

Appendix 1

Summary Revenue Budgets and Capital Programme for 2022/23 Budget and MTFs (2023/24 to 2026/27)

REVENUE					
Approved 2022/23 Budget & Medium-Term Financial Strategy (2023/24 to 2026/27)					
	2022/23	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000
Net Direct Cost of Services	11,064	10,942	11,094	11,896	12,708
Capital Financing	506	541	741	819	907
Net Expenditure	11,570	11,483	11,835	12,715	13,615
Contributions to/(from) Reserves					
- General Reserves	0	0	0	(551)	(1,962)
- Earmarked Reserves	1,428	(1,451)	(725)	(804)	(31)
	1,428	(1,451)	(725)	(1,355)	(1,993)
Budget Requirement	12,998	10,032	11,110	11,360	11,622
Total Grants	(6,344)	(3,020)	(3,749)	(3,675)	(3,601)
Council Tax Requirement	6,654	7,012	7,361	7,685	8,021

CAPITAL PROGRAMME					
Approved 2022/23 Budget & Medium-Term Financial Strategy (2023/24 to 2026/27)					
	2022/23	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000	£'000
Capital Projects					
CCTV	20	20	20	20	20
Harborough Innovation Centre	20	20	20	20	20
Housing & Homelessness Schemes	650	0	0	0	0
Lightbulb (Disabled Facilities Grants) & Other Social Services	420	420	420	420	420
Leisure, Open Spaces & Play	2,886	3,600	3,100	1,000	150
Corporate Buildings	222	375	1,000	5,000	0
Car Parks & Similar Facilities	90	400	400	0	0
Economic Development	0	0	0	0	0
Capital Works-S.106	250	250	250	250	250
ICT & Transformation	2,205	175	0	0	0
Total	6,763	5,260	5,210	6,710	860
Sources of Finance					
External Funding & Grants	1,626	1,820	3,328	1,270	720
Capital Receipts	3,926	500	450	50	50
Service Charges	6	6	6	6	6
Direct Revenue Financing	630	100	0	0	0
Unsupported Borrowing (MRP)	575	2,834	1,426	5,384	84
Total	6,763	5,260	5,210	6,710	860

2022/23 Revenue Forecast Outturn and Variance Analysis by Portfolio & Director Service Categorisation	Appendix 2
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2021/22 Outturn	Service Analysis - BY PORTFOLIO	Original Budget	Approved Budget Increases	Virements & Reserve Movements	Updated Budget	Forecast Outturn	Variance	
£000		£000	£000	£000	£000	£000	£000	
3,007	Finance	2,353	0	136	2,489	2,562	73	3%
4,218	Planning, Environment & Waste	4,986	0	190	5,176	5,322	146	2.8%
890	Wellbeing, Communities & Housing	1,270	0	40	1,310	1,287	(23)	-1.8%
588	Strategy (aka Planning & Regeneration)	670	0	32	702	734	32	4.6%
2,652	Corporate & Regulatory Services	1,785	0	62	1,847	2,727	880	47.6%
11,355	Net Direct Cost of Services	11,064	0	460	11,524	12,632	1,108	9.6%
452	Capital Financing	506	0	0	506	439	(67)	-13.2%
11,807	Net Expenditure	11,570	0	460	12,030	13,071	1,041	8.7%

2021/22 Outturn	Service Analysis - BY DIRECTOR	Original Budget	Approved Budget Increases	Virements & Reserve Movements	Updated Budget	Forecast Outturn	Variance	
£000		£000	£000	£000	£000	£000	£000	
1,532	Interim Chief Executive	2,196	0	108	2,304	2,259	(45)	-2%
3,104	Interim Deputy Chief Executive (Finance, ICT & Assets)	2,439	0	122	2,561	3,295	734	28.7%
1,275	Governance	0	0	0	0	0	0	0.0%
5,433	Communities	5,924	0	40	5,964	6,250	286	4.8%
11	Planning	505	0	190	695	828	133	19.1%
11,355	Net Direct Cost of Services	11,064	0	460	11,524	12,632	1,108	9.6%
452	Capital Financing	506	0	0	506	439	(67)	-13.2%
11,807	Net Expenditure	11,570	0	460	12,030	13,071	1,041	8.7%

