

Report to Cabinet

Revenue Monitor and Capital Investment Programme 2023/24

Quarter 2 – September 2023

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

Officer Contact: Sarah Johnston, Director of Finance

Report Author: Lee Walsh, Assistant Director of Finance

11 December 2023

Reason for Decision

The report provides Cabinet with an update as at 30 September (Quarter 2) 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 £14.588m 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, Sections 2 and 3.

It is of concern that the overall financial position has worsened between quarters 1 and 2. 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.

Information on the Quarter 2 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 £3.193m and £4.025m 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 a surplus with the Council's proportion of this surplus being £1.054m. 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 £76.595m, a net decrease of £27.153m from the £103.748m reported at the close of Quarter 1 and a net decrease of £33.710m from the original budget approved at Council on 1 March 2023 of £110.305m. Actual expenditure to 30 September 2023 was £33.700m (44.0% 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 2 being a £14.588m 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 2.

Revenue Monitor and Capital Investment Programme 2023/24 Quarter 2 – September 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 2 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 a re-phasing of the approved capital programme following the Annual Review.
- 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 £14.588m after the application of £13.282m 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 2, totalling £17.948m. There are pressures within Community Health and Adult Social Care of £0.558m, Place and Economic Growth of £4.797m and Children's Services of £12.593m. Favourable variances totalling £3.360m which are offsetting these pressures are reported in Public Health at £0.238m, Communities at £0.092m, Corporate Services at £1.157m and Capital, Treasury and Technical Accounting at £1.873m.
- 2.2 It should be noted that three of the approved 2023/24 Budget Reductions are classified 'Red' and are forecast not to be delivered, one each within Children's Services, Public Health and Place and Economic Growth all with a combined value of £0.407m which have been factored into the forecasts. In addition, one Budget Reduction within Children's Services is rates '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 four Budget Reductions have been rated as 'Amber' with a combined value of £1.755m. These will continue to be monitored throughout the year with the aim of maximising deliverability. At quarter 2, these have been assumed to deliver and so no impact has been built into the forecasts.
-

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. The month 8 and 9 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 2, it can be regarded as an indicator of the likely year end position if continued corrective action is not successfully 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. 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 2 taking account of approved carry forwards, approved new funding, new schemes and variations and proposed variations/ re-phasing and the also the outcome of the Annual Review gives projected revised expenditure of £76.595m. Actual expenditure at Quarter 2 was £33.700m (44.0% of the forecast outturn). Further details of expenditure and schemes within the capital programme can be found in Annex 2.

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
- 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.

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-05-23

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

21 Appendices

Annex 1 Revenue Budget Monitoring Report 2023/24 Quarter 2 - September 2023

Appendix 1 Financing of the 2023/24 Revenue Budget at Quarter 2

Appendix 2 Analysis of Grants

Appendix 3 Summary of 2023/24 Budget reductions and Deliverability

Annex 2 Capital Investment Programme Report 2023/24 Quarter 2 - September 2023

Appendix A SUMMARY – Quarter 2 - Community Health & Adult Social Care

Appendix B SUMMARY – Quarter 2 - Children's Services

Appendix C SUMMARY – Quarter 2 - Communities

Appendix D SUMMARY – Quarter 2 - Place and Economic Growth

Appendix E	SUMMARY – Quarter 2 - Housing Revenue Account (HRA)
Appendix F	SUMMARY – Quarter 2 – Corporate/ Information Technology
Appendix G	SUMMARY – Quarter 2 - Capital, Treasury & Technical Accounting
Appendix H	SUMMARY – Quarter 2 - Funds for Emerging Priorities
Appendix I	SUMMARY – Quarter 2 - Proposed Variations
Annex 3	Equality Impact Assessment- Financial Monitoring 23-24 (Q02)

REVENUE BUDGET MONITORING REPORT 2023/24

Quarter 2 - September 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 2 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 £294.408m represents an increase of £7.357m against the originally approved budget of £287.051m and an increase of £2.092m from the £292.316m reported at quarter 1. This is due an increase in the utilisation of capital grants of £1.916m reflecting the reporting arrangements when preparing the Statement of Accounts. In addition, three un-ringfenced Government grants totalling £0.176m have been received between quarters 1 and 2, table 1 shows the movement in funding. A full funding analysis can be found at Appendix 1.

Table 1 – Movement in Funding

Movement in Funding	£000
Capital Grants	(1,916)
Leaving Care Allowance Grant	(61)
Capacity and Capability Grant	(70)
Levelling Up Partnership (LUP) Local Authority Capacity Payment Grant	(45)
Net Movement in Funding	(2,092)

2.2 The current position for 2023/24 at Quarter 2 is a projected adverse variance of £14.588m, 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 Transfer To/ (From) Reserves	Variance Quarter 2	Variance Quarter 1
	£000	£000	£000	£000	£000
Community Health and Adult Social Care	77,796	80,909	(2,554)	558	518
Children's Services	69,611	85,329	(3,125)	12,593	10,886
Public Health	23,677	25,552	(2,113)	(238)	(250)
Communities	8,988	9,467	(571)	(92)	(128)
Place and Economic Growth	60,005	67,029	(2,227)	4,797	3,553
Corporate Services	30,285	30,385	(1,257)	(1,157)	(586)
Capital, Treasury and Technical Accounting	24,045	23,607	(1,436)	(1,873)	(1,888)
NET EXPENDITURE	294,408	322,278	(13,282)	14,588	12,104
FINANCED BY:					
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	(278,701)	(278,701)	-	-	-
TOTAL FINANCING	(294,408)	(294,408)	-	-	-
NET FORECAST VARIANCE	-	27,871	(13,282)	14,588	12,104

2.3 The forecast outturn to the end of the year, after a predicted and proposed (net) in-year transfer from reserves totalling £13.282m is an adverse variance of £14.588m, an increase of £2.484m from the quarter 1 deficit of £12.104m, section 8 provides more detail about the approved and planned use of reserves at Quarter 2.

2.4 There are significant variances contained within the projected net overspend. There are currently three areas which are forecasting pressures at Quarter 2;

- Children's Services is forecasting a pressure of £12.593m, the most significant contributing factor to the adverse variance;

-
- Place and Economic Growth is forecasting a pressure of £4.797m; and
 - Community Health and Adult Social Care is forecasting a pressure of £0.558m.

Favourable variances totalling £3.360m which are offsetting these pressures are reported in Public Health at £0.238m, Communities at £0.092m, Corporate Services at £1.157m and Capital, Treasury and Technical Accounting at £1.873m.

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 £0.558m, after a £2.554m use of reserves compare to an adverse variance of £0.518m at quarter. 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 £12.593m (£10.886m at quarter 1), after a £3.1258m use of reserves. The main pressure is within Children's Social Care (CSC) which is showing an overspend of £12.011m. 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 £0.582m and Preventative Services is showing a balanced position.
- 2.7 Public Health is forecasting an underspend of £0.238m after a net £2.113m 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 £0.092m after utilising £0.571m of reserves.
- 2.9 The Place and Economic Growth Portfolio is forecasting an adverse variance of £4.797m net of a £2.227m 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 £1.157m after the utilisation of £1.257m use of reserves. There are minor pressures totalling £0.248m Legal Services (£0.246m) and Strategy and Performance (£0.002). The pressures are offset by favourable variances totalling £1.405m relating to; Chief Executive, Management and Executive Office (£0.098m), Commissioning and Procurement (£0.064m), Finance (£0.551m), Communications and Research (£0.037m), Customer, Digital and Transformation (£0.633m) and HR and Organisational Development (£0.024m).
- 2.11 Capital, Treasury and Technical Accounting is showing a favourable variance of £1.873m.
- 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 It is important to note that three of the 2023/24 approved Budget Reductions, one within Children's Services (see section 3.2.13), one within Public Health (see section 3.3.5) and one within Place and Economic Growth (see section 3.5.5) with a combined value of £0.407m 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.
- 2.14 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.
- 2.15 In addition, there are a further four Budget Reductions, two within Place and Economic Growth (see section 3.5.5), one within Corporate Services (see section 3.6.10) and one within Public Health (see section 3.3.5) with a combined value of £1.755m 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 2, 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.
- 2.16 In view of the increasing 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 quarter 2 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.

- 2.17 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.

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 2.
-

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

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Clusters	3,016	2,974	-	(41)
Commissioning	16,621	18,253	(1,500)	132
Community Business Services	1,247	1,887	(797)	(157)
Community Health & Social Care	28,249	28,247	-	(1)
Director Adult Social Care	1,916	2,183	(257)	10
Learning Disability	15,888	16,188	-	300
Mental Health	9,846	10,161	-	314
Safeguarding	1,013	1,015	-	1
Total Forecast Net Expenditure	77,796	80,909	(2,554)	558

Summary

- 3.1.2 The Portfolio has a projected overspend of £0.558m, an increase of £0.40m compared to the £0.518m reported at Quarter 1 and incorporates the use of reserves of £2.554m.
- 3.1.3 Short stay provision that has been repurchased as permanent placements following Care Act reassessments which has resulted in a significant number of residential and nursing care packages becoming a long-term requirement which has consequently presented the service with an increase of backdated and previously unbudgeted costs of £0.634m between quarters 1 and 2.
- 3.1.4 There is a further pressure of £0.076m due to additional resources being deployed in the Client Services and Brokerage Teams to support with on-going pressures and delays in financial assessments.
- 3.1.5 The quarter 1 report advised of the receipt of the Market Improvement and Sustainability Fund (£1.707m) this together with a further funding award; the Urgent Emergency Grant (£0.527m) have been partially deployed to support the bottom line and to offset the use of reserves, all in support of the grant conditions. This together with a number of smaller favourable variances across the Portfolio, mainly in relation to staffing have contained the adverse movements outlined above and limited the adverse movement between the two quarters to £0.040m.

Clusters

- 3.1.6 The Cluster service area is reporting an underspend forecast position of £0.041m. The variance relates to vacant posts, mostly Social Worker posts across the service.

