

Subject:	Financial Monitoring Report Q2 2022/23	Status:	For Publication		
Report to:	Cabinet	Date:	7 th December 2022		
Report of:	Chief Finance Officer	Lead Member:	Resources		
Key Decision:	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	General Exception	<input type="checkbox"/>	Special Urgency <input type="checkbox"/>	
Equality Impact Assessment:	Required:	No	Attached:	No	
Biodiversity Impact Assessment:	Required:	No	Attached:	No	
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1. RECOMMENDATION

1.1 That Cabinet note the contents of the Q2 2022/23 financial monitoring report.

2. EXECUTIVE SUMMARY

- This report provides an estimate of the Council's General Fund 2022/23 Revenue outturn, Collection Fund performance and Capital outturn for the year ended 31 March 2023, based on performance at Q2 2022/23.
- The Council is seeing an increasing financial pressure driven by the rapidly rising levels of inflation.
- The current economic climate is having a significant impact on the Council's financial performance. The full year impact is predicted to result in an adverse variance of £1,541.3k on the General Fund when compared to the original budget of £8,991k.

3. BACKGROUND

- 3.1 In February 2022 the MTFs set a balanced Budget for the year based on the assumptions made at that time and supported by £56k from reserves. The pay award, rising inflation rates, high vehicle fuel costs and increasing utility costs have made it impossible to achieve the original budget forecast.
- 3.2 Work will continue over the coming months to monitor and forecast the costs and any savings associated with the current economic issues and any other emerging budget pressures.

4. DETAILS

REVENUE

- 4.1 This 2022/23 mid-year monitoring report is forecasting an adverse variance of £1,063.8k when compared to an original budget of £8,991k. It is proposed that this adverse variance will be met from the transitional reserve.
- 4.2 The most notable variances are:
- The budget contains a £225k vacancy savings target which is based on potential savings that can be achieved due to additional leave purchase and staff turnover, i.e. the salary saving made between an employee leaving the authority and the new recruit commencing. Due to the additional cost of the pay award this saving will not be achieved. The table on page 21 of appendix 1 shows the position against the target with the additional impact of the pay award stripped out. This demonstrates that excluding the additional pay award the savings would have fallen c£100k short of the target. In previous years this target has been achieved.

- Significant increases to fuel 'pump prices' continue to impact the Council, and in particular the cost of its Operational fleet vehicles (Refuse Collection, Parks). The indicative outturn now estimates an adverse variance of £144.7k for vehicle fuel, this has been revised down since the Q1 forecast of £163k, based on the fuel prices having reduced from the April all time high (economic commentary, page 28)
- An adverse outturn variance of c£69.6k is predicted in relation to income from commercial property rents, and £13.6k from market rents. These shortfalls are being attributed to the current economic climate.
- The £110k adverse variance within Finance includes an unbudgeted £55k charge from the External Auditors for additional works required when auditing the 2016/17 and 2017/18 Statement of Accounts. Also the Council has incurred additional bank charges of c£40k due to the increase in volume of individuals using the Council's electronic payment system. The remainder is due to costs for the interim cover of vacant posts within the finance team.
- In 2022/23 the Council has a total budget for Empty Homes related expenditure in the sum of £800k. This budget is split £300k (Revenue funding) and £500k (Capital funding.) At Q2 the predicted outturn is an adverse variance on the revenue account of £600k. This is largely due to recognition of the additional revenue resources required to support the ongoing legal work of the Council and defence of the Empty Homes claim. This includes provision for future Barrister costs and administrative work of the Project Officer. The Council is also liable for council tax costs where properties within the scheme are without tenants.

4.3 Full details and explanations are included in appendix 1.

CAPITAL

- 4.4 The useable Capital Receipts brought forward at 1st April 2022 totalled £2,975k. However the impact of the significant amendments to the 2017/18 audited accounts regarding capital receipts is still to be fully integrated into current year figures. This is currently being reviewed.
- 4.5 The value of the budgeted capital scheme expenditure for 2022/23 was £5,082k to which £3,901k slippage was added. An additional £45k has been allocated for the Marl Pits Running Track, and an additional £160k for DFGs. The estimated in year expenditure is now £9,192k (includes a £4k revenue uplift re Clare House) with an indicative outturn of £5,842k.
- 4.6 Anticipated slippage into 2023/24 is estimated at £3,350k.

TREASURY

- 4.7 The council's bank resources continue to be higher than normal due to the level of Covid related Government grants held over from 2021/22, including significant sums not yet returned to Government as part of the agreed reconciliation conditions. The uncertainty around income, the timing of repayment to Government of unspent grant, and depressed interest rate levels on offer from approved counterparties despite recent increases in Bank Rate, has lead to the Council revising its investment strategy to balance instant access accounts with shorterterm 'fixed' deposit facilities, to increase investment return within the scope of the approved Treasury Management Strategy.

