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Policy & Corporate Resources Overview & Scrutiny Committee

Wednesday, 21st September, 2022
6.00 pm
Meeting Room A

AGENDA

- 1. Welcome and Apologies**
To welcome those present to the meeting and to receive any apologies for absence.

- 2. Minutes of the meeting held on 20th June 2022**
To approve as a correct record and to sign the minutes of the meeting held on 20th June 2022.

20th June 2022 **3 - 5**

- 3. Declarations of Interest**
To receive any declarations of interest in items on the agenda.

DECLARATIONS OF INTEREST FORM **6**

- 4. Revenue and Capital Monitoring 2022/23 Quarter 1**
To receive an update from the Executive Member for Finance and Governance on the Revenue and Capital Monitoring for Quarter 1 and the financial position of the Council.

Revenue Monitoring 202223 - Quarter 1 **7 - 33**
Revenue Monitoring Appendix1 Quarter1 202223 (1)
Revenue Monitoring Appendix 2 Quarter1 202223
Revenue Monitoring Appendix 3 Quarter1 202223
Capital Monitoring 202223 - Quarter 1
Capital Monitoring Q1 2223 Appendix 1
Capital Monitoring Q1 2223 Appendix 2

- 5. Progress of the Overview and Scrutiny Committees**
To receive progress on the work of the Overview and Scrutiny Committees.

6. Work Programme for the Committee

To consider areas of scrutiny for the future meetings of the Committee.

Date Published 8th September 2022
Denise Park, Chief Executive

POLICY AND CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

20th June 2022.

PRESENT-Councillor Humphrys, in the chair, Councillors Connor, Rawat, Liddle, Floyd, Slater, N. Hussain, S,

Also present-

Cllr Phil Riley, Leader of the Council

Denise Park, Chief Executive.

Dean Langton, Director of Finance.

Paul Conlon, Democratic Services.

1. Welcome and Apologies.

The chair welcomed those present to the meeting. Apologies for absence were received from the Councillor Taylor and Fielding.

2. Minutes of the meeting held on 21st March 2022.

The Committee received the minutes of the meeting held on 21st March 2022.

Resolved- That the minutes of the meeting held on 21st March 2022 be approved as a correct record and signed by the chair.

3. Declarations of Interest.

There were no declarations of interest made at the meeting.

4. Update on RIPA Activity, Procedural Guide and RIPA Inspection.

The Committee received a report on the introduction of the RIPA procedural Guide, the adoption of the recommendations made by the investigatory Powers Commissioner's Office, the RIPA training delivered to Officers and RIPA activity and applications. The Committee endorsed the recommendations in the report which would be submitted to the Executive Board for approval of the adoption of the new RIPA procedure and guidance.

RESOLVED- That the Updated RIPA procedural Guide and the RIPA inspection be endorsed by the committee for submission to the Executive Board.

5. Portfolio Responsibilities.

The Committee received the revised portfolio responsibilities which identified the areas that related to their work on scrutiny.

RESOLVED-That the revised portfolio and their relationship to the work of this Overview and Scrutiny committee be noted.

6. Progress against the Corporate Plan 2021/22

The Committee considered a report outlining the progress against the Corporate Plan 2021/2022 for the six months to year end (October 2021-March 2022). The report had been considered by the Executive Board on 9th June who had noted the remedial action to improve delivery against the 2019-2023 Corporate priorities which were giving cause for concern.

The Leader and the Chief Executive attended the meeting and outlined the actions and progress on the priorities which would be the focus of the scrutiny work for the year. Members were informed of the new arrangements that would be introduced with the introduction of the Integrated Care Strategy which would significantly affect the delivery of Health and Social Care within the borough.

Members noted the progress of delivery against corporate targets and will continue to look at performance at future meetings of the Committee.

RESOLVED- That the Committee continue to look at corporate performance against key priorities as part of their work programme for the year.

7. Development of the General Fund Revenue Budget 2023/24.

Members received a report on the development of the general fund revenue budget 2023/24. The report had been considered by the Executive Board and set out an update on the Council's Medium Term Financial Plan 2023/26 as the start of the process for developing the Councils Budget for 2023/24.

The report highlighted the key risks to the delivery of the budget in 2023/24 and the uncertainty of the funding outlook for the council. The Committee discussed issues that impacted on the budget and made particular reference to sickness absence and how the Council sought to mitigate the effects on the budget by keeping absence to a minimum through numerous programmes. The Committee had looked at sickness absence previously along with wellbeing measures that sought to maximise attendance and agreed to look at this issue as a topic this year. Members agreed to scope the topic and commence work outside of the committee and report back when appropriate.

RESOLVED-

That the development of the general fund be noted and further reports submitted to the committee during the year outlining progress and issues that arise.

That a task group be established to look at the issue of sickness absence and how the council seeks to maximise attendance through support and wellbeing programmes.

8. Progress of the People and Place Overview and Scrutiny Committees

The Committee looked at the work of the People and Place Overview and Scrutiny Committees and the work programmes that had been agreed and were now being developed. Progress on these would continue to be reported to the Committee throughout the year.

RESOLVED- That the progress of the Overview and Scrutiny Committees and the work programmes be noted.

9. Work Programme for the Committee

The Committee received a presentation on the issues, pressures and priorities of the portfolio areas and the work that was ongoing. The Committee discussed areas where they could add value and support the work of the Executive.

RESOLVED- That the Committee continue to monitor the work of the executive members and Leader and the major issues affecting the portfolio covered by the remit of the Committee including Corporate Performance, The Capital and Revenue Budget and corporate issues raised through the work of the Overview and Scrutiny Committees.

Chair at the meeting where the minutes were signed.....

Date.....

DECLARATIONS OF INTEREST IN ITEMS ON THIS AGENDA

Members attending a Council, Committee, Board or other meeting with a personal interest in a matter on the Agenda must disclose the existence and nature of the interest and, if it is a Disclosable Pecuniary Interest or an Other Interest under paragraph 16.1 of the Code of Conduct, should leave the meeting during discussion and voting on the item.

Members declaring an interest(s) should complete this form and hand it to the Democratic Services Officer at the commencement of the meeting and declare such an interest at the appropriate point on the agenda.

MEETING:

DATE:

AGENDA ITEM NO.:

DESCRIPTION (BRIEF):

NATURE OF INTEREST:

DISCLOSABLE PECUNIARY/OTHER (delete as appropriate)

SIGNED :

PRINT NAME:

(Paragraphs 8 to 17 of the Code of Conduct for Members of the Council refer)

EXECUTIVE BOARD DECISION



REPORT OF: Executive Member for Finance and Governance

LEAD OFFICER: Director of Finance

DATE: 8th September 2022

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

KEY DECISION: Y

TITLE OF REPORT: Corporate Revenue Budget Monitoring 2022/23 – Quarter 1

1. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to provide the Executive Board with an update on the Council's Revenue Budget for 2022/23 on the basis of a budget monitoring exercise undertaken at the end of June 2022.

2. RECOMMENDATIONS

- 2.1 It is recommended that Executive Board:-
- a) give approval to the Portfolio Cash Limit Adjustments as outlined in Appendix 1;
 - b) note the General Fund Budget Summary position as at 30th June 2022;
 - c) in view of the forecast overspend of £8.154m, the Executive Board request Portfolio Holders to review their budgets for the remainder of 2022/23 with a view to addressing the issues identified and limiting the amount of monies that would be required to be taken from reserves at financial year end.
 - d) note the Earmarked Reserves and General Fund Balance position as at 30th June 2022.

3. BACKGROUND

- 3.1 In accordance with the Council's Financial Procedure Rules, all Portfolios are required to examine their revenue budget position on a monthly basis. Quarterly reports are submitted to the Executive Board for review and action as necessary along with a final report, detailing the financial outturn for the year.

4. RATIONALE

- 4.1 The development of the budget is a key element of the Council's financial governance processes. The requirement for the Council to monitor its budget during the year is set out in s28 of the Local Government Act 2003 with s28(3) requiring the Council to take action, as it considers necessary, if there has been a deterioration in its financial position.

