

Report to: Cabinet



Date of Meeting 12 July 2023

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Revenue and Capital Outturn Report 2022-2023

Report summary:

This report sets out the revenue budget and capital outturn positions at the end of the financial year. The 2022/23 outturn position of the General Fund is a positive one with a surplus balance for reallocation of £1.367m.

Service areas have again had a challenging year with some significant ongoing financial pressures as a result of the pandemic and the current economic conditions. These factors together directly affects the Council in terms of the cost of providing services as well as leading to increased service demand or drop in terms of income lines. The service level budgets have reported a service deficit of £0.961m, although a significant amount of this has been funded by approved use of reserves or the General Fund. Significant favourable variations outside service level budgets namely interest receipts of £1.198m and business rates of £1.149m have resulted in a surplus balance of £1.367m.

The report outlines the implications of these results on the Council's reserves and makes recommendations on reserve transfers.

The Council's General Fund balance at the end of the 2022/23 financial year is forecast to remain at £4.3m.

In respect of the capital programme, the report at section 5 reports capital expenditure of £15.997m against the approved budget of £18.011m.

The report also outlines the year end position of the Housing Revenue Account (HRA) at section 4. This includes variance analysis of the outturn deficit of £1.264m, the use of 21/22 underspend to fund this position and also the 31 March 2023 reserve balances.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. That Cabinet considers and recommends to Council the outturn position for 2022/23 including the implications and proposals relating to the Balances and Reserves held by the Council.
2. That Cabinet recommend to Council the proposed reserve transfers contained within the report and give delegated authority to the Director Finance in consultation with the Finance Portfolio for any amendments to these transfers as additional year end data becomes available.

Reason for recommendation:

To accord with the Council's financial regulations, this report presents the outturn position for the Council's approved budgets for the General Fund, Housing Revenue Account and Capital Expenditure. This financial position will align to the Council's Statement of Accounts but the position in this report is presented in a style that accords to the budget setting and monitoring reports that members receive.

Members are asked to note the variations from the budgets identified within the report and consider the final position.

It is appropriate at this stage to reflect on the reserves and balances held by the Council and determine if these are the right reserves at the right levels going forward.

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Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk; Financial monitoring reports have kept members informed during the year of budget variations and the projected outturn position of the Council's finances. All predetermined Balance and Reserve levels were predicted to be maintained above the adopted minimum levels. The report also looks at the monies the Council holds in balances and reserves and considers these in the light of the Council's future financial position and future Government funding cuts and other emerging financial pressures e.g. inflationary pressures. Consideration is given to the Council's financial track record, internal and external audit reports on financial controls and is reflective of occurrences from external factors which affect the Council's finances.

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

1. Introduction

- 1.1 This report compares the outturn position (actual amount spent or income received for the year) against budgets set for the financial year 2022/23 for the General Fund, Housing Revenue Account (HRA) and the Capital Programme.
- 1.2 During 2022/23 budget monitoring reports have informed members of budget variations based on work with budget managers and has provided the anticipated year-end financial position. This report contains the final position for the year and compares this outturn position against the budgets set.
- 1.3 The report looks at the effect the outturn position has on the Council's balances and reserves and considers future policy for holding these sums.
- 1.4 It was agreed in 21/22 that in order to reflect the increasingly volatile and difficult financial environment, including the very real and emerging inflationary pressures we are seeing the General Fund adopted range was increased by £0.5m to the adopted (upper) range of £4.3m. No change is proposed for 22/23.
- 1.5 Please be advised that all numbers are not finalised as we are still awaiting information from other authorities. Estimates have been made where appropriate therefore no significant items or material variances to the below are expected.
- 1.6 The report contains the following sections:
- Section 2 General Fund Position
 - Section 3 Reserves Position
 - Section 4 Housing Revenue Account
 - Section 5 Capital Outturn

2. General Fund Position

2.1 22/23 Set Budget & Opening General Fund Balance

The 2022/23 budget was set by Council with a Council Tax Requirement of £9.533m with the closing general fund balance in the 21/22 accounts of £4.3m. The following table shows the in year outturn variations versus set budgets with final General Fund surplus being **£1.367m**.