4.8 Details are included in Appendix 1.

Version Number:	1	Page:	2 of 4
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COLLECTION FUND

4.9 Council Tax collection statistics have not yet returned to pre-pandemic levels. Whilst Business Rates collection performance appears to have returned to pre-pandemic levels, the reliefs awarded are masking the true position. Early indications are that the Council Tax collection fund will return a surplus whilst the Business rates fund will see a deficit

4.10 Details are included in Appendix 1.

EARMARKED RESERVES

4.11 The total cash-backed earmarked reserves brought forward at 1st April 2022 were £11,528k (after adjustment for Business Rate relief support repayable to government). The Earmarked Reserves closing balance at the 31 March 2023 are estimated to be £7,039.9k. However based on current plans and forecast commitments at the time of this report, earmarked reserves are anticipated to reduce to £5,201.8k over the life of the current MTFS (by March 2026). It must be noted that this takes into account the current year projected adverse variance, but only includes the adverse variances for the remaining years of the current forecast as reported in the February 2022 MTFS.

5. RISK

5.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- Goods and services are becoming more expensive to buy. General inflationary increases are being experienced across all contracts that are linked directly to RPI and CPI. Vehicle fuel and utility costs have increased significantly since the budget was set in February 2022. Rising inflation and interest rates are also impacting on the capital programme. On average vehicle replacement costs are running c20% over and above the estimates included in the capital programme. Rising inflation is also having an impact on the construction industry - pushing up costs, increasing tender prices.
- Financial monitoring of General Fund service departments focuses on the key risk areas of employee costs, income, implementation of agreed budget savings, emerging issues (eg inflationary pressures and rising living costs) and opportunities and in particular service department net expenditure.
- Budget setting for future years is now treated as an integral part of financial monitoring during the current year and the impact of variances being reported here will be considered by officers when preparing the detailed 2023/24 budgets.
- The council must explore ways of bridging its forecast annual funding gap. Amongst other things this may include becoming more commercially aware, aiming to grow its resources alongside the challenges to its cost base.
- If the level of Council Tax support claims increase as a result of the current economic climate or the level of Council Tax bad debt increases, this will have an adverse impact on the income the Council receives.
- The level of Government funding beyond 2022/23 is unknown. The Government Finance Settlement for 2023/24 is expected in December 2022.

6. CONCLUSIONS

- 6.1 Robust monitoring of the General Fund and MTFS is essential to control risks expressed in section 5 above and the Council continues to undertake this.
- 6.2 Since 2010 the Council has seen its central government funding reduced by c£6m pa in real terms. Since that time the Council has reduced its budget requirement from £11.8m pa to £8.9m pa and continues to seek efficiencies and grow income where possible. However, the current economic climate, is making it impossible for the Council to balance its in year income and expenditure.
- 6.3 The Council is continuing its cost reduction programme, however Members are facing increasingly difficult choices in an attempt to balance expenditure with available resources over the medium term, with the escalating energy costs, vehicle fuel costs, the rising inflation rate and the pay award making this more difficult.
- 6.4 The Final Local Government Finance settlement was announced on 7 February 2022 and was a single year settlement for 2022/23 only. The settlement included the continuation of the Lower Tier Services grant and New Homes Bonus in to 2022/23 and the introduction of a new one off Service grant for 2022/23. The level of Government funding beyond 2022/23 is still unknown, with the Finance Settlement for 2023/24 being expected in late December 2022. Based on the November budget, whilst the Council will have the ability to increase Council Tax by up to 2.99%, it is unlikely that the Council will receive any further Government support conversely it is more likely to see a reduction in funding. This poses a significant risk to the MTFS.

7. FINANCE

- 7.1 The financial implications are fully set out in Appendix 1.

8. LEGAL

- 8.1 Unless specifically commented upon within the report, there are no specific implications for consideration.

9. POLICY AND EQUALITIES IMPLICATIONS

- 9.1 There are no specific implications for consideration. Staffing issues have been discussed with colleagues in the People & Policy team.

10. REASON FOR DECISION

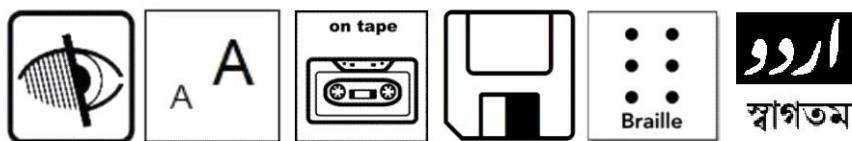
- 10.1 Cabinet are recommended to note the Q2 monitoring report.

Background Papers	
Document	Place of Inspection
Service monitoring statements.	Financial Services.
2022/23 Corporate Priorities, Budget, Council Tax and The Medium Term Financial Strategy.	RBC website - Full Council 23/02/2022

Financial Monitoring Report

2022/23 as at end of September 2022

Including a Glossary of terms on page 43



Monthly Financial Monitoring Report 2022/23 Q2 September 2022

General Fund Revenue Operations – pages 6 to 21

The current economic climate is having a significant impact on the Council's financial performance in Q2. The full year impact is predicted to result in an adverse variance of £1,541.3k on the General Fund when compared to the original budget of £8,991k. The significant budget variations are listed 6.