Commissioning

- 3.1.7 The service is reporting an overspend of £0.132m. An expected cost of £0.215m is for a temporary team of Social Workers deployed to undertake emergency Care Act assessments linked to establishment of Oldham Total Care. The pressure is offset by an underspend of £0.083m which relates primarily to vacant posts following a service restructure. Costs have increased due to contract awards for the extension of Day Service provision and Bank Holiday enhancements which has been mitigated by a decrease in Community Equipment within the Millbrook contract.

Community Business Services

- 3.1.8 Community Business Services is forecasting a £0.157m underspend which in the main relates to the recovery of unexpected income from a deferred payment. 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 £0.797m. An updated report was presented to Management Board outlining the programmes revised priorities and the implications of the Care Quality Commission statutory reforms.

Community Health and Social Care

- 3.1.9 Community Health and Social Care service area is forecasting a marginal underspend of £0.001m. A favourable variance of £0.068m relates to vacant posts within the Integrated Discharge Team (IDT) and Sensory Teams and this is offset by an overspend on care costs of £0.067m which relates mostly to residential placements.

Director of Adult Social Care (DASS)

- 3.1.10 The overspend of £0.010m relates to additional in year Mosaic costs of £0.055m which are partially offset by a £0.045m forecast underspend on vacant posts.

Learning Disability

- 3.1.11 The Learning Disability service is forecasting an adverse variance of £0.300m, mainly due to the increase in the hourly rate for Direct Payments (DP) from £10 to £10.90 per hour, with an associated cost of £0.530m. In addition, changes to existing DP packages following Care Act assessments have increased costs by a further of £0.330m. Mitigating the pressure is an increase of 31 service users contributing to their care packages generating income of £0.440m and an increase in Continuing Health Care (CHC) income of £0.120m.

Mental Health

- 3.1.12 The Mental Health (MH) service is projecting an overspend of £0.314m. The increase in costs is due to the rising number of individuals in MH and the uplift in care provider fees totalling £0.350m and £0.730m respectively. The pressure is offset by an increase in Continuing Health Care funding of £0.293m, additional backdated DP audit clawbacks
-

totalling £0.083m, an increase of £0.120m of reallocated Better Care Fund income together with an underspend of £0.270m in relation to vacant posts.

Safeguarding

- 3.1.13 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

- 3.1.14 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 2, £2.049m has been delivered with the remaining on track by the end of the financial year.

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	54,473	66,753	(269)	12,011
Education, Skills & Early Years	11,585	13,830	(1,663)	582
Preventative Services	3,592	4,774	(1,182)	-
Schools	(39)	(28)	(11)	-
Total Forecast Net Expenditure	69,611	85,329	(3,125)	12,593

Summary

- 3.2.2 The Portfolio has a projected overspend £12.593m an increase of £1.707m on the £10.886m reported at Quarter 1, incorporating a £3.125m use of reserves. The principal underlying reasons are detailed in the following paragraphs.

Children's Social Care

- 3.2.3 This Directorate is projecting a £12.011m overspend at quarter 2 compared to £10.820m at quarter 1 the forecast incorporates a £0.269m use of reserves; an increase of £1.191m. The principal underlying reasons are detailed below.

Children in Care

- 3.2.4 The area is forecasting a pressure of £9.418m an increase of £1.371m compared to the £8.047m reported at quarter 1. The main pressure is £9.868m in relation to External placements, the main constituents being; a net pressure, after incorporating the

application of Continuing Health Care funding of £8.160m relating to placements for Children Looked After within high-cost external residential packages (£6.302m at quarter 1), with a further pressure against external semi-independent placements of £1.980m (£1.804m at quarter 1). The placement variance is being offset by a net favourable variance of £0.450m across a range of service areas throughout the Directorate.

Children's Fieldwork and Family Support

- 3.2.5 The area is forecasting a pressure of £2.758m, a £0.365m reduction compared to quarter 1. This is due to a net overspend of £1.992m on staffing costs; a reduction of £0.558m compared to quarter 1. In addition, Provisions for short breaks for children with disabilities is showing a net pressure of £0.389m, No Recourse to Public Funds £0.107m, Assistance to Families of £0.207m and other small adverse variances totalling £0.063m.

Children's Safeguarding

- 3.2.6 The area is reporting a favourable variance of £0.165m 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 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 significant budgetary implication for 2024/25 and beyond as well as reduce the overall financial resilience of the Council.

Education, Skills and Early Years

3.2.10 The area is reporting a £0.582m pressure an increase of £0.516m compared to the £0.066m reported at Quarter 1 and incorporates the use of reserves totalling £1.633m.

3.2.11 The main factor producing the adverse variance and the increase between quarters 1 and 2 is an emerging pressure of £0.737m within Home to School transport. There is a further pressure of £0.040m in relation to fees received for supporting schools through the process of converting to an academy. Both the pressures are linked to the non-delivery of a related budget reduction as referred to in section 3.2.13 below. The overspend is netted down by a series of predominantly staffing related favourable variances throughout the Portfolio with a total, net value £0.195m.

Preventative Services

3.2.12 The area is incorporating a use of reserves totalling £1.182m and continues to forecast a balanced outturn at Quarter 2.

Achievement of Budget Reductions

3.2.13 Budget reductions for the Directorate in 2023/24 total £1.133m of which £0.701m are rated 'Green– Has / is expected to be fully delivered'. The Budget Reduction; School Support- Academisation (£0.060m) is currently rated 'Amber/ Red – being closely monitored in year with elements expected not to be delivered' with £0.040m currently forecast not to be achieved. In addition, the budget reduction 'Special Education Needs and Disability (SEND) Education Provision' with a value of £0.372m is now rated Red-will not / is not expected to be delivered in full' as a consequence of being linked to the pressure in relation to home to school transport (as advised as 3.5).

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 2. It should be noted that since the quarter 1 report Heritage Libraries and Arts and Youth Services have been realigned from the Public Health portfolio into Communities, performance between the two quarters is therefore not directly comparable from the last reported position.

Table 5 – Public Health

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Public Health (Client and Delivery)	19,650	20,728	(1,338)	(260)
Leisure Services	4,027	4,824	(776)	22
Total Forecast Net Expenditure	23,677	25,552	(2,113)	(238)

Summary

- 3.3.2 The Portfolio has a projected underspend of £0.260m and incorporates the use of reserves of £2.113m. The principal underlying reasons are detailed below.
- 3.3.3 Public Health (Client and Delivery)) is showing an underspend of £0.260m as at month 6 which is due to slippage on staffing costs and eligible staffing costs being charged to the Contain Outbreak Management Fund (COMF) grant, which in the main accounts for the majority of the reserves. The grant was 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 an overspend of £0.022m which relates to an additional payment for the running of Newman College leisure facility. Between the two quarters a pressure of £0.368m for increased energy costs for OCL which was being met from the Energy Cost reserve was nullified by the Council receiving confirmation on the 27th September 2023, that the application for £0.500m funding had been accepted from the Swimming Pool Support Fund.

Achievement of Budget Reductions

- 3.3.5 Budget reductions for the Directorate total £0.544m of which £0.459m are rated 'Green – Has / is expected to be fully delivered'. One Budget Reduction (£0.075m) is rated 'Amber – being closely monitored but expected to deliver'. In addition, the Budget Reduction 'School Swimming Service' with a value of £0.010m is rated 'Red – will not / is not expected to be delivered in full.

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 2, as noted in section 3.3.1 above comparison due to realignments comparison between quarters is not directly comparable.

Table 6 - Communities

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Community Services	2,420	2,689	(516)	(247)
Heritage, Libraries and Arts	5,809	5,903	(55)	39
Youth Services Client	759	875	-	116
Total Forecast Net Expenditure	8,988	9,467	(571)	(92)

Summary

3.4.2 The Portfolio has a projected underspend of £0.092m and incorporates and incorporates a net use of reserves totalling £0.571m.

Community Services

3.4.3 The area is reporting an underspend of £0.247m at month 6 which relates to vacancies in the District Partnerships team.

Heritage Libraries and Arts

3.4.4 The service is reporting an overspend of £0.039m at month 6. The service has a reported pressure of £0.113m on staffing costs and non-pay budget which is offset in part from increased income.

Youth Services Client

3.4.5 The service is reporting an overspend of £0.116m at month 6. There is an ongoing income pressure of £0.109m within Outdoor Education which is offset in part by the generation of additional income in Youth Services and eligible staff time charged to the Homes for Ukraine grant.

Achievement of Budget Reductions

3.4.6 The single Budget Reductions for the Directorate has a value of £0.060m and is rated 'Green – Has / is expected to be fully delivered'.

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 2.

Table 7 – Place and Economic Growth

	Revised Budget £000	Forecast £000	Use of Reserves £000	Variance £000
Environmental Services	56,140	56,676	54	591
Economy	3,865	10,353	(2,281)	4,207
Total Forecast Net Expenditure	60,005	67,029	(2,227)	4,797

Summary

3.5.2 The Portfolio has a projected overspend of £4.797m (£3.553m at quarter 2) and incorporates a net use of reserves totalling £2.227m. The principal underlying reasons are detailed below.

