

Corporate, Performance and Budget Scrutiny Committee

Tuesday, 20th February, 2024, 6.00 pm

Shield Room, Civic Centre, West Paddock, Leyland PR25 1DH and
YouTube [Youtube](#)

Agenda

1 Apologies for Absence

2 Declarations of Interest

Members are requested to indicate at this stage in the proceedings any items on the agenda in which they intend to declare an interest. Members are reminded that if the interest is a Disclosable Pecuniary Interest (as defined in the Members' Code of Conduct) they must leave the room for the whole of that item. If the interest is not a Disclosable Pecuniary Interest, but is such that a member of the public could reasonably regard it as being so significant that it is likely that it would prejudice their judgment of the public interest (as explained in the Code of Conduct) then they may make representations, but then must leave the meeting for the remainder of the item.

3 Minutes of meeting Wednesday, 8 November 2023 of Corporate, Performance and Budget Scrutiny Committee

(Pages 3 - 12)

To agree the minutes of the last meeting, held on Wednesday 8 November 2023, as an accurate record for signing by the Chair.

4 Recommendations Update

(Pages 13 - 18)

Progress updates on previous recommendations made by the Corporate, Performance and Budget Scrutiny Committee attached for feedback.

5 Revenue Budget Monitoring Report - Quarter 3 2023/24

(Pages 19 - 38)

Report of the Director of Finance attached.

6 Capital and Balance Sheet Monitoring Report - Quarter 3 2023/24

(Pages 39 - 54)

Report of the Director of Finance attached.

7 Draft 2024/25 Budget Update	(Pages 55 - 70)
Report of the Director of Finance attached.	
8 Finance and Public Protection Portfolio Update	(Pages 71 - 82)
Report of the Director of Finance attached.	
9 Committee Matters	
9a Task Group Update	(Verbal Report)
A verbal update will be provided on the establishment of a scrutiny task group considering Homelessness in the borough and the Cultural Strategy Task Group.	
9b Meetings & Training Attended by Committee Members	
9c Cabinet Forward Plan	
The latest version of the Forward Plan can be found on the Council's website by clicking here.	
9d Corporate, Performance and Budget Scrutiny Committee Forward Plan	(Pages 83 - 84)
Forward Plan of the Corporate, Performance and Budget Scrutiny Committee attached.	

Chris Sinnott
Chief Executive

Electronic agendas sent to Members of the Corporate, Performance and Budget Scrutiny Committee Councillors Will Adams (Chair), Michael Green (Vice-Chair), David Howarth, Will King, Nicky Peet, Pete Pillinger and Haydn Williams

The minutes of this meeting will be available on the internet at www.southribble.gov.uk

Forthcoming Meetings

6.00 pm Monday, 11 March 2024 - Shield Room, Civic Centre, West Paddock, Leyland PR25 1DH and YouTube

Minutes of	Corporate, Performance and Budget Scrutiny Committee
Meeting date	Wednesday, 8 November 2023
Members present:	Councillors Will Adams (Chair), Michael Green (Vice-Chair), Will King, Nicky Peet, Haydn Williams and Angela Turner
Officers:	Darren Cranshaw (Head of Democratic Services) and Ben Storey (Democratic and Member Services Officer)
Guests:	Councillor Aniela Bylinski Gelder (Deputy Leader and Cabinet Member (Property, Assets, Commercial Services & Major Developments)), Councillor Paul Foster (Leader of the Council, Cabinet Member (Policy, Reform & Communications)), Councillor Matthew Tomlinson (Cabinet Member (Finance and Public Protection)), Chris Sinnott (Chief Executive), Kim Rennie (Interim Deputy Chief Executive) and Neil Halton (Principal Management Accountant)
Other members:	Councillors Keith Martin, James Gleeson, Emma Stevens, Jacky Alty, Clare Hunter and attending virtually Councillors Caleb Tomlinson, Pete Pillinger, Phil Smith, Karen Walton, Damian Bretherton, Kath Unsworth, Jane Bell and Lou Jackson.
Other officers:	Alan Coar (Head of Operational Assets), Hollie Walmsley (Head of Human Resources) Polly Patel (Performance and Partnerships Manager) and attending virtually Adam Nickson (Head of Property and Development)
Public:	0

21 Apologies for Absence

Apologies for absence were received from Councillor David Howarth who was substituted by Councillor Angela Turner.

22 Declarations of Interest

Councillor Michael Green declared a personal interest in item 6 – Quarter Two Performance Monitoring Report 2023/24 as a current Cabinet Member of Lancashire County Council who administer some of the funding for various projects mentioned within the report, and also as a member of Active Lancashire Board.

Councillor Haydn Williams declared a personal and non-pecuniary interest in item 5 - Assets and Asset Management as he currently has a contract with the Council to provide bar services at events held at the Civic Centre and also leases a property from the Council.

Agenda Item 3

2

The Council's Code of Conduct allows members to remain in the meeting and fully participate where a personal, and not a prejudicial or pecuniary interest, is declared.

23 Minutes of meeting Monday, 11 September 2023 of Corporate, Performance and Budget Scrutiny Committee

Resolved: (Unanimously)

That the minutes of the last meeting, held on Monday 11 September 2023, be agreed as an accurate record for signing by the Chair.

24 Scrutiny Recommendations Update

Resolved: (Unanimously)

That the updates on previous recommendations of the Corporate, Performance and Budget Scrutiny Committee be noted and any completed actions be removed from the table.

25 Assets and Asset Management

The Chair welcomed the Deputy Leader of the Council and the Interim Deputy Chief Executive to the meeting and invited the Deputy Leader to present the report looking at the Council's assets and how they are managed.

The Committee heard a summary of the work the service are responsible for and heard about plans to maximise the Council's assets moving forward. A key part of this involved a new property management system which would enable better management of the Council's assets through more efficient processes around rents, utility usage, safety checks and monitoring of occupancy levels. Significant progress had been made to address the concerns highlighted in earlier audit reports with the service now fully staffed and a five year action plan now in place to drive improvements.

On progress with the Penwortham Masterplan, the Committee heard that the next stage would be to appoint a lead design consultant to develop the plan from RIBA (Royal Institute of British Architects) Stage 2 through to Stage 4 at which point construction can commence – a report is expected at the December meeting of Cabinet to undertake this.

The implementation period of the new property management system was queried and whether information gathered as part of the 2021 condition survey would be out of date. In response, Members heard that the survey had identified key pieces of work that would need addressing and that these were being addressed alongside the implementation of the new system, with both projects incorporated into the five year programme of work.

Health and safety concerns that had been raised in previous audit reports were highlighted and questions asked as to whether issues had been resolved with regards to the Council meeting their legal obligations. The Committee were provided reassurance that the legal responsibilities of the Council as landlords were being met, regular safety checks and maintenance work was being undertaken and welcomed confirmation of this and a further update at the next meeting. It was

Agenda Item 3

3

anticipated that the new property management system would facilitate further improvements in managing all aspects of assets.

Members had queries over reducing rent arrears and the number of outstanding rent reviews. Whilst it was acknowledged that there was likely to be an uplift in revenue following rent reviews it was difficult to provide a timescale when this would be completed due to the ongoing and cyclical nature of negotiations. The Committee welcomed the offer to provide further information on rent arrears and the outstanding rent reviews.

The Committee sought further information on what procedures are in place to ensure positive relationships with tenants are achieved. Officers had been proactive in providing excellent customer service for tenants, with good communication and feedback key elements. Regular maintenance and safety checks in addition to a programme of improvement work in properties was also hoped to satisfy the needs of tenants and strengthen relationships.

Utility management had been improved with the recent procurement of a managed utility supply contract that had a number of benefits in managing providers, reducing costs through economies of scale and better monitoring of usage to inform the Council's climate targets. Following on from this it was confirmed that there was a stipulation that green energy be used with aspirations to procure energy directly from green energy providers such as wind and solar.

Clarity was sought over the use and purpose of a flexible procurement of commodities contract. Members were advised that this had been introduced to seek professional advice as to how best mitigate risks of a volatile market to ensure best value for money.

Following questions, confidence was expressed that the new Civica property management system would be completed within the 18 month timeframe. Although this would be the time expected for the transfer to the new system to be fully completed, it would still be operational as different modules are added and properties are transferred to it so the benefits would be seen on a gradual basis throughout the implementation process.

Responding to questions on performance indicators within the report, the Committee heard that the figures were targets. Income generation from the Civic Centre was currently on target but work was planned to enhance this through additional advertisement and a new booking system to support a better customer experience.

The Committee sought further information on the future strategy of the service and what the short, medium and long term plans were. In response, the Committee welcomed the offer of an update report in the next six months.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee:

1. thanks the Deputy Leader and Interim Deputy Chief Executive for their detailed and well presented report and answering its questions;

Agenda Item 3

4

2. is grateful for the offer of a further update on assets, including rent arrear data, rent review programme and progress on performance; and
3. feels re-assured that the previous health and safety issues identified had been addressed and requests that confirmation that our assets and estate a legally complaint is provided to the next meeting of the Committee.

26 Quarter Two Performance Monitoring Report 2023-24

The Chair welcomed the Leader of the Council, supported by the Chief Executive, to the meeting to present the most recent quarterly performance monitoring report.

The Committee heard that overall performance had been pleasing with the majority of projects and targets discussed within the report on or above target. Three key areas were highlighted, firstly the performance of Gateway had improved in the last quarter. Secondly, whilst the Leyland Town Deal project was rated as amber, a full update report, including decisions around procurements and land acquisitions was expected at Council in January. Confidence was expressed that the project would be delivered within current deadlines with the Council in a more favourable position than many other local authorities developing a Town Deal scheme. Finally, the Committee's attention was drawn to the demands around homelessness due to a number of factors including shortages of suitable accommodation. There had been a significant overspend in this area with options being explored on how to address the issue given limitations around resources.

The new social prescribing service was highlighted by the Committee, with questions asked about uptake and feedback since the team was established earlier in the year. Members heard that despite only being in place for a few months the social prescribers had had a positive impact in complementing the work of other teams, notably demonstrated in supporting those either presenting as homeless or threatened by homelessness around wider issues such as support with finances, employment or mental health. Referrals to the social prescribing team were received via the council's customer services team or through partner organisations such as the Citizen's Advice Bureau as well the through the Chorley and South Ribble Partnership. The Committee noted that discussions were ongoing with the Citizen's Advice Bureau and the Credit Union to increase availability of their services as demand rose. On a separate point, it was confirmed that the Household Support Fund was ready to be distributed as and where required.

Queries were raised whether there was funding available to deliver the Holiday and Food (HAF) programme in future years. It was acknowledged that there was uncertainty over central government funding for this scheme but if it were required then the Council would look to utilise its sports development and other teams to deliver its on Holiday Hunger scheme.

Following a question as to the current situation with the Family Wellbeing Centre, it was confirmed that despite the need for some additional refurbishment work, the centre was on track to open in January 2024.

Agenda Item 3

5

In response to a query on what the Property and Asset Development Plan was, Members were informed that a plan was put in place for each service that became shared and covered areas such as aligning systems and procedures and integrating new teams.

Following a comment regarding the accommodation working group, the Committee heard that discussions were ongoing to look at how best to use the space in the Civic Centre, whether a reconfiguration could provide greater opportunities both in a commercial sense and in cost savings through more efficient use of the building.

The rationale behind the shared data and intelligence dashboard was to collate information gathered by the various partner organisations of the Chorley and South Ribble Partnership to better inform a strategic approach to targeting areas where a need was identified. The data include a wealth of information on a ward by ward basis covering areas like inequalities, health provisions and numbers of children in receipt of free school meals. The Committee were grateful for the offer of a demonstration of the data and intelligence dashboard.

The Committee welcomed improvements in performance around calls answered within 90 seconds and sought reassurance that this could be maintained during busier periods. Performance of Customer Services was being closely monitored with improvements linked to the team now being fully staffed. There would be challenges with increasing demand for council services but improvements had been made in how residents can access services online through self-service channels which would provide an efficient alternative to, and alleviate pressures of calls coming through the customer services. The Committee were thankful for the offer to include detailed customer service performance information with every other quarterly performance report.

On plans to expand the South Ribble Skills Factory, work was currently focused on building a wider network with businesses and other learning providers with the Council aiming to fill any gaps that may be identified. Specific mention was made to the number of 'green jobs' in the borough and how the Council could support opportunities in this area.

A number of questions were asked about measures in place to mitigate issues affecting neighbours in the vicinity of work being undertaken as part of the Leyland Town Deal project. A lot of engagement work had taken place throughout each stage of the work with officers taking a flexible approach in accommodating tenants and seeking to minimise disruption as much as possible. There had been changes to the proposed work that helped in this regard, was more cost effective and allowed tenants to operate as work progressed.

Despite the challenges presented by recent poor weather conditions, there had not been an impact on work progressing on the Jubilee Gardens development.

Falling numbers of health check screenings was highlighted by the Committee. It was reported that the Council had delivered what Active Lancashire had expected but as the funding available for the health screening scheme was being withdrawn it was unlikely this performance indicator would improve in future quarterly reports. Following further discussion, it was agreed that potential funding sources to extend

Agenda Item 3

6

the health check screening programme be investigated and provided to the Committee.

Meeting the challenges of homelessness, increases in the number of people currently in temporary accommodation was highlighted. The Committee heard there was an increasing demand on the Council in this area and presented a significant challenge in how to tackle it. In addition, further demand was anticipated upon the imminent closure of hotels accommodating asylum seekers, with one such hotel in the borough. Members were grateful for the offer of including the numbers of people presenting as homeless within future performance reports. The Committee were keen to focus on addressing issues of homelessness and recommended the establishment of a scrutiny task group to explore the challenges of homelessness and temporary accommodation in the borough.

The Committee sought reassurance that given the collection rates for both council tax and business rates were off target, there would not be an impact on the Council's budget plans. The Council endeavoured to collect as much council tax and business rates as possible through the Fair Collection Charter policy but acknowledged that with issues such as higher utility costs and increased inflation this had had an impact on finances for residents and businesses.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. thanks the Leader and Chief Executive for their report including the additional customer service performance information and answering its questions;
2. welcomes the initial feedback on the new social prescribing service;
3. is grateful for the offer of a demonstration of the partnership's data and intelligence dashboard;
4. requests that the detailed customer service performance information be provided to the Committee every six months;
5. asks that information be provided on any potential funding sources that could be used to continue the health check screening programme;
6. creates a task group to explore the challenges of homelessness and temporary accommodation in the Borough;
7. suggests that the Community and External Scrutiny Committee look at how our housing partners and others are working together to reduce housing waiting lists in South Ribble; and

Agenda Item 3

7

8. asks that the council tax and business rate collection rate performance is reviewed and include trend information and comparisons with others.

27 Capital and Balance Sheet Monitoring Report - Quarter 2 2023/24

The Chair welcomed the Cabinet Member (Finance and Public Protection), supported by the Principal Management Accountant, to the meeting to present the most recent quarterly monitoring report on the Capital Programme and Balance Sheet. The Cabinet Member also introduced the subsequent item, Revenue Budget Monitoring Report – Quarter Two 2023/24 and presented this concurrently.

The Cabinet Member highlighted several points in the report, noting that the Council's current debt position remained at zero, spending for some of the large projects was likely to be moved into the next financial year's budget and reassured the Committee that the collection rates for council tax and businesses rates was not a significant concern.

Queries around the reprofiling of the capital programme were raised. In response, Members were informed that main area of slippage was the two key projects, Jubilee Gardens and the Leyland Town Deal work. Although delays had been encountered there was optimism that both projects were now progressing. Responding to further concerns over reprofiling and slippage, the Committee heard that although it was disappointing not to be able to progress projects as planned, it did present opportunities for the treasury management team to utilise funds still in the Council's accounts to accrue interest.

