

Appendix 1

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

REVENUE					
Approved 2023/24 Budget & Medium-Term Financial Strategy (2024/25 to 2027/28)					
	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Net Direct Cost of Services	12,053	12,470	13,380	14,224	14,546
Capital Financing	424	437	509	540	564
Net Expenditure	12,477	12,907	13,889	14,764	15,110
Contributions to/(from) Reserves					
- General Reserves	5,212	1,516	(438)	(1,020)	(1,057)
- Earmarked Reserves	(790)	(322)	(206)	(206)	(206)
	4,422	1,194	(644)	(1,226)	(1,263)
Budget Requirement	16,899	14,101	13,245	13,538	13,847
Total Grants	(10,091)	(6,938)	(5,741)	(5,677)	(5,614)
Council Tax Requirement	6,808	7,163	7,504	7,861	8,233

CAPITAL PROGRAMME					
Approved 2023/24 Budget & Medium-Term Financial Strategy (2023/24 to 2027/28)					
	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Capital Projects					
CCTV	45	20	20	20	0
Harborough Innovation Centre	20	35	20	20	140
Housing & Homelessness Schemes	2,000	78	78	79	0
Lightbulb (Disabled Facilities Grants) & Other Social Services	420	420	420	420	0
Leisure, Open Spaces & Play	3,877	3,120	1,060	150	20
Corporate Buildings	3,205	6,395	2,500	0	180
Car Parks & Similar Facilities	2,515	650	34	0	0
Economic Development	0	0	0	0	0
Capital Works-S.106	250	250	250	250	0
ICT & Transformation	140	20	20	20	20
Green Initiatives	249	272	257	122	52
Total	12,721	11,260	4,659	1,081	412

2023/24 Revenue Outturn and Variance Analysis by Portfolio & Director
Service Categorisation

Appendix 2

2022/23 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	£000
667	Strategy	1,515	0	(17)	1,498	1,476	(22)	-2%
1,820	Finance	1,243	0	(4)	1,239	377	(862)	-69.6%
5,201	Environment & Climate Change	4,614	0	(18)	4,596	4,485	(111)	-2%
0	Culture Leisure Economy & Tourism	558	0	3	561	618	57	10.2%
2,598	Corporate	3,047	0	16	3,063	3,262	199	6.5%
0	Planning	413	0	22	435	1,122	687	157.9%
1,327	Wellbeing	663	0	(2)	661	781	120	18.2%
11,613	Net Direct Cost of Services	12,053	0	0	12,053	12,121	68	0.6%
413	Capital Financing	424	0	0	424	424	0	0.0%
12,026	Net Expenditure	12,477	0	0	12,477	12,545	68	0.5%
	Approved Carry Forwards from 2022/23					(220)	(220)	
	Funding of Local Plan Acceleration					(258)	(258)	
	Revised Net Expenditure					12,067	(410)	-3.3%

2022/23 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	£000
2,212	Interim Chief Executive	503	0	(2)	501	435	(66)	-13%
2,435	Interim Deputy Chief Executive (Finance, ICT & Assets)	4,000	0	14	4,014	3,336	(678)	-16.9%
6,236	Communities	6,638	0	(18)	6,620	6,702	82	1.2%
730	Planning	912	0	6	918	1,648	730	79.5%
11,613	Net Direct Cost of Services	12,053	0	0	12,053	12,121	68	0.6%
413	Capital Financing	424	0	0	424	424	0	0.0%
12,026	Net Expenditure	12,477	0	0	12,477	12,545	68	0.5%
	Approved Carry Forwards from 2022/23					(220)	(220)	
	Funding of Local Plan Acceleration					(258)	(258)	
	Revised Net Expenditure					12,067	(410)	-3.3%

2022/23 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	£000
12,026	Net Expenditure	12,477	0	0	12,477	12,545	68	0.5%
	Contributions to/(from) Reserves							
(1,330)	- General Reserves	5,212	0	(300)	4,912	5,343	431	0.0%
5,361	- Earmarked Reserves	(790)	0	300	(490)	353	843	-172.0%
4,031		4,422	0	0	4,422	5,696	0	0.0%
16,057	Budget Requirement	16,899	0	0	16,899	18,241	68	0.4%
(9,403)	Corporate Funding & Grants	(10,091)	0	0	(10,091)	(11,433)	(1,342)	13.3%
6,654	Council Tax Requirement	6,808	0	0	6,808	6,808	0	0.0%

