

## **Report to Audit Committee**

# **Revenue Monitor and Capital Investment Programme 2023/24 Quarter 1 – June 2023**

**Portfolio Holder:** Cllr Abdul Jabbar MBE, Cabinet Member for Finance and Corporate Resources

**Officer Contact:** Anne Ryans, Director of Finance

**Report Author:** Andy Cooper, Senior Finance Manager  
Ext. 4925

**5 September 2023**

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### **Purpose of Report**

The report provides the Audit Committee with the opportunity to review the first budget monitoring report for the financial year 2023/24. It is therefore able to consider the key information relating to the forecast revenue budget position and the financial position of the capital programme at 30 June 2023 (Quarter 1), together with the revised capital programme covering the period 2023/24 to 2027/28. The report, which was presented to and approved at the Cabinet meeting of 21 August 2023 is appended as Attachment 1.

### **Executive Summary**

The Audit Committee is presented with the report: Revenue Monitor and Capital Investment Programme 2023/24 Quarter 1 – June 2023 (Attachment 1), enabling the Committee to review the financial position of the Council. The report has been considered and approved at the meeting of Cabinet on 21 August 2023.

The report presents the current forecast revenue outturn position for 2023/24 at Quarter 1 together with the forecast outturn for the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund. The report also outlines the most up to date capital spending forecasts for 2023/24 to 2027/28 for approved schemes.

As this financial monitoring report reflects the financial position at Quarter 1, it can be regarded as an early warning of the potential year-end position if no further action is taken to reduce net expenditure where possible. The management action initiated in 2022/23 across all service areas to review and challenge planned expenditure and to maximise income has had to be continued in 2023/24. Although, the impact of this action has yet to take full effect in the current financial year, it is anticipated that by the year end, the current outturn deficit position should be reduced. This should start to be demonstrated in the update reports which are to be presented to Cabinet, the Governance, Strategy and Resources Scrutiny Board and this Committee at months 6, 8 and 9.

### **Recommendation**

That the Audit Committee considers the financial position of the Council as presented in the attached report.

**Report to Cabinet****Revenue Monitor and Capital  
Investment Programme 2023/24  
Quarter 1 – June 2023**

**Portfolio Holder:** Councillor Abdul Jabbar MBE,  
Cabinet Member for Finance and Corporate Resources

**Officer Contact:** Anne Ryans, Director of Finance

**Report Author:** Anne Ryans, Director of Finance  
**Ext. 4902**

**21 August 2023**

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**Reason for Decision**

The report provides Cabinet with an update as at 30 June (Quarter 1) of the Council's 2023/24 forecast revenue budget position (at Annex 1) and the financial position of the capital programme together with the revised capital programme 2023/24 to 2027/28 (at Annex 2), as outlined in section two of the report.

**Executive Summary****Revenue Position**

The forecast outturn position for 2023/24 is a projected deficit variance of £12.104m after allowing for approved and pending transfers to and from reserves.

Unlike 2022/23, when £12.000m of corporate resources were held to offset costs arising from the legacy of the COVID-19 pandemic, the budget for 2023/24 has been prepared so that anticipated COVID legacy costs are consolidated within the mainstream budgets of Children's Social Care and Community Health and Adult Social Care.

An update on the major issues driving the projections is detailed within Annex 1, Section 2.

As this financial monitoring report reflects the financial position at Quarter 1, it can be regarded as an early warning of the potential year- end position if no further action is taken to reduce net expenditure where possible. The management action initiated in 2022/23 across all service areas to review and challenge planned expenditure and to maximise income has had to be continued in 2023/24. Although, the impact of this action has yet to take full effect in the current financial year, it is anticipated that by the year end, the current

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outturn deficit position should be reduced. This should start to be demonstrated in the update reports which are to be presented to Cabinet at months 6, 8 and 9.

Information on the Quarter 1 position of the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund is also outlined in the report.

The 2022/23 DSG outturn was a cumulative surplus of £0.899m; the first time that a surplus has been reported since 2016/17, representing the achievement of a major financial milestone for the Council. Future projections continue to improve with forecast surpluses of £2.517m and £2.765m in 2023/24 and 2024/25 respectively. Action will continue to be taken with the aim of mitigating cost pressures and delivering and maintaining the surplus position.

There are currently no significant issues of concern in relation to the HRA.

The Collection Fund is forecasting an in-year surplus of £1.638m, with the Council's proportion of this surplus being £1.700m. The Collection Fund is a particularly volatile area to forecast with many variables, including the impact of Government Business Rate reliefs, therefore, this area will be closely monitored over the remaining months. Information will be available later in the year to determine if / how a surplus or deficit on the Collection Fund will impact on the 2024/25 Council budget.

### **Capital Position**

The report outlines the most up to date capital spending position for 2023/24 to 2027/28 for approved schemes. The revised capital programme budget for 2023/24 is £103.748m at the close of Quarter 1, a net decrease of £6.557m from the original budget approved at Council on 1 March 2023 of £110.305m. Actual expenditure to 30 June 2023 was £12.405m (11.96% of the forecast outturn).

It is likely that the forecast position will continue to change throughout the year with additional re-profiling into future years.

### **Recommendations**

That Cabinet approves the:

1. Forecast revenue outturn for 2023/24 at Quarter 1 being a £12.104m adverse variance and action being taken to manage expenditure
2. Forecast positions for the Dedicated Schools Grant, Housing Revenue Account and Collection Fund
3. Revised capital programme for 2023/24 and the forecast for the financial years to 2027/28 as at Quarter 1.

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**Revenue Monitor and Capital Investment Programme 2023/24 Quarter 1 – June 2023****1 Background**

- 1.1 The Authority's 2022/23 revenue budget and capital programme was approved by Council on 1 March 2023. Under established budget procedures, all services are required to monitor and review their approved revenue and capital budgets during the financial year. This is reported to Cabinet on a quarterly basis with an additional report at month 8 which is used to inform the budget setting process for the following financial year.
- 1.2 As part of the budget monitoring process, the forecast year-end position for revenue and capital has been prepared by all services as follows:
- a) The revenue forecast is based on a comparison of profiled budgets to the actual position as at the end of Quarter 1 together with known commitments, issues and planned management actions.
  - b) The capital programme forecast has been based on notified revisions to the approved 2023/24 position including the final 2022/23 outturn, new grant notifications and an initial rephasing of the approved capital programme.
- 1.3 As the year progresses the outturn projections will reflect the evolving position and the impact of management actions put in place to mitigate in-year pressures, new developments and changes in the profile of planned expenditure and of course any additional support that the Government may provide.

**2. Current position**

- 2.1 The forecast revenue outturn for 2023/24 is an adverse variance of £12.104m after the application of £7.385m of reserves. Further details of the current revenue budget position and a full description of the forecast can be found in Annex 1. There are three areas which are forecasting pressures at Quarter 1, totalling £14.957m. There are pressures within Community Health and Adult Social Care of £0.518m, Place and Economic Growth of £3.553m and more significantly, Children's Services of £10.886m. Favourable variances totalling £2.853m which are offsetting these pressures are reported in Public Health at £0.250m, Communities at £0.128m, Corporate Services at £0.586m and Capital, Treasury and Technical Accounting at £1.888m.
- 2.2 It should be noted that four of the approved 2023/24 Budget Reductions are classified 'Red' and are forecast not to be delivered, one within Communities, one within Place and Economic Growth and two within Corporate Services all with a combined value of £0.108m which has been factored into the forecasts. In addition, one Budget Reduction within Children's Services is rated 'Amber/Red' and will only deliver £0.020m of the approved £0.060m, therefore, £0.040m has been factored into the forecasts as undeliverable. A further seven Budget Reductions have been rated as 'Amber' with a combined value of £2.252m. These will continue to be monitored throughout the year with the aim of maximising deliverability. At Quarter 1, these have been assumed to deliver and so no impact has been built into the forecasts.

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2.3 The projected net adverse variance is of concern and as a result, management action is required across all service areas to review and challenge planned expenditure and to maximise income to support the financial resilience of the Council. This management action replicates that which was introduced during previous financial years:

- the review and challenge of planned expenditure across all services and the maximisation of income;
- processes to monitor the recruitment of staff to vacant posts and significant items of expenditure; and
- ensuring non-essential expenditure is minimised.

2.4 There remains in 2023/24 a high degree of estimation with regard to emerging cost and demand pressures, particularly within Children's and Adult Social Care, together with the impact of cost of living pressures on pay awards and also increases in interest rates. The forecasting of the likely impact of all these factors on the Council's budget is based on both the actual expenditure and the income position recorded to date but also relies on a series of assumptions. These assumptions will be constantly updated in the light of national and indeed international influences. Future reports will advise of the progress of mitigating factors and management actions to control and reduce the forecast deficit.

2.5 As this financial monitoring report reflects the financial position at Quarter 1, it can be regarded as an early indication of the year end position if continued corrective action is not pursued. Every effort will be made to reduce the forecast variance by the year end to mitigate any potential impact on the 2024/25 budget. Members will be aware that as outlined at the Budget Council meeting on 1 March 2023, the forecast budget reduction requirement for 2024/25 is £10.224m. This assumes all approved budget reductions are delivered and is before any revisions to reflect further increases in demand pressures or higher than anticipated pay awards. If expenditure cannot be controlled in year and there is a consequent increased budget reduction requirement for 2024/25, it is likely that further reserves will have to be used to balance the budget and this will have an impact on the financial resilience of the Council.

2.6 The original capital programme for 2023/24 totalled £110.305m. The revised capital programme as at Quarter 1 taking account of approved carry forwards, approved new funding, new schemes and variations and proposed variations/ re-phasing gives projected revised expenditure of £103.748m. Actual expenditure at Quarter 1 was £12.405m (11.96% of the forecast outturn). Further details of expenditure and schemes within the capital programme can be found in Annex 2.

2.7 The Annual Review of the capital programme is now taking place as usual during the summer months. This is likely to lead to further reprofiling of planned expenditure and the realignment capital resources between schemes. Its findings and recommendations will be reported later in the financial year.

### **3 Options/Alternatives**

- 3.1 The options that Cabinet might consider in relation to the contents of this report are;
- a) to consider the forecast revenue and capital positions presented in the report including proposed changes

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b) to propose alternative forecasts

#### **4 Preferred Option**

4.1 The preferred option is that the Committee considers the forecasts and changes within this report; option (a) at 3.1.

#### **5 Consultation**

5.1 Consultation with the services within the Council and the Director of Finance.

#### **6 Financial Implications**

6.1 The full financial implications are detailed in the report.

#### **7 Legal Services Comments**

7.1 There are no legal issues at this time.

#### **8 Co-operative Agenda**

8.1 Improving the quality and timeliness of the financial information available to citizens of Oldham supports the co-operative ethos of the Council.

8.2 The revenue budget and capital strategy/ programme have been prepared so that they embrace the Council's co-operative agenda with resources being directed towards projects that enhance the aims, objectives and co-operative ethos of the Council. Ongoing budget monitoring is key to ensuring this objective is met.

#### **9 Human Resources Comments**

9.1 There are no Human Resource implications.

#### **10 Risk Assessments**

10.1 The risk is that the proposed management actions are not achieved in full. Should this be the case then alternatives will be sought and implemented.

#### **11 IT Implications**

11.1 There are no IT implications.

#### **12 Property Implications**

12.1 There are no Property implications.

#### **13 Procurement Implications**

13.1 There are no Procurement implications.

#### **14 Environmental and Health & Safety Implications**

14.1 There are no Environmental and Health and Safety implications.

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## 15 Equality, Community Cohesion and Crime Implications

15.1 There are no Equality, Community Cohesion and Crime implications.

## 16 Implications for Children and Young People

16.1 There are no direct implications for Children and Young People

## 17 Equality Impact Assessment Completed

17.1 An equality impact assessment has been included at Annex 3.

## 18 Key Decision

18.1 Yes

## 19 Key Decision Reference

19.1 FLC-04-23

## 20 Background Papers

20.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

File Ref: Revenue Background Papers are contained in Annex 1 including Appendices 1, 2 and 3

Officer Name: Andy Cooper  
Contact: andy.cooper@oldham.gov.uk

File Ref: Capital Background Papers are contained in Annex 2 including Appendices A to I

Officer Name: Lee Walsh  
Contact No: [lee.walsh@oldham.gov.uk](mailto:lee.walsh@oldham.gov.uk)

## 21 Appendices

**Annex 1 Revenue Budget Monitoring Report 2023/24 Quarter 1 - June 2023**

Appendix 1 Financing of the 2023/24 Revenue Budget at Quarter 1

Appendix 2 Analysis of Grants

Appendix 3 Summary of 2023/24 Budget Reductions and Deliverability



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<b>Annex 2</b>	<b>Capital Investment Programme Report 2023/24 Quarter 1 - June 2023</b>
Appendix A	SUMMARY – Quarter 1 - Community Health & Adult Social Care
Appendix B	SUMMARY – Quarter 1 - Children’s Services
Appendix C	SUMMARY – Quarter 1 - Communities
Appendix D	SUMMARY – Quarter 1 - Place and Economic Growth
Appendix E	SUMMARY – Quarter 1 - Housing Revenue Account (HRA)
Appendix F	SUMMARY – Quarter 1 – Corporate/ Information Technology
Appendix G	SUMMARY – Quarter 1 - Capital, Treasury & Technical Accounting
Appendix H	SUMMARY – Quarter 1 - Funds for Emerging Priorities
Appendix I	SUMMARY – Quarter 1 - Proposed Variations
<b>Annex 3</b>	<b>Equality Impact Assessment- Financial Monitoring 23-24 (Q01)</b>

# REVENUE BUDGET MONITORING REPORT 2023/24

## Quarter 1 - June 2023

### 1 Background

1.1 The Authority's 2023/24 revenue budget was approved by Council on 1 March 2023 at a sum of £287.051m incorporating:

- The use of £4.130m of surplus Collection Fund resources to support the 2023/24 revenue budget;
- Budget Reductions approved in 2021/22 and 2022/23 resulting in a budgetary impact of £3.655m for 2023/24;
- £16.313m of Budget Reductions approved within the 2023/24 budget;
- £12.786m use of corporate and specific reserves with an offsetting transfer to reserves of £1.209m reflecting the requirement, under the Business Rates Retention Pilot scheme, to pay the Greater Manchester Combined Authority a share of Retained Business Rates income; and
- £2.600m of capital receipts in line with the flexibilities agreed by Secretary of State for Levelling Up, Housing and Communities.

