



# Northumberland

## County Council

### CABINET

13 September 2022

---

### **Financial Performance 2022-23 - Position at the end of June 2022**

Report of Jan Willis, Interim Executive Director of Finance and Section 151 Officer

Cabinet Member: Richard Wearmouth, Portfolio Holder for Corporate Services

---

#### **1. Purpose of report**

- 1.1 The purpose of the report is to ensure that the Cabinet is informed of the current financial position for the Council against the Budget for 2022-23.

#### **2. Recommendations**

a. Members are requested to:

- note the services projected overspend of £4.813 million and the assumptions outlined in this report.
- agree the inflationary increase that will be awarded in relation to home to school transport contracts to cover fuel inflation and backdate it to April 2022.
- agree the increase for commissioned home care providers to enable them to pay the staff who use their own cars a mileage rate of £0.45 per mile (increased from £0.25 per mile) with effect from 1 September 2022. The increase will be funded from existing resources within the service.
- note the potential overspend of £17.135 million following the employer's pay award, utility and fuel inflation.
- note the following actions which will be implemented with immediate effect in order to help bring the budget back in line and minimise/contain the overspend:
  - The Council will be inviting applications from staff for voluntary redundancy.
  - The normal budget approval process is now suspended, and all expenditure will be authorised by Executive Directors. A pro forma has been issued and all managers needing to spend will be expected to complete a business case to justify the expenditure and obtain formal sign off.

- There is now a freeze on in-year contingency requests and the balance on the contingency will be utilised to offset the inflationary increases and potential overspend
  - Whilst there will not be a moratorium imposed in relation to recruitment to vacant posts, a vacancy panel will be established where all requests to recruit to posts will be considered. The vacancy panel will then make recommendations to the Executive Team who will make the ultimate decision.
  - The Executive Team will look selectively to increase fees and charges in year. Any proposals deemed necessary will be referred to Cabinet for a formal decision.
  - The Executive Team has been reminded and will instruct all managers to be proactive and ensure “good housekeeping”; e.g. ensure that all of their suppliers are on the supplier incentive scheme, review contracts and request better value from their suppliers.
  - The capital programme is being reviewed particularly in relation to contract price inflation. Once this exercise is complete then the cost of capital and debt charges (borrowing) will be examined to establish any potential for an in-year revenue budget underspend to offset the impending Council overspend.
  - All capital projects going ahead will be contained within their existing approvals even if it means revisiting the scope of the project. Value engineering will be considered as well as a reduction to or a deferral of each project.
- approve re-profiling to the Capital Programme of £41.706 million from 2022-23 to 2023-24 to reflect estimated expenditure levels in the current financial year.
  - approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets.
  - note the progress on the delivery of the approved savings at Appendix B.
  - note the use of the contingency shown at Appendix Q.
  - note the use of reserves shown at Appendix R.
  - note the virements requested by services shown at Appendix S.
  - note that the outcome of the strategic review of Advance Northumberland will be reported to the November Cabinet meeting and will include a request to commission external advice on the group structure and financial model.

### **3. Link to Corporate Plan**

3.1 The Council's budget is aligned to the priorities outlined in the Corporate Plan 2021-24 "A Council that Works for Everyone".

## **4. Key issues**

### **4.1 Overall Position**

4.1.1 The report provides information and analysis on the Council's financial performance and use of resources to the end of June 2022. The Council set its budget for 2022-23 on 23 February 2022 and this report focuses on the financial performance to the end of June 2022 and the projected year end position at that point in time.

### **4.2 Inflationary Pressures**

4.2.1 In the preparation of the 2022-23 budget and the Medium-Term Financial Plan (MTFP) a significant sum of money was earmarked to deal with "routine inflation" and what the Council referred to as "hyper-inflation". It was anticipated that the hyper-inflation would continue for two years and money has been set aside in reserves to fund these additional costs.

4.2.2 As a result of rising costs an estimate of some of the more significant inflationary pressures has been calculated. Whilst forecasts for the inflationary pressures have been included in some service areas, they have not been included for all. Inflationary pressures expected that have not yet been included in service forecasts which it is expected the Council will have to cover are as follows:

- Local Government NJC Pay Award, 2022-23: Based on the latest proposed increase of £1,925 plus on-costs on all NJC points above 1, it is forecast that this will increase the pay bill recurrently by approximately £12.526 million. £3.863 million had already been provided for within the 2022-23 budget in this respect, leaving an unfunded inflationary pressure of approximately £8.663 million.
- School Transport budgets are currently experiencing severe budget pressures due to the increase in the price of fuel creating a forecast overspend of £2.287 million across all areas of school transport provision (included within the forecast position for Local Services and Children's Services). As the price of fuel remains so high, there is the option to take a more proactive approach and to offer transport providers an inflation uplift to current contracted prices to ensure the continuity of service provision. If the Council was to award the 33.04% (fuel element inflation of the RPI) to 27% (fuel element of the RPI) of the total contract price of contracts that were tendered up to 1 April 2022 and back date it to April 2022 it would cost the authority an additional £1.182 million. If it were to follow the same calculation but only pay from September onwards it would cost an additional £0.809 million. It is imperative that this service is maintained, and it is recommended that this increase is backdated to April 2022.

- Utility costs have continued to increase. It is currently forecast that this could equate to approximately £3.556 million in the current financial year. An allowance of £1.079 million was provided for within the 2022-23 budget for this, leaving an additional inflationary pressure of £2.477 million.

4.2.3 If all of these inflationary pressures come to fruition, then the forecast position for the Council for the current year is as follows:

	<b>£m</b>
Forecast overspend as per services (section 5)	4.813
Additional cost of pay award	8.663
Home to School Transport fuel (if agreed and backdated to April)	1.182
Utility Costs	2.477
<b>Total Forecast Overspend</b>	<b>17.135</b>
Exceptional Inflation Reserve	(5.208)
<b>Forecast Overspend</b>	<b>11.927</b>

4.2.4 The Council needs to take urgent action in order to contain the overspend and the steps being taken are outlined in the recommendations at 2.a.v.

4.2.5 There will be a number of other issues that the Council will need to consider which may impact on the overall position if agreed. For example, in relation to Adult Social Care:

- **Commissioned Home Care Providers**

In common with many local authorities, the Council is currently experiencing unprecedented difficulties in meeting its statutory duties towards people who need care and support at home. This is linked to the difficulties which homecare providers are experiencing in recruiting and retaining care workers. Commissioned home care providers have advised that care workers who have chosen to move to other kinds of work are specifically mentioning that one of the reasons for this is the increasing cost of fuel – an increase which the care workers are bearing from their own pocket if their employer has not increased the rates at which it reimburses mileage expenses. Currently many of the home care providers commissioned by the Council pay care workers, using their own cars, mileage rates of around 25p per mile, which is substantially below the 45p per mile rate employers are permitted by HMRC to pay without the payments being treated as taxable benefits. If home care provider rates were increased to allow them to pay their care workers 45p per mile it would cost the Council an additional £0.620 million per year (net of additional income from NHS joint funding and client contributions). If this is approved, the service does not propose to backdate the increase.

- **Adult Social Care Reforms**

During September 2021 the Government announced plans for a number of adult social care charging reforms, most of which are due to come into effect in October 2023. The cost of the reforms is expected to be met by government grant funding, however, the exact costs and the level of funding available to the Council is still to be determined.

The most urgently required element of the social care funding reforms is the completion by every local authority of a "fair cost of care" exercise. This is intended to assess whether the fees currently being paid to care homes for older people, and to providers of home care services, are sufficient to ensure that local care markets are sustainable. It will also ensure that the implementation of the charging reforms in October 2023 will not destabilise those markets; in particular, by eliminating the "cross subsidy" of state-funded care home residents by residents who contract privately with the care home. This exercise is already in progress and a report will be brought to the October Cabinet meeting which will summarise:

- the outcome of the surveys of service providers; and,
- recommend a "market sustainability strategy" to be submitted to the Department of Health and Social Care (DHSC); and,
- an allocation of the associated Government grant of £1.027 million in 2022-23, of which at least 75% (£0.770 million) must be spent on increases to fees to care providers.

A further, larger, Government grant is anticipated in 2023-24 and 2024-25, but the allocation of this grant is not expected to be announced until towards the end of 2022.

The £0.770 million payable to care providers is not currently included within the Adult Social Care forecast position, however, it is anticipated that this will be largely offset by existing funding.

4.3 To date the Council has assisted residents with the cost-of-living crisis as follows:

- a. The Council at its meeting in February 2022 agreed to:
  - match the Discretionary Housing Payment allocation of £0.385 million provided by the Department for Work and Pensions.
  - an additional one-off in-year credit equivalent to the weekly rent amount for residents occupying HRA residences.
- b. Council tax energy rebates totalling £18.553 million (£150.00 each) have been paid to 123,686 households. There are 126,623 households eligible for the core scheme. Therefore 97.68% of those eligible for the core scheme have received payment to date.