In relation to the Penwortham Masterplan, Members heard that some spending had been allocated in this years' budget but the majority would move to the 2024/25 budget. The Committee welcomed the offer on an update of timescales for the procurement of consultants to progress the Masterplan to RIBA stages 3 and 4.

Recommendations for this agenda item are incorporated within the recommendations for the subsequent item, Revenue Budget Monitoring Report – Quarter Two 2023/24.

28 Revenue Budget Monitoring Report - Quarter 2 2023/24

The Cabinet Member (Finance and Public Protection) highlighted positive changes in the revenue position since the last quarter with a predicted overspend reduced to circa £59,000. Other key points noted included overspends across all directorates with regards to staffing costs with the recent pay award being agreed, significantly higher costs for waste collection services and around homelessness than budgeted for. Grant funding of over £200,000 had also been received in quarter two which had helped to mitigate the overspends, as had around £100,000 additional revenue from the fleet maintenance contract with Chorley Council.

Increases in staffing costs as a result of the recent pay away referenced within the report was raised. It was acknowledged that the pay award had presented challenges to setting a budget, however a 5% increase had been budgeted for which placed the Council in a much better position to facilitate than many other local authorities. In relation to costs associated with agency staff – it was noted that this

Agenda Item 3

8

can often be the best solution to complete bespoke pieces of work where specialised expertise may only be required for a short period of time, or as a short-term solution to recruitment challenges in the current environment.

Responding to concerns raised over meeting the demand for support around homelessness, a number of areas were noted in looking to address the issue, such as the Select Move system and working with housing providers in the borough but it was acknowledged that more needed to be done.

On the risk of funding from external grants needing to be returned, Members welcomed the offer to provide a list of grants and any deadlines to the Committee.

A key reason for costs increasing in the waste service was a result of incomplete information being provided at the time the contract was brought in-house, with staff wages higher than had been budgeted for. In addition, an increase in full time contracts and better terms and conditions was also a factor.

It was confirmed to Members that Worden Hall was now fully open and occupied following a period of renovation which would provide a revenue stream for the Council moving forward with several events already having been held in recent weeks. The Committee heard that the vision for the Hall included community use in addition to commercial use.

Further clarification was sought over the Covid recovery reserve. The Committee were informed that the £150,000 for the Music in the Park would be transferred to the 2024/25 budget. The £16,000 remaining in the Community Hub reserve had not been allocated and was expected to be carried forward to the following years Community Hub fund.

It was subsequently;

Resolved: (Unanimously)

That the Corporate, Performance and Budget Scrutiny Committee;

1. thanks the Cabinet Member and Principal Management Accountant for presenting the report and answering its questions;
2. asks for an update on the timescales for the next stage of the Penwortham Masterplan be provided to the Committee;
3. is grateful for the offer of further information being provided on the external funding budgets that are at risk of being returned and steps being taken to spend the budget; and
4. looks forward to more detailed information being provided on the COVID recovery reserve.

Agenda Item 3

9

30 Meetings and training attended by Scrutiny Committee members

It was agreed that this item be deferred.

30a Cultural Strategy Task Group

It was agreed that this item be deferred.

31 Cabinet Forward Plan

It was agreed that this item be deferred.

32 Scrutiny Committee Forward Plan

It was agreed that this item be deferred.

Chair

Date

This page is intentionally left blank

Recommendations Tracker – As of 9 February 2024

Date	Agenda Item	The Corporate, Performance & Budget Scrutiny Committee;	Lead Member	Lead Officer	Accepted Yes/No	Progress/Comments	Complete Yes/No
12.6.23	Quarter Four Performance Monitoring Report 2022-2023	3.3. is grateful for the offer of further information and statistics with regards to the uptake of the cost of living support;	Cabinet Member (Wealth Building, Social Justice, Equality and Diversity)	Director (Communities & Leisure)	Yes	This action will be picked up by the work of the Inequalities Scrutiny Task Group which will consider support available to residents as the review progresses.	Yes
11.9.23	Quarter One Revenue Budget Monitoring Report	6.4 requests an update on the six-month evaluation of the car parking changes	Cabinet Member (Finance, Assets and Public Protection)	Director (Customer and Digital)	Yes	The evaluation of the car parking changes will begin at the end of February 2024, six months bedding-in period has been allowed for the changes.	No
11.9.23	Quarter One Capital and Balance Sheet Monitoring Report	7.2. asks that further information on the return on investment on Leisure Local be provided to the Committee	Cabinet Member (Communities, Leisure and Wellbeing)	Director (Communities & Leisure)	Yes	The monitoring of the Leisure Local Grants is currently being undertaken and an update will be available following the assessment of progress against the funded projects objectives. An update on the programme will be provided in Quarter 4.	No
8.11.23	Assets and Asset Management	5.2 is grateful for a further update on assets, including rent arrear data, rent review programme and progress on performance	Cabinet Member (Finance, Assets and Public Protection)	Director of Planning and Property	Yes	A full update will be provided to the Committee in May/June 2024.	No

Date	Agenda Item	The Corporate, Performance & Budget Scrutiny Committee;	Lead Member	Lead Officer	Accepted Yes/No	Progress/Comments	Complete Yes/No
8.11.23	Assets and Asset Management	5.3 feels re-assured that the previous health and safety issues identified had been addressed and requests that confirmation that our assets and estate a legally complaint is provided to the next meeting of the Committee.	Cabinet Member (Finance, Assets and Public Protection)	Director of Planning and Property	Yes	A comprehensive update on the council's operational assets has been provided to the Corporate, Performance and Budget Scrutiny Committee	Yes
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.2 welcomes the initial feedback on the new social prescribing service.	Cabinet Member (Communities, Leisure and Wellbeing)	Director (Communities & Leisure)	Yes	Regular updates will continue to be provided via quarterly monitoring and in the future through performance indicators.	Yes
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.3 is grateful for the offer of a demonstration of the Chorley and South Ribble partnership's data and intelligence dashboard.	Leader of the Council and Cabinet Member (Strategy and Reform)	Chief Executive	Yes	A demonstration will be arranged for Members. This is likely to be in March or April, but is subject to agreement with partners who would support the demonstration	No
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.4 requests that the detailed customer service performance information be provided to the Committee every six months	Cabinet Member (Customer Services and Digital)	Director (Customer and Digital)	Yes	This is scheduled to be provided in every other quarterly report as requested.	No
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.5 asks that information be provided on any potential funding sources that could be used to continue the health check screening programme	Cabinet Member (Communities, Leisure and Wellbeing)	Director (Communities & Leisure)	Yes	The Council is currently exploring with partners opportunities to provide future health checks. This is at the stage of considering potential bids / collaboration with delivery partners. Further information can	No

Date	Agenda Item	The Corporate, Performance & Budget Scrutiny Committee;	Lead Member	Lead Officer	Accepted Yes/No	Progress/Comments	Complete Yes/No
						be provided when there are more details on the future programme.	
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.6 agreed to create a task group to explore the challenges of homelessness and temporary accommodation in the Borough.	Chair of the Corporate, Performance and Budget Scrutiny Committee	Head of Democratic Services	Yes	A Task Group has been established with initial scoping work already progressing. Regular updates will be provided to the Committee over the course of the review.	Yes
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.7 suggests that the Community and External Scrutiny Committee look at how our housing partners and others are working together to reduce housing waiting lists in South Ribble.	Chair of the Community and External Scrutiny Committee	Head of Democratic Services	Yes	This has been accepted by the Community and External Scrutiny Committee and incorporated into their work programme. It is anticipated that this area will be considered at the meeting on Thursday 14 March 2024.	Yes
8.11.23	Quarter Two Performance Monitoring Report 2023/24	6.8 asks that the council tax and business rate collection rate performance is reviewed and include trend information and comparisons with others.	Cabinet Member (Customer Services and Digital)	Director (Customer and Digital)	Yes	Lancashire collection rates are being collated for Quarter 3 and will be provided as an update to the Committee.	Yes
8.11.23	Quarter Two Capital and Balance Sheet & Revenue Budget Monitoring	7.2 asks for an update on the timescales for the next stage of the Penwortham Masterplan be provided to the Committee.	Cabinet Member (Planning, Business Support and Economic Development)	Director of Planning and Property	Yes	Indicative timescales Cabinet Approval- 13 December 2023 End of Call in Period- 21 December 2023	Yes

Date	Agenda Item	The Corporate, Performance & Budget Scrutiny Committee;	Lead Member	Lead Officer	Accepted Yes/No	Progress/Comments	Complete Yes/No
	Reports 2023/24					<p>Contract Award- w/c 1 January 2024</p> <p>RIBA Stage 3 (development of the design and preparation for planning) including further consultation with the Penwortham Town Council) – January – April 2024</p> <p>Planning submission and approval- April-June 2024</p> <p>RIBA Stage 4 (detailed design and construction drawings for contractor procurement) – June- September 2024</p>	
8.11.23	Quarter Two Capital and Balance Sheet & Revenue Budget Monitoring Reports 2023/24	7.3 is grateful for the offer of further information being provided on the external funding budgets that are at risk of being returned and steps being taken to spend the budget.	Cabinet Member (Finance, Assets and Public Protection)	Director of Finance	Yes	On the £915k the breakdown has previously already been to Council – see point 67. July Council Refugee and Asylum Seeker Grant Funding - Council report new.pdf (moderngov.co.uk)	Yes
8.11.23	Quarter Two Capital and Balance Sheet & Revenue Budget	7.4 looks forward to more detailed information being provided on the COVID recovery reserve.	Cabinet Member (Finance, Assets and Public Protection)	Director of Finance	Yes	The £16k from Covid Recovery Reserve is a contribution to a temporary staff member in the Events Team (non-Music in the Park related)	Yes

Date	Agenda Item	The Corporate, Performance & Budget Scrutiny Committee;	Lead Member	Lead Officer	Accepted Yes/No	Progress/Comments	Complete Yes/No
	Monitoring Reports 2023/24						

This page is intentionally left blank

Agenda Item 5



Report of	Meeting	Date
Director of Finance and Section 151 Officer (Introduced by Cabinet Member (Finance, Assets and Public Protection))	Corporate, Performance and Budget Scrutiny Committee	20/02/2024
	Cabinet	21/02/2024

Is this report confidential?	No
------------------------------	----

Is this decision key?	No
-----------------------	----

2023/24 Corporate Revenue Budget Monitoring Report and Reserves for the 9 months to 31st December 2023

Purpose of the Report

1. This report sets out the revenue and reserves forecast for 2023/24 for the Council, based on the position as at 31st December 2023.

Recommendations to Cabinet

2. To note the 2023/24 forecast outturn for revenue and the level of reserves, based on the position as at 31st December 2023.
3. To note the virements made to and from the revenue budget during the year, as detailed in **Appendix 2** of the report.

Recommendations to Scrutiny

4. To note the 2023/24 forecast outturn for revenue and the level of reserves, based on the position as at 31st December 2023.
5. To note the virements made to and from the revenue budget during the year, as detailed in **Appendix 2** of the report.

Reasons for recommendations

6. To ensure the Council's budgetary targets are achieved.

Other options considered and rejected

Agenda Item 5

7. None, it is a requirement to report quarterly on the Revenue Budget monitoring and Reserves.

Executive summary

8. Based on the position at 31st December 2023, the forecast outturn, including the unfunded budget pressure of £0.212m following the payment of the 2023/24 pay award in November 2023, is an overspend of £0.019m, as detailed in **Appendix 1**.
9. The Council's Medium-Term Financial Strategy reported that the minimum level of General Fund Reserves should be maintained at £4.0m to cushion against any potential, future risks that may face the Council.
10. Based on the above forecast overspend, and as detailed at point 25, the forecast level of General Fund balances is £4.519m at 31st March 2024.

Corporate priorities

11. The report relates to the following corporate priorities:

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background to the report

12. The current net revenue budget for 2023/24 is £16.184m.
13. **Appendix 3** provides further information about the specific earmarked reserves that the Council holds at 31st December 2023.

Current Outturn Position – Revenue

14. The forecast revenue outturn, based on the position at 31st December 2023, shows a forecast overspend against the Council's budgets of £0.019m, which is an improvement on the overspend of £59k reported at the end of Quarter 2 - 30th September 2023.
15. A breakdown of this by department within the various directorates is detailed in **Appendix 1**, and the movement on reserves and reserve balances are outlined in **Appendix 3**. The main variances by directorate are detailed below.

Agenda Item 5

16. Variations from Budget

Directorate	Budget 2023/24 £'000	Forecast 2023/24 at 31 st December 2023 £'000	Variance (Under)/ Overspend 2023/24 £'000
Property	398	755	357
Communities and Leisure	3,377	3,342	(34)
Customer & Digital	6,337	6,719	382
Planning	1,187	1,417	229
Policy and Governance	5,243	5,333	90
Budgets Not in Directorates	(358)	(1,261)	(903)
Total Expenditure	16,184	16,305	121
Funding	Budget 2023/24 £'000	Forecast 2023/24 at 31 st December 2023 £'000	Variance (Under)/ Overspend 2023/24 £'000
Council Tax	(8,235)	(8,235)	-
Funding Guarantee	(632)	(632)	-
Lower Tier Support Grant	(95)	(197)	(102)
New Homes Bonus	(376)	(376)	-
Retained Business Rates	(3,396)	(3,396)	-
Section 31 Government Grants	(3,450)	(3,450)	-
Total Funding	(16,184)	(16,286)	(102)
Net Forecast	-	19	19

17. The National Employers pay offer of £1,925 on all NJC pay points 1 and above for the period 1st April 2023 to 31st March 2024 was accepted and payment (including arrears) made in November 2023. The table below shows the overall implications of the pay award for 2023/24 compared to the provision of 5% included in the base budget.

Directorates	Pay Award including NI & Pension	Pay Award Budget at 5%	Net increase in cost
Property	41,332	30,070	11,262
Communities and Leisure	134,797	119,546	15,251
Customer & Digital	471,515	329,903	141,612
Planning	105,107	94,462	10,645
Policy and Governance	213,701	180,520	33,181
Total	966,452	754,501	211,951

Agenda Item 5

Explanation of Key Variances by Directorate are as follows:

18. Property – forecast overspend of £357k (Month 6 - £229k overspend)

The key variances to note are:

- £114k net overspends on staffing costs across the directorate compared to the budget for 2023/24. This is largely due to the overspend on Shared Service salaries for the Property Services team (£77k) where there have been a number of agency staff, as well as temporary appointments to Estates Officer posts above the establishment (£15k), and includes an overspend against the staff vacancy rate provision of 2.5% in several teams that are now fully staffed. This also includes the costs of the pay award for 2023/24 compared to the provision included in the base budget of 5% (£11k).
- £3k overspend compared to budget for gas, electricity, and water costs, and including the budget transfer from the Policy & Governance directorate for the running costs of Worden Hall.
- £79k overspend due to an overall increase in spend on repairs and maintenance, including the leisure centres as the council is the landlord of the buildings.
- £30k overspend for non-domestic rates at the Civic Centre compared to budget following the national revaluation exercise of rateable values by the Valuation Office Agency (VOA).
- £62k overspend relating to professional fees, consultancy fees, service charges and minor improvement works at the Civic Centre, together with various other small variances.
- £46k overspend due to reduced income from market rents and McKenzie Arms; a full year income budget had been included for the latter, however the properties were only occupied from July.
- £23k net overspend due to the under recovery of parking income against budget and various small variances within the directorate.