Earmarked Revenue Reserves – page 22 to 24

The total cash-backed Earmarked Reserves brought forward at 1st April 2022 were £11,528k (after adjustment for Business Rate relief support repayable to government).

The opening balance on the Transitional Reserve was £2,458k, to which £132k of New Homes Bonus grant is to be added. This funding will be released in full as budgeted, to fund 2022/23 Net Service costs. Similarly, the Council has received £98k of Lower Tier Services Grant and £150k Services Grant as part of the 2022/23 Local Government Finance Settlement, and this too will be used to fund Net Service costs.

As reported previously due to the complexities of the Collection Fund accounting regime, the Business Rates Retention Reserve holds a significant sum brought forward (£4,613.9k). This balance includes compensation received in 2020/21 required to fund future years' deficits on the Collection Fund owing to the pandemic, with amounts being released over the subsequent three years to ease the cashflow burden, as agreed by changes to legislation ('spreading the deficit').

The approved budget for 2022/23 also includes transfer to the Business Rates Retention Reserve of Section 31 Grant compensation for eligible reliefs afforded to qualifying business, received in year. This is estimated at £1,460k as per the Council's original submission to Government in January 2022. The Council also intends to contribute its receipt for renewable energy in the sum of £183k. The intention is to transfer £2,028k to the Transitional Budgetary Support Reserve at financial year-end, to assist with funding the anticipated general fund deficit.

As at 1 April 2022 £808.7k of unutilised balances of Covid related funding remain in the Response & Recovery reserve to meet the ongoing impact and commitments resulting from the pandemic falling into 2022/23. It must be noted that £445k of this balance is ringfenced for specific items of Covid related expenditure and will be repayable if not spent.

The indicative closing balance of earmarked reserves at the 31st March 2022, excluding sums specifically ring-fenced to fund future deficits on the Collection Fund is estimated at £7,039.9k. Based on current plans and February 2022 forecast commitments at the time of this report, earmarked reserves are anticipated to reduce to £5,201k over the life of the MTFS by March 2026.

Government Grants Unapplied – page 25

The opening value of Government Grants Unapplied at the 1st April 2022 was £2,283k, including £2,221k of Disabled Facilities Grant carried forward into 2022/23 which relates to previous years' slippage. The original allocation of Better Care funding for DFGs for 2022/23 is £1,160k, giving total DFG resources available of £3,381k.

Staff Monitoring – page 21

The table on page 21 shows the forecast staffing variances for the year based on quarter 2 actuals. The forecast for the year is currently an adverse variance of c£320k. This takes into account the 2022/23 budget of £225k (£200k vacancy savings and £25k leave purchase). Once adjusted for the pay award (c£264k) the remaining balance of £55.8k is the shortfall on the vacancy savings target.

Responsible Section/Team	Financial Services	Page	2
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Treasury & Cash Management - page 26 to 30

At the end of September, the bank balances were £14.7m. These resources continue to be higher than normal due to the level of Covid related Government grants received and held over from 2020/21 and 2021/22, including significant sums not yet returned to Government as part of the agreed reconciliation conditions. Due to the pandemic and despite recent Bank of England base rate increases, banking institutions continue to maintain interest rates at moderate levels. With the uncertainty around income, the timing of Government to request repayment of unspent grant and depressed interest rate levels on offer from approved counterparties (despite the said recent base rate increases), Council officers have retained funds in lower yielding instant access/liquid accounts. However due to the very low rates available from banking institutions the Council has revised its investment strategy to balance instant access accounts with shorter-term 'fixed' deposit facilities, to increase investment return within the scope of the approved Treasury Management Strategy. Fixed deposits are being made with high quality counterparties (Central Government, Local Authorities) where risk is considered low and returns are more closely linked to movement in the prevailing Bank Rate. Interest income is currently expected to exceed the budget for the year by £60k.

The provision for doubtful debt at the 1st of April 2022 was £380.6k, plus a further £5.4k set aside for licensing debt, against £481k of doubtful debts. The level of cover for sums outstanding and that risk going unpaid is considered adequate at this time (c84% cover) with no further movement proposed. However given the 'Cost of Living Crisis' dominating the headlines, this position will be kept under review.

Capital Receipts – page 31

The useable Capital Receipts brought forward at 1st April 2022 totalled £2,975k. However the impact of the significant amendments to the 2017/18 audited accounts regarding capital receipts is still to be fully integrated into current year figures. This is currently being reviewed.

The total value of Capital Grants receivable in the financial year 2022/23 is £1,983k. As all figures are indicative at this point in the reporting cycle, work continues to determine the most effective method of funding the Council's Capital Programme.

On current assumptions, the Capital Receipts Reserve is expected to total £3,211k at the end of financial year 2022/23. Whilst this is considered to be the most cost effective method of financing, it is acknowledged that capital resources remain earmarked to support projects in Whitworth (£100k), and Haslingden (£236k).