In addition, the Council has implemented a discretionary scheme to provide support to other energy bill payers who are not eligible under the terms of the core rebate scheme or to provide carefully targeted “top-up” payments to the most vulnerable households. The scheme will support households who were eligible on the 1 April 2022, and are as follows:

- Households in Council Tax Bands A to D that are receiving Council Tax Support will receive a £17\* top up payment. This will be in addition to the £150 Council Tax rebate announced by the government, giving them a total of £167 this year. Households who have received payment of the £150 will automatically be paid the £17\* top up.
- Households in Council Tax Bands E to H who are not eligible for the Government’s energy rebate scheme, but who receive Council Tax Support will receive a £167\* payment.
- Households that are liable for council tax as a main residence and are not connected to the national domestic electricity grid; or, receive a supply from the national domestic electricity grid (as confirmed with the energy distribution network, including Northern Powergrid and Scottish Power), will receive a £400\* payment in October 2022. Properties who receive electric supply via another property are not included in this scheme. This is intended to give parity with those households that are connected to the national electricity grid who will benefit from a £400 reduction in their energy bills in October 2022. For tenanted MOD properties the payment will be made to the tenant.
- Occupants of registered Houses of Multiple Occupation (HMO) properties in Northumberland will receive a £150\* payment.

\*These amounts are indicative and may vary slightly based on demand

No payment will be made in respect of an empty property or second homes.

No discretionary payments have yet been made.

- c. The Council Tax Discount policy was updated in 2022-23 to include hardship discounts of up to £200. This reduces the council tax liability for working age council tax support claimants. To date 17,041 discounts totalling £2.132 million have been made.
- d. On 30 September 2021 the Government announced that a new Household Support Fund grant (HSF) would be made available to councils. The new grant covered the period 06 October 2021 to 31 March 2022. The Council’s allocation was £2.480 million; £0.097 million (4% of grant allocation) covered the cost of scheme administration, and the total amount provided directly to vulnerable households was £2.383 million (96% of grant allocation) including:
  - £1.711 million was allocated to households with a child (approximately 72%)
  - £0.672 million was allocated to households without children (approximately 28%)

- The average payment equated to £49.96
- The average payment to a household with a child was £46.00 - households will have received multiple payments through non-term time support
- The average payment to other households (without a child) was £63.99
- Food payments totalled £1.341 million and equated to approximately 56% of the spend
- Fuel payments totalled £0.882 million and equated to approximately 37% of the spend
- 93% of the grant has been spent on food, fuel and water, with 7% spread linked to wider essentials

On 31 March 2022 the Government announced that pensioners and families were set to benefit from the £500.000 million extension to the Household Support Fund. This grant covers the period 1 April 2022 to 30 September 2022. The Council's funding allocation was £2.480 million.

- Expenditure for the period 01 April 2022 to 30 June 2022 was £1.794 million, allocated as follows:
  - By area
    - Households with children - £1.034 million (42% of total grant)
    - Household pensioners - £0.656 million (26% of total grant)
    - Household other - £0.104 million (4% of total grant)
  - By category
    - Food payments totalled £0.858 million
    - Fuel, energy and water payments totalled £0.881 million
    - Other wider essential payments totalled £0.055 million
- The total number of awards for the period 01 April 2022 to 30 June 2022 was 15,693, and the grant was allocated as follows:
  - Households with children - 10,341 (66% of all awards)
  - Household pensioners - 4,695 (30% of all awards)
  - Household other - 667 (4% of all awards)
- Total uncommitted expenditure for the period 01 April 2022 to 30 September 2022 was £0.686 million (28% of total grant)

The Treasury has confirmed that a new scheme will be in place to provide support to vulnerable households covering the period 01 October 2022 to 30 March 2023. The Council has been advised of an indicative grant determination of £2.480 million, but this is yet to be confirmed.

## **5. Projected Revenue Outturn 2022-23**

- 5.1 The Council's projected revenue outturn position, within each service area is shown in summary at Section 6 of the report (figures in brackets denote an underspend); and in detail within Appendices C - O of the report.
- 5.2 The Council's overall annual revenue expenditure is managed across a number of areas:
  - a. The General Fund with a net budget of £382.624 million, providing revenue funding for the majority of the Council's services.
  - b. The Dedicated Schools Grant (DSG) of £151.931 million in 2022-23, which is ring-fenced for schools funding, overseen by the Schools' Forum, and managed within the Children's Services Directorate.
  - c. Public Health, a ring-fenced grant of £17.366 million in 2022-23, must be spent to support the delivery of the Public Health Outcomes Framework and is managed within Public Health and Community Services.
  - d. The Housing Revenue Account (HRA) with anticipated gross expenditure of £38.677 million in 2022-23, is ring-fenced, and reported separately from the General Fund, and is managed within the Regeneration, Commercial and Economy Directorate.

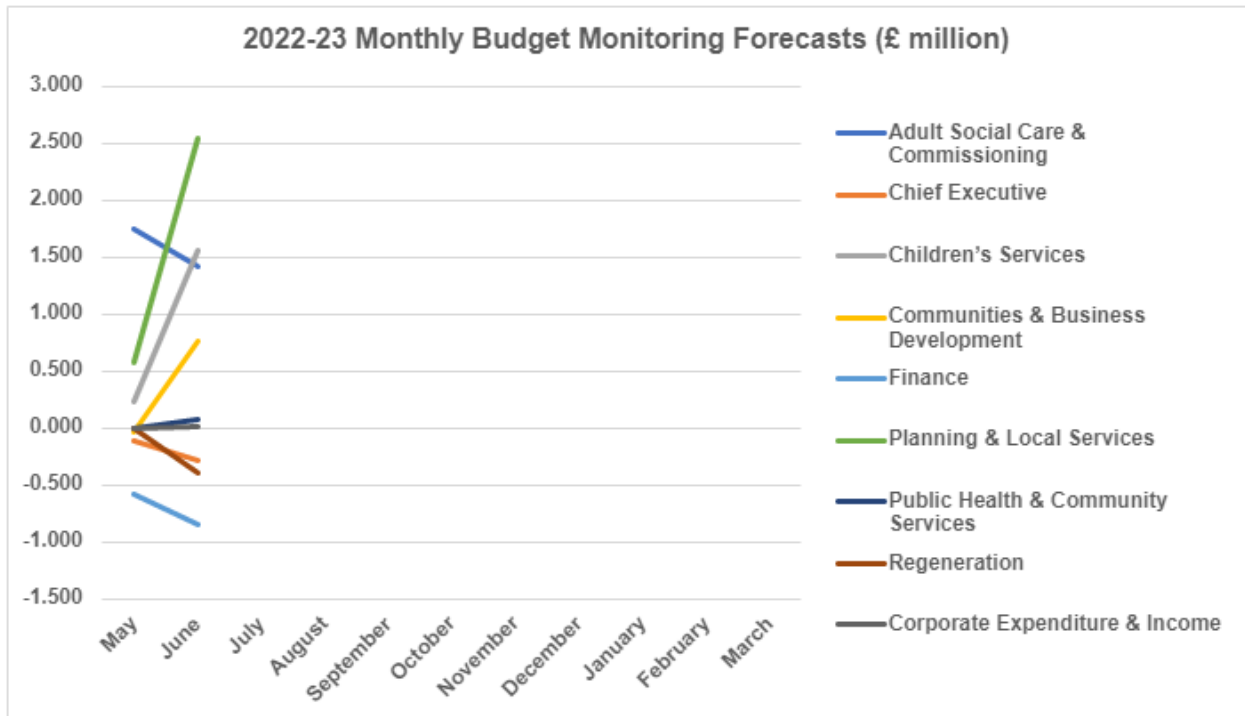


## 6. General Fund

6.1 The following table provides a summary of how each Directorate is performing against the General Fund revenue budget for the 2022-23 financial year.

Service	Budget	Forecast Outturn	Variance
	£m	£m	£m
Adult Social Care & Commissioning	110.947	112.359	1.412
Chief Executive	29.658	29.375	(0.283)
Children's Services	67.874	69.433	1.559
Communities & Business Development	14.984	15.740	0.756
Finance	25.234	24.384	(0.850)
Planning & Local Services	79.524	82.066	2.542
Public Health & Community Services	4.434	4.502	0.068
Regeneration	4.572	4.172	(0.400)
<b>Total Services</b>	<b>337.227</b>	<b>342.031</b>	<b>4.804</b>
Corporate Expenditure and Income	45.397	45.406	0.009
<b>Total Net Expenditure</b>	<b>382.624</b>	<b>387.521</b>	<b>4.813</b>
<b>Budget funded by:</b>			
Council Tax	(219.677)	(219.677)	0.000
Retained Business Rates	(74.254)	(74.254)	0.000
Revenue Support Grant	(10.837)	(10.837)	0.000
Other Corporate Grants	(38.450)	(38.450)	0.000
Earmarked Reserves	(14.365)	(14.365)	0.000
General Reserve	(25.041)	(25.041)	0.000
<b>Total Funding of Services</b>	<b>(382.624)</b>	<b>(382.624)</b>	<b>0.000</b>
<b>Net Total</b>	<b>0.000</b>	<b>4.813</b>	<b>4.813</b>

6.2 The following graph provides a trend analysis of the forecast outturn, by directorate over the year to date:



6.3 The Contain Outbreak Management Fund (COMF) was made available to Councils during the Covid-19 pandemic to support activity to mitigate and manage local outbreaks of Covid-19. The Department of Health and Social Care confirmed that the Council's unspent funding of £2.130 million could be carried forward to financial year 2022-23 to support the local response to living with Covid-19. The funding has been committed to activity in the following services:

Service	Funding
	£m
Adult Social Care & Commissioning	0.390
Chief Executive	0.024
Children's Services	0.752
Communities & Business Development	0.615
Planning & Local Services	0.165
Public Health & Community Services	0.184
<b>Total COMF Allocated</b>	<b>2.130</b>

## **7. Other General Fund Items**

- 7.1 Appendix A is a schedule of all new grants and amendments to existing grants (capital and revenue) which the Council has been awarded during April to June 2022.
- 7.2 The Council at its meeting in February agreed to implement a range of savings and efficiencies totalling £9.704 million in 2022-23. A recent review of the delivery of those savings has been conducted and the results are illustrated at Appendix B.
- 7.3 Appendix Q is a schedule of all items which have been released from contingency during April to June 2022.
- 7.4 Appendix R is a schedule of the movement in the Council's Reserves.
- 7.5 Appendix S is a schedule of virements during April to June 2022.