19. Communities and Leisure – forecast underspend of £34k (Month 6 - £121k overspend)

The key variances to note are:

- Based on current levels of expenditure in the 9 months to 31st December 2023, the forecast spend on temporary accommodation in supporting Homelessness is £654k, which is forecast to result in an overspend of £530k by the year end. The Council is currently supporting far greater numbers of people than ever before, and the costs of accommodation and support are increasing. A high level of cost was anticipated, as this was the case in 2022/23, and as such an additional one-off budget of £150k has been provided in 2023/24 for Homelessness which has reduced this overspend, together with the receipt of an additional, unbudgeted, Homelessness Prevention Grant of £79k, and the recovery of additional housing benefit expenses of £75k; these have reduced the forecast overspend to £226k.

Agenda Item 5

The expectation was that the Council would benefit from a new formula introduced for allocating homelessness funding, however the government has applied a cap on the introduction of the new allocations, meaning that the level of increase in funding for South Ribble has not been as much as expected. Plans to address the overspend during the year are being implemented and the level of the forecast overspend has been reducing over the past few months because of the actions taken. These actions are wide ranging and include;

- a. A re-focus of the service on working to support residents on homelessness prevention by using the new social prescribing team and the household support fund;
 - b. Several temporary accommodation units which have been closed for works are now reopen reducing our need to use Bed and Breakfast accommodation;
 - c. Two private sector leasing schemes are now up and running providing accommodation for vulnerable single couples with eight units available;
 - d. Working with Progress Housing to review the capacity of temporary accommodation and support provided.
- £25k net underspend on staffing costs across the directorate compared to the budget for 2023/24. This is mainly due to vacant posts within the Community Involvement, Community Development, and Housing Services Teams offset by staffing overspends within the Environmental Health and Homelessness Team. This also includes the pay award for 2023/24 which is more than the provision included in the base budget of 5% (£15k).
 - £251k increase in various, unbudgeted, income streams, including those from Sports England, Active Lancashire, ESC Lottery funding and income from schools.
 - £26k pest control income is forecast to be higher than the level budgeted.
 - £22k overspend relating to traveller's encampment costs.
 - £20k overspends due to various small variances within the directorate.
 - The Communities directorate is carrying forward various significant grants, totalling £933k, either in revenue budgets for 2023/24 or in ear-marked reserves. At present, £131k of these grants have been utilised, although this figure is expected to rise in the final 3 months of the year. It is important to note that some of these grants must be used by 31 March 2024 (e.g. the Homes for Ukraine Scheme ends in March 2024 - £297k), or they must be returned to the relevant awarding body.

20. Customer and Digital – forecast overspend of £382k (Month 6 - £305k overspend)

The key variances to note are:

- £237k net overspend on staffing costs across the directorate compared to the budget for 2023/24. This is mainly due to five additional posts above the budgeted establishment and overtime (£239k) and an overspend on agency staff (£149k) all within the Waste Technical Team. A review is to be undertaken on the use of agency staff, linked to the staffing establishment and the requirements for cover due to holidays and sickness. This net overspend also includes the pay award for 2023/24 across the directorate, which exceeds the 5% provision included in the base budget by £142k and includes an overspend against the staff vacancy rate provision of 2.5% in several teams as these are fully staffed. These overspends are offset to some extent by underspends of £148k within the ICT Services Team as several vacant

Agenda Item 5

posts are currently in the process of recruitment.

- £23k underspend due to additional, unbudgeted, New Burdens grant and an increase in Council Tax Rebate Burdens funding.
- £199k overspend due to various IT costs such as computer software purchases, annual licences, maintenance security and support services. Whilst some of the overspend reflects inflationary pressures following retender exercises as contracts have expired, some of this is non-recurring as there have been one-off set-up costs associated with the new contracts and/or some overlap in costs whilst moving from the old contract to the new, to ensure a seamless continuity of service.
- £43k overspend in respect of external contractors within the Arborist Team; the costs have been funded by a vacancy within the team which has been accounted for in the net overspend on staffing cost above.
- £80k additional net income from FCC Environ for maintenance of the Chorley Council waste collection vehicles. This includes additional income of £166k, offset by £86k of additional parts and third-party mechanics costs.
- £24k overspend due to shortfall in trade waste income compared to budget.
- £21k overspend relating to insourced fleet costs, including maintenance, hired vehicles offset partly by fuel savings.
- £18k additional net income for household waste bins sales.
- £12k additional income for bulky waste collections.
- £9k underspend relating to various other smaller variances across the directorate.

21. Planning – forecast overspend of £229k (Month 6 £145k overspend)

The key variances to note are:

- £15k net overspend on staffing costs across the directorate compared to the budget for 2023/24. This includes the costs of agency staff within Development Control Services (130k) offset by underspends from vacant posts within the Building Control Service Unit team and the Parks and Green Infrastructure team. The position also reflects the pay award for 2023/24 compared to the 5% provision included in the budget.
- £105k reduction in income on planning applications largely due to a reduction in larger applications which have been seen more frequently in prior years.
- £28k reduction in income on pre-plan applications. This service has now resumed however it is unlikely to achieve the full year budgeted level of income. This is a non-recurring issue for 2023/24 and it is expected income targets will be met in 2024/25 and beyond.
- £50k reduction in income across Building Control budgets due to a reduction in the forecast based on levels in the first 9 months of the year.

Agenda Item 5

- £31k overspend on professional fees and various other smaller variances across the directorate.

22. Policy and Governance – forecast overspend of £90k (Month 6 - £21k underspend)

The key variances to note are:

- £243k net underspend on staffing costs across the directorate compared to the budget for 2023/24. The underspend is primarily due to the centralisation and movement of the budgets and expenditure for all Directors from the individual directorates above, to the Policy and Governance directorate; across the Director budgets there is an underspend of £136k due to vacant posts. In addition to this, there are apprentice post vacancies (£100k) and vacancy savings due to the timing of recruitment into the Legal Services team and the Communications and Visitor Economy teams, offset by the costs of agency staff within the Procurement team. This also includes the pay award for 2023/24 compared to the provision included in the base budget of 5% and a provision for the member allowance review covering 2022/23 and 2023/24.
- £37k overspend on general insurance due to the forecast costs of the council's combined liability insurance compared to budget.
- £93k overspend on Worden Hall as due to contractor issues, there have been delays in the opening and full operation of the building; as such, it is forecast that income targets will not be achieved in 2023/24.
- £101k overall overspend in Human Resources due to the council wide increase in recruitment fees, the payment of PAYE settlement agreements relating to employee benefits due to HMRC for 2021/22, 2022/23, 2023/24, and the cost of IT recruitment systems following retender, which require dual running of both the old and new systems for a period to maintain business continuity.
- £9k reduction in budgeted income as confirmation has been received from the Cabinet Office that Individual Electoral Registration (IER) funding will not be available from 2022/23 onwards.
- £47k net overspend relating to Borough Elections after full utilisation of the reserves of £132k.
- £24k reduction in budgeted income for the Health and Safety Team as the Service Level Agreement with the Leisure company is now provided by a specialist external contractor in this field. There is also a £14k overspend on Consultancy fees compared to budget.
- £36k forecast overspend on External Audit Fees as the scale fee for 2023/24 has increased significantly, offset by additional income from the government of £18k following the Redmond Review of external audit.
- £10k underspend on various other smaller variances across the directorate.

23. Budgets Not in Directorates – forecast underspend of £903k (Month 6 - £618k underspend)

Agenda Item 5

The key variances to note are:

- Due to slippage in the 2022/23 capital programme and further Bank of England interest rate increases since the budget was set, the Net Interest Receivable/Payable budget is forecast to over-recover against the budget by £628k.
- £250k of the underspend is due to the release of the contingency budget that was created to cushion the impact of inflationary increases, over and above those specifically budgeted for in relation to the council's energy costs, pay award, leisure services and other cost pressures; this assists in offsetting overspends elsewhere in the council budget as reported above.
- £73k overspend due to the increase in the Bad Debt Provision in line with the council's accounting policy for bad debts.
- There is an underspend of £109k on the Minimum Revenue Provision due to the notional borrowing requirement in 2022/23 being lower than that recognised in the budget setting process.
- £11k increase in compensatory added years pension payment compared to budget now that invoices have been received after considerable delay from Lancashire Pensions.

24. Funding – forecast underspend of £102k

- £102k increase in Revenue Support Grant income compared to budget.

General Fund Resources and Balances

25. As detailed in **Appendix 3**, as at 1st April 2023 the Council held a £4.538m General Fund Reserve to manage budget risks not covered by earmarked reserves or provisions within the budget. The forecast outturn for 2023/24 identifies that the forecast closing balance on the General Fund Reserve will be £4.519m as detailed below.

Movement in General Fund Reserves

Summary of Movement in General Reserves	£m
General Fund Reserves as at 1 st April 2023	(4.538)
Forecast outturn revenue budget (surplus) / deficit	0.019
General Reserve Closing Balance 2023/24	(4.519)

26. **Appendix 3** provides further information about the specific earmarked reserves and provisions available for use throughout 2023/24.

Movement in Earmarked Reserves

27. Taking account of the adjustments highlighted in **Appendix 3**, the forecast level of Earmarked reserves held for discretionary use by the Council at 31st March 2024 is £12.510m compared to a balance of £16.633m at 31st March 2023.

Agenda Item 5

Summary of Movement in Earmarked Reserves	£m
Earmarked Reserves as at 1 st April 2023	(16.633)
Use of revenue reserves for capital financing	2.592
Release of S31 grant received in 2020/21 (and held in reserves) in respect of Business Rates reliefs provided to businesses by the government – this is offset against the deficit brought forward on the Collection Fund	0.481
Transfers to reserves	(0.185)
Use of other specific Earmarked Reserves	1.235
Earmarked Reserves Closing Balance 2023/24	(12.510)

28. The £1.235m Use of other Specific Earmarked Reserves shown in the table above includes the following items:

- £207k use of Capital Investment and Funding reserves.
- £132k use of Borough Council Elections reserves.
- £212k use of Community Events reserves for Music in the Park and Leyland Festival.
- £84k use of Social Prescribing reserves.
- £44k use of Apprentice and Graduate reserves.
- £51k use of Inflationary Risk reserves.
- £90k use of Environmental Improvements reserves.
- £40k use of Local plan reserves.
- £40k use of IT Transformation reserves.
- £166k use of Climate Emergency reserves.
- £33k use of Credit Union reserves.
- £37k use of Community Wealth reserves.
- £27k use of Restructure reserves.
- The remainder of the movements are various, smaller adjustments related to revenue spending.

29. The movement of £2.592m in the table above is reflective of revenue reserve funding within the capital programme.

30. Transfers to reserves reported in the year to date are:

- £185k has been added to unallocated reserves in relation to Housing Benefit accrued but not required in 2023/24.

31. Movement in Reserves – the Business Rates Temporary Surplus to Be Repaid Reserve was created in 2020/21 to hold the specific funding provided by the Government during the Covid pandemic to offset the Business Rates deficit for 2020/21 that was brought forward on the Collection Fund into 2022/23. Adjustments for the smoothing of the 2020/21 deficit over a 3-year period have been made over the last couple of years, resulting in a balance on the reserve of £2.619m. Of this, it is estimated that £481k will be required to adjust for the final year of the smoothing adjustment, however a contingency has been retained in case of a variation of a further £238k. There is a further movement in reserves of £2.139 from the Capital Investment and Funding Reserve (and other smaller reserves) to the Town Deal Reserve, to reflect the council's previously agreed contribution to the scheme.

Agenda Item 5

32. Given the inflationary, cost and demand pressures faced by the council, alongside the uncertainty of future government funding we have established a Budget Equalisation Reserve from the former Inflationary Risk Reserve in recognition of the fact that the potential financial challenges and risks presented arise from more than inflation alone. In doing so we have amalgamated reserves that are already established for a similar purpose (i.e. Covid Recovery Fund £132k, other small reserves £12k) and those no longer required across the period of the MTFS (i.e. City Deal £750k, Unallocated Reserves £185k.)
33. As part of our regular review of reserves, we have amalgamated those reserves that focus on Climate Change and the Green agenda, with the transfer of the Energy Efficiency Reserve (£21k) and the Environmental Improvements Reserve (£110k) into the Climate Change Reserve.
34. The February 2022 Council Town Deal Capital report approved £2.373m from the Borough Investment fund (later renamed the Capital Investment and Funding Reserve) for use in the delivery of this capital scheme. The reserve was later amended to better utilise resources by using some of this to fund shorter life assets rather than borrowing. The remainder of this reserve has now been allocated to this specific Town Deal reserve.
35. The use of earmarked reserves shown in the table above are reflected in the revenue budget monitoring position detailed in this report.

Climate change and air quality

36. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

Equality and diversity

37. None.

Risk

38. The forecasts above are based upon nine months of the financial year and contain significant assumptions around cost pressures, income levels and interest rates. The volatility in such figures means it is likely there will be greater movement in financial figures between quarterly reports. These risks will be managed through budget monitoring and reporting, where necessary, on any specific issues arising.

Comments of the Statutory Finance Officer

39. The financial implications are contained within this report.

Comments of the Monitoring Officer

40. There are no concerns with this report from the Monitoring Officers perspective.

Background documents

41. There are no background papers to this report.

Agenda Item 5

Appendices

Appendix 1 – Revenue 2023/24 - position at 31st December 2023

Appendix 2 – Revenue Budget Movements at 31st December 2023

Appendix 3 – 2023/24 Reserves Programme position at 31st December 2023

Appendix 4 – Current Staffing Vacancies

Report Author:	Email:	Telephone	Date:
Neil Halton (Principal Management Accountant), Hema Chevli (Senior Management Accountant)	Neil.Halton@southribble.gov.uk Hemangini.Chevli@southribble.gov.uk	01257 515151	19/01/24

This page is intentionally left blank

APPENDIX 1

Revenue 2023/24 - Forecast position as at 31st December 2023

Directorate	Department / Section	Original Budget	Budget at 31st December 2023	Forecast Outturn based on position at 31st December 2023	Variance (Under) / Overspend
		£'000	£'000	£'000	£'000
Property	Community Centres	35	35	31	(4)
	Departmental Costs	203	198	366	168
	Housing Delivery	(98)	(98)	(82)	16
	Investment Properties	(632)	(582)	(591)	(8)
	Property Services	981	862	1,027	164
	Transport	-	(16)	5	21
Property Total		488	398	755	357
Communities and Leisure	Community Involvement	803	873	605	(268)
	Departmental Costs	52	-	-	-
	Environmental Health	892	892	909	16
	Homelessness	378	381	630	249
	Housing Support	71	71	39	(32)
	Leisure	1,213	1,159	1,159	-
Communities and Leisure Total		3,410	3,377	3,342	(34)
Customer & Digital	Customer Services and Revenue and Benefits	837	837	829	(9)
	Departmental Costs	198	133	119	(14)
	Information Services	1,503	1,503	1,554	51
	Parks and Neighbourhoods	2,248	2,265	2,284	19
	Transport	400	415	332	(83)
	Waste Management	1,225	1,183	1,602	418
Customer & Digital Total		6,411	6,337	6,719	382
Planning	Building Control	143	139	126	(14)
	City Deal	(116)	(116)	(116)	-
	Departmental Costs	56	-	-	-
	Investment and Skills	-	-	-	-
	Licensing	24	24	27	3
	Parks and Neighbourhoods	501	742	754	12
	Planning	439	398	626	228
	Projects & Development	197	-	-	-
Planning Total		1,243	1,187	1,417	229
Policy and Governance	Change & Delivery	499	494	385	(109)
	Civic Services	18	18	21	3
	Communications & Visitor Economy	538	505	508	3
	Corporate	372	763	645	(118)
	Democratic Services	849	849	1,002	153
	Departmental Costs	274	219	216	(3)
	Legal	344	344	371	27
	Shared Assurance Services	578	604	679	75
	Shared Financial Services	765	725	715	(10)

