

Rother District Council

Report to: Cabinet

Date: 5 February 2024

Title: Revenue Budget and Capital Programme Monitoring as at Quarter 3 - 2023/24

Report of: Duncan Ellis – Interim Deputy Chief Executive and S151 Officer

Cabinet Member: Councillor Jeeawon

Ward(s): All

Purpose of Report: To note the estimated financial outturn for 2023/24 based on expenditure and income to the end of Quarter 3, 31 December 2023.

Decision Type: Non-key

Officer

Recommendation(s): **Recommendation to COUNCIL:** That the change to the capital programme budget as set out in paragraph 16 be approved:-

- A budget in respect of residual costs on the Mount View Street Development scheme, be added to the capital programme in 2023/24, at a cost of £42.5k, to be financed from borrowing (paragraph 16).

AND

It be **RESOLVED:** That the report be noted.

Reasons for

Recommendation: To update the capital programme and 2023/24 revenue budget to reflect changes in spending needs and grant allocations.

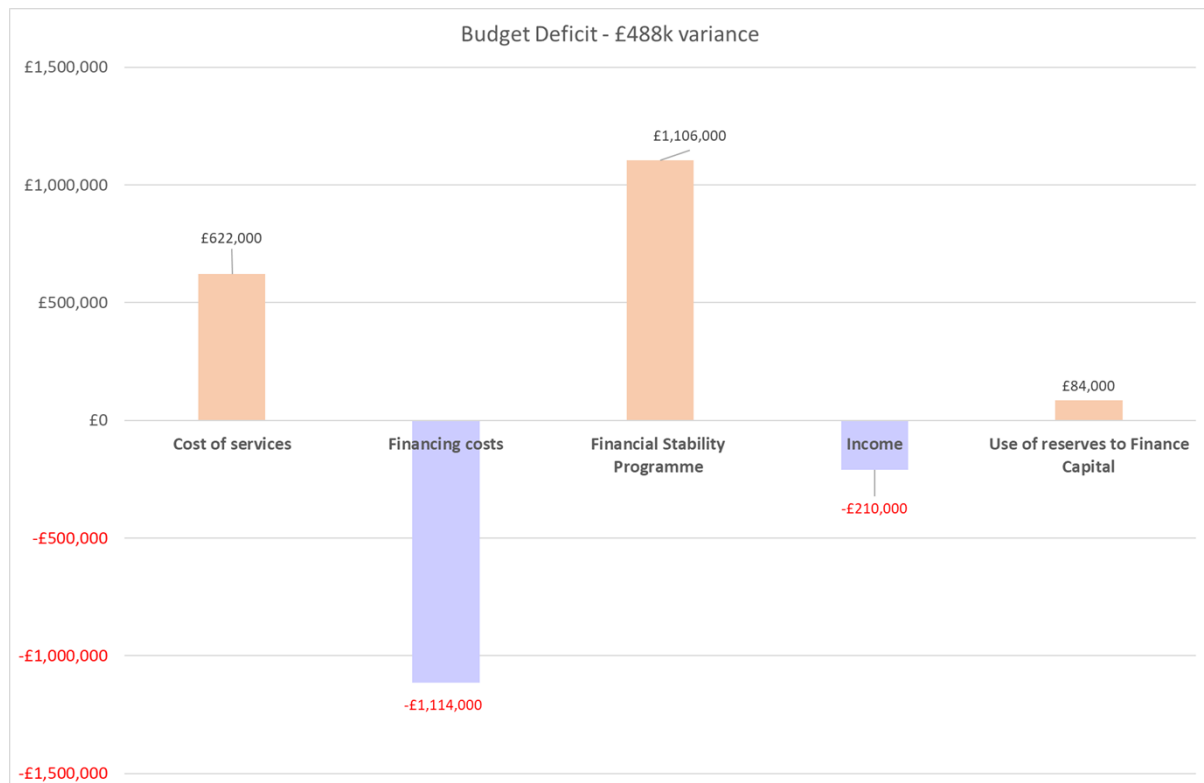
Introduction

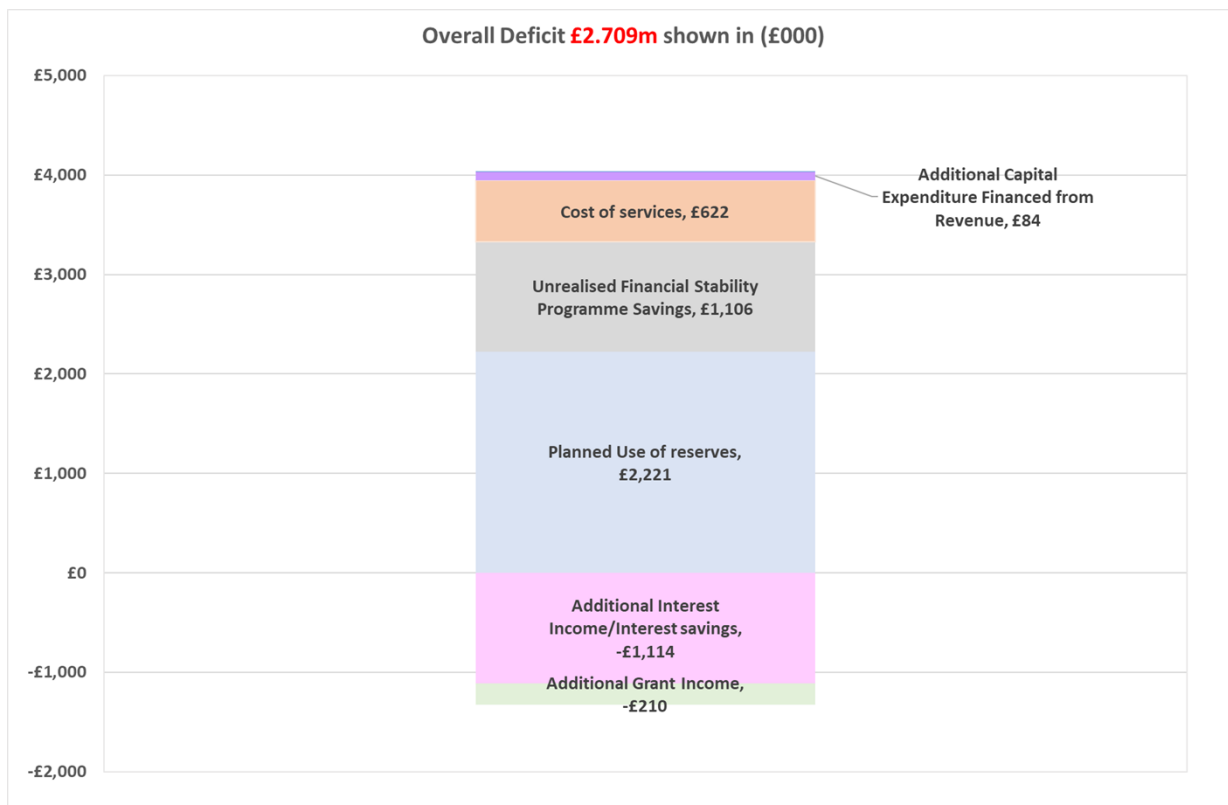
1. This report updates Members on the Council's financial position as at the 31 December 2023 and forecasts a provisional outturn for 2023/24. The revenue budget and capital programme statements are summarised in Appendices A and B respectively. The impact of the forecast on the Council's reserves is summarised in Appendix C. The report also includes a brief update on the Collection Fund performance.
2. The presentation of the revenue budget reflects the revised management reporting structure.

- A virement has been applied to the Neighbourhood Services budget to reflect the recognition of the Homelessness Prevention Grants (HPG) received, totalling £473k, in the total cost of services, where previously this was shown in the total income section of the revenue budget monitoring statement as a non-specific revenue grant.

Overall position

- The forecast outturn for the 2023/24 financial year is based on the position as at 31 December 2023 and indicates a forecast deficit position of £2.709m at 31 March 2024, against a budgeted deficit of £2.221m, which is a variance of £488k. The first graph, below, shows the breakdown of the forecast variance to budget and the second graph shows the breakdown of the overall deficit.





Revenue Budget

5. The revenue budget forecast as at the 31 December 2023 indicates a deficit of £404k against the approved budgeted drawdown from Reserves of £2.045m resulting in a forecast reserve drawdown of £2.449m. The position is detailed in Appendix A and the main variances are summarised in the paragraphs below.

Cost of Services - £622,000 forecast deficit (£920,000 forecast deficit at Quarter 2). (Detailed below).

