

# POLICY AND RESOURCES COMMITTEE

13 November 2023

PART I

## BUDGET MONITORING REPORT TO 30 SEPTEMBER 2023 (DIRECTOR OF FINANCE)

### Budget Monitoring Summary

- 1.1 Budget monitoring report is a key tool in scrutinising the Council's financial performance and is designed to provide an overview to all relevant stakeholders. It is essential that the council monitors its budgets throughout the year to ensure that it is meeting its strategic objectives within its resource limits and, where necessary, corrective action is taken. A key principle of budgetary control is to align the budget holders' financial responsibilities and their management responsibilities.
- 1.2 This report shows the expected financial position over the three year medium term based on the Council's actual financial performance at the end of quarter two (30 September 2023) set against the latest budget.
- 1.3 **Revenue Summary**
- 1.3.1 The forecast reported as at Period 4 of 2023/24 was £15.372m. This was a variation to budget of £1.127m. Since period 4, the Council has been working to identify in year savings to reduce the projected overspend without impacting on services. The forecast year end position for 20 23/24 at Quarter 2 is estimated to be £15.054m. This is a favourable variance of (£0.319m).
- 1.3.2 The table below shows how the forecast year end position has been constructed:

Revenue Budget 2022/23	£000
<b>Original Net Revenue Budget</b>	<b>13,754</b>
Carry Forward from 2022/23 (Year end report July 2023)	491
Variances previously reported	<b>1,127</b>
Previous Forecast	<b>15,372</b>
Supplementary Estimates to budget reported at Quarter 2 ( <i>to be approved</i> )	1
Variances to budget reported at Quarter 2 ( <i>to be noted</i> )	(320)
<b>Forecast Total Net Expenditure 2022/23</b>	<b>15,054</b>

1.3.3 The main variances are shown in the table below:

Committee	2023/24 Revenue Account – General Fund Summary						
		(C)	(A)		(B)	(B – A)	(B – C)
	Original Budget	Latest Budget	Previous Forecast	Net Spend to Date	Latest Forecast	Suppl Estimates and Variances	Variation to Latest Budget
	£000	£000	£000	£000	£000	£000	£000
General Public Services & Economic Development	3,887	4,152	4,481	915	4,431	(50)	279
Climate Change, Leisure and Community	2,442	2,536	2,554	(135)	2,579	25	43
Policy & Resources	5,026	5,477	6,157	3,683	5,863	(294)	386
<b>Total Service Budgets</b>	<b>11,355</b>	<b>12,165</b>	<b>13,192</b>	<b>4,463</b>	<b>12,874</b>	<b>(319)</b>	<b>709</b>
Corporate Costs (Interest Earned/ Paid) and Parish Precepts	2,400	2,400	2,180	2,065	2,180	0	(220)
<b>Net General Fund</b>	<b>13,755</b>	<b>14,565</b>	<b>15,372</b>	<b>6,528</b>	<b>15,054</b>	<b>(327)</b>	<b>489</b>

1.3.4 The supplementary estimates and variances above includes a reduction in the pressure of the pay award, due to the vacancies in the first half of the financial year.

#### 1.4 Capital Summary

1.4.1 The latest approved budget for 2023/24 is £15.572m. The forecast Year end position for 2023/24 is now estimated to be £20.023m, which results in a service variation of £4.451m.

1.4.2 The table below shows how the forecast Year end position has been constructed:

Capital Investment Programme 2022/23	£000
<b>Original Budget</b>	<b>4,602</b>
Rephasing from 2022/23	10,886
Variances Previously Approved	84
<b>Latest Approved Budget (Council October 2023)</b>	<b>15,572</b>
Variances to budget reported at Quarter 2 ( <i>to be approved</i> )	4,451
<b>Forecast Capital Expenditure 2023/24</b>	<b>20,023</b>