Capital Programme and Funding – page 31 to 37

The original Capital Programme for 2022/23 is £5,082k, including an estimate of £1,000k for DFGs and £977k for replacement operational vehicles. The slippage from 2021/22 was £3,901k, the bulk relating to DFGs. An additional £45k has been allocated for the Marl Pits Running Track, and an additional £160k for DFG. The annual Capital Building Repairs Contract has now been awarded; the total value of this is £239k over various sites and schemes. This contract will be funded from existing Capital budgets except for an additional £4k of funding from a designated revenue pot for repairs at Clare House. The actual DFG allocation for 2022/23 is £1,160k. The revised capital programme for 2022/23 is £9,192k.

The indicative capital outturn at 31st March 2023 is spend in the sum of £5,842k. Slippage (budget carry forward) into 2023/24 is estimated at £3,350k. These figures will be revised later in the financial year when outturn figures become available.

Collection Fund 2021/22 (Council Tax & NNDR) - page 38 to 40

Responsible Section/Team	Financial Services	Page	3
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Council Tax collection levels are recovering. However, they are still not back to pre-pandemic levels. Business rate collection appears to have returned to typical levels experienced pre-Covid, however there have been two major appeals which have distorted the figures.

The Council Tax account is predicting an early surplus of £174k for Rossendale.

The **business rates** collection fund is predicting a deficit of £1,639k in 2022/23, the Council's share of the deficit is £656k. This is largely due to two successful business rates appeals. The Council has a Business Rate Retention Reserve to provide for any peaks and troughs in business rate income, therefore this deficit will be charged to the reserve. The reserve also contains funds from Government to cover the additional reliefs granted to business during Covid. Due to the complicated accounting process for business rates these funds will be released from the reserve into the collection fund over the next two years.

Although it is anticipated the Council will suffer a collection fund loss, a pooling gain of 275k is estimated. The February 2022 MTFS included a pooling gain contribution of £390k, therefore if the current forecast remains at year end, it will result in a £115k deficit against that income budget, thus adding to the pressure on the MTFS.

Covid 19 – page 41 to 42

The Council has received various Covid related grants throughout the year and these have been itemised on page 41. Some of these grants are ring-fenced and any underspend will be recovered by the originating body at the end of the scheme. For business grants the Council is acting as an agent for the Government and any balances at the end of the schemes have to be repaid. All original schemes are currently closed, with repayment of net balances to Government to be made mid July 2022 (c£2.4m).

Responsible Section/Team	Financial Services	Page	4
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

General Fund Summary - Period 6 (Quarter 2)

Service Area	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Communities Directorate					
Customer Services and E-Government	1,333.5	1,501	(167.4)	(39.8)	(127.6)
Operational Functions	1,901.1	2,335	(433.9)	(192.2)	(241.7)
Parks and Cemeteries	662.5	674	(11.7)	32.0	(43.7)
Public Protection Unit	183.7	182	2.1	5.5	(3.4)
Environmental Health	177.6	220	(42.8)	1.5	(44.3)
Licensing & Enforcement	73.3	125	(51.9)	(27.6)	(24.3)
Communities Team	132.8	100	32.3	(2.7)	35.0
Economic Development Directorate					
Planning Services	310.3	308	2.1	20.1	(18.0)
Building Control Services	31.3	14	17.7	24.3	(6.6)
Regeneration	213.6	267	(53.0)	(10.6)	(42.4)
Property Services	306.1	496	(189.7)	(166.6)	(23.1)
Housing	160.0	129	30.5	(5.6)	36.1
Corporate Management Directorate					
Corporate Management	471.4	470.9	0.5	14.9	(14.4)
Legal Services	180.4	181.2	(0.8)	3.3	(4.1)
Local Land Charges	(17.7)	(13.8)	(3.9)	(1.3)	(2.6)
Democratic Services	555.0	561.2	(6.2)	1.9	(8.1)
Financial Services	584.9	694.9	(110.0)	(118.4)	8.4
People and Policy	686.2	696.7	(10.5)	6.6	(17.1)
Non Distributed Costs	132.2	143.0	(10.8)	(1.3)	(9.5)
Capital Financing and Interest	668.6	592.7	75.9	5.0	70.9
Leisure Services	(55.1)	(45.4)	(9.7)	(12.8)	3.1
Empty Homes Scheme	300.0	900	(600.0)	(600.0)	-
TOTAL Service Cost	8,991.68	10,532.94	(1,541.3)	(1,063.8)	(477.5)
LESS Use of Earmarked Reserves					
Retained Business Rates	(2,180.0)	(2,180.0)	-	-	-
Business Rates Reserve	(390.0)	(390.0)	-	-	-
Lower Tier Services Grant	(98.0)	(98.0)	-	-	-
Services Grant	(150.0)	(150.0)	-	-	-
Transitional Budgetary Reserve	(56.0)	(56.0)	(1,541.3)	(1,063.8)	(477.5)
LESS Use of New Homes Bonus Grant					
	(132.0)	(132.0)	-	-	-
Net Service Cost	5,985.7	7,526.9	-	-	-

The draft outturn position at Q2 2022/23 shows an adverse variance of £1,541.3k. This adverse outturn position will need to be funded from the Transitional reserve.