Original Budget £000	2023/24 Reserve Movements		Appendix 2 (continued)		
		Updated Actuals 31.03.23 £000		Updated Budget £000	Outturn £000
	> General Fund (Unallocated) Reserve				
2,568	b/f	2,405		2,405	2,405
5,212	Cont from/(to) Services			4,912	5,343
(5,285)	Cont from/(to) Budget Surplus			(4,912)	(5,239)
2,495	c/f			2,405	2,509
12,477	Net Expenditure	12,026		12,026	12,545
2,495	Gen Fund Minimum @ 20%			2,405	2,509
Yes	Are Reserves maintained at 20% of Net Expenditure			Yes	Yes
	Min Level Reserves				
	> Earmarked Reserves				
	Budget Surplus Reserve				
0	b/f	0		0	0
5,285	Cont from/(to) General Fund			5,285	5,239
(5,285)	Cont from/(to) Earmarked Reserves			(5,285)	(5,239)
0	c/f			0	0
	CV19 Internal Recovery Reserve				
301	b/f	301		301	301
(301)	Cont from/(to) Corp Funding & Grants			(301)	(301)
0	c/f			0	0
	Projects, Risk & Smoothing Reserve				
2,686	b/f	2,238		2,238	2,238
(55)	Cont from/(to) Services			(55)	1,084
2,631	c/f			2,183	3,267
	Capital & Contract Reserve				
1,427	b/f	1,601		1,601	1,601
0	Cont from/(to) Budget Surplus			0	0
1,000	Cont from/(to) Earmarked Reserves			1,000	1,000
0	Cont from/(to) Capital			0	(7)
0	Cont from/(to) Services		300	300	59
2,427	c/f			2,901	2,653
	Transformation Reserve				
837	b/f	837		837	837
(116)	Cont from/(to) Services			(116)	(116)
279	Cont from/(to) Earmarked Reserves			279	279
1,000	c/f			1,000	1,000
	Financial Sustainability Reserve				
0	b/f	0		0	0
2,956	Cont from/(to) Budget Surplus			2,956	2,910
2,956	c/f			2,956	2,910
	Collection Fund Reserve				
0	b/f	0		0	0
1,000	Cont from/(to) Budget Surplus			1,000	1,000
1,000	c/f			1,000	1,000
	Corporate Plan & Strategy Reserve				
0	b/f	0		0	0
1,329	Cont from/(to) Budget Surplus			1,329	1,329
(606)	Other Contributions			(606)	(606)
723	c/f			723	723
	Community, Economic & Infrastructure Reserve				
1,000	b/f	1,000		1,000	1,000
0	Cont from/(to) Earmarked Reserves			0	0
1,000	c/f			1,000	1,000
	Commercial Investment Reserve				
2,508	b/f	2,508		2,508	2,508
(1,279)	Cont from/(to) Earmarked Reserves			(1,279)	(1,279)
1,229	c/f			1,229	1,229

Commentary on 2023/24 Budget Variances Greater than £25,000, by Director Service Categorisation			Appendix 3
Service	Directorate Variance £000	Total £000	Detailed Service Variance
			Commentary
Interim Chief Executive	(66)		
Programme Management		(92)	2 vacancies, interviews commenced beginning of November and one employee not in pension.
Cumulative variances less than £25k		26	
Interim Deputy Chief Executive (Finance, ICT & Assets)	(678)		
Insurance		27	Total premium £268k against a budget of £242k.
IT Services		93	Microsoft contract above budget, less savings.
Interest & Investment Income		(1,417)	Continued increasing interest rates since budget setting.
Director: Finance, ICT & Assets		(49)	Saving generated as post holder acting as Interim Deputy Chief Executive less amount used to supplement interim Monitoring Officer budget.
Corporate Savings		421	£209k target operating model savings will not be achieved. Additional provision of £75k against cost of pay rise. £90k of vacancy savings and £47k pension savings for quarter 2 achieved and matched by vacancy savings in individual cost centres.
The Symington Building		61	£14k HDC share of manned security for the building (new arrangement), £5k other security, £18k inflation increase in new soft services contract, £33k increased utilities inflation less £9k increased income re new tenant and ad hoc rents.
External Audit		40	Increase in proposed fee.
Cumulative variances less than £25k		146	
Communities	82		
Customer Services		41	£30k Talk Desk (telephone system) to be funded from £30k carry forward from 22/23 (although final amount TBC). £26k Jadu (digital platform) not in budget.
Market Hall		42	Income forecast to be below budget, struggling with midweek bookings, weather has impacted (excessive heat in summer and torrential rain in Autumn) and waves of covid have resulted in cancellations.
Car park services		(46)	Refund on business rates.
On Street Car Parking		(71)	Savings in vacancies less additional costs.
Off Street Car Parking		(34)	Savings in vacancies.
Trade Waste		68	Income down due to legacy of Covid.
Temporary Accommodation		54	Reduced expected income due to delay in Plowmans Yard renovation and vacant periods in other accommodation.
Homelessness		46	High demand for Temporary Accommodation with Legal Obligation to provide accommodation
Housing Services		48	£11k overspent on agreed computer software package(Housing Jigsaw Licence). Shortfall in salary budget for the year.
Cumulative variances less than £25k		(66)	
Planning	730		
Development Control		347	Agency costs to cover 2 members of staff £65k. Planning fee income down £255k due to less large applications than expected, Planning advice down £8k and no Planning Performance Agreement income as no staff to provide £22k. Some small savings.
Neighbourhood Planning		61	£30k costs not in budget, plus £31k staffing costs for MH Enabling officer funded from reserve.
Local Plan		258	23-24 forecast cost of accelerating local plan.
Joint Strategic Planning		32	Consultancy costs not in budget funded by carry forward from 22/23
Planning Appeals		32	Provision for 3 known planning appeals above budget less £7.5k to be funded from reserves
Cumulative variances less than £25k		0	
Net Expenditure	68	68	
Approved Carry Forwards from 2022/23	(220)	(220)	
Funding of Local Plan Acceleration	(258)	(258)	
Revised Net Expenditure	(410)	(410)	