General Fund Position	£000	F/A
Original Budget Requirement	9,533	
Approved Budget Variations during reporting period	135	A
Revised budget Requirement	9,668	
Surplus in Year v Revised budget	-1,502	F
Final Outturn Position 31/3/2023	8,166	
Final General Fund Surplus to allocate	-1,367	F

2.2 Cost of Service Variation to Budget in 22/23 (£0.961m (A))

The variation across the council's portfolio of services can be viewed in Appendix 1 with additional details of the top 5 cost centre variations above £0.2m within Appendix 2.

2.3 Business Rates Income (£1.330m (F))

The business rates income including earmarked reserve contributions in year was £7.819m versus a budget of £6.489m. East Devon's portion of the deficit on the collection fund of

£3.997m in 21/22 has been removed in 22/23 as the collection fund returns to a surplus. We have continued the policy of moving the business rates volatility reserve in line with the deficit to prevent large income fluctuations in the general fund.

£2.831m was the baseline funding from rate income set by Government, to this the Council agreed to add a further £2m as an uplift in budget to reflect the additional income the Council actually received with the remaining being contributions from reserves. This was a prudent sum and mindful of not becoming further reliant on this income stream to support core services in budget setting as the Government had announced a review of Local authority funding and the rebasing of business rates income. This dilemma will have to be considered in the next iteration of the Council Medium Term Financial Plan. Business rate growth has been one of the main factors allowing this Council not to have to make the same serve cuts in services to date seen in a number of authorities; the total business rateable value amount for the district has grown by nearly 25% in the last 7 years.

2.4 Investments and Financing (£1.390m (F))

The interest income the council received in 22/23 was £1.579m versus a budget of £0.381m. The reason for this increase can be explained by the following factors;

- As a result of unpredicted variations in interest rates from the time of budget setting and the subsequent impact that this had on investment returns, the average rate of return on investments was better than expected at 2.21%
- Due to some large grant funding schemes coming into the council which have been reserved for future years the Treasury portfolio balance has been larger than predicted throughout the year with the year-end balance standing at £59.349m.

2.5 Government Grants (£0.108m (A)) & Savings Target (£0.070 (A))

At the time of budget setting the position with regards to the unringfenced central government grant funding was not fully known with new schemes being announced. The New Services grant and Lower Tier Services grant were included in the base budget, however, the councils final allocation was £0.1m lower than initially predicted.

2.6 Use of Reserves (£0.083 (A))

The breakdown of the reserves movements can be found in Appendix one with the £11.35m use of earmarked revenue reserves further detailed within Appendix 3.

2.7 Transfer of Final General Fund Surplus Balance to the Transformation Fund (£1.367 (A))

It is proposed that the final surplus balance remaining in 22/23 be transferred to the Transformation fund, however as a revenue earmarked reserve this uncommitted sum could be utilised to fund council priorities, for example, to further fund and finance the Housing Task Force for an extended period of time. It is also proposed that £10,000 of the general fund surplus be ringfenced in supporting the East Devon Council Plan development.

This proposal leaves the General fund balance per the agreed upper limit of £4.3m.

3. RESERVES POSITION

3.1 The overall General Fund Balance position at year end is given below, this shows the effect of the budgeted outturn variation after the transfer to the Transformation fund of £1.367m.

General Fund Balance Position	£000
Opening Balance 1/4/2022	(4,300)
Budgeted Outturn variation 2022/23 after Transfers	0
Closing Balance 31/3/2023	(4,300)

3.2 The movement in General Fund Earmarked Reserves in the year can be seen in the below table with additional detail of movements provided in Appendix 3.