Chief Executive – forecast Deficit £539,000 (£569,000 forecast deficit at Quarter 2)

6. **Chief Executive** - £167k deficit (£160k forecast deficit at Quarter 2). The forecast includes spend in respect of one-off severance and recruitment costs along with agency cover for statutory officer posts to be funded from reserves. This is partly offset by a vacancy saving.

a. Chief Finance Officer – £4k deficit (£27k deficit at Quarter 2). Audit fees for the year have risen by £53k, which was agreed by the Public Sector Audit Appointments body (PSAA). There is an underspend of £120k in relation to the unfunded element of the corporate pension costs which is funding agency expenditure of £53k to cover interim appointments in key posts. An amount of £7k of additional expenditure on computer software has also been incurred.

b. Democratic Services and Elections - £327k deficit (£345k forecast deficit at Quarter 2). The movement from the previous quarter relates mainly to a reduction in the forecast of the final costs for the local elections in May 2023.

c. Human Resources - £40k forecast deficit (£36k forecast deficit at Quarter 2). £10k of the deficit relates to unrealised anticipated savings on NNDR for the Town Hall and £27k on premises related costs, in addition, £10k of rental

income will not be realised. Net unrealised staff turnover £6k contribute further to the deficit. A saving of £3k on the cost of postages offsets part of the deficit.

Deputy Chief Executive – forecast Surplus (£124,000) ((£9,000) forecast surplus at Quarter 2)

7. **Deputy Chief Executive** – (£18k) forecast surplus ((£8k) forecast surplus at quarter 2). This is made up of additional income.

a. Environmental Services, Licencing and Community Safety – (£25k) forecast surplus ((£8k) forecast surplus at Quarter 2). The surplus is due to additional income from fixed penalty notices offset by a small reduction in food export certificate income (net additional income of £45k). In addition to unrealised salary turnover savings of £21k, backdated payments totalling £24k were made to officers in respect of car allowances. Receipts from the repayment of Disabled Facilities Grants totalled £21k and may be used to offset capital costs incurred in prior years.

b. Revenues and Benefits – (£130k) forecast surplus ((£62k) forecast surplus at Quarter 2). The surplus is due to an estimated net underspend on staff costs of (£60k) in respect of vacancies, offset by backdated car allowances, recharged administration costs (a £36k saving) and an increase of £100k on housing benefit overpayment recoveries. In addition, increased IT costs are £46k, a proportion of which was covered by New Burdens funding (£12k) which shows in other income. Increased departmental administration and subsidy claim testing costs are £20k.

c. Internal Audit – (£3k) surplus (no forecast surplus/deficit at Quarter 2).

d. Digital and Customer Services – £27k forecast deficit ((£15k) forecast surplus at Quarter 2). Net salary cost increases total £58k which includes the cost of agency cover for vacancies, the vacancy savings target built into the budget and a provision for elements of service redesign. Unbudgeted systems inflation costs of £5k will be incurred. Overall cost pressures have been offset also by surplus income of (£13k) from printing services and the receipt of a grant of (£6k) in relation to e-government, for the Council achieving the gold standard. Other net savings total £13k.

e. Corporate Programme and Improvement - £22k forecast deficit (£21k forecast deficit at Quarter 2). This is due to additional staffing costs.

f. Corporate Policy and Projects – £3k forecast deficit (£63k forecast deficit at quarter 2). The deficit is due to additional staffing costs.

Director – Place and Climate Change – forecast Deficit £207,000 (£360,000 forecast deficit at Quarter 2)

8. **Director - Place and Climate Change** - £2k forecast deficit (unchanged from Quarter 2). The deficit relates to additional costs of attendance at conferences.

a. Planning Development Management - £68k forecast deficit (£123k forecast deficit at Quarter 2). The deficit is due to £140k of staff-relating costs, which are net of salary savings, the costs of agency staff and unrealised staff turnover savings. There is a forecast £17k of additional systems costs and planning

appeal costs awarded against the Council of £22k as well as additional expenditure of £9k on planning advice from East Sussex County Council (ESCC). On the fees and charges side, cost pressures have been partially offset by unbudgeted surplus income of (£145k) from planning performance agreements and planning applications but are reduced by a forecast deficit of £19k on land charges income. A Planning Skills Delivery Grant of £100k from Department of Levelling Up, Housing & Communities (DLUHC), designed to be spent on processing backlogs in planning applications, will be spent on a combination of two, 1-year fixed term, posts (£60k), and the balance will be used to offset some of the external agency costs incurred during the current financial year to deal with the backlog.

b. Planning Policy - £56k forecast deficit (£35k forecast deficit at Quarter 2). Additional net staffing costs of £61k are forecast, comprising of net additional staffing costs and unrealised staff turnover savings. It is proposed that the anticipated grant of (£27k) in respect of biodiversity net gains in conservation and preservation, is utilised on the recruitment of a temporary post of Ecology Officer. Additional CIL income of £10k and S106 monitoring fees of £16k will reduce the overall deficit.