1.2 Under established budget procedures all services are required to monitor and review their approved budgets during the financial year. As part of this process, a forecast of the year-end position has been prepared by all services. The forecast is based on a comparison of profiled budgets to the actual position as at the end of Quarter 1 together with known commitments, issues and planned management actions.

1.3 Unlike 2022/23 when £12.000m of corporate resources were held to offset costs arising from the legacy of the COVID-19 pandemic, the budget for 2023/24 has been prepared so that anticipated COVID legacy costs are consolidated within the mainstream budgets of Children's Social Care and Community Health and Adult Social Care.

### 2 Current Position

2.1 The current net revenue budget of £292.316m represents an increase of £5.265m against the originally approved budget of £287.051m. This is due an increase in the utilisation of capital grants of £1.838m reflecting the reporting arrangements when preparing the Statement of Accounts. In addition, a range of un-ringfenced Government grants totalling £3.427m have been received since the Budget was approved. Table 1 shows the movement in funding. A full funding analysis can be found at Appendix 1.

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**Table 1 – Movement in Funding**

Movement in Funding	£000
Capital Grants	(1,838)
Family Hubs and Start for Life Programme Grant	(1,444)
Rough Sleeping Drug & Alcohol Treatment Grant	(708)
Business Rates Top-up Grant – an allocation arising from the notification of Public Health Grant funding	(577)
Substance Misuse Treatment and Recovery Funding Grant	(497)
Individual Placement and Support Grant	(156)
Extended Rights to Free Travel Grant	(45)
<b>Net Movement in Funding</b>	<b>(5,265)</b>

2.2 The current position for 2023/24 at Quarter 1 is a projected adverse variance of £12.104m, a forecast of the year-end position has been prepared by all services. The table below shows the year-end forecast position against budget for each Portfolio.

**Table 2 – Summary Forecast Revenue Outturn**

	Budget	Forecast	In Year Use of Transfer To/ (From) Reserves	Variance Quarter 1
	£000	£000	£000	£000
Community Health and Adult Social Care	77,455	81,032	(3,059)	518
Children's Services	69,382	80,656	(388)	10,886
Public Health	25,425	26,553	(1,378)	(250)
Communities	6,707	7,722	(1,143)	(128)
Place and Economic Growth	59,823	64,292	(916)	3,553
Corporate Services	28,826	28,513	(274)	(586)
Capital, Treasury and Technical Accounting	24,698	23,037	(227)	(1,888)
<b>NET EXPENDITURE</b>	<b>292,316</b>	<b>311,805</b>	<b>(7,385)</b>	<b>12,104</b>
<b>FINANCED BY:</b>				
Collection Fund Surplus	(4,130)	(4,130)	-	-
General Use of Reserves	(12,786)	(12,786)	-	-
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	1,209	1,209	-	-
Other Financing	(276,609)	(276,609)	-	-
<b>TOTAL FINANCING</b>	<b>(292,316)</b>	<b>(292,316)</b>	-	-
<b>NET FORECAST VARIANCE</b>	-	<b>19,489</b>	<b>(7,385)</b>	<b>12,104</b>

2.3 The forecast outturn to the end of the year, after a predicted and proposed (net) in-year transfer from reserves totalling £7.385m is an adverse variance of £12.104m, section 8 provides more detail about the approved and planned use of reserves at Quarter 1.

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2.4 There are significant variances contained within the projected net overspend. There are currently three areas which are forecasting pressures at Quarter 1;

- Children's Services is forecasting a pressure of £10.886m, the most significant contributing factor to the adverse variance;
- Place and Economic Growth is forecasting a pressure of £3.553m; and
- Community Health and Adult Social Care is forecasting a pressure of £0.518m.

Favourable variances totalling £2.853m which are offsetting these pressures are reported in Public Health at £0.250m, Communities at £0.128m, Corporate Services at £0.587m and Capital, Treasury and Technical Accounting at £1.888m.

More information on these variances is provided in summary in the following paragraphs and in detail in Section 3.

2.5 Community Health and Adult Social Care (CHASC) is reporting a net adverse variance of £0.518m, after a £3.059m use of reserves. The adverse variance is due to an additional temporary team of Social Workers deployed to undertake emergency Care Act assessments together with operational pressures within the Learning Disability and Mental Health services.

2.6 Children's Services is forecasting a net adverse variance of £10.886m, after a £0.388m use of reserves. The main pressure is within Children's Social Care (CSC) which is showing an overspend of £10.820m. The adverse variance within CSC is in the main due to an increased demand for social care placements with many complex cases plus additional costs relating to the use of agency workers to reflect the increase in demand for services and hence case numbers. Education, Skills and Early Years is reporting an overspend of £0.066m and Preventative Services is showing a balanced position.

2.7 Public Health is forecasting an underspend of £0.250m after a net £1.378m use of reserves primarily related to the use of the Contain Outbreak Management Fund grant which was brought forward from 2022/23.

2.8 Communities is showing an underspend of £0.128m after utilising £1.143m of reserves.

2.9 The Place and Economic Growth Portfolio is forecasting an adverse variance of £3.553m net of a £0.916m use of reserves, in the main due to pressures within the Waste Management, Estates and Property Management and Strategic Housing services.

2.10 The Corporate Services Portfolio is forecast to underspend by £0.586m after the utilisation of £0.274m use of reserves. There are minor pressures totalling £0.247m HR and Organisational Development (£0.156m), Commissioning and Procurement (£0.089m) and Legal Services (£0.002m). The pressures are offset by favourable variances totalling £0.833m relating to; Chief Executive, Management and Executive Office (£0.063m), Finance (£0.442m), Communications and Research (£0.014m) and Customer, Digital and Transformation (£0.314m).

2.11 Capital, Treasury and Technical Accounting is showing a favourable variance of £1.888m.

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- 2.12 A more detailed analysis of the financial performance, the major variances and contributing factors can be found by Portfolio in Section 3.
- 2.13 The approved budget for 2023/24 included centrally held resources to fund the final pay award (£6.113m), contractual and general inflationary pressures (£2.520m) and the cost-of-living crisis (£1.790m). Reserves have also been set aside to fund any additional pressures over and above these sums. The approved budgetary funding is being utilised as follows:
- Funding for **pay awards** of £6.113m is to be retained centrally and reallocated to service budgets to reflect the costs of the pay award once agreed. There is a dedicated reserve that, together with any remaining balance of the inflationary pressures budget, will be used to fund the full impact of the pay award.
  - Funding for **inflationary pressures** including energy and contractual inflation has been allocated directly to services where appropriate leaving a balance of £2.520m to address additional cost pressures through the year. Any balance, as advised above, will be used to fund the pay awards in service budgets. The £2.520m budget is forecast as being fully spent.
  - The funding for **cost of living crisis** will be allocated to service budgets as required. The £1.790m budget is forecast to be fully spent.
- 2.14 It is important to note that four of the 2023/24 approved Budget Reductions, one within Communities (see section 3.4.5), one within Place and Economic Growth (see section 3.5.5) and two within Corporate Services (see section 3.6.10) with a combined value of £0.108m are currently forecast not to be achieved and are therefore rated 'Red - Will not/ is not expected be delivered in full' and have been factored into the forecast position.
- 2.15 There is currently one Budget Reduction with a value of £0.060m within Children's Services rated 'Amber/Red - Being closely monitored in year with elements expected not to be delivered'. It is expected that £0.040m will not be achieved and this has been factored into the forecast position.
- 2.16 In addition, there are a further seven Budget Reductions, two within Place and Economic Growth (see sections 3.5.5), three within Corporate Services (see section 3.6.10), one within Children's Services (see section 3.2.14) and one within Public Health (see section 3.3.5) with a combined value of £2.252m rated 'Amber - Being closely monitored but expected to deliver'. These will continue to be monitored for the remainder of the year with the aim of maximising deliverability. At Quarter 1, these have been assumed to deliver and so no impact has been built into the financial forecast. A schedule and assessment of all the 2023/24 Budget Reductions is attached as Appendix 3.
- 2.17 As this financial monitoring report reflects the financial position at Quarter 1, it can be regarded as an early warning of the position if no corrective action is taken.
- 2.18 In view of the projected adverse variance, it is important to ensure that measures are taken to address the overspending, namely:
- management actions across all service areas to review and challenge planned expenditure and to maximise income;
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- processes to monitor the recruitment of staff to vacant posts and significant items of expenditure; and
- ensuring non-essential expenditure is minimised.

2.19 The effectiveness of management action and corporate procedures will continue to be closely monitored by Management Teams right up to the end of the financial year.

### 3 Portfolio Summaries

#### 3.1 Community Health and Adult Social Care

3.1.1 The Portfolio provides social care support to adults and carers across Oldham with a key aim of integrating and aligning the work with health partners to achieve greater efficiency in service delivery and better outcomes for the resident or patient. This covers both the commissioning and the provision of services. The following table shows the forecast position for the Portfolio at Quarter 1.

**Table 3 – Community Health and Adult Social Care- Forecast Outturn**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Clusters	3,016	3,013	(66)	(69)
Commissioning	17,656	18,385	(1,500)	129
Community Business Services	1,392	1,584	(251)	(59)
Community Health & Social Care	27,388	27,383	-	(5)
Director Adult Social Care	2,148	2,385	(242)	(5)
Learning Disability	15,650	16,887	(1,000)	237
Mental Health	9,192	9,481	-	289
Safeguarding	1,013	1,014	-	1
<b>Total Forecast Net Expenditure</b>	<b>77,455</b>	<b>81,032</b>	<b>(3,059)</b>	<b>518</b>

#### Summary

3.1.2 The Portfolio has a projected overspend of £0.518m and incorporates the use of reserves of £3.059m.

3.1.3 The minimum NHS contribution to the Better Care Fund (BCF) has increased by 5.66% with a total allocation of £13.638m for 2023/24. The BCF Plan has been agreed and submitted and contained within the Plan is the Local Authority Discharge Funding allocation of £1.568m. The Council is awaiting notification about the Integrated Care Board element of Discharge Funding and therefore no assumption to any potential additional share has been built into the budget at this stage.

#### Clusters

3.1.4 The Cluster service area is reporting an under spend of £0.069m. Employee budgets report an underspend of £0.190m due to vacant Social Worker posts. The position also

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includes £0.066m of earmarked reserves projected to be drawn down for temporary staff employed on the Review Team to facilitate delivery of the budget reduction proposal of £1.255m.

#### Commissioning

- 3.1.5 The Commissioning service is reporting an overspend of £0.129m. An expected cost of £0.215m is for a temporary team of Social Workers deployed to undertake emergency Care Act assessments, this is offset by a favourable variance of £0.086m which relates entirely to vacant posts following a service restructure. Current vacant posts are assumed to be recruited to in month 4. Although not within the first quarter of the year, Members will be aware that Cabinet, at its meeting on 17 July 2023, approved action to stabilise the adult social care market within Oldham leading to the acquisition (out of administration) of a Care Home by a wholly owned Council company. It is expected that costs associated with the day to day operation of the home will be financed by the use of reserves in the first year but that any costs incurred will be less than the cost of finding alternative accommodation for residents of the Care Home.

#### Community Business Services

- 3.1.6 Community Business Services is forecasting an underspend of £0.059m, of which £0.073m relates to savings from vacant posts offset by an underachievement of income on Client Finance administration fees of £0.014m. The Reform and Improvement programme forms part of this Service Area and is fully funded from reserves with an expected drawdown in 2023/24 of £0.251m. An update report is currently being produced outlining the programme priorities and statutory reforms and will be presented to Management Board for consideration

#### Community Health and Social Care

- 3.1.7 The service is reporting a small underspend of £0.005m. Employee budgets are projecting to underspend by £0.026m with community care budgets, mainly within the Physical Support cohort, reporting a pressure of £0.014m due to an overspend on Direct Payments and an underachievement in Residential and Short Stay income contributions of £0.007m.

#### Director of Adult Social Care (DASS)

- 3.1.8 The DASS underspend of £0.005m is due to a vacant post within the Principal Social Worker Team and additional grant income of £0.019m for Adult Social Care data collections. The Oldham Place Based Lead has commissioned work to undertake a strategic analysis of the Borough's capacity and demand totalling £0.242m. This will be financed by one-off earmarked reserves.

#### Learning Disability

- 3.1.9 The Learning Disability service is forecasting an adverse variance of £0.237m after the use of £1.000m of one-off earmarked reserves to support highly complex packages of
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care. Overspends are reported within Residential Care provision (£0.067m), Short Stay (£0.050m), Respite Care (£0.025m) and Shared Lives (£0.050m) combined with a projected under recovery of income of £0.045m from Direct Payment recipients.

### Mental Health

3.1.10 The Mental Health service is projecting an overspend of £0.289m. Employee budgets are expected to underspend by £0.136m due to vacant posts offsetting an underachievement of Residential and Nursing income of £0.108m. Community care budgets, in particular Direct Payments, are forecast to overspend by £0.317m, predominantly due to three back-dated payments previously held in dispute and expected to be settled to ASC in month 4.