Environmental Services

3.5.3 The area is forecasting an overspend of £0.591m (£0.451m at quarter 1) and after incorporating a transfer to reserves of £0.054m. The main reasons for the adverse variance are detailed below:

- The Waste Management Services is currently expected to overspend by £0.352m (£0.365m as at quarter 2) due to increasing demands for the service and pressures around the Bulky Waste contract in total amounting to totalling £0.755m partially offset by increased trade waste income of £0.403m;
- The Highways Service is expected to overspend by £0.528m (£0.356m overspend as at quarter 1) relating to the use of agency staff cover and increased material costs. The increase is due to the prudent projection of a Winter Maintenance pressure of approximately £0.200m. Whilst the severity of the winter is obviously unknown historic pressures and the rising cost of materials have informed the projection;
- The Public Protection is expected to underspend by £0.179m (£0.168m underspend as at quarter 1) principally as a result of vacant posts within the service.
- The Street Lighting Service is expected to underspend by £0.086m (£0.078m at quarter 1) as a result of expected deductions from the PFI contract, it should be noted this is separate to the Street Lighting dimming and trimming budget option;
- The Environmental Management Service is expected to underspend by £0.009m (£0.024m underspend as at quarter 1) with pressures in supplies and services and vehicle costs totalling £0.374m, offset by vacant posts and additional income in the Cemeteries and Crematoria totalling £0.383m; and
- In addition, there are small underspends forecast in Building Control and Fleet Management totalling a further £0.017m

Economy

3.5.4 The area is forecasting an overspend of £4.207 (£3.102m at quarter 1) after a £2.281m transfer from reserves. The main reasons are detailed below:

- The Estates and Property Management Services are currently expected to overspend by £1.155m (£1.270m overspend as at quarter 1) due to pressures against the repairs and maintenance (£0.825m), rates (£0.280m) and security budgets (£0.340m). Potential management actions around property works programmed in year could reduce the forecast. The service is currently offsetting some of these pressures through vacant posts and the subsequent salary savings
- The Strategic Housing Service is currently projected to overspend by £2.801m (£1.600m overspend as at quarter 1) due to continuing demand pressures for Temporary Accommodation totalling £3.136m being offset by use of the homelessness reserve of £0.195m and underspends against the professional fees and staffing budgets totalling £0.140m.
- The Planning Service is expected to overspend by £0.167m (£0.215m overspend as at quarter 1) due to expected under-recovery of Planning Fee income. The total Planning service income budget target for 2023/24 is £0.994m
- The Facilities Management Service is currently projecting an underspend of £0.031m (£0.015m underspend as at quarter 1), this due to vacant posts and the subsequent salary savings of £0.503m. This is offset with shortfalls against income targets of £0.199m in addition to an overspend on supplies & services of £0.236m
- The Town Centre and Markets Service area is currently projecting an overspend of £0.004m balanced outturn as at quarter 1). This is due to premises related pressures of £0.036m and shortfalls against income targets totalling £0.024m offset by savings against vacant posts within the service of £0.056m;
- 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; and
- The Business Growth service is, for the first timey projecting an overspend of £0.105m, as at quarter 2 due to staffing cost pressures.

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 rated 'Amber – being closely monitored but expected to deliver' with a combined value of £1.600m. One Budget Reduction 'Reshape Bonfire Event' with a value of £0.025m is rated 'Red - Will not/ is not expected be delivered in full. I.

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	4,919	4,930	(110)	(100)
Commissioning and Procurement	557	493	-	(64)
Finance	8,188	7,712	(75)	(551)
Legal Services	3,772	4,042	(24)	246
Communications and Research	997	1,320	(360)	(37)
Customer, Digital and Transformation	7,644	7,512	(500)	(633)
Strategy and Performance	965	1,105	(138)	2
HR & Organisational Development	3,243	3,270	(50)	(24)
Total Forecast Net Expenditure	30,285	30,385	(1,257)	(1,157)

Summary

3.6.2 The Portfolio has a projected underspend of £1.157m (£0.587m at quarter 1) and incorporates the use of reserves totalling £1.257m. The principal underlying reasons are detailed below.

Chief Executive, Management and Executive Office

3.6.3 The area is reporting an underspend of £0.100m (£0.063m at quarter 1), a pressure within professional fees which is being offset by a vacant post and reduced pension costs.

Commissioning and Procurement

3.6.4 The Division is reporting an underspend of £0.064m (£0.089m overspend reported at quarter 1). The service continues to experience difficulties in recruiting to permanent posts, this is resulting in the continuation of interims (£0.350m) which is offset by vacant posts of £0.405m. The service is projecting a pressure of £0.025m against the Early Payment scheme, with an offsetting reduction in non-pay cost £0.034m.

Finance

3.6.5 The Division is reporting an underspend of £0.551m (£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 an overspend of £0.246m (£0.002m at quarter 1). There are staffing pressures in Legal due to the use of agency staff (£0.553m) which is offset in part

by vacant posts across the Division (£0.242m). There continues to be a pressure in relation to schools buy back income which has been offset by increased income in Registrars and additional grant income received for the Local Election.

Communications and Research

- 3.6.7 The service is recording an underspend of £0.037m (£0.014m at quarter 1), primarily as a result of vacant posts.

Customer, Digital and Transformation

- 3.6.8 The Division is reporting an underspend of £0.633m (£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 to deliver a net staffing underspend of £0.765m this together with the use of the Transformation Reserve to support staffing cost (£0.250m) plus increased fees charged to capital (£0.113m) produces a favourable variance of £1.128m. This variance is offset by a pressure of £0.100m on the amount of income receivable from Health partners, additional costs of £0.223m on third party ICT costs and a non-pay pressure of £0.172m within Transformation and Reform.

Human Resources (HR) and Organisational Development

- 3.6.9 The service is reporting an under spend of £0.024m (overspend of £0.156m at quarter 1). A Pressures of £0.349m in relation to schools buy back and funding from Health which ceased in 2022/23 together with a pressure of £0.057m against non-pay are more than wholly offset by a favourable variance created by vacant post to deliver a forecast positive outturn.

Achievement of Budget Reductions

- 3.6.10 Budget reductions for the Portfolio in 2023/24 total £0.870m of which thirteen totaling £0.790m are rated 'Green – Has / is expected to be fully delivered'. One Budget Reduction with a value of £0.080m is rated 'Amber – being closely monitored but expected to deliver'.

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	22,695	22,257	(1,436)	(1,873)
Corporate and Democratic Core	1,003	1,003	-	-
Parish Precepts	347	347	-	-
Total Forecast Net Expenditure	24,045	23,607	(1,436)	(1,873)

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 £1.873m virtually unchanged from the £1.888m reported at Quarter 1.
- 3.7.3 There are favourable variances of £1.667m due to higher levels of interest receipts on external investments with further favourable variances of £0.112m against cash collections, bank charges and professional fees.
- 3.7.4 The Housing Benefit service is projecting a favourable variance of £0.350m at Quarter 2. This is based upon the Department for Work and Pensions Statement of Local Authority claimed Entitlement to Housing Benefit Subsidy Form for the financial year ending March 2024.
- 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 2, excluding the DSG as outlined in Section 5.1, Portfolios are forecasting a total of £111.844m 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 2.
-

Table 10 – Grants Ringfenced to Portfolios

Portfolio	Govt. Grants £000	Other Grants £000	Total 2023/24 £000
Community Health and Adult Social Care	-6,818	-15,097	-21,915
Children's Services	-16,347	-12	-16,359
Public Health	-65	-104	-168
Communities	-2,538	-715	-3,253
Place and Economic Growth	-4,350		-4,350
Corporate Services	-5,700	-303	-6,003
Capital, Treasury and Technical Accounting	-40,997		-40,997
Total Ringfenced Grants include within the Net Revenue Budget	-76,815	-16,231	-93,045
Housing Revenue Account	-18,799		-18,799
Total	-95,614	-16,231	-111,844

- 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 £111.844m; of this sum, £93.045m 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 £93.045m of General Fund allocations, the largest single category carries a value of £40.977m and relates to Housing Benefit Subsidy Grant which is included within the Capital, Treasury and Technical Accounting Portfolio, comprising £35.455m for Rent Allowances and £5.543m 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 50 Government Grants are included in the forecasts for 2023/24 totalling £95.614m; £76.815m 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 £16.231m.
- 4.5 Thirty one of the grants have an individual value which is greater than £0.150m and total £110.376m. The remaining £1.4671m relates to 24 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 Dedicated Schools Grant settlement for 2023/24 was updated on July 2023, following which 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 - £59.146m (£43.746m after excluding the recoupment for academies and Post 16)
- Early Years - £19.757m
- 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 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 The High Needs Block is currently forecasting an in year surplus of £2.733m. Excluding the cumulative support from the Schools Block this reduces the forecast cumulative deficit forecast to £8.775m as at 31 March 2024, the deficit is offset by the cumulative value of the transfers from the Schools Block to give, in isolation, a forecast cumulative High Needs deficit of £0.479m for 2023/24, as illustrated in the table below.

Table 11 – DSG High Needs Block

DSG High Needs Block	2023/24
Deficit Brought Forward 01/04/2023	11,508
2023/24	
Original High Needs Budget Allocation	(59,146)
Estimated Expenditure	56,413
Projected in Year (Surplus)	(2,733)
Cumulative Net Deficit to be Carried Forward	8,775
Offset by;	
Less- Virement from Schools Block- 2016/17 to 2021/22	(8,296)
Projected High Needs Block Deficit 31/03/2024	479

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 11 October 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 October 2023, as agreed with the Schools Forum. As previously reported 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. Taking the opening surplus as the starting point, the in year forecast surpluses of £2.294m and £0.832m in the current and following financial years deliver cumulative surpluses of £3.193m and £4.025m 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 below.