1.4.3 The forecast variances to agreed budget are shown in the table below:

Description	£000
<b>Bus Shelters</b> Rephasing from 2024/25 to 2023/24 required due to increased costs	5
<b>Waste Services Depot</b> Transfer from Basing House Whole Life Costing to facilitate works at the Waste Services Depot	50
<b>Outdoor Fitness Zoes</b> Use of S106 funding towards the outdoor fitness zone at Leavesden Country Park	25
<b>Leavesden Country Park Gate</b> Use of S106 funding for the entrance widening scheme	191
<b>Members IT Equipment</b> All equipment now purchased and distributed, no further spend expected until 2027/28 or 2028/29	(48)
<b>Basing House Whole Life Costing</b> Transfer to Waste Services Depot as works to Basing House will not be completed in this financial year	(50)
<b>Property Investment Board</b> Full budget not required due to no longer acquiring pre-emption site known as Little Furze. This will be offset by a budget virement of £5,851,612 to Local Authority Housing Fund (LAHF) as match funding under the LAHF grant scheme and remaining budget will be offered up as a saving	(6,065)
<b>Local Authority Housing Fund</b> Budget virement of £5,851,612 from Property Investment Board as match funding under the Local Authority Housing Fund grant scheme and £4,491,613 use of Local Authority Housing Fund grant	10,343
<b>Total Capital Variance</b>	<b>4,451</b>

## 1.5 Reserves Summary

1.5.1 The potential effect of both the revenue and capital variances upon on each reserve at summary level is shown in the table below. A list of reserve balances is shown at Appendix 7.

Description	Balance at 1 April 2023	Movement	Balance at 31 March 2024
	£000	£000	£000
Capital Reserves	(8,568)	(2,359)	(10,927)
Earmarked Reserves	(14,990)	(104)	(15,094)
Economic Impact Reserve	(1,618)	183	(1,435)
General Fund	(4,967)	1,464	(3,503)
<b>Total</b>	<b>(30,143)</b>	<b>(816)</b>	<b>(30,959)</b>

## Details

### 3.1 Revenue Budget

3.1.1 The Council's latest approved services budget (excluding corporate budgets) is £12.165m, the previous Forecast was £13.192m. The forecast year end position is now estimated to be £12.8723m which results in a reduction to the forecast of (£0.319m).

3.1.2 The table below shows the supplementary estimates and variances to be managed against each Committee. The position of each cost centre and an explanation of the main variances for each committee are set out in the detailed committee monitoring reports at Appendices 1 to 3 and within the Corporate Costs Medium Term Revenue Budget at appendix 4.

Committee	Supplementary Estimates £000	Variances to be managed £000	Total £000
General Public Services and Economic Development	0	(50)	(50)
Climate Change, Leisure and Community	1	24	25
Policy and Resources	0	(294)	(294)
<b>Total</b>	<b>1</b>	<b>(320)</b>	<b>(319)</b>
Corporate Costs (Interest Earned/ Paid) and Parish Precepts	0	0	0
<b>Net General Fund</b>	<b>1</b>	<b>(320)</b>	<b>(319)</b>

3.1.3 Within appendices 1 to 3, annex B sets out the supplementary estimates, variances to be managed, and budget virements requested for each committee.

3.1.4 The budget virements requested enable effective budget management by ensuring that budgets are aligned to service activity, management responsibilities, and reflect grant income and planned use of reserves. Budget virements must always net to zero across the Council's budget. Policy and Resources Committee is recommended to approve the budget virements at paragraph 10.1.

3.1.5 Supplementary estimates totalling £0.001m are requested at the end of Quarter 2. Supplementary estimates are requested when there is certainty that a budget pressure will arise, and the pressure cannot be managed within the service area. Supplementary estimates are funded by an increase in the contribution from General Balances and if agreed, result in the latest budget being updated to reflect the agreed expenditure. The impact of agreeing the additional budget is taken into account in the General Fund reserves forecast at paragraph 2.2.1. Policy and Resources Committee is recommended to approve the budget virements at paragraph 10.2.

3.1.6 At the end of Quarter 2, variances to be managed total £0.489m. This has reduced from £0.807m at the end of Period 4 as officers have identified offsetting efficiency savings to reduce the forecast pressure reported at Period 4. The most significant variance is (£0.306m) in relation to the expected pay award for 2023/24, we have managed to reduce the pressure reported at Period 4 due to the vacancy savings in the first 6 months of the financial year. The Policy and Resources Committee is recommended to note these variances at paragraph 10.3.