### Safeguarding

3.1.11 Safeguarding is reporting a minor adverse variance of £0.001m with favourable variances within the Safeguarding Team of £0.029m and Safeguarding Board £0.009m counteracting a £0.039m overspend in the MASH Team.

### Achievement of Budget Reductions

3.1.12 The Portfolio has approved Budget Reductions of £3.574m in 2023/24 all of which are rated 'Green - Has / is expected to be fully delivered'. To Quarter 1, £1.284m has been delivered with the remaining on track by the end of the financial year.

3.1.13 New Government grant funding, the Market Sustainability and Improvement Fund was notified to the Council on 27 July 2023. Of a national allocation of £365m in 2023/24, the Council has been awarded £1.707m. This is to support tangible improvement in Adult Social Care capacity. The impact of this grant has not been included in this monitoring report as the Council is still preparing the detailed delivery plan which needs to be agreed by Government.

## 3.2 Children's Services

3.2.1 The following table shows the forecast position after the approved and planned use of reserves for the Portfolio at Quarter 1.

**Table 4 – Children's Services**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Children's Social Care	54,397	65,367	(150)	10,820
Education, Skills & Early Years	11,436	11,592	(90)	66
Preventative Services	3,588	3,736	(148)	-
Schools	(39)	(39)	-	-
<b>Total Forecast Net Expenditure</b>	<b>69,382</b>	<b>80,656</b>	<b>(388)</b>	<b>10,886</b>



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## Summary

- 3.2.2 The Portfolio has a projected overspend of £10.886m at Quarter 1 and incorporates the use of reserves totalling £0.388m. The principal underlying reasons are detailed in the following paragraphs.

### Children's Social Care

- 3.2.3 This Directorate is projecting a £10.820m overspend at Quarter 1 and incorporates the use of reserves totalling £0.150m. The principal underlying reasons are detailed below.

#### Children in Care

- 3.2.4 The area is forecasting a pressure of £8.047m. There is a net pressure, after incorporating the application of Continuing Health Care funding of £6.302m relating to placements for Children Looked After within high-cost external residential packages with a further pressure against external semi-independent placements at £1.804m. These variances are partly being offset by a net £0.059m in relation to a number of minor variances across the remainder of the service.

### Children's Fieldwork and Family Support

- 3.2.5 The area is forecasting a pressure of £3.123m. This is due to a net overspend of £2.550m on staffing costs, provisions of short breaks for children with disabilities at £0.308m, No Recourse to Public Funds (£0.067m), Assistance to Families of £0.063m and other small adverse variances totalling £0.133m.

### Children's Safeguarding

- 3.2.6 The area is reporting a favourable variance of £0.350m due to delays in recruiting to established posts.

- 3.2.7 Against a backdrop of increased demand nationally and particularly in the North West, factors such as poverty, deprivation, the legacy of the pandemic, and cost of living crisis continue to have a significant impact on the ability of children and young people in Oldham to enjoy a happy, healthy, and safe childhood. The main pressures that have carried forward into 2023/24 and which are driving the current financial position are the number and cost of children placed out of borough and the continued reliance on agency staff to address additional demand and also to help maintain a fully established workforce. The hourly rates paid to staff engaged in this manner have significantly increased in the last two years. Disappointingly, the projected overspend is despite the significant additional funding of £14.700m that has been invested in the service for the current financial year; £11.800m intended to stabilise the financial position with further one-off, net investment of £2.900m funded from reserves to pump prime a number of invest to save initiatives aimed at improving services but also delivering budget reductions over the period to 2028/29.

- 3.2.8 Whilst it is acknowledged that demand cannot be wholly controlled, Senior Management is dedicated to addressing the issues affecting the service. The Children's Transformation
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Programme (CTP) has been set up in order to drive forward the operational changes required and to facilitate delivery of the invest to save initiatives. Governance of the programme is through the CTP board, chaired by the Managing Director of Children and Young People. The programme consists of six strands of activity, as outlined below:

- Placement Sufficiency;
- Workforce;
- Early Intervention and Prevention;
- Children and Young People's Mental Health;
- Speech, Language and Communication; and
- SEND Improvement.

3.2.9 The overall impact of the transformation programme will be monitored throughout this financial year and into the future, however, it is important to note that should the current level of overspending remain unaddressed and continue throughout the rest of this financial year, it will have a budgetary implication for 2024/25 and beyond as well as reduce the financial resilience of the Council.

#### Education, Skills and Early Years

3.2.10 The area is reporting a £0.066m pressure at Quarter 1 and incorporates the use of reserves totalling £0.090m.

3.2.11 The main factor producing the adverse variance is within Learning Services where the Music Service is showing a pressure of £0.079m, Study Support is forecast to overspend by £0.016m and Central Education is forecasting a pressure of £0.040m. These pressures are partially being offset by underspends within the service of £0.069m.

3.2.12 There is a potential pressure in relation to Home to School Transport. However, the scale of this is unknown at this point of the financial year but will be re-evaluated once transport routes for the new academic year are finalised.

#### Preventative Services

3.2.13 The area is incorporating the use of reserves totalling £0.148m which brings the area to a balanced budget at Quarter 1.

#### Achievement of Budget Reductions

3.2.14 Budget Reductions for the Portfolio in 2023/24 total £1.131m of which £0.701m are rated 'Green – Has / is expected to be fully delivered'. One Budget Reduction with a value of £0.372m is currently rated 'Amber – Being closely monitored but expected to deliver'. The Budget Reduction 'School Support Services - Academisation' is rated as 'Amber/Red – off track and will only deliver part of the saving.' The full value of the option is £0.060m with only £0.020m expected to deliver with the remaining £0.040m contributing to the adverse variance within Education, Skills and Early Years.

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### 3.3 Public Health

3.3.1 The following table shows the forecast position after the approved and planned use of reserves for the Portfolio at Quarter 1.

**Table 5 – Public Health**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Public Health (Client and Delivery)	5,783	5,749	(40)	(74)
Heritage, Libraries and Arts	19,642	20,804	(1,338)	(176)
<b>Total Forecast Net Expenditure</b>	<b>25,425</b>	<b>26,553</b>	<b>(1,378)</b>	<b>(250)</b>

#### Summary

3.3.2 The Portfolio has a projected underspend of £0.250m and incorporates the use of reserves of £1.378m. The principal underlying reasons are detailed below.

3.3.3 Public Health (Client and Delivery) is showing an underspend of £0.074m which is wholly due to slippage on staffing costs. Use of reserves is in the main the continued use of the Contain Outbreak Management Fund first received in 2021/22. It has been possible to carry forward this grant into 2023/24 and in this regard, the Council has submitted a plan to Government outlining how it expects to utilise the resource in this financial year to comply with the eligibility requirements. The additional expenditure would not be incurred without the availability of this grant funding,

3.3.4 The Heritage, Libraries and Arts Service is reporting a favourable variance of £0.176m at Quarter 1, which relates to an overachievement of income within the Library Service and Oldham Theatre Workshop.

#### Achievement of Budget Reductions

3.3.5 Budget Reductions for the Portfolio in 2023/24 total £0.520m of which three are rated 'Green – Has / is expected to be fully delivered' and have been fully achieved at Quarter 1. One budget reduction - Young People's Substance Misuse & Sexual Health Service with a value of £0.075m is rated 'Amber – being closely monitored but expected to deliver'. The service is confident that if this can't be delivered as originally intended then it will be met from alternative savings within the service, therefore there is no anticipated impact on the financial forecast.

### 3.4 Communities

3.4.1 The following table shows the forecast position after the approved and planned use of reserves for the Portfolio at Quarter 1.

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**Table 6 - Communities**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Community Services	2,688	3,213	(775)	(250)
Leisure and Youth Services Client	4,019	4,509	(368)	122
<b>Total Forecast Net Expenditure</b>	<b>6,707</b>	<b>7,722</b>	<b>(1,143)</b>	<b>(128)</b>

### Summary

3.4.2 The Portfolio has a projected underspend of £0.128m and incorporates a net use of reserves totalling £1.143m.

#### Community Services

3.4.3 The area is reporting an underspend of £0.250m which relates to vacancies within the District Partnerships Team.

#### Leisure and Youth Services Client

3.4.4 The area is reporting an adverse variance of £0.122m at Quarter 1. In the main, this is due to an underachievement of income within Outdoor Education and the School Swimming Service.

#### Achievement of Budget Reductions

3.4.5 Budget Reductions for the Portfolio in 2023/24 total £0.084m of which two budget reductions are rated 'Green – on track and will be delivered'. One further budget reduction – School Swimming Service with a value of £0.010m is rated 'Red – Off track and will not deliver' as negotiations with Oldham Community Leisure Ltd have not concluded favourably.

### 3.5 Place and Economic Growth

3.5.1 The following table shows the forecast position after the approved and planned use of reserves for the Portfolio at Quarter 1.

**Table 7 – Place and Economic Growth**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Environmental Services	56,140	56,537	54	451
Economy	3,683	7,755	(970)	3,102
<b>Total Forecast Net Expenditure</b>	<b>59,823</b>	<b>64,292</b>	<b>(916)</b>	<b>3,553</b>

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## Summary

3.5.2 The Portfolio has a projected overspend of £3.553m and incorporates a net use of reserves totalling £0.916m. The principal underlying reasons are detailed below.

### Environmental Services

3.5.3 The area is forecasting an overspend of £0.451m and after incorporating a transfer to reserves of £0.054m. The main reasons for the adverse variance are detailed below:

- There is an estimated pressure against the Waste Management Service of £0.365m. This is due to a general increase in service demand and pressures against the Bulky Waste contract totalling £0.739m which are being partially offset by an increase in income for the Trade Waste service of £0.374m;
- The Highways Service is expected to overspend by £0.356m which is due the utilisation of agency staff and an increase in the cost of materials.
- The Public Protection service is projecting an underspend of £0.168m principally as a result of vacant posts within the establishment. However, the service is planning to recruit to the vacant posts during the course of the year;
- The Street Lighting service is expecting to underspend by £0.078m due to expected deductions from the PFI contract which is separate from the Variable Lighting Strategy Budget Reduction; and
- The Environmental Management Service is expected to underspend by £0.024m, being a combination of pressures on supplies and services and vehicle costs totalling £0.328m, offset by vacant posts (£0.117m) and additional income in the Cemeteries and Crematoria service (£0.187m).

### Economy

3.5.4 The area is forecasting an overspend of £3.102m after a £0.970m transfer from reserves. The main reasons are detailed below:

- The Estates and Property Management Services are currently expected to overspend by £1.270m due to pressures against repairs and maintenance (£0.892m), Business Rates (£0.103m) and security budgets (£0.275m);
  - Strategic Housing is projecting a £1.600m overspend due to demand pressures for temporary accommodation totalling £1.960m which is being offset by the use of reserves of £0.170m. There are further offsetting underspends on professional fees and staffing budgets of £0.190m
  - The Planning Service is showing an underachievement of Planning Fee income of £0.215m. The total Planning service income budget for 2023/24 is £0.994m;
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- Facilities Management is projecting a minor overspend of £0.015m;
- The Town Centre and Markets Service area is expected be in line with budget following the approval of additional resources of £0.542m within the budget setting process to support the revenue costs identified for the relocation of Tommyfield Market into the Town Square Shopping Centre; and
- The Creating a Better Place service is expected to be in line with budget after application of £0.800m of reserves. Grant funding opportunities to reduce the reliance on reserves are being investigated by the service.

#### Achievement of Budget Reductions

3.5.5 Budget Reductions for the Portfolio in 2023/24 total £2.493m of which £0.868m are rated 'Green – Has / is expected to be fully delivered'. There are two Budget Reductions with a combined value of £1.600m rated 'Amber – Being closely monitored but expected to deliver'. One Budget Reduction of £0.025m, Reshape Bonfire Event has been rated red 'Will not/ is not expected be delivered in full.

### 3.6 Corporate Services

3.6.1 The following table shows the forecast position after the approved and planned use of reserves for the Portfolio at Quarter 1.

**Table 8 – Corporate Services**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Chief Executive, Management and Executive Office	4,787	4,734	(10)	(63)
Commissioning and Procurement	557	646	-	89
Finance	7,172	6,730	-	(442)
Legal Services	3,768	3,770	-	2
Communications and Research	997	1,029	(46)	(14)
Customer, Digital and Transformation	7,344	7,160	(130)	(314)
Strategy and Performance	961	999	(38)	-
HR & Organisational Development	3,239	3,445	(50)	156
<b>Total Forecast Net Expenditure</b>	<b>28,826</b>	<b>28,513</b>	<b>(274)</b>	<b>(586)</b>

#### Summary

3.6.2 The Portfolio has a projected underspend of £0.587m and incorporates the use of reserves totalling £0.274m. The principal underlying reasons are detailed below.

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## Chief Executive, Management and Executive Office

- 3.6.3 The area is reporting an underspend of £0.063m which in the main relates to a pressure on professional fees being offset by vacant posts and reduced pension costs.

## Commissioning and Procurement

- 3.6.4 The Division is reporting an overspend of £0.089m at Quarter 1. The service is continuing to experience difficulties in recruiting to permanent posts, this is resulting in a pressure of £0.520m due to the necessity of having to retain interims. This is being offset by vacant posts of £0.446m. The service is also reporting a pressure of £0.053m against the Early Payment scheme, with a corresponding favourable variance of £0.038m against non-pay budgets.

## Finance

- 3.6.5 The Division is reporting an underspend of £0.442m at Quarter 1. The Finance Division has a number of vacant posts, underspends on non-pay budgets and increased income for staff time spent on European grant funded projects.

## Legal Services

- 3.6.6 The service is reporting a minor overspend of £0.002m at month 3. There are staffing pressures in Legal Services due to staff absences which have led to the use of agency staff and there continues to be a pressure in relation to schools buy back income. This has been offset by increased income in Registrars and additional grant income received for the Election.