Directorate	Department / Section	Original Budget	Budget at 31st December 2023	Forecast Outturn based on position at 31st December 2023	Variance (Under) / Overspend
	Transformation & Partnerships	752	721	791	70
Policy and Governance Total		4,991	5,243	5,333	90
Budgets Not In Directorates	Corporate	(157)	(157)	(407)	(250)
	Debt Repayment	346	346	237	(109)
	Interest	(772)	(772)	(1,327)	(555)
	Parish Precepts	-	-	-	-
	Pensions Costs	226	226	236	11
Budgets Not In Directorates Total		(358)	(358)	(1,261)	(903)
Funding	Council Tax	(8,235)	(8,235)	(8,235)	-
	Funding Guarantee	(632)	(632)	(632)	-
	Lower Tier Support Grant	(95)	(95)	(197)	(102)
	New Homes Bonus	(376)	(376)	(376)	-
	Retained Business Rates	(3,396)	(3,396)	(3,396)	-
	Section 31 Government Grants	(3,450)	(3,450)	(3,450)	-
Funding Total		(16,184)	(16,184)	(16,286)	(102)
Grand Total		-	(0)	19	19

APPENDIX 2

Revenue Budget Movements as at 31st December 2023

Directorate	Property	Communities and Leisure	Customer & Digital	Planning	Policy & Governance	Budgets Not In Directorates	Funding	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Budget approved by Council 1st Mar 2023	488	3,410	6,411	1,243	4,991	(358)	(16,184)	-
<i>Transfers between directorates</i>								
Miscellaneous correction of budgets		(51)			51	(0)		-
Movement of Directors budget to Policy & Governance	(109)	(52)	(64)	(56)	281			-
Realignment of Worden Hall Budget	36				(36)			-
Realignment of staffing budgets			(25)		25			-
Movement of Car Parking and Highways Budget	(16)		16					-
<i>Realignment of budgets following Management changes</i>								
Realignment of budgets following Management changes		70			(70)			-
<i>Transfers (to) / from Earmarked reserves</i>								
								-
								-
<i>Transfers (to) / from General Fund reserves</i>								
								-
								-
Revised Budget as at 31st December 2023	398	3,377	6,337	1,187	5,243	(358)	(16,184)	-

This page is intentionally left blank

APPENDIX 3

2023/24 Forecast Reserves position as at 31st December 2023

Reserves	Balance at 1st April 2023 £'000	Forecast Movements				Forecast Balance at 31st March 2024 £'000
		Capital Financing £'000	Movement Between Reserves £'000	Transfers From Reserves £'000	Transfers To Reserves £'000	
General Fund Balance	(4,538)			19		(4,519)
Corporate Reserves						
Capital Investment and Funding	(3,338)	1,325	1,806	207		0
Town Deal Reserve Funding	-		(2,139)			(2,139)
Asset Management Reserve	(1,000)	133				(867)
Short Life Operational Asset	-	600	(1,900)			(1,300)
Community Events	(200)		(169)	212		(157)
Apprentice, Graduate and Trainee Posts	(195)			44		(150)
Business Support Advice and Grants	(332)			-		(332)
Internal Audit	(23)		8	15		-
Sports Development	(291)					(291)
Social Prescribing	(375)			84		(290)
Planning Appeals	(44)					(44)
Sports Club and Community Organisations	(173)					(173)
Community Hub Boost	(80)					(80)
Housing Standards Enforcement	(55)			15		(40)
Budget Equalisation Reserve - (formerly the Inflationary Risk Reserve)	(1,326)		(1,079)	51		(2,354)
Environmental Improvements	(200)		110	90		-
Business rates equalisation reserve	(2,470)			15		(2,455)
Local Plan	(229)			40		(190)
Penwortham Mill Reservoir	(500)			4		(496)
Climate Emergency	(211)		(132)	166		(176)
Community Wealth Building	(150)			37		(113)
Mental Health for Young People	(29)			8		(21)
Covid Recovery Fund	(296)		282	14		0
Business rates temporary surplus to be repaid	(2,619)		1,900	481		(238)
Restructure costs	(615)			27		(588)

Reserves	Balance at 1st April 2023 £'000	Forecast Movements				Forecast Balance at 31st March 2024 £'000
		Capital Financing £'000	Movement Between Reserves £'000	Transfers From Reserves £'000	Transfers To Reserves £'000	
Community Hubs Reserve	(16)					(16)
Unallocated Reserve			185		(185)	-
Reserves used in year						
Leisure Reserve	(203)	203				-
Credit Union	(33)			33		-
IT Programme Reserve	(371)	331		40		-
Borough council elections	(132)			132		-
Transfers between reserves						
Queens Jubilee Celebrations	(19)		19			-
New Burdens Grant	(4)		4	-		-
Towns Fund	(55)		55			-
Leisure Strategy	(15)		15			-
Capital Funding Reserve	(264)		264			-
Energy efficiency	(21)		21			-
City Deal	(750)		750			-
Total Earmarked Reserves	(16,633)	2,592	-	1,716	(185)	(12,510)
Total Reserves - General and Earmarked	(21,171)	2,592	-	1,735	(185)	(17,029)

Posts held pending review

Post Description	Shared Services	Notes
Deputy Chief Executive	Y	Filled October 2023, new employee to start in January 2024
Commercial and Property		
Director of Commercial and Property Services	Y	Filled October 2023, new employee to start in January 2024
Communities		
Sport Project Coordinator	N	A review of staffing across Sports Development is currently taking place and is due to be implemented by the 1 st April 2024. There are various temporary arrangements in place using different allocation grant funding.
Sport & Active Health Development Officer	N	
Customer and Digital		
Head of Neighbourhoods and Waste	N	Currently trialling Shared Head of Service with Street Scene for 12 months until 30/11/2024.

Posts where the post-holder has been seconded:

Post Description	Shared Services	Notes
Shared Health Protection Practitioner	Y	

Other Vacancies

Post Description	Shared Services	Notes
Communities		
Swimming Teacher Level 2	N	Recruitment currently underway
Leisure Receptionist	N	Recruitment currently underway
Customer and Digital		
ICT Help Desk Manager	Y	Recruitment currently underway
Customer Services Officers Level 7	Y	Recruitment currently paused
ICT Technician x2	Y	Recruitment Process underway
Senior Infrastructure Officer	Y	Recruitment Process underway
Neighbourhoods		
Waste Services Manager	N	Filled New manager starts on 22/01/2024
Shared Assurance		
Electoral Services Team Leader	N	Recruitment currently underway interviews on 19/01/2024
Executive Assistant	Y	Recruitment currently underway
Senior Solicitor	Y	Post advertised and offer made awaiting acceptance
Planning & Development		
Assistant Project Manager	Y	Recruitment currently underway
Policy & Governance		
Head of Transformation and Partnerships	Y	On hold
Events Officer	Y	Recruitment currently underway



Report of	Meeting	Date
Director of Finance and Section 151 Officer (Introduced by Cabinet Member (Finance, Assets and Public Protection))	Corporate, Performance and Budget Scrutiny Committee	20/02/2024
	Cabinet	21/02/2024

Is this report confidential?	No
------------------------------	----

Is this decision key?	No
-----------------------	----

2023/24 Capital Programme and Balance Sheet Monitoring Report position as at 31st December 2023

Purpose of the Report

1. This report outlines the financial position of the Council in respect of the capital programme at 31st December 2023, highlighting key issues and explaining key variances, and provides an overview of various elements of the Council's Balance Sheet as at 31st December 2023.

Recommendations to Cabinet

2. To approve the revised capital programme as attached at **Appendix A**, which includes approved amendments to the programme, detailed at point 12 of this report, since the last Capital Monitoring report was approved by Cabinet in November 2023;
3. To note the variations to the programme, (which are detailed, by scheme, at **Appendix B** and referenced within the body of the report);
4. To note the position in the Balance Sheet Monitoring section of the report in respect of cash, investment and loan balances, and debtors as at 31st December 2023;

Reasons for Recommendations

5. To ensure the Council's Capital Programme is monitored effectively.

Alternative Options Considered and Rejected

6. None, it is a requirement to report quarterly on the Capital and Balance Sheet budget monitoring.

Corporate priorities

7. The report relates to the following corporate priorities:

Agenda Item 6

An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background

8. The capital budget for 2023/24 was set at £40.030m in February 2023. It was increased following approval of the outturn for 2022/23 to £51.161m, then further amended in the Quarter 1 and Quarter 2 Capital Monitoring Reports covering the first 6 months of the year to £27.280m, as approved at Cabinet in November 2023.

Section A: Capital Programme

Key Issues

9. The total cost of the Council's capital investment programme for 2023/24 has decreased from £27.820m at Quarter 2 - 30th September 2023, to £24.236m at Quarter 3 - 31st December 2023; this includes the variations approved since the last report, along with those contained within this report itself. A summary of the total costs of the programme, and the funding of this, is detailed at **Appendix A**.
10. The net variation of £3,044m is detailed by scheme in **Appendix B**. This includes those variations approved since the previous monitoring report together with adjustments in respect of reprofiling budgets within the existing programme.
11. Budget variations approved since the previous monitoring report are shown in the table below; there has been an increase in the 2023/24 budget of £155k and an increase in the 2024/25 budget of £200k.

Scheme	Increase / (Reduction) 2023/24	Increase / (Reduction) 2024/25 and future years	Virement From	Virement To	Approved by	Date Approved
	£'000	£'000				
Electric Vehicle Charging Points	155				Council	20/09/23
Craft Units Windows and Security Grills			(23)		Subject to approval in this report	N/A
Corporate Buildings				23	Subject to approval in this report	N/A
Masterplanning & Regen - Penwortham		200			Council	19/07/23
	155	200	(23)	23		

12. Slippage and re-profiling of budgets from the programme in 2023/24 to 2024/25 since the previous report totals £3.199m, as detailed on the individual schemes in **Appendix B**. The largest movements are explained in the major variations section that follows.

Agenda Item 6

Scheme	Slippage and Reprofiled from 2023/24 to 2024/25 £'000
Good Homes, Green Spaces and Healthy Places	
Green Infrastructure	48
Leisure Centre refurbishment and decarbonisation works	3,000
Disabled Facilities Grants	200
Private Sector home improvement grants	100
A Fair Economy That Works for Everyone	
Town Deal:	
Site Acquisition Costs	(149)
Total	3,199

13. At 31st December, the capital expenditure across the programme was £12.275m. Whilst spend in relation to the overall programme is quite low at this point in the year, several significant projects have commenced and spend has been forecast and reprofiled in line with the contractor schedules of works.

Major Variations in the Capital Programme since the previous report

Good Homes, Green Spaces and Healthy Places

14. Green Infrastructure – budget of £48k has been reprofiled into 2024/25 to match the revised forecast of when spend will be incurred.
15. Craft Units Windows and Security Grills - virement of £23k to reflect the allocation of budget against the costs incurred.
16. Leisure Centre Refurbishment and Decarbonisation Works - £3.0m has been reprofiled from 2023/24 to 2024/25, to reflect the timing of connections to the electricity network and for the future refurbishment works. A report on this will be brought forward in the next few months.
17. Disabled Facilities Grant - £200k has been reprofiled from 2023/24 into 2024/25; applications made in the year total £1.2m, however due to the timing of completion of some of the works, an element of costs will be incurred in the new financial year.
18. Private Sector Home Improvement Grants – this scheme is dependent on the number of applications received in year; £100k has been reprofiled into 2024/25 to reflect when the costs of some of the applications are likely to be incurred.

A Fair Economy that works for everyone

19. Leyland Town Deal – a separate report will be presented to Full Council to detail and approve updates to this capital scheme. At Quarter 3, budget of £149k has been reprofiled from 2024/25 into 2023/24 to cover the costs of anticipated acquisitions.

Agenda Item 6

Section B: Balance Sheet

Overview

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

Non-current Assets

21. Tangible non-current assets include property, plant and equipment held by the Council for use in the production or supply of goods and services, for rental to others or for administrative purposes. One fifth of all assets are re-valued every year, and annual reviews are undertaken to establish whether any impairment or other adjustments need to be applied. New assets and enhancements to existing assets are managed through the Capital Programme as reported in Appendices A and B.

Borrowing and Investments

22. Long-term borrowing requirements flow from the capital programme. Regular dialogue and meetings take place between the Director of Finance, her staff and the Council's independent Treasury Consultants, Link Treasury Services, and options for optimising treasury management activities are actively reviewed.

Both short and long term borrowing interest rates have risen over the last twelve months following the increases in the Bank of England Base Rate. Interest rates on investments have also increased in response to this. Interest receivable on cash and investments is £1.40m compared to a budget of £0.772m due to interest rate increases. This forecast is being monitored closely to ensure that maximum returns are being achieved.

	Original Budget 2023/24 £'000	Forecast as at 31st Dec 2023 £'000
Interest and Investment Income	(772)	(1,400)
Debt Interest Payable	0	0
Minimum Revenue Provision (MRP)	346	237
TOTAL	(426)	(1,163)

23. The current borrowing and investment position is as follows;

	As at 31st Dec 2023 £'000	As at 31st Dec 2022 £'000
Short term borrowing	Nil	Nil
Long term borrowing	Nil	Nil
Total Borrowing	Nil	Nil
Investments made by the Council	31,060	34,500
Cash Balance	15,626	21,749

Agenda Item 6

Debtors

24. The council has a corporate debt, policy, as well as other specific policies for the management of debt in the key areas of council tax, business rates, and housing benefit overpayments. The table below summarises the collection performance of the various debts and the total outstanding debt in the respective areas at 31st December 2023.

	Position at 31 st Dec 2023 £'000	Position as at 31 st Dec 2022 £'000
Council Tax		
Expected Council Tax Collectable 23/24 (22/23)	81,732	77,394
Current year balance outstanding	9,349	7,928
Previous years balance outstanding	5,509	4,693
Total Council Tax balance outstanding	14,858	12,621
Collection Rates	84.69%	85.09%
Business Rates		
Expected Business Rates Collectable 23/24 (22/23)	39,215	36,575
Current year balance outstanding	7,624	4,713
Previous year balance outstanding	2,292	1,695
Total Business Rates balance outstanding	9,916	6,408
Collection Rates	80.89%	81.20%
Housing Benefit		
Overpayment balances outstanding	726	846
Sundry Debtors		
Balance outstanding	2,678	2,351

25. Business Rate collection can fluctuate month on month, but collection is broadly in line with expectations.
26. For debts relating to Housing Benefit and Sundry Debtors, in line with accounting standards and practice, the Council holds a provision for bad debts.

There has been an increase in the bad debt provision of £13k from the figure reported at Quarter 2. This is due to the ageing of several debts, as the older the a debt becomes, the likelihood of the debt being recovered reduces; as such a greater provision is required for this.

27. In respect of the figures above, the Council's share represents 10.1% of Council Tax income and 40% of Business Rates Income.

Climate change and air quality

28. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

Equality and diversity

29. None

Agenda Item 6

Risk

30. Risks are broadly addressed in the body of the report however recent tender results and cost changes have been seen due to inflationary pressures. These will be monitored on an individual project basis and any budget changes reported when necessary.