## 8. Ring-fenced Accounts - Dedicated Schools' Grant (DSG)

2021-22 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Dedicated Schools' Grant	152.314	(152.314)	0.000	(0.307)	(0.307)

8.1 The DSG budget includes £151.931 million allocation in 2022-23 and a surplus of £0.383 million carried forward from 2021-22. The overall DSG surplus from 2021-22 was £4.032 million, however only £0.383 million has been confirmed for use in 2022-23. Discussions are ongoing with the service, and it is expected this will rise to £1.751 million. Any balance on the reserve that is not required for 2022-23 will be reported to Schools' Forum and it can authorise that the reserve be set aside for 2023-24. The DSG is forecast to underspend by £0.307 million and the details explaining the factors leading to this variance are contained within Appendix G.

## 9. Ring-fenced Accounts - Public Health Grant

2022-23 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Public Health Grant	17.366	(17.366)	0.000	(0.146)	(0.146)

9.1 It is anticipated that £0.146 million will be transferred to the Public Health reserve balance at the end of 2022-23. Further details on the Public Health budget are contained within Appendix L.

## 10. Ring-fenced Accounts - Housing Revenue Account (HRA)

2022-23 Budget	Gross Expenditure	Gross Income	Net Revenue Budget	Net Outturn	Variance
	£m	£m	£m	£m	£m
Housing Revenue Account	38.677	(38.691)	(0.014)	0.953	0.967

10.1 The HRA is forecast to overspend by £0.967 million and the details explaining the factors leading to this variance are contained within Appendix M.

## **11. CAPITAL PROGRAMME**

- 11.1 The Capital Programme for 2022-23 totalling £307.356 million was agreed by full Council on 23 February 2022.
- 11.2 The Capital Programme has changed during the year as the phasing of schemes was reviewed at the end of the previous financial year with £52.001 million re-profiled from 2021-22 to 2022-23. In addition, further approvals totalling £10.213 million have been agreed by Cabinet for additional schemes.

11.3 The following table sets out the position as at the end of June:

Directorate	Original Budget	Approved Adjustment	Revised Budget	Expenditure to date	Forecast Expenditure	Net Variance	Over / (Under) spend	Reprofiling
	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care & Commissioning	8.191	0.639	8.830	0.391	5.416	(3.414)	(1.814)	(1.600)
Chief Executive	1.999	0.501	2.500	-	2.500	-	-	-
Children's Services	24.540	11.284	35.824	1.552	21.662	(14.162)	0.104	(14.266)
Communities & Business Development	15.579	(2.070)	13.509	2.412	12.709	(0.800)	-	(0.800)
Finance	35.453	14.716	50.169	3.982	47.891	(2.278)	0.008	(2.286)
Planning & Local Services	47.955	15.573	63.528	9.191	60.551	(2.977)	-	(2.977)
Public Health & Community Services	28.441	4.618	33.059	2.104	20.956	(12.103)	-	(12.103)
Regeneration	145.198	16.953	162.151	10.513	151.547	(10.604)	(2.930)	(7.674)
<b>Total Programme</b>	<b>307.356</b>	<b>62.214</b>	<b>369.570</b>	<b>30.145</b>	<b>323.232</b>	<b>(46.338)</b>	<b>(4.632)</b>	<b>(41.706)</b>
<b>Financed by:</b>								
Capital Receipts	4.716	-	4.716					
External Grants	150.488	28.287	178.775					
GF Borrowing	126.982	31.136	158.118					
GF Revenue Contributions (RCCO)	3.437	0.780	4.217					
HRA Contributions (MRR & RCCO)	21.733	2.011	23.744					
<b>Total Financing</b>	<b>307.356</b>	<b>62.214</b>	<b>369.570</b>					

11.4 Year-to-date capital expenditure is £30.145 million. The major areas of capital investment during the year to date are as follows:

- i. £8.427 million invested in transport schemes including infrastructure, traffic management and integrated transport schemes.
- ii. £1.552 million invested in school buildings, including the relocation of Atkinson House.
- iii. £0.750 million invested in fleet replacement.

- iv. £2.440 million invested in leisure facilities including the construction of new leisure centres in Berwick and Morpeth.
  - v. £2.040 million invested in the Council's housing stock.
- 11.5 There is a net forecast underspend of £46.338 million across the 2022-23 Capital Programme comprising of £41.706 million reprofiling from 2022-23 to 2023-24 and £4.632 million underspend. A summary of the significant variances can be found at Appendix P with an explanation of those greater than £0.250 million.
- 11.6 It is recommended that Cabinet approves reprofiling of £41.706 million from 2022-23 to 2023-24.

## 12. Capital Receipts

12.1 The level of Capital Receipts available to support the 2022-23 Capital Programme was estimated to be £4.716 million (£1.870 million General Fund and £2.846 million HRA). General Fund capital receipts are currently estimated to be £5.281 million in 2022-23. The estimated overachievement will be utilised to support the Capital Programme in 2022-23. The following table demonstrates the current position regarding asset disposals:

<b>General Fund Capital Receipts Activity During 2022-23</b>	<b>Actual £m</b>
Completed and available for use in year	0.101
On the market	0.460
Terms Agreed	4.066
Contracts exchanged	0.654

12.2 The closing balance on the capital receipts reserve at 31 March 2022 was £4.951 million (£4.768 million HRA). This is available to support the Capital Programme in 2022-23.



### 13. TREASURY MANAGEMENT

13.1 The Treasury Management Strategy Statement for 2022-23 was agreed by full Council on 23 February 2022.

13.2 The following table summarises the Council's quarterly borrowing activity for April to June 2022:

	Previous Quarter	Movement- June 22	Current
Outstanding principal - at quarter end (£m)	756.931	(0.503)	756.428
Weighted average interest rate - year to date (%)	2.956	0.000	2.956
Quarter end external borrowing as % of Operational Boundary (Borrowing)	72.502	(0.048)	72.454

13.3 Whilst the Council has an overall cap on borrowing through an Authorised Limit, the Operational Boundary is where the Council would expect its borrowing to be. At the end of June 2022, the Council's external borrowing represented 72.45% of its Operational Boundary, which was approved as part of the Treasury Management Strategy for 2022-23. The Operational Boundary is only a guide and may be breached or undershot without significant concern, with borrowings driven by economic and market considerations as well as interest rates.

13.4 The following table provides an analysis by type of the quarterly borrowing activity for April to June 2022:

Lender Category	Repayment Type	Opening Balance	Repaid – Q/E June 2022	New Borrowing Q/E June 2022	Closing Balance
		£m	£m	£m	£m
PWLB	EIP	5.002	(0.500)	-	4.502
PWLB	Annuity	0.576	-	-	0.576
Salix	EIP	0.049	(0.003)	-	0.046
PWLB	Maturity	445.704	-	-	445.704
Other Local Authorities	Maturity	60.000	-	-	60.000
Other/Market	Maturity	245.600	-	-	245.600
<b>Total</b>		<b>756.931</b>	<b>(0.503)</b>	<b>-</b>	<b>756.428</b>

13.5 The following table summarises the Council's quarterly investment activity for April to June 2022:

	Previous Quarter	Movement - Q/E June 2022	Current
Outstanding principal - at month end (£m)	188.100	4.215	192.315
Weighted average interest rate - year to date (%)	0.807	(0.130)	0.677

13.6 The following table provides an analysis by type of the quarterly investment activity for April to June 2022:

Category	Opening Balance	Repaid – Q/E June 2022	New Investment Q/E June 2022	Closing Balance
	£m	£m	£m	£m
Term Deposit Banks	20.000	(15.000)	15.000	20.000
Term Deposit Building Societies	20.000	(20.000)	20.000	20.000
Term Deposit Other Local Authorities	35.000	(10.000)	25.000	50.000
Money Market Funds	98.100	(130.350)	119.565	87.315
Notice Accounts	15.000	-	-	15.000
<b>Total</b>	<b>188.100</b>	<b>(175.350)</b>	<b>179.565</b>	<b>192.315</b>

13.7 New investments during the quarter ended 30 June 2022 consisted of:

- £10.000 million fixed term deposit, over six months, with a County Council at a rate of 0.110%;
- £5.000 million fixed term deposit, over three months, with a Borough Council at a rate of 0.079%;
- £5.000 million fixed term deposit, over five months, with a District Council at a rate of 0.098%; and,
- £5.000 million fixed term deposit, over five months, with a District Council at a rate of 0.098%.