## Communications and Research

- 3.6.7 The service is recording an underspend of £0.014m, primarily as a result of vacant posts.

## Customer, Digital and Transformation

- 3.6.8 The Division is reporting an underspend of £0.314m at Quarter 1. There are vacant posts across the Division which is offset in part by agency costs in ICT and Customer Services (£0.505m). There are pressures relating to income receivable from the NHS and payments of third-party ICT costs which includes the non-achievement of budget reductions COR-BR1-621 & 622. This has been offset in part from increased fees charged to capital projects.

## Human Resources (HR) and Organisational Development

- 3.6.9 The Division is reporting an overspend of £0.156m. There is an underspend of £0.368m against vacant posts which is offsetting an income pressure of £0.349m in relation to schools buy back and funding from the NHS which ceased in 2022/23. In addition, there is a pressure of £0.175m against non-pay which includes staff experience costs.
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## Achievement of Budget Reductions

3.6.10 Budget Reductions for the Portfolio in 2023/24 total £0.870m of which nine totalling £0.592m are rated 'Green – on track and will be delivered' and have been fully achieved at Quarter 1. Three budget reductions are currently rated 'Amber – Being closely monitored but expected to deliver', the total value of these options is £0.205m. The service is profiling deliverability of these options in the final two Quarters of the financial year. A further two budget reductions are rated 'Red – will not / is not expected to deliver' which are detailed below:

- MS Licences migration to Cheaper Licences for some staff; £0.050m not currently being achieved; and
- MS Licences Improved Starter / Leaver Process of £0.023m, not currently being achieved.

3.6.11 Therefore, a total of £0.073m of budget reductions across the Division are currently not expected to be achieved in the financial year.

### 3.7 Capital, Treasury and Technical Accounting

3.7.1 The following table shows the forecast position for the Portfolio at Quarter 1.

**Table 9 – Capital, Treasury and Technical Accounting**

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Capital, Treasury and Technical Accounting	23,348	21,687	(227)	(1,888)
Corporate and Democratic Core	1,003	1,003	-	-
Parish Councils – Precepts and Grant Payment	347	347	-	-
<b>Total Forecast Net Expenditure</b>	<b>24,698</b>	<b>23,037</b>	<b>(227)</b>	<b>(1,888)</b>

#### Summary

##### Capital, Treasury and Technical Accounting

3.7.2 The Portfolio holds the budgets associated with the Council's Treasury Management activities including interest payable on borrowing and interest receivable on investments and is reporting an underspend of £1.888m at Quarter 1.

3.7.3 There are favourable variances of £1.443m due to higher levels of interest receipts on external investments with further favourable variances of £0.107m against cash collections, bank charges and professional fees.

3.7.4 The Housing Benefit service is projecting a favourable variance of £0.594m at Quarter 1. This is based upon the Department for Work and Pensions Statement of Local Authority

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claimed Entitlement to Housing Benefit Subsidy Form for the financial year ending March 2024. There will be an opportunity to revise this after the production of the mid-year estimates which are due at the end of August 2023.

3.7.5 The Procurement Framework income target is showing an in-year pressure of £0.256m. However, this will continue to be monitored throughout the year.

3.7.6 Additional income of £2.837m has been received from the Greater Manchester Combined Authority (GMCA), this being the Council's share of a £27.000m GM wide waste reserve refund. This has been transferred to Earmarked Reserves to support the future financial resilience of the Council.

#### Achievement of Budget Reductions

3.7.7 Budget Reductions for the Portfolio in 2023/24 total £11.295m, all of which are rated 'Green – Has / is expected to be fully delivered.

## 4 Other Grants and Contributions Received by the Council

4.1 The Council has received a number of specific grants from the Government or other organisations which have been ringfenced to Portfolios to be utilised on certain defined activities. At Quarter 1, excluding the DSG as outlined in Section 5.1, Portfolios are forecasting a total of £105.712m of ringfenced grants to be used for specific purposes which have been either new notifications for 2023/24 or grants received in prior years where terms and conditions allow for usage in the current and potentially future years. The table below shows the total grants forecast by Portfolios up to Quarter 1.

**Table 10 – Grants Ringfenced to Portfolios**

Portfolio	Govt. Grants	Other Grants	Forecast 2023/24
	£000	£000	£000
Community Health and Adult Social Care	(4,537)	(15,097)	(19,634)
Children's Services	(16,042)	(12)	(16,054)
Public Health	(1,803)		(1,803)
Communities	(227)	(620)	(847)
Place and Economic Growth	(4,070)		(4,070)
Corporate Services	(5,625)	(276)	(5,901)
Capital, Treasury and Technical Accounting	(38,603)		(38,603)
<b>Total Ringfenced Grants include within the Net Revenue Budget</b>	<b>(70,908)</b>	<b>(16,005)</b>	<b>(86,913)</b>
Housing Revenue Account	(18,799)		(18,799)
<b>Total</b>	<b>(89,707)</b>	<b>(16,005)</b>	<b>(105,712)</b>

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- 4.2 As highlighted in the table above, grants (excluding COMF and the DSG) received in previous years and carried forward into 2023/24 and new allocations for 2023/24, total £105.712m; of this sum, £86.913m is within the Net Revenue Budget and £18.799m within the Housing Revenue Account. Dependant on the terms and conditions of the individual grant, some of the above income could be carried forward into 2024/25 to be utilised in future financial years.
- 4.3 Of the £86.913m of General Fund allocations, the largest single category carries a value of £38.603m and relates to Housing Benefit Subsidy Grant which is included within the Capital, Treasury and Technical Accounting Portfolio, comprising £33.511m for Rent Allowances and £5.093m for Rent Rebates. In addition, £15.097m relates to the Better Care Fund Grant which is awarded by NHS England and distributed by Integrated Care Boards which is included within the Community Health and Adult Social Care net revenue budget. A further £13.262m relates to PFI Credits received to support unitary charge payments across the Council's four General Fund PFI schemes. A further two PFI schemes, with grant totalling £18.799m operate within in the Housing Revenue Account.
- 4.4 A total of 43 additional Government Grants are included in the forecasts for 2023/24 totalling £89.707m; £70.908m is within the Revenue Budget and £18.799m relates to the Housing Revenue Account PFI Credits. A further 5 grants have been awarded from other sources and classed as 'other grants' totalling £16.005m.
- 4.5 Twenty nine of the grants have an individual value which is greater than £0.150m and total £104.281m. The remaining £1.431m relates to 19 grants with individual values less than £0.150m. A full list of these grants can be found at Appendix 2.

## **5 Schools**

- 5.1 The Council's expenditure on schools is funded primarily by the Dedicated Schools Grant (DSG) which is provided by the Department for Education. DSG is ring-fenced and can only be applied to meet expenditure properly included in the Schools' Budget, as defined in the School and Early Years Finance (England) Regulations 2022. The Schools' Budget includes elements for a range of educational services provided on an Authority wide basis and for the Individual Schools Budget which is divided into a budget share for each maintained school. The total estimated Oldham funding allocation for 2023/24 is £321.458m, £179.362m after excluding the recoupment for academies and post 16 further education (FE) provision and is split across the four funding blocks that comprise the DSG as follows:
- Schools - £240.592m (£113.220m after excluding the recoupment for academies)
  - High Needs - £58.470m (£43.746m after excluding the recoupment for academies and Post 16)
  - Early Years - £19.935m
  - Central Schools Services - £2.461m
- 5.2 For a number of years there was a considerable financial pressure on the DSG, particularly in the High Needs Block which had been in a deficit position since 2016/17. This was historically due to expenditure exceeding the High Needs budget available each
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year and is after approved transfers between the Schools and High Needs Blocks of £8.296m between 2016/17 and 2021/22. As shown in the table below, the High Needs Block Deficit, if taken as a stand-alone element without the transfers, was £11.508m at the start of 2023/24. Notwithstanding the emergence of the reducing deficit, there remain operational pressures which the serviced are working to address, these include:

- Increasing high needs population, such as special school places, resourced provision and post 16 Further Education provision;
- Increasing number of Education Health Care Plans (EHCP) requiring high needs top up funding within mainstream schools;
- Cost of providing local Pupil Referral Unit capacity to ensure that the Local Authority fulfils its statutory role;
- High cost of external placements.

5.3 In the first quarter of 2023/24 the High Needs Block is currently forecasting an in year surplus of £2.057m. Excluding the cumulative support from the Schools Block this reduces the forecast cumulative deficit forecast to £9.451m as at 31 March 2024. The deficit is offset by cumulative virements and savings from the Schools (£8.296m) and Early Years Blocks (£3.672m) to leave a net forecast, cumulative High Needs Block surplus outturn of £2.517m (as illustrated in the table below).

**Table 11 – DSG High Needs Block**

<b>DSG High Needs Block</b>	<b>2023/24</b>
<b>Deficit Brought Forward 01/04/2023</b>	<b>11,508</b>
<b>2023/24</b>	
Original High Needs Budget Allocation	(58,470)
Estimated Expenditure	56,413
<b>Projected in Year (Surplus)</b>	<b>(2,057)</b>
<b>Cumulative Net Deficit to be Carried Forward</b>	<b>9,451</b>
Offset by;	
- Virement from Schools Block- 2016/17 to 2021/22	(8,296)
- Savings in Schools and Early Years Block and Central Schools Services Block - 2015/16 to 2023/24	(3,672)
<b>Projected High Needs Block (Surplus) 31/03/2024</b>	<b>(2,517)</b>

### **Overall DSG Position and Recovery Plan**

5.4 The DSG had been in a deficit position since 2016/17 and Oldham was supported by the Education and Skills Funding Agency (ESFA) in its monitoring and management of the DSG. As a consequence, the Council has been required to agree a DSG Financial Recovery Plan to demonstrate how, at least a balanced position could be achieved. The plan was first submitted to the Department for Education (DfE) in 2019. The financial elements of the Recovery Plan have been continuously updated to take account of estimated additional cost pressures, formal notifications of additional funding and the

agreed funding methodology including the transfer of DSG funding between the Schools and the High Needs Funding Blocks that has been undertaken in prior years.

- 5.5 The Schools Forum is regularly updated on the status of the Recovery Plan and it remains an appropriate and effective means of monitoring the DSG position. The last meeting of the Schools Forum on 14 June 2023 received an update in relation to the DSG outturn and Recovery Plan, which had again been updated to take account of the most recent funding announcements, the latest expenditure predictions and their impact on the projections from the current financial year through to 2024/25.
- 5.6 The table below shows the latest Recovery Plan as at June 2023, as agreed with the Schools Forum. First and foremost, it shows that the DSG deficit of £2.773m at the end of 2021/22 had become a surplus of £0.899m at the end of 2022/23. The achievement of a surplus for the first time since 2016/17 represents a major financial milestone for the Council. In year forecast surpluses of £1.618m and £0.248m in the current and following financial years deliver cumulative surpluses of £2.517m and £2.765m in each of 2023/24 and 2024/25 respectively. The sustained and improving position will be further assisted by the work undertaken as part of the DBV programme referred to earlier. The School Forum will be provided with a further update at the meeting scheduled for 27 September 2023.

**Table 12 – Overall DSG Position**

	2022/23 £k	2023/24 £k	2024/25 £k
<b>Opening Balance brought forward – Deficit/ (Surplus)</b>	<b>2,773</b>	<b>(899)</b>	<b>(2,517)</b>
Estimated Additional Pressures	2,904	6,278	7,449
2022/23 High Needs Block Increase	(4,852)	(4,852)	(4,852)
Additional High Needs Funding (announced December 2021)	(1,756)	(1,756)	(1,756)
Additional High Needs Funding (announced December 2022)		(2,178)	(2,178)
Reverse Indicative Transfer (initially planned but not required for 2022/23)	1,124		
Estimated change additional funding including Special Free School	(1,092)		
Estimated adjustment for Special Free School funding		252	252
Additional High Needs Funding 2023/24 - 6.7%		(4,294)	(4,294)
Estimated Additional High Needs Funding 2024/25 - 3%			(1,601)
Reduced High Needs Budgets (central) funded from General Fund		(446)	(446)
Contribution to Central Education Support Services including HI/VI Services		200	200
High Needs Funding (announced December 2022)- still to be allocated		2,178	2,178
Service Improvements Development Fund (SIDF)		2,150	4,800
SIDF one-off funding to support the Special Sector		850	
<b>In Year (Surplus)</b>	<b>(3,672)</b>	<b>(1,618)</b>	<b>(248)</b>
<b>Current Net Forecast (Surplus)</b>	<b>(899)</b>	<b>(2,517)</b>	<b>(2,765)</b>
Previously Reported Net Forecast (Surplus)	(514)	(2,438)	(2,701)

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## Delivering Best Value (DBV) in SEND

5.7 Launched in the autumn of 2022, Oldham was selected as one of the Local Authorities invited to take part in Wave 2 of the Delivering Best Value in SEND programme. With the aim of putting Local Authorities on a more sustainable footing so that they are better placed to respond to the forthcoming SEND Review reforms. The Department for Education (DfE) has provided external consultancy advice to enable participants to plan and agree improvements and a change programme. Core funding of £1.000m will be made available to the Authority on successful submission of a grant application, to the DfE. The Authority has participated in a series of workshops and undertaken a comprehensive stakeholder case review and evaluation to identify and develop solutions for the areas of highest need and most likely return/ benefit for inclusion in the grant /application. The application was submitted on 17 July 2023 with a focus on the following areas:

- Early identification and intervention to reduce EHCPs;
- Development of mainstream provision to create an alternative to special schools;
- Updating the resource allocation system;
- Post 16 pathways to ensure better progression;
- Developing and targeting support for;
  - autism
  - speech, language and communication needs
  - social, emotional and mental health

5.8 By taking part in this initiative and it is expected that it will assist the Council sustain DSG financial position and reduce the financial pressure within the High Needs Block.