c. Neighbourhood Services – (£233k) forecast surplus ((£205k) forecast surplus at Quarter 2). The surplus is made up of a number of elements where savings have been made or income is expected to exceed the budget: savings on the grounds maintenance contract (£100k), unbudgeted car park income (£230k), additional waste collection income and additional savings on core waste contract due to new pricing starting in Quarter 2 (£212k) and other net savings on repairs and maintenance (£23k). These savings and income increases are offset by additional costs of car park resurfacing works of £55k, unrealised anticipated savings from devolvement of public conveniences to parishes of £145k, an outstanding shortfall on recycling property numbers of £50k, £18k of costs relating to new air pumps at Bexhill Leisure Centre, a loss of £13k on cemetery fees income and unbudgeted health and safety electrical works of £22k and expenditure of £10k on a new mains motor in museums. There is also forecast a net overspend of £19k on unrealised budgeted staff turnover savings and backdated car allowance payments offset by a reduction in seasonal staffing costs, due to adverse summer weather.

d. Climate Change Strategy - £1k forecast deficit (unchanged from Quarter 2). The deficit is due to additional training costs.

e. Housing - £249k forecast deficit (£433k forecast deficit at Quarter 2). The deficit is primarily due to estimated costs of temporary accommodation amounting to £608k reduced by through net rental income receivable in respect of the properties purchased to help reduce the deficit (£52k) and applying additional Homelessness Prevention Grant of (£132k). The deficit has also been offset by funding in respect of the administration of the Disabled Facilities Grants (£142k). Forecast savings on the UKRS and the ARAP schemes for resettlement are forecast to be in the region of (£58k), and any surpluses at the year-end will be transferred to earmarked reserves. Other net costs are £25k, some of which will be covered from reserves.

f. Regeneration - £64k deficit ((£29k) forecast surplus at Quarter 2). The forecast deficit is due to consultancy engaged in Quarter 3 to review the viability of capital schemes in the light of high borrowing costs and other inflationary

pressures: the cost of £91k will be met from revenue spend to save (MTFS) reserves at the year-end. A further initiative, again funded from revenue reserves, relates to the employment of an electrician to undertake minor works across the district, at a cost in 2023/24 of £43k, which includes transport and equipment costs. Other net property-related costs, including condition surveys (including RAAC concrete), staffing and unrealised vacancy savings, total £24k. These cost pressures are partly offset by net unbudgeted rental income (£92k).

Net Financing Costs – forecast Surplus (£1,114,000) ((£1,110,000) forecast surplus at Quarter 2)

9. As reported in previous quarterly monitoring reports, the budget was calculated on the assumption that the pace of the Council's capital programme would accelerate significantly after the pandemic. However, due to the significant increase in borrowing rates over the last year the capital programme is being fundamentally reviewed to ensure that each scheme can still deliver the anticipated outcomes and remain affordable to the Council. As a result of this pause, the anticipated borrowing has not been required. Consequently, interest due to be paid is lower than expected by (£471k). This is partially offset by the Minimum Revenue Provision (MRP) which is forecast to be £291k higher than anticipated. Members should note that financing costs will be subject to a detailed review as part of assessing the affordability of the capital programme. The review will be crucial in determining future programme deliverability, particularly in view of historically high inflation and high interest rates.
10. Interest income from investments is expected to yield an additional (£734k), of which (£534k) is in respect of an increased focus on treasury management activity and higher interest rates since the budget was calculated and (£200k) due in interest on loans to the housing company.
11. The budgeted contingency is shown as a surplus for the purposes of the report.

Financial Stability Programme (FSP) – forecast Deficit £1,106,000 (£906k forecast deficit at Quarter 2)

12. Several small savings are being forecast by the end of the financial year, currently driven mainly by Neighbourhood Services and IT. However, more savings to the end of the year are not expected to be achieved in the current financial year. The Medium Term Financial Strategy (MTFS) removed the current FSP and replaced it with a new 'Fit for the Future' financial resilience programme, which is designed to close the budget gap over the medium-term period through making efficiencies, savings and increasing income to help support frontline services. The forecast deficit has increased by £200k since the previous quarterly report as these savings are being made in the services directly and not in this part of the statement.

Income – forecast Surplus (£210,000)

13. Since the budget was approved the Council have received several small, unbudgeted, grants from the DLUHC, mainly in respect of New Burdens grants and additional Section 31 Grants.