There was a net repayment of Money Market Funds of £10.785 million. The movement in the Money Market Funds represents daily deposits and withdrawals to manage cashflow.

## Implications

<b>Policy</b>	The report provides information and analysis on the Council's financial performance against budget as set in the Medium Term Financial Plan 2022-26 which fully supports the priorities outlined in the Corporate Plan 2021-24 - A Council that Works for Everyone.
<b>Finance and value for money</b>	The report is of a financial nature and the detail is contained within the body of the report.
<b>Legal</b>	There are no immediate legal implications arising from the recommendations within this report.
<b>Procurement</b>	There are no specific procurement implications within this report.
<b>Human Resources</b>	There are no specific human resources implications within this report.
<b>Property</b>	There are no specific property implications within this report.
<b>Equalities (Impact Assessment attached)</b>	There are no specific equalities implications within this report.
<b>Risk Assessment</b>	The risks associated with the budget were considered in February 2022 and were considered to be acceptable.
<b>Crime &amp; Disorder</b>	There are no specific crime and disorder implications within this report.
<b>Customer Consideration</b>	There are no specific customer consideration implications within this report.
<b>Carbon reduction</b>	There are no specific carbon reduction implications within this report.
<b>Health &amp; Wellbeing</b>	The Council's budget is founded on the principle of promoting inclusivity.
<b>Wards</b>	All wards.

## Background papers

Cabinet 8 February 2022 and Council 23 February 2022: Budget 2022-23 and Medium-Term Financial Plan 2022-26

## Report sign off

	<b>Name</b>
Interim Monitoring Officer/Legal	Suki Binjal
Section S151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive	Rick O'Farrell
Portfolio Holder(s)	Richard Wearmouth

## Author and Contact Details

Kris Harvey

Finance Manager

Telephone: 01670 624783

[Kris.Harvey@northumberland.gov.uk](mailto:Kris.Harvey@northumberland.gov.uk)

<b>Directorate:</b>	Children's Services
<b>Grant Awarding Body:</b>	Department for Education
<b>Name of Grant:</b>	Dedicated Schools Grant
<b>Purpose:</b>	The grant is paid in support of the local authority's school budget. The reduction relates to the High Needs Block where additional places have been commissioned at Academy Special Schools and have been funded direct by the Department for Education.
<b>Value:</b>	£191,410 reduction in grant following March 2022 update
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	Monthly

<b>Directorate:</b>	Children's Services
<b>Grant Awarding Body:</b>	Department for Education
<b>Name of Grant:</b>	Extension of Role of Virtual School Heads to Children with a Social Worker Implementation Grant
<b>Purpose:</b>	The purpose of this grant is to provide support to local authorities in England to help them to extend the role of the Virtual School Head to promote the educational outcomes of the cohort of children with a social worker.
<b>Value:</b>	£119,189 for 2022-23 and carry forward from 2021-22 of £26,530
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	3 instalments September, December, March

<b>Directorate:</b>	Children's Services
<b>Grant Awarding Body:</b>	Department for Education
<b>Name of Grant:</b>	Pupil Premium Plus for Looked after Children
<b>Purpose:</b>	Raising the educational attainment of Looked after Children of all abilities to help them reach their potential
<b>Value:</b>	£23,980 additional grant awarded for 2022-23
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	Quarterly from June, September, December and March

<b>Directorate:</b>	Children's Services
<b>Grant Awarding Body:</b>	Department for Levelling Up, Housing & Communities
<b>Name of Grant:</b>	Supporting Families Grant
<b>Purpose:</b>	The purpose of this grant is to provide early help support to vulnerable families. It is a preventative programme based on helping families early on to ensure that demand for children's social care is reduced. The grant is split into a main lump sum (£0.797 million), and an additional payment by results amount (maximum of £0.278 million) which is assessed quarterly based on outcomes delivered.
<b>Value:</b>	£796,500 (lump sum), £277,600 (payment by results).
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	Lump sum in March, payment by results paid quarterly from July.

<b>Directorate:</b>	Corporate Finance
<b>Grant Awarding Body:</b>	Department for Levelling Up, Housing & Communities
<b>Name of Grant:</b>	New Burdens Grant
<b>Purpose:</b>	New Burdens grant to cover administration of the Energy Rebate scheme.
<b>Value:</b>	£162,408 (lump sum)
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	Lump sum in May 2022

<b>Directorate:</b>	Planning and Local Services
<b>Grant Awarding Body:</b>	Department for Education
<b>Name of Grant:</b>	Extended Rights Home to School Travel
<b>Purpose:</b>	To meet statutory duties in respect of extended rights home to school transport set out in section 508B and schedule 35B of the Education Act 1996.
<b>Value:</b>	£513,200
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	Monthly

<b>Directorate:</b>	Planning and Local Services
<b>Grant Awarding Body:</b>	Department for Transport
<b>Name of Grant:</b>	Local Authority Bus Subsidy (Revenue)
<b>Purpose:</b>	To support bus services (including community transport services run under a section 19 permit), or for the provision of infrastructure supporting such services in the authority's or neighbouring authority's area.
<b>Value:</b>	£500,163
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	July 2022

<b>Directorate:</b>	Public Health and Community Services
<b>Grant Awarding Body:</b>	Department of Health and Social Care
<b>Name of Grant:</b>	Public Health Grant
<b>Purpose:</b>	Increase to the 2022-23 Public Health Grant. Confirmation of the allocation was received after the 2022-23 budget was approved.
<b>Value:</b>	£474,508
<b>Recurrent/Non-recurrent:</b>	Recurrent
<b>Profiling:</b>	Quarterly from April

<b>Directorate:</b>	Public Health and Community Services
<b>Grant Awarding Body:</b>	Northumberland Clinical Commissioning Group (CCG)
<b>Name of Grant:</b>	Population Health Management Funding
<b>Purpose:</b>	Contribution towards a joint initiative with Public Health to commission initiatives to improve the wider determinants of health and improve the population of Northumberland's health
<b>Value:</b>	£1,000,000
<b>Recurrent/Non-recurrent:</b>	Non-recurrent
<b>Profiling:</b>	April



Performance against the 2022-23 savings targets is shown in the table below. The savings have been RAG rated based on the perceived ability to meet the savings target within the year.

Directorate	Red	Amber	Green	Total
	£m	£m	£m	£m
Adult Social Care & Commissioning	2.847	0.000	0.414	3.261
Chief Executive	0.000	0.000	0.278	0.278
Children's Services	0.544	0.000	0.938	1.482
Communities & Business Development	0.000	0.115	0.101	0.216
Finance	0.020	0.000	1.122	1.142
Planning & Local Services	0.110	0.000	2.207	2.317
Public Health & Community Services	0.000	0.000	0.004	0.004
Regeneration	0.000	0.000	0.004	0.004
Corporate	0.000	0.549	0.451	1.000
<b>Total</b>	<b>3.521</b>	<b>0.664</b>	<b>5.519</b>	<b>9.704</b>

#### Key

Red – saving not expected to be delivered in year

Amber – saving at risk of non-delivery in year – alternative options being explored.

Green – saving delivered or expected to be delivered in year

### Adult Social Care & Commissioning

The anticipated shortfall in savings relates to the proposed review of individual care packages. The Risk and Independence (R & I) Team, who are responsible for delivering the bulk of this saving, is currently being utilised to cover critical staffing shortages in care teams to deliver statutory assessments and services. This will be monitored over the next couple of months to tighten forecasts but until the team are able to fully return to their core R & I work, the savings target is at risk.

### Children's Services

The bulk of the anticipated shortfall in savings relates to a proposal to reduce the level of out of county placements by £0.245 million as up to six new beds in NCC residential homes were due for completion by the end of 2022-23. There has been a delay in the capital schemes which means it is now unlikely they will be ready until 2023-24. Revenue funding for the staffing and running costs of the new beds of £0.221 million was built into the residential homes budget and will not be required during 2022-23 so will partially offset this saving.

There is a £0.350 million saving proposal in relation to additional income at Kylee House that is not expected to be delivered as originally intended within the year. The saving was based upon a significant increase to the bed price to bring it in line with other providers. The service has identified issues around retaining and recruiting staff which is impacting on their ability to open all the beds in the unit following reduced occupancy during the Covid-19 pandemic. If the service runs on an average of less than 11 beds then it may

result in it running at a loss. Alternative savings are being sought and the level of shortfall is currently £0.299 million. This is offset in year by additional income from other local authorities.

### **Finance**

£0.020 million Oracle database licence reduction saving cannot be delivered. However, the Service Manager is assessing options to meet this through review of the current budget. This will be kept under review and progress on this will be reported within future reports.

### **Planning & Local Services**

£0.110 million under achievement of Planning Performance Agreements. This service was introduced in 2021-22 and is very much in its infancy. Uptake of the scheme has been slower than anticipated during this market penetration phase.