### 3.2 Revenue Reserve Position

3.2.1 The effect of all Quarter 2 variances on the Council's General Fund Reserve over the medium term is shown in the table below:

Movement on General Fund Balance	2023/24				2024/25	2025/26
	Original £000	Latest Budget £000	Previous Forecast £000	Latest Forecast £000	Latest £000	Latest £000
Balance Brought Forward at 1 April	(4,967)	(4,967)	(4,967)	(4,967)	(3,503)	(2,528)
(Surplus)/Deficit for Year	347	1,158	1,965	1,464	975	979
<b>Closing Balance at 31 March</b>	<b>(4,620)</b>	<b>(3,809)</b>	<b>(3,002)</b>	<b>(3,503)</b>	<b>(2,528)</b>	<b>(1,549)</b>

3.2.2 A prudent minimum general fund balance of £2.000m is considered appropriate. The general fund balance is forecast to remain above this minimum level over the medium term.

3.2.3 The Council also has the Economic Impact Reserve which is held to manage the impact of economic fluctuations. The reserve will be used in 2023/24 to fund the shortfall on the SLM management contract income as a result of the impact of COVID-19 on the leisure contract and the reprofiling of the management fee. the following table:

Movement on Economic Impact Reserve	2023/24				2024/25	2025/26
	Original £000	Latest Budget £000	Previous Forecast £000	Latest Forecast £000	Latest £000	Latest £
Balance at 1 April	(1,618)	(1,618)	(1,618)	(1,618)	(1,435)	(1,287)
COVID-19 Impact for Year	0	0	183	183	148	148
<b>Closing Balance at 31 March</b>	<b>(1,618)</b>	<b>(1,618)</b>	<b>(1,435)</b>	<b>(1,435)</b>	<b>(1,287)</b>	<b>(1,139)</b>

3.2.4 After taking account of the Economic Impact Reserve, the Council's unrestricted reserves position is forecast to remain above the £2.0m risk assessed level across the MTFP at £2.689m as at 31 March 2026 see Appendix 6.

### 3.3 Investment Portfolio

3.3.1 The Council's Property Investment Board was allocated up to a total of £20.000m in 2017 to invest in acquiring property with a specific remit of achieving a 5% return (yield) on the investment. The table below shows those properties that the Council has acquired, the 2023/24 receivable rent, and the resulting yield.

3.3.2 The total rent due is forecast to be £1.039m which will achieve an average yield of 5.67%, above the 5% target.

### 3.3.3 The governance of property investments is covered in the Property Investment Strategy.

Investment Property	2023/24 rent £000	Total cost of property £000	Yield %	Comments
Nottingham	(205)	4,469	4.59%	Acquisition of freehold interest located in the city centre of Nottingham let to commercial tenants, for a combined rental of £227,600pa on a 10 year lease from Feb 2018 which is subject to upward only rent reviews in Feb 2023. With effect from the Feb 2023, Barclays Bank Plc rent has been negotiated and agreed at £145,000 pa. This will be to lease end Feb 2028. Due to financial difficulties which a number of high street brands have encountered, one tenant company was under a Company Voluntary Agreement (CVA). Effective from the 2/9/20 to 8/4/2023, paying only a concessionary rent of £12,000 pa as opposed to the contracted rent of £60,000 pa. Property Services have, with effect from the end of the CVA, reverted the rent back to £60,000 pa.
Norwich	(496)	7,169	6.92%	Acquisition of a freehold interest located in the city centre of Norwich. Let to commercial sitting tenants for 20 year lease from December 2007. The rent due wef 21-12-21 was £468,670. The rent is reviewed annually in line with RPI, with a collar and cap arrangement of 3% and 5% respectively. However the lease requires that every 5th year a market rent review is undertaken. Rent review undertaken and it has been decided to uplift rent wef 21-12-22 by cap rate of 5%. This will result in an annual rental figure of £492,103.58. Forecast includes an element of backdate rent in relation to the uplift following the rent review.
Lincoln Drive (South Oxhey)	(151)	2,740	5.51%	The purchase of a Temporary Accommodation hostel at Lincoln Drive, South Oxhey. This comprises of 20 units with a mixture of 1, 2 and 3 bedrooms. This represents the net rent after the deduction of the management fee payable to Watford Community Housing which includes voids and the provision for bad debts. Management costs have increased wef April 23 by 11%. Rent and bad debt provision remain the same.
The Grapevine	(187)	0	0.00%	A joint venture development with Watford Community Housing on the ex-public house site 'The Grapevine'. Loan facilities provided by TRDC to Three Rivers Homes Ltd comprises of £5.182M with an interest payment plus accrued interest amounting to £187k.
<b>Total</b>	<b>(1,039)</b>	<b>14,378</b>	<b>5.67%</b>	<b>Average Yield</b>