General Fund Earmarked Reserves	£000
Opening Balance 1/4/2022	(20,573)
Budgeted Outturn variation 2022/23	(11,349)
Closing Balance 31/3/2023	(31,923)

4. Housing Revenue Account

4.1 Annual Outturn

The 22/23 Outturn Deficit for the year is £1.264m (£1.422m below the final budgeted surplus of £158k). The summary tables of income and expenditure and associated commentaries of material variations can be found in Appendix 4.

A summary by cost driver is as follows;

- Employment Costs +£0.36m resulting from the 22/23 pay award
- Income +£0.43m due to lost income from void properties
- Supplies, Services & Other Costs +£0.15m due in part to disrepair claims and legal fees
- Interest income & charges -£0.21m from improved returns on investments
- Expenditure on Premises +£0.69m, see Appendix 4 for additional detail

4.2 Proposed Contribution from Reserves for Consideration

The proposal is to cover the in year deficit of £1.264m from Earmarked reserves, leaving the HRA Balance at the adopted level of £3.1m is as follows;

- A contribution of £1.12m to be taken from the planned maintenance reserve covering the premises overspend of £0.69m and the void loss of £0.43m. This in effect reverses the surplus contribution made to this reserve in 21/22 due to underspends.
- The residual net £0.144m to be taken from the Capital Development fund.

4.3 Capital Expenditure and Associated Funding

A detailed table of the individual capital expenditure items and their associated funding streams can be found in Appendix 5. In summary;

- A total of 3 acquisitions were completed within the year versus 33 right to buy sales reducing the stock significantly.
- The £1.816m capital expenditure on Green Homes was funded partially by a central government grant of £0.612m with the majority of the residual funded by non-ring-fenced right to buy capital receipts.
- The total revenue contribution to capital made from the Housing revenue account was £0.757m versus a budgeted figure of £0.88m.

4.4 22/23 Year End Reserve Levels

The below table shows the final reserve levels should the allocations proposed be approved.

REVENUE				
Reserve Name	2021 Year End	Movement	2022 Year End	Comment
HRA Balance	-3,102	0	-3,102	Adopted level of £500 per dwelling plus £1m buffer
HRA Volatility Reserve	-1,600	0	-1,600	Earmarked reserve in case of events impacting rental income
Capital Development Fund	-3,651	729	-2,923	Revenue reserve earmarked for new homes & climate change development
Landlord Services Reserve	-124	0	-124	Revenue reserve earmarked for Future Landlord Services Projects & C19 Catch up works
Planned Maintenance Reserve	-4,375	1,120	-3,255	Revenue reserve earmarked for Stock Condition and Catch Up Costs
Fire Risk Assessment Reserve	-1,468	0	-1,468	Revenue reserve earmarked for FRA Building works and Lift replacement
TOTAL USEABLE REVENUE RESERVES	-14,321	1,849	-12,472	
CAPITAL				
Reserve Name	2021 Year End	Movement	2022 Year End	Comment
HRA Capital Receipts	-3,185	-2,546	-5,731	To be used to fund the 30% Government RTB funding of replacements only
Hra Retained Capital Receipts	0	0	0	Capital Receipts used to finance the capital program and new homes

5. Capital Budget

The revised net capital budget (after grants and contributions) for 2022/23 was £18.011m; the outturn position is lower by £2.057m at £15.997m. The majority of this movement is from scheme slippage, which needs to be re-profiled into 2023/24, or later years.