### **Corporate**

£1.000 million target saving for the review of the senior management structure. To date £0.451 million has been identified. Work is on-going to identify the remaining £0.549 million balance, and progress on this will be reported within future reports.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Adult Social Care &amp; Commissioning

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Commissioned Services	71.263	79.613	82.892	3.279
In-house Services	9.905	10.093	9.143	(0.950)
Care Management	14.304	14.945	14.523	(0.422)
Support & Other Services	7.138	6.296	5.801	(0.495)
<b>Total Adult Social Care &amp; Commissioning</b>	<b>102.610</b>	<b>110.947</b>	<b>112.359</b>	<b>1.412</b>

## NOTES - Predicted Year End Variances of £0.250 million or more

The main reasons for the forecast position for Adult Social Care and Commissioning are outlined below:

- a. Commissioned Services is forecast to overspend by £3.279 million. This is predominantly due to the high level of savings target allocated to this area. Due to ongoing recruitment difficulties, the Risk and Independence (R & I) Team who are responsible for delivering the bulk of this saving are currently being utilised to cover critical staffing shortages in care teams to deliver statutory assessments and services. This will be monitored over the next couple of months to tighten forecasts but until the team are able to fully return to their core R & I work, the savings target is at risk.
- b. In-House Services is forecast to underspend by £0.950 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.364 million. The impact of the national workforce shortage, in particular within the health and social care sector, has resulted in an increased level of vacancies across Adult Social Care.
  - ii. To ensure continuity of care within Commissioned Services, the Short Term Support Service (STSS) is providing care and support to clients where external providers do not have the resources to meet the level of care required. This level of service will be met from income to the STSS from the Commissioned Care budget; which in turn is included in the pressure in Commissioned Care. It is anticipated the additional income will be £0.515 million more than budget.
- c. Care Management is forecast to underspend by £0.422 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.337 million because of vacant posts.

- d. Support & Other Services is forecast to underspend by £0.495 million. This is due to the following:
  - i. Staffing-related budgets are forecast to underspend by £0.456 million because of vacant posts.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Chief Executive

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Chief Executive	0.460	0.461	0.396	(0.065)
Fire & Rescue	14.840	16.885	16.922	0.037
Human Resources	3.520	4.219	4.137	(0.082)
Internal Audit	0.594	0.619	0.564	(0.055)
Legal	3.236	2.669	2.651	(0.018)
Transformation	0.387	0.170	0.170	0.000
Policy	0.448	0.488	0.488	0.000
Democratic Services	2.919	2.667	2.557	(0.110)
Elections	0.889	0.523	0.532	0.009
Public Relations	0.855	0.957	0.958	0.001
<b>Total Chief Executive</b>	<b>28.148</b>	<b>29.658</b>	<b>29.375</b>	<b>(0.283)</b>

**NOTES - Year End Variances of £0.250 million or more**

There are no significant variances to date.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Children's Services: Children's Social Care

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Adolescent Services	2.900	3.541	3.211	(0.330)
Family Placement	12.531	12.513	12.725	0.212
Purchase Budgets	8.331	8.364	9.312	0.948
Early Intervention and Prevention	4.981	6.094	6.119	0.025
Local Children's Safeguarding Board	0.025	0.094	0.064	(0.030)
Looked after Children	2.763	2.068	1.860	(0.208)
Social Work Teams	19.233	9.550	9.460	(0.090)
District Admin Offices	0.826	1.007	0.964	(0.043)
Family and Disability Services	2.638	3.053	2.990	(0.063)
Safeguarding Standards	1.098	1.239	1.239	0.000
Other Children's Services	1.828	1.844	1.796	(0.048)
<b>Total Children's Social Care</b>	<b>57.154</b>	<b>49.367</b>	<b>49.740</b>	<b>0.373</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Children's Social Care are outlined below:

- a. The Adolescent Services budgets are forecast to underspend by £0.330 million.
  - i. There is an underspend on staffing of £0.168 million across the service due to difficulty in recruiting to cover vacancies across the team.
  - ii. There is an underspend of £0.188 million on supported accommodation as demand has reduced from the point at which the 2022-23 budget was set.
- b. The Purchase budget is forecast to overspend by £0.948 million, this is due to the following:
  - i. There is an expected overspend of £0.150 million on professional services associated with on-going court proceedings; and,
  - ii. There is an £0.800 million overspend on external residential care placements. There have been five additional placements agreed to date during 2022-23 at a cost of £0.933 million for the current financial year. The forecast also takes account contract price inflation. A saving of £0.245 million was proposed for 2022-23 which is now unlikely to be achieved. This was linked

to the opening of new beds within Northumberland County Council (NCC) residential Children's homes. However, delays to the capital programme will result in a delay in opening the new home.

- c. There is an underspend of £0.208 million within Looked after Children, this is due to the following:
  - i. Growth was built into the budget of £0.221 million for the running costs of the new NCC residential beds. Due to the delays in the capital programme it's now unlikely the beds will be available until 2023-24 and therefore the budget will not be required this year.
  - ii. Kylee House secure unit is expected to overspend by £0.018 million. A saving of £0.350 million was proposed, but it's expected only £0.051 million will be achieved and alternative savings are being investigated for 2023-24. This is offset by overachievement of income from other local authorities of £0.281 million following an increase in the daily bed price.

Note - The difference between the figures shown in the table and the explanations above consist of several minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Education &amp; Skills

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Director of Education & Skills	1.010	0.425	0.363	(0.062)
Curriculum & Learning	0.253	0.092	0.092	0.000
Alternative Education (Virtual Headteacher)	0.413	0.448	0.448	0.000
Special Educational Needs & Disability	7.172	7.562	8.831	1.269
School Organisation	39.928	9.980	9.956	(0.024)
School Improvement	0.001	0.000	0.003	0.003
<b>Total Education &amp; Skills</b>	<b>48.777</b>	<b>18.507</b>	<b>19.693</b>	<b>1.186</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Education and Skills are outlined below:

- a. The Special Educational Needs & Disability (SEND) budget is forecast to overspend by £1.269 million.
  - i. SEND Home to School Transport has an overspend of £1.266 million for the 333 routes currently transporting 1,352 pupils. Severe budgetary pressures have emerged as a result of fuel price increases and driver availability, with some operators being unable to fulfil contracts, and the need to re-tender resulting in increased costs. There have been 148 contracts that have been re-tendered since April 2022, and this has resulted in an average price increase of 43%. Several proposals have been put forward to try and mitigate high costs and assist operators from returning contracts by making an additional monthly payment to them whilst fuel prices are high. This would be calculated on a monthly basis based on the fuel price indicators and if approved will assist with service delivery as there is a risk there may be insufficient operators to fulfil the required Home to School routes. All the options available will increase the expected overspend. However, without the additional fuel payment there is a risk the overspend will increase even more as operators are expected to end their existing contracts. With SEND transport there is also growth in the number of special school places expected from September which could place further pressure on the budget.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.



## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Children's Services: Dedicated Schools' Grant

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Central Schools Block	2.833	2.454	2.282	(0.172)
Early Years Block	17.118	17.861	17.838	(0.023)
High Needs Block	37.252	44.034	43.921	(0.113)
Schools Block	86.493	87.965	87.965	0.000
<b>Total Dedicated Schools' Grant</b>	<b>143.696</b>	<b>152.314</b>	<b>152.006</b>	<b>(0.308)</b>

## NOTES - Year End Variances of £0.250 million or more

- In 2022-23 the Council expects to receive Dedicated Schools' Grant totalling £151.931 million, which is ring-fenced and will be passported through to fund schools; with an element retained centrally by the Council to provide a range of support to schools. Schools that have transferred to academy status receive their funding directly from the Department for Education – this amounts to a further £120.204 million for 2022-23.
- The 2022-23 budget includes £0.383 million of the overall grant surplus from the previous year of £4.032 million. Work is ongoing to identify the most appropriate use of the carry forward of grant.
- During 2021-22 all school phases increased their reserves due to their partial closure for some pupils and the additional grant funding they have been able to access as a result of Covid-19. This excludes Trust Schools as their school balances are held separately from the main school reserve. The estimated position for 2022-23 shows that some schools are expecting a slight decline in their balances:

	Closing School Reserve	Closing School Reserve	Estimated School Reserve
	2020-21	2021-22	2022-23
	£m	£m	£m
Primary/First	3.641	4.092	4.896
Middle	0.862	1.023	0.651
Secondary/High	(0.383)	0.623	0.303
Special/PRU	1.330	2.439	2.100
<b>Overall</b>	<b>5.450</b>	<b>8.177</b>	<b>7.950</b>

Overall, there are 12 schools predicting a deficit position compared to 19 schools in the previous year.