Comments of the Statutory Finance Officer

31. The financial implications are contained within this report.

Comments of the Monitoring Officer

32. There are no concerns with this report from a Monitoring Officer perspective.

Background documents

33. There are no background documents to this report.

Appendices

Appendix A – Capital Programme

Appendix B – Capital Programme Scheme Variations

Report Author	Email	Telephone	Date
Neil Halton (Principal Management Accountant), Gaynor Simons (Senior Management Accountant)	neil.halton@southribble.gov.uk , gaynor.simons@southribble.gov.uk	01257 515151	10/01/2024

Capital Programme 2023/24 - position as at 31st December 2023

APPENDIX A

	Budget 2023/24 Approved at Council Feb 2023	Budget 2023/24 Approved by Cabinet for 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
	£'000	£'000	£'000	£'000	£'000

COSTS

Good homes, green spaces and healthy places	24,168	21,310	(3,348)	132	18,094
A fair economy that works for everyone	14,021	2,306	149	-	2,456
Thriving communities	88	1,571	-	-	1,571
An exemplary council	1,753	2,093	-	23	2,116
Total Forecast Expenditure	40,030	27,280	(3,199)	155	24,236

RESOURCES

Decarbonisation Grant		1,713			1,713
Disabled Facilities Grants	774	1,518	(200)		1,318
LCC Home Adaptations		-			-
Homes England	5,760	4,669			4,669
Lottery Funding		-			-
EV Charging		160		155	315
Sport England		82			82
Town Deal	10,000	1,684	149		1,833
Brownfield Grant - Town Deal		516			516
Other Grants		22		100	122
Government Grants	16,534	10,364	(51)	255	10,568
Capital Receipts	1,549	-			-
CIL	745	-			-
External Contributions		161			161
Revenue Contributions		-			-
Reserves	1,600	2,611	(19)		2,592
Section 106 - Affordable	1,413	1,215			1,215
Section 106 - Other	132	320			320
Unsupported Borrowing	18,057	12,609	(3,129)	(100)	9,380
Total Forecast Resources	40,030	27,280	(3,199)	155	24,236

Budget 2023/24 and Future Years Approved at Council Feb 2023	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
£'000	£'000	£'000	£'000	£'000

4,744	16,167	3,348	-	19,515
22,276	35,804	(149)	200	35,855
	-	-	-	-
	1,171	-	-	1,171
27,020	53,142	3,199	200	56,541

-	-			-
774	774	200		974
				-
	1,500			1,500
	-			-
	-			-
13,178	22,705	(149)		22,556
-	-			-
	-		100	100
13,952	24,979	51	100	25,130
3,289	4,838			4,838
1,064	2,310		(310)	2,000
	-			-
	-			-
100	1,338	19	2,373	3,730
	2,053		1,000	3,053
	1,191		(1,000)	191
8,615	16,432	3,129	(1,963)	17,598
27,020	53,142	3,199	200	56,541

This page is intentionally left blank

2023/24 Capital Programme - Scheme Variations as 31st December 2023

APPENDIX B

Scheme Name	Budget 2023/24 Approved at Council Feb 2023 £'000	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023 £'000	Slippage and reprofiling of budget (to)/from future years £'000	Quarter 3 2023/24 Variations £'000	Revised Budget 2023/24 as at 31st December 2023 £'000
-------------	--	--	--	---------------------------------------	--

Budget 2023/24 and Future Years Approved at Council Feb 2022 £'000	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023 £'000	Slippage and reprofiling of budgets (to)/from 2023/24 £'000	Quarter 3 2023/24 Variations £'000	Revised Budget 2023/24 and Future Years as at 31st December 2023 £'000
---	---	--	---------------------------------------	---

Good homes, green spaces and healthy places

Green Infrastructure

Green Infrastructure unallocated	280	48	(48)		-
Green Link - Penwortham Holme to Howick	310	-			-
Leyland Loop	47	-			-
Bridleway in western Leyland	15	14			14
Electric Vehicle Charging Points	-	193		155	348
Green Infrastructure Total	652	255	(48)	155	362

-	-	48	-	48
-	310	-	-	310
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	310	48	-	359

Worden Park

Craft Units Windows and Security Grills	-	26		(23)	4
Farmyard Cottages Windows and rendering	-	2			2
Farmyard Cottages - Heating	-	24			24
Ice House front façade	10	20			20
Sewerage pumping station and sceptic tanks	20	55			55
Shaw Brook weirs and banking	121	-			-
Walled garden pot house - replace the building frame and base walls	50	100			100
Worden Park fountain	-	-			-
Worden Hall Remedial Wall Repairs	45	51			51
Worden Park infrastructure and landscaping	350	737			737

-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	121			121
-	-			-
-	80			80
-	-			-
-	138			138

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
Worden Hall refurbishment	-	263			263
Worden Park Total	596	1,279	-	(23)	1,256

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
-	-			-
-	338	-	-	338

Other Parks and Open Spaces

Hurst Grange Park drainage	9	-			-
Hurst Grange Park Paths	-	1			1
Hurst Grange Coach House Phase 2	-	55			55
Open Spaces - Bent Lane	-	2			2
Open Spaces - Balcarres Green	-	0			0
Open Spaces - Mounsey Road	-	80			80
Other Parks - Footpaths (Fossdale Moss, Priory, Valley Road)	-	45			45
Playground - Haig Avenue	-	-			-
Playground - Hurst Grange	-	-			-
Playground - Bellis Way	-	0			0
Playground - Bent Lane	-	0			0
Playground - The Holme, Bamber Bridge	-	-			-
Playground - Moss Side Village Green	-	4			4
Playground - Birch Avenue, Penwortham	-	1			1
Playground - Margaret Road, Penwortham	-	-			-
Playground - Ryden Avenue	-	70			70
Playground - Hutton	-	95			95
Playground - Longton	120	120			120
Playground - King George V, Penwortham	90	90			90
Playground - New Longton	135	135			135

-	9			9
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
100	100			100
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
Lighting upgrade to LED - Tardy Gate Playground & 3 other sites	-	25			25
Sand/woodchip pit edge replacements - Withy Grove & Gregson Lane Playgrounds	-	28			28
Hurst Grange Park - New link path	45	45			45
Strawberry Valley Park, Bent Lane Phase 2	-	77			77
Hurst Grange Park - new signage	-	15			15
Farington Lodges - path improvements and dipping platform	-	41			41
Parks - Smaller parks and play areas	100	-			-
A tree for every resident	-	41			41
Withy Grove Park	60	110			110
Tardy Gate Play Area		275			275
Other Parks and Open Spaces Total	559	1,355	-	-	1,355

Sports and Leisure

Leisure Facility	-	20	-	-	20
Tennis Centre car park	-	10	-	-	10
Lostock Hall Football Facility (St Gerard's)	-	1	-	-	1
Sport Pitch Hub	-	321	-	-	321
Council Leisure Facilities other than Leisure Centres	-	183	-	-	183
Leisure Centre refurbishment and decarbonisation works	7,357	10,225	(3,000)	-	7,225
Sports and Leisure Total	7,357	10,760	(3,000)	-	7,760

Housing

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	-			-
-	120			120
-	-			-
-	60			60
	-			-
100	289	-	-	289

-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	3,000	-	3,000
-	-	3,000	-	3,000

-

-

-

-

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
Affordable Housing - former McKenzie Arms, Bamber Bridge	-	583			583
Disabled Facilities Grants	774	1,518	(200)		1,318
Jubilee Gardens - Extra Care scheme	-	5,300			5,300
Empty Homes grants	14,000	20			20
Private Sector home improvement grants	231	215	(100)		115
Housing Total	15,005	7,636	(300)	-	7,336

Good homes, green spaces and healthy places	24,168	21,285	(3,348)	132	21,285
---	--------	--------	---------	-----	--------

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
-	-			-
774	774	200		974
3,870	14,455			14,455
-	-			-
-	-	100		100
4,644	15,229	300	-	15,529

4,744	16,167	3,348	-	16,167
-------	--------	-------	---	--------

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
-------------	---	---	---	------------------------------	---

A fair economy that works for everyone

Car Park resurfacing, Ryefield Avenue, Penwortham	-	-			-
Church Road, Bamber Bridge	-	4			4
Leyland Train Station Ticket Office	60	-			-

Masterplanning & Regen - Penwortham	1,902	100			100
New Longton Regeneration	75	-			-
Parking Meters replacements	-	2			2
Leyland Town Deal	-	-			-
Quin Street Residential	3,578	6			6
Demolition and Asbestos Removal	101	516			516
Site Acquisitions	1,000	820	149		969
Commercial A - Market Square	290	-			-
BASE	297	115			115
Balfour Court	493	42			42
Market	1,917	200			200
Commercial B - Church Place	761	-			-
Public Realm	2,691	132			132
Fees	857	5			5
Town Deal RIBA Stage 3		363			363
A fair economy that works for everyone	14,021	2,306	149	-	2,456

Thriving communities

Leisure Local		310	-	-	310
---------------	--	-----	---	---	-----

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
--	--	---	------------------------------	--

-	-			-
-	-			-
-	60			60

-	1,902		200	2,102
-	75			75
-	-			-
-	-			-
2,000	5,561			5,561
-	-			-
-	1,251	(149)		1,101
4,016	4,306			4,306
4,051	4,236			4,236
1,654	2,104			2,104
1,000	2,717			2,717
449	1,210			1,210
9,106	11,666			11,666
-	717			717
-	-			-
22,276	35,804	(149)	200	35,855

-	-	-	-	-
---	---	---	---	---

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
Kingsfold Community Centre Improvements		82	-	-	82
Lostock Hall Academy Grant		300	-	-	300
Fox Lane Sports and Social Club		100	-	-	100
Penwortham Priory Academy		180	-	-	180
Gregson Lane Community Centre Grant		150	-	-	150
Neighbourhood Improvements		85	-	-	85
St Mary's, Penwortham - Churchyard wall repairs	88	88	-	-	88
South Ribble Family Wellbeing Centre		300			300
Thriving communities	88	1,596	-	-	1,596

An exemplary council

Information Technology Programme

IT Unallocated Funding	200	566	-	-	566
Mobile Devices, Citrix, CCTV, Software and Cloud-based upgrades	-	268	-	-	268
Civic Centre conference centre hearing loop	-	35	-	-	35
Revenues and Benefits software	-	52	-	-	52
Network switching and wireless infrastructure	-	72	-	-	72
IT Programme Total	200	993	-	-	993

Other non-ICT projects

Air Quality Monitors	-	3			3
Corporate Buildings	200	185		23	208

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

-	-			-
-	-			-

Scheme Name	Budget 2023/24 Approved at Council Feb 2023	Budget 2022/23 Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budget (to)/from future years	Quarter 3 2023/24 Variations	Revised Budget 2023/24 as at 31st December 2023
Corporate Buildings - Civic Centre	50	112			112
Civic Centre 3rd Floor	50	50			50
Civic Centre New Entrance	150	150			150
Vehicles and Plant replacement programme	1,103	600			600
An exemplary council	1,753	2,093	-	23	2,116
Total	40,030	27,280	(3,199)	155	24,236

Budget 2023/24 and Future Years Approved at Council Feb 2022	Budget 2023/24 and Future Years Approved by Cabinet for the 6 months to September 2023	Slippage and reprofiling of budgets (to)/from 2023/24	Quarter 3 2023/24 Variations	Revised Budget 2023/24 and Future Years as at 31st December 2023
-	-			-
-	-			-
-	-			-
-	1,171			1,171
-	1,171	-	-	1,171
27,020	53,142	3,199	200	56,541

This page is intentionally left blank

Agenda Item 7



Report of	Meeting	Date
Director of Finance and Section 151 Officer (Introduced by Cabinet Member (Finance, Assets and Public Protection))	Corporate, Performance and Budget Scrutiny Committee	20 February 2024

Draft 2024/25 Budget Update

Is this report confidential?	No
------------------------------	----

Is this decision key?	No
-----------------------	----

Purpose of the Report

1. The report sets out the draft budget position for the council for 2024/25 and the forecast for 2025/26, reflecting the information contained within the Final Local Government Financial Settlement announced on 5th February 2024.
2. The draft budget position is published for consultation every year by the council. The consultation was based on the information provided by government in the Provisional Local Government Settlement on 18th December 2023, and the details were considered by Cabinet at their meeting on 17th January 2024. The results of the recent consultation are currently being collated and will be presented to Finance Council on 28th February along with the 24/25 Budget and MTFS.

Recommendations

3. Members of the Corporate, Performance and Budget Scrutiny Committee are asked to note the recommendations made to Cabinet on 17th January 2024, i.e;

That Members agree the contents of the report to start the budget consultation process as follows;

- A proposed 2.99% increase in council tax in 2024/25 with no proposed cuts to services;
- A forecast balanced budget for 2024/25, based on a 2.99% increase in council tax as noted above and the use of £0.500m of reserves (*although this reserve figure may be subject to change pending receipt of the Final Local Government Finance Settlement and the finalisation of Business Rates income*);
- A forecast budget shortfall for 2025/26 of £1.602m, to be addressed through the development and delivery of the council's savings programme;

Agenda Item 7

- To note the proposals in the report for investment in the Labour Administration's priority areas.
4. Members of the Committee are asked to note the following changes in the Draft 2024/25 Budget position following receipt of the Final Local Government Settlement on 5th February 2024;
- The draft budget for 2024/25, based on a 2.99% increase in council tax as noted above, will now be balanced without the use of £500k of reserves;

The improved position is due to:

- a. confirmation from LCC that the allocation of £764k to South Ribble in respect of New Homes Bonus funding can be retained by the Council and is no longer payable into the City Deal;
 - b. an increase in the Minimum Funding Guarantee from 3% to 4% (referred to at points 37 to 39 below) providing an additional £123k of funding for the council;
 - c. a net increase of £267k in Business Rates and Council Tax following finalisation of the Business Rates budget and the incorporation of the forecast surplus/deficit positions for both Business Rates and Council Tax for 2023/24 to be recovered in 2024/25;
 - d. £150k reduction in the increase in fees and charges;
 - e. £492k loss of income from City Deal that will no longer be funded from reserves.
- The forecast budget shortfall for 2025/26 has reduced from £1.602m to £0.651m. The reason for this improved position is due to some of the points outlined above, i.e.
 - a. the retention of New Homes Bonus which is assumed to continue in 2025/26 at the same level as in 2024/25 (£764k);
 - b. a recurring increase in the level of funding from the Minimum Funding Guarantee that will be carried forward into 2025/26;
 - c. increases in the recurring level of business rates.

The budget shortfall in 2025/26 will be addressed through the development and delivery of the council's savings programme over the course of 2024/25.

Reasons for recommendations

5. For Members of the Committee to consider and scrutinise the key elements of the draft budget.

Other options considered and rejected

6. None – presentation of the report provides robust scrutiny to the budget setting and budget approval process.

Executive summary

7. Following the announcement of the Provisional Local Government Finance Settlement for 2024/25 on 18th December 2023, the Final Settlement was received on 5th February 2024. Both contained information regarding funding levels and council tax increases for 2024/25 and based on this information, the budget forecast for 2024/25 was updated as follows:

Agenda Item 7

- The Medium Term Financial Strategy (MTFS) presented to Finance Council in March 2023 assumed an increase in council tax of 2.99% in 2024/25. This was in line with the 2023/24 settlement announcement, in which Government confirmed a council tax increase limit for district councils in 2023/24 and 2024/25 of the higher of 3% or £5; this was an increase from the 2% limit set in previous years. Despite the continued pressures on council expenditure budgets, including the impact of high inflation and increased utility costs, combined with the real terms reduction in government funding provided to the council since 2010, the council has frozen council tax for South Ribble residents for the last 3 years, but this is no longer possible. Therefore, in line with last year's MTFS assumptions, it is proposed to increase council tax by 2.99% in 2024/25, which equates to a 13p per week increase on a Band D property for the South Ribble Council element of the council tax charge.
 - The MTFS in March 2023 assumed an increase in council tax of 1.99% for 2025/26. The Local Government Settlement has made no reference to council tax limits to be applied in 2025/26 and as such the MTFS reflects a 1.99% increase, although this assumption will be revisited next year and will be subject to future decision dependent on the outcome of future Government funding announcements;
 - The figures reflect continued investment in ongoing revenue budgets to ensure the delivery of corporate strategy priorities;
 - A capital investment of over £53.5m is included in respect of corporate priority projects over the 3-year period, 2024-2027;
 - The figures reflect the corporate strategies and decisions taken by the council to date to reduce the budget deficit over the medium term.
8. Consultation on the proposed budget for 2024/25 commence following approval of the proposals by Cabinet on 17th January 2024. The consultation invited responses from residents, partners, parish groups and other stakeholders through a variety of methods including a short survey. The feedback will be used to frame the allocation of resources and investments, and the results will be analysed and published in February for consideration as part of the council's final budget.