5. KEY ISSUES

Portfolio Cash Limits - Adjustments

- 5.1 At the meeting of Council on 28th February 2022, the Council agreed the General Fund Revenue Budget for 2022/23.
- 5.2 As Councillors will be aware, the budget is subject to changes for a range of reasons as the financial year progresses. **Appendix 1** provides a detailed analysis of those budget adjustments that have occurred during the period to 30th June 2022. The impact of these adjustments on the Council's Budget for 2022/23 is summarised in Table 1 below:-

Table 1: Working Budget 2022/23 (as at 30th June 2022)

	Original Budget 2022/23 £000	Adjustments*1 £000	Working Budget at 30 th June 2022 £000
Portfolio Budgets	129,997	7,206	137,203
Other Corporate Income and Expenditure	(6,143)	(2,423)	(8,566)
Net Revenue Expenditure	123,854	4,783	128,637
Less Core Funding	(49,618)	-	(49,618)
Less Council Tax	(61,090)	-	(61,090)
Shortfall before Reserves	13,146	4,783	17,929
Change in Specific Reserves	(13,146)	(4,783)	(17,929)
Change in GF Balance	-	-	-
Funding 'Gap'	-	-	-

*1 – See Appendix 1

- 5.3 The Executive Board is asked to approve these budget adjustments (where they haven't already been approved in accordance with Financial Procedure Rules).

Performance against Controllable Budgets

- 5.4 Table 2 below provides a summary of the forecast outturn position on the Council's General Fund Revenue Budget for 2022/23 compared to the Working Budget referred to in Table 1 above. As the table indicates, on the basis of the Quarter 1 budget monitoring position there is a forecast overspend of £8.154m. A more detailed analysis is provided at **Appendix 2:-**

Table 2: Forecast Performance against Controllable Budgets

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Portfolio Budgets	137,203	142,857	5,654
Other Corporate I & E	(8,566)	(6,066)	2,500
Net Revenue Expenditure	128,637	136,791	8,154
Less Core Funding	(49,618)	(49,618)	-
Less Council Tax	(61,090)	(61,090)	-
Shortfall before Reserves	17,929	26,083	8,154
Change in Specific Reserves	(17,929)	(17,929)	-
Change in GF Balance	-	-	-
Funding 'Gap'	-	8,154	8,154

*1 – See Appendix 2

- 5.5 Councillors should note that this is a forecast outturn position for the year based on the Quarter 1 monitoring position. Further budget monitoring exercises will be undertaken during the year and these will be reported to the Executive accordingly.

Portfolio Budgets

- 5.6 As indicated in Table 2 above, the forecast outturn position on the Portfolio Budgets is an overspend of £5.654m. An analysis of this position by Portfolio is shown in the Table 3 below:-

Table 3: Portfolio Forecast Performance against Controllable Budgets

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Adults Social Care and Health	61,116	61,321	205
Children, Young People and Education	35,323	38,376	3,052
Public Health, Prevention and Wellbeing	3,418	3,992	575
Environment and Operations	13,840	14,020	180
Growth and Development	7,122	8,609	1,487
Finance and Governance	10,816	10,971	155
Digital and Customer Services	6,509	6,509	-
Schools and Education (DSG)	(941)	(941)	-
Portfolio Budgets	137,203	142,857	5,654

*1 – As per Portfolio Budgets in Table 1

- 5.7 The narrative below provides more details of these forecast variances.

Adult Social Care and Health

- 5.8 The forecast outturn position for Adult Social Care and Health is an overspend of £205k. This is summarised in the table below

Table 4: Adult Social Care and Health – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Independent Sector Other	510	636	126
Independent Sector	47,031	46,861	(170)
ASC and Social Work	2,498	2,884	387
Day Services	866	838	(29)
In House Residential	10	2	(9)
Independent Living	1,921	1,830	(91)
Integrated Commissioning	2,437	2,447	10
Mental Health	1,505	1,428	(77)
Safeguarding	814	908	95
Shared Lives	630	572	(57)
Strat Gov & Bus Support	528	481	(47)
Supporting People	1,069	1,147	78
Transport	313	245	(67)
Prevention, Neighbourhoods & Learning	549	597	48
Social Integration	332	339	7
Community Assets	105	107	2
Adult Social Care and Health	61,116	61,321	205

5.9 The key variances to note include:-

- on the basis of current levels of demand and information presently available, net spend for the portfolio for 2022/23 is predicted to be an overspend of £205k. However the portfolio is expecting to be able to manage these pressures through the year and reach a breakeven position at year end;
- included within the net portfolio position are increased demand pressures of around £2.807m on external commissioning budgets partly due to the uplift of care provider fees from April 2022. However these have been mitigated by an expected transfer of £2.979m from contingencies to fund the provider fee increases as reflected in the current Medium Term Financial Plan. The forecast also includes an estimated increase for winter demand pressures, including the potential to enhance commissions to meet demand and workforce pressures over the festive season and for transitions from Children’s Services. This will be subject to review and confirmation as the year progresses;
- the financial envelope for Albion Mill and future model for operating the Intermediate Care Unit is currently being reviewed. Although, an assessment of the financial position for this budget is ongoing, it is proposed at this point that a budget transfer of £400k for leasing costs takes place from the external commissioning budgets area to mitigate some of the potential pressures for Albion Mill within the Better Care Fund pool with Health. Once the review is completed, SPT would be informed as to the best options to manage the financial position;

- the increased demand pressures in Extra Care and Domiciliary Care as well as the cost of individual care packages due to acuity of needs should be noted as it is likely these pressures will impact on the 2022/23 budget as one off income streams received in the last financial year may no longer be available;
- Social Care government reforms, new responsibilities under the Care Act, and the review of Fair Cost of Care including Market Sustainability will result in increased costs for the Authority. These potential pressures are difficult to determine or quantify at this stage and further updates will be reported in due course;
- pressures within Neighbourhoods and Prevention Services are expected to be managed through the year to achieve a break even position at financial year end.

Children, Young People and Education

5.10 The forecast outturn position for Children, Young People and Education is an overspend of £3.052m. This is summarised in the table below:-

Table 5: Children, Young People and Education – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Strategic Social Work	6,394	6,042	(353)
Permanence	18,541	21,451	2,910
Adolescent Services	3,815	3,571	(244)
Strategy, Policy and Performance	374	482	108
Education	3,148	3,268	120
Early Years	837	978	141
Directorate	2,214	2,584	370
Children, Young People and Education	35,323	38,376	3,052

5.11 The key variances to note include:-

- significant pressures on the commissioned placement budget which is currently forecasting an overspend of £2.555m. This is largely due to an increase in the number of Looked After Children. The other significant forecast overspends relate to the Fostering Service, Strategy, Education Transport and unachievable savings targets;
- these pressures are currently being offset to some degree by underspends elsewhere, the largest being Assessment and Safeguarding, Leaving Care and Pupil Support team;
- the projected position includes an estimated £258k of income from Blackburn with Darwen CCG in relation to the joint funding of externally commissioned placements. This figure covers agreed cases for the period from April to June. From July onwards the joint commissioning panel will operate using a different model and all currently approved cases will need to be taken back to the Joint Panel for a funding review. In view of this, no income is assumed beyond 30th June;

- the budget increase associated with the post Ofsted inspection improvement plan has now been allocated against the relevant budgets. For certain elements of the plan the assumption is that they will be spent in full, however this is not the case for those elements associated with the Leaving Care service, and this explains the underspend currently reported. As newly created posts are filled and the uptake of the revised offer is known, we would expect to see this underspend reduce considerably.