Of these, 6 schools have an approved licensed deficit, 2 schools have a minor deficit of less than 0.05% of their budget; and work is ongoing with the remaining 4 schools to work towards an achievable budget recovery plan.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Communities &amp; Business Development

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Customer Services	1.647	2.023	1.899	(0.124)
Registrars & Coroners	1.450	1.313	1.539	0.226
Tourism, Culture, Leisure & Heritage	12.258	8.776	9.415	0.639
Improvement & Innovation	1.391	1.975	1.975	0.000
Northumberland Communities Together	0.000	0.488	0.488	0.000
Information Governance	0.064	0.283	0.298	0.015
County Hall Restaurant	0.310	0.021	0.021	0.000
Complaints	0.064	0.105	0.105	0.000
<b>Total Communities &amp; Business Development</b>	<b>17.184</b>	<b>14.984</b>	<b>15.740</b>	<b>0.756</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for Communities & Business Development is outlined below:

- a. Registrars & Coroners is forecast to overspend by £0.226 million due to:
  - i. A £0.362 million overspend within Coroners in relation to post mortems and body storage costs; and,
  - ii. A £0.228 million underspend within Registrars due to an over recovery of income due to the increase in weddings and associated fees.
- b. The Tourism, Culture, Leisure & Heritage Service is forecast to overspend by £0.639 million due to:
  - i. A figure of £1.051 million has been committed to provide additional support to Active Northumberland in response to the Covid-19 pandemic and in recognition of significant inflationary pressures. This contribution has been set aside and will be drawn down from reserves at year end. The current forecast, in addition to the support committed to Active Northumberland, is an overspend of £0.751 million.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Finance

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Revenues & Benefits	2.428	1.634	1.289	(0.345)
Information Services	10.132	10.104	10.104	0.000
Corporate Finance	29.787	5.787	5.498	(0.289)
Strategic Property	5.666	6.988	6.989	0.001
Procurement	0.358	0.721	0.504	(0.217)
<b>Total Finance</b>	<b>48.371</b>	<b>25.234</b>	<b>24.384</b>	<b>(0.850)</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast position for Finance are outlined below:

- a. The Revenues and Benefits Service is forecast to underspend by £0.345 million due to:
  - i. An underspend on staffing amounting to £0.213 million due to a number of vacant posts throughout the service offset by £0.075 million overspend on professional services due to a temporary Revenue and Benefits Manager post being funded; and
  - ii. Additional new burdens grant income of £0.258 million, mainly for the Energy Rebate Grant of £0.162 million and the Discretionary Housing Admin Grant of £0.093 million.
- b. Corporate Finance is forecast to underspend by £0.289 million due to:
  - i. An underspend of £0.277 million due to a combination of vacant posts, some of which are expected to be filled in year, and
- c. Procurement is forecast to underspend by £0.217 million due to:
  - i. An overachievement of procurement rebate income of £0.198 million.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Planning and Local Services

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Local Services Management	27.696	24.625	24.625	0.000
Neighbourhood Services	10.655	11.416	11.674	0.258
Waste PFI Contract	10.146	19.734	19.734	0.000
Technical Services	28.435	22.331	23.755	1.424
<b>Total Local Services</b>	<b>76.932</b>	<b>78.106</b>	<b>79.788</b>	<b>1.682</b>
Planning	7.373	1.119	1.979	0.860
Corporate Health & Safety	0.275	0.299	0.299	0.000
<b>Total Planning &amp; Local Services</b>	<b>84.580</b>	<b>79.524</b>	<b>82.066</b>	<b>2.542</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for the Planning and Local Services Directorate is outlined below:

- a. Neighbourhood Services is forecast to overspend by £0.258 million.
  - i. Due to increased fuel prices, it is anticipated that vehicle fuel will be overspent by £0.350 million across all service areas.
  - ii. Commercial Waste income is expected to overachieve by £0.300 million.
- b. Technical Services is forecast to overspend by £1.424 million mainly due to:
  - i. Home to School Transport is forecast to overspend by £0.900 million. Significant issues have emerged around the provision of Home to School Transport as a result of fuel price increases and driver availability, with some operators being unable to fulfil contracts and the need to re-tender resulting in increased costs. During the period April 2022 to June 2022 54 contracts have had to be retendered resulting in an increased annual cost of £0.556 million. This is in addition to those that had to be retendered up to March 2022. Requests are being received from operators on a daily basis requesting increases to contract prices in order to prevent them from ceasing contracts. A proposal has been put forward to try and mitigate high costs and assist operators from returning contracts by making an additional monthly payment to them whilst fuel prices are high. This would be calculated on a monthly basis based on the fuel price indicators and if approved will assist with service delivery as there is a risk there may be insufficient operators to fulfil the required Home to School routes. If this was approved then the forecast overspend would increase by £1.182 million to

£2.082 million. The forecast overspend of £0.900 million is also expected to increase if the additional fuel payment is not made as more operators are likely to decide to end contracts.

- ii. Streetlighting is forecast to overspend by £0.550 million due to increases in electricity expenditure due to a 53% increase on prior year costs based on the figures provided by North East Procurement Organisation (NEPO) and the energy providers.
  - iii. School Crossing Patrols is forecast to underspend by £0.040 million as the service is operating with a high level of vacancies.
- c. Planning is forecast to overspend by £0.860 million mainly due to:
- i. £0.400 million underachievement of planning fee income. The income budget was increased by £0.400 million as part of the 2021-22 budget setting process in anticipation of an increase to the national planning fee structure. The Planning Bill proposing the change had been put on hold but has subsequently progressed and had its first reading. However, given the indicative timeframe it is not anticipated that this saving will be achieved in the current financial year.
  - ii. £0.110 million grant funding for strategic planning identified as part of the 2021-22 budget setting process is now unlikely to be received, however alternative funding opportunities are being explored as part of ongoing discussions with the Ministry of Health, Communities and Local Government regarding joint working and support arrangements.
  - iii. £0.175 million under recovery of Pre-Application Fees. The appetite for this service has been diminishing so the service is in the process of being refreshed and relaunched within the next 3-6 months. The timescale means this will be unlikely to achieve the savings target built into the 2022-23 budget.
  - iv. £0.110 million under achievement of Planning Performance Agreements. This service was introduced in 2021-22 and is very much in its infancy. Uptake of the scheme has been slower than anticipated during this market penetration phase.
  - v. £0.065 million underachievement of S106 fees due to lack of developments reaching milestones where a fee would become applicable. This is anticipated to continue into 2023-24.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Forecast Revenue Outturn - Detailed budget summary by Service

Service: Public Health &amp; Community Services

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Housing General Fund	1.062	1.121	1.114	(0.007)
Public Protection	2.676	3.248	3.323	0.075
Public Health	0.024	0.065	0.065	0.000
<b>Total Public Health &amp; Community Services</b>	<b>3.762</b>	<b>4.434</b>	<b>4.502</b>	<b>0.068</b>

**NOTES - Year End Variances of £0.250 million or more**

There are no significant variances to date.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Public Health &amp; Community Services - Public Health

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Staffing and Support Costs	0.591	1.785	1.785	0.000
Stop Smoking Initiatives	0.442	0.335	0.335	0.000
Drug & Alcohol Services	3.822	3.952	3.952	0.000
Sexual Health Services	2.215	2.143	2.143	0.000
0-19 Public Health Services	6.309	6.401	6.401	0.000
Integrated Wellbeing Service	1.219	1.287	1.141	(0.146)
Other Health Initiatives	2.059	2.902	2.902	0.000
<b>Total Public Health &amp; Community Services</b>	<b>16.657</b>	<b>18.805</b>	<b>18.659</b>	<b>(0.146)</b>

## NOTES

- a. The Council's Public Health service will receive grant funding of £17.366 million in 2022-23. This funding is ring-fenced for the provision of services to improve the health of the local population and reduce health inequalities.
- b. The terms of the main grant allow unspent allocations to be carried over into the next financial year. Public Health carried forward a reserve of £5.150 million to financial year 2022-23. A separate report is being presented to Cabinet to approve the Public Health reserve planned spend.
- c. The Council received an allocation of £0.171 million from the Public Health England Weight Management Services Grant in 2021-22 which was ringfenced to support the commissioning of adult behavioural weight management services. Unspent funding of £0.069 million was carried forward to financial year 2022-23.
- d. Additional one-off funding of £0.350 million was secured from Public Health England to support drug treatment crime and harm reduction activity in 2021-22. Unspent funding of £0.197 million was carried forward to financial year 2022-23 to continue the activity.
- e. Funding of £0.120 million was awarded from the Improvement and Development Agency for Local Government in 2021-22 to support the Heart of Blyth project with is part of the Shaping Places for Healthier Lives programme. The majority of the activity will take place this financial year and £0.108 million was carried forward to 2022-23.
- f. Funding of £1.000 million has been received from Northumberland CCG to support joint investment in



population health management interventions.

- g. The Council is contributing funding of £0.065 million to support the provision of Public Health services in financial year 2022-23.
- h. It is anticipated that £0.146 million will be carried forward to the reserve balance at the end of 2022-23 as a result of vacant posts in the Integrated Wellbeing Service.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Public Health &amp; Community Services - Housing Revenue Account

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Housing Management	6.093	6.567	6.567	0.000
Housing Special	0.796	0.705	0.748	0.043
Repairs and Maintenance	8.241	8.184	8.691	0.507
Housing Capital Works	0.546	0.458	0.458	0.000
Other HRA Services	13.263	14.311	14.771	0.460
HRA Income	(29.923)	(30.239)	(30.282)	(0.043)
<b>Total HRA Expenditure &amp; Income</b>	<b>(0.984)</b>	<b>(0.014)</b>	<b>0.953</b>	<b>0.967</b>

**NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for the Housing Revenue Account are as follows:

- a. Housing Maintenance is forecast to be overspent by £0.507 million. £0.388 million relates to additional repairs and maintenance costs due to Storm Arwen and £0.112 million additional expenditure on general repairs.
- b. Depreciation charges have increased by £0.460 million following an upward revaluation of Council dwellings by the Council's external valuers.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Regeneration

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Economy & Regeneration	2.641	2.696	2.296	(0.400)
Executive Director of Regeneration, Commercial & Economy	0.074	0.201	0.201	0.000
Culture	0.000	1.215	1.215	0.000
Climate Change	0.099	0.455	0.455	0.000
<b>Total Regeneration</b>	<b>2.814</b>	<b>4.567</b>	<b>4.167</b>	<b>(0.400)</b>

## NOTES - Year End Variances of £0.250 million or more

The main reason for the forecast position for the Regeneration Service is outlined below:

- a. Concessionary Travel is forecast to underspend by £0.400 million. Following the lifting of Covid-19 restrictions the Department for Transport has allowed local authorities to negotiate with the local travel providers regarding the reimbursement rates payable in respect of concessionary travel. The Council has been able to negotiate two fixed price deals with the two major operators for the period April 2022 to March 2023 rather than based on a reimbursement rate per journey. This has provided budget certainty for all parties as passenger numbers are yet to recover to pre-pandemic levels.

