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Policy & Corporate Resources Overview & Scrutiny Committee

Monday, 8th January, 2024

6.00 pm

Meeting Room A
Blackburn Town Hall

AGENDA

1. **Welcome and Apologies**
2. **Minutes of the last meeting**
PCR OSC Sept 2023 **3 - 5**
3. **Declarations of Interest**
DECLARATIONS OF INTEREST FORM **6**
4. **Call-in Committee Update**
The Chair of the Call-in Committee, Councillor Kevin Connor, will verbally update Members on the Call-in Committee Meetings held on 21st December 2023 and 4th January 2024.
5. **Update on Finance**
Item from agreed Work Programme – Update on Finance – see attached latest Revenue and Capital Budget Monitoring reports, which will be supported by a presentation at the meeting itself.

Revenue Monitoring **7 - 37**
App 1 Revenue Monitoring Quarter 2 23 24
App 2 Revenue Monitoring Quarter 2 2023 24
App 3 Revenue Monitoring Quarter 2 2023 24
Capital Monitoring
Capital Monitoring Q2 23 24 Appendix 1
Capital Monitoring Q2 23 24 Appendix 2
6. **Date of Next Meeting - 11th March 2024**
Main item from Work Programme for this meeting – Digital Management.

Date Published: 22nd December 2024
Denise Park, Chief Executive

PRESENT – Councillor Kevin Connor (in the Chair) Councillors Liddle, Taylor, Hussain S, Slater N and Floyd.

ALSO PRESENT – Officers – Tony Watson, Jill Readfern, Ros Billingham and Phil Llewellyn.

RESOLUTIONS

6. Welcome and Apologies

The Chair welcomed everyone to the meeting.

Apologies were received from the Chair, Councillor Tony Humphrys, and from Councillors Fielding and Fazal.

7. Minutes of the meeting held on 17th July 2023

The Minutes of the meeting held on 17th July 2023 were submitted for approval.

Councillor Neil Slater indicated that he had asked the Executive Member for Finance & Governance, Councillor Vicky McGurk for a breakdown of all assets sold and their value, since 2016, at the last meeting, which had not been reflected in the Minutes, and he had also not received the requested breakdown. Whilst those in attendance could not recall hearing or witnessing this request, it was agreed that this would be noted and the request passed to the Executive Member.

RESOLVED – That the Minutes of the meeting held on 17th July 2023 be approved as a correct record, with the inclusion of Councillor Neil Slater's comments.

8. Declarations of interest

No Declarations of interest were submitted.

9. Sickness Absence – April 2018 to March 2023

As agreed at the last meeting, the main agenda item was Sickness Absence, and Jill Readfern delivered a presentation that detailed staff absence data from April 2018 to March 2023.

The presentation highlighted the following key information:

- The average number of days absence per employee in the 5 year period was 9.33 days
- The total number of days lost were 96,081.30 days

- The total cost was £11,457,216
- It was hard to compare to other Councils in Lancashire, such as the other Unitary Councils as there was not comparator information available, as other LA's do not always share data and the other comparators were District Councils that did not have the breadth of services provided by BwDBC.
- The top reason for absence across the period was stress, depression & anxiety, with Covid-19 being the highest in 2020-2021
- Proactive Wellbeing Support is in place, including 80 Mental Health First Aiders and Wellbeing Champions, and support relating to Menopause.
- The current support for staff is also available from EAP (Employee Assistance Provider) and Able Futures
- Challenges, in particular, the impact of Covid-19, and issues relating to Occupational Health
- Management Development for attendance management and awareness of Absence Impact are ongoing

Following the presentation, Members asked a number of questions or made statements on the topic, and these fell under the following areas:

- The breakdown of absence data between Clerical and Manual Staff – Jill Readfern agreed to look at this and provide details to Members.
- Return to Work interviews – frequency and how these were conducted, with Jill Readfern advising that the Managers were required to complete these before closing off absences and within 5 days of a return to work.
- Non-teaching school staff were not included in the absence data, as they were paid from School budgets.
- Absences were now dealt with in stages, rather than being time bound, which reduced the opportunity to have confusion in the system and to remove the punitive impression of warnings.
- Long Term Absences (over 20 days or more) over the last two years – Jill agreed to provide this information to Members.
- Occupational Health Service – the issues with the service were noted, including generic reports, and it was felt that the hours of the Council's own part time in-house Occupational Health Advisor could be increased and that the increased cost would potentially be offset by improved attendance.
- The importance of having the right staff in the right jobs – recruitment to the Council's TRACK values was assisting this, as well as the usual probation periods for new staff. It was also felt important that as Manual staff got into their 50's that their roles could be reviewed, as happened in the Environment Department, with staff being moved to less physically demanding service areas, as appropriate.
- Office based staff who had Covid-19 symptoms, but were able to work, were encouraged to stay at home and these type of cases were not reflected in absence statistics.
- 1,817 days had been lost to Covid-19 in 2022-23.
- Sickness absence had been better handled in the period around 2016-18, when there was dedicated staff in HR to project manage it, with HR contacting the absent staff on day 1 asking what support the individual needed

- Whilst there was a lot of activity and targeted support, the Chair was concerned about its effectiveness, and indicated that the Unions had an integral part to play, and were a very important part of the process, and stressed the need for flexibility.
- Mental Health/Neuro-Diversity and the Menopause needed a proactive focus, before people needed to access Mental Health First Aiders.
- Managers had a crucial role in the absent management process, but were being pulled in many different directions.

Ros Billingham, on behalf of the Joint Unions, submitted a list of questions and comments, and Jill Readfern agreed to respond to these, and Phil Llewellyn would then circulate the responses to the Committee.

In anticipation of the next meeting, which would focus on Finance, Councillor Neil Slater requested that the Executive Member for Finance & Governance update the Committee at that meeting on the current forecasted overspend of £1.7M which he indicated that the Executive Member has stated would be met by in-house savings rather than use of Reserves. Tony Watson advised that there would be a comprehensive budget update at the next meeting, which would contain information on plans to meet overspends.

RESOLVED-

1. That Jill Readfern be thanked for the detailed information presented;
2. That Officers be requested to provide information on the breakdown of absence data between Clerical and Manual Staff, and of Long Term Absences (over 20 days or more) over the last two years, and provide answers to the questions presented by the Unions;
3. The Committee recommend that consideration be given to increasing the hours of the Part-time in-house Occupational Health Advisor, and also that the arrangements relating to Occupational Health support be reviewed;
4. The Committee recommend that more proactive support be given in regard to Mental Health/Neuro-Diversity and the Menopause needed a before people needed to access support such as Mental Health First Aiders; and
5. The Committee recommend that consideration be given to re-introducing dedicated HR support to project manage sickness absence.