Public Health, Prevention and Wellbeing

5.12 The forecast outturn position for Public Health, Prevention and Wellbeing is an overspend of £575k. This is summarised in the table below:-

Table 6: Public Health, Prevention and Wellbeing – Forecast Outturn 2022/23

	Working Budget at 30th June 2022 £000	Forecast Outturn £000	Variation £000
Leisure Services	518	1,219	700
Parks and Open Spaces	32	26	(6)
Healthy Lifestyle	200	2	(198)
Public Health	1,172	1,196	23
Community Asset Management (incl CCTV)	714	753	39
Housing Needs	430	443	13
Directorate	351	354	3
Public Health, Prevention and Wellbeing	3,418	3,992	575

5.13 The key variances to note include:-

- an anticipated overspend on the provision of leisure services which, in the last two years, have been significantly impacted by Covid-19 restrictions and closures. Income generation has seen unprecedented losses and these were partially mitigated by the allocation of Covid grants in 2021/22 which is no longer available.
- the impact of Covid has continued into this financial year; however, the cost of living crisis is also starting to impact on disposable incomes leading to pressure on memberships/attendances at Leisure Centres. The extent to which this will continue to impact will depend largely on the Government's continuing response to the crisis. Meetings are taking place with budget holders to gain an understanding of their budget assumptions and expected performance for the remainder of the year. As the year progresses, the forecasts will be refined and updated taking the latest developments and requirements into consideration;
- Public Health budgets are forecasting a break even position for the year.

Environment and Operations

5.14 The forecast outturn position for Environment and Operations is an overspend of £180k. This is summarised in the table below:-

Table 7: Environment and Operations – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Corporate Property	2,690	2,525	(165)
Markets	950	848	(102)
Business/Enterprise Centres	(110)	(62)	48
Housing Services	84	142	58
Management Overhead	1,447	1,352	(95)
Grounds Maintenance	318	383	65
Neighbourhood Health	265	195	(70)
Transport	(399)	(420)	(21)
Cleansing Services	3,247	3,031	(215)
Parking Services	(1,054)	(599)	455
Waste Disposal	6,297	6,271	(25)
Public Protection Service	128	227	99
Witton Park Cafe	(167)	(19)	148
s106 Agreements (Expenditure)	145	145	-
Environment and Operations	13,840	14,020	180

5.15 The key variances to note include:-

- the continuing impact of the pandemic and the emerging effects of the cost of living crisis which are manifested in reduced commercial income from services such as the Witton Park Cafe, Markets and Car Parks, particularly as footfall continues to be below pre-pandemic levels;
- at this stage it is anticipated that these income shortfalls will be offset in part by savings on Property budgets and waste disposal income from recycling.
- and, although offset by other variances, Councillors should note that the cost of fuel is expected to be higher than budgeted given the sharp increase in the price of fuel during the year.

Growth and Development

5.16 The forecast outturn position for Growth and Development is an overspend of £1.487m. This is summarised in the table below:-

Table 8: Growth and Development – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Commercial Investment/Tenanted Estate	(2,411)	(1,863)	548
Highways Maintenance	3,173	3,293	120
Strategic Transport/Co-ordination	2,315	2,549	234
Directorate/Growth Team	3,037	3,359	322
Building Control	118	118	-
Development Control/Planning	(427)	(450)	(24)
Town Centre Regeneration	80	171	91
RPL Office Accommodation	132	132	-
Parks and Open Spaces	(67)	(75)	(7)
Halls and Entertainment	340	492	152
Library Services	1,257	1,262	5
Museum Services	329	374	45
Arts Services	30	30	-
s106 Agreements (Income)	(783)	(783)	-
Growth and Development	7,122	8,609	1,487

5.17 The key variances to note include:-

- as per the Environment and Operations Portfolio, the impact of the Covid-19 pandemic and the cost of living crisis continue to have a significant impact on the Council's income streams. Indeed, income has still to return to pre-pandemic levels. Services impacted include the Mall, the Mall Car Park and cultural services including King Georges Hall
- the Growth management restructure has led to additional costs causing a further pressure which if not addressed will need to be funded from reserves in the first instance.

Finance and Governance

5.18 The forecast outturn position for Finance and Governance is an overspend of £155k. This is summarised in the table below:-

Table 9: Finance and Governance – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Financial Support Services	3,843	3,843	-
Democratic Services	1,250	1,360	110
Legal Support Services	1,874	1,874	-
Chief Executive, Policy and Support	799	799	-
Human Resources and Training	1,970	2,015	45
Other Non Distributable Costs	1,079	1,079	-
Finance and Governance	10,816	10,971	155

- 5.19 The key variance to note is a forecast overspend of £110k on Conduction Elections. This has arisen from the election cycle in 2022/23 where it was assumed the Council would receive grant income for the conduct of elections. However, no grant is receivable for the year.

Digital and Customer Services

- 5.20 The forecast outturn position for Digital and Customer Services is breakeven. This is summarised in the table below:-

Table 10: Digital and Customer Services – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
Coroners Services	260	260	-
IT Management and Governance	6,249	6,249	-
Digital and Customer Services	6,509	6,509	-

- 5.21 There are no variances to note at this time.

Schools and Education (DSG)

- 5.22 The forecast outturn for the Schools and Education (DSG) portfolio is breakeven. Services in Schools and Education (DSG) are currently forecast to spend the funding available in 2022/23 through the DSG and Pupil Premium. Schools and Education funding from DSG is monitored by the Schools Forum and reports are considered on a regular basis.

Other Corporate Income and Expenditure Budgets

- 5.23 The forecast outturn position for Other Corporate Income and Expenditure Budgets is an overspend of £2.5m. This is summarised in the table below

Table 11: Other Corporate Income and Expenditure Budgets – Forecast Outturn 2022/23

	Working Budget at 30 th June 2022 £000	Forecast Outturn £000	Variation £000
RCCO	7,813	7,813	-
School Contribution to Capital	(333)	(333)	-
Contingencies	4,561	7,061	2,500
Debt Charges	18,987	18,987	-
Other Non-Ringfenced Grants	(39,786)	(39,786)	-
Town and Parish Council Precepts	192	192	-
Other Corporate Income and Expenditure	(8,566)	(6,066)	2,500

5.24 The key variance to note at this time is an additional estimated cost of £3.5m for the national pay offer made to the Local Government workforce. On average, the pay offer is equivalent of a pay increase of c7 whereas the budgeted provision for the pay award is 2.0%. The Council does have a contingency of £1m for unforeseen costs which, when applied to the pay offer, leaves an estimated residual cost of £2.5m. It should be noted that the outcome of the pay negotiations is unlikely to be known until October 2023 at the earliest.

Savings Agreed for 2022/23 – Progress on Implementation

5.25 As part of the approved budget for 2022/23, the Council agreed a range of savings proposals. Delivery of the savings is fundamental to a sustainable budget. The table below highlights the forecast outturn position with the implementation of the savings agreed (the forecast impact of savings not being achieved is picked up in the variations reported in each of the Portfolios referred to above).

Table 12: Achievement of Savings Agreed for 2022/23

	Working Budget at 30th June 2022 £000	Forecast Outturn £000	Variation £000
Adult Social Care and Health	0.750	0.750	-
Children, Young People and Education	0.320	0.054	(0.266)
Environment and Operations	0.205	0.205	-
Digital and Customer Services	0.100	0.100	-
Finance and Governance	0.690	0.690	-
Total Savings	2.065	1.799	(0.266)

5.26 The monitoring of the implementation of savings will continue to be a feature of subsequent quarterly monitoring reports.

Reserves and Balances

5.27 At the start of the financial year, the Council has Reserves and Balances totalling of £76.901m. This includes a General Reserve of £7.718m (which includes the Minimum Working Balance of £6.000m)

5.28 In approving the Budget for 2022/23, the Council agreed to use £13.146m from Reserves in support of the budget. Taking into account the various adjustments referred to elsewhere in this report, the estimate of Balances and Reserves as at 30th June 2022 is £58.972m, a reduction of £17.929m. A detailed analysis of these changes is provided at **Appendix 3**.