2022/23 Capital Programme Outturn Position by Portfolio

Portfolio	Budget after revisions	Actual	(Under)/Overspend
	2022/23	2022/23	2022/23
	£	£	£
Corporate Services	1,306,481	297,398	(1,009,083)
Community - Housing General Fund	1,589,539	930,432	(659,107)
Economy and Regeneration	5,756,272	7,434,473	1,678,201
Environment	2,761,069	821,153	(1,939,916)
Street Scene	6,824,075	2,285,375	(4,538,700)
Strategic Development	1,250,000	0	(1,250,000)
TOTAL GF GROSS EXPENDITURE	19,487,436	11,768,831	(7,718,605)
Community - HRA	3,578,500	6,247,478	2,668,978
TOTAL GROSS EXPENDITURE	23,065,936	18,016,309	(5,049,627)
Corporate Services	(11,000)	0	11,000
Community - Housing General Fund	(1,473,864)	(1,168,557)	305,307
Economy and Regeneration	(2,249,000)	0	2,249,000
Environment	(538,640)	(155,862)	382,778
Street Scene	(782,620)	(82,000)	700,620
Strategic Development	0	0	0
TOTAL GF EXTERNAL FUNDING	(5,055,124)	(1,406,419)	3,648,705
Community - HRA	0	(612,149)	(612,149)
TOTAL EXTERNAL FUNDING	(5,055,124)	(2,018,568)	3,036,556
Corporate Services	1,295,481	297,398	(998,083)
Community - Housing General Fund	115,675	(238,125)	(353,800)
Economy and Regeneration	3,507,272	7,434,473	3,927,201
Environment	2,222,429	665,291	(1,557,138)
Street Scene	6,041,455	2,203,375	(3,838,080)
Strategic Development	1,250,000	0	(1,250,000)
TOTAL GF NET EXPENDITURE	14,432,312	10,362,412	(4,069,900)
Community - HRA	3,578,500	5,635,329	2,056,829
TOTAL NET EXPENDITURE	18,010,812	15,997,741	(2,013,071)

To remind members a capital budget is agreed to complete a particular scheme/project (normally in the annual budgeting setting process). Profiling between years is undertaken to help understand yearly financial commitments and for members to understand the annual funding position. Capital scheme slippage will be re-profiled with advice from the project/budget manager but this will be within the total budget approved for the scheme by members.

Financial implications:

The financial details are included in the report.

Legal implications:

Any legal implications are identified in the report and no further comment is required.

APPENDIX 1 – Cost of Services & Associated Earmarked Reserves Movements – by Service

General Fund Revenue Budgets 2023/24

Portfolio Budget - Net Expenditure	Actuals 2022/23	Budget 2022/23	Variation	%age Var	Notes
Corporate Business	236,751	176,698	60,053	25%	1
Corporate Services	961,705	699,197	262,508	27%	2
Economy And Regenrtn Portfolio	126,617	54,831	71,786	57%	3
Environment Portfolio	4,167,901	4,145,243	22,658	1%	4
Finance	-1,423,166	-2,037,896	614,730	-43%	5
Strategic Development & P'Ship	-11,300,412	-11,247,536	-52,876	0%	6
Street Scene Portfolio	9,629,248	9,775,239	-145,991	-2%	7
Sustainable Homes & Communitie	1,338,796	1,210,381	128,415	10%	8
Portfolio Totals	3,737,440	2,776,157	961,283	26%	
Reversal of Capital Charges (Depreciation)	65,552	23,530	42,022	64%	
Portfolio Totals Net of Capital Charges	3,802,992	2,799,687	1,003,305	26%	
Interest Receipts (Net of investment management fees)	-1,578,758	-380,930	-1,197,828	76%	9
Interest Payable	405	300	105	26%	
PWLB Interest	96,714	116,840	-20,126	-21%	
Principal Repayments	118,000	310,000	-192,000	-163%	10
Net Expenditure	2,439,353	2,845,897	-406,544	-17%	
Government Grants					
New Homes Bonus Grant	-2,136,523	-2,136,523	0	0%	
Rural Services Delivery Grant	-236,732	-236,590	-142	0%	
Lower Tier Services Grant	-295,896	-404,000	108,104	-37%	11
New Services Grant	-183,878	-184,000	122	0%	
Savings Target	0	-70,000	70,000	100%	12
Use of Reserves					
Capital Reserve Transfers	761,696	636,523	125,173	16%	13
Use of Collection fund surplus Income	-359,791	-332,270	-27,521	8%	
Use of Collection fund surplus MIRS	134,589	134,590	-1	0%	
Use of Accumulated Absence Reserve	-13,174	0	-13,174	100%	
Use of Other Earmarked Reserves	11,349,785	11,378,790	-29,005	0%	
Budget Requirement	11,459,751	11,632,417	-172,666	-2%	
Business Rates Income	-7,819,043	-6,489,421	-1,329,622	17%	14
Business Rates MIRs	4,524,890	4,524,894	-4	0%	
Council Tax Requirement	8,165,599	9,667,890	-1,502,291	-18%	