Signed:

Date:

Chair of the meeting
at which the minutes were confirmed

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: POLICY AND CORPORATE RESOURCES OSC

DATE: 8th JANUARY 2024

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:	Strategic Director of Finance and Resources
DATE:	9th November 2023

PORTFOLIOS AFFECTED: All

WARDS AFFECTED: All

KEY DECISION: Y

TITLE OF REPORT: Corporate Revenue Budget Monitoring 2023/24 – Quarter 2

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 2023/24 on the basis of a budget monitoring exercise undertaken at the end of September 2023 (Quarter 2).

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 September 2023;
- c) note the current forecast overspend of £1.450m at the end of Quarter 2 and request Portfolio Holders to review their budgets for the remainder of 2023/24 with a view to identifying potential mitigating actions.
- d) note the Earmarked Reserves and General Fund Balance position as at 30th September 2023.

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 Finance Council on 27th February 2023, the Council agreed the General Fund Revenue Budget for 2023/24.

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 September 2023. The impact of these adjustments on the Council's Budget for 2023/24 is summarised in Table 1 below:-

Table 1: Working Budget 2023/24 (as at 30th September 2023)

	30 Jun 2023 £000	Adjustments*1 £000	Working Budget at 30 Sept 2023 £000
Portfolio Budgets	160,719	400	161,119
Other Corporate Income and Expenditure	(16,606)	(1,302)	(17,908)
Net Revenue Expenditure	144,113	(902)	143,211
Less Core Funding	(62,268)	-	(62,268)
Less Council Tax	(64,861)	-	(64,861)
Shortfall before Reserves	16,984	(900)	16,082
Change in Specific Reserves	(16,984)	900	(16,084)
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 2023/24 compared to the Working Budget referred to in Table 1 above. As the table indicates, on the basis of the Quarter 2 budget monitoring position there is a forecast overspend of £1.450m. A more detailed analysis is provided at **Appendix 2:-**

Table 2: Forecast Performance against Controllable Budgets

	Working Budget at 30 Sept 2023 £000	Forecast Outturn	Variation £000
Portfolio Budgets	161,119	165,069	3,950
Other Corporate I & E	(17,908)	(20,408)	(2,500)
Net Revenue Expenditure	143,210	144,661	1,450
Less Core Funding	(62,268)	(62,268)	-
Less Council Tax	(64,861)	(64,861)	-
Shortfall before Reserves	16,081	17,532	1,450
Change in Specific Reserves	(16,084)	(17,534)	(1,450)
Change in GF Balance	-	-	-
Funding 'Gap'	-	-	-

*1 – See Appendix 2

- 5.5 Councillors should note that this is a forecast outturn position for the year based on the Quarter 2 monitoring position. Further budget monitoring exercises will be undertaken during the year and these will be reported to the Executive Board accordingly.

Portfolio Budgets

- 5.6 As indicated in Table 2 above, the forecast outturn position on the Portfolio Budgets is an overspend of £3.950m. 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 Sept 2023 £000	Forecast Outturn £000	Variation £000
Adults Social Care and Health	69,614	69,183	(431)
Children, Young People and Education	40,894	45,151	4,257
Public Health, Prevention and Wellbeing	5,015	4,623	(392)
Environment and Operations	11,590	12,367	777
Growth and Development	15,372	15,756	384
Finance and Governance	12,464	12,288	(176)
Digital and Customer Services	7,111	6,642	(469)
Schools and Education (DSG)	(941)	(941)	-
Portfolio Budgets	161,119	165,069	3,950

*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 underspend of £431k. This is summarised in the table below

Table 4: Adult Social Care and Health – Forecast Outturn 2023/24:-

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	Variation £000
Independent Sector Other	347	437	90
Independent Sector	52,613	52,860	247
ASC and Social Work	3,083	2,939	(144)
Day Services	2,219	1,973	(246)
In House Residential	0	0	0
Independent Living	1,269	1,046	(223)
Integrated Commissioning	4,101	4,025	(76)
Mental Health	1,217	1,170	(47)
Safeguarding	1,133	1,020	(113)
Shared Lives	657	632	(25)
Strat Gov & Bus Support	832	801	(31)
Supporting People	946	1,267	321
Transport	330	246	(84)
Prevention, Neighbourhoods & Learning	617	517	(100)
Social Integration	133	133	0
Community Development Management	117	117	0
Adult Social Care and Health	69,614	69,183	(431)

5.9 The key variances to note include:-

- the area of external commissioning budgets are closely monitored and reviewed throughout the year, and therefore current forecast position of an overspend of £247k can be subject to change as we progress through the months.
- with non-commissioning budgets, the currently forecast position is an underspend of £579k. Additional budget was identified at Budget Setting for a number of restructures across the department in Strategic Commissioning, Safeguarding and various Social Work teams. Savings in these areas as a result of current delay in recruitment as well as lag in implementation of staffing remodels are unlikely to continue when the restructures are complete and therefore, at present, the department is reporting a predicted break even at year end;
- Neighbourhood & Prevention Services, at this stage of the year, are anticipated to underspend by £100k.

5.10 The forecast outturn position for Children, Young People and Education is an overspend of £4.257m. This is summarised in the table below:-

Table 5: Children, Young People and Education – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	Variation £000
Strategic Social Work	6,232	6,608	376
Permanence	21,486	23,139	1,653
Adolescent Services	4,238	4,144	(94)
Strategy, Policy and Performance	415	438	23
Education	3,573	5,789	2,216
Early Years	1,948	1,701	(247)
Directorate	3,002	3,332	330
Children, Young People and Education	40,894	45,151	4,257

5.11 The key variances to note include:-

- as per the position at Quarter 1, continuing demand pressures and rising costs are impacting on the Commissioned Placements budget. At the end of Quarter 2, trends are now becoming visible which have enabled the forecast to be refined. As a result the forecasted overspend against this budget has increased to £1.130m. This is partly due to higher than anticipated numbers of Children but mainly a result of increasing costs of placements (which is recognised nationally as a significant issue for Children's Social Care);
- ongoing pressures are also being seen in our Home to School and SEN Transport budgets due to rising numbers of children subject to Education, Health and Care Plans and becoming eligible for free transport to school. This has been compounded by an existing supplier of home to school transport having their licence withdrawn by the Transport Commissioner, resulting in a number of services being re-tendered at considerably higher cost.
- a shortfall in income from the High Needs Block of the Dedicated Schools Grant. During the year, the Council has been requested by the Education and Skills Funding Agency (ESFA) to undertake a review of the charges to the High Needs Block (HNB) of the Dedicated Schools Grant. This has highlighted that some activities (across a range of cost centres) funded from the HNB that should be funded from the Council's General Fund. In total, estimated income of £1.650m is no longer attributable to the General Fund in the current financial year hence the increase in the net cost of the Children's, Young People and Education Service.