5.29 Given the forecast outturn position set out in this report, and in the absence of actions to mitigate the overspend reported, the Council would need to draw an additional £8.154m from its Reserves and Balances to achieve a balanced budget. The extent to which this will be necessary will be subject to regular review as part of the regular budget monitoring reports presented to the Executive Board.

6. POLICY IMPLICATIONS

6.1 There are no policy implications arising directly from this report.

7. FINANCIAL IMPLICATIONS

7.1 The financial implications are as given in the report.

8. LEGAL IMPLICATIONS

8.1 There are no legal implications arising directly from the contents of this report.

9. RESOURCE IMPLICATIONS

9.1 There are no other resources implications arising from the contents of this report.

10. EQUALITY AND HEALTH IMPLICATIONS

10.1 There are no equality and health implications arising from the contents of this report.

11. CONSULTATIONS

11.1 None arising from the contents of this report.

12. STATEMENT OF COMPLIANCE

12.1 None arising from the contents of this report.

Appendices

Appendix 1 – Portfolio Cash Limit Adjustments

Appendix 2 – Summary General Fund Revenue Account – Forecast Outturn Position at 30th June 2022

Appendix 3 – Earmarked Reserves and General Fund Balance – Position as at 30th June 2022

VERSION:	1
CONTACT OFFICER:	Dean Langton
DATE:	August 2022
BACKGROUND PAPERS:	None

SCHEDULE OF BUDGET ADJUSTMENTS REQUESTED - QUARTER 1 - 2022/23

	Adults Social Care & Health	Public Health, Prevention & Wellbeing	Children, Young People & Education	Environment & Operations	Growth & Development	Digital & Customer Services	Finance & Governance	Schools & Education (DSG)	TOTAL
	£	£	£	£	£	£	£	£	£
Controllable Budget approved at Finance Council February 2022	57,310,918	2,900,411	34,211,116	10,518,180	9,016,910	6,562,088	10,418,503	(941,000)	129,997,126
Portfolio changes	(794,391)	(923,894)	0	3,369,537	(1,915,433)	0	264,181	0	0
Revised Controllable Budget	56,516,527	1,976,517	34,211,116	13,887,717	7,101,477	6,562,088	10,682,684	(941,000)	129,997,126
Carry forward of grants, contributions and other budgets from 2021/22									
Better Care Fund	1,080,044								1,080,044
Community Discharge Grant	64,978								64,978
More Positive Together (MPT) Funding	53,450								53,450
Community Support Unit - DLUHC Local Digital Collaboration Unit	50,000								50,000
Locality/Community Fund	7,386								7,386
Social Integration Programme funding	320,734								320,734
Safer Streets Funding - Alleygating maintenance		8,300							8,300
DLUHC Domestic Abuse Support to Victims Funding		65,955							65,955
Housing budget committed spend in 2022/23		114,287							114,287
Home Office funding - Prevent and Dovetail/Channel		16,067							16,067
Public Health Grant		1,091,619							1,091,619
Safer Streets Funding - CCTV Hub - Monitoring allocation year 1		30,000							30,000
Schools Linking Network			7,000						7,000
Virtual School Reserve			110,005						110,005
Early Years Professional Development			4,000						4,000
Strengthening Families Grant			47,075						47,075
Wellbeing Grant			11,000						11,000
Landscaped Areas - Commuted sum Lakeland Gardens				32,400					32,400
Community Hygiene - Land charge				4,500					4,500
Unspent Public Health funding				2,800					2,800
Unspent DEFRA grant				5,051					5,051
Section 38 Agreements					27,292				27,292
Contribution from Westholme School for MOVA works not yet completed					39,000				39,000
Levelling up capacity grant					105,000				105,000
Active Travel Feasability Grant					30,000				30,000
Capability Grant					94,765				94,765
HMLR Capacity Grant					18,525				18,525
DEFRA Biodiversity Net Gain grant					20,094				20,094
DFT Local Transport Authority Capacity grant					178,571				178,571
Local Plan underspend					27,311				27,311
Libraries Artifacts Secure Store					1,676				1,676
									0

SCHEDULE OF BUDGET ADJUSTMENTS REQUESTED - QUARTER 1 - 2022/23

	Adults Social Care & Health	Public Health, Prevention & Wellbeing	Children, Young People & Education	Environment & Operations	Growth & Development	Digital & Customer Services	Finance & Governance	Schools & Education (DSG)	TOTAL
Other transfers (to)/from earmarked reserves									
Alleygating maintenance & replacement		79,000							79,000
HMO Compliance Officer post funding		35,800							35,800
Review and evaluation of pay bands for support workers and senior support workers	85,700								85,700
Transfer from Youth Justice Reserve re Criminal Exploitation post			31,900						31,900
Transfer from Supporting Families Reserve - Targeted Youth Support			34,000						34,000
Transfer from Supporting Families Reserve			1,100						1,100
Budget increase for costs of Early Retirement / Voluntary Redundancy				22,000					22,000
Utilise developers (S106) contributions - River Darwen Parkways Play Area at Wolseley St.				45,161					45,161
Utilise developers (S106) contributions - Blacksnape Play Area				99,999					99,999
									0
Transfers (to)/from unallocated reserves									
									0
Transfers (to)/from contingency									
Funding for Adult Social Care Provider fee uplifts 2022/23	2,979,300								2,979,300
Funding for the Ofsted Improvement Plan			906,300						906,300
									0
Transfers between portfolios									
Staffing budgets realignment	(1,926)			1,926.00		(65,517)	65,517		0
Workforce Development support delivered virtually / online	(40,000)						40,000		0
Transfer of Ofsted Improvement Plan funding to Legal for additional support			(25,200)				25,200		0
Transfer to Business Support for Governance & Compliance Assistant post			(12,700)			12,700			0
Transfer to HR for CLEAPPS responsibilities			(2,200)				2,200		0
Transfer of budget for "Highways White Lining" allocated to Environment & Operations base budget				(260,000.00)	260,000				0
Building Cleaning recharge budget realignment				(1,200.00)	1,200				0
									0
Other budget adjustments									
Recognition of developers (S106) contributions received and transferred to reserves					(783,000)				(783,000)
									0
Revised Controllable Budget as at 30th June 2022	61,116,193	3,417,545	35,323,396	13,840,354	7,121,911	6,509,271	10,815,601	(941,000)	137,203,271

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APPENDIX 1

Corporate Budget Monitoring - Quarter 1

	Original Budget 2022/23 £000	Variations £000	Working Budget 2022/23 £000	Forecast Outturn £000	Variation £000
Adult Socail Care & Health	56,516	4,600	61,116	61,321	205
Public Health, Prevention and Wellbeing	1,977	1,441	3,418	3,992	574
Children, Young People and Education	34,211	1,112	35,323	38,376	3,053
Environment and Operations	13,888	(48)	13,840	14,020	180
Growth and Development	7,101	21	7,122	8,609	1,487
Digital and Customer Services	6,562	(53)	6,509	6,509	0
Finance and Governance	10,683	133	10,816	10,971	155
Schools and Education DSG	(941)	0	(941)	(941)	0
Net Cost of Services	129,997	7,206	137,203	142,857	5,654
Corporate Income and Expenditure					
RCCO	6,351	1,462	7,813	7,813	0
School Contribution to Capital	(333)		(333)	(333)	0
Contingencies	8,446	(3,885)	4,561	7,061	2,500
Debt Charges	18,987		18,987	18,987	0
Other Non-Ringfenced Grants	(39,786)		(39,786)	(39,786)	0
Town and Parish Council Precepts	192		192	192	0
Net Revenue Expenditure	123,854	4,783	128,637	136,791	8,154
Contribution to/(from) Reserves	(13,146)	(4,783)	(17,929)	(17,929)	0
General Fund Working Balance	0		0	0	0
Net Expenditure	110,708	0	110,708	118,862	8,154
Business Rates - Top Up Grant	(24,275)		(24,275)	(24,275)	0
Retained Business Rates	(18,185)		(18,185)	(18,185)	0
Revenue Support Grant	(14,016)		(14,016)	(14,016)	0
Collection Fund - Council Tax (Surplus)/Deficit	(755)		(755)	(755)	0
Collection Fund - NNDR (Surplus)/Deficit	6,858		6,858	6,858	0
Council Tax Income	(60,335)		(60,335)	(60,335)	0
Total Income	(110,708)	0	(110,708)	(110,708)	0

