i) **Enforcement Services +£0k**

Overall parking income continues to be affected by difficulties in recruiting and retaining enforcement officers, but equivalent staffing savings can be used to smooth the impact.

Within the Council's off-street car parks, forecast income is down compared to budget by +£235k for the year, although the seasonal nature of parking makes this difficult to predict. This represents a pressure for the General Fund, but is expected to be fully covered by reduced staffing costs, due to difficulties in recruiting and retaining enforcement officers.

A -£435k income surplus has been forecast within on-street parking. This is being driven by reduced costs associated with on-street enforcement charges as a result of difficulties recruiting and retaining Officers. Any in-year surplus or deficit on On-Street parking, regardless of size, will be managed through the reserve, in line with the Road Traffic Act and as a result there is zero variance in relation to this activity.

(ii) **Domestic Waste/Street Cleansing +£373k**

The number of vacancies coupled with the higher than historical rates of sickness absence and a consequent reliance on agency staff across the entirety of the service will contribute +£263k towards the projected overspend. Coupled with additional Depot repairs and maintenance +£60k and a projected shortfall in Bulky Waste income +£50k, there is a projected overspend of +£373k.

(iii) **Maritime and Technical Services +£363k**

There is a +£363k income shortfall forecast compared to budget within Port operations due to restricted opportunities for one off income streams, such as car ferries.

(iv) **Toilets +£50k**

The council is once again investing an additional +£50k, over and above existing budget provisions, for additional public toilets throughout the peak summer period. This is deemed necessary to meet the demand from the continued trend of increased visitor numbers to the district.

(v) **Crematorium and cemeteries +£150k**

Due to increased income targets along with the opening of a new Crematorium in Herne Bay and the income shortfalls over the last couple of years we are prudently forecasting a shortfall in income of +£100k. Staffing is currently an issue and the prolonged use of agency staff is likely to lead to an overspend of +£50k.

Corporate Budgets - £150k

4.5 Included within corporate budgets are such items as:

- Interest earned on investments and paid on borrowing
- Budgets and expenditure relating to the repayment of debt
- East Kent Shared Services and their central charge,
- HRA recharges i.e. service costs that are recharged to the HRA but which are held centrally for monitoring purposes,
- Capital charges including recharges for staff time,
- External funding and
- The 2023-24 assumed collection fund deficit that hits 2024-25.

(i) Income generated as a result of the Council's investment activities is being positively impacted by the current increased interest rates, although the counter side to this is increased borrowing costs, we are currently projecting a net gain of -£150k on these activities.

5. Supplementary Budget Requests

5.1 This section of the report provides additional information and context associated with any recommendations which request additional budget provision to be approved with the General Fund revenue budget.

5.2 There are no General Fund requests for this monitoring period.

6. Corporate Income

6.1 The net budget requirement is the term used to explain the total amount the council spends on services after taking account of income streams that are specific to particular service activities such as specific grants or fees and charges (e.g.

homelessness grants or car park income). For 2024/25 the net budget requirement was set at £22.752m and was funded from the following corporate (i.e. non service specific) income streams.

	£000	£000
2024-25 NET GENERAL FUND REVENUE BUDGET		22,752
Funded by		
Government Grants	-1,365	
Retained Business Rates & Section 31 Grants	-9,469	
Business Rates Collection Fund Deficit	199	
Council Tax	-12,230	
Council Tax Collection Fund Deficit	113	
Total Funding		-22,752

6.2 Business Rates

The retained business rates system is a highly complex system, but in simple terms the Council included £9.469m in this year's budget from business rates related income.

Since the retained business rates system was introduced local authorities have been allowed to retain a proportion of the additional business rates that are generated in their district. TDC also participates in a Kent wide pool that allows Kent authorities to retain a greater proportion of income than operating independently under the national scheme.

However this strand of income is most uncertain and is highly volatile; both in terms of in-year allocations and also for future reform. As such, the budget strategy for the number of years was to only include approximately half of possible growth in the base budget. For 2024/25 the full amount of anticipated growth has been assumed and therefore £1.875m of possible retained growth is included in the base budget.