Capital Programme

14. The Capital Programme comprises a range of strategic projects that span more than one year and many operate for several years or have recurrent investments. Projects that have not spent all their allocation in the year of inception have the remaining funding carried forward into future financial years, profiled based on the anticipated expenditure for the project. The Interim S151 Officer is continuing to work with Heads of Service and elected Members to undertake a fundamental review of capital schemes which currently amount to more than £157m. The table below shows the profiling of the capital programme at 31 December 2023:

	23/24	24/25	25/26	26/27	27/28	Total
	£000	£000	£000	£000	£000	£000
Capital Expenditure	28,514	68,699	23,553	8,694	28,183	157,643
Funded by:						
Capital Receipts	2,100	60	50	0	0	2,210
Grants & contributions	10,476	7,209	14,927	7,589	1,625	41,826
CIL	513	1,484	1,321	850	0	4,168
Borrowing	8,997	20,699	125	125	125	30,071
Capital Expenditure Charged to Revenue	1,229	247	130	130	130	1,866
Borrowing & Loan for RDC Housing Company Ltd	5,000	39,000	7,000	0	26,303	77,303
Section 106	200	0	0	0	0	200
Total	28,514	68,699	23,553	8,694	28,183	157,643

15. The revised 2023/24 budgets (see Appendix B) have been derived from reviewing the project cashflows and assessing the expected position at this time. Up to £20.1m is forecast to be spent in this financial year. During Quarter 3 the following budget increases/decreases were applied to the capital programme:

Scheme	Increase £ (000)	(Decrease) £ (000)	Revised overall budget £ (000)	Reason for change
Camber Welcome Centre		(69)	943	Reallocation of funds in respect of a Changing Places Toilets (CPT) grant to Egerton Park CPT.
Pebsham Toilets		(54)	0	As above.
Egerton Park Changing Places Toilet (CPT)	123		123	As above.
Planning Software (Invest to Save)	359		359	The implementation of new planning software, to be funded from the current capital budget for Invest to Save initiatives.
Invest to Save Initiatives		(359)	346	As above, to fund the costs of a specific Invest to Save initiative.
Air Quality (Pollution) Monitor	29		29	Purchase of an air pollution monitor, funded from a DEFRA grant.
Micro Woods Community Grants	27		27	
Community Orchards Community Grants	49		49	

Total Scheme increases/(decreases)	587	(482)
Funding		
Grants and contributions	228	(123)
Capital Expenditure Charged to Revenue	0	0
Borrowing	359	(359)
Capital Receipts	0	0
Total Funding increases/(decreases)	587	(482)

Additions to the Capital Programme

16. The Mount View Street Development scheme was completed in 2020/21. At that time the scheme was completed no accruals were made for outstanding expenditure. Subsequently, in 2023, a payment was made in respect of valuation work, at a cost of £42.5k. To enable this to be financed, it is requested that Council approves the reinstatement of this scheme to the capital programme and the additional budget of £42.5k, to be funded from borrowing (as per the original programme item).

Capital Programme - Forecast outturn 2023/24

17. The table at Appendix B notes a revised budget for the year of £28.5m. The forecast outturn for the year at Quarter 2 is £20.1m, a variance of (£8.3m) or 29% of the programme. Most of this forecast underspend is attributable to schemes which have progressed more slowly than expected or have been paused pending review, with only a small amount of savings forecast on schemes which have been completed. An updated capital programme for 2023/24 and the remainder of the MTFs period will be considered by Council in February. Forecast variances over £50k are shown in the table below:

Scheme	2023/24 capital programme budget	2023/24 forecast outturn	2023/24 forecast variance	Commentary
	£ (000)	£ (000)	£ (000)	
Corporate Document Image Processing System	87	1	(86)	When staffing resources allow, areas such as housing, planning and the estate will be progressed.
Rother Transformation ICT Investment	117	40	(77)	This scheme is mainly for the movement of the data centre. There is a requirement for additional hardware, which is not expected to be purchased until 2024/25.
Community Grants	260	130	(130)	The budget was increased by £130k in the 2022/23 outturn. There is a long lead time between a scheme being approved and works carried out. It is anticipated that £130k will be granted in the current financial year, with other