## 6 Housing Revenue Account (HRA)

6.1 The current HRA position is presented in Table 13 and compares the initially approved HRA position to the current estimated outturn. The actual closing balance for 2022/23 at £22.584m was £0.305m higher than the final estimate of £22.279m.

6.2 The original HRA forecast for 2023/24 was for a planned in-year decrease in balances of £1.427m arising from:

- The Council choosing not to implement rental increases of up to the maximum allowable of 11.1% for 2023/24. Instead, a much lower increase at just 5% was agreed leading to a call on balances; and
- A budgeted contribution of £1.000m to the capital programme.

6.3 The current forecast is for an in-year deficit against budget of £1.547m, a net adverse movement against HRA balances of £0.120m, attributable to higher than anticipated utility costs. The projected year end HRA balance of £21.037m, represents a net £0.185m favourable movement compared to the original budget.

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**Table 13 - Housing Revenue Account Forecast Position**

HRA Income & Expenditure Account	Original Budget £000	Latest 2023/24 Forecast £000	Variance to Budget £000
HRA Balances Brought forward from 2022/23	(22,279)	(22,584)	(305)
(Surplus)/ Deficit on HRA Services for 2023/24	1,427	1,547	120
<b>HRA Surplus Balances Carried Forward</b>	<b>(20,852)</b>	<b>(21,037)</b>	<b>(185)</b>

## 7 Collection Fund

7.1 The tables below show the forecast outturn position for the Collection Fund (the technical account within which Council Tax and Business Rates (National Non-Domestic Rates (NDR)) are managed) and the forecast position in relation to the share of balances between the Council and the Greater Manchester Combined Authority precepting Authorities.

**Table 14 - Collection Fund Forecast Position**

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Balance Brought Forward	410	(4,127)	(3,717)
Release of estimated surplus carried forward from 2022/23	(48)	(4,131)	(4,179)
<b>Prior Year Balance Brought Forward</b>	<b>458</b>	<b>4</b>	<b>462</b>
(Surplus) /Deficit for the Year	74	(2,174)	(2,100)
<b>Net (Surplus)/Deficit Carried Forward</b>	<b>532</b>	<b>(2,170)</b>	<b>(1,638)</b>

**Table 15 - Collection Fund – 2023/24 Share of Balances; Forecast Position**

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Share - Oldham Council	448	(2,148)	(1,700)
Share – Greater Manchester Combined Authority - Mayoral Police and Crime Commissioner	58	-	58
Share – Greater Manchester Combined Authority - Mayoral General Precept (including Fire and Rescue Services)	26	(22)	4
<b>Total Deficit/(Surplus)</b>	<b>532</b>	<b>(2,170)</b>	<b>(1,638)</b>

7.2 Council Tax and Business Rates are a significant source of funding for Council services. However, income from these areas can be volatile. The 2023/24 financial year is no different with the on-going impact of the cost of living crisis having an impact on Council Tax collection. As such, the financial position of the Collection Fund is under constant review.

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- 7.3 The Business Rates surplus brought forward from 2022/23 was due in part to collection rates returning to pre-pandemic levels and as can be seen, this healthy position continues into 2023/24.
- 7.4 The Greater Manchester 100% Business Rates Retention Pilot has continued into 2023/24. Any financial benefits arising from membership within the pilot scheme will continue to be monitored, any beneficial financial resource will be used if possible to support the Council's budget.
- 7.5 As highlighted in Table 14 and 15 above, current year end Collection Fund projections are showing an overall surplus of £1.638m, with the Council's proportion of this surplus being £1.700m. As advised previously, the Collection Fund is a particularly volatile area to forecast with many variables, including the impact of Government Business Rate reliefs, therefore, this area will be closely monitored over the remaining months. Information will be available later in the year to determine if/ how a surplus or deficit on the Collection Fund will impact on the 2024/25 Council budget.

## **8 Use of Reserves**

- 8.1 Members will recall that at the Council budget meeting of 1 March 2023, it was agreed that Earmarked Reserves of £12.786m would be used to support the 2023/24 revenue budget and a further £3.932m of Earmarked Reserves were proposed to be utilised to support the 2024/25 revenue budget. The Earmarked Reserves to be utilised in 2023/24 and 2024/25 were to be met by fully utilising the specific Balancing Budget reserve of £16.718m.
- 8.2 In addition, there is an offsetting transfer to reserves of £1.209m reflecting the requirement, under the Business Rates Retention Pilot scheme, to pay the Greater Manchester Combined Authority a share of Retained Business Rates income.
- 8.3 As previously mentioned at paragraph 3.7.6, the Council has received £2.837m this year from GMCA, being the share of a £27.000m GM wide refund of reserves from the GM Waste Disposal Service. This unbudgeted income has been transferred to Earmarked Reserves to support the financial resilience of the Council.
- 8.4 At the beginning of 2023/24, reserves balances totalled £87.099m comprising of Earmarked Reserves of £79.130m and Revenue Grant Reserves of £7.968m.
- 8.5 Supplementary to the above transfers to and from reserves, the Quarter 1 position incorporates additional Portfolio/corporate use of reserves with a total (net) value of £10.223m, therefore the budget as a whole currently relies upon the application of a net £21.800m of reserves. The resultant impact, incorporating the additional £2.837m waste reserve refund is for an estimated combined closing value of £68.135m, comprising £61.653m of Earmarked Reserves and £6.482m of Revenue Grant Reserves, as illustrated in the table below. It is however anticipated that this position will change as the year progresses. Should the current adverse variance of £12.104m need to be addressed by the use of earmarked reserves at the year end the £68.135m will reduce to £56.031m.
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**Table 16 – Reserves Summary**

	<b>Earmarked Reserves £000</b>	<b>Revenue Grant Reserves £000</b>	<b>Total Reserves £000</b>
<b>Opening Balance as at 1 April 2023</b>	<b>(79,130)</b>	<b>(7,968)</b>	<b>(87,099)</b>
Reserves applied to balance the Budget	12,786	-	12,786
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	(1,209)	-	(1,209)
<b>In Year Balance</b>	<b>(67,553)</b>	<b>(7,968)</b>	<b>(75,522)</b>
<b>Portfolio Transfers from Reserve</b>			
Community Health and Adult Social Care	3,059	-	3,059
Children's Services	240	148	388
Public Health	40	1,338	1,378
Communities	1,143	-	1,143
Place and Economic Growth	970	-	970
Corporate Services	274	-	274
Capital, Treasury and Technical Accounting	3,064	-	3,064
<b>Total Portfolio Transfers from Reserve</b>	<b>8,791</b>	<b>1,486</b>	<b>10,277</b>
<b>Portfolio Transfers to Reserves</b>			
Community Health and Adult Social Care	-	-	-
Children's Services	-	-	-
Public Health	-	-	-
Communities	-	-	-
Place and Economic Growth	(54)	-	(54)
Corporate Services	-	-	-
Capital, Treasury and Technical Accounting	-	-	-
<b>Total Portfolio Transfers to Reserve</b>	<b>(54)</b>	<b>-</b>	<b>(54)</b>
<b>Total Portfolio Use of Reserves</b>	<b>8,737</b>	<b>1,486</b>	<b>10,223</b>
<b>Return of Waste Disposal Reserve (GMCA)</b>	<b>(2,837)</b>	<b>-</b>	<b>(2,837)</b>
<b>Closing Balance as at Quarter 1</b>	<b>(61,653)</b>	<b>(6,482)</b>	<b>(68,135)</b>



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8.6 In line with the Council's reserves policy, the recommended use of reserves to fund spend during the year have been initially approved by the appropriate officers prior to consideration by Cabinet. However, as there is a need to minimise the use of reserves in order to support the financial resilience of the Council, only those reserves supporting essential business will be utilised this year.

8.7 The availability of reserves is a demonstration of the financial resilience of the Council and as such the reserves must be carefully managed. However, the use of reserves is also a means by which the Council can support the 2023/24 and future years budget setting processes and Medium-Term Financial Strategy. In addition to use in the current financial year, as part of the 2023/24 Budget setting process agreed by Council on 1 March 2023, Members approved a commitment of a further £3.932m of reserves for 2024/25. The continued reduction in the level of available reserves, will, however, reduce the financial resilience of the Council.

## **9 Flexible Use of Capital Receipts**

9.1 Members will recall that at the Council meeting of 1 March 2023, it was approved that up to £2.600m of capital receipts would be used to underpin the revenue budget in line with the flexibilities agreed by Secretary of State for Housing, Communities and Local Government in March 2016. In April 2022, guidance on the flexible use of capital receipts was updated by the Department for Levelling Up, Housing and Communities which extended the flexibility that has been in place since 2016. This allows the freedom to continue up to 2024/25 to help Authorities plan for the long-term.

9.2 A number of schemes in support of the transformation programme which meet the qualifying expenditure requirements as detailed within the statutory guidance issued by the DLUHC have been identified and are itemised within the approved 2023/24 Capital Programme. The contribution to the Flexible Use of Capital Receipts is the first call on any receipts generated by the Council and processes are in place to monitor progress throughout the year. Annex 2 to this report which sets out the Capital Programme position confirms that receipts totalling £2.587m have been received to date. This is currently slightly below the amount required to underpin the revenue budget requirement of £2.600m, however, further receipts are anticipated during the remainder of the financial year.

## **10 Conclusion**

10.1 At the start of 2023/24 there still remains uncertainty about the financial position created by the lasting impact of COVID-19. This is not simply the on-going effects of the pandemic but its continued impact on the demand for both Adults and Children's Social Care, the cost of care and in relation to the pressures being felt by certain areas of the provider market. In addition, the cost pressures in relation to utilities and fuel, the impact of cost of living crisis, the potential impact on pay awards and also interest rates continue to be of concern in 2023/24. The forecasting of the likely impact of all these factors on the Council's budget has been based on both the actual expenditure and the income impact recorded but also relies on a series of assumptions which will be reviewed and updated as the financial year progresses.

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- 10.2 The current projected position, after adjustment for the use of reserves is an overspend of £12.104m. The financial pressure in Children's Social Care is especially concerning as there was significant additional funding included in the 2023/24 budget to stabilise Children's Services. Whilst the Council has previously faced in-year financial pressures during the first quarter of the year, this is the most severe (excluding pressures generated by the COVID-19 pandemic which were subsequently addressed by the receipt of Government grant support).
- 10.3 The pressure caused by failure to deliver or uncertainty about the delivery of Budget Reductions, as outlined in sections 2.14 to 2.16 is also of concern. However, there is time for the reductions to be delivered and/ or mitigations to be put in place, particularly in respect of the 7 options, with a value of £2.252m currently rated as 'Amber- Being closely monitored but expected to be delivered'
- 10.4 The reserves position is important in the context of financial resilience. Whilst the year started with relatively healthy balances of earmarked reserves (£79.130m) and Revenue Grants Reserves (£7.968m), as advised in this report, net earmarked reserves of £17.477m and net Revenue Grant reserves of £1.486m are forecast to be called into support the 2023/24 budget, after which there is an anticipated combined reserves balance of £68.135m. With a potential additional call of £12.104m to offset the current forecast deficit and an already approved use of £3.932m of reserves to balance the 2024/25 budget, the actual availability in 2024/25 could reduce to £52.099m. At this level of utilisation, it is vitally important to minimise the future use of reserves in year to maintain financial resilience of the Council.
- 10.5 In view of the projected adverse variance, it is important to ensure that measures are taken to address the overspending, namely:
- management actions across all service areas to review and challenge planned expenditure and to maximise income;
  - processes to monitor the recruitment of staff to vacant posts and significant items of expenditure; and
  - ensuring non-essential expenditure is minimised.
- In effect this is a continuation of actions that were initiated last year (and previous years), however, the variance at month 3 is much more significant than that at the same point in 2022/23. It is therefore essential that this approach is rigorously applied and where possible, any transformation programme projects linked to savings are accelerated
- 10.6 The effectiveness of management action and corporate procedures will continue to be closely monitored by Management Teams right up to the end of the financial year. Management action should ease the overall financial pressures but the impact of such action has not been included in the forecast as it has yet to be demonstrated.
- 10.7 The Council has already begun its preparation for budget setting for 2024/25. Members will recall that the forecast budget gap for 2024/25 presented at Budget Council on 1 March 2023 was £10.224m. This assumed all approved budget reductions are delivered and is before any revisions to reflect further increases in demand pressures or higher
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than anticipated pay awards. If the financial pressures experienced in 2023/24 continue into 2024/25 and there is a consequent increased budget reduction requirement for 2024/25, it is likely that further reserves will have to be used to balance the budget and this will have an impact on the financial resilience of the Council.