### 3.4 Capital Programme

3.4.1 The Council's capital programme has been designed to support and enhance its core services and priorities. The Council's Medium Term Capital Investment Programme is shown by scheme by each Committee at Annex C in Appendices 1 to 3 and includes variances and commentary from officers.

3.4.2 The latest approved budget is £15.572m. The forecast year end position for capital expenditure by Services at Quarter 2 is £20.023m. This provides a variance to latest budget of £4.451m. The Policy and Resources Committee is recommended to approve a revised capital programme budget taking account of the budget variations as set out in appendices 1 to 3 at paragraph 10.4.

3.4.3 The table below shows the 2023/24 original budget, latest budget, forecast year end position, spend to date and variance for Period 4.

Committee	Original Budget £000	Latest Budget £000	Spend to Date £000	Year end Forecast £000	Variance £000
General Public Services & Economic Development	2,368	2,983	638	3,037	54
Climate Change, Leisure & Community	1,122	1,259	684	1,475	216
Policy & Resources	1,112	1,652	395	1,554	(98)
<b>Total Service</b>	<b>4,602</b>	<b>5,894</b>	<b>1,717</b>	<b>6,066</b>	<b>172</b>
<b>Major Projects:</b>					
South Oxhey Initiative	0	7	0	7	0
Property Investment Board	0	9,672	3,603	3,607	(6,065)
Local Authority Housing Fund	0	0	0	10,343	10,343
<b>Total Capital</b>	<b>4,602</b>	<b>15,572</b>	<b>5,320</b>	<b>20,023</b>	<b>4,451</b>

3.4.4 As at the end of Quarter 2, the spend totalled £5.320m and represents 34.16% of the latest budget.

3.4.5 The capital programme is mainly supported by three income streams; capital receipts (derived from the sales of assets), grants and contributions, and the use of reserves. In addition, the Council may prudentially borrow to fund its capital programme. Decisions on borrowing (amount and duration) will be taken when the need arises. Funding of the capital investment programme over the medium term is shown at Appendix 5.

### 3.5 Key Risk Areas

3.5.1 Resources are allocated in the revenue and capital budgets to support the achievement of The Council's corporate plan. The Council's budget is exposed to risks that can potentially impact on service level provision. The key risks highlighted as part of this quarter's monitoring are;

- **Inflation**

The 12 month Consumer Price Index (CPI) was 6.7% for September 2023 and the Retail Price Index (RPI) was 8.9%. Inflation drives costs across the Council's budgets with the most significant impact on pay, fuel and energy costs.

The impact on the Council's budget is set out section 2.6 below.

- **Business Rates & Council Tax**

The cost of living crisis, low economic growth and risk of recession will continue to place pressure on households and businesses throughout 2023/24 and may impact on the collection rates for Council Tax and Business Rates (NNDR - National Non Domestic Rates). The table below shows the impact on collection rates in the first four months of this year:

Fund	P6 2023/24 Target	P6 2023/24 Actual	Difference
Council Tax	49.02%	58.10%	9.08%
Business Rates (NNDR)	49.50%	58.15%	8.65%

As at 30 September, collection rates for both Council Tax and NNDR are ahead of target, however, this reflects the profile of payment plan options such as the payment of Council Tax