The main variances are shown in the table below: -

- Staff cost savings will not be achieved for 2022-23 due to the pay award of £1,925 per person. The pay award is costing the Council an additional £264k over the budgeted position.
- Significant increases to fuel 'pump prices' continue to impact the Council's operational fleet vehicles (Refuse Collection, Parks). Economic commentary (page 28) acknowledges historically high fuel prices with the indicative outturn recording an adverse variance of £146k for vehicle fuel.
- The adverse variance of £51.9k in Licencing and Enforcement relates to a currently unbudgeted post, the pay award and a shortfall in income.
- An adverse outturn variance of c£71.2k is predicted in relation to income from commercial property rents, and £9.6k from market rents. These shortfalls are being attributed to the current economic climate.
- The £110k adverse variance within Finance includes an unbudgeted £55k charge from the External Auditors for additional works required when auditing the 2016/17 and 2017/18 Statement of Accounts. Also the Council has incurred additional bank charges of c£40k due to the increase in volume of individuals using the Council's electronic payment

Responsible Section/Team	Financial Services	Page	5
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

system. The remainder is due to costs for the interim cover of vacant posts within the finance team.

- In 2022/23 the Council has a total budget for Empty Homes related expenditure in the sum of £900k. This budget is split £300k (Revenue funding) and £600k (Capital funding.) At Q2 the predicted outturn is an adverse variance on the revenue account of £600k, this was reported to Council in August 2022. The additional cost is largely due to recognition of the additional revenue resources required to support the ongoing legal work of the Council and defence of the Empty Homes claim. This includes provision for future Barrister costs and administrative work of the Project Officer. The Council is also liable for council tax costs where properties within the scheme are without tenants.

Target Efficiency Savings 2022/23

The Council agreed, as part of the 2021/22 and 2022/23 Budget processes, a number of Efficiency Targets, including an increase to published fees and charges.

Whilst the indicative outturn position noted above requires a contribution from reserves to balance the 2022/23 budget, the table below summarises efficiency performance against the individual budget headings.

A simple RAG status (Red, Amber, Green) has been used. Additional commentary is also provided and these areas of performance are considered in more detail in the main body of the report:

Budget Proposals (Net Efficiency Targets)	2022-23 £'000	Commentary at Q2
Trade Waste net increased income	(20)	At Q2 on budget
Increased Taxi Licence Fees (Subject to Taxi Licencing Committee Approval)	(11)	Fee increases were approved therefore this target should be achieved. However, estimated shortfall £11k.
Supplementary Planning Service	(5)	This is not currently being achieved.
Garden Waste: Increased Subscriptions	(10)	At Q2 a number of customers have not renewed causing an adverse variance of £5k
Fees and charges: annual increase in line with inflation	(8)	Approved - included in 2022/23 Estimates
Increased Investment Property Rental Income	(35)	Due to the current economic climate it is unlikely the increased income targets will be met.
Refuse Bins - replace with Revenue with Capital	(50)	Transferred budget to Capital
Reverse - Household Bin cleaning	5	Approved - included in 2022/23 Estimates
Additional revenue requirement arising from the Digital Strategy	41	Approved - included in 2022/23 Estimates
Additional revenue requirement as a result of transferring vehicle fleet from diesel to hydro treated vegetable oil	60	Approved - included in 2022/23 Estimates. However, pump price impact having negative impact on forecast spend in year. Estimated overspend at Q2 £146k.
Extension to Rossendale Works (agreed Cabinet Oct 2021)	30	Approved - included in 2022/23 Estimates
Make permanent the Operations Supervisor & Education Officer posts - currently due to end 31/03/2021	67	Approved - included in 2022/23 Estimates
Contribution towards developing the Lancashire County Deal	20	Approved - included in 2022/23 Estimates
Total Efficiency Targets	84	