Notes

1. Corporate Business
Primarily driven by in year expenditure into the independent investigation ex Cllr Humphreys provided by Verita which it was determined should be funded by the General Fund.
2. Corporate Services
Centralised salary saving expectations not realised by offsetting decreases across the portfolio due to the 22/23 pay award.
3. Economy Portfolio
Increases in demand across the service for unbudgeted Agency staff throughout the year which was not offset by Payroll reductions due to the pay award.
4. Environment Portfolio
LED grants provided over and above budgeted payment schedules agreed to be funded by the General fund were predominantly offset by establishment related salary savings.
5. Finance
Lower than budgeted levels of income in Car Parks across the region. Total actual cash increased by £1.02m despite later than anticipated introduction of new charges. This has previously been reported and taken into account when setting the 23/24 budget.
6. Strategic Development
Salary Savings were offset by increased spending on external consultants.
7. Street Scene
Better than predicted income levels across various recycling material credits was partially offset by small overspends across the service.
8. Sustainable Homes & Communities
Lower than expected income levels in Home Safeguard were partially offset by underspends elsewhere.
9. Interest Income
Higher than anticipated yields on a larger than predicted treasury balance throughout the year.
10. Principal Repayments
Decrease in the Revenue Provision for Capital Expenditure made in the year due to reduced capital spend levels.
11. Lower Tier Services Grant
Less than predicted Grant income than budget due to the timing of information.
12. Savings Target
Annual savings target.
13. Capital Transfer to Reserves
Capital transfer made to reserve for disabled facilities grant underspends.
14. Business Rates Income
Higher than expected levels of Business Rates Income.

APPENDIX 2 – Cost of Services Movements – Material variations by cost code

Rank	4CAST	BUDGET	VaR	COST CODE	9CCN - Level 9 Cost Centre Name	Comment
1	-3,841,323	-4,311,510	470,187	05020	Car Parks + Builds On Carparks	Lower than expected income levels across the region
2	946,944	536,630	410,314	50005	Multi Serv Acty Annual	Centralised salary saving expectations not realised by offsetting decreases across the portfolio due to the 22/23 pay award
3	2,937	-266,740	269,677	21070	Hsg Ben Awarded	The deficit versus budget has been funded by reserve contributions which have released prior years new burdens central government funding.
4	1,666,814	1,424,740	242,074	40001	Led Contract Payment	LED grants provided over and above budgeted payment schedules agreed to be funded by the General fund.
5	4,616,715	4,812,256	-195,541	35001	Refuse Collection & Recycling	Better than predicted income levels across various material credits