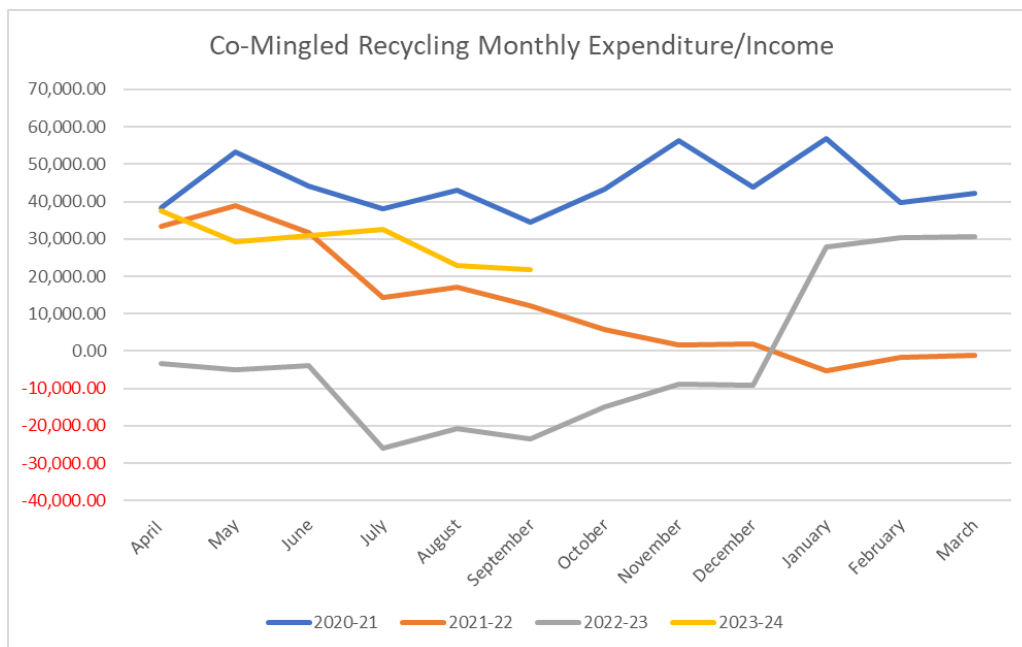
over 10 months of the year rather than 12. Year on year, the collection of Council Tax is marginally behind the position reported at 30 September 2022 when 58.6% (-0.5%) of Council Tax and 58.51% (-0.36%) of Business Rates due had been collected.

Any impact on collection rates will feed through the Collection Fund to impact on council spending power in 2024/25 through the Collection Fund surplus or deficit.

- **Recycling Costs**

The Council has a contract for the disposal of recycling. The cost of the contract is variable and is linked to the global commodities market. The price can fluctuate significantly and when demand for recyclable materials is high the Council receives income for the recycling. Currently, the Council faces a cost to dispose of recycling as demand for materials has reduced. Recent economic performance data released from China, where the economy appears to have entered a recession, suggests that demand for recyclable materials could remain low for longer, increasing the cost to the Council.

At present the Council is being prudent in its forecasting and assuming that recyclable income will not recover. The graph below shows the cost of, or the income received for the last 3 years and illustrates how this position can change in year.



- **Interest Rates**

The Bank of England's response to high inflation has been to utilise monetary policy by increasing the Bank of England Base Rate. This has impacted on the cost at which government can borrow and has fed through to the rates at which Councils can borrow from HM Treasury through the Public Works Loans Board (PWLB), rates that can be achieved from deposits with HM Treasury through the Debt Management Office (DMO), local authority to local authority lending and borrowing, and the interest rates offered by banks on current accounts and fixed deposits. The Council's cashflow forecasts indicate that the Council does not have a borrowing requirement during 2023/24. Therefore, the risk to the Council is on the upside, as higher interest rates mean that the Council will be able to generate more income from investing cash balances. The Council's Treasury Management activity is reported to the Audit Committee and the performance against budget is contained within this report in Appendix 4.

3.5.2 The Council's overall key financial risk matrix is shown at Appendix 7. These are reported and monitored and reviewed by the Council's Audit Committee on a quarterly basis. The latest matrix was presented to the Audit Committee on 28 September 2023.



### 3.6 Impact of inflation

3.6.1 The pay award remains the most significant risk to the annual budget and MTFP. The unions submitted the 2023/24 pay claim, effective from 1 April 2023, which would see individual council employees receive an increase of RPI +2% (RPI at 1 April 2023 10.7%). An offer was made by the National Employers Panel on 8 March 2023.