Table 12 – Overall DSG Position

DSG Recovery Plan	2023/24 £k	2024/25 £k
Funding		
Schools Block (excludes Central Services)	(240,592)	(256,404)
Central Schools Services Block	(2,461)	(2,347)
High Needs Block – pre/post 16	(59,146)	(61,112)
Early Years Block	(15,748)	(15,748)
Two Year Olds' Funding	(3,653)	(3,653)
Early Years Pupil Premium	(226)	(226)
Early Years Disability Access Fund	(130)	(130)
Total Resources	(321,956)	(339,620)
Expenditure/ Distributions		
Individual Schools Budgets	241,032	256,404
Early Year Funding Delegated to Schools	7,108	7,108
High Needs Funding for Schools (incl Post 16)	44,660	46,728
Total Delegated to Schools	292,800	310,240
Central Schools Services	2,461	2,347
Central Early Years Services	1,047	1,047
Central High Needs Services	11,753	13,553
Three and Four Year old PVI's	7,765	7,765
Two Year Old Funding	3,480	3,480
Total Retained Centrally	26,506	28,192
Early Years Pupil Premium	226	226
Early Years Disability Access Fund	130	130
Total Expenditure/ Distributed	319,662	338,788
Surplus	(2,294)	(832)
Balance brought Forward	(899)	(3,193)
Revised Surplus/ (Deficit)	(3,193)	(4,025)
Previously Reported	(2,517)	(2,765)

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. As previously reported 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 The grant application was confirmed as having been successful on 15 September 2023, at which point the Council enters into the phase 2 implementation stage. By taking part in this initiative, 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 £1.705m, a net adverse movement against HRA balances of £0.278m, attributable to higher than anticipated utility costs. The projected year end HRA balance of £20.879m, represents a net £0.027m favourable movement compared to the original budget.

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	1,705	278
HRA Surplus Balances Carried Forward	(20,852)	(20,879)	(27)

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)
Prior Year Balance Brought Forward	458	4	462
(Surplus) /Deficit for the Year	(195)	(1,292)	(1,487)
Net (Surplus)/Deficit Carried Forward	263	(1,288)	(1,025)

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

Collection Fund Balance	Council Tax £000	NDR £000	Total £000
Share - Oldham Council	221	(1,275)	(1,054)
Share – Greater Manchester Combined Authority - Mayoral Police and Crime Commissioner	29	-	29
Share – Greater Manchester Combined Authority - Mayoral General Precept (including Fire and Rescue Services)	13	(13)	-
Total Deficit/(Surplus)	263	(1,228)	(1,025)

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 cost of living crisis impacting on Council Tax collection. As such, the financial position of the Collection Fund is under constant review.

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 £1.025m. Due to the distribution methodology the Council's proportion of this surplus is £1.054m. 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 Table 16 below sets out the forecast use of reserves for the full financial year based on a best estimate of the likely commitments including a number of reserves that are being used to support the overall financial position. In addition to the net £11.577m required to balance the budget at the start of the year an additional £12.001m of Earmarked Reserves are expected to be called in to support Directorate budgets together with £4.173m of Revenue Grant Reserves; a total of £16.174m. After transfers to reserves of £0.054m and £2.837m, this nets down to a further £13.283m use of reserves. This will leave a total balance of reserves of £62.238m carrying forward into 2024/25 comprising £58.443m of Ear-marked reserves and £3.795m of Revenue Grant Reserves.

Table 16 – Reserves Summary

	Earmarked Reserves £000	Revenue Grant Reserves £000	Total Reserves £000
Opening Balance as at 1 April 2023	(79,130)	(7,968)	(87,099)
Reserves applied to balance the Budget	12,786	-	12,786
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	(1,209)	-	(1,209)
In Year Balance	(67,553)	(7,968)	(75,522)
Directorate Transfers from Reserve			
Community Health and Adult Social Care	2,554	-	2,554
Children's Services	881	2,243	3,125
Public Health	776	1,337	2,113
Communities	55	516	571
Place and Economic Growth	2,229	52	2,281
Corporate Services	1,234	24	1,258
Capital Treasury and Technical Accounting	4,273	-	4,273
Total Directorate Transfers from Reserve	12,001	4,173	16,174
Directorate Transfers to Reserves			
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	-	-	-
Total Directorate Transfers to Reserve	(54)	-	(54)
Directorate Use of Reserves	11,947	4,173	16,120
Return of Waste Reserve (GMCA)	(2,837)	-	(2,837)
Total Proposed In Year Use of Reserves	9,110	4,173	13,283
Closing Balance as at Quarter 2	(58,443)	(3,795)	(62,238)

- 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 £3.048m have been received to date, exceeding the £2.600m required to underpin the revenue budget.

10 Conclusion

- 10.1 The lasting impact of the COVID-19 pandemic is evident from the pressures being experienced by Children's Social Care Services and to a lesser degree by Adult Social Care Services (from a purely Council financial perspective). In addition, the potential impact on pay awards and also interest rates continue to be reviewed. 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.
- 10.2 The current projected position, after adjustment for the use of reserves is an overspend of £14.588m. The financial pressure in Children's Social Care is especially concerning as there was £14.700m of additional funding included in the 2023/24 budget, £11.800m of which was intended to stabilise the budget plus an additional £2.900m to support a programme of change and transformation with the aim of delivering efficiency savings in future years.
- 10.3 It is of concern that the overall financial position has worsened between quarter 1 and quarter 2. The pressure caused by failure to deliver or uncertainty about the delivery of Budget Reductions remains challenging. If further Budget Reductions turn "Red" then the overall overspending could increase. At present there are no mitigating activities that have a cashable value that can be included in the forecast position.
-

10.4 The reserves position is important in the context of financial resilience. Although reduced from 2022/23 levels, the year started with relatively healthy levels of earmarked reserves (£79.130m) and Revenue Grant Reserves (£7,968m). However, the budget for 2023/24 relied upon the use of reserves to produce a balanced position; a net £11.577m was used comprising £12.786m of reserves to balance the budget netted off by a £1.209m transfer to reserves. Therefore, from the outset available reserves for 2023/24 reduced to £75.522m (earmarked reserves of £67.553m and £7.968m of Revenue Grant Reserves).

10.5 As advised in this report, net earmarked reserves of £9.110m and net Revenue Grant reserves of £4.173m are forecast to be called into support the 2023/24 budget, after which there is an anticipated combined reserves balance of £62.238m. With a potential additional call of £14.588m to offset the current forecast deficit and an already approved use of £3.932m of reserves to balance the 2024/25 budget and futures years, the actual availability in 2024/25 could reduce to £43.718m. At this potential level of utilisation, it is vitally important to minimise the future use of reserves in year to maintain financial resilience of the Council.

10.6 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 quarter 2 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.

10.7 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.

FINANCING OF THE 2023/24 BUDGET	Original Budget	Additions to Quarter 1	Additions to Quarter 2	Revised Budget
	£000	£000	£000	£000
Net Expenditure Budget	(260,686)			(260,686)
Financed by:				
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)	(1,916)	(3,754)
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)
Leaving Care Allowance Grant			(61)	(61)
Capacity and Capability Grant			(70)	(70)
Levelling Up Partnership (LUP) Local Authority Capacity Payment Grant			(45)	(45)
Extended Rights to Free Travel Grant		(45)		(45)
Total Government Grant Funding	(108,338)	(5,265)	(2,092)	(115,695)
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)
Total Locally Generated Income	(167,136)	-	-	(167,136)
Total Grant and Income	(275,474)	(5,265)	(2,092)	(282,831)
Use of General Earmarked Reserves	(12,786)			(12,786)
Transfer to Earmarked Reserves - Business Rates Retention Pilot Gain	1,209			1,209
Total Use of Reserves	(11,577)	-	-	(11,577)
Total Financing	(287,051)	(5,265)	(2,092)	(294,408)

Appendix 2- Analysis of Grants		
Grant Name	Type	Forecast £000
Community Health and Adult Social Care		
Better Care Fund	Other	(15,097)
Market Sustainability and Fair Cost of Care Fund	Govt.	(2,628)
Market Sustainability & Improvement Fund	Govt.	(1,707)
Adult Social Care Discharge Fund	Govt.	(1,568)
Urgent & Emergency Care Support Fund	Govt.	(527)
Changing Futures in GM	Govt.	(370)
ASC Data Collection Grant	Govt.	(19)
Sub Total		(21,915)
Children's Services		
PFI Credits	Govt. x2	(8,988)
Skills Funding Agency Adult Education	Govt.	(3,085)
Holiday Activities and Food Grant	Govt.	(1,480)
Support to victims of Domestic Abuse within Safe Accommodation	Govt.	(592)
Unaccompanied Asylum-Seeking Children (UASC)	Govt.	(536)
Youth Justice Board	Govt.	(496)
Former UASC - Care Leavers	Govt.	(287)
Staying Put Grant	Govt.	(201)
DJUHD - Domestic Abuse	Govt.	(170)
Balance: Grants less than £0.150m	Govt.(x6) Other (x1)	(524)
Sub Total		(16,359)
Public Health		
Grants less than £0.150m	Govt.(x1) Other (x1)	(168)
		(168)
Communities		
PFI Credits	Govt.	(1,803)
Community Safety	Govt.	(715)
Home Office Full Dispersal Grant	Govt.	(683)
Balance: Grants less than £0.150m	Govt.(x2)	(52)
Sub Total		(3,253)
PEG		
PFI Credits	Govt.	(2,471)
Homelessness Prevention Grant	Govt.	(746)
A Bed Every Night (ABEN)	Govt.	(293)
CAS-3 Grant	Govt.	(247)
Rough Sleeping Initiative	Govt.	(150)
Balance: Grants less than £0.150m	Govt.(x6)	(442)
Sub Total		(4,350)
Corporate Services		
Housing Support Fund	Govt.	(4,839)
Council Tax Rebate	Govt.	(599)
Erdf	Other	(303)
Balance: Grants less than £0.150m	Govt.(x5) Other (x1)	(263)
Sub Total		(6,003)
Capital and Treasury		
Rent Allowances	Govt.	(35,455)
Housing Benefit Subsidy	Govt.	(5,542)
Sub Total		(40,997)
Total Ring-fenced Grants Included within the Net Revenue Budget		(93,045)
Housing Revenue Account		
PFI Credits	Govt.(x2)	(18,799)
Total		(111,844)

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	(17,747)	(17,674)	73
Amber	Being closely monitored but expected to deliver (no impact of Financial Forecast)	(1,755)	(1,755)	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)	(407)	0	407
		(19,969)	(19,449)	520

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Community Health and Adult Social Care					
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
	Total		(3,574)	(3,574)	0

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Childrens Services					
CHS-BR1-445	Early Help Remodelling	Green	(300)	(300)	0
CHS-BR1-441	Special Educational Needs & Disability (SEND) Education Provision	Red	(372)	0.0	372
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
	Total		(1,133)	(721)	412

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Public Health					
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
COM-BR1-618	School Swimming Service	Red	(10)	0.0	10
COM-BR1-619	OCL Sports Development School Coaching Service	Green	(14)	(14)	0
	Total		(544)	(534)	10.0

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Communities					
COM-BR1-616	Reduction in Councillor Ward budgets	Green	(60)	(60)	0
	Total		(60)	(60)	0

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Place and Economic Growth					
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
	Total		(2,493)	(2,468)	25

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Corporate Services					
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 and Organisational Development Service Restructure	Green	(100)	(100)	0
COR-BR1-621	MS Licences migration to cheaper licences for some staff	Green	(50)	0.0	50
COR-BR1-622	MS Licences Improved Starter / Leaver Process	Green	(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	Green	(25)	(25)	0
	Total		(870)	(797)	73

Reference	Proposal Name	Rating	Approved Budget Reduction £000	Deliverable £000	Shortfall £000
Capital and Treasury					
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
	Total		(11,295)	(11,295)	0
	Grand Total		(19,969)	(19,449)	520

CAPITAL INVESTMENT PROGRAMME REPORT 2023/24

Month 6 - September 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 as detailed in Table 1 below.