## Forecast Revenue Outturn - Detailed budget summary by Service

## Service: Other Corporate Expenditure and Income

Summary by Service	2021-22 Outturn	Budget	Forecast Outturn	Variance
Service	£m	£m	£m	£m
Corporate Items	45.504	31.224	31.233	0.009
Treasury Management	(25.168)	(23.174)	(23.174)	0.000
Capital Financing	87.896	37.347	37.347	0.000
Corporate Funding	(410.624)	(382.624)	(382.624)	0.000
<b>Total Other Corporate Expenditure &amp; Income</b>	<b>(393.400)</b>	<b>(337.227)</b>	<b>(337.218)</b>	<b>0.009</b>

## NOTES - Year End Variances of £0.250 million or more

There are no significant variances to date.

Note - The difference between the figures shown in the table and the explanations above consist of a number of minor variations within each area.

## Key Capital Movements by Service

## Service: Adult Social Care and Commissioning – Forecast variance (£3.414) million

Summary by Project	Under/ Overspend	Reprofiling
	£m	£m
Disabled Facilities Grant	-	(1.458)
Tynedale House Fire Doors	-	(0.142)
Supported Housing	(1.814)	-
<b>Total</b>	<b>(1.814)</b>	<b>(1.600)</b>

## NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Adult Social Care and Commissioning Children's Services are outlined below:

- a. Disabled Facilities Grant - A workforce shortage issue is impacting on the Home Improvement Service (HIS) Adaptations team resulting in a longer timeframe to process Disabled Facilities Grant cases and contractors continue to report workforce and materials shortages which is delaying the completion of projects.
- b. Supported Housing – The budget is no longer required as it is the intention is to use the Adult Social Care capital external funding to support the market.

<b>Service: Children's Services – Forecast variance (£14.162) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
	<b>£m</b>	<b>£m</b>
Atkinson House Relocation	0.104	-
Basic Needs Programme	-	(1.327)
Berwick Partnership of Schools	-	(0.500)
Children's Homes Provision	-	(0.619)
Corbridge Middle 3G Pitch	-	(0.493)
Kyloe House – High Dependency Unit	-	(0.189)
Schools Building Programme (SCIP)	-	(6.259)
SCIP - Mobile Classroom Replacement Programme	-	(0.200)
Schools Reorganisation West	-	(0.385)
Special Needs Schools	-	(4.294)
<b>Total</b>	<b>0.104</b>	<b>(14.266)</b>

#### **NOTES - Year End Variances of £0.250 million or more**

The main reason for the forecast variance for Children's Services are outlined below:

- a. Basic Needs Programme – The planned work at King Edward VI School, Morpeth is scheduled for 2023-24.
- b. Berwick Partnership of Schools – The scheme is currently out for informal consultation with a works element being undertaken in 2023-24 once the outcome is known.
- c. Children's Homes Provision – Schemes are continuing to progress, and it is estimated £1.500 million will be incurred in the acquisition and renovation of properties in the current financial year.
- d. Corbridge Middle 3G Pitch - The project has been delayed due to the construction tenders received being in excess of the budget available. The project is on currently being re-evaluated with a view to progressing to construction in 2023-24.
- e. Schools Building Programme (SCIP) – Work is ongoing in relation to six projects, with tenders currently being assessed for a further three projects, and a further three in the process of being awarded. A contribution will be made to the Seaton Valley Federation of Schools Redevelopment in 2023-24.
- f. Schools Reorganisation West – The project at Bellingham Children's Centre is now scheduled to commence in 2023-24.
- g. Special Needs Schools – The funds are to be used as part of the Schools' Redevelopment Programme for planned works in 2023-24.

<b>Service: Communities and Business Development – Forecast variance (£0.800) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
	<b>£m</b>	<b>£m</b>
Berwick Leisure Centre	-	(0.800)
<b>Total</b>	<b>-</b>	<b>(0.800)</b>

**NOTES - Year End Variances of £0.250 million or more**

- a. Berwick Leisure Centre – Phase 3 of the scheme will complete in June 2023.

<b>Service: Finance – Forecast variance (£2.278) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
	<b>£m</b>	<b>£m</b>
Desktop Refresh	0.100	-
County Hall IT Infrastructure	0.008	-
Cloud Migration	(0.100)	-
Property Stewardship Fund – Backlog M&E and Fabric	(0.050)	(0.115)
Property Stewardship Fund – Bearl Depot Drainage and New Build	-	(0.302)
Property Stewardship Fund – Powburn Depot Roof	-	(0.120)
Property Stewardship Fund – Woodhorn Heapstead	-	(0.099)
Property Stewardship Fund – Woodhorn Walker Fan Building	0.050	-
Leisure Buildings Essential Remedials	(0.181)	-
Leisure Buildings Essential Remedials – Concordia Air Handling Units	0.181	-
County Hall Refurbishment	-	(1.000)
Hexham Tyne Mills Depot	-	(0.650)
<b>Total</b>	<b>0.008</b>	<b>(2.286)</b>

#### **NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Finance are outlined below:

- a. Property Stewardship Fund – Bearl Depot Drainage and New Build – The scope of the project is being reduced to only accommodate essential drainage and works to the yard in the current financial year.
- b. County Hall Refurbishment – Due to delivery delays on certain materials the Front of House works are now expected to be completed in Summer 2022 with external works on the dog-leg of the building being deferred until 2023-24.
- c. Hexham Tyne Mills Depot – Works to the depot have been deferred as all of the essential maintenance work has now been completed.



<b>Service: Planning and Local Services – forecast variance (£2.977) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
<b>Project</b>	<b>£m</b>	<b>£m</b>
Members Local Improvement Schemes	-	(1.000)
Fleet Replacement Programme	-	(1.977)
<b>Total</b>	<b>-</b>	<b>(2.977)</b>

#### **NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Planning and Local Services are outlined below:

- a. Members Local Improvement Schemes – Based on the average expenditure of the previous five financial years it would seem prudent to reprofile £1.000 million into 2023-24 leaving a budget of £0.424 million for schemes approved prior to the current administration and still require completing and £0.772 million for schemes to be approved since the election. Levels of expenditure tend to increase as the next election approaches.
- b. Fleet Replacement Programme – A continuous review of the programme is being undertaken to assess likely build and delivery times which are still being significantly affected due to issues within the automotive sector and its supply chains resulting in reprofiling for vehicles.

Service: Public Health and Community Services – forecast variance (£12.103) million		
Summary by Project	Under/ Overspend	Reprofiling
Project	£m	£m
Major Repairs Reserve	-	(1.456)
Affordable Homes	-	(9.003)
HRA Energy Efficiency	-	(1.000)
Community Housing Fund	-	(0.644)
<b>Total</b>	-	(12.103)

#### NOTES - Year End Variances of £0.250 million or more

The main reasons for the forecast variance for Public Health and Community Services are outlined below:

- a. Major Repairs Reserve – Delivery of the programme has been delayed due to longer preparation time being required and access to materials as a result of Covid-19.
- b. Affordable Homes – Some of the new build programme will now be delivered in 2023-24.
- c. HRA Energy Efficiency – Schemes are continuing to progress with expenditure currently being picked up as part of the Major Repairs programme.
- d. Community Housing Fund – Further schemes are being developed with delivery anticipated to commence in 2023-24.

<b>Service: Regeneration – forecast variance (£10.604) million</b>		
<b>Summary by Project</b>	<b>Under/ Overspend</b>	<b>Reprofiling</b>
	<b>£m</b>	<b>£m</b>
Hexham High Street Action Zone	-	(0.738)
Local Cycling and Walking Infrastructure	-	(1.500)
Portland Park – Grant to Advance Northumberland	-	(3.000)
Ashington North East Quarter Re-development Phase 2	-	(2.436)
Loan to NELEP – Fairmoor	(2.000)	-
Loan to NELEP – Ramparts Business Park	(0.800)	-
Solar PV Projects	(0.130)	-
<b>Total</b>	<b>(2.930)</b>	<b>(7.674)</b>

#### **NOTES - Year End Variances of £0.250 million or more**

The main reasons for the forecast variance for Regeneration are outlined below:

- a. Hexham High Street Action Zone – The uptake of grants for the scheme has been slow as businesses are reluctant to commit to their required match funding in the present climate due to uncertainty around the future shopping habits of individuals as a result of Covid-19. However, Public Realm works are commencing within the town, but any unspent grant will be returned to the funder with the Council having the opportunity to rebid for it.
- b. Local Cycling and Walking Infrastructure – A small element of expenditure will be incurred in the current financial year but the larger schemes in relation to Active Travel Funds at Ashington and Blyth won't commence until 2023-24. A levelling up bid has been submitted for Bedlington and Hexham cycle infrastructure with match funding from this allocation. The outcome of the bid will not be known until October with the match being used in 2023-24.
- c. Portland Park – Grant to Advance Northumberland – A levelling up bid is being prepared for submission around the transformation of Ashington Town Centre. The outcome of the bid should be known in October.
- d. Ashington North East Quarter Re-development Phase 2 – the funding ties in with the wider redevelopment of the Portland Park site.
- e. Loan to NELEP – Fairmoor - The requirement is currently part of a wider review. If the scheme is to proceed then it is expected it would be funded from the Strategic Regeneration Projects budget. The requirements will be confirmed as part of the wider MTFP review.