In terms of actual collection, as at the end of June 29.74% of the annual amount had been collected, against a target of 30.50%. The gap was largely due to some larger companies missing their expected payment date. This was proactively addressed and those missing payments were made in early July.

6.3 Council Tax

The council has budgeted for an income of £12.230m from council tax this year. In budgetary terms, this budgeted income is secure for the financial year, because due to the statutory arrangements for the accounting of council tax income, any surplus or deficit on the actual collection of council tax from residents is accounted for through

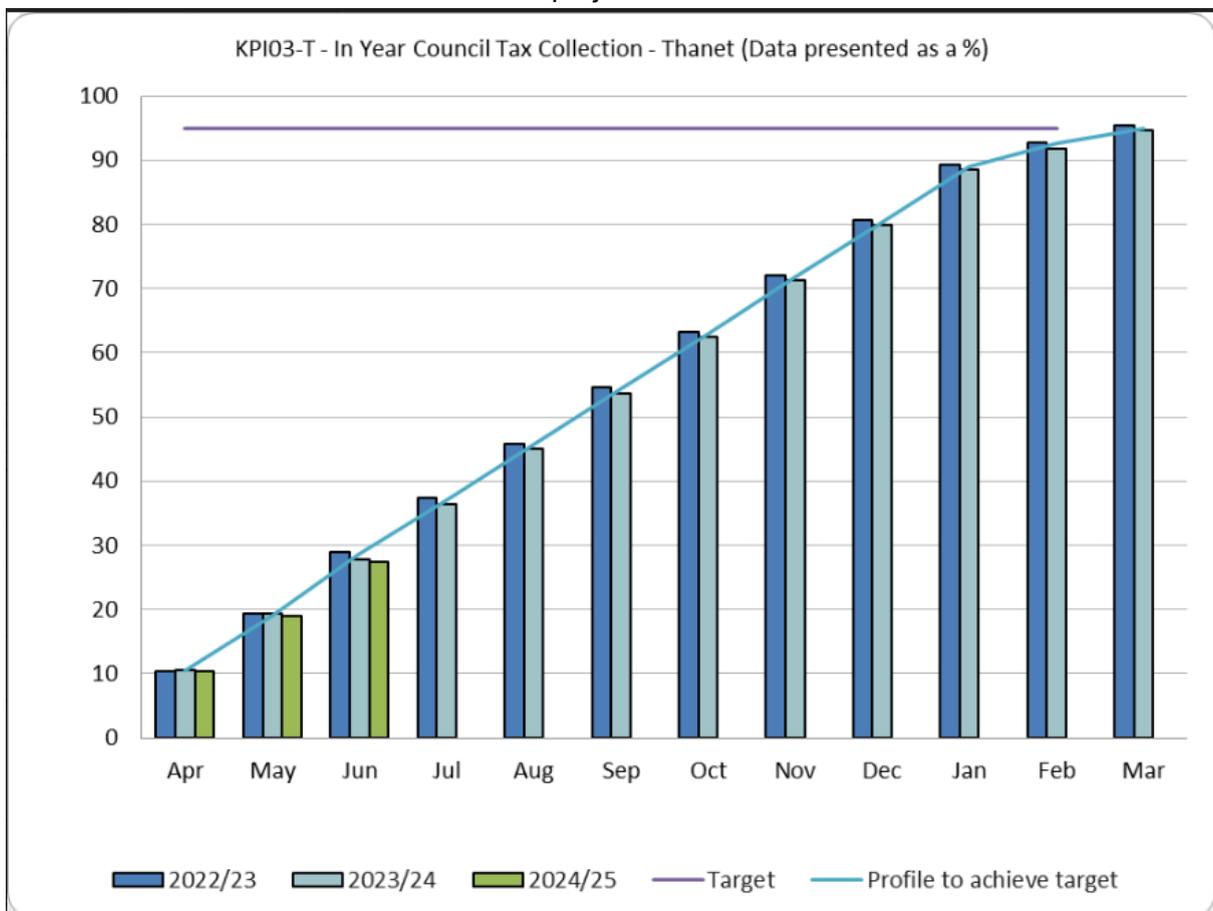
the collection fund. Subsequently, any surplus or deficit that is accumulated in the collection fund is credited or charged to the General Fund revenue budget as part year budget setting process for future years.