Responsible Section/Team	Financial Services	Page	6
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Annual Variances	Q1	Q2	Q3	Q4	Total	
	Fav/(Adv)	Fav/(Adv)	Fav/(Adv)	Fav/(Adv)	Fav/(Adv)	
Communitites Directorate						
Customer Services and e-Government						
Staff costs	-	(8.5)			(8.5)	
Housing Benefits subsidy and admin grant	(13.0)	(1.9)			(14.9)	
Housing Benefit Local Council Tax support grant	0.1	(10.0)			(9.9)	
Central IT Costs	(26.9)	(104.5)			(131.4)	
Other minor variances	(0.0)	(2.7)			(2.7)	(167.4)
Operational Functions Including Parks						
Staff costs (including agency and overtime)	60.2	(238.8)			(178.6)	
Fuel, Vehicle Maint and Hire	(176.0)	(11.8)			(187.8)	
Parks & Open Spaces	(43.0)	12.0			(31.0)	
Street sweep running costs	(8.2)	0.8			(7.4)	
Garden Waste Income Less Costs	(16.0)	8.3			(7.7)	
Extra Costs within Refuse	(16.8)	(31.7)			(48.5)	
Trade Waste & Bulks Net income	8.6	(8.1)			0.5	
Public Realm Funding	38.0	0.6			38.6	
Playing Fields and Playgrounds		(20.2)			(20.2)	
Cemeteries Net income		22.6			22.6	
Weed killing	(7.0)	-			(7.0)	
Other minor variances	-	(19.1)			(19.1)	(445.6)
Communities Team	(2.7)	35.0			32.3	32.3
Env'tal Health, PPU, Licensing and Enforcement						
Staff costs	(24.1)	(23.1)			(47.2)	
Dog Service Cost Savings	4.3	4.4			8.7	
Extra Costs for Vet Fees		(3.8)			(3.8)	
Shortfall in Fixed Penalty Notice Income		(39.4)			(39.4)	
Shortfall in Income on Licensing and Enforcement		(8.0)			(8.0)	
Other minor variances	(0.7)	(2.1)			(2.9)	(92.6)
Economic Development						
Staff costs (net of grant & fee income)	83.3	27.1			110.4	
ED Direct Costs	(2.7)	2.7			-	
Professional Fees for the Levelling Up Bid		(84.5)			(84.5)	
Market Income	(13.6)	4.0			(9.6)	
Housing	(5.7)	36.8			31.1	
Planning Consultancy Professional fees	(32.1)	(5.0)			(37.1)	
Planning Application Fee Income	14.1	12.0			26.1	
Planning Pre-apps	(19.6)	(4.0)			(23.6)	
Planning Computer System I(DOX		(9.6)			(9.6)	
Building Control Fee Income	8.8	-			8.8	
Planning /Building Control misc under/over		(7.1)			(7.1)	
Property Running costs	(109.6)	(5.2)			(114.8)	
Business Rates	19.0	-			19.0	
Spinning Point bus station	1.8	(10.4)			(8.6)	
Estates Income (Excluding Town Hall, Futures Park)	(43.8)	7.0			(36.8)	
Valuation Fees & Professional Fees		(21.6)			(21.6)	
Futures Park Plot 1& 5	(21.0)	2.9			(18.1)	
Business Centre rentals	(16.3)	-			(16.3)	
Other minor variances	(1.0)	0.9			(0.2)	(192.5)
Corporate Management						
Staff costs	2.5	(20.5)			(18.0)	
Election, Democratic Services and Member costs	(3.4)	6.1			2.7	
Internal and External Audit - Finance	(55.0)	-			(55.0)	
Leisure Services	(12.8)	-			(12.8)	
Bank & Cash Collection Charges	(39.3)	(2.6)			(41.9)	
Empty Homes	(600.0)	-			(600.0)	
Other minor variances	2.2	(17.8)			(15.6)	(740.6)
Non-Distributed Costs & Capital Financing						
Interest	5.0	61.4			66.4	
Other minor variances	(1.3)				(1.3)	65.1
Favourable/(adverse) variance	(1,063.8)	(477.5)	0.0	0.0	(1,541.3)	(1,541.3)

Responsible Section/Team	Financial Services	Page	7
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Customer Services & ICT	2022/23 Orig Budget £000	Virements Budget £000	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Customer Services							
Benefits Administration	(249.3)	(0.2)	(249.5)	(234.5)	(15.0)	(15.2)	0.3
Benefits Granted	(23.7)	-	(23.7)	(13.8)	(9.9)	0.1	(10.0)
Local Tax Collection	(378.6)	-	(378.6)	(375.1)	(3.5)	(1.7)	(1.9)
Revenues & Benefits Partnership	988.3	-	988.3	988.3	-	-	-
Strategic Functions							
Management and Support	78.5	-	78.5	79.4	(0.9)	0.3	(1.2)
Service Assurance Team	137.3	-	137.3	163.8	(26.5)	(9.1)	(17.5)
Central Telephones	5.6	-	5.6	4.6	1.0	(0.5)	1.5
Central Printing	3.9	-	3.9	(0.6)	4.5	(5.0)	9.5
ICT Support	771.8	-	771.8	888.8	(117.0)	(8.7)	(108.3)
Total	1,333.7	(0.2)	1,333.5	1,500.9	(167.4)	(39.8)	(127.6)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000	R A G
Benefits Admin				
Staff	-	(8.5)	(8.5)	
Housing Benefit External Audit fee	(13.0)	(1.9)	(14.9)	
Benefits Granted				
Revenues & Benefits administration contract	0.1	(10.0)	(9.9)	
Local Tax Collection				
Other minor variances	(1.7)	(1.8)	(3.5)	
Management and Support				
Other minor variances	0.3		0.3	
Service Assurance Team				
SAT Team counter fraud work	(9.0)	(9.0)	(18.0)	
ICT Support				
Central IT Costs	(5.0)	(109.0)	(114.0)	
Implementation costs for project and equipment purchases	(11.0)	4.5	(6.5)	
Telephones				
Other minor variances	(0.5)	8.1	7.6	
TOTAL	(39.8)	(127.6)	(167.4)	

Responsible Section/Team	Financial Services	Page	8
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Customer Service & ICT Highlight Report – Q2 (end September 2022)

Historic Issues

- None.