5.12 The forecast outturn position for Public Health, Prevention and Wellbeing is an underspend of £392k. This is summarised in the table below:-

Table 6: Public Health, Prevention and Wellbeing – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	Variation £000
Leisure Services	1,354	1,193	(161)
Parks and Open Spaces	(50)	(35)	15
Healthy Lifestyle	(14)	(178)	(164)
Public Health	1,248	1,248	0
Library Services	11	11	0
Community Asset Management (incl CCTV)	1,108	1,019	(89)
Community Safety	404	420	16
Housing Needs	504	495	(9)
Directorate	450	450	0
Public Health, Prevention and Wellbeing	5,015	4,623	(392)

5.13 The key variances to note include:-

- Strategic Leisure is currently forecasting a saving of £160k due to the lower than expected cost of gas and electric, however we are still waiting the new energy rates from Blackburn College. Income is up 6.6% across the 3 Leisure centres for this financial year.
- there is a significant remodel taking place across the Health & Wellbeing Team which has faced unexpected delays. The ongoing restructure and remodelling of teams has created delays in recruitment into existing vacant posts. Recruitment to these posts and newly created posts will be completed by the end of the year, December 2023. As the underspend relates to Public Health funding there are currently ongoing discussions with Public Health to look at potential opportunities to support Public Health outcomes and utilise any underspend before the financial year end.
- the Community Assets area is under review hence the predicted underspend of £89,000 as spend has been ceased until the review has been undertaken.

5.14 The forecast outturn position for Environment and Operations is an overspend of £777k. This is summarised in the table below:-

Table 7: Environment and Operations – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	£000
Housing Services	(30)	249	279
Management Overhead	1,576	1,565	(11)
Grounds Maintenance	443	456	13
Neighbourhood Health	276	260	(16)
Transport	(225)	(271)	(46)
Cleansing Services	3,054	3,303	249
Parking Services	(976)	(903)	73
Waste Disposal	7,267	7,423	156
Public Protection Service	205	285	80
s106 Agreements (Expenditure)	0	0	0
Environment and Operations	11,590	12,367	777

5.15 The key variances to note include:-

- there is a forecast variance of £279k on Housing Services mainly arising as a result of lack of resource to establish a new Selective Licensing area. The portfolio is working to enable this to be taken forward and a new Selective Licensing area established as soon as practicable;
- as a result of the recent fire and subsequent closure of the Crematorium the portfolio is currently making reduced income from the site and the above forecast reflects this;
- the variation of £249k on Cleansing Services is due mainly to an overspend on the Refuse Collection Service due to the cost of additional wastes bins. Consideration will be given to charging the cost of these bins to the Capital Programme (given the long term value of the assets);
- the overspend in Parking Services is due primarily to a shortfall in income;
- the overspend on the Public Protection Service is mainly due to a shortfall in income from the Taxi Licensing Service.

Growth and Development

5.16 The forecast outturn position for Growth and Development is an overspend of £384k. This is summarised in the table below:-

Table 8: Growth and Development – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	£000
Markets	1,389	1,184	(205)
Business/Enterprise Centres	52	(40)	(92)
Corporate Property	1,736	1,545	(191)
Commercial Investment/Tenanted Estate	(690)	(100)	590
Highways Maintenance	4,284	4,821	537
Strategic Transport/Co-ordination	2,129	2,041	(88)
Directorate/Growth Team	3,792	3,992	200
Building Control	137	106	(31)
Development Control/Planning	(297)	(397)	(100)
Central Services	335	338	3
Town Centre Regeneration	94	144	50
RPL Office Accommodation	73	73	0
Parks and Open Spaces	0	0	0
Halls and Entertainment	438	259	(179)
Library Services	1,435	1,368	(67)
Museum Services	388	345	(43)
Arts Services	30	30	0
s106 Agreements (Expenditure)	47	47	0
Growth and Development	15,372	15,756	384

5.17 The key variances to note include:-

- A forecast overspend of £590k on the Commercial Investment/Tenanted Estate. This is largely a result of uncertainty over the profit share payments from the Mall. Discussions are currently ongoing with the Owners on this matter;
- a forecast overspend of £537k on Highways Maintenance due to current spending being above the budget. In view of this predicted overspend, it is proposed to undertake a detailed review of the Highways Maintenance budget, policy and other related matters to consider options to bring spending in line with the agreed budget;
- a predicted overspend on the Directorate/Growth Team of £200k. Given the Council's ambitious growth programme and considerable success in obtaining external funding, additional capacity is required to ensure the Council can deliver the related projects. This has prompted a review of the Growth Team, the funding available from the various sources of external schemes and the scope to capitalise these costs accordingly. This work is underway and is likely to contain this overspend.

5.18 The forecast outturn position for Finance and Governance is an underspend of £176k. This is summarised in the table below:-

Table 9: Finance and Governance – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	£000
Financial Support Services	4,156	3,913	(243)
Democratic Services	1,347	1,174	(173)
IT Management and Governance	117	148	31
Legal Support Services	2,159	2,203	44
Chief Executive, Policy and Support	981	1,008	27
Human Resources and Training	2,425	2,498	73
Other Non Distributable Costs	1,279	1,344	65
Finance and Governance	12,464	12,288	(176)

5.19 The key variances are a saving on Democratic Services which is mainly made up of staff vacancies and a saving on Financial Support Services following a charge for our administration of Free School Meals (for 5 years) to the Dedicated Schools Grant reserve as agreed previously with School Forum. The other budget headings are under review and wherever possible savings will be identified to offset the minor forecast overspend.

Digital and Customer Services

5.20 The forecast outturn position for Digital and Customer Services is £469k underspend. This is summarised in the table below:-

Table 10: Digital and Customer Services – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	£000
Coroners Services	315	336	21
IT Management and Governance	6,796	6,306	(490)
Digital and Customer Services	7,111	6,642	(469)

5.21 The variances arise from staffing savings/vacancies within IT Management and Governance.

Schools and Education (DSG)

5.22 The forecast outturn for the Schools and Education (DSG) portfolio is breakeven, any variance will be taken from or added to the Dedicated Schools Grant reserve at financial year end. Services in Schools and Education (DSG) are currently forecast to spend the funding available in 2023/24 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 a saving of £2.500m.

Table 11: Other Corporate Income and Expenditure Budgets – Forecast Outturn 2023/24

	Working Budget at 30 Sept 2023 £000	Forecast Outturn £000	Variation £000
RCCO	6,826	6,826	-
School Contribution to Capital	(266)	(266)	-
Contingencies	6,932	6,932	-
<u>Debt Charges</u>			
<i>Interest and Investment Income</i>	(1,300)	(2,524)	(1,224)
<i>Debt interest payable</i>	12,760	11,687	(1,073)
<i>MRP</i>	6,565	6,362	(203)
Other Non-Ringfenced Grants	(49,619)	(49,619)	-
Town and Parish Council Precepts	193	193	-
Other Corporate Income and Expenditure	(17,909)	(20,409)	(2,500)

Savings Agreed for 2023/24 – Progress on Implementation

5.24 As part of the approved budget for 2023/24, 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 2023/24

	Working Budget at 30 th Sept 2023 £000	Forecast Outturn £000	Variation £000
Adult Social Care and Health	1,447	1,447	-
Children, Young People and Education	367	217	(150)
Public Health, Prevention & Wellbeing	207	207	-
Environment and Operations	447	447	-
Growth and Development	150	150	-
Digital and Customer Services	167	167	-
Finance and Governance	411	411	-
Total Savings	3,196	3,046	(150)

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

Reserves and Balances

- 5.26 At the start of the financial year, the Council has Reserves and Balances totalling of £74.216m. This includes a General Reserve of £6.941m (which includes the Minimum Working Balance of £6.000m). In approving the Budget for 2023/24, the Council agreed to use £10.250m from specific earmarked reserves in support of the budget.
- 5.27 Quarter 1 monitoring allocated This report now £6.734m from earmarked reserves which arose from carrying forward grants and other contributions into specific reserves at the end of the financial year 2022//23. This report now allocates £1.450m being £941k from Unallocated Reserves (as noted above this is our approved Minimum Working Balance) and £511k from the Future Demand pressures reserves, to offset the forecast overspend and report a balanced budget.
- 5.28 Taking into account the various adjustments referred to elsewhere in this report, the estimate of Balances and Reserves as at 30th September 2023 is £56.680m. A detailed analysis of these changes is provided at **Appendix 3**.