3.6.2 The offer included an increase of £1,925 for all employees up to SCP43 and 3.88% above, and an increase in allowances of 3.88% effective from 1 April 2023. The offer was rejected by the three main unions (Unison, Unite and GMB), in the spring and unions have balloted members on potential strike action. The outcome of the ballots will be known in the Autumn but it is not expected that the pay award will be resolved until December at the earliest.

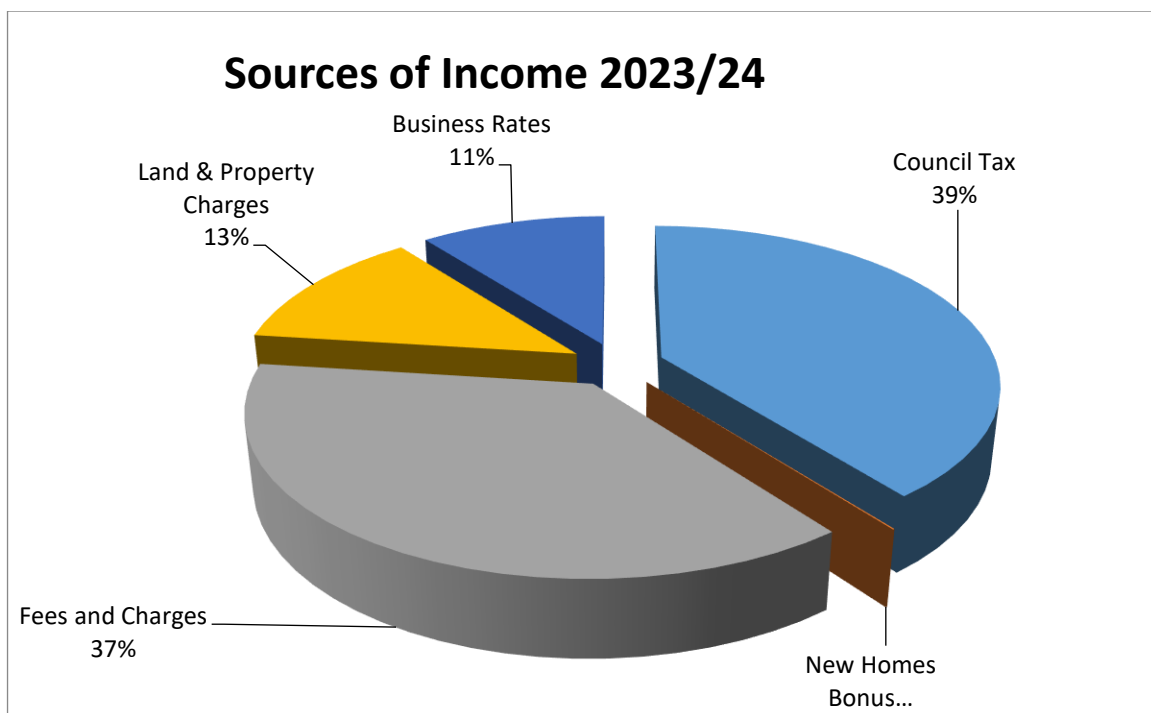
3.6.3 The offer made by the National Employers Panel is significantly above the 2.00% increase allowed within the budget for 2023/24 and represents an increase to the pay budget of 6.08%.

3.6.4 The total cost is estimated at £0.825m compared to a budget of £0.175m. This would create an annual pressure of £0.650m. This pressure could be met from general balances and in year underspend on salaries on a one off basis in the current year but will need to be addressed on an ongoing basis through the budget planning process.

3.6.5 Energy costs remain a concern, some pressure is now being seen in actual costs to 30 September 2023. As far as possible, services will be expected to absorb increased costs by managing other expenditure.

### 3.7 Council Income

3.7.1 The chart below shows the amount of income for each source as a percentage of total income.



3.7.2 Particular income generating items can fluctuate depending on the economic climate, popularity and affordability. The main risks that are considered the most critical and their financial position are shown in the table below. It should be noted that the income receivable from the Planning Services and Parking Enforcement are not linear and are subject to peaks and troughs throughout the financial year.