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 31 March 2022	Requested Transfers to/(from) earmarked reserves in Qtr 1			Balance at 30 June 2022
	2021/22 Outturn - As reported to Exec Board July 2022 £000	Support to 2022/23 budget as agreed at Finance Council in February 2022 £000	Release of grants and other budgets b fwd from 2021/22 £000	Other transfers to/(from) reserves £000	Q1 £000
Welfare, council tax and business rates reforms					
Welfare and council tax reforms	1,528	(36)			1,492
Section 31 Grant - Compensation for lost Business Rates income	8,662	(5,471)			3,191
Investment in assets and infrastructure					
Office Accommodation and property improvements	789	(200)		(226)	363
Highways winter maintenance	551				551
Support for the Local Plan	100		(27)		73
Flood Defence	77				77
St John's Reinstatement	3,501	(450)		39	3,090
Support for Other Resources and Transformation projects					
Legal Advice Reserve	105				105
Partnerships & Transformation	78				78
Insurance risk investment fund	43				43
Brexit Preparation Funding	149				149
Support for People Services					
Schools Improvement (SSIF)	611				611
Supporting Families / Targetted Youth Support	259			(35)	224
Youth Justice	338			(32)	306
Music Services	117				117
Disabled Facilities Grants	289				289
Future Demand Pressures	1,799				1,799
Better Care Fund	1,396		(1,080)		316
Support for Place Services					
Investment to support business rates growth	520				520
Place Shaping Investment Reserve	400				400
Contingent sums to support future downsizing and transformation programmes					
Support for future redundancy costs	2,067			(22)	2,045
Support for part year effect of future savings plans	1,187				1,187
Support for Future Cost Pressures	0				0
Digital Transformation	921	(581)			340
Transition to the Cloud	447				447
Response and Recovery Reserve	2,500				2,500
Budget Support Reserve	5,000	(1,120)		(201)	3,679
Invest to Save Reserve	4,950	(614)			4,336
Amounts b/fwd from previous year(s) in respect of unspent grants and contributions					
Transformation Challenge Award	64				64
SEN / SEND Reform Grant /SEND Prep for Empl	25				25
Public Health Grant	1,092		(1,092)		0
Transforming Lives	37				37
One Public Estate grant	474				474
Electoral Grant	57				57
DCLG Transparency Code New Burdens	13				13
Adult PSS - Local Reform and Community Voices	108				108
Adult PSS - War Pensions Disregard	30				30
Flexible Homelessness Support Grant (FHSG)	68				68
Social Integration funding	506		(321)		185
Section 278 contributions	27		(27)		0
NHS Funding for LPRES integration with Mosaic and spine mini services	29				29
COVID-19 Funding from MHCLG	6,776			(120)	6,656
Combined Authority Grant	48				48
Burdens Fund monies	3				3
Custom build Grant	15				15
Linking Network	7		(7)		0
Museum & Arts Project	20				20
Museum & Schools Grant	52				52
Home Office monies	16		(16)		0
Communities Fund/Localities	7		(7)		0
Community Discharge Grant	65		(65)		0
Social Prescribing Link Workers Monies	11				11
More Positive Together monies	54		(54)		0
Community Champion Funding	85				85
Virtual School Grant	206		(110)		96
Clinically Extremely Vulnerable COVID Funding	290				290
Supported Families Funding	51				152
DLUHC Domestic Abuse Support to Victims Funding	66		(66)		0
Amounts c/fwd to future year(s) in respect of unspent grants and contributions					

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 31 March 2022	Requested Transfers to/(from) earmarked reserves in Qtr 1			Balance at 30 June 2022
	2021/22 Outturn - As reported to Exec Board July 2022 £000	Support to 2022/23 budget as agreed at Finance Council in February 2022 £000	Release of grants and other budgets b fwd from 2021/22 £000	Other transfers to/(from) reserves £000	Q1 £000
Contribution from Westholme School for MOVA works not yet completed	39		(39)		0
Levelling up capacity grant	105		(105)		0
Active Travel Feasibility Grant	30		(30)		0
Capability Grant	95		(95)		0
DEFRA Biodiversity net gain grant	20		(20)		0
HMLR Capacity Grant	19		(19)		0
Unspent Public Health funding	3		(3)		0
DEFRA grant	5		(5)		0
Arts Regeneration	26				26
Community Development Management	10				10
Community Support Unit DLUHC Local Digital Collaboration Unit	50		(50)		0
Safer Streets Fund - CCTV monitoring & Maintenance	90		(30)		60
Safer Streets Fund - Alleygating	8		(8)		0
Early Years Professional Development	4		(4)		0
Wellbeing Grant Ed Psych	11		(11)		0
Strengthening Families funding	47		(47)		0
HMLR Funding	20				20
DFT Local Transport Authority Capacity grant	178		(178)		0
Amounts committed in future year budgets/MTFS					
Budget carry over for implementation of Concerto (Property system)	20				20
Budget carry over for Intack Depot driveway	10				10
CCTV Hub carry forward	206			(43)	163
Development Investment Fund (Capital)	1				1
Strengthening Communities Volunteering in Lancashire (SCVL)	109				109
Community Support Unit - request to carry forward specific budget	77				77
Community Hygiene - request carry forward income from Land Charges	5		(5)		0
Landscaped Areas - Commuted sum Lakeside Gardens	32		(32)		0
Housing budget carry forward re committed spend 2022/23	114		(114)		0
Libraries Artifacts Secure Store	2		(2)		0
Funding for Care Quality Commission (CQC) Inspection	600				600
Reserves held for specified purposes					
Developers Contributions (\$106 Income)	4,496	(4,754)		(474)	(732)
Future Maintenance of Wainwright Bridge	27				27
Future Maintenance of Witton Park 3G Pitches	125	50			175
Leisure Equipment Pay-back	60	30			90
Future remediation costs in respect of former landfill sites	400				400
Highways claims anticipated for years up to current year but not yet received	300				300
Art Acquisitions Fund	19				19
W. Ferrier Bequest (for museum re Kathleen Ferrier)	20				20
Allowance for contingent liabilities (e.g. MMI)	250				250
TOTAL EARMARKED RESERVES FOR DISCRETIONARY USE	56,420	(13,146)	(3,669)	(1,114)	38,491
'Other Earmarked' Reserves					
Reserves held in respect of joint arrangements and charitable bodies					
Darwen Market Traders Association	2				2
Joint Building Control Account	124				124
Turton Tower Charity	81				81
LSCB Safeguarding Partners Fund	170				170
Reserves held in relation to schools					
Dedicated Schools Grant - Surplus	4,247				4,247
LMS Schools Balances	8,139				8,139
TOTAL 'OTHER EARMARKED' RESERVES	12,763	0	0	0	12,763
TOTAL EARMARKED RESERVES	69,183	(13,146)	(3,669)	(1,114)	51,254
UNALLOCATED RESERVES	7,718	0	0	0	7,718



EXECUTIVE BOARD DECISION

REPORT OF: Executive Member for Finance and Governance

LEAD OFFICERS: Director of Finance

DATE: 8 September 2022

PORTFOLIO/S AFFECTED: All

WARD/S AFFECTED: All

KEY DECISION: YES NO

SUBJECT: CORPORATE CAPITAL BUDGET AND BALANCE SHEET MONITORING REPORT 2022/23 – Quarter 1 as at 30th June 2022

1. EXECUTIVE SUMMARY

To report the overall financial position of the Council in respect of the capital programme as at 30th June 2022, highlighting key issues and explaining variations in the 3 months of the year.