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## Appendix 1

FINANCING OF THE 2023/24 BUDGET	Original Budget	Additions to Quarter 3	Revised Budget
	£000	£000	£000
<b>Net Expenditure Budget</b>	<b>(260,686)</b>		<b>(260,686)</b>
<b>Financed by:</b>			
Business Rates Top-up Grant	(46,016)	(577)	(46,593)
Grant in Lieu of Business Rates	(25,987)		(25,987)
Social Care Support Grant	(21,454)		(21,454)
Improved Better Care Fund Grant	(11,188)		(11,188)
2022/23 Services Grant	(2,620)		(2,620)
Housing Benefit Administration Grant	(810)		(810)
New Homes Bonus Grant	(252)		(252)
Revenue and Benefits Service New Burdens Grant	(11)		(11)
Capital Grants		(1,838)	(1,838)
Family Hubs and Start for Life Programme Grant		(1,444)	(1,444)
Rough Sleeping Drug & Alcohol Treatment Grant		(708)	(708)
Supplementary Substance Misuse Treatment and Recovery Funding Grant		(497)	(497)
Individual Placement and Support Grant		(156)	(156)
Extended Rights to Free Travel Grant		(45)	(45)
<b>Total Government Grant Funding</b>	<b>(108,338)</b>	<b>(5,265)</b>	<b>(113,603)</b>
Council Tax Income - General (Including parish precepts)	(94,449)		(94,449)
Council Tax Income - Adult Social Care Precept	(14,874)		(14,874)
Council Tax Surplus	(4,130)		(4,130)
Retained Business Rates	(53,683)		(53,683)
<b>Total Locally Generated Income</b>	<b>(167,136)</b>	-	<b>(167,136)</b>
<b>Total Grant and Income</b>	<b>(275,474)</b>	<b>(5,265)</b>	<b>(280,739)</b>
Use of General Earmarked Reserves	(12,786)		(12,786)
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	1,209		1,209
<b>Total Use of Reserves</b>	<b>(11,577)</b>	-	<b>(11,577)</b>
<b>Total Financing</b>	<b>(287,051)</b>	<b>(5,265)</b>	<b>(292,316)</b>

<b>Appendix 2- Analysis of Grants</b>		
<b>Grant Name</b>	<b>Grant Type</b>	<b>Forecast £000</b>
<b>Community Health and Adult Social Care</b>		
Better Care Fund	Other	(15,097)
Adult Social Care Discharge Fund	Govt.	(1,568)
ASC Data Collection Grant	Govt.	(19)
Changing Futures in GM	Govt.	(322)
Market Sustainability and Fair Cost of Care Fund	Govt.	(2,628)
<b>Sub Total</b>		<b>(19,634)</b>
<b>Children's Services</b>		
PFI Credits (2 contracts)	Govt. (x2)	(8,988)
Skills Funding Agency Adult Education Grant	Govt.	(2,805)
Holiday Activities and Food Grant	Govt.	(1,480)
Domestic Abuse Grant	Govt. (x2)	(762)
Unaccompanied Asylum-Seeking Children (UASC) Grant	Govt.	(536)
Youth Justice Board Grant	Govt.	(496)
Former UASC - Care Leavers Grant	Govt.	(287)
Staying Put Grant	Govt.	(201)
Balance: Grants less than £0.150m	Govt. (x6) Other (x1)	(500)
<b>Sub-Total</b>		<b>(16,054)</b>
<b>Public Health</b>		
PFI Credits	Govt.	(1,803)
<b>Sub -Total</b>		<b>(1,803)</b>
<b>Communities</b>		
Community Safety Grant	Other	(480)
Serious Violence Grant	Govt.	(150)
Balance: Grants less than £0.150m	Govt. (x2) Other (x1)	(217)
<b>Sub-Total</b>		<b>(847)</b>
<b>Place and Economic Growth</b>		
PFI Credits	Govt.	(2,471)
Homelessness Prevention Grant	Govt.	(578)
A Bed Every Night (ABEN) Grant	Govt.	(273)
Community Accommodation Services - Tier 3 Grant	Govt.	(247)
Balance: Other Government Grants less than £0.150m	Govt. (x5)	(501)
<b>Sub-Total</b>		<b>(4,070)</b>
<b>Corporate Services</b>		
Household Support Fund Grant	Govt.	(4,839)
Council Tax Rebate Grant	Govt.	(573)
European Regional Development Fund Grant	Other	(276)
Balance: Other Government Grants less than £0.150m	Govt. (x4)	(213)
<b>Sub-Total</b>		<b>(5,901)</b>
<b>Capital and Treasury</b>		
Housing Benefit Subsidy Grant - Rent Allowances	Govt.	(33,511)
Housing Benefit Subsidy Grant - Rent Rebates	Govt.	(5,093)
<b>Sub-Total</b>		<b>(38,603)</b>
<b>Total Ringfenced Grants include within the Net Revenue Budget</b>		<b>(86,913)</b>
<b>Housing Revenue Account</b>		
PFI Credits (2 contracts)	Govt. (x2)	(18,799)
<b>Total</b>		<b>(105,712)</b>

**Appendix 3 - Summary of 2023/24 Budget Reductions**

	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Green	Has / is expected to be fully delivered	(17,549)	(17,549)	0
Amber	Being closely monitored but expected to deliver (no impact of Financial Forecast)	(2,252)	(2,252)	0
Amber/Red	Being closely monitored in year with elements expected not to be delivered (Financial	(60)	(20)	40
Red	Will not/ is not expected be delivered in full (Financial Forecast updated)	(108)	0	108
		(19,969)	(19,821)	148

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Community Health and Adult Social Care</b>					
CSA-BR1-435	Residential Enablement Redesign (Medlock Court)	Green	(400)	(400)	0
ASC-BR1-548	Smarter Ways of Working	Green	(119)	(119)	0
ASC-BR1-552	Review Care and Support Plans	Green	(1,255)	(1,255)	0
ASC-BR1-601	Adult Social Care - Direct Payments	Green	(1,300)	(1,300)	0
ASC-BR1-602	Adult Social Care - Target Operating Model	Green	(500)	(500)	0
	<b>Total</b>		(3,574)	(3,574)	0

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Childrens Services</b>					
CHS-BR1-445	Early Help Remodelling	Green	(300)	(300)	0
CHS-BR1-441	Special Educational Needs & Disability (SEND) Education Provision	Amber	(372)	(372)	0
CHS-BR1-536	Oldham Learning reduced de-delegated funding	Green	(45)	(45)	0
CHS-BR1-543	Delete Post - Social Worker in Permanence	Green	(46)	(46)	0
CHS-BR1-547	Savings on Targeted Youth Lot 3	Green	(23)	(23)	0
CHS-BR1-603	Learning Services – School Improvement and Support, Virtual School	Green	(51)	(51)	0
CHS-BR1-604	Re-alignment of SEND Central Services & Support	Green	(200)	(200)	0
CHS-BR1-605	School Support Services - Academisation	Amber/Red	(60)	(20)	40
PEG-BR1-608	Employment & Enterprise - Economic Growth (Get Oldham Working)	Green	(36)	(36)	0
	<b>Total</b>		(1,133)	(1,093)	40

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Public Health</b>					
PHT-BR1-612	Sexual Health	Green	(18)	(18)	0
PHT-BR1-613	NHS Health Checks	Green	(27)	(27)	0
PHT-BR1-614	Public Health Budget	Green	(400)	(400)	0
PHT-BR1-615	Young People's Substance Misuse & Sexual Health Service	Amber	(75)	(75)	0
	<b>Total</b>		(520)	(520)	0

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Communities</b>					
COM-BR1-616	Reduction in Councillor Ward budgets	Green	(60)	(60)	0
COM-BR1-618	School Swimming Service	Red	(10)	0.0	10
COM-BR1-619	OCL Sports Development School Coaching Service	Green	(14)	(14)	0
	<b>Total</b>		(84)	(74)	10

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Place and Economic Growth</b>					
PPL-BR1-401	Creating a Better Place - Projects & Assets	Amber	(800)	(800)	0
PPL-BR1-508	Increase External Customer Base - Trade Waste	Green	(10)	(10)	0
PPL-BR1-510	Public Protection Restructures - Env. Health & First Response	Green	(50)	(50)	0
PPL-BR1-504	Visit Oldham, Training Budget and Oldham Enterprise Trust	Green	(48)	(48)	0
PPL-BR1-505	Corporate Landlord and Facilities Management	Green	(100)	(100)	0
PEG-BR1-606	Capitalisation of Transport officers	Green	(80)	(80)	0
PEG-BR1-607	Increase Capitalisation of staff time on regeneration projects	Green	(79)	(79)	0
PEG-BR1-609	Employment & Enterprise - Economic Growth (Investment)	Green	(37)	(37)	0
PEG-BR1-635	Reshape Bonfire Event	Red	(25)	0.0	25
PEG-BR1-636	Don't Trash Oldham Betterment Programme	Green	(112)	(112)	0
PEG-BR1-638	Increase Fees in Cemeteries and Crematoria Service	Green	(228)	(228)	0
PEG-BR1-639	Increase Fees for Community Pitch Hire	Green	(4)	(4)	0
PEG-BR1-641	Income Generation – Trade Waste	Green	(120)	(120)	0
PEG-BR1-642	Variable Lighting Strategy	Amber	(800)	(800)	0
	<b>Total</b>		<b>(2,493)</b>	<b>(2,468)</b>	<b>25</b>

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Corporate Services</b>					
CEX-BR1-517	Finance Service - Unity Contract	Green	(73)	(73)	0
PPL-BR1-512	Information and Communications Technology (ICT)	Green	(15)	(15)	0
COR-BR1-610	Resource review of Research and Engagement	Green	(22)	(22)	0
COR-BR1-611	Realignment of Executive Assistants	Green	(17)	(17)	0
COR-BR1-617	Cease the Provision of a Meal prior to Council Meetings	Green	(10)	(10)	0
COR-BR1-620	HR and Organisational Development Service Restructure	Amber	(100)	(100)	0
COR-BR1-621	MS Licences migration to cheaper licences for some staff	Red	(50)	0.0	50
COR-BR1-622	MS Licences Improved Starter / Leaver Process	Red	(23)	0.0	23
COR-BR1-624	Reduction in Customer and Digital Experience	Green	(43)	(43)	0
COR-BR1-626	Review of CDTT Operating Model including ICT	Amber	(80)	(80)	0
COR-BR1-627	CDTT operating model review and implementation of Transformation changes	Green	(145)	(145)	0
COR-BR1-628	Democratic Services Review	Green	(85)	(85)	0
COR-BR1-631	Finance Service Restructure	Green	(182)	(182)	0
COR-BR1-634	Procurement - Reduction in non-pay budgets	Amber	(25)	(25)	0
	<b>Total</b>		<b>(870)</b>	<b>(797)</b>	<b>73</b>

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
<b>Capital and Treasury</b>					
COR-BR1-629	Reprofiling of the Minimum Revenue Provision	Green	(4,800)	(4,800)	0
COR-BR1-630	Service Inflation	Green	(6,350)	(6,350)	0
COR-BR1-633	PFI Insurance rebate/reduction in professional fees	Green	(145)	(145)	0
	<b>Total</b>		<b>(11,295)</b>	<b>(11,295)</b>	<b>0</b>
	<b>Grand Total</b>		<b>(19,969)</b>	<b>(19,821)</b>	<b>148</b>

## ANNEX 2

# CAPITAL INVESTMENT PROGRAMME REPORT 2023/24

## Quarter 1 – June 2023

### 1 Background

- 1.1 The original capital programme for 2023/24 reflected the priorities outlined in the capital strategy as approved at Cabinet on 13 February 2023 and confirmed at the Council meeting on 1 March 2023.
- 1.2 The outturn position as at 31 March 2023 and the position at the end of Month 3 (June 2023) is highlighted in this report.
- 1.3 For the remainder of the financial year, the programme will continue to be monitored and revised to take account of any new developments and changes in the profile of planned expenditure.

### Current Position

- 2.1 Table 1 below shows the capital programme for 2023/24 and a further four years to 2027/28, and reflects the priorities outlined in the capital strategy as approved at Cabinet on 13 February 2023 and confirmed at the Council meeting on the 1 March 2023.

**Table 1 – 2023/28 Capital Strategy**

Directorate Budget	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Community Health and Adult Social Care	3,023	2,643	846	400		6,912
Children's Services	10,258	4,850	1,691	1,500	1,500	19,799
Communities	400	100	-	-	-	500
Place and Economic Growth	83,936	81,101	27,309	36,507	3,054	231,907
Housing Revenue Account (HRA)	1,000	500	95	-	-	1,595
Corporate/Information Technology (IT)	5,958	3,960	2,650	2,150	-	14,718
Capital, Treasury & Technical Accounting	4,238	2,738	234	10,120	-	17,330
Funding for Emerging Priorities	1,492	12,486	13,836	4,885	-	32,699
<b>Total Expenditure</b>	<b>110,305</b>	<b>108,378</b>	<b>46,661</b>	<b>55,562</b>	<b>4,554</b>	<b>325,460</b>

(subject to rounding – tolerance +/- £1k)

Funding	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Grant & Other Contributions	(40,549)	(42,458)	(6,483)	(5,554)	(3,054)	(98,098)
Prudential Borrowing	(61,186)	(62,556)	(39,028)	(49,038)	(1,500)	(213,308)
Revenue Contributions	(1,000)	(500)	(95)	-	-	(1,595)
Capital Receipts	(7,569)	(2,865)	(1,056)	(970)	-	(12,460)
<b>Grand Total</b>	<b>(110,305)</b>	<b>(108,378)</b>	<b>(46,661)</b>	<b>(55,562)</b>	<b>(4,554)</b>	<b>(325,460)</b>

(subject to rounding – tolerance +/- £1k)



2.2 Following the 2022/23 Month 9 report which was approved at Cabinet on 20 March 2023, the 2023/24 Capital Programme was revised to reflect anticipated reprofiling. Forecast expenditure therefore increased to £119.292m. Taking into account the 2022/23 months 10-12 approved movements of £8.964m and the outturn adjustment of £5.324m there is a revised budget of £122.931m, as presented below.

2.3 Following a detailed review of the capital programme in June 2023, it is suggested that a further £19.183m of planned expenditure is reprofiled into future financial years. Further detail about the movements is contained in Appendix F. Assuming all the movements are approved it would leave a revised budget of £103.748m for 2023/24 based on the latest information as at 30 June 2023.