General Fund Reserves, 31 st March 2023			Appendix 4	
Reserve	Balance (£m)		Purpose	Useable / Unusable
General Fund (Unallocated Reserve)	2.4		Emergency funding (20% of net expenditure)	Unusable
Earmarked Reserves	8.5			
CV19	0.3		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	2.3		To meet known future pressures, primarily the Local Plan.	Unusable, as this is funding set-aside to meet known future costs.
Capital & Contracts	1.6		To meet known capital and revenue contract costs.	Unusable, as this is funding set-aside to meet known future costs.
Transformation	0.8		To meet costs relating to the current transformation programme.	Usable, but this would be available to meet costs of transformation.
Community, Economic & Infrastructure	1.0		To meet potential costs relating to community etc development.	Usable, but this would be available to meet the costs of community development.
Commercial Investment	2.5		To meet potential costs where investments will generate a return.	Usable, but this would be available to support the costs of commercial investment.
Total	10.9			

2023/24 Capital Forecast Outturn and Variance Analysis										Appendix 5
Capital Projects	Original Budget	B/f 22/23	Virements & Reserve Movements	Proposed Slippage to 2024/25	Updated Budget	Actual to Quarter 2 2023/24	Forecast Outturn	Variance		Commentary
	£000	£000	£000	£000	£000	£000	£000	£000	£000	
CCTV	45	7	0	0	52	2	52	0	100%	CCTV schemes.
Harborough Innovation Centre	20	15	0	0	35	0	35	0	100%	Various building works, Solar panels now in Green Initiatives.
Housing & Homelessness Schemes	2,000	843	0	0	2,843	42	2,843	0	100%	Roman Way development part of review of all current capital programme, includes £1.7m LA Housing Fund - grant to Platform Housing.
Lightbulb (Disabled Facilities Grants) & Other Social Services	420	40	0	0	460	0	460	0	100%	Delivered through Lightbulb partnership.
Leisure, Open Spaces & Play	3,877	2,389	(4)	0	6,262	14	6,262	(0)	100%	New Leisure provision procurement was moved out to 2024 due to contract extension. Spend on leisure dependent on new leisure provider.
Corporate Buildings (including Depot)	3,205	480	0	0	3,685	111	3,685	0	100%	Symington Building ventilation scheme put on hold awaiting outcome of review of TSB future usage. New depot project underway.
Car Parks & Similar Facilities and Electric Charging	2,515	602	0	0	3,117	15	3,117	0	100%	Covers EV points at car parks plus budget b/f for the coach park.
Economic Development	0	524	4	0	528	0	528	0	100%	Lutterworth TC Heritage Zone plan.
Capital Works-S.106	250	758	0	0	1,008	557	1,008	0	100%	Community grants funded through s106 contributions.
ICT & Transformation	140	1,526	0	0	1,666	624	1,865	200	112%	All principle projects underway (new finance and assets system, ICT transformation programme,). Overspend in relation to delay on finance system implementation.
Green Initiatives	249	0	0	0	249	0	249	0	100%	Relates to Environmental/Climate Change Grants, Biodiversity Projects Reserve and HIC Solar panels.
Total	12,721	7,184	0	0	19,905	1,365	20,105	200	101%	