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 September 2023

Appendix 3 – Earmarked Reserves and General Fund Balance – Position as at 30th September 2023

VERSION:	1
CONTACT OFFICER:	Dean Langton
DATE:	October 2023
BACKGROUND PAPERS:	None

SCHEDULE OF BUDGET ADJUSTMENTS REQUESTED - QUARTER 2 - 2023/24

	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 Budgets as at 30 June 2023 (approved at Executive Board September 2023)	70,032,285	4,524,112	40,894,993	11,962,330	15,013,341	7,244,688	11,988,297	(941,000)	160,719,046
Portfolio changes	(287,101)	261,432	0	(366,716)	392,385	(117,354)	117,354	0	0
Revised Controllable Budget	69,745,184	4,785,544	40,894,993	11,595,614	15,405,726	7,127,334	12,105,651	(941,000)	160,719,046
Transfers between portfolios									
Transfer from Business Support part year effect						(15,977)	15,977		0
Realignment of SDOH budgets	(129,000)	179,000			(50,000)				0
Realignment of Salaries budgets				(8,719.00)	8,719				0
Other transfers (to)/from earmarked reserves									
ER/VR budget increase				2,215	1,118				3,333
S106 Fensicowles War Memorial Trust					5,719				5,719
Transfer from Welfare and Council Tax reforms reserve							100,000		100,000
Transfer from DSG reserve for FSM administration 5 years							243,360		243,360
Other budget adjustments									
Reverse R650 re Homelessness Prevention from Quarter 1		50,000							50,000
Revised Controllable Budget as at 30th Sept 2023	69,616,184	5,014,544	40,894,993	11,589,110	15,371,282	7,111,357	12,464,988	(941,000)	161,121,458

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Corporate Budget Monitoring - Quarter 2

	Quarter 1 Budget 2023/24 £000	Variations £000	Quarter 2 Budget 2023/24 £000	Forecast £000	Variation £000
Adult Social Care and Health	69,745	(131)	69,614	69,183	(431)
Children, Young People and Education	40,894	-	40,894	45,151	4,257
Public Health, Prevention and Wellbeing	4,785	230	5,015	4,623	(392)
Environment and Operations	11,595	(5)	11,590	12,367	777
Growth and Development	15,405	(33)	15,372	15,756	384
Finance and Governance	12,105	359	12,464	12,288	(176)
Digital and Customer Services	7,127	(16)	7,111	6,642	(469)
Schools and Education (DSG)	(941)	-	(941)	(941)	-
Net Cost of Services	160,719	404	161,119	165,069	3,950
Corporate Income and Expenditure					
RCCO	8,128	(1,303)	6,825	6,825	-
School Contribution to Capital	(266)	-	(266)	(266)	-
Contingencies	6,932	-	6,932	6,932	-
<i>Debt Charges</i>					
<i>Interest and Investment Income</i>	(1,300)	-	(1,300)	(1,300)	-
<i>Debt interest payable</i>	12,760	-	12,760	10,260	(2,500)
MRP	6,565	-	6,565	6,565	-
Other Non-Ringfenced Grants	(49,619)	-	(49,619)	(49,619)	-
Town and Parish Council Precepts	193	-	193	193	-
Net Revenue Expenditure	144,112	(899)	143,209	144,659	1,450
Contribution to/(from) Reserves	(16,983)	899	(16,080)	(17,530)	(1,450)
General Fund Working Balance	-	-	-	-	-
Net Expenditure	127,129	-	127,129	127,129	-
Business Rates - Top Up Grant	(25,117)	-	(25,117)	(25,117)	-
Retained Business Rates	(19,794)	-	(19,794)	(19,794)	-
Revenue Support Grant	(15,695)	-	(15,695)	(15,695)	-
Collection Fund - NNDR (Surplus)/Deficit	(452)	-	(452)	(452)	-
Collection Fund - Council Tax (Surplus)/Deficit	(1,210)	-	(1,210)	(1,210)	-
Council Tax Income	(64,861)	-	(64,861)	(64,861)	-
Total Income	(127,129)	-	(127,129)	(127,129)	-

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 30 June 23	Requested Transfers to/(from) earmarked reserves in Qtr 2		Balance at 30 Sept 2023
	Quarter 1 2023/24 - As reported to Exec Board Sept 2023 £000	Release of grants and other budgets b fwd from 2022/23 £000	Other transfers to/(from) reserves £000	Q2 2023/24 £000
Welfare, council tax and business rates reforms				
Welfare and council tax reforms	1,844		(100)	1,744
Section 31 Grant - Compensation for lost Business Rates income	4,460			4,460
Investment in assets and infrastructure				
Office Accommodation and property improvements	263		275	538
Highways winter maintenance	404			404
Support for the Local Plan	54			54
Flood Defence	77			77
St John's Reinstatement	1,740		1,000	2,740
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)	486			486
Supporting Families / Targetted Youth Support	264			264
Youth Justice	318			318
Music Services	117			117
Disabled Facilities Grants	289			289
Future Demand Pressures	4,899		(511)	4,388
Better Care Fund	316			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	1,667		(3)	1,664
Support for part year effect of future savings plans	1,187			1,187
Digital Transformation	1,259		200	1,459
Transition to the Cloud	447			447
Response and Recovery Reserve	2,500			2,500
Budget Support Reserve	1,985			1,985
Budget Balancing Reserve			-	-
Invest to Save Reserve	4,266			4,266
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	-			-
Transforming Lives	37			37
One Public Estate grant	255			255
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	185			185
Section 278 contributions	-			-
NHS Funding for LPRES integration with Mosaic and spine mini services	19			19
COVID-19 Funding from MHCLG	2,498			2,498
Combined Authority Grant	48			48
Burdens Fund monies	3			3
Custom build Grant	15			15
Museum & Arts Project	15			15
Museum & Schools Grant	62			62
Social Prescribing Link Workers Monies	11			11
Community Champion Funding	85			85
Virtual School Grant	293			293
Clinically Extremely Vulnerable COVID Funding	290			290
Supported Families Funding - Neighbourhood Management	148			448
Unspent Public Health funding				-
Arts Regeneration	26			26