- 3.7.3 Environmental Services, trade waste is invoiced to customers half yearly in April and October and garden waste for existing customers is charged for in one instalment at the beginning of the financial year.
- 3.7.4 Garage rents are charged on a weekly basis and most are collected by a monthly direct debit. Licensing income relates licences which are issued on a three or five year basis.

Service	Income Stream	2023/24 Original Budget £	2023/24 Latest Budget £	2023/24 Actual to date £	2023/24 Year end Forecast £	2023/24 Variance £
Regulatory Services	Application Fees	(696,420)	(696,420)	(257,684)	(696,420)	0
	Licenses	(200,260)	(200,260)	(126,121)	(200,260)	0
Parking	Penalty Charge Notices	(115,000)	(115,000)	(58,300)	(115,000)	0
	Pay and Display	(220,000)	(220,000)	(102,772)	(220,000)	0
Environmental Protection	Trade Refuse	(826,650)	(826,650)	(409,588)	(826,650)	0
	Garden Waste	(1,463,200)	(1,463,200)	(1,460,320)	(1,463,200)	0
	Clinical Waste	(113,850)	(113,850)	(56,435)	(113,850)	0
	Cemeteries	(222,673)	(222,673)	(142,585)	(222,673)	0
Property Services	Garages	(976,830)	(976,830)	(476,524)	(976,830)	0
	Shops	(210,000)	(210,000)	(116,842)	(210,000)	0
	Investment Properties	(890,089)	(929,794)	(558,796)	(929,794)	0

- 3.7.5 Further details on the Council's key budget indicators for revenue service income streams (including volumes and trends) are shown in the detailed Committee Monitoring Reports at Appendices 1 to 3.

### 3.8 Debtors (invoicing)

- 3.8.1 The Council charges its customers for various services by raising debtor invoices. If the debt remains outstanding, then a variety of recovery methods are employed including rearranging the payment terms, stopping the provision of the service or pursuing the debt through the legal recovery process.
- 3.8.2 As at the end of Quarter 2 (September), the total outstanding debt was £1.164m. This is equivalent to 4.57% of total budgeted income of £25.500m. Debts less than a month old total £0.751m (64.48% of total debt) and it is considered that this sum will be recovered. Outstanding debt over a year old is £0.083m (7.11% of the total debt) which mainly relate to unpaid rent on Temporary Accommodation. The Council's debt recovery team will continue to chase these debts and initiate payment plans (instalments) wherever possible.



3.8.3 The table below shows a summary of the outstanding debt by the three main aged categories.

Aged debt	Services	Under 1 Month	Over 1 Month to year	Over a year	Total
Committee		£	£	£	£
General Public Services & Economic Development	Housing, Public Health and Wellbeing	3,533	18,411	51,880	<b>73,824</b>
	Economic Development and Planning Policy	0	4,330	7,463	<b>11,793</b>
	Public Services	113,315	16,874	3,009	<b>133,198</b>
Climate Change, Leisure & Community	Community Partnerships	5,180	124,629	360	<b>130,169</b>
	Leisure	381,036	66,264	79	<b>447,379</b>
	Sustainability & Climate	0	0	0	<b>0</b>
Policy & Resources	Resources	247,987	100,388	19,822	<b>368,197</b>
	Leader	0	0	220	<b>220</b>
<b>Total</b>		<b>751,051</b>	<b>330,896</b>	<b>82,833</b>	<b>1,164,780</b>

### 3.9 Treasury Management

3.9.1 The Council has managed its cash flows and adhered to its Treasury Management policy during the period to 31st July. The interest earned on the investments made by the Council supports the funding of the services it provides. The Council set an original budget of £0.290m on short-term investment interest for 2023/24. The Bank of England base interest rate was 4.25% on 1st April 2023, and was subsequently increased by 0.25% in May, 0.50% in June, 0.25% in August 2023. The base rate was therefore 5.25% at the end of the period.

### 3.10 Staff Vacancy Monitoring

3.10.1 A major risk of non-delivery of service is where key staff leave the Council's employ and there is a delay or difficulty in recruiting suitable candidates to fill the vacant post. The table below summarises the level of vacancies at the end of September 2023 with a detailed analysis by service within appendices 1 to 3.