Table 1 : Original Budget - Capital Programme 2023/24 to 2027/28

2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	TOTAL £000
110,305	108,378	46,661	55,562	4,554	325,460

2 Current Position

- 2.1 The position as at 30 September 2023 is highlighted in this report but as the year progresses the outturn projections will reflect the evolving position.
- 2.2 Table 2 shows the revised capital programme for 2023/24 as at 30 September 2023 at an overall expenditure level of £76.595m, following a number of changes explained in the following paragraphs.
- 2.3 Actual expenditure to 30 September 2023 was £33.734m (44.04% of forecast outturn). This spending profile is higher than in previous years. The position will be kept under review and budgets will be managed in accordance with forecasts.
- 2.4 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.

Table 2 – 2023/24 Capital Programme

Directorate	Revised Budget (M03) £000	Approved Virements (to M06) £000	Proposed Virement/ Rephase £000	Revised Budget (M06) £000	Forecast £000	Variance £000
Community Health and Adult Social Care	3,279	600	1,425	5,304	5,304	-
Children's Services	6,655	166	(2,268)	4,553	4,553	-
Communities	590	(225)	(179)	186	186	-
Place and Economic Growth	82,278	2,135	(25,290)	59,123	59,123	-
Housing Revenue Account	1,000	-	(236)	764	764	-
Corporate/ Information Technology	4,834	-	(769)	4,065	4,065	-
Capital, Treasury & Technical Accounting	4,183	-	(1,583)	2,600	2,600	-
Funding for Emerging Priorities	929	(929)	-	-	-	-
Overall Total	103,748	1,747	(28,900)	76,595	76,595	-

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

2.4 The approved movements of a net increase of £1.747m are detailed in Table 3 below and the proposed net reduction of 2023/24 budget of £28.900m represent approved movements including new funding and realignment of existing funding, as detailed in Appendix I:

Table 3

£000	Project	Approved Movement
28	S106 Salmon Fields Path Improvements	Additional Funding
(150)	Allocation of resources for Former Saddleworth School demolition	Realignment within Service
150	Former Saddleworth School demolition	Realignment within Service
(253)	Local Investment Fund allocation to service	Realignment within Service
253	Local Investment Fund Schemes delivered by Council Services	Realignment within Service
600	Acquisition of Oldham Total Care	Additional Funding
16	Devolved Formula Capital grant budget correction	Additional Funding
13	New Grant in Aid funding for Oldham Police Station/Formal Magistrates Court	Additional Funding
65	Section 106 funding for Woodhouse Playspace scheme	Realignment within Service & Additional Funding
1,000	Community Pitches	Additional Funding
510	CRSTS - Oldham Mumps Corridor Improvement	Additional Funding
(779)	Allocation to Community pitches	Realignment within Service
18	Moor Street (S106)	Additional Funding
38	Waterhead Playspace resurfacing (S106)	Additional Funding

148	Green Homes Grant - Local Authority Delivery Scheme Phase 1A & 1B	Additional Funding
90	Low Bridge Signing	Additional Funding
1,747	TOTAL	

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

- 2.5 The proposed changes of £28.900m shown in Table 2 represent proposed service movements including the outcome of the Annual Review of the Capital Programme. This is detailed more fully from paragraph 2.15 and in Appendix I.
- 2.6 Given that this is the position at Month 6, there remains an element of uncertainty about the forecast position and it is inevitable that this will change in the remaining months; that said the forecasts are based on the latest and most up to date information and give a better picture of the likely outturn.

Re-profiling of the Capital Programme

- 2.7 The revised capital programme for 2023/24 to 2027/28, taking into account all the above amendments in arriving at the revised forecast position, is shown in Table 4 together with the projected financing profile.

Table 4 – 2023/2028 Capital Programme

Directorate Budget	Revised Budget 2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Community Health and Adult Social Care	5,304	3,093	-	-	-	8,397
Children's Services	4,553	5,524	4,058	3,188	2,000	19,323
Communities	186	100	173	-	-	459
Place and Economic Growth	59,123	107,961	51,008	25,081	14,666	257,839
Housing Revenue Account	764	628	95	-	-	1,487
Corporate/ Information Technology	4,065	4,943	3,230	2,834	1,027	16,099
Capital, Treasury & Technical Accounting	2,600	2,738	234	99	10,120	15,791
Funding for Emerging Priorities	-	4,943	5,268	2,885	-	13,096
Overall Total	76,595	129,930	64,066	34,087	27,813	332,491

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

Funding	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	Total £000
Grants and Other Contributions	(29,464)	(58,478)	(13,468)	(3,999)	(5,574)	(110,983)
Prudential Borrowing	(39,002)	(64,945)	(49,959)	(28,845)	(22,147)	(204,898)
Revenue Contribution	(1,079)	(630)	(95)	-	-	(1,804)
Capital Receipts	(7,050)	(5,877)	(544)	(1,243)	(92)	(14,806)
Overall Total	(76,595)	(129,930)	(64,066)	(34,087)	(27,813)	(332,491)

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

- 2.8 Since Month 3, the overall 2023/24 – 2027/28 capital programme has increased by a net £0.467m. This is due mostly to additional CRSTS grant and S106 contributions.

Capital Receipts

- 2.9 As a result of the Annual Review of the 2023/24 capital programme requirement has reduced by £1.246m but this will be required in future years. The overall capital receipt movement is an increase of £0.933m.
- 2.10 The revised 2023/24 capital programme requires the availability of £7.050m of capital receipts for financing purposes. It is expected that £7.872m of capital receipts will be received in year, summarised in Table 6. The total net usable capital receipts currently received in year is £3.048m. The first £2.600m of capital receipts has been earmarked to be used to provide funding under the flexible use of capital receipts initiative.
- 2.11 The capital receipts position as at 30 September 2023 is summarised as follows:

Table 5 – Capital Receipts 2023/24

	£000	£000
Expected Capital Receipts		7,050
Capital Receipts Financing Requirement		
Usable Capital Receipt b/fwd	-	
Actual received to date	(3,048)	
Further anticipated capital receipt	(4,824)	
Anticipated Surplus in 2023/24		(822)

- 2.12 Given the significant amount of 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 increased cost of living will continue to impact on business/economic activities making capital disposals more challenging.
- 2.13 The Capital Strategy and Capital Programme 2023/24 to 2027/28 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. Should the currently estimated position prevail then the position would be as illustrated in the table below:

Table 6 – Capital Receipts 2023/24 - 2027/28

Capital Receipts	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Capital Receipts Carried Forward	-	(822)	(1,410)	(3,406)	(3,740)
Estimated Capital Receipts Received in year	(4,824)	(6,465)	(2,540)	(1,577)	(1,250)
Total Receipts	(7,872)	(7,287)	(3,950)	(4,983)	(4,990)
Capital Receipts Financing Requirement	7,050	5,877	544	1,243	92
Over/(Under) programming	(822)	(1,410)	(3,406)	(3,740)	(4,898)

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

- 2.14 The projected capital receipt for the year shows a surplus in the financing requirement. The first £2.600m of capital receipts is required to provide funding under the flexible use of capital receipts initiative. The overall surplus position will be kept under review and budgets will be managed in accordance with forecasts.

Annual Review of the Capital Programme

- 2.15 In accordance with previous practice, the Annual Review of the Capital Programme has taken place (the Summer Review). There has been extensive discussion with Project Managers and Finance Officers to determine an updated profile of expenditure for all schemes. It also examined any further opportunities to reallocate resources or decommission schemes.
- 2.16 The detailed outcome can be found in Appendix I on a scheme by scheme basis to reflect revised planned expenditure. The total outcome of the Annual Review is a total net reduction across all years of £1.480m and is summarised below on a Portfolio basis.

a) Community Health and Adult Social Care

There is a proposed realignment of planned expenditure of £1.700m between projects within the service, with an additional realignment from Funds for Emerging Priorities of £0.950m. In addition, the acceptance of additional Disabled Facilities Grant of £0.205m.

b) Children's Services

There is a proposed net movement of £2.268m in 2023/24 includes the removal of £0.151m planned expenditure and realignment £0.111m from 2023/24 to 2024/25 and future years and includes acceptance of the 2023/24 Devolved Formula Capital (DFC) grant. The overall Children's Services movement is a net increase of £0.032m.

c) Communities

There is a proposed realignment and rephasing of planned expenditure of £0.179m from 2023/24 to 2025/26. The overall Communities movement is a net decrease of £0.006m following realignments to other project across the capital programme.

d) Place and Economic Growth

Asset Management – Corporate Premises

There is a proposed realignment and rephasing of planned expenditure of £4.847m from 2023/24 to 2024/25, along with realignment of £0.108m from projects across the Council's capital programme.