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 30 June 23	Requested Transfers to/(from) earmarked reserves in Qtr 2		Balance at 30 Sept 2023
	Quarter 1 2023/24 - As reported to Exec Board Sept 2023	Release of grants and other budgets bfwd from 2022/23	Other transfers to/(from) reserves	Q2 2023/24
	£000	£000	£000	£000
Community Development Management	10			10
Safer Streets Fund - CCTV monitoring & Maintenance	60			60
HMLR Funding	-			-
Cyber Resilience Fund	150			150
DLUHC User Research Funding	17			17
Active Travel Fund	-			-
Arts Council England	-			-
Shared Prosperity Fund	-			-
Climate Change	-			-
Amounts c/fwd to future year(s) in respect of unspent grants and contributions				
Bus Service Improvement Plan	-			-
Public Health Funding - Business Compliance	-			-
DEFRA Grant - Business Compliance	-			-
Roe Lee - Levelling Up Funds	-			-
Family Hub	-			-
Youth Investment Fund	109			109
Innovation Funding	-			-
DSL Grant	-			-
Homes for Ukraine	-			-
Multiply Grant	-			-
Programme Management	-			-
More Positive Together (MPT) Funding	-			-
More Positive Together (MPT) - Steps	-			-
Supporting Families	-			-
Locality/Community Fund	-			-
PSS Grant	154			154
DHSC Capacity and Productivity Grant	130			130
Fitness for Life Grant	40			40
Dovetail	-			-
RR Pathway	-			-
Afghan Scheme	-			-
Asylum Dispersal	-			-
DLUHC Transparency Code New Burdens	13			13
DFT Local Transport Authority Capacity grant	-			-
DEFRA Biodiversity net gain grant	-			-
Active Travel Capability Fund	-			-
LEVI Capability Fund	-			-
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	119			119
Development Investment Fund (Capital)	1			1
Strengthening Communities Volunteering in Lancashire (SCVL)	109			109
Community Support Unit - request to carry forward specific budget	72			72
Community Hygiene - request carry forward income from Land Charges	-			-
Landscaped Areas - Commuted sum Lakeside Gardens	-			-
Funding for Care Quality Commission (CQC) Inspection	600			600
White Lining - request to carry forward specific budget underspends	-			-
Reserves held for specified purposes				
Developers Contributions (\$106 Income)	699		(229)	470
Future Maintenance of Wainwright Bridge	27			27
Future Maintenance of Witton Park 3G Pitches	225			225
Leisure Equipment Pay-back	120			120
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	25			25
W. Ferrier Bequest (for museum re Kathleen Ferrier)	20			20
Allowance for contingent liabilities (e.g. MMI)	250			250
Blackburn Building Control Account	38			38
TOTAL EARMARKED RESERVES FOR DISCRETIONARY USE	38,485	-	632	39,117

DETAILS OF GENERAL FUND EARMARKED RESERVES FOR USE BY THE COUNCIL

	Balance at 30 June 23	Requested Transfers to/(from) earmarked reserves in Qtr 2		Balance at 30 Sept 2023
	Quarter 1 2023/24 - As reported to Exec Board Sept 2023 £000	Release of grants and other budgets bfwd from 2022/23 £000	Other transfers to/(from) reserves £000	Q2 2023/24 £000
'Other Earmarked' Reserves				
Reserves held in respect of joint arrangements and charitable bodies				
Darwen Market Traders Association	2			2
Joint Building Control Account	-			-
Turton Tower Charity	74			74
LSCB Safeguarding Partners Fund	41			41
Reserves held in relation to schools				
Dedicated Schools Grant - Surplus	4,221		(243)	3,978
LMS Schools Balances	7,468			7,468
TOTAL 'OTHER EARMARKED' RESERVES	11,806	-	(243)	11,563
TOTAL EARMARKED RESERVES	50,291	-	389	50,680
UNALLOCATED RESERVES	6,941	-	(941)	6,000

EXECUTIVE BOARD DECISION



REPORT OF:	Executive Member for Finance and Governance
LEAD OFFICERS:	Strategic Director of Finance and Resources
DATE:	9 th November 2023

PORTFOLIO/S AFFECTED:	All
WARD/S AFFECTED:	All
KEY DECISION:	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

SUBJECT: CORPORATE CAPITAL BUDGET AND BALANCE SHEET MONITORING REPORT 2023/24 – Quarter 2 as at 30th September 2023

1. EXECUTIVE SUMMARY

To report the overall financial position of the Council in respect of the capital programme as at 30th September 2023, highlighting key issues and explaining variations in the first 6 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 2023/24 has now reduced from £65.820 million, as approved by Executive Board on 7th September 2023, to £59.215 million at 30th September 2023. The net variation of £6.605 million (detailed in Appendix 2) reflects;
- budget increases of £2.050 million (of which £1.550 million is funded by transfers from existing capital scheme budgets), for which approval is requested.
 - an increase of £0.798 million in the unallocated schools capital grant budget to reflect alternative contributions to previously approved school schemes, for which approval is requested.
 - budget reductions of £0.238 million.
 - slippage and re-profiling of budgets of £7.665 million, for which approval is requested.
- b) As at 30th September 2023, the capital expenditure across the portfolios was £6.262 million (representing 10.58% of the current, revised projected capital spend).

c) The estimated capital receipts expected in 2023/24 is £5.592 million; £1.241 million has been received in the first six 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 2023-26, as approved at Finance Council on 27th February 2023.

6. FINANCIAL IMPLICATIONS

6.1 CAPITAL PROGRAMME

The variations in actual spend and resource availability for 2023/24 are summarised by portfolio in Appendix 1. Variations in spending are set out in Appendix 2.

The capital programme for 2023/24 has reduced by £6.605 million in the second quarter of the year. The main points to note are as follows:

6.1.1 Adults and Prevention Services

Disabled Facilities Grant (DFG)

It was identified that the Telecare and Children's elements of the 2023/24 DFG grant allocation, amounting to £423,000, had also been included in error on the Adults DFG line in the capital programme presented at Quarter 1. This has now been corrected. This reduction in budget has been offset by an additional DFG grant allocation for 2023/24 of £185,000.

6.1.2 Children's Young People & Education

School Capital Allocations

Unallocated schools capital grant allocations are retained in an overarching Capital Allocations Fund within the capital programme until bids against this have been approved.

Three schemes that were shown at Quarter 1 as being 100% funded by grant allocations are actually being funded by a combination of grant allocations and S106 contributions, as shown in the table below. The funding split has been adjusted for Quarter 2, and the Capital Allocations Fund has been increased to reflect this.