Current Quarter's Issues

At Q2 the forecast variance is £167.4k adverse, the main changes being: -

- Housing Benefit Audit costs are anticipated to exceed budget by an additional 13k, so £21k for the year, based on information received from the Council's External Auditor. The Housing Benefit audit is outside the scope of the 'core' audit work, which is subject to fee approval via Public Sector Appointments (PSAA) Ltd; Housing Benefit audit work is subject to separate agreement. This is in line with the variance reported in Q1.
- In terms of business rates, the renewable energy income and budgeted S31 grants will be transferred into the Retained Business Rates Earmarked Reserve as per the original budget assumptions.
- At the end of Q2 the total value of computer equipment purchase and implementation costs has exceeded budget by £6.5k. A full review of these costs was carried out in Q2 and expenditure has been capitalised where possible.
- The Service Assurance Team has incurred additional costs for professional fees relating to inform CPI costs for rates reviews carried out.
- A full review of IT professional subscriptions and licences has been carried out in Q2 and the cost of renewals for subscriptions and licences has resulted in a forecasted overspend of c£100k
- In addition, the staff costs as a result of the pay award have increased the overspend by a further £8.5k.

Future Issues

- The Council's contract with Capita includes annual indexation increases linked to the higher of CPI or AWE. In light of the current economic situation and anticipated CPI rates this will have a significant impact for 2023/24.

Responsible Section/Team	Financial Services	Page	9
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Communities Directorate

Period 6 (Sep)

Operations & Communities	2022/23 Orig Budget £000	Virements Budget £000	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Operational Functions							
Operations Admin & Vehicle Maintenance	348.7	-	348.7	455.5	(106.8)	(56.6)	(50.2)
Refuse & Recycling	1,190.8	-	1,190.8	1,465.4	(274.5)	(186.8)	(87.7)
Street Sweeping	361.5	-	361.5	414.1	(52.6)	51.2	(103.9)
Parks & Cemeteries							
Parks & Open Spaces	894.1	-	894.1	928.5	(34.3)	31.7	(66.1)
Cemeteries	(231.6)	-	(231.6)	(254.2)	22.6	0.3	22.3
Communities Team							
Area Forums	144.8	(27.0)	117.8	85.5	32.3	(2.7)	35.1
	15.0		15.0	15.0	-	0.0	-
Total	2,723.4	(27.0)	2,696.4	3,109.7	(413.3)	(162.9)	(250.4)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000	R A G
Operations Admin & Vehicle Maintenance				
Operations Efficiency Saving on Henrietta Street	(65.2)	(10.9)	(76.1)	
Fleet Management Vacancy and Agency	25.0	(19.6)	5.4	
Henrietta Street - Recruitment Costs	(13.6)		(13.6)	
Office and Computer Equipment	(3.0)		(3.0)	
Henrietta Street Direct Costs		(20.6)	(20.6)	
Henrietta Street - Public Realm Income	3.0		3.0	
Fleet Running Costs MOTs	-	(4.6)	(4.6)	
Refuse & Recycling				
Refuse Salaries and Agency	14.7	(141.6)	(126.9)	
General Garden Waste Expenditure	(3.0)		(3.0)	
Garden Waste under achieved income	(13.0)	8.3	(4.7)	
Direct Costs for Bin Repairs and Litter Bins etc	-	(7.7)	(7.7)	
Residual		(5.0)	(5.0)	
Fleet - extra fuel costs	(163.0)	63.0	(100.0)	
Refuse Fleet - Tyres etc	(13.0)	3.0	(10.0)	
Trade Waste - income	8.6	(8.1)	0.5	
Other Variances		(19.0)	(19.0)	
Street Sweeping				
Street Sweeping Salaries and Agency	58.5	(52.9)	5.6	
Street Sweep Plant Insurance	(1.2)		(1.2)	
Street Sweep Tools and PPE	(7.0)	-	(7.0)	
Fleet - extra fuel costs		(37.6)	(37.6)	
Sweeper Brushes & Insurance		(4.0)	(4.0)	
Weed Killing	(7.0)		(7.0)	
Street Sweep Public Realm	7.0		7.0	
Other Variances		(8.0)	(8.0)	
Parks & Open Spaces				
Parks Salary Variances (Including temporary gardeners)	44.7	(24.7)	20.0	
Parks Extra Costs	(43.0)	12.0	(31.0)	
Parks Fuel		(8.0)	(8.0)	
Parks & Open Spaces S106 and Other Contributions Public Realm	28.0	0.6	28.6	
Parks Playing Fields		(8.8)	(8.8)	
Parks Playgrounds Repairs & Insurance etc		(11.4)	(11.4)	
Cemeteries				
Cemeteries Repairs	-	(4.4)	(4.4)	
Cemetery Income & Internment Fees	-	27.0	27.0	
Other Variances				
Overtime Budgets (net all areas)	(17.5)	(2.8)	(20.3)	
Communities Pay Inflation	(2.7)	35.0	32.3	
Other Variances	(0.2)		(0.2)	
TOTAL	(162.9)	(250.8)	(413.7)	