APPENDIX 3 – General Fund Earmarked Reserves

REV/CAP RES	Reserve Category /Strategic Line	Reserve Name	-20,573	-11,350	-31,923
			2021	Movement	2022
Capital	Asset Maintenance Reserve	Asset Maintenance Reserve	-748	139	-609
Capital	Capital Res It Projects	Capital Res It Projects	-168	165	-3
Capital	Eth Refurb Reserve	Eth Refurb Reserve	-31	0	-31
Revenue	42021 C19 Reserve (Ex 93595)	42021 C19 Reserve (Ex 93595)	-446	413	-33
Revenue	42021 Financial Resilience Posts X 2 Extended To August 2024	42021 Financial Resilience Posts X 2 Extended To August 2024	-122	-103	-225
Revenue	Business Rates Volatility Res	Business Rates Volatility Res	-4,636	3,986	-650
Revenue	Contingency Reserve For 46091 Hardship Fund	Contingency Reserve For 46091 Hardship Fund	0	-200	-200
Revenue	Corporate Services Reserves Bs	Community (Was Dip) Consultatn	-6	0	-6
Revenue	Corporate Services Reserves Bs	Covid19 Emergency Fund Reserve	-180	100	-80
Revenue	Corporate Services Reserves Bs	Edms Reserve (From Transformat	-33	0	-33
Revenue	Corporate Services Reserves Bs	Elect Reg Reserve	-44	0	-44
Revenue	Corporate Services Reserves Bs	It Repacemt (Systmon) Res	-20	0	-20
Revenue	Corporate Services Reserves Bs	Mobile Working Res Via Capital	-5	0	-5
Revenue	Corporate Training Reserve	Corporate Training Reserve	0	-14	-14
Revenue	Cv T&T Contain Outbreak Mngt Fund Reserve	Cv T&T Contain Outbreak Mngt Fund Reserve	0	-159	-159
Revenue	Economy Reserves Bs	Asset Management Plan Reserve	-18	0	-18
Revenue	Economy Reserves Bs	Beer Coastal Comm Reserve	0	0	0
Revenue	Economy Reserves Bs	Building Control It Enhancemen	-144	0	-144
Revenue	Economy Reserves Bs	Business Support And Adv Res	-39	-28	-67
Revenue	Economy Reserves Bs	Changing Places Reserve	0	-132	-132
Revenue	Economy Reserves Bs	Comm. Invest Framework Reserve	-85	0	-85
Revenue	Economy Reserves Bs	Cranbrook Asset Trf Reserve	0	0	0
Revenue	Economy Reserves Bs	Economic Ptshp And Initive Fnd	-54	0	-54
Revenue	Economy Reserves Bs	Ex & Seaton Visitor Cntr Res	-31	0	-31
Revenue	Economy Reserves Bs	Exmouth Regen Res Via Capital	0	0	0
Revenue	Economy Reserves Bs	Jubilee Field Axminster Reserve	-43	43	0
Revenue	Economy Reserves Bs	Labgi Reserves	-62	0	-62
Revenue	Economy Reserves Bs	Ocean Venue Sinking Fund	-50	0	-50
Revenue	Economy Reserves Bs	Old Drill Hall Dem Via Capital	-2	0	-2
Revenue	Economy Reserves Bs	Portas Towns Pilot Reserve	-1	0	-1
Revenue	Economy Reserves Bs	Relocation Allowances Reserve	-158	0	-158
Revenue	Eddc Elections Reserve	Eddc Elections Reserve	0	-19	-19
Revenue	Eh Comf Funds	Eh Comf Funds	0	-42	-42
Revenue	Environment Reserves Bs	Aonb Landscape Fund	-144	67	-78
Revenue	Environment Reserves Bs	Car Pks Ticket Machine Rsrve	-49	20	-28
Revenue	Environment Reserves Bs	Climate Change Reserve	-512	-235	-747
Revenue	Environment Reserves Bs	E Devon Crime And Disorder	-223	8	-214
Revenue	Environment Reserves Bs	Eh Protection Reserve	-26	0	-26
Revenue	Environment Reserves Bs	Grants For Arts Reserve	-61	-41	-102
Revenue	Environment Reserves Bs	Hls Reserve	-164	-34	-197
Revenue	Environment Reserves Bs	Licensing Reserve	0	-9	-9
Revenue	Environment Reserves Bs	Manor PvlN Sidmth Res	-3	-4	-7
Revenue	Environment Reserves Bs	Water Voles Reserve	0	0	0