- f. Loan to NELEP – Ramparts Business Park - The requirement is currently part of a wider review. If the scheme is to proceed then it is expected they would be funded from the Strategic Regeneration Projects budget. The requirements will be confirmed as part of the wider MTFP review.

### Items approved from the Council's Contingency

The following items have been approved from the Council's contingency during April to June 2022.

Recurrent Funding	2022-23	2023-24
	£	£
Climate Change team (funded by capital grant in 2021-22)	260,650	-
HR posts – Band 9 Lead HR Advisor and Band 11 Strategic OD Lead	118,090	-
Regrade Tourism General Manager to Band 15	11,070	-
Tableau licences	54,740	-
Housing Benefit Subsidy & Local Council Tax Support Admin Subsidy grant	69,270	-
Service Review Team (2 x Band 11 SR Leads & 2 x Band 8 SR Officers)	226,760	-
Impact of prior year pay award	2,315,540	-
<b>Total amount drawn from Contingency recurrently</b>	<b>3,056,120</b>	<b>-</b>
Trainee Solicitors correction – amount requested recurrently but was non recurrent (included on Sep 20 Cabinet report)	(45,590)	-
Amendment to align salary budgets within Comms, Legal and Elections areas	(29,700)	-
<b>Net amount drawn from Contingency recurrently</b>	<b>2,980,830</b>	<b>-</b>

Non-Recurrent Funding	2022-23	2023-24
	£	£
Information Services – Pluralsight licences	16,500	-
Platinum Jubilee Fund celebrations	145,450	-
Queens Baton Relay	56,000	-
Health Inequalities funding	46,280	-
Public Relations expenditure (previously requested in 2021/22 but delayed due to Covid on Visit Northumberland, Discover our Land and vehicle signage)	182,790	-
<b>Total amount drawn from Contingency non-recurrently</b>	<b>447,020</b>	<b>-</b>

Non-Recurrent Funding	2022-23	2023-24
	£	£
Correction of budget setting error – Elections General Manager increase included twice	(25,540)	-
Adults Independent Living Fund (ILF) returned to Contingency	(840,600)	-
National Management Graduate Trainee funding returned as not all approved posts recruited to	(34,520)	-
<b>Net amount drawn from Contingency non-recurrently</b>	<b>(453,640)</b>	<b>-</b>

## Movement in the Council's Reserves

	Opening Balance at 1 April 2022*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2023
	£m	£m	£m	£m
General Reserves/Balances				
General Fund **	(70.081)	-	25.000	(45.081)
<b>Total General Reserve</b>	<b>(70.081)</b>	<b>-</b>	<b>25.000</b>	<b>(45.081)</b>
Ring-Fenced Reserves/Balances				
Housing Revenue Account	(29.874)	-	8.552	(21.322)
Major Repairs (HRA)	(10.214)	-	1.287	(8.927)
HRA Capital Investment	(2.177)	-	(2.829)	(5.006)
<b>Total Earmarked HRA Reserves</b>	<b>(42.265)</b>	<b>-</b>	<b>7.010</b>	<b>(35.255)</b>
Specific Reserves/Balances				
Capital Grants Unapplied	(61.304)	-	10.000	(51.304)
Capital Receipts	(0.183)	-	0.183	-
Capital Receipts - HRA	(4.768)	-	1.972	(2.796)
<b>Total Specific Reserves/Balances</b>	<b>(66.255)</b>	<b>-</b>	<b>12.155</b>	<b>(54.100)</b>

## Appendix R

	Opening Balance at 1 April 2022*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2023
	£m	£m	£m	£m
Earmarked Reserves				
ADC Parks & Open Spaces	(0.009)	-	0.009	-
ADC Section 106	(0.046)	-	0.044	(0.002)
Balances held by Schools	(9.192)	8.770	(7.951)	(8.373)
Borderlands Energy Masterplan	(0.816)	-	0.816	-
Business Recovery Reserve	(2.322)	-	-	(2.322)
Cessation of NHS Partnership Agreement	(0.262)	-	0.262	-
Collection Fund Smoothing	(15.155)	-	0.896	(14.259)
Community Led Housing	(0.687)	-	0.154	(0.533)
Contain Outbreak Management	(2.130)	2.130	-	-
Council Commissioned Services	(8.981)	-	8.813	(0.168)
Council Transformation Fund	(17.902)	-	4.259	(13.643)
Dedicated Schools Grant	(4.032)	2.964	(1.213)	(2.281)
Economy & Regeneration Investments	(0.358)	-	0.231	(0.127)
Empty Dwelling Management Order	(0.047)	-	-	(0.047)
Estates Rationalisation	(7.242)	-	3.181	(4.061)
Exceptional Inflationary Pressures	(5.208)	-	-	(5.208)
FRS HMICFRS Improvement	(0.050)	-	0.032	(0.018)
Firefighters' Immediate Detriment	(0.250)	-	-	(0.250)
FPF Admin Grant	(0.033)	-	0.033	-
Haltwhistle Repairs Reserve	(0.039)	-	-	(0.039)
Highways Maintenance Investments	(0.225)	-	-	(0.225)
Insurance	(8.479)	-	0.200	(8.279)
Legal Challenge	(1.800)	-	1.011	(0.789)



## Appendix R

	Opening Balance at 1 April 2022*	Movement in Reserve	Commitments	Forecast Closing Balance at 31 March 2023
	£m	£m	£m	£m
NCC Economic Regeneration	(0.139)	-	-	(0.139)
Open Spaces Maintenance Agreements	(0.087)	-	0.009	(0.078)
Planning Delivery	(0.654)	-	0.654	-
Problematic Empty Properties	(0.050)	0.002	0.006	(0.042)
Recruitment & Retention	(0.500)	-	0.061	(0.439)
Regeneration Additional Capacity Reserve	(0.190)	-	0.190	--
Regeneration Development Reserve	(2.473)	-	0.924	(1.549)
Repair and Maintenance	(0.250)	-	-	(0.250)
Restructuring Reserve	(2.000)	-	1.000	(1.000)
Revenue Grants	(17.333)	4.555	1.349	13.682
School Libraries	(0.007)	-	-	(0.007)
Sealodge	(0.023)	-	-	(0.023)
Section 106	(10.830)	-	(0.150)	(10.980)
Severe Weather	(7.500)	-	-	(7.500)
Social Fund	(2.936)	-	0.080	(2.856)
Sports Development	(0.253)	-	0.010	(0.243)
Storm Arwen	(2.178)	-	2.178	-
Strategic Management Reserve	(48.237)	-	(0.458)	(48.695)
Transformation of the Revenues & Benefits Service	(0.215)	-	-	(0.215)
Violence Reduction	(0.030)	-	0.030	-
Winter Services	(2.000)	-	-	(2.000)
<b>Total Earmarked Reserves</b>	<b>(183.150)</b>	<b>18.421</b>	<b>16.660</b>	<b>(148.069)</b>
<b>Total Usable Reserves</b>	<b>(361.751)</b>	<b>18.421</b>	<b>60.825</b>	<b>(282.505)</b>

	Opening Balance at 1 April 2022*	Movement in Provision	Commitments	Forecast Closing Balance at 31 March 2023
	£m	£m	£m	£m
<b>Provisions</b>				
Redundancy Costs	-	-	-	-
NNDR Appeals	(8.699)	-	1.750	(6.949)
Estates Rationalisation Project	(0.577)	-	0.450	(0.127)
Compensation Claims	(0.147)	-	-	(0.147)
Contractor Claims	(0.233)	-	-	(0.233)
<b>Total Provisions</b>	<b>(9.656)</b>	<b>-</b>	<b>2.200</b>	<b>(7.456)</b>
<b>Total Reserves &amp; Provisions</b>	<b>(371.407)</b>	<b>18.421</b>	<b>63.025</b>	<b>(289.961)</b>

\*Provisional un-audited opening balance figure

\*\*Does not include the current forecast position on the General Fund

## Virements April to June 2022

Directorate	Reason for Virement	Virement from	Virement to	£
Adult Social Care & Commissioning	The Ageing Well service is funded by Public Health but the staff were managed by Adult Services. Management responsibility has now transferred to Public Health.	Removal of expenditure budget in Adult Support Services	Removal of recharge income budget in Adult Support Services	121,410
Adult Social Care & Commissioning	Transfer budget for 1.18 FTE Personal Assistant posts to the relevant Directorate.	Adult Support Services	Communities and Business Development directorate	30,460
Chief Executive	Transfer of Personal Assistant budgets to Service Directorates	Democratic Services	Various Directorates	430,970
Public Health & Community Services	2021-22 Pay Award	HRA Contingencies	Salaries & oncosts across HRA services.	118,240