Committee	No of Vacancies
General Public Services & Economic Development	8
Climate Change, Leisure & Community	1
Policy & Resources	5
<b>Total</b>	<b>14</b>

3.10.2 The percentage of vacant posts at the end of the second quarter is 3.87% when compared against the total number of 362 Council posts. In some cases, vacant posts will be covered by agency staff to ensure service delivery.

### Options and Reasons for Recommendations

4.1 The recommendations below enable the Committee to make recommendations to Council to agree the allocation of financial resources to delivery Council services.

## Policy/Budget Reference and Implications

- 5.1 In accordance with the Council's Constitution and Financial Procedure Rules, if the recommendations are accepted, this will amend the Council's budgets for 2023/24, and over the MTFP.
- 5.2 There are no substantial changes to Council policy resulting from this report.

## Financial Implications

- 6.1 The following revenue and capital variations have been identified for all service committees at 30 September 2023:

Variance	2023/24 £	2024/25 £	2025/26 £
Revenue - (Favourable)/ Unfavourable	(18,851)	(73,065)	(73,065)
Capital - Increase / (Decrease)	4,450,793	(20,916)	(16,260)

- 6.2 The explanations relating to these variations are set out in the main body of this report and supporting appendices.

## Legal Implications

- 7.1 There are no legal implications directly arising from this report.

## Equal Opportunities Implications

- 8.1 Relevance Test

Has a relevance test been completed for Equality Impact?	No
Did the relevance test conclude a full impact assessment was required?	No

## Staffing, Environmental, Community Safety, Public Health, Customer Services Centre, Communications and Website Implications

- 9.1 There are no relevant implications directly arising from this report.

## Risk and Health & Safety Implications

- 10.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.
- 10.2 The Financial and Budgetary risks are set out in Appendix 8 and are also reported to each meeting of the Audit Committee. FIN07, which captures the risk that the medium term financial position worsens, is also reported within the Council's Strategic Risk Register.
- 10.3 The risks set out in Appendix 8 are scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

## Recommendation

To Council:

- 11.1 That the revenue budget virements as set out in appendices 1 to 3 be approved and incorporated into the three-year medium-term financial plan.
- 11.2 That the revenue budget supplementary estimates as set out in appendices 1 to 3 be approved and incorporated into the three-year medium-term financial plan.
- 11.3 That the revenue variances to be managed as set out in appendices 1 to 3 be noted.
- 11.4 That the capital variances as set out in appendices 1 to 3 be approved and incorporated into the three-year medium-term financial plan.

## Data Quality

Data sources:

Council's financial ledger

Data checked by:

Sally Riley, Finance Business Partner

Data rating:

1	Poor	
2	Sufficient	
3	High	✓

## Background Papers

Budget papers to Council – February 2023

P4 Budget Management Report – Policy and Resources Committee 11 September 2023

## APPENDICES / ATTACHMENTS

- Appendix 1 General Public Services and Economic Development Committee Detailed Monitoring Report
  - Annex A - Medium term revenue budget by service
  - Annex B - Explanations of revenue variances reported this Period
  - Annex C - Medium term capital investment programme
  - Annex D - Explanations of capital variances reported this Period
  - Annex E – Key Income Streams
- Appendix 2 Climate Change, Leisure and Community Committee Detailed Monitoring Report
  - Annex A - Medium term revenue budget by service
  - Annex B - Explanations of revenue variances reported this Period
  - Annex C - Medium term capital investment programme
  - Annex D - Explanations of capital variances reported this Period
- Appendix 3 Policy and Resources Committee Detailed Monitoring Report
  - Annex A - Medium term revenue budget by service
  - Annex B - Explanations of revenue variances reported this Period
  - Annex C - Medium term capital investment programme
  - Annex D - Explanations of capital variances reported this Period
  - Annex E – Key Income Streams
- Appendix 4 Corporate Costs Medium Term Revenue Budget
- Appendix 5 Funding the capital programme
- Appendix 6 Medium Term Financial Plan 2023-2026
- Appendix 7 Reserves Forecast 2023/24
- Appendix 8 Budgetary Risks