Revenue	Environment Reserves Bs	Wild Wetlands Project	-59	1	-58
Revenue	Finance Reserves Bs	100percent Nndr Reserve	-2,071	1,075	-996
Revenue	Finance Reserves Bs	Community Fund Reserve	-12	-29	-41
Revenue	Finance Reserves Bs	Land Charges Sur/Defi Reserve	0	-36	-36
Revenue	Finance Reserves Bs	Localised Ctax Support Reserve	-141	0	-141
Revenue	Finance Reserves Bs	MtFp Risk Reserve	-2,936	0	-2,936
Revenue	Finance Reserves Bs	New Homes Bonus Community Fund	-1	1	0
Revenue	Finance Reserves Bs	Nndr Project Revenue Reserve	-34	0	-34
Revenue	Finance Reserves Bs	Parish Support Reserve	-55	0	-55
Revenue	Finance Reserves Bs	Parishes Together Reserve	-81	30	-50
Revenue	Finance Reserves Bs	Revs & Bens Reserve	-30	20	-10
Revenue	Gen Res Transform Fund	Gen Res Transform Fund	-2,278	164	-2,114
Revenue	Homes 4 Ukraine 42022 Emp Costs 23-24 Reserve	Homes 4 Ukraine 42022 Emp Costs 23-24 Reserve	0	-58	-58
Revenue	Homes 4 Ukraine 42022 General Reserve	Homes 4 Ukraine 42022 General Reserve	0	-1,369	-1,369
Revenue	Led Nat Leisurerecoveryreserve	Led Nat Leisurerecoveryreserve	-388	388	0
Revenue	Private Sector Hsg Reserve	Private Sector Hsg Reserve	-35	-58	-94
Revenue	Small Community Grants Fund Re93080	Small Community Grants Fund Re93080	-11	7	-4
Revenue	Strata Savings Reserve	Strata Savings Reserve	0	-138	-138
Revenue	Strategic Develmt Reserves Bs	3 Towns Regeneration Reserve	-30	23	-7
Revenue	Strategic Develmt Reserves Bs	Consortium Payment Reserve	-350	0	-350
Revenue	Strategic Develmt Reserves Bs	East Devon Great Trees	-24	24	0
Revenue	Strategic Develmt Reserves Bs	Enterprise Zone Reserve	-1,080	-948	-2,028
Revenue	Strategic Develmt Reserves Bs	Habitats Assessments Grant Res	0	0	0
Revenue	Strategic Develmt Reserves Bs	Hndu Expansion Areas Res	-125	125	0
Revenue	Strategic Develmt Reserves Bs	Hnip Revenue Reserve	-362	-14,149	-14,511
Revenue	Strategic Develmt Reserves Bs	Local Plan Inspection Reserve	-94	-33	-128
Revenue	Strategic Develmt Reserves Bs	Neighbourhood Planning Reserve	-133	-9	-141
Revenue	Strategic Develmt Reserves Bs	Ngp Masterplanning Reserve	-99	-171	-270
Revenue	Strategic Develmt Reserves Bs	Planning Reserve	0	-111	-111
Revenue	Strategic Develmt Reserves Bs	River Restoration Proj Res	-9	9	0
Revenue	Street Scene Reserves Bs	Beach Huts Reserve	-59	-2	-60
Revenue	Street Scene Reserves Bs	Burial Software Reserve	-3	3	0
Revenue	Street Scene Reserves Bs	Honeyditches Interpret Panel	-13	0	-13
Revenue	Street Scene Reserves Bs	Jubilee Gardens Reserve	-3	3	0
Revenue	Street Scene Reserves Bs	Lpsa2 Reserve	-49	15	-34
Revenue	Street Scene Reserves Bs	Ottery Cycle Path Dowry (Coler	-12	0	-12
Revenue	Street Scene Reserves Bs	Plant & Equip - Pks & Pls Grds	-104	20	-84
Revenue	Street Scene Reserves Bs	Plant & Equip - Street Cleansg	-54	1	-53
Revenue	Street Scene Reserves Bs	Streetscene Reserve	-109	23	-86
Revenue	Street Scene Reserves Bs	War Memorial Maintenance Reser	-20	0	-20
Revenue	Sustn Homes & Comm Reserves Bs	Community Led Housing Reserve	-900	178	-722
Revenue	Sustn Homes & Comm Reserves Bs	Housing Task Force Reserve	-490	145	-345
Revenue	Sustn Homes & Comm Reserves Bs	Protect And Vaccinate	-11	11	0
Revenue	Ukspf Reserve	Ukspf Reserve	0	-150	-150
Revenue	Treasury Management Reserve	Treasury Management Reserve	0	-275	-275