Corporate priorities

9. The report relates to the following corporate priorities:

An exemplary council	Healthy and happy communities
Opportunities for everyone	Green and clean neighbourhoods

Background to the report

10. In presenting the draft budget position for 2024/25 it is important to review the context within which this has been developed, and how the budget and financial risk have been managed to date to ensure that costs remain controlled and savings generated, whilst investment has been made in service delivery to the residents and businesses of the borough.

Local Government Funding Uncertainty

Agenda Item 7

11. Uncertainty remains around the council's future funding streams as the Government's recent announcement was for yet another one-year financial settlement for 2024/25. This was made despite repeated demands over the past few years from across the sector for clarity of funding over the longer term through a multi-year settlement.
12. One-year settlements are necessary when there is only a single year's funding remaining within the horizon of the most recent Spending Review, or if there is uncertainty over the policy framework for future years. Certainly for some time there has been disruption in central government which has inhibited the development of a longer term funding strategy, but the consequences of this for local government are significant in terms of short and medium term planning, especially in a time of diminishing resources and increased demand.
13. As such, the Local Government Settlement issued on 5th February 2024, again represents a 'holding position' until the next Parliament, to provide some stability in the short term for local government finances.

Economic Uncertainty

14. Against this backdrop of future funding uncertainty, the council, its residents and businesses are now facing significant economic challenges. Whilst inflation and utility costs are slowly reducing, they are still substantially higher than two years ago, and fuel the cost of living crisis.

Budget Management and Investment

15. Although the council has continued to experience unfunded inflationary increases in staffing and non-staff costs, it has been ambitious in its approach to meeting the budget deficit over the years by realising efficiency savings.
16. Whilst costs have successfully been controlled, the provision of high-quality services that are expected by residents and businesses remains. The council achieves this by continually reviewing its budgets and contracts, by delivering efficiencies and by realising savings such as those achieved through the exploration of, and investment in alternative delivery models, including sharing services with Chorley Borough Council.
17. The council has, and will continue to invest in the borough to improve housing, to provide employment opportunities and to maximise opportunities to generate income, thereby making the council less reliant on the increasingly uncertain funding from Government.
18. Examples of developments that continue to support this strategy are:
 - Investment in our leisure centres;
 - Investment in our extra care scheme, Jubilee Gardens;
 - Investment in our parks, playgrounds and heritage asset at Worden Hall;
 - Investment through the Leyland Town Deal in affordable housing, public infrastructure and commercial space;
 - Investment in affordable housing at Tom Hanson House and McKenzie Arms

Council Tax Increases

Agenda Item 7

19. Through effective management of its budget, South Ribble Council has been able to maintain a comparatively low level of council tax in Lancashire as demonstrated in **Table 1** below:

Table 1:

	Band D Equivalent 2023/24 £	Band D Equivalent 2022/23 £
Preston	343.60	333.63
Burnley	328.01	318.49
Rosendale	299.49	290.80
Pendle	289.92	281.50
Hyndburn	260.64	260.64
Lancaster	249.18	241.95
West Lancs.	224.92	218.39
South Ribble	223.24	223.24
Wyre	219.74	214.74
Fylde	218.89	219.19
Chorley	203.63	199.66
Ribble Valley	165.69	160.69

20. The council remains committed to supporting those who may struggle to pay their council tax because of the challenging circumstances they find themselves in, and will make use of the monies it has available to support council taxpayers.

Investing in Corporate Priorities

21. The council continues to invest in delivering the ambitions set out in its Corporate Strategy and to ensure delivery of high quality services to its residents. The key areas of investment are set out on the following pages.

Investment in 2023/24

22. The council allocates significant revenue and capital investment to deliver corporate strategy priorities through a programme of diverse activities. In 2023/24 these activities were designed to progress action to address the economic impact of the pandemic, including support for businesses and activity to increase jobs and skills, establishing key assets for the future and to respond to the needs of communities by enhancing essential services and facilities.

An Exemplary Council

- To ensure high quality and responsive services, the council has invested **£993k** to progress the delivery of its ambitious transformation programme. Work has also been undertaken to implement new technology and review the council's website to ensure that services are more accessible for residents.
- **£110k** has been invested to support the sharing of intelligence to target areas of need within communities and design services to match. Having a single view of

Agenda Item 7

our communities should help to coordinate activity and resources for the benefit of communities

Thriving Communities

- An **£84k investment** has been made in the social prescribing service, working with partners to enhance provision, address health inequalities and improve outcomes for residents. The social prescribing service takes referrals from key partner-based agencies in South Ribble including the Primary Care Networks (PCN) to refer people to a range of local, non-clinical services that can support sustainable wellbeing.
- **£300k** has been invested in the local community for the purchase and renovation of Green's Dance Centre to create South Ribble Family Wellbeing Centre in Lostock Hall. The Family Wellbeing Centre will be designed as a 'one stop shop' to support families and children in South Ribble. The support on offer will include preparation for expectant parents, post-natal support, and education sessions with specialist partners, social and play groups and general wrap-around family support.

Good Homes, Green Spaces and Healthy Places

- A **£3.1m** investment has been made to provide local people with a choice of decent and affordable homes. The affordable and energy efficient homes on the former McKenzie Arms site was completed in April 2023.
- As part of the council's continued investment into local green spaces and play areas, **£1.3m** was invested to deliver a number of improvement schemes to enhance the quality and accessibility of play areas in South Ribble. The council has completed improvements works to Ryden Avenue toddler and junior play area and the Hutton Play area. Over the year, there were improvements to King George V Playing Field Playground in Penwortham, New Longton and Longton play areas.
- **£211k** has been invested to protect the local environment and to help address the issues of the climate emergency.

A Fair Local Economy That Works For Everyone

- A **£2.2m** in year investment has been made in the Leyland Town Deal. The plans include refurbishment of Leyland Market, residential properties and a new business and skills hub (BASE 2). These plans will provide a boost to local business as well as opportunities to drive skills and create jobs for local people during the construction and through new commercial facilities.
- **£285k** has been invested to continue to support eligible local businesses through the Business Energy Efficiency (BEE) Scheme to reduce their energy usage, resulting in a reduction in their energy costs, supporting business viability and contributing to the longer-term carbon reduction targets of the council by reducing their carbon footprint.

Agenda Item 7

Investment in Priorities 2024/25

23. The Council has invested in services and delivered positive outcomes for residents. From across the capital programme, revenue budgets and specific ear-marked reserves, this budget will invest in activity that will continue to drive forward priorities and key projects to achieve the vision for South Ribble to be a listening, engaging and responsive Council that makes the best use of its resources to enable every person and community to thrive in a vibrant, green and fair borough.
24. The Council re-set its Corporate Strategy in November 2023 to establish four new key priorities that aim to get South Ribble in the best position for the future:
 - An Exemplary Council
 - Healthy and Happy Communities
 - Green and Clean Neighbourhoods
 - Opportunities for Everyone

Investments identified to achieve these priorities include:

Happy and healthy communities

- **£57k investment** to implement a service that will help residents with their wellbeing, delivering support to people around healthy weights and nutrition, with a focus to support families cooking on a budget and making small changes that will provide long term health and wellbeing benefits for the family and household.
- **£300k investment** to deliver the first year of operations at the South Ribble Family Wellbeing centre.

Opportunities for everyone

- **Over £30m** to continue the investment in our town centres by delivering on the Town Deal for Leyland Town Centre and the surrounding area.
- **£170k investment** in the development and implementation of a People and Skills Programme to ensure there is a range of employment and skills provision available in the borough, to promote future career pathways and develop the future skills pipeline to meet the needs of local enterprise.

Green and clean neighbourhoods

- **£20.5m investment** as part of our commitment to provide more affordable housing, the council will deliver the Jubilee Gardens development.
- **£275k investment** to make improvements to Tardy Gate Play Area and Skate Park, enhancing the facilities to help reduce Anti-Social Behaviour (ASB) and to attract younger residents.

An exemplary council

- **£300k investment** to develop plans for the future use and maintenance of the Civic Centre to provide a modern and attractive working space.

Agenda Item 7

2024/25 BUDGET DEVELOPMENT

25. The draft budget has been developed in line with the achievements, decisions and actions taken by the council to date as outlined above. Despite the difficult financial position and cost pressures faced, reflecting high levels of inflation, utility costs and interest rates, along with the uncertainty around future Government funding, the council is committed to delivering on the agreed priorities and the budget reflects this.
26. The key components of the draft 2024/25 Budget and MTFS, and the assumptions and information on which they are based, are detailed below.
27. A key contributory factor in the development of the draft 2024/25 Budget and MTFS for the following 2 years is the Local Government Finance Settlement, through which Government sets out the funding it will make available to local authorities along with the parameters within which other sources of income, Council Tax and Business Rates, can be raised.
28. The fact that yet again we have only received a one year settlement has exacerbated the uncertainty and the risk in our financial planning; in the absence of any figures or framework from Government, it is almost impossible to prepare a credible financial strategy beyond 31 March 2025 with any degree of confidence in the underlying assumptions. It is within this financial context that we have developed the MTFS.

Local Government Finance Settlement

29. The Provisional Local Government Finance Settlement 2024/25 was published on 18 December 2023, with the Final Settlement announced on 5 February 2024; the implications of these are outlined below. The key change between the two settlements is the announcement of an increase in the Minimum Funding Guarantee from 3% to 4%, detailed on point 37 below. Unfortunately however, unlike the in the Settlement provided for 2023/24, the Government has not provided any planning assumptions for the 2025/26 local government financial settlement in either announcement.

Business Rates

30. The Settlement confirmed that the Lancashire Business Rates Pool will continue in 2024/25; however there is no mention as to whether it will be able to continue into 2025/26. As a member of the Pool, South Ribble Council benefits from additional business rates income of approximately £1.8m per annum. In the absence of any further information regarding Business Rates Retention reform, the pool is assumed to continue throughout the period of the MTFS.

New Homes Bonus

31. Whilst it has been stated by the government for several years now that funding from New Home Bonus (NHB) would be discontinued, the settlement announced an allocation of £0.764m for 2024/25 (2023/24 - £376k). Reflecting prior announcements of its withdrawal, no further NHB allocations have been assumed beyond 2024/25.
32. In the Draft 24/25 Budget Update presented to Cabinet on 17th January 2024, it was assumed, as in previous years, that NHB funding in 2024/25 would pass to the City Deal as per the provisions in the original City Deal agreement. As part of the discussions with

Agenda Item 7

LCC around the additional 5 year run-on period, it has been agreed that South Ribble can retain the NHB for 24/25 and going forward.

Council Tax

33. The Local Government Finance Settlement confirmed a council tax increase limit for district councils in 2024/25 of up to 3% or £5 (whichever is the greater) on a Band D equivalent in 2024/25. This is in line with the MTFs presented to Finance Council in March 2023. There was no further information provided in the Settlement for 2025/26 and therefore the MTFs has assumed an increase of 1.99%.
34. Despite the continued pressures on council expenditure budgets, including the impact of high inflation and increased utility costs, combined with the real terms reduction in Government funding provided to the council since 2010, the council has frozen council tax for South Ribble residents for the last 3 years, but this is no longer possible. Therefore, in line with last year's MTFs assumptions, it is proposed to increase council tax by 2.99% in 2024/25, which equates to a 13p per week increase on a Band D property for the South Ribble Council element of the council tax charge.
35. The 2025/26 position will be revisited next year as part of the budget setting process and will be subject to future decision dependent on the outcome of future Government funding announcements.

Services Grant

36. The grant was introduced in 2022/23 for which South Ribble received an allocation of £162k. Although described as a 'one-off' grant it was provided again in 2023/24 but at a reduced level of £95k. As it was unclear what would happen to the grant in 2024/25 for budgeting purposes it was assumed it would cease in 2024/25. The grant has remained however, but at a much reduced level of £15k. It is assumed that it will cease in 2025/26.

Minimum Funding Guarantee

37. This grant was introduced in 2023/24 and replaced the Lower Tier Services Grant and a proportion of the previous funding provided for New Homes Bonus legacy payments; the grant is intended to provide a funding floor for all local authorities so that no authority will see an increase in Core Spending Power of less than a fixed percentage (before any assumption on council tax rate increases is applied, although after increases in the council tax base are applied). The increase in 2023/24 and in the Provisional Settlement this was set at 3%, however in the Final Settlement, the government increased this to 4%, an increase of £123k.
38. The council has been allocated £0.550m in 2024/25 compared to £0.632m in 2023/24.
39. Given that the grant is based on, and is subsumed within, the council's Core Spending Power, and that this figure is reported for all authorities across the country each year within the Settlement as a measure of growth in the funding by Government, it has been assumed that this grant will continue into 2025/26.

EXPENDITURE

Pay Award

Agenda Item 7

40. At the time the 2023/24 Budget was approved, the negotiations for the pay award had yet to begin. As such a provision of 5% was included in the pay budget for 2023/24, however when the pay award was agreed in November 2023 it was for £1,925 per whole time equivalent, for which no additional funding was provided. The increase in costs over and above the budget equates to approximately £0.100m which presents a recurring cost pressure in 2024/25 and beyond.
41. Given the levels of inflation over the course of 2023 and the forecast for this moving forward, the pay award assumption for 2024/25 has been reviewed and has been retained at 5%, which was the amount already included in the MTFs presented to the Council meeting in March 2023. The MTFs assumes a 2% pay award for both 2025/26 and 2026/27 reflecting inflation forecasts.
42. The National Living Wage will rise from £10.42 to £11.44 an hour from April 2024, and has also been adjusted to include workers aged 21 and over; in previous years the National Living Wage has only applied to workers aged 23 and over. This will not affect South Ribble Council's pay bands for 2024/25 as the council pays above this level already.

Pension

43. The triennial actuarial valuation of the Lancashire County Pension Fund was undertaken in 2022. The pension contributions for the three years 2023/24, 2024/25 and 2025/26 were based on these results which showed that the fund had had a strong performance over the 3 years through to 31st March 2022, albeit that since that date, with volatility in global financial markets, inflation and interest rates, the position has been more turbulent. Overall, the South Ribble Council section of the fund has had a small change in the financial contributions required, comprising of:
 - an increase in the level of Employer Pension Contribution rates from 17.1% to 18.7% in each of the 3 years (i.e. a 1% increase results in approx. £123k of cost) however;
 - the annual cost of the repayment of the fund deficit reduced from £83k per annum to a surplus to be repaid to the council of £77k per annum – i.e. a saving of £160k per annum.

Inflation and Utilities Increases

44. CPI rose by 6.7% in the 12 months to September 2023 (12 months to Sept 2022 – 10.1%). This is the rate that the government uses as the benchmark for uplifting many allowances and charges each year such as pensions and benefits.
45. Inflationary uplifts to budgets are only provided on contracts where such uplifts are specific and contractually agreed; for other non-pay budgets, budget holders are expected to manage and absorb any additional costs in this regard, For utilities, inflationary uplifts have been assumed in line with the forecasts provided by utility specialist advisors.
46. The council will continue to support its wholly owned leisure services company in response to the increases in utility costs over the past 2 years, and the impact of the cost of living crisis on the level of income generated, on the basis that any intervention will only be short term and that the cost to the council will cease over the medium-term as the company develops its services to fully cover its own costs.