2. RECOMMENDATIONS

The Executive Board is asked;

- to approve the revised capital programme as per Appendix 1,
- to approve the variations to the programme shown in Appendix 2,

3. BACKGROUND

All portfolios are required to examine their capital budget position on a monthly basis.

4. KEY ISSUES & RISKS

- a) The total cost of the Council's capital investment programme for 2022/23 has now increased from £35.691 million, as approved by Finance Council on 28th February 2022, to £52.400 million at 30th June 2022. The net variation of £16.709 million (detailed in Appendix 2) reflects;
- An increase of £13.526 million in respect of variations to the programme following the finalisation of the outturn position for 2021/22,
 - budget increases of £0.827 million (of which £0.462 million is funded by transfers from existing capital scheme budgets) made to reflect the approval of schemes during the first quarter of the year,
 - further variations during the first quarter of the year, for which approval is requested (£2.818 million),
- b) As at 30th June 2022, the capital expenditure across the portfolios was £1.102 million (representing 2.10% of the current, revised projected capital spend).

c) The estimated capital receipts expected in 2022/23 is £3.445 million; £0.985 million has been received in the first three months of the year.

5. POLICY IMPLICATIONS

The information contained within the report accords with the capital strategy and the three year budget forecast within the Medium Term Financial Strategy 2022-25, as approved at Finance Council on 28th February 2022.

6. FINANCIAL IMPLICATIONS

6.1 CAPITAL PROGRAMME

The variations in actual spend and resource availability for 2022/23 are summarised by portfolio in Appendix 1. Variations in spending are set out in Appendix 2.

The capital programme for 2022/23 has increased by £16.709 million in the first quarter of the year. The other main points to note are as follows:

6.1.1 New Approved Capital Schemes

Several capital schemes (new schemes and amendments to existing schemes) were approved in the final quarter of 2022/23 and have now been added to the capital programme as follows:

Scheme	Amount £	Approved By	Date Approved
Children's and Education			
Newfield School Roof Repairs	£250,000	Executive Board	14-Jul-22
Brookhouse School MUGA Pitch Repairs	£20,000	Executive Board	14-Jul-22
Belmont Primary School Boiler Replacement	£35,000	Executive Board	14-Jul-22
Longshaw Juniors Replacement of Water Main	£25,000	Executive Board	14-Jul-22
Growth and Development			
Blackburn Museum & Art Gallery Roof Replacement – Includes £100,000 transfer from Corporate Property Investment Fund	£465,000	Executive Board	11-Aug-22
Finance and Governance			
Mill Hill Community Centre Roof – Funded by transfer from Corporate Accommodation Strategy Phase 2 scheme	£32,000	Officer Decision	12-May-22
Earmarked Schemes			
Vehicle Replacement Programme	£1,300,000	Executive Board	14-Jul-22
Total	£2,127,000		

6.1.2 Adults and Prevention Services

CCTV Hub Upgrade

Additional costs totalling £43,000 are currently forecast to be incurred on this scheme. It is requested that the budget for this scheme is increased by this amount. These additional costs are to be financed by a revenue contribution from the CCTV earmarked reserve.

6.1.3 Children's Young People & Education

Schools Capital Schemes

Unallocated schools capital grant allocations have been retained in an overarching Capital Allocation Fund within the capital programme until bids against this have been approved. Grants allocations for 2022/23 of £1.282 million for high needs provision and £1.323 million for schools condition grant have been added to the schools capital allocations fund.

A number of other adjustments are requested to be made to schools capital scheme budgets:

Scheme	Amount £
Project Management Fees	50,000
Contingency	100,000
BCHS/Crosshill	(10,000)
Lammack Extension	(26,000)
Other Variations	(12,000)
Total	102,000
Financed by Transfer from Schools Capital Allocations	(102,000)

Additional budgets on a number of schemes have been transferred back to the capital allocations fund and amounts reallocated for the project management fee for 2022/23 and contingency budget.

6.1.4 Growth and Development

Neighbourhood Intervention Fund

Capital Receipts totalling £25,000 had previously been recycled into the budget for this scheme, but have since been identified as relating to the Equity Loans scheme. The recycling of these capital receipts has therefore been transferred to the Equity Loans scheme.

Further capital receipts of £19,000 have been received in respect of properties purchased through the Neighbourhood Intervention Fund scheme. These capital receipts have therefore been recycled back into the budget for this scheme.

This results in a net decrease of £6,000 on the budget for this scheme.

Equity Loans

As well as the £25,000 increase in this budget, as noted above, further capital receipts of £30,000 have been received and recycled back into the budget for this scheme.

This results in a total increase of £55,000 of the budget for this scheme.

Blakey Moor

It is requested that the budget for the Blakey Moor scheme is increased by £420,000. £120,000 is to be funded by a revenue contribution from the COVID Recovery reserve and the remaining £300,000 is to be funded by a transfer from the Corporate Property Investment earmarked scheme.

The scope of the project has changed and forecast costs increased as a result of weather damage and deterioration in the condition of some of the buildings on Blakey Moor Terrace. Costs of construction generally have also been rising, further increasing the forecast spend for this scheme.

6.2 CAPITAL RECEIPTS

Actual capital receipts at the end of June 2022 were £0.985 million. All of these receipts will be utilised in support of the Minimum Revenue Provision.

6.3 BALANCE SHEET POSITION

6.3.1 Overview

Good balance sheet management assists in the effective use and control over the Council's assets and liabilities. Key assets comprise the Council's tangible fixed assets, debtors, investments and bank balances. Key liabilities include long and short-term borrowing, creditors and reserves.

6.3.2 Non-current Assets

Tangible non-current assets include property, plant and equipment held by the Council for use in the production or supply of goods and services, for rental to others or for administrative purposes. Property assets are the responsibility of the Finance and Governance portfolio. One fifth of all assets are re-valued every year, and annual reviews are undertaken to establish whether any impairment or other adjustments need to be applied. New assets and enhancements to existing assets are managed by way of the capital programme, as reported in Appendix 1.

6.3.3 Borrowing and Investments

Long-term borrowing requirements flow from the capital programme. Regular dialogue and meetings take place between the Director of Finance, their staff and the Council's independent treasury consultants Arlingclose, and options for optimising borrowing requirements are actively reviewed.

No long-term borrowing has been taken so far this year.

The Council's surplus cash balances are managed on a day-to-day basis in line with the Treasury Management Strategy approved by Finance Council. The Council spreads its investment risk over a number of institutions and has limits on how much can be invested in any one institution and for how long. The list of approved institutions is kept under regular review by the Treasury Management Group in conjunction with information from the Council's treasury consultants.

Both short and long term borrowing interest rates and investment interest rates have increased over the quarter, as a result of increases in the Bank of England Bank Rate from 0.75% at the start of the period to 1.25% by the end.

Interest and Debt Repayments Revenue Budget

	Original Budget £	Forecast at Quarter 1 £
Interest and investment income	(25,000)	(25,000)
Debt interest payable	12,590,000	12,590,000
MRP	6,422,000	6,422,000
Total	18,987,000	18,987,000

The current borrowing and investment position is as follows:

	Amounts at 30/06/2021 £000	Amounts at 30/06/2022 £000
Short term borrowing	69,250	25,000
Long term borrowing	145,681	141,550
Transferred debt re Local Government Reorganisation	13,582	12,903
Recognition of debt re PFI arrangements	61,138	59,190
TOTAL BORROWING	289,651	238,643
Investments made by the Council	75,548	71,585

The totals include the debt recognised on the balance sheet as a result of accounting adjustments in respect of bringing the BSF school buildings in to use, which are financed through PFI arrangements. These adjustments are made to ensure that the Council's effective control over, and use of, these assets is recognised with corresponding adjustments to the debt. These changes do not add to the costs faced by the Council Tax payer as the actual capital costs for these schools form part of the ongoing stream of payments made to the PFI contractor (which are in turn largely offset by PFI grant funding from the Government).