APPENDIX 4 – HRA outturn Variances & Commentaries

Year to Date			INCOME	4Cast Outturn		
Actuals	Budget	Diff		Actuals	Budget	Diff
-18,159,671	-18,609,260	449,589	Gross Property Rents	-18,159,671	-18,609,260	449,589
-223,211	-215,990	-7,221	Garage Rents	-203,211	-215,990	12,779
-647,488	-619,600	-27,888	Other Income	-647,488	-619,600	-27,888
-19,030,371	-19,444,850	414,479		-19,010,371	-19,444,850	434,479

Year to Date			EXPENDITURE	4Cast Outturn		
Actuals	Budget	Diff		Actuals	Budget	Diff
5,141,919	4,400,580	741,339	Repairs And Maintenance - General	5,141,919	4,400,580	741,339
1,159,443	973,750	185,693	Repairs And Maintenance - Special	1,159,443	973,750	185,693
7,977,701	7,119,670	858,031	Supervision And Management	7,977,701	7,119,670	858,031
225,732	327,360	-101,628	Other Expenditure	225,732	327,360	-101,628
3,669,047	4,027,130	-358,083	Capital Charges & Bad Debt	3,669,047	4,027,130	-358,083
18,173,841	16,848,490	1,325,351		18,173,841	16,848,490	1,325,351

	4Cast Outturn		
	Actuals	Budget	Diff
Financing & MIRS	2,100,626	2,438,140	-337,514

	4Cast Outturn		
	Actuals	Budget	Diff
Surplus	1,264,096	-158,220	1,422,316

Commentary

The variation in outturn for forecasted rents is solely due to the impact of rent losses on void properties. The 1 increases in expenditure below partly relate to a large ramp up in works from February onwards to address the issue and to prevent similar losses in 23/24.

The majority of the overspend can be explained by two factors; the large amounts of external decoration 2 undertaken by Ian Williams to be funded by reserve and increases in the number of exceptions which are in effect minor planned works which offset underspends in Major Repairs.

3 Underspends within certain compliance areas, notably asbestos works, have been more than offset by increases in Fuel Efficiency measures such as retrofits and alternative energy heating supplies.

The impact of the salary review has caused budgets to be exceeded where there is a full establishment within 4 the cost centre, however, the impact was partially mitigated by the vacant posts within the service, most notably within the Property & Asset team.

5 Lower levels of spending in various areas such as Tenant Engagement, Change of Tenancy/Downsizing and sewerage provision.

6 Underspends across major repairs categories which have been redistributed into other areas such as external decoration and minor planned works.

The majority of the surplus relates to the contribution that the HRA receives from the General fund for the 7 return on investments. Returns were significantly higher than budgeted due to the impact of interest rate rises in the year.

APPENDIX 5 – HRA Capital Summary with funding

Affordable Housing

	Funding Stream
Property Purchases completed	974,312 Expenditure
	-584,587 60% HRA Funding from Reserve
	-389,725 40% RTB Receipt Funding
Property Purchases incomplete/peripherals	12,636 Expenditure
	-12,636 Revenue Contribution to Capital
	<u>0</u>

FRA Capital Works

In year expenditure	0 Expenditure
	0 FRA Earmarked Reserve Funding
	<u>0</u>

HRA Capital Program Including Capital Grants

2 HRA Capital Programme Total	730,003 Expenditure
Green Homes Climate Change	1,816,214 Expenditure
	-612,000 Grant Income Received
	-1,190,121 HRA CAPITAL PROGRAM FUNDING RECEIPTS
	0 RESIDUAL BORROWING FROM 22/23
	-744,096 Revenue Contribution to Capital
	<u>0</u>