Asset Management - Education Premises

There is a proposed realignment and rephasing of planned expenditure of £1.466m from 2023/24 to 2025/26.

Boroughwide Developments

There is a proposed rephasing of planned expenditure of £6.078m from 2023/24 to future years, along with realignment of £0.355m from projects across the Council's capital programme.

DP - Boroughwide

There is a proposed rephasing of planned expenditure of £0.017m from 2023/24 to 2024/25, along with realignment of £0.206m to projects across the Council's capital programme.

Environment – Countryside / Parks

There is a proposed rephasing of planned expenditure of £0.221m from 2023/24 to 2024/25, along with realignment of £0.021m to projects across the Council's capital programme.

Private Housing - HMRF

There is a proposed rephasing of planned expenditure of £0.125m from 2023/24 to 2025/26. Along with additional resources from HRA of £0.108m from projects across the Council's capital programme and an additional £0.030m in grant funding.

Public Realm

There is a proposed realignment of planned expenditure of £0.126m to projects across the Council's capital programme.

Strategic Acquisitions

There is a proposed rephase of planned expenditure of £1.741m across the financial years and a realignment from the Council's capital programme, along with realignment of £0.022m from projects across the Council's capital programme.

Town Centre Developments

There is a proposed rephasing of planned expenditure of £9.581m from 2023/24 to future years and acceleration of £6.000m from 2026/27 to 2025/26, along with realignment of £5.042m from projects across the Council's capital programme.

Transport

There is a proposed rephasing of planned expenditure of £1.884m from 2023/24 to 2024/25 and 2025/26, along with a reduction of £0.092m due to under-utilised grant.

e) Housing Revenue Account

There is a proposed rephasing of planned expenditure of £0.128m from 2023/24 to 2024/25, and realignment of £0.108m to projects across the Council's capital programme.

f) Corporate/ Information Technology

There is a proposed rephasing of planned expenditure of £0.769m from 2023/24 to 2024/25 and 2025/26.

g) Capital, Treasury & Technical Accounting

There is a proposed realignment of planned expenditure of £0.083m to projects across the Council's capital programme and a proposed realignment of planned expenditure of £10.120m from 2026/27 to 2027/28. There is a proposal to withdraw £1.500m scheme wholly funded by Prudential Borrowing which is now not required.

h) Funding for Emerging Priorities

There is a proposed overall realignment of £6.275m of future years planned expenditure to projects across the Council's capital programme.

- 2.17 When taking into account the financing of the above movement, it can be summarised as a reduction in Prudential Borrowing requirement of £2.547m and call on Housing Revenue account of £0.02m, offset by an increase in grants and contributions of £0.957 and additional capital receipt requirement of £0.112m.

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 rephasing 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 – Month 6 - Community Health and Adult Social Care
Appendix B - SUMMARY – Month 6 - Children's Service
Appendix C - SUMMARY – Month 6 - Communities
Appendix D - SUMMARY – Month 6 - Place and Economic Growth
Appendix E - SUMMARY – Month 6 - Housing Revenue Account (HRA)
Appendix F - SUMMARY – Month 6 - Corporate/Information Technology
Appendix G - SUMMARY – Month 6 - Capital Treasury and Technical Accounting
Appendix H - SUMMARY – Month 6 - Funding for Emerging Priorities
Appendix I - SUMMARY – Month 6 - Proposed Changes

SUMMARY – Month 6 (September 2023) - Community Health and Adult Social Care

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Adult Services	3,279	600	1,425	5,304	5,304	-
Community Health and Adult Social Care Total	3,279	600	1,425	5,304	5,304	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) – Children’s Service

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Children, Young People and Families	174	-	-	174	174	-
Schools - General Provision	1,646	1	(1,635)	12	12	-
Schools - Primary	2,068	16	(506)	1,578	1,578	-
Schools - Secondary	2,751	-	(126)	2,625	2,625	-
Schools - Special	16	-	(1)	15	15	-
Schools New Build	-	150	-	150	150	-
Children’s Service Total	6,655	166	(2,268)	4,553	4,553	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) – Communities

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Local Investment Fund	590	(225)	(179)	186	186	-
Communities Total	590	(225)	(179)	186	186	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) – Place and Economic Growth

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Asset Mgt - Asset Management	9,133	(2)	(4,847)	4,284	4,284	-
Asset Mgt - Education Premises	2,621	-	(1,466)	1,156	1,156	-
Boroughwide Developments	19,093	-	(6,078)	13,015	13,015	-
Development	-	-	-	-	-	-
Boroughwide Projects	233	-	(223)	10	10	-
Cemeteries and Crematorium	46	-	-	46	46	-
Countryside	191	-	(91)	100	100	-
Parks	380	412	(138)	654	654	-
Playing Fields & Facilities	2	1,000	-	1,002	1,002	-
Parks & Playing Fields	13	-	(13)	-	-	-
Private Housing - HMRF	249	-	(125)	124	124	-
Private Housing - Non-HMRF	148	149	138	435	435	-
Public Realm	125	-	(125)	-	-	-
Strategic Acquisitions	1,000	-	(478)	522	522	-
Town Centre Developments	31,444	-	(9,581)	21,863	21,863	-
Accident Reduction	1,619	(7)	(502)	1,110	1,110	-
Bridges & Structures	5,704	91	(145)	5,650	5,650	-
Fleet Management	749	-	-	749	749	-
Highway Major Works/Drainage schemes	7,178	517	(1,621)	6,074	6,074	-
Minor Works	1,285	10	15	1,310	1,310	-
Miscellaneous	1,065	(34)	(11)	1,020	1,020	-
Street Lighting	-	-	-	-	-	-
Place and Economic Growth Total	82,278	2,135	(25,290)	59,123	59,123	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) - Housing Revenue Account (HRA)

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Housing Revenue Account	1,000	-	(236)	764	764	-
HRA Total	1,000	-	(236)	764	764	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) – Corporate/Information Technology

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Information Technology	4,834	-	(769)	4,065	4,065	-
Information Technology Total	4,834	-	(769)	4,065	4,065	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) – Capital Treasury and Technical Accounting

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Cross Cutting /Corporate	4,183	-	(1,583)	2,600	2,600	-
Capital Treasury and Technical Accounting Total	4,183	-	(1,583)	2,600	2,600	-

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

Major Variances Commentary

No additional variances to report

SUMMARY – Month 6 (September 2023) - Funding for Emerging Priorities

Service area	Revised Budget (M03) £000	Approved Changes /Virements (to M06) £000	Proposed Virement (M06) £000	Revised Budget (M06) £000	Forecast £000	Year End Variance £000
Funding for Emerging Priorities	929	(929)	-	-	-	-
Funding for Emerging Priorities Total	929	(929)	-	-	-	-

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

Major Variances Commentary

No additional variances to report.

SUMMARY – Month 6 (September 2023) Proposed Changes

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
Directorate / Scheme	£000	£000	£000	£000	£000	£000	
People – Community Health and Adult Social Care							
DFG- Boroughwide	205					205	Annual Review - New Grant
Social Care- General Provision	(680)	(300)	(320)	(400)		(1,700)	Annual Review - Realign
Oldham Total Care	1,900	750				2,650	Annual Review - Realign
People – Community Health and Adult Social Care TOTAL	1,425	450	(320)	(400)	-	1,155	
People – Children’s Service							
Education Basic Need General Provision	(500)	-	-	7	500	7	Annual Review - Realign
SEND - Special Provision Capital Fund (SPCF)	(1,000)	1,000				-	Annual Review - Rephase
Schools Feasibility Funding	(135)	135				-	Annual Review - Rephase
Transfers to Academies	(102)	(9)				(111)	Annual Review - Realign
DFC - Alexandra Park Jnr School	6	2				8	Annual Review - New Grant
DFC - Bare Trees Primary School	5	7				12	Annual Review - New Grant
DFC - Beaver Primary School	5	2				7	Annual Review - New Grant
DFC - Blackshaw Lane Primary & Nursery School	-	6				6	Annual Review - New Grant
DFC - Burnley Brow Community School	7	2				9	Annual Review - New Grant
DFC - Christ Church Primary School	1	4				5	Annual Review - New Grant
DFC - Crompton Primary School	(5)	11				6	Annual Review - New Grant & Rephase
DFC - Delph Primary School	5	1				6	Annual Review - New Grant
DFC - Diggle Primary School	2	4				6	Annual Review - New Grant
DFC - Friezland Primary School	3	2				5	Annual Review - New Grant
DFC - Glodwick Inf/Nur School	3	5				8	Annual Review - New Grant

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
DFC - Greenfield Primary School	(1)	8				7	Annual Review - New Grant & Rephase
DFC - Hey With Zion Primary School	1	7				8	Annual Review - New Grant
DFC - Higher Failsworth Primary School	(4)	12				8	Annual Review - New Grant & Rephase
DFC - Hodge Clough Primary School	1	8				9	Annual Review - New Grant
DFC - Holy Trinity (CofE) Primary School	1	5				6	Annual Review - New Grant
DFC - Horton Mill Community Primary School	-	6				6	Annual Review - New Grant
DFC - Knowsley Junior School	1	6				7	Annual Review - New Grant
DFC - Limehurst Community Primary School	15	(7)				8	Annual Review - New Grant & Rephase
DFC - Mather Street Primary School	1	5				6	Annual Review - New Grant
DFC - Mills Hill Primary School	(8)	20				12	Annual Review - New Grant & Rephase
DFC - Propps Hall Jnr/Inf School	(2)	9				7	Annual Review - New Grant & Rephase
DFC - Royton Hall Primary School (formerly Highbarn Jnr)	(1)	9				8	Annual Review - New Grant & Rephase
DFC - Rushcroft Primary School	(4)	10				6	Annual Review - New Grant & Rephase
DFC - South Failsworth Community Primary School	18	(9)				9	Annual Review - New Grant & Rephase
DFC - Springhead Inf/Nur School	(3)	9				6	Annual Review - New Grant & Rephase
DFC - Stanley Road Primary School	10	(1)				9	Annual Review - New Grant & Rephase
DFC - Thornham St. James (CofE) School	(11)	17				6	Annual Review - New Grant & Rephase
DFC - Whitegate End Primary and Nursery School	(4)	10				6	Annual Review - New Grant & Rephase
DFC - Woodhouses Vol Primary School	4	1				5	Annual Review - New Grant
DFC - Yew Tree Community School	(10)	21				11	Annual Review - New Grant & Rephase