In terms of actual collection of council tax within this financial year, the headline is that collection is slightly behind profile, reflecting wider economic challenges as people struggle with household bills. The team are working with customers to reduce the impact - for example an additional 1,352 accounts are now being paid in 12 monthly instalments rather than 10, which has reduced the monthly income in estimated payments, with actual collections hitting 27.39% against a target of 28.63% at the end of June 2024.

Month-end also fell over a weekend this month (with the 28th being a Friday) a total of £145,415.46 was paid on or before 30 June 2024 but posted after the weekend. With those payments included, together with payments above, collection would have been 27.52%.

The annual target for collection of council tax is 94.91% by the end of March 2025, however it should be noted that the vast majority of any council tax that hasn't been paid by the end of the financial year will still be collected and recovered in following years. Over a number of years, the overall collection for each year ultimately reaches circa 98.5%. The current economic challenges mean that this timeframe may be stretched by a further year, but the historically achieved values still remain viable.

The chart below shows actual and projected council tax collection rates for June 24.



7. Addressing Budget Variance

- 7.1 Current forecasts show a potential net overspend of just over +£1.777m against General Fund Revenue service budgets. It should be noted typical for early budget monitoring to be pessimistic in nature and there remains a substantial proportion of the financial year remaining to address the forecast overspends.
- 7.2 The most concerning forecast budget overspends are those of a demand-led nature, where our spending or income levels are dedicated by external demand for our services (e.g. number of homeless families, or number of building control applications) and as such the potential opportunities to manage down spending pressures through conventional budgetary control measures are limited.
- 7.3 Homelessness remains a key issue and as indicated at para 4.3 above, this comes at a significant cost. In order to try and help manage the impact of homelessness, we have commissioned CIPFA to undertake a review of our cost modelling and associated measures for reducing the long term impact on budgets. It is anticipated that this piece of work will be completed in September, allowing us to present a revised position as part of our 2nd monitoring report of the year.
- 7.4 The impact of Housing Benefit on our budgets remains a pressure that we are looking to address as part of our Medium Term Financial Strategy. In this vein, we have established a working group with a primary focus on addressing the long term implications, this group has a broad range of staff with a focus on all things HB, the objective is to come up with creative ideas and solutions to manage this cost pressure over the medium term.
- 7.5 All budgets will continue to be regularly monitored to ensure that the council's expenditure remains where possible, within the agreed budget. This will include monitoring income and controllable spend in order to manage down the potential impact. Each of the services projecting an overspend as above are striving to minimise or eliminate the overspend before the end of the year, but failure to do so will require consideration of the use of reserves.

8. General Fund Capital Programme – Forecast 2024/25

- 8.1 The Council's 2024/25 revised General Fund capital programme of £74.128m is expected to be underspent by -£9.560m, (subject to the budget adjustments listed at 8.3 (iv) below).
- 8.2 **Annex 1** provides a breakdown of the forecast underspend at scheme level and also shows that £5.137m (6.93%) has been committed against this year's budget as at 30 June 2024. The relatively low level of committed spend at the end of quarter 1 2024/25 reflects anticipated project reprofiling as per section 8.3 below. Despite the proposed reprofiling, the relatively low level of spend at Q1 increases the risk that there may be high levels of slippage within the capital programme this year.
- 8.3 **Key Variances to the General Fund Capital Programme**

The projected underspend includes the following relatively large projects:

(i) Housing Assistance Policy

£5.671m 2024/25 capital budget, £2.800m forecast spend, £2.871m forecast underspend.