Scheme	Grants £	S106 £	Total £
QEGS reconfiguration layout expand provision	330,000	220,000	550,000
Witton Academy reconfiguration and refurbishment	389,900	260,100	650,000
St Wilfrid's Refurbish to Create Additional Classroom	30,100	19,900	50,000
Total	750,000	500,000	1,250,000

There has been a further increase in the Capital Allocations Fund of £297,700 to reflect the amount of schools' Devolved Formula Capital (DFC) funding that has been used to fund school capital schemes (rather than Local Authority grant allocations).

Any forecast overspends on school schemes will be covered by a transfer from the School Capital Allocations Fund.

6.1.3 Growth and Development

Neighbourhood Intervention

Capital receipts of £105,500 have been recycled back into the Neighbourhood Intervention Fund, and approval is requested to increase the scheme by this value.

Equity Loans

Capital receipts of £12,000 have been recycled back into the Equity Loans Fund, and approval is requested to increase the scheme by this value.

UK Shared Prosperity Fund

Approval is sought to create a budget for the anticipated 2023/24 grant allocation of £382,000.

Imperial Mill

£850,000 has been transferred from the Corporate Property Investment budget representing funds earmarked for the purchase of Imperial Mill, which was finalised during Quarter 2.

Slippage

A request is made to approve the re-profiling of the following Growth and Development scheme budgets into 2024/25 for schemes not expected to be completed during the current financial year:

Scheme	Slippage Requested £
Bank Top and Griffin Clearance	100,000
Neighbourhood Intervention Fund	500,000
Equity Loans	230,000
Empty Homes Cluster	350,000
Other Acquisition costs	10,000
Development Investment Fund	500,000
Land Release Fund	730,000
St Johns Refurbishment	1,000,000
Griffin Lodge /Coach House	275,000
Blackburn Town Centre Highways & Public Realm Works	1,750,000
Levelling Up (LUF) Projects - Town Centre	1,500,000
	6,945,000

Blackburn Town Centre Highways & Public Realm Works

The Town Centre Development scheme involving the relocation of Morrisons to the former Thwaites site has not progressed as quickly as planned due to the challenging economic background now facing developments. A planning application for the new store and redevelopment of the existing store and multi-storey car park is on plan to be submitted by the end of the year with a start on site late 2024. The Council is working with partners to re-profile capital commitments required to fund improvements to infrastructure, acquisitions and wider site enabling works.

Levelling Up (LUF) Projects - Town Centre

The Council is working with DLUHC and education partners to reassess the viability of the new Skills & Education campus as a result of the economic challenges, causing higher costs and interest rates. This has resulted in a re-profile of the scheme and capital requirements with works now expected to start on site in 2025.

6.1.4 Digital and Customer Services

New Laptop Refresh

As approved by the Executive Board on the 6th July 2023, £700,000 has been transferred from the Corporate ICT budget to refresh the supply of employee laptops during the year.

Slippage

A request is made to approve the re-profiling of the following Corporate ICT scheme budgets into 2024/25 for schemes not expected to be completed during the current financial year:

Scheme	Slippage Requested £
Core Infrastructure Programme	70,000
Microsoft 365 and Unified Comms	350,000
Core Network Upgrade	200,000
Digital Flare Replacement	100,000
	720,000

6.2 CAPITAL RECEIPTS

Actual capital receipts at the end of September 2023 were £1.241 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. 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 Strategic Director of Finance and Resources, 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 the Executive Board. 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, this is due to a number of factors including global issues and increases in the Bank of England Bank Rate from 5.00% at the start of the period to 5.25% by the end.

Changes to the income and debt repayment revenue budget forecasts are as follows:

- Interest and investment income is now forecast to be £1.224 million higher than the original budget. This is due to increasing interest rates, and the level of the Council's investment balances which has been very high during the first half of the year due to grants received in advance from central government, including in respect of the Darwen Town Deal and Levelling-Up schemes.
- Debt interest payable is forecast to be £1.073 million lower than the original budget, because the Council does not expect to need to take any new borrowing during the year.
- MRP is forecast to be £0.203 million lower than the original budget due to reduced capital spend being incurred in the previous year.

Interest and Debt Repayments Revenue Budget

	Original Budget £	Forecast at Quarter 2 £	Movement £
Interest and investment income	(1,300,000)	(1,300,000)	(1,224,000)
Debt interest payable	12,760,000	12,760,000	(1,073,000)
MRP	6,565,000	6,565,000	(203,000)
Total	18,025,000	18,025,000	(2,500,000)

The current borrowing and investment position is as follows:

	Amounts at 30/09/2022 £000	Amounts at 30/09/2023 £000
Short term borrowing	10,000	0
Long term borrowing	139,776	136,228
Transferred debt re Local Government Reorganisation	13,039	12,224
Recognition of debt re PFI arrangements	58,635	56,356
TOTAL BORROWING	221,450	204,808
Investments made by the Council	57,936	89,867

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 30th September 2023. The table also shows the corresponding level of debt at the same point in the last financial year.

	Position at 30/09/2022	Position at 30/09/2023
Council tax		
Current year balance (£000)	35,482	39,077
Previous year arrears (£000)	13,575	13,968
Total Council tax balances	49,057	53,045
Collection rates	53.1%	51.72%
Business rates		
Current year balance (£000)	17,028	31,655
Previous year arrears (£000)	3,536	3,271
Total Business rates balances	20,564	34,926
Collection rates	60.7%	51.17%
Housing Benefit		
Overpayments balances (£000)	2,243	2,565

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

CONTACT OFFICER: Jenny Bradley (267681) Simon Ross (585569)

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DATE:	October 2023
BACKGROUND PAPER:	N/A

Overall Capital Monitoring 2023/24

	Current Year 2023/24				
	Budget Approved by Finance Council on 27 Feb 2023 £ 000	Revised 2023/24 Budget at Q1 2023/24 £ 000	Virement / New Scheme Approvals £ 000	Slippage £ 000	Revised Budget at Qtr 2 £ 000
Costs					
Adults and Prevention Services	3,282	3,871	(238)	-	3,633
Children, Young People and Education	7,068	16,386	798	-	17,184
Environmental Services	215	982	-	-	982
Public Health and Wellbeing	-	-	-	-	-
Growth and Development	22,417	33,279	1,350	(6,945)	27,684
Digital and Customer Services	3,030	2,904	700	(720)	2,884
Finance and Governance	831	848	-	-	848
Portfolios Total	36,843	58,270	2,610	(7,665)	53,215
Earmarked Schemes	3,127	5,376	(1,550)	-	3,826
Contingent Schemes	2,294	2,174	-	-	2,174
Total Spend	42,264	65,820	1,060	(7,665)	59,215
Financing					
Department for Education	2,505	11,836	575		12,411
Department for Transport	22	7,878			7,878
Disabled Facilities Grant	3,762	4,153	(378)		3,775
Department for Levelling Up, Housing and Communities	7,218	8,038	382	(1,062)	7,358
Department for Business, Energy and Industrial Strategy	-	-			-
Environment Agency	14	96			96
Heritage Lottery	882	722			722
Forrestry Commission	-	20			20
Arts Council	365	365			365
Home Office	-	102			102
Total Grants	14,768	33,210	579	(1,062)	32,727
External Contributions	226	366	(36)		330
Revenue Contributions	7,656	10,348	173	(1,475)	9,046
Unsupported Borrowing	19,614	21,896	344	(5,128)	17,112
Total Financing	42,264	65,820	1,060	(7,665)	59,215