Scheme	2023/24 capital programme budget £ (000)	2023/24 forecast outturn £ (000)	2023/24 forecast variance £ (000)	Commentary
				approved grants likely to be advanced in 2024/25.
Rural England Prosperity Fund	230	110	120	The business grant scheme is being launched in January 2024 and the award of grants is not likely to take place until early in the 2024/25 financial year.
CIL Scheme 1 Village Hall Energy Project	342	142	(200)	There has been no spend to date on this scheme. Village halls have only just been asked to make a bid; they then have three months to bid and six months to complete the works. £100k is forecast for the remainder of the year, but this will be dependent upon the bids received, the time it takes to enter in agreements and when the work takes place (after which funding is advanced).
Beeching Road Hotel and Foodstore Development	104	30	(74)	This scheme is not going to go ahead in its current format, and alternatives are being reviewed by external consultants.
Barnhorn Green GP Surgery and Industrial Development	3,313	528	(2,785)	There has been slower progress than anticipated on this scheme. The scheme now has planning consent and has completed RIBA Stage 4. Construction is not expected until the second half of 2024/25.
Blackfriars Housing Development - infrastructure only	5,084	6,148	1,064	Overall scheme budget has been increased to £21,000k. Scheme to be completed in 2024/25 within the revised budget and the spend in 2023/24 is a forward spend on the 2024/25 budget allocation.
RDC Housing Company Ltd Investment (RDC loans)	5,000	2,465	(2,535)	This is the funding from the Council to the RDC Housing Company. Drawdown of funds is only when required.
Development of Council owned sites	213	4	(209)	This is a budget which is held to finance suitable sites, which will have their own scheme.
King Offa Residential Scheme	359	213	(146)	This scheme is largely complete, with some residual works to clear the site, and prepare for possible disposal.
Community Led Housing Schemes - Cemetery Lodge	200	0	(200)	Difficult operating conditions in the residential development sector have impacted on the proposed scheme, which will delay the Council's own costs and transfer of the lodge and development land into 2024/25.
Camber – Old Lydd Road	140	41	(99)	There are some uncertainties about when this site will be disposed of, and the remaining costs in 2023/24 relate mainly to legal fees.
Bexhill Leisure Centre – site development	78	0	(78)	This is linked to the King Offa site and the costs relating to this are under review.

Scheme	2023/24 capital programme budget £ (000)	2023/24 forecast outturn £ (000)	2023/24 forecast variance £ (000)	Commentary
Fairlight Coastal Protection	67	11	(56)	This scheme will be carried out in the spring when conditions are better.
Disabled Facilities Grants	2,006	1,893	(113)	An additional allocation of £161k for 2023/24 has been added to the budget, as notified at the last meeting. Expenditure on grants and payments in respect of occupational therapist advice, as well as a provision for administration costs means that the budget is forecast to be largely spent by the end of the financial year.
Housing – Temporary Accommodation Purchase	6,362	5,824	(538)	This scheme is progressing well, but there is a delay between identifying suitable properties and making and completing the purchase thereof.
Invest to Save Initiatives (Financial Stability Programme)	346	12	(334)	Limited schemes are in progress and will become part of the Fit for the Future initiative in the MTFS from 2024/25.
Planning Software (Invest to Save)	359	0	(359)	The budget moved from the Invest to Save Initiative Scheme will be incurred over the next 18 months. Some costs may be incurred in 2023/24, but most of the costs will be incurred in 2024/25.
Payments to Parishes - CIL	171	85	(86)	The last payments have been made in respect of a CIL-funded scheme at Ticehurst village hall. No other schemes are in the pipeline for this financial year.
Egerton Park Changing Places Toilet (CPT)	123	54	(69)	This is funded through DLUHC's Changing Places Toilets (CPT) scheme. Recent DLUHC approvals have moved funding for this scheme from Camber Sands Welcome Centre and Pebsham Toilets. The scheme is expected to complete in 2024/25.
Camber Sands Welcome Centre	0	211	211	This scheme is progressing and is expected to spend more than its current allocation for the year, with reprofiling of future years' budget required to offset the spend in 2023/24, which has been incurred on design fees.
LUF De La Warr Pavilion Project LUF Grant	2,021	759	1,262	The project has experienced delays in the appointment of external consultant but is expected to be delivered within its overall budget. An application for Heritage Lottery Funding has been made to expand the scope of the scheme and this is awaiting decision

Impact on Reserves

18. The forecast impact on Reserves is a drawdown of £2.449m for revenue, which is £404k higher than the planned use of £2.045m, and £0.260m for capital which is £84k higher than the planned use of reserves.

Collection Fund

19. The collection rate as at the 31 December 2023 for the Council Tax part of the Collection Fund was 84.20% of the collectable debit, which is 0.07% higher than the corresponding figure in 2022/23. The budgeted yield is 85.65%, which is 0.47% lower than the same period in 2022/23. Collection performance is shown below:

	2023/2024	Equivalent Period 2022/2023
Collectable Debit	91,688,863.33	86,508,652.81
Income Received	77,198,350.82	72,783,157.27
Income Received as a % of Collectable Debit	84.20%	84.13%
Budgeted Yield (at 98.3% Collection)	90,130,152.65	84,513,438.24
Income Received as a % of Budgeted Yield	85.65%	86.12%

20. The collection rate as at the 31 December 2023 for the Business Rates part of the Collection Fund was 83.31% of the collectable debit, which is 1.26% lower than the corresponding figure in 2022/23. Collection performance is shown below:

	2023/2024	Equivalent Period 2022/2023
Collectable Debit	16,684,146.49	17,537,638.14
Income Received	13,899,713.50	14,831,271.11
Income Received as a % of Collectable Debit	83.31%	84.57%
Amount outstanding for the year	2,784,432.99	2,706,367.03

21. Collection rates have held up well despite the squeeze on finances following the pandemic and the cost-of-living crisis, although business rates are showing a larger, adverse difference in the income received as a percentage of collectable debt, when compared to last year, which may be an indication that the income target may not be met at the year end. The current economic situation may well lead to a decline in future collection rates, which will have an adverse impact on the income that the Council receives from Council Tax and Business Rates.

Conclusion

22. The forecast outturn on the revenue budget at Quarter 3 2023/24 is a deficit of £2.709 million, which is £488k greater than the approved planned use of Reserves.
23. The Council's capital programme has a forecast outturn of £20.1m.

Other Implications	Applies?	Other Implications	Applies?
Human Rights	No	Equalities and Diversity	No
Crime and Disorder	No	External Consultation	No
Environmental	No	Access to Information	No
Risk Management	No	Exempt from publication	No
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Appendices:	Appendix A Revenue Budget Forecast Appendix B Capital Programme Forecast Appendix C Reserves		
Relevant Previous Minutes:	None.		
Background Papers:	None.		
Reference Documents:	None.		

Revenue Budget 2023/24 Forecast at 31 December 2023.

Line	Rother District Council General Fund Summary	Revised Budget 23/24 Q3 £ (000)	2023/24 Q3 Actual £ (000)	2023/24 Q3 Forecast £ (000)	2023/24 Q3 Variance £ (000)
1	Deputy Chief Executive	331	210	313	(18)
1a	Environmental Services, Licensing & Community Safety	676	587	651	(25)
1b	Revenues & Benefits	1,308	1,953	1,178	(130)
1c	Internal Audit	165	123	162	(3)
1d	Digital & Customer Services	1,899	1,140	1,926	27
1e	Corporate Programme & Improvement	94	80	116	22
1f	Corporate Policy & Projects	354	298	357	3
2	Chief Executive	354	373	521	167
2a	Chief Finance Officer	1,483	1,027	1,487	4
2b	Democratic Services	652	819	979	327
2c	Human Resources Services	512	379	552	40
3	Director Place and Climate Change	115	87	117	2
3a	Planning Development Management	658	484	726	68
3b	Planning Policy	471	567	527	56
3c	Neighbourhood Services	5,942	3,552	5,709	(233)
3d	Climate Change Strategy	120	85	121	1
3e	Housing	2,134	1,317	2,383	249
3f	Regeneration	(863)	(1,138)	(799)	64
4	Total Cost of Services	16,404	11,943	17,026	622
5	Interest from Investments	(586)	(585)	(1,320)	(734)
6	MRP	224	0	515	291
7	Interest payments	1,106	489	635	(471)
8	Budget Contingency	200	0	0	(200)
9	Salaries turnover	0	0	0	0
10	(i) Increase income - Property Investment Strategy				
11	(ii) Increase income (net) - other	(69)	0	0	69
12	(iii) Lean and Demand	(180)	0	0	180
13	(iv) Service Prioritisation	(762)	0	0	762
14	(v) Reduced Staffing Structure	(95)	0	0	95
15	Net Cost of Services	16,242	11,848	16,856	614
	Income				
16	Special Expenses	(751)		(751)	0
17	Net Business Rates and Section 31 Grants	(4,699)		(4,849)	(150)
18	Non-specific Revenue Grants	(1,097)		(1,157)	(60)
19	Council Tax Requirement (Rother only)	(7,650)		(7,650)	0
20	Total Income	(14,197)		(14,407)	(210)
21	Total revenue budget Surplus (-)/ Deficit (+)	2,045		2,449	404
22	Contribution from revenue to capital expenditure	176		260	84
23	Funding gap/(Surplus) - Amounts to be drawn from reserves (+) or Amounts to be contributed to reserves (-) to balance the budget	2,221		2,709	488

Impact on Reserves

24	Opening Balance	12,828		12,828	0
	less reserves movement in year:				
25	Reserves funding for revenue purposes	(2,045)		(2,449)	404
26	Reserves funding for capital purposes	(176)		(260)	84
27	Total Reserves Funding in year	(2,221)		(2,709)	488
28	Closing Balance	10,607		10,119	488

Capital Programme 2023/24 Forecast as at 31 December 2023.