2021/22 Outturn	Reconciliation to Council Tax Requirement	Original Budget	Approved Budget Increases	Virements & Reserve Movements	Updated Budget	Forecast Outturn	Variance	
£000		£000	£000	£000	£000	£000	£000	
11,807	Net Expenditure	11,570	0	460	12,030	13,071	1,041	8.7%
	Contributions to/(from) Reserves							
(1,636)	- General Reserves	0	0	0	0	(1,041)	(1,041)	0.0%
3,577	- Earmarked Reserves	1,428	0	(460)	968	968	0	0.0%
1,941		1,428	0	(460)	968	(73)	(1,041)	-107.5%
13,748	Budget Requirement	12,998	0	0	12,998	12,998	0	0.0%
(7,459)	Corporate Funding & Grants	(6,344)	0	0	(6,344)	(6,344)	0	0.0%
6,289	Council Tax Requirement	6,654	0	0	6,654	6,654	0	0.0%

Appendix B

Original Budget £000	2022/23 Reserve Movements		Appendix 2 (continued)		
		Updated Actuals 31.03.22 £000		Updated Budget £000	Forecast Outturn £000
	> General Fund (Unallocated) Reserve				
2,741	b/f	2,361		2,361	2,361
0	Cont from/(to) Services	0		0	(1,041)
(450)	Cont from/(to) Budget Surplus Reserve	(70)		(70)	1,294
2,291	c/f	2,291		2,291	2,614
11,570	Net Expenditure	11,570		11,570	13,071
(117)	- CV19 adjustment 1 - Earmarked Res	(117)		(117)	
11,453	Min Level Reserves	11,453		11,453	
2,291		2,291		2,291	2,614
Yes	Are Reserves maintained at 20% of Net Expenditure	Yes		Yes	Yes
	> Earmarked Reserves				
	Budget Surplus Reserve				
0	b/f	0		0	0
450	Cont from/(to) General Fund	70		70	(1,294)
(451)	Cont from/(to) Earmarked Reserves	(451)	380	(71)	1,293
(1)	c/f	(381)		(1)	(1)
	CV19 Internal Recovery Reserve				
7,825	b/f	4,171		4,171	4,171
(4,935)	Cont from/(to) Services	(4,935)		(4,935)	(4,935)
(733)	Cont from/(to) Corp Funding & Grants	(733)		(733)	(733)
0	Cont from/(to) Earmarked Reserves	0		0	0
2,157	c/f	(1,497)		(1,497)	(1,497)
	Projects, Risk & Smoothing Reserve				
691	b/f	1,051		1,051	1,051
300	Cont from/(to) Services	300		300	300
2,278	Cont from/(to) Corp Funding & Grants	2,278		2,278	2,278
451	Cont from/(to) Budget Surplus Earmarked Reserve	451	(380)	71	71
75	Cont from/(to) Earmarked Reserves	75		75	75
3,795	c/f	4,155		3,775	3,775
	Capital & Contract Reserve				
748	b/f	1,888		1,888	1,888
0	Cont from/(to) Budget Surplus Earmarked Reserve	0		0	0
0	Cont from/(to) Services	0	(460)	(460)	(460)
748	c/f	1,888		1,428	1,428
	Transformation Reserve				
2,067	b/f	1,837		1,837	1,837
(1,000)	Cont from/(to) Earmarked Reserves	(1,000)		(1,000)	(1,000)
1,067	c/f	837		837	837
	Community, Economic & Infrastructure Reserve				
1,447	b/f	1,447		1,447	1,447
425	Cont from/(to) Earmarked Reserves	425		425	425
1,872	c/f	1,872		1,872	1,872
	Commercial Investment Reserve				
2,357	b/f	2,934		2,934	2,934
500	Cont from/(to) Earmarked Reserves	500		500	500
2,857	c/f	3,434		3,434	3,434