Scheme Variations to 2023/24 Capital Programme

Current Year 2023/24									
	Budget Approved by Finance Council on 27 Feb 2023 £ 000	Revised 2023/24 Budget at Q1 2023/24 £ 000	Virement / New Scheme Approvals £ 000	Slippage £000	Revised Budget at Q2 £ 000	Actual Spend to Date £ 000	Variance £ 000	Forecast £ 000	Variance After Slippage £ 000
Adults and Prevention Services									
Disabled Facilities Grant	2,899	3,356	(238)		3,118	605	(2,513)	3,118	-
Telecare Project	200	194			194	55	(139)	194	-
Rough Sleeping Accommodation Programme	183	219			219	55	(164)	219	-
Safer Streets Fund 4		102			102	102	-	102	-
	3,282	3,871	(238)	-	3,633	817	(2,816)	3,633	-
Children, Young People & Education									
Disabled Facilities Grant	663	743			743	85	(658)	743	-
Two Year Old Grant	49	-			-	-	-	-	-
Education - Free School Meals Module		36			36	-	(36)	36	-
Liquid Logic - New Data Production		45			45	-	(45)	45	-
Schools capital programme									
Capital allocations		3,217	798		4,015	-	(4,015)	3,853	(162)
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		-			-	-	-	-	-
Shadsworth Infants - Heating		-			-	(3)	(3)	-	-
St Cuthberts SEND		-			-	-	-	-	-
Meadowhead Infants External Works		-			-	(9)	(9)	-	-
BCHS/Croft Hill SEN		-			-	-	-	-	-
Lammack Extension	450	277			277	435	158	435	158
Darwen - Additional School Places	3,250	3,250			3,250	-	(3,250)	3,250	-
Longshaw Nursery Relocation	200	679			679	557	(122)	679	-
Longshaw Nursery		-			-	-	-	-	-
Lower Darwen Disability Access Adaptations		-			-	-	-	-	-
Brunel Nursery External Fencing		-			-	-	-	-	-
Feniscowles Disability Access Adaptations		-			-	-	-	-	-
Shadsworth Infants Extension and Remodel		135			135	122	(13)	135	-
Ashleigh Heating and Ventilation	35	35			35	-	(35)	35	-
Ashworth Nursery Perimeter Fencing		-			-	-	-	-	-
Audley infants (Nursery) Upgrade Fire Alarm		-			-	-	-	-	-
Audley Infants Resurfacing Pathways		-			-	-	-	-	-
Audley Infants Replacement of Fascias & Soffits	55	55			55	-	(55)	55	-
Audley Inf & Jnr Replace windows & upstands to lean to roof	60	60			60	-	(60)	60	-
Avondale Resurface Playground	125	148			148	1	(147)	148	-
Belmont Replace Fire Alarm System		-			-	-	-	-	-
Brookhouse Primary (Nursery) Replace Roof System	75	75			75	-	(75)	75	-
Brookhouse Primary Replace Boilers	40	82			82	-	(82)	82	-
Intack Primary Replacement of External Doors		-			-	-	-	-	-
Longshaw Juniors Replace Fire Alarm System	40	40			40	-	(40)	40	-
Lower Darwen Primary Heating Scheme		-			-	1	1	1	1

Scheme Variations to 2023/24 Capital Programme

Current Year 2023/24									
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Roe Lee Roofing, Upstandings & Windows	180	191			191	4	(187)	191	-
Roe Lee Repairs to Service Road, Ext Areas & Auto Gates	85	98			98	1	(97)	98	-
Shadsworth Juniors Replacement of Boilers	40	40			40	-	(40)	40	-
Turton & Edgworth Upgrade Fire Alarm		-			-	-	-	-	-
Meadowhead Infants Drainage Installations		2			2	5	3	5	3
Lower Darwen Primary Sch Partial Replace Fire Alarm System		-			-	-	-	-	-
Stansfeld Centre / St Thomas Centre Refurbishment	470	1,000			1,000	-	(1,000)	1,000	-
Newfield Roof Repairs	220	250			250	1	(249)	250	-
Brookhouse MUGA Pitch Repairs		11			11	-	(11)	11	-
Belmont Primary Boiler Replacement	35	35			35	18	(17)	35	-
Longshaw Juniors Replacement of Water Main		2			2	-	(2)	2	-
Audley Infant Culvert Works	18	20			20	-	(20)	20	-
Audley Infant Dining Room Floor/gas meter/boiler	27	30			30	13	(17)	30	-
Audley Junior Ventilation & Heating works	9	10			10	-	(10)	10	-
Avondale Rebuild Steps	9	10			10	-	(10)	10	-
Belmont Reslate Roof inc Lead work to valleys & bell tower	30	33			33	-	(33)	33	-
Brookhouse Upgrade Lighting	34	38			38	-	(38)	38	-
Brookhouse Kitchen Upgrade	45	50			50	-	(50)	50	-
Brookhouse Replace Windows & Doors	9	10			10	-	(10)	10	-
Daisyfield Replace External Doors	13	15			15	-	(15)	15	-
Daisyfield SEND Works DDA Compliance	30	33			33	-	(33)	33	-
Feniscowles Juniors Upgrade Windows	27	23			23	-	(23)	23	-
Lammack Security Fencing & Electronic Gates	198	220			220	-	(220)	220	-
Lammack Resurface Playground	36	40			40	-	(40)	40	-
Lower Darwen Send Works DDA Compliance	36	40			40	-	(40)	40	-
Lower Darwen Fire Risk Assessment Works	23	25			25	-	(25)	25	-
Lower Darwen Perimeter Fencing Repair/Replace	9	10			10	-	(10)	10	-
Meadowhead Infant Replace External Rubber Flooring	9	10			10	-	(10)	10	-
Meadowhead Junior Replace Floor Covering to Hall	18	7			7	-	(7)	7	-
Meadowhead Junior Replace doors & RollerShutters	14	13			13	-	(13)	13	-
Meadowhead Junior External Path Works	45	50			50	-	(50)	50	-
Meadowhead Junior Fire Risk Assessment Ceiling Works	18	20			20	-	(20)	20	-
Roe Lee Park Toilet Works	18	20			20	20	-	20	-
Shadsworth Juniors Send Works DDA Compliance	51	57			57	-	(57)	57	-
St Michael with St John Roofing Works	135	150			150	-	(150)	150	-
Newfield School Remodel		2,300			2,300	93	(2,207)	2,300	-
Crosshill Grant for Additional Places		900			900	675	(225)	900	-
Intack Primary Boilers		68			68	58	(10)	68	-
Roe Lee School Fencing		100			100		(100)	100	-
QEGS reconfiguration layout expand provision		550			550	413	(137)	550	-
Witton Academy reconfiguration and refurbishment		650			650	-	(650)	650	-
St Wilfrid's Refurbish to Create Additional Classroom		50			50	-	(50)	50	-
Contingency		100			100	5	(95)	100	-

