

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

| 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 | £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 | £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 | £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% |

| 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 | | Gen Fund Minimum @ 20% | 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 |

| 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 | |

| 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 | | |

| 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. |
| Cross Cutting Savings | 0 | 47 | 47 | 35 | 0 | 0 | 0 | | Saving achieved after 9 months in 2023/24. |
| Vacancy Savings | (45) | 45 | 0 | 0 | 0 | 0 | 0 | | Saving achieved |
| Development Management Shared Service | 0 | 94 | 94 | 128 | 64 | 0 | 0 | | Saving achieved after 6 months in 2024/25. |
| | (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 | | Impact only 2022/23 |
| 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) | | (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 | | |
| Variances less than £25k | (129) | 23 | (106) | 0 | 0 | 0 | 0 | | Impact only 2022/23 |
| | (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 | |

| 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% | |

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