Appendix B

Commentary on 2022/23 Budget Variances Greater than £25,000, by Director Service Categorisation		Appendix 3	
Service	Directorate Variance £000	Detailed Service Variance	
		£000	Commentary
Interim Chief Executive Land Charges Deputy Chief Executive Provision for Utilities inflation Cumulative variances less than £25k	(45)	(48) (36) 41 (2)	£48k payment from HM Land Registry for moving land charges register. Nearly 3 months of salary savings until interim appointment of Director: Finance, ICT & Assets to post until end of December 2022, assuming Deputy returns to post from January 2023. Market Hall and Harborough Innovation Centre
Interim Deputy Chief Executive (Finance, ICT & Assets) Finance Services IT Services Director: Finance, ICT & Assets) Corporate Savings - pay increase Corporate Savings - other savings Provision for Utilities inflation Cumulative variances less than £25k	734	80 51 (49) 317 396 45 (106)	Initial delays in new financial system project had a knock on effect on the planned restructure savings of £118k, now only anticipating savings for 4 months from December 2022. Unbudgeted cost of Microsoft licences less savings. Saving generated as post holder acting as Deputy Chief Executive until end of December 2022. Original budget for pay increase of 1.75% increased in line with current request of £1,925 per scale point. £304k target operating model savings will not be achieved in 2022/23, plus £47k of cross cutting savings. £45k of vacancy savings matched by vacancy savings in individual cost centres. Mostly the Symington Building
Communities Carparking - fee income Carparking - other Cumulative variances less than £25k	286	105 196 (15)	£94k down on car park fee income, £15k down on permits less increase in electric vehicle charging income of £4k. £176k Sainsburys profit share plus increased expenses including £6k inflation.
Planning Development Control Cumulative variances less than £25k	133	141 (8)	£94k shared service not proceeded with, £39k down on income, plus other smaller overspends.
Finance & Assets: Capital Financing Cumulative variances less than £25k	(67)	(67)	Minimum Revenue Provision (MRP) saving.
Net Expenditure	1,041	1,041	

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General Fund Reserves, 31 st March 2022			Appendix 4	
Reserve	Balance (£m)		Purpose	Useable / Unusable
General Fund (Unallocated Reserve)	2.4		Emergency funding (20% of net expenditure)	Unusable
Earmarked Reserves	13.3			
CV19	4.2		To meet known costs relating to the Coronavirus Pandemic.	Unusable, as it is mainly TIG grant to meet current and next year Collection Fund deficits.
Projects, Risks & Smoothing	1.1		To meet known future pressures, primarily the Local Plan.	Unusable, as this is funding set-aside to meet known future costs.
Capital & Contracts	1.9		To meet known capital and revenue contract costs.	Unusable, as this is funding set-aside to meet known future costs.
Transformation	1.8		To meet costs relating to the current transformation programme.	Usable, but this would not be available to meet costs of transformation.
Community, Economic & Infrastructure	1.4		To meet potential costs relating to community etc development.	Usable, but this would not be available to meet the costs of community development.
Commercial Investment	2.9		To meet potential costs where investments will generate a return; £900k of this is potentially committed to co-fund the Levelling-Up Fund Bid.	Usable, but this would not be available to support the costs of commercial investment.
Total	15.7			