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Project Management Fee		50			50	-	(50)	50	-
Family Hubs Transformation		43			43	12	(31)	43	-
	7,068	16,386	798	-	17,184	2,484	(14,700)	17,184	-
Environmental Services									
Land Remediation Scheme		104			104	-	(104)	104	-
Blakewater Car Park	115	345			345	-	(345)	345	-
Prayer Shelter at Pleasington Cemetery	100	183			183	170	(13)	183	-
Childrens Play Area Witton Park		350			350	-	(350)	350	-
	215	982	-	-	982	170	(812)	982	-
Public Health & Wellbeing									
Replacement Gym Equipment		-			-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Growth & Development									
Bank Top and Griffin Clearance	186	186		(100)	86	-	(86)	86	-
Neighbourhood Intervention Fund	613	583	106	(500)	189	50	(139)	189	-
Equity Loans	235	270	12	(230)	52	-	(52)	52	-
Empty Homes Cluster	360	360		(350)	10	-	(10)	10	-
Other Acquisition costs	10	10		(10)	-	-	-	-	-
Development Investment Fund	740	753		(500)	253	28	(225)	253	-
Land Release Fund	934	942		(730)	212	16	(196)	212	-
Assistance to Industry	250	281			281	88	(193)	281	-
Blakey Moor	1,210	1,790			1,790	441	(1,349)	1,790	-
Integrated Transport Budget		7,110			7,110	204	(6,906)	7,110	-
Bus Service Improvement Fund		2,013			2,013	3	(2,010)	2,013	-
Reel Cinema	22	39			39	-	(39)	39	-
Bury Fold Brook	14	14			14	-	(14)	14	-
Pottery Farm Alleviation		-			-	-	-	-	-
Waterfall Study		-			-	-	-	-	-
Grimshaw Park FAS Blackburn		-			-	-	-	-	-
Brecon Road Drainage		37			37	-	(37)	37	-
Corporation Park Drainage		-			-	-	-	-	-
Aqueduct Road Drainage		-			-	-	-	-	-
Quick Win Fund (Hope Street)		9			9	5	(4)	9	-
Natural Flood Management		36			36	-	(36)	36	-
Affordable Warmth Grants		6			6	-	(6)	6	-
Darwen Tower		-			-	(2)	(2)	-	-
Darwen Towns Fund	10,250	10,476	-	-	10,476	169	(10,307)	10,476	-
Thwaites SPV	145	145			145	-	(145)	145	-
Carbon Management Plan		4			4	-	(4)	4	-
Greenfields CC and Mill Hill Juniors FC Grants	48	48			48	-	(48)	48	-

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St Johns Refurbishment	1,450	1,503		(1,000)	503	27	(476)	503	-
Griffin Lodge /Coach House	300	300		(275)	25	-	(25)	25	-
Levelling Up (LUF) Projects - Junction 5 & Growth Corridor	-	500	-	-	500	173	(327)	500	-
Levelling Up (LUF) Projects - Town Centre	1,500	1,500		(1,500)	-	-	-	-	-
UK Prosperity Fund		59	382		441	166	(275)	441	-
Blackburn Museum & Art Gallery Roof Replacement	400	555			555	134	(421)	555	-
MediPark	1,000	1,000			1,000	-	(1,000)	1,000	-
Blackburn Town Centre Highways & Public Realm Works	1,750	1,750		(1,750)	-	-	-	-	-
Imperial Mill Acquisition, Essential Works & Site Enabling	1,000	1,000	850		1,850	909	(941)	1,850	-
	22,417	33,279	1,350	(6,945)	27,684	2,411	(25,273)	27,684	-
Digital & Customer Services									
Corporate ICT - Finance System		18			18	-	(18)	18	-
Corporate ICT - Core Infrastructure Programme	71	101		(70)	31	-	(31)	31	-
Corporate ICT - Legal Services Case Management System	28	31			31	-	(31)	31	-
Corporate ICT - Corporate Website		-			-	-	-	-	-
Corporate ICT - Town Hall IT Infrastructure Upgrade	143	143	(8)		135	2	(133)	135	-
Corporate ICT - Digital Customer Portal	80	79			79	15	(64)	79	-
Corporate ICT - Round Management System	13	16			16	-	(16)	16	-
Corporate ICT - Microsoft Licence Agreement Server and Database		-			-	-	-	-	-
Corporate ICT - Replacement HR and Payroll System	273	232			232	2	(230)	232	-
Corporate ICT - Implementation Liquidlogic Group Work Module		-			-	-	-	-	-
Corporate ICT - Microsoft 365 and Unified Comms	550	572		(350)	222	-	(222)	222	-
Corporate ICT - Transition to the Cloud	134	209			209	-	(209)	209	-
Corporate ICT - Helpdesk for Everything	188	-			-	-	-	-	-
Corporate ICT - Digital Customer Portal (Phase 2)	390	253			253	-	(253)	253	-
Corporate ICT - Core Network Upgrade	530	502		(200)	302	27	(275)	302	-
Corporate ICT - Intranet/iTrent	80	53			53	4	(49)	53	-
ASC software transition to the Cloud		-			-	-	-	-	-
Digital Flare Replacement	200	450		(100)	350	-	(350)	350	-
New BwD Security Operation and Recovery Capability	350	125			125	-	(125)	125	-
Replacement Door Access System		120			120	-	(120)	120	-
New Laptop Refresh			700		700	-	(700)	700	-
	3,030	2,904	692	(720)	2,876	50	(2,826)	2,876	-

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Finance & Governance									
Public Sector Decarbonisation Scheme		-			-	(45)	(45)	-	-
Corporate Accommodation Strategy Phase 2	831	828			828	25	(803)	828	-
Darwen Town Hall Reroofing		-			-	-	-	-	-
Witton 3G Changing Room Roof		-			-	(6)	(6)	-	-
Mill Hill Community Centre Roof		-			-	(2)	(2)	-	-
Treescaping Fund		20			20	4	(16)	20	-
	831	848	-	-	848	(24)	(872)	848	-
Portfolios Total	36,843	58,270	2,602	(7,665)	53,207	5,908	(47,299)	53,207	-
Earmarked schemes:									
Corporate ICT	700	692	(692)		-	-	-	-	-
Corporate Property Investment	1,727	2,463	(850)		1,613	-	(1,613)	1,613	-
Vehicles (funded from capital or leased)	700	2,221			2,221	354	(1,867)	2,221	-
Total	3,127	5,376	(1,542)	-	3,834	354	(3,480)	3,834	-
Contingency schemes:									
Asset Management Strategy	2,294	2,174			2,174	-	(2,174)	2,174	-
Total	2,294	2,174	-	-	2,174	-	(2,174)	2,174	-
Totals	42,264	65,820	1,060	(7,665)	59,215	6,262	(52,953)	59,215	-