**Table 2 – 2023/24 Capital Programme**

Directorate	2023/24 as at M09 2022/23 (restated) £000	Other Approved Budget changes after M09 £000	2022/23 Outturn Adjustment £000	Revised Budget 2023/24 £000	Proposed Virement/ Rephase £000	Revised Budget (M03) £000
Community Health and Adult Social Care	3,023	299	(43)	3,279		3,279
Children's Services	11,058	7	(1,473)	9,592	(2,937)	6,655
Communities	542	11	37	590		590
Place and Economic growth	91,146	8,500	(2,751)	96,895	(14,617)	82,278
Housing Revenue Account	1,000	-	-	1,000		1,000
Corporate/Information Technology	6,792	155	(473)	6,474	(1,640)	4,834
Capital Treasury & Technical Accounting	4,238	-	(66)	4,172	11	4,183
Funding for Emerging Priorities	1,492	(8)	(555)	929		929
<b>Overall Total</b>	<b>119,292</b>	<b>8,964</b>	<b>(5,324)</b>	<b>122,931</b>	<b>(19,183)</b>	<b>103,748</b>

2.4 Given that this is the position as at Quarter 1 and in view of the current challenges being faced including the pressure caused by the economic position, there must remain an element of uncertainty about the forecast position: that said the forecasts are based on the latest and most up to date information. A further breakdown of Table 2 on a service by service area basis is shown at Appendices A to H and the detailed breakdown of proposed virement/rephasing, both expenditure and financing, is shown in Appendix I.

2.5 Actual expenditure to 30 June 2023 was £12.405m (11.96% of the proposed forecast outturn). This spending profile is higher than in previous years (2022/23: 8.62%). The position will be kept under review and budgets will be managed in accordance with forecasts.

## Re-profiling of the Capital Programme

- 2.6 The revised capital programme for 2023/24 to 2027/28, considering all the above amendments in arriving at the revised forecast position, is shown in Table 3 together with the projected financing profile.

**Table 3 – 2023/4 to 2027/28 Current Capital Programme**

Directorate Budget	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	TOTAL £000
Community Health and Adult Social Care	3,279	2,643	320	400	-	<b>6,642</b>
Children's Services	6,655	3,730	4,058	3,182	1,500	<b>19,125</b>
Communities	590	100	-	-	-	<b>690</b>
Place and Economic Growth	82,278	88,977	34,551	33,954	3,054	<b>242,814</b>
Housing Revenue Account (HRA)	1,000	500	95	-	-	<b>1,595</b>
Corporate/Information Technology (IT)	4,834	4,564	2,840	2,834	1,027	<b>16,099</b>
Capital, Treasury & Technical Accounting	4,183	2,738	234	10,137	-	<b>17,292</b>
Funding for Emerging Priorities	929	8,118	13,836	4,884	-	<b>27,767</b>
<b>Grand Total</b>	<b>103,748</b>	<b>111,370</b>	<b>55,934</b>	<b>55,391</b>	<b>5,581</b>	<b>332,024</b>

(subject to rounding – tolerance +/- £1k)

Funding	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	TOTAL £000
Grant & Other Contributions	(39,962)	(50,140)	(10,469)	(4,602)	(3,054)	<b>(108,227)</b>
Prudential Borrowing	(54,427)	(57,433)	(43,966)	(49,913)	(2,527)	<b>(208,266)</b>
Revenue Contributions	(1,063)	(500)	(95)	-	-	<b>(1,658)</b>
Capital Receipts	(8,296)	(3,298)	(1,404)	(875)	-	<b>(13,873)</b>
<b>Grand Total</b>	<b>(103,748)</b>	<b>(111,370)</b>	<b>(55,934)</b>	<b>(55,391)</b>	<b>(5,581)</b>	<b>(332,024)</b>

(subject to rounding – tolerance +/- £1k)

- 2.7 Following the approval of the Capital Strategy in March 2023, a number of year-end adjustments and new approvals have taken place. This leaves the revised 2023/24-2027/28 capital programme at £332.024m, an increase of £6.564m, which is broken down in the table below.

**Table 4 – Capital Programme Movement**

Expenditure movement	£000s
Net rephase from 2022/23	4,030
New Grant funded schemes	2,534
<b>Total Expenditure Increase</b>	<b>6,564</b>

(subject to rounding – tolerance +/- £1k)

- 2.8 Although not within the first quarter of the year, Members will be aware that Cabinet, at its meeting on 17 July 2023, approved action to stabilise the adult social care market within Oldham leading to the acquisition (out of administration) of a Care Home by a wholly owned Council company. Current expenditure has been incorporated within the forecast position.

- 2.9 The revised Funding for Emerging Priorities for 2023/24 to 2027/28, taking into account all the above amendments is shown at Table 5.

**Table 5 - Provision for Emerging Priorities**

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Provision for Emerging Priorities	929	8,118	13,836	4,884	-	27,767

Compared to the allocation set out in the approved Capital Strategy there has been a reduction in available resources of £4.932m following the approval of additional funding for Alexandra Park Depot, the Spindles Refurbishment, Diggle Clock Tower and Replacement of Litter Bins schemes at the end of 2022/2023.

### Capital Receipts

- 2.10 The capital programme requires the availability of £8.296m of capital receipts in 2023/24 for financing purposes. This includes £2.600m to support transformational activity in the General Fund using the flexibility allowed by Government.

The total net usable capital receipts currently received in year is £2.587m, the first call being the £2.600m outlined above (which as can be seen is almost fully covered).

- 2.11 The capital receipts position as at 30 June 2023 is as follows:

**Table 6 – Capital Receipts 2023/24**

	£000	£000
Capital Receipts Financing Requirement		8,296
Usable Capital Receipt b/fwd.	-	
Actual received to date	(2,587)	
Further anticipated capital receipt in year	(2,917)	
<b>Further Required in 2023/24</b>		<b>2,792</b>

(subject to rounding – tolerance +/- £1k)

- 2.12 Given the significant amount of capital receipts needed to finance the capital programme in this and future years it is imperative that the capital receipts/disposal schedule is adhered to. This is monitored at the monthly capital receipts meeting and will be subject to on-going review throughout the year. It is of course recognised that the ongoing economic instability with increasing interest rates and the impact on borrowing costs, coupled with the increase cost of living will continue to impact on business/economic activities making capital disposals more challenging.
- 2.13 The Capital Strategy and Capital Programme 2023/28 incorporates an expectation of the level of receipts that is anticipated in each of the respective years and therefore an estimate as to the resultant level of over or under programming in order to present a balanced budget. As can be seen below, the most recent review has produced a forecast which is below the financing projections included in Table 3. Should the currently estimated position prevail then the position would be as illustrated in the table below:

**Table 7 – Capital Receipts 2023/24 to 2027/28**

<b>Capital Receipts</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>2026/27 £000</b>	<b>2027/28 £000</b>
Capital Receipts Carried Forward	-	2,792	(887)	517	1,392
Estimated Capital Receipts	(2,917)	(6,977)	-	-	-
Received in year	(2,587)				
<b>Total Receipts</b>	<b>(5,504)</b>	<b>(4,185)</b>	<b>(887)</b>	<b>517</b>	<b>1,392</b>
Capital Receipts Financing Requirement	8,296	3,298	1,404	875	-
<b>Over/(Under) programming</b>	<b>2,792</b>	<b>(887)</b>	<b>517</b>	<b>1,392</b>	<b>1,392</b>

(subject to rounding – tolerance +/- £1k)

- 2.14 Although the capital receipts forecast is currently lower than the required amount, given that this is the month 3 position and there is the opportunity for the forecast to improve, at this stage it is considered appropriate to retain the original forecast and review this during the course of the current year. The consequence should the level of capital receipts fall is either, a corresponding increase in the level of prudential borrowing and hence an impact on the revenue budget, or a reduction in the overall capital programme.

### **Annual Review of the Capital Programme**

- 2.15 In accordance with previous practice, there is once again a review of the capital programme over the summer months (the Summer Review). This is examining any further opportunities to reallocate, decommission or reprofile resources. It will also include an in-depth analysis of capital receipts to support a revised forecast.

## **3 Conclusion**

- 3.1 Whilst the current projected position is showing the outturn to match the budget, a detailed review of the capital programme (the Annual Review) is being undertaken to establish if there are any surplus resources that can be realigned or any further re-profiling required. It is therefore likely that there will be some further rephrasing across all years to reflect developments relating to individual projects/schemes.
- 3.2 The capital programme is being continually monitored and is reported to Members on a regular basis.

## **4 Appendices**

- 4.1 Appendix A - SUMMARY – Qtr 1 - Community Health and Adult Social Care  
 Appendix B - SUMMARY – Qtr 1 - Children’s Service  
 Appendix C - SUMMARY – Qtr 1 - Communities  
 Appendix D - SUMMARY – Qtr 1 - Place and Economic Growth  
 Appendix E - SUMMARY – Qtr 1 - Housing Revenue Account (HRA)  
 Appendix F - SUMMARY – Qtr 1 - Corporate/Information Technology  
 Appendix G - SUMMARY – Qtr 1 - Capital Treasury and Technical Accounting  
 Appendix H - SUMMARY – Qtr 1 - Funding for Emerging Priorities  
 Appendix I – SUMMARY – Qtr 1 – Proposed Changes

**SUMMARY – Quarter 1 (June 2023) - Community Health and Adult Social Care**

**APPENDIX A**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Adult Services	3,023	299	(43)	3,279	-	3,279	3,279	-
<b>Community Health and Adult Social Care Total</b>	<b>3,023</b>	<b>299</b>	<b>(43)</b>	<b>3,279</b>	<b>-</b>	<b>3,279</b>	<b>3,279</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) – Children’s Service**

**APPENDIX B**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Children, Young People and Families (CYPF)	-	-	174	174	-	174	174	-
Schools - General Provision	4,266	421	(104)	4,583	(2,937)	1,646	1,646	-
Schools – Primary	1,250	273	545	2,068	-	2,068	2,068	-
Schools – Secondary	4,724	113	(2,086)	2,751	-	2,751	2,751	-
Schools – Special	18	0	(2)	16	-	16	16	-
Schools New Build	-	0	-	-	-	-	-	-
<b>Children’s Service Total</b>	<b>10,258</b>	<b>807</b>	<b>(1,473)</b>	<b>9,592</b>	<b>(2,937)</b>	<b>6,655</b>	<b>6,655</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) – Communities**

**APPENDIX C**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Local Investment Fund	400	153	37	590	-	590	590	-
<b>Communities Total</b>	<b>400</b>	<b>153</b>	<b>37</b>	<b>590</b>	<b>-</b>	<b>590</b>	<b>590</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) – Place and Economic Growth**

**APPENDIX D**

<b>Service area</b>	<b>Original Budget £000</b>	<b>Approved Changes /Virements £000</b>	<b>2022/23 Rephasing/ Acceleration £000</b>	<b>Revised Budget 2023/24 £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M3) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Asset Mgt - Asset Management	7,419	1,807	(93)	9,133	-	9,133	9,133	-
Asset Mgt - Education Premises	1,749	857	15	2,621	-	2,621	2,621	-
Boroughwide Developments	24,455	2,988	(2,897)	24,546	(5,453)	19,093	19,093	-
Development	-	-	11	11	(11)	-	-	-
Boroughwide Projects	-	233	-	233	-	233	233	-
Cemeteries and Crematorium	37	9	-	46	-	46	46	-
Countryside	100	25	66	191	-	191	191	-
Parks	35	311	34	380	-	380	380	-
Playing Fields & Facilities	-	-	2	2	-	2	2	-
Parks & Playing Fields	-	13	-	13	-	13	13	-
Private Housing - HMRP	150	50	49	249	-	249	249	-
Private Housing - Non-HMRP	-	85	63	148	-	148	148	-
Public Realm	50	75	-	125	-	125	125	-
Strategic Acquisitions	2,000	250	(9)	2,241	(1,241)	1,000	1,000	-
Town Centre Developments	33,888	5,464	(1,908)	37,444	(6,000)	31,444	31,444	-
Accident Reduction	198	181	776	1,155	464	1,619	1,619	-
Bridges & Structures	4,589	427	1,351	6,367	(663)	5,704	5,704	-
Fleet Management	298	-	451	749	-	749	749	-
Highway Major Works/Drainage schemes	7,659	1,609	(423)	8,845	(1,667)	7,178	7,178	-
Minor Works	781	481	(71)	1,191	94	1,285	1,285	-
Miscellaneous	528	846	(168)	1,206	(141)	1,065	1,065	-
Street Lighting	-	1,807	-	9,133	-	-	-	-
<b>Place and Economic Growth Total</b>	<b>83,936</b>	<b>15,710</b>	<b>(2,751)</b>	<b>96,895</b>	<b>(14,617)</b>	<b>82,278</b>	<b>82,278</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) - Housing Revenue Account (HRA)****APPENDIX E**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Housing Revenue Account	1,000	-	-	1,000	-	1,000	1,000	-
<b>HRA Total</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) – Corporate/Information Technology (IT)****APPENDIX F**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Information Technology	5,958	989	(473)	6,474	(1,640)	4,834	4,834	-
<b>Information Technology Total</b>	<b>5,958</b>	<b>989</b>	<b>(473)</b>	<b>6,474</b>	<b>(1,640)</b>	<b>4,834</b>	<b>4,834</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) – Capital Treasury and Technical Accounting****APPENDIX G**

Service area	Original Budget £000	Approved Changes /Virements £000	2022/23 Rephasing/ Acceleration £000	Revised Budget 2023/24 £000	Proposed Virement £000	Revised Budget (M3) £000	Forecast £000	Year End Variance £000
Cross Cutting /Corporate	4,238	-	(66)	4,172	11	4,183	4,183	-
<b>Capital Treasury and Technical Accounting Total</b>	<b>4,238</b>	<b>-</b>	<b>(66)</b>	<b>4,172</b>	<b>11</b>	<b>4,183</b>	<b>4,183</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)