Appendix B

Potential Medium-Term Impact of Cost/Inflationary Pressures								Appendix 5	
	In-Year Pressures			Potential Impact if No Mitigation				Cumulative Impact over MTFS	Reasoning
	2022/23			2023/24	2024/25	2025/26	2026/27		
	Saving £000	Cost £000	Net £000	£000	£000	£000	£000		
Inflation									
Pay	0	317	317	634	951	1,268	1,585		Assume increase year-on-year Assume reduce next year.
Utility Bills	0	106	106	0	0	0	0		
	0	423	423	634	951	1,268	1,585	4,861	
Underachievement of Savings									
Senior Management Review (TOM)	0	304	304	228	0	0	0		Saving achieved after 9 months in 2023/24. Saving achieved after 9 months in 2023/24. Saving achieved Saving achieved after 6 months in 2024/25.
Cross Cutting Savings	0	47	47	35	0	0	0		
Vacancy Savings	(45)	45	0	0	0	0	0		
Development Management Shared Service	0	94	94	128	64	0	0		
	(45)	490	445	391	64	0	0	900	
Normal operational delivery									
Land Charges	(48)	0	(48)	0	0	0	0		Impact only 2022/23
Deputy Chief Executive	(36)	0	(36)	0	0	0	0		
Finance	0	80	80	0	0	0	0		Impact only 2022/23
IT Services	0	51	51	51	51	51	51		Cost will need meeting in future years
Director: Finance etc	(49)	0	(49)	0	0	0	0		Impact only 2022/23
Carparking (lost income)	0	301	301	301	301	301	301		Anticipating permanent reduction in demand
Development Management (underachievement of income)	0	47	47	0	0	0	0		Impact only 2022/23
MRP saving	(67)	0	(67)	0	0	0	0		Impact only 2022/23
Variances less than £25k	(129)	23	(106)	0	0	0	0		
	(329)	502	173	352	352	352	352	1,581	
Total	(374)	1,415	1,041	1,377	1,367	1,620	1,937	7,342	

Appendix B

2022/23 Capital Forecast Outturn and Variance Analysis									Appendix 6
Capital Projects	Original Budget	Virements & Reserve Movements	Slippage to 2023/24	Updated Budget	Actual to Quarter 1	Forecast Outturn	Variance		Commentary
	£000	£000	£000	£000	£000	£000	£000	%	
CCTV	20	0	0	20	39	20	0	0%	CCTV schemes underway
Harborough Innovation Centre	20	0	0	20	4	20	0	0%	
Housing & Homelessness Schemes	927	0	0	927	1	927	0	0%	Roman Way in planning phase. Plowmans Yard development out to tender.
Lightbulb (Disabled Facilities Grants) & Other Social Services	732	0	0	732	(113)	732	0	0%	Delivered through Lightbulb partnership and on track
Leisure, Open Spaces & Play	3,749	0	0	3,749	18	3,749	0	0%	Covers - play areas - schemes out for pricing, leisure centre maintenance, which is in commitment stage and Welland Park toilet refurbishments.
Corporate Buildings	513	125	(148)	490	6	490	0	0%	Symington Building ventilation scheme put on hold awaiting outcome of review of TSB future usage. New depot project underway - pull budget forward from future years allocations. Works to Frank Whittle monument commenced early - bring budget forward from 23/24
Car Parks & Similar Facilities	619	0	0	619	0	619	0	0%	Covers EV points at car parks plus budget b/f for the coach park
Economic Development	528	0	0	528	0	528	0	0%	Lutterworth TC Heritage Zone plan
Capital Works-S.106	1,623	0	0	1,623	678	1,623	0	0%	Community grants funded through s106 contributions
ICT & Transformation	2,382	0	0	2,382	177	2,382	0	0%	All principle projects underway (new finance and assets system, ICT transformation programme, customer call centre in-sourcing).
Total	11,113	125	(148)	11,090	810	11,090	0	0%	
Sources of Finance									
External Funding & Grants	4,000			4,000	566	4,000	0	0%	
Capital Receipts	4,054	0		4,054	177	4,054	0	0%	
Service Charges	6	0		6	4	6	0	0%	
Direct Revenue Financing	630	0		630		630	0	0%	
Unsupported Borrowing (MRP)	2,423	125	(148)	2,400	63	2,400	0	0%	
Total	11,113	125	(148)	11,090	810	11,090	0	0%	

Appendix B

Disposal of Land at Naseby Square, Market Harborough	Appendix 7
	£'000
Sale Proceeds	(1,400)
Planning application	18
Design and planning works	178
Legal and admin costs	8
Purchase of land at 3 Naseby Close	126
Purchase of 87 Granville Street	957
Net Book Value of land held at Newcombe Street	54
	1341
Net Surplus from Sale	(59)