6.3.4 Debtors

The Council has a corporate debt policy, as well as other specific policies for the management of debt in the key areas of council tax, business rates and housing benefit overpayments. The table below summarises the collection performance of the various debts and the total outstanding debt in the respective areas at 31st March 2022. The table also shows the corresponding level of debt at the same point in the last financial year.

	Position at 30/06/2021	Position at 30/06/2022
Council tax		
Current year balance (£000)	51,808	55,304
Previous year arrears (£000)	13,573	14,480
Total Council tax balances	65,381	69,784
Collection rates	27.4%	27.0%
Business rates		
Current year balance (£000)	28,305	29,343
Previous year arrears (£000)	3,058	3,895
Total Business rates balances	31,363	33,238
Collection rates	20.1%*	32.3%
Housing Benefit		
Overpayments balances (£000)	2,091	2,398

* Last day in month Direct Debits slightly delayed therefore not credited in calculation

7. LEGAL IMPLICATIONS

The Council has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

This report has been prepared in accordance with both the Local Government Act 1972 (Sec 151) which states that "every local authority shall make arrangements for the proper administration of their financial affairs" and the Local Government Act 2003 which, with its various statutory instruments, sets the legal framework within which the Council may undertake capital expenditure and empowers Councils to raise finance for capital expenditure.

8. RESOURCE IMPLICATIONS

None.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

None

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

VERSION:	V1.0
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CONTACT OFFICER:	Jody Spencer-Anforth (Ext 507748) Julie Jewson (Ext 5893)
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DATE:	August 2022
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BACKGROUND PAPER:	N/A
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Overall Capital Monitoring 2022/23

	Current Year 2022/23				
	Budget Approved by Finance Council on 28 Feb 2022 £ 000	Revised Budget After Qtr 4 2021/22 £ 000	Virement / New Scheme Approvals £ 000	Slippage £ 000	Revised Budget at Qtr 1 £ 000
Costs					
Adults and Prevention Services	2,890	3,173	43	-	3,216
Children, Young People and Education	6,827	11,669	2,606	-	14,275
Environmental Services	609	643	-	-	643
Public Health and Wellbeing	-	-	-	-	-
Growth and Development	17,092	24,083	934	-	25,017
Digital and Customer Services	2,623	3,005	-	-	3,005
Finance and Governance	900	1,586	-	-	1,586
Portfolios Total	30,941	44,159	3,583	-	47,742
Earmarked Schemes	3,250	3,558	(400)	-	3,158
Contingent Schemes	1,500	1,500	-	-	1,500
Total Spend	35,691	49,217	3,183	-	52,400
Financing					
Department for Education	3,353	7,902	2,634	-	10,536
Department for Transport	-	4,987	-	-	4,987
Disabled Facilities Grant	3,413	3,753	-	-	3,753
Department for Levelling Up, Housing and Communities	7,295	7,820	-	-	7,820
Department for Business, Energy and Industrial Strategy	-	565	-	-	565
Environment Agency	-	412	-	-	412
Heritage Lottery	1,099	1,029	-	-	1,029
Forrestry Commission	-	85	-	-	85
Arts Council	-	-	365	-	365
Total Grants	15,160	26,553	2,999	-	29,552
External Contributions	202	244	-	-	244
Revenue Contributions	6,351	7,677	136	-	7,813
Unsupported Borrowing	13,978	14,743	48	-	14,791
Total Financing	35,691	49,217	3,183	-	52,400

Scheme variations to 2022/23 Capital Programme

	Current Year 2022/23										
	Budget Approved by Finance Council on 28 Feb 2022 £ 000	Virement / New Scheme Approvals in Q4 2021/22 £ 000	Slippage from Q4 2021/22 £ 000	Revised 2022/23 Budget at Q4 2021/22 £ 000	Virement / New Scheme Approvals £ 000	Slippage £ 000	Revised Budget at Qtr 1 £ 000	Actual Spend to Date £ 000	Variance £ 000	Forecast £ 000	Variance After Slippage £ 000
Adults and Prevention Services											
Disabled Facilities Grant	2,650		243	2,893			2,893	143	(2,750)	2,893	-
Telecare Project	240		40	280			280	(7)	(287)	280	-
Safer Streets Fund	-		-	-			-	1	1	1	1
CCTV Hub Upgrade	-		-	-	43		43	22	(21)	43	-
	2,890	-	283	3,173	43	-	3,216	159	(3,057)	3,217	1
Children, Young People & Education											
Disable Facilities Grant	663		57	720			720	20	(700)	720	-
Two Year Old Grant	-	(165)	214	49			49	-	(49)	49	-
Education - Free School Meals Module	36		-	36			36	-	(36)	36	-
Schools capital programme											
Capital allocations	1,116	(750)	3,823	4,189	2,174		6,363		(6,363)	6,363	-
St Barnabas & St Pauls	135			135			135	-	(135)	135	-
Audley Infants & Juniors Heating System				-			-	(20)	(20)	-	-
Roe Lee Park Ventilation & New Flooring				-			-	(3)	(3)	-	-
Avondale Kitchen			32	32	(2)		30	5	(25)	30	-
Shadsworth Infants - Heating	247			247			247	-	(247)	247	-
St Cuthberts SEND				-			-	6	6	6	6
Meadowhead Infants External Works				-			-	(9)	(9)	-	-
BCHS/Crosshill SEN			52	52	(10)		42	(10)	(52)	42	-
Lammack Extension	1,550		146	1,696	(26)		1,670	213	(1,457)	1,670	-
Darwen - Additional School Places	1,500			1,500			1,500	-	(1,500)	1,500	-
Longshaw Nursery Relocation	500	165	89	754	(1)		753	-	(753)	753	-
Lower Darwen Disability Access Adaptations			28	28	(2)		26	-	(26)	26	-
Brunel Nursery External Fencing			16	16	(2)		14	-	(14)	14	-
Feniscowle Disability Access Adaptations			74	74	(5)		69	-	(69)	69	-
Shadsworth Infants Extension and Remodel	200	250	22	472			472	-	(472)	472	-
Ashleigh Heating and Ventilation	26		9	35			35	-	(35)	35	-
Ashworth Nursery Perimeter Fencing	15		5	20			20	-	(20)	20	-
Audley infants (Nursery) Upgrade Fire Alarm	19		6	25			25	-	(25)	25	-
Audley Infants Resurfacing Pathways	15		5	20			20	-	(20)	20	-
Audley Infants Replacement of Fascias & Soffits	41		14	55			55	-	(55)	55	-
Audley Inf & Jnr Replace windows & upstands to lean to roof	45		15	60			60	-	(60)	60	-
Avondale Resurface Playground	105		35	140			140	-	(140)	140	-
Belmont Replace Fire Alarm System	23		7	30			30	-	(30)	30	-
Brookhouse Primary (Nursery) Replace Roof System	56		19	75			75	-	(75)	75	-
Brookhouse Primary Replace Boilers	30		10	40			40	-	(40)	40	-
Intack Primary Replacement of External Doors	13		5	18			18	-	(18)	18	-
Longshaw Juniors Replace Fire Alarm System	30		10	40			40	-	(40)	40	-
Lower Darwen Primary Heating Scheme	158		52	210			210	2	(208)	210	-
Roe Lee Roofing, Upstandings & Windows	146		49	195			195	-	(195)	195	-
Roe Lee Repairs to Service Road, Ext Areas & Auto Gates	78		22	100			100	-	(100)	100	-
Shadsworth Juniors Replacement of Boilers	30		10	40			40	-	(40)	40	-
Turton & Edgworth Upgrade Fire Alarm	23		7	30			30	-	(30)	30	-
Meadowhead Infants Drainage Installations	15		5	20			20	-	(20)	20	-
Lower Darwen Primary Sch Partial Replace Fire Alarm System	12		4	16			16	-	(16)	16	-
Stansfeld Centre / St Thomas Centre Refurbishment		500		500			500	-	(500)	500	-
Newfield Roof Repairs				-	250		250	-	(250)	250	-
Brookhouse MUGA Pitch Repairs				-	20		20	-	(20)	20	-
Belmont Primary Boiler Replacement				-	35		35	-	(35)	35	-
Longshaw Juniors Replacement of Water Main				-	25		25	-	(25)	25	-
Contingency				-	100		100	(1)	(101)	100	-
Project Management Fee				-	50		50	-	(50)	50	-
	6,827	-	4,842	11,669	2,606	-	14,275	203	(14,072)	14,281	6