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023		2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
	Royton Hall classroom conversion	(142)	142				-	Annual Review - Rephase
	St Margaret's School - Additional Classroom Extension	(300)	300				-	Annual Review - Rephase
	Royton & Crompton Secondary - Mechanical, Electrical and Roofing works	(100)	-				(100)	Annual Review - Remove
	The Oldham Academy North - Additional 2FE	(51)	-				(51)	Annual Review - Remove
	DFC - Radclyffe School	14	15				29	Annual Review - New Grant
	DFC - Saddleworth School	11	17				28	Annual Review - New Grant
	Laurel Bank PRU	(7)					(7)	Annual Review – Realign
	DFC - Kingsland School	6	1				7	Annual Review - New Grant
People - Children's Service TOTAL		(2,268)	1,793	-	7	500	32	
People – Communities								
	DIF - Chadderton District Partnership	(21)					(21)	Annual Review - Realign
	DIF - Failsworth District Partnership	(56)					(56)	Annual Review - Realign
	DIF - Oldham District Partnership	(59)					(59)	Annual Review - Realign
	DIF - Saddleworth & Lees District Partnership	(12)					(12)	Annual Review - Realign
	DIF - Shaw & Crompton District Partnership	(10)					(10)	Annual Review - Realign
	DIF- Coalshaw Green MUGA	(5)					(5)	Annual Review - Realign
	LIF - Local Investment Fund	-	-	173			173	Annual Review - Realign
	LIF - Community Hubs in St. James	(16)					(16)	Annual Review - Realign
People - Communities TOTAL		(179)	-	173	-	-	(6)	
People TOTAL		(1,022)	2,243	(147)	(393)	500	1,181	
Place and Economic Growth - Asset Management - Corporate								
	Corporate Property - Legislative Repair Works (DDA/Legionella/H&S)	150					150	Annual Review - Realign
	Royton Town Hall	(2,000)	2,000				-	Annual Review - Rephase

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
Acorn Centre – Asbestos encapsulation works to roof	(1)					(1)	Annual Review - Realign
Chadderton Town Hall Toilet	(79)	79				-	Annual Review - Rephase
Cemetery Pathways	(70)	70				-	Annual Review - Rephase
New Barn changing Rooms - Essential repairs	(60)	60				-	Annual Review - Rephase
Boroughwide - Flood Damaged Walkways/Footpaths, Bridges and Retaining Structures	(500)	500				-	Annual Review - Rephase
Moorhey Street Electrical Upgrade	(1,237)	1,237				-	Annual Review - Rephase
Medlock Court Electrical/Fire Alarm Upgrade	(110)	110				-	Annual Review - Rephase
Holy Trinity Waterhead - groundworks	(50)	50				-	Annual Review - Rephase
Chadderton Town Hall Electrical Rewire	(700)	700				-	Annual Review - Rephase
Crompton Library Electrical Rewire	(150)	150				-	Annual Review - Rephase
Failsworth Sports Centre - Replacement Boiler	(31)					(31)	Annual Review - Realign
Taj Palace Asbestos	(9)					(9)	Annual Review - Realign
Place and Economic Growth - Asset Management – Corporate TOTAL	(4,847)	4,955	-	-	-	108	
Place and Economic Growth - Asset Management - Education							
Essential Condition Works - General Prov'n	-	151				151	Annual Review - Realign
South Failsworth Primary School - Phase 1 Heating Upgrade	(19)					(19)	Annual Review - Realign
Community Schools Kitchens - Equipment Upgrade	(50)	50				-	Annual Review - Rephase
Higher Failsworth Primary - Roofing Upgrade	(8)					(8)	Annual Review - Realign
Hodge Clough - Electrical Rewire	(90)	90				-	Annual Review - Rephase
Hey with Zion - Heating replacement	(150)	150				-	Annual Review - Rephase
Springhead Prim.-New Boiler/plant controls	(150)	150				-	Annual Review - Rephase

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
Glodwick Primary Heating Replacement / Windows	(374)	374				-	Annual Review - Rephase
Friezland Primary Electrical Rewire	(250)	250				-	Annual Review - Rephase
Horton Mill - Heat Distribution	(250)	250				-	Annual Review - Rephase
Glodwick Primary - Dry Rot	(25)					(25)	Annual Review - Realign
Whitegate End - Removal of Asbestos	(100)					(100)	Annual Review - Realign
Place and Economic Growth - Asset Management – Education TOTAL	(1,466)	1,466	-	-	-	-	
Place and Economic Growth - Boroughwide Developments							
Disposal Programme - Pre Sales Expend	350					350	Annual Review - Realign
Failsworth DC - Outstanding Compensations - General Provision	-	-	(92)		92	-	Annual Review - Rephase
Hollinwood / Langtree Regeneration	5					5	Annual Review - Realign
Foxdenton Hall – Health & Safety works	(138)	138				-	Annual Review - Rephase
Northern Roots	(3,000)	3,000				-	Annual Review - Rephase
Flexible Housing Fund	-	-	-	(10,000)	10,000	-	Annual Review - Rephase
Acquisition of Meridian development company limited	(95)	95				-	Annual Review - Rephase
Diggle Clock Tower - External repair	(850)	850				-	Annual Review - Rephase
Wrigley Head Solar Farm	(450)	450				-	Annual Review - Rephase
Green Shoots (Rhodes Bank)	(1,900)	(1,100)	3,000			-	Annual Review - Rephase
Place and Economic Growth - Boroughwide Developments TOTAL	(6,078)	3,433	2,908	(10,000)	10,092	355	
Place and Economic Growth - DP Boroughwide							
Shaw & Lees District Centres Business Support (Neighbourhood Developments)	(54)					(54)	Annual Review - Realign
A62 Oldham Road Corridor- Manchester Boundary to M60 Motorway- District Centres Business Support (Neighbourhood Developments)	(82)					(82)	Annual Review - Realign

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
Boroughwide Business Grants Programme	(70)					(70)	Annual Review - Realign
LIF - Royton High Street Grants	(17)	17				-	Annual Review - Rephase
Place and Economic Growth - DP Boroughwide TOTAL	(223)	17	-	-	-	(206)	
Place and Economic Growth - Environment / Parks							
Purchase of machinery (environmental services)	(91)	91				-	Annual Review - Rephase
LIF - Stoneleigh and Whitehall Lane parks	(8)					(8)	Annual Review - Realign
Churchill Playing Fields Section 106	(32)	32				-	Annual Review - Rephase
LIF Berriesfield Outdoor Gym	(15)	15				-	Annual Review - Rephase
LIF Shaw Skateboard Park	(38)	38				-	Annual Review - Rephase
LIF Limeside Park Improvements	(39)	39				-	Annual Review - Rephase
LIF Royton Park Grow Hub	(6)	6				-	Annual Review - Rephase
Granby St Pitch	(13)					(13)	Annual Review - Realign
Place and Economic Growth - Environment / Parks TOTAL	(242)	221	-	-	-	(21)	
Place and Economic Growth - Private Housing / HMRF							
Equity Homes Loans	(125)	-	125			-	Annual Review - Rephase
Green Homes Grant - Local Authority Delivery Scheme Phase 1A & 1B	138					138	Annual Review - Realign
Place and Economic Growth - Private Housing / HMRF Total	13	-	125	-	-	138	
Place and Economic Growth - Public Realm							
Yorkshire Street Triangle	(95)					(95)	Annual Review - Realign
Oldham Town Centre Pedestrian and Cyclist Signage	(31)					(31)	Annual Review - Realign
Place and Economic Growth - Public Realm TOTAL	(126)	-	-	-	-	(126)	

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
Place and Economic Growth – Strategic Acquisitions							
Strategic Acquisitions- General Provision	(500)	1,741	(1,241)			-	Annual Review - Rephase
Acquisition of the Snipe Public House	22					22	Annual Review - Realign
Place and Economic Growth – Strategic Acquisitions TOTAL	(478)	1,741	(1,241)	-	-	22	
Place and Economic Growth – Town Centre Developments							
Performance Space (formerly Oldham Coliseum Theatre - Phase C)	133	(133)	6,000	(6,000)		-	Annual Review - Rephase
Old Town Hall (Oldham TC) – Capital Investment Programme	97					97	Annual Review - Realign
Car Park Provision at the former Oldham Sports Centre site	(92)					(92)	Annual Review - Realign
Princes Gate Site C	(63)					(63)	Annual Review - Realign
Egyptian Room	(807)	807				-	Annual Review - Rephase
Spindles Redevelopment	(7,604)	-	7,604			-	Annual Review - Rephase
Jubilee Park (Town Centre)	(1,245)	1,245				-	Annual Review - Rephase
Cultural Quarter Public Realm	-	2,100	1,000	1,000	1,000	5,100	Annual Review - Realign
Place and Economic Growth - Town Centre Developments TOTAL	(9,581)	4,019	14,604	(5,000)	1,000	5,042	
Place and Economic Growth - Transport							
Kings Road - Traffic Calming	(27)	27				-	Annual Review - Rephase
A62 Huddersfield Road / Spring Street Area	(22)					(22)	Annual Review - Realign
Farm Street, Failsworth - Traffic Calming	(10)					(10)	Annual Review - Realign
Elk Mill Signalisation	(166)	166				-	Annual Review - Rephase
DFT ATF - School Streets	(60)	78				18	Annual Review - Realign
Chamber Road - School Safety Zone	(41)					(41)	Annual Review - Realign