Forecast outturn 2023/24

Agenda Item 7

47. In the latest Revenue Monitoring report to be presented to the Cabinet on 21 February 2023, for Quarter 3 – the 9 months to 31 December 2023, a forecast overspend for the financial year of £0.019m is reported. This relates to many different factors including the unfunded, nationally negotiated pay award of £1,925 per whole time member of staff, compared to the budgeted provision of 5%, together with pressures from homelessness, waste collection and utility costs, offset by significant returns on cash investments. The position will continue to be refined over the final quarter of the year. A review of earmarked reserves has also be undertaken to ensure reserves deliver investment in priority areas.

Balancing the Budget in 2024/25

48. **Table 2** below presents the movement in the forecast of the Budget Gap for 2024/25 and 2025/26 from the figures that were presented in the 2023/24 Budget and MTFS approved at Finance Council in March 2023. The figures reflect an updated position based on the information provided in the Final Local Government Settlement announced on 5 February 2024, the work undertaken in developing the draft budget to date, and the assumptions made within this, of which the key assumptions are noted in the report.

Agenda Item 7

Table 2: movement in the forecast of the Budget Gap for 2024/25 and 2025/26

	2024/25	2025/26
Budget Gap Finance Council Report March 23	967	1,879
Cost Pressures		
Housing Benefit Admin Grant	9	9
Repairs and Maintenance	20	20
Techforge	27	27
Homelessness	350	350
Waste Collection	313	313
IT	50	50
Elections	38	38
Building Control Income	20	20
Parks Maintenance	20	20
Planning Income	100	100
Members Allowances	52	52
Insurance	77	77
Support to establish future income generation	25	100
Community Events	0	150
Loss of City Deal Income, no longer funded from reserves	492	0
Other Misc Pressures	108	108
Salary related cost pressures and budget adjustments		
Pay award above 5% in 23/24 and the impact of in-year restructures	186	183
Savings and additional income streams		
Directors Review	(100)	(100)
Asset Review	(75)	(150)
Increase in Fees and Charges	(78)	(150)
Town Deal Income	0	(76)
Reduction in financial support for South Ribble Leisure Ltd	(300)	(300)
Elections New Burdens Funding	(6)	0
Funding announced in the Provisional Local Govt Finance Settlement		
Minimum Funding guarantee	82	82
Services Grant	80	80
Revenue Support Grant	(109)	(109)

Agenda Item 7

New Homes Bonus	(764)	(764)
Treasury Management and Revenue Costs of Capital		
MRP Slippage	(190)	(16)
Interest Receivable	(711)	(500)
Proposed increase in Council Tax		
An increase of 2.99% in 2024/25 and 1.99% in 25/26 is already included in the MTFS that was presented to Finance Council in March 2023	-	-
Other Funding		
Council Tax Growth	(216)	(316)
Business Rates Growth	(526)	(526)
Business Rates Deficit 2023/24	185	0
Council Tax Surplus 2023/24	(126)	0
Total Forecast (Surplus) / Deficit	-	651

Medium Term Financial Planning and Recommendations to Close the Budget Gap

49. As detailed in **Table 2** above, although a balanced budget position can be achieved for 2024/25, this is subject to increasing council tax by 2.99%.
50. Despite the budget savings realised and the additional income secured to date, a forecast budget deficit remains in 2025/26 of £0.651m which unless addressed, will be carried forward into 2026/27.
51. The council's medium-term plan to reduce the budget deficit beyond 2024/25 will be refined and developed over the coming months, and will be subject to future government funding announcements, the wider economic environment and other assumptions (e.g. future pay awards) which may change over the period.

Future Savings

52. The council has always been successful in generating efficiency savings to bridge the budget gap whilst continuing to deliver outstanding services to its residents.
53. In order to reduce the impact on staffing and the level of service provided, the council will continue to invest in its services to recognise additional income and efficiencies. Future opportunities include:
 - The council is ambitious in its delivery of services and will continue to pursue **alternative models of delivering its services**. The expansion of shared services with Chorley Council has continued during 2023/24 with the two councils agreeing that they will consider further opportunities alongside their wider priorities if improvements and efficiencies can be attained which would lead to further savings for them.
 - A review of the council's **portfolio of assets** to recognise potential opportunities for sale, redevelopment, or to maximise income, whilst improving services.

Agenda Item 7

Savings Strategy

54. The Savings Strategy will be refreshed and refined to enable the continual improvement of services and performance while ensuring a sustainable financial position. Options will be developed to achieve savings and efficiencies as well as a programme of organisational change to support our workforce over the period.

Reserves

55. The council has ensured a prudent and affordable approach to delivering the medium-term financial strategies and has set aside reserves to support this as outlined in **Table 3** below.
56. These reserves are necessary to mitigate the financial impact of the uncertainty that the council faces, such as the reforms to future funding levels, the impact of unforeseen cost pressures during the period, for example due to inflationary increases, utility costs and the impact of the cost of living crisis on the residents and businesses of the borough.
57. Reserves provide the facility to manage budget shortfalls in the short term whilst planned savings are realised. The expected balance of these reserves at the beginning of 2024/25, as based on the position in the Quarter 3 Corporate Revenue Monitoring Report is as follows:

Table 3: Forecast Reserve Balances at 1 April 2024

	1 April 2024
	£m
General Fund Reserve	4.519
Capital investment and funding	3.439
Business Rates equalisation reserve	2.455
Budget Equalisation Reserve and Restructure Cost Reserve	2.942
Business Rates – temporary surplus to be repaid to central government	0.238
Asset Management Reserve	0.867
Penwortham Mill reservoir	0.497
Other reserves – less than £500k	2.072
Total Reserves – Other	12.510

Agenda Item 7

TOTAL RESERVES	17.029
-----------------------	---------------

General Reserves

58. The council is forecast to hold £4.519m in General Funds (based on the Quarter 3 Revenue Monitoring Report), which represents approximately 27% of the annual net expenditure budget of the council. This can be used to manage future uncertainty in expenditure and income over the medium-term.

Capital Programme

59. This report has addressed the draft revenue budget of the council. Implicit in this however, and the investment programme set out above, are financial implications for the capital programme. There is an ambitious capital programme with approximately £53.5m of investment over 2024/25 and the MTFS period.

Climate change and air quality

60. The budget set aside in this report, will continue to support the council's future ambition to become carbon neutral by 2030.

Equality and diversity

61. Consultation will be undertaken regarding this budget with an Integrated Impact Assessment (IIA) reported with the full budget report.

Risk

62. There are no immediate risks associated with this report however if the final report is not approved in February 2024, this would risk the council being unable to finance its future commitments towards its corporate priorities.

Comments of the Statutory Finance Officer

63. The financial implications of the report are contained within the text above but to clarify, all proposals are funded and can be accommodated within the 2024/25 budget. It should be noted that the report does contain several assumptions on future budget elements and on the final out-turn position for 2023/24. Should any of the assumptions or figures change due to unforeseen circumstances arising before 31st March 2024, the financial position will be reviewed and reported.

Comments of the Monitoring Officer

64. The budget proposals are in accordance with the requirements of legislation.

Background documents

There are no background papers to this report.

Agenda Item 7

Report Author:	Email:	Telephone:	Date:
Hemangini Chevli (Senior Management Accountant)	Hemangini.Chevli@southribble.gov.uk,	01257 515151	2 January 2024
Neil Halton, (Principal Management Accountant)	neil.halton@southribble.gov.uk,		
Louise Mattinson (Director of Finance and S151 Officer)	louise.mattinson@southribble.gov.uk		

This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.

Agenda Item 8



Report of	Meeting	Date
Cabinet Member (Finance, Assets and Public Protection)	Corporate, Performance and Budget Scrutiny Committee	Monday, 19 February 2024

Finance and Public Protection Portfolio Update

Is this report confidential?	No
Is this decision key?	Not applicable
Savings or expenditure amounting to greater than £100,000	Significant impact on 2 or more council wards

Purpose of the Report

1. To provide an update to the Scrutiny Committee on the work and performance of the Finance and Public Protection portfolio.

Recommendations

2. That the report be noted.

Reasons for recommendations

3. The report provides an opportunity for the committee to scrutinise the performance of the portfolio.

Other options considered and rejected

4. To not present the report, which would not support robust scrutiny.

Corporate priorities

5. The report relates to the following corporate priorities: (Please bold one)

An exemplary council	Healthy and happy communities
Opportunities for everyone	Green and clean neighbourhoods

Background to the report

6. This report sets out an update on the corporate strategy key projects, business plan actions and key performance indicators for the portfolio.
7. The information is provided based on the composition of the portfolio as at 31st January 2024. It should be noted that with effect from 1st February 2024, the portfolio has

Agenda Item 8

widened it's brief to encompass Finance, Assets and Public Protection and will cover the following areas of responsibility:

- Budget
- Medium Term Financial Strategy
- Licensing
- Environmental Health
- Public Safety
- Community centres
- Parks and play space.
- Car Parking
- Worden Hall

Finance

8. The work of the Shared Services Finance Team is intrinsically linked to the successful delivery of Council services working in partnership with, and in providing support to, other directorates and teams across both councils.

The key services provided include;

- Corporate financial, management and technical accounting, including financial advice, budget preparation and consolidation, corporate revenue and capital monitoring, statement of accounts, external funding support and capital accounting;
- Treasury management and VAT services;
- Financial systems support;
- Exchequer – payment for all goods and services received across both South Ribble and Chorley councils and their respective leisure centres, and cash management;
- Advice to Members, Directors and budget holders in each department, assisting all directorates to balance their budgets and developing savings and scheme options to close the budget gap.

9. The service has a business plan in place for 2023/24 which sets out the key actions it will deliver over the year. The table below provides an update on those key actions:

Key actions	Update at the end of Qtr 3 23/24
<p>Finance system – development of system specification, and progression of a tender exercise to move towards contract award and implementation for a target date of Go-Live on 1st April 2025.</p>	<p>Clarification now obtained from colleagues in IT and Customer Services regarding their future intentions regarding Civica Pay (which administers all of the income received by the council), i.e. that they will be working to extend the current contract. This now provides some stability for the Finance Team to consider options for progressing the replacement of the current Finance System. A site visit has been arranged to a neighbouring council in March to explore an alternative system and</p>

Agenda Item 8

	<p>opportunities for collaboration and external hosting options. It is unlikely that this will be delivered by April 2025 but the option to extend our contract with the existing provider is in place.</p>
<p>Embed new team structure – almost half the team are new in role/new to the organisation, so training and development are a priority e.g. NNDR, Collection Fund Accounting, VAT, preparation of consolidated accounts, Corporation for subsidiary companies, whole of government accounts</p>	<p>A couple of vacancies have arisen within the team which are currently being recruited to; it is hoped that there will be some opportunity for career development from within the team. We have continued our emphasis on training and development, and an additional member of the team is due to commence her studies for the CIPFA professional accounting qualification which will build technical strength across the team. We have now received unqualified audited opinions for the 2022/23 accounts for both councils; given these are the first sets of accounts produced by the new team, this is a huge achievement.</p>
<p>Treasury and Cash Management – improve cashflow forecasting, review processes and procedures to improve investment returns and to minimise borrowing and treasury costs across both councils.</p>	<p>At Qtr 3 at SRBC, following improvements to our treasury management processes, and the development of the cash flow forecasting model, the council expects to receive £1.327mill in interest receivable, compared to the budget for the year of £0.772mill – i.e. on over-recovery of £0.555mill against the budget.</p>
<p>Review of Financial Standing Orders and Financial Procedures across both councils – secure approval of the proposed amendments at Council</p>	<p>Review started and proposed financial standing orders to be presented to the respective Governance Committees in March 2024.</p>
<p>Review of financial processes and procedures across all areas of the team, to streamline and improve efficiency, effectiveness, levels of internal control and to maximise the use of the resources available. The review will seek to share knowledge to build resilience and capacity within the team and require training as necessary. This will include, but is not limited, to reviews in respect of;</p> <ul style="list-style-type: none"> • Bank reconciliations and account maintenance (continued from 22/23) • Balance Sheet Reconciliations • VAT • NNDR and Council Tax forecasting • Charities and Trust Accounts • Purchase Ordering and Creditor processing • Payroll reporting 	<p>Ongoing, with monthly meetings in place to confirm balance sheet reconciliations are completed. A year-end timetable and activity schedule has been issued for the 23/24 accounts with assigned tasks to individual members of the team – the improvements in the processes should be seen in a much smoother year end closure and preparation of the 23/24 statutory accounts, which are expected to be completed one month earlier than last year. The 24/25 budget setting process has also gone much better this year following improvements in associated processes in this area.</p>

Agenda Item 8

<p>Data Review and Cleanse - exercises across Civica Financials and the Shared Drive, in readiness for migration to a new finance system and to SharePoint respectively</p>	<p>The majority of the shared folders and files have been reviewed and those requiring use in the future, are being moved over into the new Teams file depository on Sharepoint. Data on Civica Financials is being cleansed, and old data is being deleted in line with the Data Retention Policy and GDPR.</p>
<p>Development and support for the delivery of the Savings Programme - these are required across both councils to close the budget gaps identified for 2024/25 and 2025/26</p>	<p>24/25 Budget setting process well underway, with a balanced budget produced for 24/25 but budget gaps identified for 25/26 and beyond. Meetings are scheduled in Qtr 4 to develop savings options for subsequent consideration by Members to address this – the group leading on this comprises of the Deputy Chief Executive, Director of Change and Delivery, Director of Finance, and Head of Finance</p>

10. The team also monitors performance indicators to assess service performance. The latest position is set out below for those indicators that are reported on a monthly or quarterly basis:

Key Indicator and Performance as at Qtr 3 23/24	Target	Latest Performance
Statutory Grant Claims and Returns to be submitted on time	100%	100%
Supplier Payment within 30 days (cumulative) – (this is also a Corporate Performance Target)	95%	93.3%
Supplier Payment within 30 days (in month)	95%	92.78%

11. Supplier payments remain below target but have seen consistent improvement from last year (91.61%). The majority of payments exceeding the payment term timescale is due to teams not goods receiving and authorising in a timely manner. Where teams are late with Goods Received Note (GRN) and authorisations, they are being proactively contacted by the Accounts Payable Team to encourage more timely action. Any teams that are repeatedly late without explanation are raised as an issue with the Director of Finance (S151 Officer).

Licensing

12. The Licensing department continues to develop and refine Licensing to ensure residents remain safe and secure when accessing regulated services.

Taxi Licensing Policy Changes

13. Officers and members have continued to review the Taxi Licensing Policy over the last 12 months.

Agenda Item 8

14. A new vehicle age policy has been implemented that gives enthesis to the emission ratings of our licenced vehicles. This is the first time the authority has taken steps to limit higher polluting licenced vehicles by giving drivers an incentive to licence vehicles, up to 4 years longer if the vehicle is euro 6 rated for its level of emissions.
15. This policy has been a huge success which has seen vehicle proprietors start to replace their old vehicles with hybrid low polluting vehicles, 29 being added to the fleet already.
16. Additionally, The CCTV policy has been reviewed for the possibility of mandating CCTV within our licenced vehicles. Officers reported back from trade responses/ crime statistic and a public consultation, that there were no evidence bases to mandate CCTV at this moment within licenced vehicles as per the guidance of the ICO. A new policy has been created to allow for drivers to voluntarily have CCTV installed, with a new criterion for permitted system types, complaint with data protection requirements.
17. Our Taxi Licensing Policy is robust and up to date, with all the requirements set out by the Department for Transport (DFT) statutory standards, in place within our policy.
18. Officers hold quarterly "Taxi Trade Forums", potential changes to policy are discussed and trade representatives bring issues to discuss. These forums are officer lead, but also allow for members to attend and engage with the trade representatives.

Taxi Licensing Hearings

19. The General Licensing Sub Committee have determined, 6 new driver applications over the last 12 months, where the applicants have either had relevant convictions, driving offences or licensing offences that trigger the Taxi Licensing Policy. The committee have determined each application on their own merits and determined the "fit and proper status" of the applicants before them.