The majority of forecast expenditure is on providing Disabled Facilities Grants to local residents. Final spend is dependent upon local need and timing of providing grant assistance. It is anticipated that any underspend at year-end will be available to be carried forward into the next financial year. The Housing Assistance Policy will be reviewed in November and this includes a proposed increase in the level of grants that we award - in line with the increase of costs of materials and building works seen nationwide.

(ii) Homelessness Accommodation (phase 2)

£2.200m 2024/25 capital budget (including prior year c/fwd), £1.000m forecast spend, £1.200m forecast underspend.

A suitable property has been purchased for conversion to temporary accommodation. It was previously a hotel with self-contained rooms, and requires only minimal alteration, mainly relating to fire safety and other compliance matters, linked to the change of use from hotel to residential. We are awaiting confirmation of the final cost of these works. We have also agreed to purchase 6 x 2 bed flats for temporary accommodation using the remaining allocated capital funding, this acquisition is not reflected in the quarter one forecast due to uncertainty around timing of completion.

(iii) Office Accommodation

£3.000m 2024/25 capital budget, £0 forecast spend, £3.000m forecast underspend.

Accommodation requirements are still under review given the scope for flexible working as highlighted by Covid. The financing of the Office Accommodation project is dependent on the proceeds of asset sales from existing office accommodation.

(iv) Margate Town Deal, Ramsgate Future High Street Fund, Margate Levelling Up Fund, Ramsgate Levelling Up Fund, Infrastructure

An underspend and slippage is expected against these projects due to the complexity of the schemes being delivered and external impacts. Significant spend is expected in Quarters 3 and 4 of the 2024-25 financial year, with a number of projects having commitments including the Margate Creative Land Trust, Margate Digital and the Winter Gardens.

On 25 July 2024 Cabinet provided approval for five Pathfinder Pilot projects to procure the works contracts for delivery of the schemes. This includes Newington Community Centre refurbishment and extension, Broad Street creative and community hub, Walpole Bay Pavilion, Walpole Bay lift and the Skatepark. These schemes total approximately £3.2m - these schemes are due to start procurement in Quarter 2 of 2024/25.

8.4 Proposed Budget Adjustments to the General Fund Capital Programme

It is proposed that the following changes to the capital programme be recommended to Council for approval, as per recommendation 2 to this report.

(i) UK Shared Prosperity Fund

The UK Shared Prosperity Fund is £1.15m which is primarily a revenue grant. This is being used to deliver schemes that support the Voluntary, Community and Social Enterprise Sector. Allocations have been made through an open grants programme, with further funding allocated to the Broad Street Community Hub and the remaining funding being considered for Margate.

It is proposed to transfer £180k from this revenue allocation to the capital programme to meet the capital expenditure obligations (e.g the allocation of grants of a capital nature to third parties).

(ii) Property Enhancement Programme

It is recommended to increase the capital Property Enhancement Programme by £290k, with the increase being funded via a contribution from the revenue property repairs budget, for improvement work to the Council's property assets in Blenheim Close and Anson Close.

This funding will be used to undertake crucial improvements to the Council's assets for urgent works to protect commercial income. Specifically, £250k will be directed towards property upgrades to ensure compliance and readiness for new tenants, thereby enabling these currently vacant assets to generate rental income. An additional £40k will be allocated for the removal of ACM exterior cladding panels on the front (and potentially rear) elevations, further enhancing the marketability and rental potential of these properties.

(iii) Vehicle & Equipment Replacement Programme

Increase the budget by £170k which is funded from revenue, for new vehicles and equipment as per the 24/25 Star Chamber exercise carried out last year, this included new vans along with new weed control machines for Open Spaces. Revenue funding was set aside to meet the borrowing obligations of these new vehicles, however the Vehicle replacement Programme was not amended to include the Capital implications, this adjustment rectifies this issue.

(iv) High Street Heritage Action Zone Grant Ramsgate

Whilst the High Street Heritage Action Zone scheme is largely complete there remains some residual financial commitments in the 2024/25 financial year. It is therefore proposed to increase the budget for this scheme by £15k to meet these obligations, which is solely funded from match funding that has been contributed.