**SUMMARY – Quarter 1 (June 2023) - Funding for Emerging Priorities****APPENDIX H**

<b>Service area</b>	<b>Original Budget £000</b>	<b>Approved Changes /Virements £000</b>	<b>2022/23 Rephasing/ Acceleration £000</b>	<b>Revised Budget 2023/24 £000</b>	<b>Proposed Virement £000</b>	<b>Revised Budget (M3) £000</b>	<b>Forecast £000</b>	<b>Year End Variance £000</b>
Funding for Emerging Priorities	1,492	(8)	(555)	929	-	929	929	-
<b>Funding for Emerging Priorities Total</b>	<b>1,492</b>	<b>(8)</b>	<b>(555)</b>	<b>929</b>	<b>-</b>	<b>929</b>	<b>929</b>	<b>-</b>

(subject to rounding – tolerance +/- £1k)



**SUMMARY – Quarter 1 (June 2023) Proposed Changes**

**APPENDIX I**

<b>EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 JUNE 2023</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
<b>Children's Services</b>						
Education Basic Need General Provision	(295)	-	368	295	-	<b>368</b>
School Places- Greenfield Primary- temporary classroom & playing fields block	(368)	-	-	-	-	<b>(368)</b>
SEND - Special Provision Capital Fund (SPCF) General Provision 2018-2021	(2,274)	(1,112)	2,000	1,387	-	-
<b>Children's Services Total</b>	<b>(2,937)</b>	<b>(1,112)</b>	<b>2,368</b>	<b>1,682</b>	<b>-</b>	<b>-</b>
<b>Place and Economic Growth</b>						
2021/22 HIP Schemes Amber	(53)	-	-	-	-	<b>(53)</b>
2022/23 – Highway Maintenance Schemes (Red)	35	-	-	-	-	<b>35</b>
2023/24 Highway Maintenance Schemes	1,337	-	-	-	-	<b>1,337</b>
A62 Huddersfield Road, Scouthead (Near Doctor Lane)	20	-	-	-	-	<b>20</b>
A669 Oldham Road, Grasscroft Pedestrian Safety Improvements	(25)	25	-	-	-	-
The Causeway Bridge, The Causeway off Gateway Crescent	(47)	-	-	-	-	<b>(47)</b>
Union Street West Footbridge	(47)	47	-	-	-	-
Denshaw Bridge, Delph Road	(24)	100	-	-	-	<b>76</b>
Laurel Avenue Bridge	17	375	-	-	-	<b>392</b>
Shaws Lane Footbridge	27	-	-	-	-	<b>27</b>
Street Bridge Road Bridge	38	350	-	-	-	<b>388</b>
Bridge Work - King Street Roundabout Footbridge	(76)	76	-	-	-	-
Capital Programme Management	(20)	20	-	-	-	-
Chew Valley Road	40	-	-	-	-	<b>40</b>
Church Road, Shaw - Highway Improvements	19	-	-	-	-	<b>19</b>
DFT ATF - School Streets	121	-	-	-	-	<b>121</b>
DFT ATF T2 Oldham Town Centre - Lees - Grotton Linear Park	6	-	-	-	-	<b>6</b>
DFT ATF T2 Wellington Street	(31)	-	-	-	-	<b>(31)</b>
DFT CF Waterloo & Wellington Bridges	(600)	600	-	-	-	-

<b>Place and Economic Growth cont'd</b>						
Disabled Access Improvements	30	-	-	-	-	<b>30</b>
Disabled Bays	16	-	-	-	-	<b>16</b>
Eastern Gateway Improvements (Prince's Gate)	(121)	121	-	-	-	-
Featherstall Road Roundabout (Signalisation and Provision of Pedestrian Facilities)	(2)	-	-	-	-	<b>(2)</b>
Footway Improvements	100	-	-	-	-	<b>100</b>
Green Shoots (Rhodes Bank)	(2,005)	2,005	-	-	-	-
Higher Turf lane	35	-	-	-	-	<b>35</b>
Honeywell Lane	40	-	-	-	-	<b>40</b>
Hunt Lane Railway Bridge	(4)	224	-	-	-	<b>220</b>
Integrated Minor highways & Traffic Management Schemes	80	-	-	-	-	<b>80</b>
Jubilee Park (Town Centre)	(1,000)	1,000	-	-	-	-
Leisure Review - Boroughwide Sports Provision	-	-	-	(16)	-	<b>(16)</b>
Manchester Street Viaduct refurbishment	(273)	273	-	-	-	-
Chadderton Pedestrian & Cycle Access Improvements	(75)	75	-	-	-	-
Park Bridge NCN 626 to Ashton	(10)	10	-	-	-	-
Park Road NCN 626 to Town Centre	(437)	437	-	-	-	-
Royton Town Centre Connection	(557)	557	-	-	-	-
Minor Drainage Works	50	-	-	-	-	<b>50</b>
Minor Structures Works	125	95	-	-	-	<b>220</b>
Northern Roots	(2,798)	-	2,798	-	-	-
Obligations under Sec 39 Road Traffic Act	70	-	-	-	-	<b>70</b>
Oldham Magistrates Court	(11)	-	-	-	-	<b>(11)</b>
Oldham Town Centre - Rock Street_Lord Street	(1,195)	1,195	-	-	-	-
Oldham Town Centre- Cheapside/West Street	(224)	152	72	-	-	-
Preliminary assessment and design of priority structures	75	-	-	-	-	<b>75</b>
Principal Bridge Inspections	49	-	-	-	-	<b>49</b>
Public Rights of Way (PRoW) Improvements	25	-	-	-	-	<b>25</b>
River Irk Bridge	26	74	-	-	-	<b>100</b>
Safety Barrier Enhancement (Boroughwide)	80	-	-	-	-	<b>80</b>

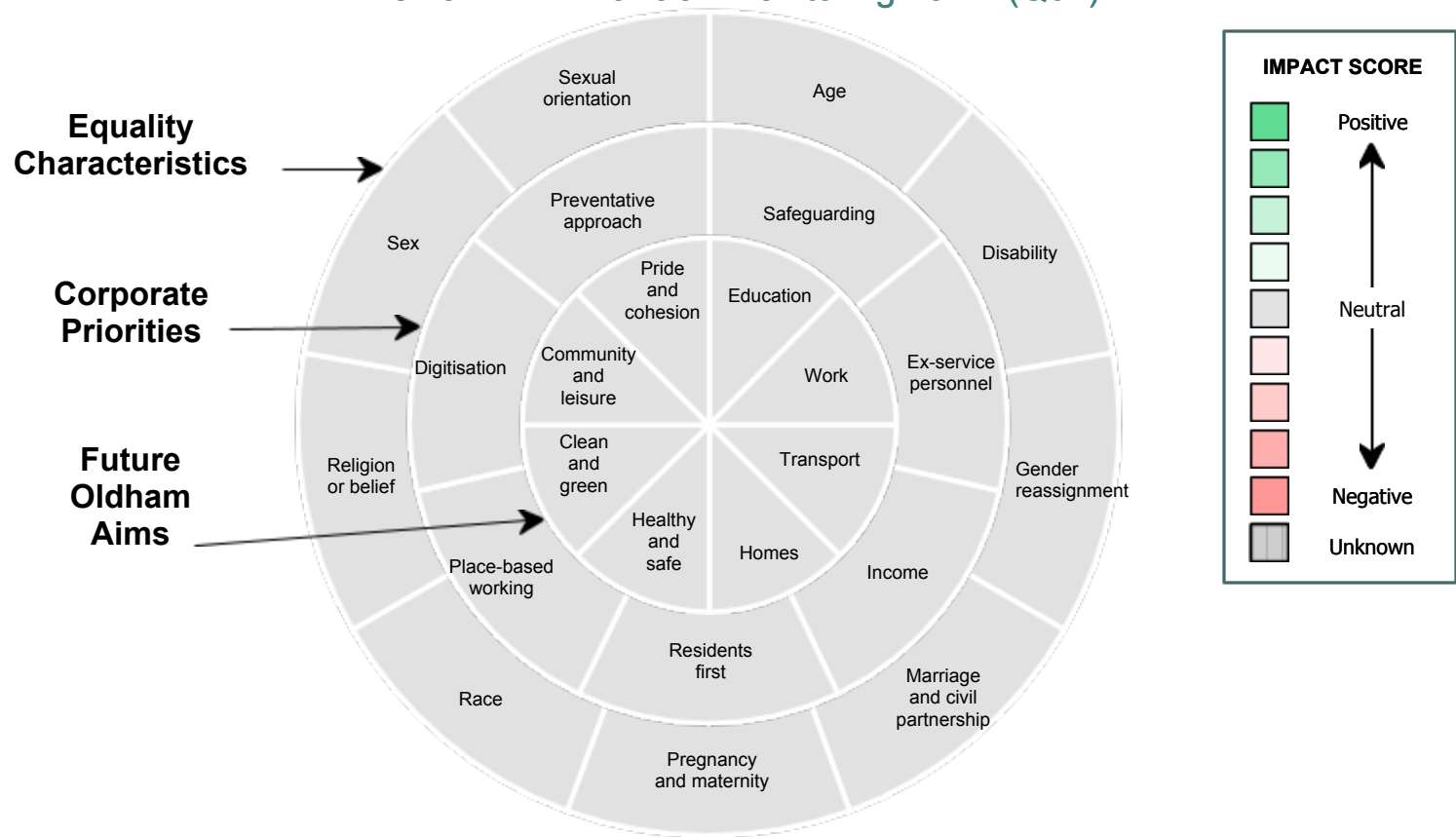
<b>Place and Economic Growth cont'd</b>						
Spindles Redevelopment	(5,000)	-	5,000	-	-	-
St Marys Primary, Greenfield - School Safety Zone	7	-	-	-	-	7
Strategic Acquisitions- General Provision	(1,241)	-	1,241	-	-	-
Tame Bridge	(9)	229	-	-	-	220
Traffic calming of 20mph, Uppermill, Dobcross	170	-	-	-	-	170
Transport Investment	(672)	(371)	(371)	(2,500)	-	(3,915)
Width Restriction, Wrigley Head, Failsworth	(49)	49	-	-	-	-
Wrigley Head Solar Farm	(650)	650	-	-	-	-
<b>Place Total</b>	<b>(14,617)</b>	<b>8,367</b>	<b>8,739</b>	<b>(2,516)</b>		<b>(27)</b>
<b>Corporate/Information Technology</b>						
Application Portfolio Management Line of Business Systems	30	-	-	-	-	30
Digital Communities Business Insight Performance, Strategy & Policy Foundations	(341)	(600)	(600)	(500)	-	(2,041)
Digital Leadership Business Support HR/OD Foundations	(100)	(50)	150	-	-	-
Digital Services Customer Experience	(1,377)	(109)	(500)	(350)	527	(1,809)
Technology Roadmap Digital and Technology Foundations	(106)					(106)
Data - Theme 3	254	909	950	1,534	500	4,147
<b>Corporate/Information Technology Total</b>	<b>(1,641)</b>	<b>150</b>	<b>-</b>	<b>683</b>	<b>1,027</b>	<b>220</b>
<b>Capital, Treasury and Technical Accounting</b>						
Provision for CPOs	11	-	-	16	-	27
<b>Capital, Treasury and Technical Accounting Total</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>27</b>
<b>Grand Total</b>	<b>(19,183)</b>	<b>7,404</b>	<b>11,107</b>	<b>(135)</b>	<b>1,027</b>	<b>220</b>

(subject to rounding – tolerance +/- £1k)

<b>FINANCING BUDGETS TO BE REPROFILED AS AT 30 JUNE 2023</b>						
	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>Total</b>
Grant & Other Contributions	11,159	(7,845)	(4,499)	965	-	(220)
Prudential Borrowing	7,028	1,069	(6,241)	(829)	(1,027)	-
Revenue Contributions	-	-	-	-	-	-
Capital Receipts	996	(629)	(368)	-	-	-
<b>Grand Total</b>	<b>19,183</b>	<b>(7,404)</b>	<b>(11,107)</b>	<b>135</b>	<b>(1,027)</b>	<b>(220)</b>

(subject to rounding – tolerance +/- £1k)

### Annex 3- EIA: Financial Monitoring 23/24 (Q01)



Annex 3- EIA: Financial Monitoring 23/24 (Q01)				
	Impact	Likelihood	Duration	Comment
<b>Equality Characteristics</b>				
Age	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 1 (30 June 2023) and as such, in isolation has no direct impact on Equality
Disability	Neutral	Possible	Short Term	As Above
Gender reassignment	Neutral	Possible	Short Term	As Above
Marriage and civil partnership	Neutral	Possible	Short Term	As Above
Pregnancy and maternity	Neutral	Possible	Short Term	As Above
Race	Neutral	Possible	Short Term	As Above
Religion or belief	Neutral	Possible	Short Term	As Above
Sex	Neutral	Possible	Short Term	As Above
Sexual orientation	Neutral	Possible	Short Term	As Above
<b>Corporate Priorities</b>				
Safeguarding	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 1 (30 June 2023) and as such, in isolation has no direct impact on Corporate Priorities
Ex-service personnel	Neutral	Possible	Short Term	As Above
Income	Neutral	Possible	Short Term	As Above
Residents first	Neutral	Possible	Short Term	As Above
Place-based working	Neutral	Possible	Short Term	As Above
Digitisation	Neutral	Possible	Short Term	As Above
Preventative approach	Neutral	Possible	Short Term	As Above
<b>Future Oldham Aims</b>				
Education	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 1 (30 June 2023) and as such, in isolation has no direct impact on Future Oldham Aims
Work	Neutral	Possible	Short Term	As Above
Transport	Neutral	Possible	Short Term	As Above
Homes	Neutral	Possible	Short Term	As Above
Healthy and safe	Neutral	Possible	Short Term	As Above
Clean and green	Neutral	Possible	Short Term	As Above
Community and leisure	Neutral	Possible	Short Term	As Above
Pride and cohesion	Neutral	Possible	Short Term	As Above