Premises Licensing

20. Officers conduct a regular regime of premises licence inspections, often conducted with various agencies including Police, Trading Standards and Environmental Health Officers.

Premises Licence Reviews

21. Test purchase exercises are regularly performed jointly with the police and trading standards for underage sales of alcohol.
22. These joint visits have resulted in a review of a premises licence in July 2023, following alcohol being sold to a 16 and 17-year-old and Knives sold to a 13-year-old. These failed test purchases were in addition to noncompliance of licensing conditions observed during follow up visits by our officers. This resulted in the licence being reviewed, a suspension for 2 months imposed by members of the licensing panel with strict stringent conditions added to the licence.
23. Officers often perform multiple joint premises visits with the Immigration Service. Again, these visits have resulted in a review of a premises licence in January 2024, where a premises had been caught with illegal workers, in additional the premises had also sold a knife to an underage test purchase volunteer. This resulted in the licence being suspended for 28 days with stringent conditions added to the licence.

Agenda Item 8

Premises Licence Hearing (new applications and variations).

24. The Licensing Panel have determined 3 new premises licence applications where relevant objections have been received from members of the public.
25. All 3 licences were granted with conditions imposed by members of the licensing panel.

Scrap Metal licensing

26. Officers took part in a multi-agency operation called Operation vertebrae during the week 17-21 July 2023, which included the Police, DVSA, Environment Agency, Immigration Enforcement and Border Force.
27. Operation Vertebrae aimed to disrupt organised crime by targeting drivers of various illegal commercial vehicles. Our officer's inclusion was to aid the police, to seek potential illegal scrap metal dealers and unsafe taxis, both out in the borough with the police and to complete multi-agency roadside enforcement checks at Lancashire DVSA Tier 1 check site, at the M65 Bamber bridge junction.
28. The service has in place a business plan to set out the key actions it will deliver of the year. The table below provides an update on those key actions:

Key actions	Update
<p>Deliver additional mandatory face to face tutor led, training package for all licensed drivers, incorporating CSE, CCE, County Lines.</p> <p>Licensed Taxi and Private Hire Drivers form a crucial part in safeguarding vulnerable people, by being the eyes and ears of the community, providing potentially important information to authorities.</p>	<p>from April to June 2023, all licenced drivers were put through a face-to-face mandatory Child Sexual Exploitation (CSE), Child Exploitation (CE) and County Lines training package provided by a qualified external safeguarding training provider.</p> <p>The training focused on identifying and correctly reporting safeguarding issues. With clear guidance on whistle blowing, for drivers to safely report any issues they may encounter.</p>
<p>Implementation and delivery of the new in-house driver qualification. Making a more convenient cost-effective alternative for the trade whilst looking to increase revenue for the department.</p> <p>The Taxi Licensing Policy requires all new applicants to either obtain a level 2 qualification or sit an in-house qualification before a license can be issued.</p> <p>Operators and new applicants report that externally provided courses are hard to obtain and are often cancelled at the last minute if the numbers of participants are low.</p>	<p>A new course has been created by officers. The course has been tailored to our requirements for new drivers licenced by this authority. The course includes an exam at the end of a full day's training. Officers give real life examples and feedback from applicants is extremely positive.</p> <p>New drivers are able to obtain their badges quicker as they are not waiting for the availability of external course providers. These applicants are often unemployed and need to obtain a licence as urgently as possible.</p> <p>The course is delivered once a month and has been successfully run for 3 months so far.</p>
<p>Taxi CCTV Policy Review – A report to be delivered to members of the Licensing and Public Safety Committee, outlining feedback from the recently conducted consultation of the</p>	<p>Completed and as mentioned previously within the report.</p>

Agenda Item 8

trade and members of the public. To investigate the possibility of mandating CCTV for all licensed vehicles. Ensuring the authority is compliant with the requirements of the ICO regarding an evidence base for the requirement to mandate CCTV in all vehicles and the system requirements regarding DPA implications.	
Training and development of newly elected Members of The Council to The Licensing and Public Safety Committee following the local election in June.	Completed July/August
Review of the Caravan Site Licensing Fees policy	On going due to a current case.

Public Protection Overview

Service Summary

29. The success, achievements and pressures of the Environmental Health Team throughout 2023 are detailed below. The wider Environmental Health Team is inclusive of Community Safety and Climate Emergency. However, the report is not inclusive of these updates, to avoid duplication. The work undertaken relating to Community Safety is provided in an overview of the Community Safety Partnership, Crime and Disorder. The work related to the Climate Emergency, Biodiversity and Air Quality is delivered through quarterly member updates, annual reports to full council.
30. Some comparisons have been made to the service data; these comparisons have been made from 2018/19 – 2022/23. This comparison is made as a more accurate comparison of business-as-usual excluding the period when service delivery was impacted by the Covid-19 pandemic.

Housing

31. The team respond to housing disrepair complaints within the private sector rental market, social housing sector. As well as the licensing of Houses in Multiple Occupation, Homes for Ukraine and asylum seekers (SERCO) immigration inspections.
32. The cost-of-living crisis, particularly the rise in energy costs, has led to an increase in the prevalence of mould, which has had a negative impact on the health of occupants. The increase in rental costs has also resulted in a significant demand for social housing applications, with occupants making complaints about their existing properties in the hope of improving their banding position.
33. Therefore, there has been a 52% increase since 18/19 in housing disrepair complaints, and also the complexity of a number of these complaints due to the conflicting damp and cost a fuel situation.
34. The commitments of the home office in support of supporting asylum seekers have seen an exceptional rise in the number of houses of multiple occupations with an increased demand for single occupancy homes and lower cost homes. Since 2018/19 the borough has seen a 128% increase in HMO's.
35. The above increased demands are ongoing and therefore there remains significant pressure on the services' resources. In some cases, the timescales in reaching resolutions are therefore extended.

Agenda Item 8

Environmental Protection

36. The team provides advice, education, encouragement, and where required enforcement of a significant range of legislation, including Statutory nuisance, including noise, lighting and accumulations. Private matters relating to waste management and fly tipping, public health funerals, exhumations and filthy & verminous properties, properties open to access, burning and smoke complaints including dark smoke legislation, smoke control area advice, drainage complaints and land drainage complaints.
37. Since covid-19 there has been an overall increase in demand relating to some of the above categories. Notably – Filthy and Verminous complaints have risen by 250% since 2018/19. It is assumed this increase follows on from the impacts of Covid-19 followed by the cost-of-living crisis. This has impacted people’s mental health and affordability to maintain the homes condition.
38. Furthermore, another notable key increase in service demand relates to noise complaints (total of all noise categories) have increased 39% since 2018/19. Again, these increases appear to be impacted by the pandemic, with changes of use of the home, changes of behaviours of pets specifically dogs.
39. The team have resolved a serious noise complaint which required two prosecutions and the Council’s first use of a Criminal Behaviour Order.
40. The team issue and inspect compliance with Environmental Permits in connection industrial and waste installations undertaking activities that have the potential to cause harm to human health or the environment. There are currently 40 permitted processes within the borough.

Food Safety

41. How the team intends to achieve its statutory requirements for food hygiene and safety is detailed within the food service delivery plan shown in appendix A.
42. There are currently 942 registered food businesses within the borough, requiring programmed interventions. The frequency of these interventions dependent on their risk ratings.
43. For the period of 23/24 so far, the team have undertaken 201 programmed inspections, still due by the end of the financial year:
 - 4 – Category B businesses
 - 12 – Category C businesses (5 Overdue)
 - 104 – Category D businesses (31 Overdue)
 - 57 – Category E businesses (lowest risk) (45 overdue)
44. In addition to programmed interventions the team respond to enquiries and complaints as well as outbreaks of communicable disease and investigates reports of food poisoning, when comparing 2018/2019 to 2022/2023 have increased by 30%.
45. Furthermore, the team offers educational and advice information, issue street traders consents and exportation/attestation certificates for food products being sent overseas. The team inspects and approves certain manufacturing premises. Where possible the team provides free basic hygiene training to voluntary community groups, which have received exceptional feedback.

Agenda Item 8

Pest Control

46. This year South Ribbles in house pest control team has expanded to a shared team, now consisting of 4 operating across Chorley and South Ribble. The service offers a valuable source of advice to residents, and a competitive treatment service to both residents and businesses within the borough. Commercial contracts are also offered helping to offset the cost of the service providing a value for money service to the public. There are currently 72 commercial contracts in place across the South Ribble Borough.

47. In addition to servicing the commercial contracts, the team receive reactive requests both domestic and commercial. Delivering free and chargeable services, South Ribble still offers an invaluable free domestic rodent treatment to its residents. Below show the numbers of service requests received by the team in the last 3 years:

- 2021: 1421
- 2022: 1375
- 2023: 1729

48. The service is continuously under review as a new and expanding service to improve and grow. There are various service level improvements that have been identified for the service to run more efficiently and effectively, which do not affect customer service. These improvements are reliant on interdependencies such as ICT improvements and therefore will be developed in line with their priorities. Until the identified improvements are made the service will be limiting further new commercial contractual agreements.

49. The service, specifically its team members, receives a lot of positive feedback for the local residents.

Planning

50. The team review and respond were appropriately on planning applications with regards to Environment Health matters, objecting or requesting conditions as appropriate. These issues include noise, air quality, lighting, construction, contaminated land, pest control, waste storage. The team also reviews reports submitted to the planning department covering these areas and provides expert comments for planning decisions, committees and appeals.

51. Overall, there are no significant findings to report in this area, there have been a number of consultations where the team have made objections. The records show a 44% increase in the number of consultations responded to since 2018/19. The increase however is in connection with a change of internal process, resulting in the team reviewing a larger number of applications. The team responded to 344 applications during the period of 2022/2023.

Animal Licensing

52. The team inspect, license and enforce legislation regarding the licensing of animal establishments – pet shops, kennels, catteries, riding establishments, breeders, day care and exhibiting. The total of active licenses in the borough:

- Dog breeding 10
- Animal boarding 39
- Selling pets 4

Agenda Item 8

- Arranging boarding 2
- Training /exhibiting animals 5

Health and Safety

53. The team undertake inspections, licensing, and enforcement of premises for tattooing and skin piercing. Investigate accidents in the workplace and where possible provide business operators with guidance, support and advice. In total there are 240 beauty treatment issues connected to tattooing and skin piercing. However, a review of those still active has not been conducted.

54. The team investigates accidents and near misses as required in connection with RIDDOR (reporting of injuries, diseases and dangerous occurrences. Comparing the period of 2018/19 to 2022/23 there has been a 75%increase in the number of reports relating to an accident resulting in hospital treatment reported to the authority. For the period of 22/23 there were 59 RIDDORs received by the authority.

55. The team have engaged in two proactive engagement campaigns relevant to priorities set out by the Health and Safety Executive.

1 – Electrical Safety in hospitality settings with the increased concerns in connect with the cost of fuel and the number of businesses extending to outdoor areas following the pandemic. The team developed guidance and shared this with business provided self-assessment and undertaking advise visits and targeted inspections.

2- Safe use of Inflatables – with increased nationwide related accidents and increase in community events following the ease of Covid-19 restrictions. The team developed guidance and shared this with relevant business and community groups, providing self-assessments and undertaking advise visits and targeted inspections.

Business Plan Overview

56. The Environmental Health business plan projects are developed and centred around improvements to service and identified areas where risks public health and the environment could be reduced, aside from the service statutory services. Below are the key projects agreed to be delivered throughout 23/24

Key project or programme	Update
<p>Pest Control Undertake a Full-Service Review – Implement Common Mobile Working Platform Review of Chargeable Service including Commercial Contracts.</p>	<p>ICT have not currently been in a position to progress improvements with a common mobile working platform.</p> <p>Domestic and Chargeable Service have been reviewed and updated.</p> <p>Commercial Contract Fees will be reviewed in line with the introduction and a new management system when ICT are able to support it. New Commercial contracts are restricted until a new management system is developed to ensure an efficient and modern service is offered.</p>

Agenda Item 8

<p>Housing Standards Implement a Minimum Amenities Standard for Licensable Houses of Multiple Occupation</p>	<p>The draft standard is prepared ready for review and sign off</p>
<p>Public Health Develop local Incentives to Support Lancashire County Councils Recipe for Health</p>	<p>The incentives intended were to provide discounts or benefits to council services, to support uptake of the scheme. Services such as food hygiene training and reduced pest control commercial contracts.</p> <p>However, due to the delay in ICT improvements to support new system management – how the scheme can be alternatively supported is in discussion.</p>
<p>Health and Safety To review the current byelaws in place for registration of beauty treatments in line with modern practices and achieve Secretary of State approval in connection with the Health and Care Act 2022</p>	<p>Ongoing – Staff training and Information being reviewed and accessed</p>
<p>Community Safety Review to increase the council’s accessible CCTV</p>	<p>A review of CCTV across South Ribble is underway, and a meeting has been held and Police Consultation - Mapping exercises completed.</p>

Other Service Information

57. The service has had the opportunity and pleasure through dedicated funding to support various interns across the team over the past 3 years. Which provides the authority with dedicated support in achieving aims and objectives related to proactive projects to improve public health and the environment. Whilst supporting their knowledge and experience for their personal education and career development.
58. The team have appointed a 12-month Graduate Environmental Health Practitioner, growing our own officers is imperative to help support the team to have qualified and competent staff to deliver its statutory functions effectively.
59. The advice following the pandemic was for responsible authorities to remain readily prepared. Therefore, as part of a covid recovery plan the authority agreed to the appointment of a dedicated a fixed team Public Health Practitioner position. The practitioner both supports the team’s existing functions and works collaboratively with stakeholders specifically Lancashire County Council on the delivery of proactive Public Health projects and campaigns related to identified risks and concerns.

Agenda Item 8

2023/24 Budget

60. The budget for the portfolio for 2023/24 is £1.665mill and can be broken down as follows.

	2023/24 Budget	Forecast Outturn Qtr 3 23/24	Over/(Under) spend
	£'000	£'000	£'000
Finance	725	715	(10)
Public Protection	940	932	(8)
Total	1,665	1,647	(18)

Climate change and air quality

61. The work noted in this report does not impact the climate change and sustainability targets of the Councils Green Agenda and all environmental considerations are in place.

Equality and diversity

62. Consideration of equality and diversity implications are given when the corporate strategy and business plans are produced.

Risk

63. The services maintain service risk registers to manage any potential risks to the delivery of key projects and services.

Comments of the Statutory Finance Officer

64. There report is for noting and as such there are no financial implications arising.

Comments of the Monitoring Officer

65. The report is for information and noting – there are no direct legal implications arising.

Background documents

There are no background papers to this report.

Report Author:	Email:	Telephone:	Date:
Louise Mattinson (Director of Finance and Section 151 Officer)	louise.mattinson@southribble.gov.uk		23-Jan-2024
Laura-Jean Taylor (Head of Public Protection)	Laura- Jean.Taylor@southribble.gov.uk		08.02.2024

Agenda Item 9d



Corporate, Performance & Budget Scrutiny Committee

Forward Plan 2023-24

Date	Topic	Lead Member	Lead Officer
11 March 2024	Quarter Three Performance Monitoring Report 2023-24	Councillor Paul Foster	Director (Change & Delivery)
	Portfolio Update: Customer Services and Digital	Councillor Ian Watkinson	Director (Customer & Digital)
	Building Better Homes Task Group Monitoring Report	Councillor James Flannery	Director (Planning and Property)
	Consideration of Annual Report of the Corporate, Performance and Budget Scrutiny Committee	Councillor Will Adams	Head of Democratic Services

Remaining Cabinet Portfolios will be scheduled into the 2024/25 Forward Plan

This page is intentionally left blank