8.5 It is proposed that the following changes to the capital programme be approved by Cabinet, as per recommendation 3 to this report.

(i) Ramsgate East Pier Building Structural Improvements

It is proposed to transfer £178k from Property Enhancement Programme to the Ramsgate East Pier Building Structural Improvements budget. The existing capital budget was for concrete improvements only. However, it has become clear that the windows also need to be replaced because of their current condition and the obligations the authority has within the current lease. Further to this a further 22 improvements required have been identified at the last inspection. This has increased the cost of the project by £178k.

(ii) Vehicle & Equipment Replacement Programme (Maritime)

Transfer £162k budget to this programme, which will now replace the following individual projects:

- Replacement of Lead Lights at Port - £38k
- Boat Wash Separator - £47k
- Transformer - £60k
- Ramsgate Harbour Marina Access Gates CCTV - £1k
- Port Control Signal Light Repeaters for Ramsgate West Pier - £16k

This replacement programme increases flexibility as well as streamlining and simplifying the capital process for Maritime vehicles and equipment.

(iii) Ramsgate Leisure Centre Solar Panels

The Council has been awarded £675k in external funding to install solar panels at Ramsgate Leisure Centre. The total budget required to deliver the scheme is £780k, therefore it is proposed to transfer £105k budget to the Ramsgate Leisure Centre Solar Panels project, with the funding coming from the equivalent Solar Panels project Hartsdown Leisure Centre. Approval of this virement will allow us to move forward with the scheme in the most timely manner.

Unfortunately we were not successful in our bid for funding at Hartsdown Leisure Centre, and it is unlikely due to the roof structure the building could accommodate a scheme of comparable scale. However, this budget transfer does not remove the opportunity to deliver a scheme at Hartsdown in the future and alternative schemes will be considered in due course.

8.6 Capital Receipts

As at 30 June 2024 there was a deficit of £141k in capital receipts to fund the 2024/25 full year GF capital programme. This excludes the Office Accommodation project, which is currently assumed to be self-financing from the sale of associated assets. There were no capital receipts in Q1 2024/25 against the full year requirement of £141k.

9. Housing Revenue Account (HRA)

- 9.1 The HRA is currently forecasting a surplus against the budget of £548k. This would result in a year-end net surplus of £435k in 2024-25, which would mean a contribution to HRA balances, this being the first such contribution since 2019.

	2024/25 Budget	2024/25 Forecast	2024/25 Variance
	£'000	£'000	£'000
Income			
Dwelling Rents (gross)	-17,384	-16,751	633
Non-dwelling Rents (gross)	-327	-327	-
Charges for services and facilities	-706	-706	-
Contributions towards expenditure	-582	-582	-
Income Subtotal	-18,999	-18,366	633
Expenditure			
Repairs & Maintenance	5,459	5,459	-
Supervision & Management – General	5,222	5,222	-
Supervision & Management – Special	1,129	1,129	-
Rents, rates, taxes and other charges	268	268	-
Bad or doubtful debts provision	304	304	-
Depreciation/impairment of fixed assets	4,353	4,353	-
Capital Expenditure funded from HRA	300	300	-
Debt Management Costs	9	9	-
Expenditure Subtotal	17,044	17,044	-
Net Costs of Services Sub Total	-1,955	-1,322	633
Share of Members and Democratic Core	132	132	-
HRA Investment Income	-823	-823	-
Debt Interest Charges	2,031	850	(1,181)
Government Grants and Contributions	-10,038	-10,038	-
Adjustments made between accounting basis and funding basis	10,766	10,766	-
(Surplus)/Deficit on HRA	113	(435)	(548)

9.2 Income

- 9.2.1 Dwelling rents are forecasting a deficit of £633k. The rental budget for 2024/25 was increased to offset the amount of borrowing required to fully fund the new build/acquisition capital budget. This allows the HRA to then flexibly be able to purchase units when required, however it's assumed for prudence that the budget for acquisition of all units take place from the commencement of the financial year in case opportunities arise for purchase. This is in reality unlikely and so during the course of the financial year slippage can be expected on both the rental income to be achieved and conversely the cost of borrowing in relation to the programme.