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
A669 Oldham Road, Grasscroft Pedestrian Safety Improvements	(40)	40				-	Annual Review - Rephase
Bridge Work - King Street Roundabout Footbridge	9	(76)				(67)	Annual Review - Realign
Br 504 Union Street West Footbridge	-	(47)				(47)	Annual Review - Realign
A62 Huddersfield Road, Scouthead (Near Doctor Lane)	(4)	4				-	Annual Review - Rephase
Manchester Street Viaduct refurbishment	-	-	-	480	1,520	2,000	Annual Review - Realign
Transport Investment	(106)	97	60	(1,000)	(1,000)	(1,949)	Annual Review - Realign
MCF T6 - Royton Town Centre Connection	(172)	172				-	Annual Review - Rephase
MCF T6 - Park Road NCN 626 to Town Centre	(187)	187				-	Annual Review - Rephase
CRSTS QBT Corridor Scheme	(407)	407				-	Annual Review - Rephase
Oldham Town Centre - Rock Street/Lord Street	(139)	139				-	Annual Review - Rephase
Oldham Town Centre- Cheapside/West Street	(49)	49				-	Annual Review - Rephase
St Marys Way - Oldham Town Centre	(200)	200				-	Annual Review - Rephase
Oldham Mumps	(155)	155				-	Annual Review - Rephase
Beal Valley	(205)	205				-	Annual Review - Rephase
Public Rights of Way (PRoW) Improvements	46					46	Annual Review - Realign
Safe streets response measures: Cycling and walking	(18)					(18)	Annual Review - Realign
LIF - Burnley Lane Traffic Island	(2)					(2)	Annual Review - Realign
Disabled Bays	(11)	11				-	Annual Review - Rephase
Growth Deal 3 - Programme Management Support	(6)					(6)	Annual Review - Realign
Minor Flood Damage Works	(7)	7				-	Annual Review - Rephase
GD3 – Market Hall Connectivity Improvements	6					6	Annual Review - Realign
Capital Programme Management	(2)	2				-	Annual Review - Rephase

EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023		2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
LIF - Rowland Way and Medlock Way	(1)						(1)	Annual Review - Realign
LIF - Tandle Hill	(1)	1					-	Annual Review - Rephase
Width Restriction, Wrigley Head, Failsworth	(100)	100					-	Rephase
Roman Road, Failsworth - Traffic Calming	(6)	6					-	Rephase
Chew Valley Road	(30)	30					-	Rephase
A62 Huddersfield Road, Scouthead (Near Doctor Lane)	4	-					4	Realign within Service
Minor Structures Works	(6)	-					(6)	Realign within Service
Br306 Shaws Lane Footbridge	3	-					3	Realign within Service
Manchester Street Viaduct refurbishment	(150)	150					-	Rephase
Place and Economic Growth – Transport TOTAL	(2,262)	2,110	60	(520)	520		(92)	
Place and Economic Growth TOTAL	(25,290)	17,963	16,457	(15,520)	11,612		5,222	
Housing Revenue Account (HRA)								
Holly Bank	64						64	Annual Review - Additional HRA funds
HRA Capital Strategy	(300)	128					(172)	Annual Review - Rephase / Realign
Housing Revenue Account TOTAL	(236)	128	-	-	-		(108)	
Corporate / Information Technology								
Technology Roadmap Digital and Technology Foundations	(326)	266	60				-	Annual Review - Rephase
Application Portfolio Management Line of Business Systems	(163)	(30)	180				(13)	Annual Review - Rephase / Realign
Digital Leadership Business Support HR/OD Foundations	(100)	50	50				-	Annual Review - Rephase
Digital Workforce Workforce Collaboration and Productivity	(50)	(50)	100				-	Annual Review - Rephase

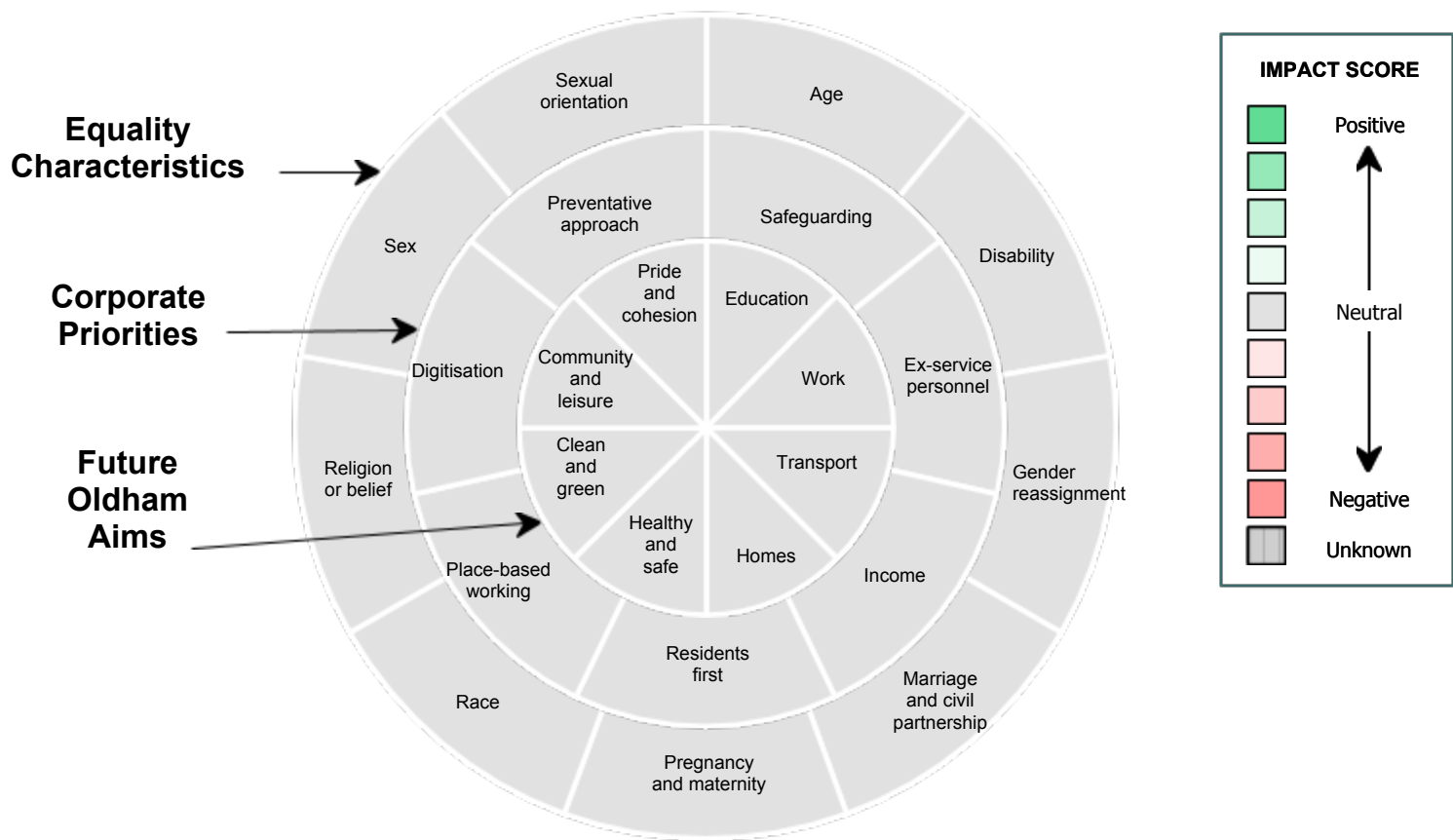
EXPENDITURE BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL	Comments
IT - Data - Theme 3	(129)	143				14	Annual Review - Rephase / Realign
Corporate / Information Technology TOTAL	(769)	379	390	-	-	-	
Capital Treasury and Technical Accounting							
Provision for CPOs	(83)	-	-	83		-	Annual Review - Rephase
Stakeholder Loan - Manchester Airport Group	(1,500)					(1,500)	Annual Review - Remove
Provision for Inflation Pressures	-	-	-	(10,120)	10,120	-	Annual Review - Realign
Capital Treasury and Technical Accounting Total	(1,583)	-	-	(10,037)	10,120	(1,500)	
Funding for Emerging Priorities							
Funding for Emerging Priorities	-	(3,175)	(1,100)	(2,000)		(6,275)	Annual Review - Realign
Funding for Emerging Priorities Total	-	(3,175)	(1,100)	(2,000)	-	(6,275)	
TOTAL	(28,900)	17,539	15,600	(27,950)	22,232	(1,480)	

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

FINANCING BUDGETS TO BE REPROFILED AS AT 30 SEPTEMBER 2023	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
Fund Source	£000	£000	£000	£000	£000	£000
Grants and Contributions	11,277	(7,318)	(3,000)	604	(2,520)	(957)
Prudential Borrowing	15,425	(7,512)	(13,460)	27,714	(19,620)	2,547
Revenue Contribution (HRA)	132	(130)	-	-	-	2
Capital Receipts	2,067	(2,579)	860	(368)	(92)	(112)
TOTAL	28,900	(17,539)	(15,600)	27,950	(22,232)	1,479

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

Annex 3 - EIA:Financial Monitoring 23/24 (Q2)



Annex 3- EIA: Financial Monitoring 23/24 (Q02)				
	Impact	Likelihood	Duration	Comment
Equality Characteristics				
Age	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 2 (30 September 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
Corporate Priorities				
Safeguarding	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 2 (30 September 2023) and as such, in isolation has no direct impact on Equality
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
Future Oldham Aims				
Education	Neutral	Possible	Short Term	The report considers the 2023/24 financial position of the Council at Quarter 2 (30 September 2023) and as such, in isolation has no direct impact on Equality
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