Scheme variations to 2022/23 Capital Programme

	Current Year 2022/23										
	Budget Approved by Finance Council on 28 Feb 2022 £ 000	Virement / New Scheme Approvals in Q4 2021/22 £ 000	Slippage from Q4 2021/22 £ 000	Revised 2022/23 Budget at Q4 2021/22 £ 000	Virement / New Scheme Approvals £ 000	Slippage £ 000	Revised Budget at Qtr 1 £ 000	Actual Spend to Date £ 000	Variance £ 000	Forecast £ 000	Variance After Slippage £ 000
Environmental Services											
Land Remediation Scheme	104			104			104	-	(104)	104	-
Blakewater Car Park	230			230			230	-	(230)	230	-
Prayer Shelter at Pleasington Cemetery	275		34	309			309	18	(291)	309	-
	609	-	34	643	-	-	643	18	(625)	643	-
Public Health & Wellbeing											
Replacement Gym Equipment	-			-			-	(186)	(186)	-	-
	-	-	-	-	-	-	-	(186)	(186)	-	-
Growth & Development											
Bank Top and Griffin Clearance	150		36	186			186	-	(186)	186	-
Neighbourhood Intervention Fund	1,805		(217)	1,588	(6)		1,582	60	(1,522)	1,582	-
Equity Loans	100			100	55		155	-	(155)	155	-
Empty Homes Cluster	360			360			360	-	(360)	360	-
Other Acquisition costs	-		10	10			10	-	(10)	10	-
Development Investment Fund	500		23	523			523	40	(483)	523	-
Land Release Fund	759		34	793			793	2	(791)	793	-
Assistance to Industry	150		107	257			257	11	(246)	257	-
Blakey Moor	2,302		104	2,406	420		2,826	177	(2,649)	2,826	-
Cathedral Quarter Office Block Fit Out	-		28	28			28	-	(28)	28	-
Local Transport Plan	979	4,226	1,626	6,831			6,831	198	(6,633)	6,831	-
Reel Cinema	-		39	39			39	(204)	(243)	39	-
Bury Fold Brook	-		14	14			14	-	(14)	14	-
Pottery Farm Alleviation	-		10	10			10	-	(10)	10	-
Waterfall Study	-		123	123			123	30	(93)	123	-
Grimshaw Park FAS Blackburn	-		3	3			3	-	(3)	3	-
Brecon Road Drainage	-		66	66			66	14	(52)	66	-
Corporation Park Drainage	-		13	13			13	5	(8)	13	-
Aqueduct Road Drainage	-		175	175			175	-	(175)	175	-
Quick Win Fund (Hope Street)	-		8	8			8	-	(8)	8	-
Affordable Warmth Grants	-		6	6			6	-	(6)	6	-
Darwen Tower	108		(52)	56			56	26	(30)	56	-
Darwen Towns Fund - Accelerated Funds	-			-			-	-	-	-	-
Darwen Towns Fund - 5% Early Payment	-		598	598			598	253	(345)	598	-
Darwen Towns Fund	6,778			6,778			6,778	-	(6,778)	6,778	-
Thwaites SPV	245			245			245	-	(245)	245	-
Carbon Management Plan	67			67			67	-	(67)	67	-
Greenfields CC and Mill Hill Juniors FC Grants	-		50	50			50	-	(50)	50	-
St Johns Refurbishment	450		(39)	411			411	21	(390)	411	-
Griffin Lodge /Coach House	200			200			200	-	(200)	200	-
St Johns Quarter	500			500			500	-	(500)	500	-
SE Blackburn (Junction 5 & Growth Corridor) Intervention Works	1,639			1,639			1,639	-	(1,639)	1,639	-
Blackburn Museum & Art Gallery Roof Replacement	-			-	465		465	-	(465)	465	-
	17,092	4,226	2,765	24,083	934	-	25,017	633	(24,384)	25,017	-

Scheme variations to 2022/23 Capital Programme

	Current Year 2022/23										
	Budget Approved by Finance Council on 28 Feb 2022 £ 000	Virement / New Scheme Approvals in Q4 2021/22 £ 000	Slippage from Q4 2021/22 £ 000	Revised 2022/23 Budget at Q4 2021/22 £ 000	Virement / New Scheme Approvals £ 000	Slippage £ 000	Revised Budget at Qtr 1 £ 000	Actual Spend to Date £ 000	Variance £ 000	Forecast £ 000	Variance After Slippage £ 000
Digital & Customer Services											
Corporate ICT - Finance System	20		18	38			38	20	(18)	38	-
Corporate ICT - Core Infrastructure Programme	100		36	136			136	24	(112)	136	-
Corporate ICT - Legal Services Case Management System	-		32	32			32	-	(32)	32	-
Corporate ICT - Corporate Website	26		4	30			30	11	(19)	30	-
Coporate ICT - Town Hall IT Infrastructure Upgrade	100		44	144			144	-	(144)	144	-
Coporate ICT - Digital Customer Portal	240		73	313			313	-	(313)	313	-
Coporate ICT - Round Management System	4		12	16			16	-	(16)	16	-
Coporate ICT - Microsoft Licence Agreement Server and Database	126			126			126	-	(126)	126	-
Coporate ICT - Replacement HR and Payroll System	306		87	393			393	(26)	(419)	393	-
Coporate ICT - Implementation Liquidlogic Group Work Module	-		11	11			11	12	1	12	1
Coporate ICT - Microsoft 365 and Unified Comms	570		55	625			625	2	(623)	625	-
Coporate ICT - Transition to the Cloud	112		10	122			122	25	(97)	122	-
Coporate ICT - Helpdesk for Everything	108			108			108	-	(108)	108	-
Coporate ICT - Digital Customer Portal (Phase 2)	240			240			240	-	(240)	240	-
Coporate ICT - Core Network Upgrade	581			581			581	-	(581)	581	-
Coporate ICT - Intranet/iTrent	90			90			90	-	(90)	90	-
	2,623	-	382	3,005	-	-	3,005	68	(2,937)	3,006	1
Finance & Governance											
Public Sector Decarbonisation Scheme	-		565	565			565	197	(368)	565	-
Corporate Accommodation Strategy Phase 2	850		38	888	(32)		856	(1)	(857)	856	-
Darwen Town Hall Reroofing	-			-			-	(6)	(6)	-	-
Witton 3G Changing Room Roof	-			-			-	(7)	(7)	-	-
Mill Hill Community Centre Roof	50		(2)	48	32		80	-	(80)	80	-
Treescape Fund	-		85	85			85	24	(61)	85	-
	900	-	686	1,586	-	-	1,586	207	(1,379)	1,586	-
Portfolios Total	30,941	4,226	8,992	44,159	3,583	-	47,742	1,102	(46,640)	47,750	8
Earmarked schemes:											
Corporate ICT	-		28	28			28	-	(28)	28	-
Corporate Property Investment	1,950		27	1,977	(400)		1,577	-	(1,577)	1,577	-
Vehicles (funded from capital or leased)	1,300		253	1,553			1,553	-	(1,553)	1,553	-
Total	3,250	-	308	3,558	(400)	-	3,158	-	(3,158)	3,158	-
Contingent schemes:											
Asset Management Strategy	1,500			1,500			1,500	-	(1,500)	1,500	-
Total	1,500	-	-	1,500	-	-	1,500	-	(1,500)	1,500	-
Totals	35,691	4,226	9,300	49,217	3,183	-	52,400	1,102	(51,298)	52,408	8