9.2 HRA Debt Interest Charges

Due to a combination of the above revised timeline for acquisitions and the Council's healthy cash flow position, the Council has been able to undertake internal borrowing in the short term rather than seeking loans from PWLB that would attract debt interest charges. It is forecast that the HRA may need to borrow in the second half of 2024/25 as cash flow, due to large scale projects, may diminish to a level where some borrowing may be required. The budget should still be over and above the amount of forecast debt interest that would be incurred during 2024/25 should the borrowing be required.

10. HRA Capital Programme – Forecast 2024/25

- 10.1 **Annex 2** shows the revised 2024/25 Capital Programme that was presented and approved by Council 11 July 2024, alongside forecast spend for the year.
- 10.2 At the end of June 2024 £1.313m had been spent or committed, this represents 2.5% of the revised budget.
- 10.3 The current end of year forecast spend position is £36.385m, representing a forecast of spend 70% compared to budget. Within this overall forecast for the HRA capital programme there is a degree of variability at scheme level

For instance, the end of year forecasted spend against major works and disabled adaptations is 97.% compared to budget. Whereas only 43% of our housing purchase and replenishment scheme budgets are forecast to be spent by year-end, due to the nature, availability and timing. The unallocated budget on these schemes remains available to flexibly purchase sites when they become available.

- 10.4 Despite the planned profile of spending across the remainder of the financial year, the relatively low level of spend at Q1 increases the risk that there may be high levels of slippage within the capital programme this year.

11.0 Alternative Options

- 11.1 Cabinet may decide, should they so wish, not to approve any of budget variations or adjustments that are recommended in this report.
- 11.2 Under those circumstances insufficient budget would be available for the proposed usage that is detailed in the body of this report. Those schemes and initiatives would either need to be aborted or officers would need to return to Cabinet with alternative recommendations at a later date.

12. Consultation

- 12.1 There is no statutory or public law duty to consult in relation to this decision.

13. Corporate Implications

13.1 Finance and Resources

13.1.1 The financial implications have been reflected within the body of the report.

13.2 Legal and Constitutional

13.2.1 Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to monitor and control the Council's finances in order to provide a balanced budget.

13.2.2 The Council is required by law to set a balanced budget for each financial year. During the year there is an ongoing responsibility to monitor spending and ensure that finances continue to be sound.

13.3 Council Policies and Priorities

13.3.1 This report relates to the following corporate priorities: -

- To keep our district safe and clean
- To deliver the housing we need
- To protect our environment
- To create a thriving place
- To work efficiently for you

13.4 Risk

13.4.1 This report is a backward look and the impact of Risk is covered under the wider remit of the Budget and Medium Term Financial Strategy for the Authority.

13.5 Climate Change and Biodiversity

13.5.1 This report is a backward look and the impact of Climate Change and Biodiversity are covered under the wider remit of the Budget and Medium Term Financial Strategy for the Authority.

14. Equality, Equity and Diversity Implications

14.1 Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, sex, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

There are no direct equality implications arising from this report, however the delivery and implementation of and budgetary changes will consider this as part of the budget setting process and be reported to members in due course.

It is important to be aware of the Council's responsibility under the Public Sector Equality Duty (PSED) and show evidence that due consideration has been given to the equalities impact that may be brought upon communities by the decisions made by Council.

15. Crime and Disorder Implications and Community impact

15.1 This report is a backward look and the impact of Crime and Disorder is covered under the wider remit of the Budget and Medium Term Financial Strategy for the Authority.

Subject History

Subject history is covered within the body of the report

Appendices

Annex 1 - GF Capital Programme 2024/25

Annex 2 - HRA Capital Programme 2024/25

Background Papers

- Budget monitoring papers held in Financial Services

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