	2023/24 Budget Updated	2023/24 Q3 Actual	2023/24 Q3 Variance	2023/24 Q3 Forecast Outturn	2023/24 Q3 Forecast Outturn Variance
	£ (000)	£ (000)	£ (000)	£ (000)	£ (000)
Acquisitions, Transformation and Regeneration					
Other Schemes					
Corporate Document Image Processing System	87	1	(86)	1	(86)
Rother Transformation ICT Investment	117	0	(117)	40	(77)
Community Grants	260	39	(221)	130	(130)
Development of Town Hall Bexhill	0	2	3	0	1
Rural England Prosperity Fund	230	10	(220)	110	(120)
UK Shared Prosperity Fund	33	33	(1)	33	(1)
CIL Scheme 1 Village Hall Energy Project	342	42	(300)	142	(200)
Property Investment Strategy					
Beeching Road Hotel and Foodstore Development	104	26	(78)	30	(74)
PIS - Beeching Park Estate	428	428	(0)	435	7
PIS - Beeching Road 18-40 (Creative Workspace)	0	7	7	(0)	(0)
Barnhorn Green GP Surgery and Industrial Development	3,313	328	(2,985)	528	(2,785)
Housing Development Schemes					
Blackfriars Housing Development - infrastructure only	5,084	3,948	(1,136)	6,148	1,064
RDC Housing Company Ltd Investment (RDC loans)	5,000	1,890	(3,110)	2,465	(2,535)
Development of council owned sites	213	4	(209)	4	(209)
King Offa Residential scheme	359	151	(208)	213	(146)
Mount View Street Development - Housing	0	43	42	42	42
Community Led Housing Schemes - Cemetery Lodge	200	0	(200)	0	(200)
Camber, Old Lydd Road	140	5	(135)	41	(99)
Housing and Community Services					
De La Warr Pavilion - Capital Grant	56	59	3	59	3
Bexhill Leisure Centre - site development	78	0	(78)	0	(78)
Fairlight Coastal Protection	67	0	(67)	11	(56)
Disabled Facilities Grant	2,006	1,299	(707)	1,893	(113)
Sidley Sports and Recreation	0	-8	(8)	0	0
New bins	135	87	(48)	157	22
Bexhill Promenade - Protective Barriers	0	0	(0)	0	(0)
Housing - Temporary Accommodation Purchase	6,362	4,414	(1,948)	5,824	(538)
Bexhill Promenade - Outfall pipe	191	0	(191)	191	(0)
Bexhill Leisure Centre - refurbishment	30	17	(14)	17	(14)
Micro Woods Community Grants	27	0	(27)	0	(27)
Community Orchards Grants	49	0	(49)	0	(49)
Capital - Sidley House Open Space Improvements - Parks LUF	71	56	(16)	72	0
Egerton Park CPT	123	0	(123)	54	(69)
Camber Sands Welcome Centre	0	133	133	211	211
LTA Tennis Court Refurbishment - Egerton Park	105	5	(100)	105	(0)
Strategy & Planning					
Payments to Parishes - CIL	171	85	(86)	85	(86)
Resources					
New website development	8	2	(6)	8	(0)
Invest To Save initiatives (Financial Stability Prog)	346	12	(334)	12	(334)
Planning Software (Invest To Save)	359	0	(359)	0	(359)
LUF De La Warr Pavilion Project LUF Grant	2,021	213	(1,808)	759	(1,262)
Capital - LUF Programme	0	0	0	0	0
LUF Heart of Sidley Programme	271	39	(232)	242	(29)
Air Quality (Pollution) Monitor	29	0	(29)	0	(29)
Boiler replacements at admin buildings	95	80	(15)	80	(15)
Total Capital Programme	28,514	13,451	(15,063)	20,143	(8,371)
		47%		71%	29%
Funded By:					
Capital Receipts	2,100				
Grants and contributions	10,476				
CIL	513				
Borrowing	8,997				
Capital Expenditure Charged to Revenue	1,229				
Borrowing and Loan for Rother DC Housing Company Ltd	5,000				
Section 106	200				
Total Funding	28,514				

Reserves

Reserves forecast	2023/24 Updated Budget	Q3 Forecast	Variance
	£000	£000	£000
Opening Balance	12,828	12,828*	0
Use of reserves to balance the budget (including forecast deficit)	(2,045)	(2,449)	(404)
Use of reserves to Fund Capital Expenditure	(176)	(260)	(84)
Forecast balance	10,607	10,119*	(488)

*As per draft 2022/23 Outturn (of which £3.7m relates to the Grants Reserve and £1m to the NNDR Volatility reserve)