Responsible Section/Team	Financial Services	Page	10
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Operations Highlight Report – Q2 - 30th September 22

Historic Issues

The approved Capital Vehicle Replacement Programme is in progress for 2022/23. However, there are longer than normal lead times for vehicles being delivered. There continues to be the need to use Agency to help support the Refuse Team and Fuel Costs are at an all-time high which is the primary reason for the overspend forecasted at Q2

Current Quarter Issues

At the end of Q2, overall Operations and Communities are forecasting an adverse variance of £446k. This is an extra £250k from Q1 which is mainly down to the pay award £220k, along with escalating costs across a number of essential supplies for refuse. This in turn means that the efficiency saving set is unachievable of £67k. There are several other budget variances as some direct costs seem to be accelerating at unprecedented rates. Extra income has been negotiated from Lancashire County Council, for the Public Realm Works carried out by the Council on their behalf, of approximately £38k

Henrietta Street

Includes additional unbudgeted expenditure for recruitment costs of £13.6k and other direct costs £12k, this cost centre also hosts the efficiency saving target £67k.

Fleet

Currently have a member of staff down which in the short term will be covered by Agency staff.

Refuse

The shortfall in Garden Waste Service Subscriptions reported in Q1 has significantly recovered in Q2 with an income shortfall of £5k now being anticipated. The resource costs associated with Refuse have seen increased prices resulting in a number of overspends totalling £8k. During Q2 there is no change in staffing and one vacancy. At the end of Q2 the staffing position exceeds the budget due to the pay award. Due to the fluctuations in Fuel prices over the summer, including the higher cost for HVO it is anticipated that Fuel will overspend by around £100k. This has been split across the 3 areas and is slightly down at Q2 by circa £17k. The price of other resources has also risen with expenditure on tyres anticipated to c£13k over budget.

Street Sweep

Vacancies within this area are being filled leaving only 1 vacant post at Q2. There continues to be a budget pressure on the Weedkilling and Whitworth Caretaker Service of £7k. Street Sweep will benefit by £7k increased income due to the re-negotiated contribution from LCC for the Public Realm Service. Vehicle Plant Insurance has exceeded the budget due to inflation by £1.2k and extra fuel cost within this area exceeds the budget by £38k

Parks

Parks have staffing savings due to two vacancies at Q2 however this is cancelled out with using agency. Direct costs on Parks are overspent by £36k due to extra costs for external contractors, litter bins and hire. Parks share of extra costs on Fuel is currently £8k. Extra Income for Public Realm Work which will benefit Parks by £28k.

Parks Vehicles have cost pressures exceeding the budget by £18k due to prices increases on tyres and hire.

Direct Costs for the Playing Fields have too seen inflationary increases exceeding the budget by £9k.

Park Playgrounds have incurred general repairs of £6k and extra costs for insurance of £5k but this is offset by additional income that has been contributed of £8k.

Cemeteries

Income contributions at Q2 based on trends could potentially exceed budgets by £22k. To be reviewed at Q3.

The Future

- Operations are working with LCC to identify potential sites to develop a transfer station. This will assist in driving through efficiencies in the refuse collection operation.

Responsible Section/Team	Financial Services	Page	11
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Communities Directorate

Period 6 (Sep)

Public Protection	2022/23 Orig Budget £000	Virements Budget £000	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Public Protection Unit	163.3	20.4	183.7	181.6	2.1	5.5	(3.4)
Environmental Health	191.4	(13.8)	177.6	220.4	(42.8)	1.5	(44.3)
Licensing & Enforcement	52.9	20.4	73.3	125.2	(51.9)	(27.6)	(24.3)
Total	407.6	27.0	434.6	527.2	(92.5)	(20.6)	(71.9)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
PPU				
PPU Staffing Saving	1.4	(5.2)	(3.8)	
Dog Warden Service Saving	4.3	4.4	8.7	
Other Variance	(0.2)	(2.6)	(2.8)	
Environmental Health				
Environmental Health - staffing and consultant	1.5	(4.9)	(3.4)	
Environmental Health - shortfall on FPN and Other Contributions		(39.4)	(39.4)	
Licensing & Enforcement				
Licensing & Enforcement - staffing	(27.6)	(13.0)	(40.6)	
Licensing & Enforcement - Extra Costs for Vet Fees		(3.8)	(3.8)	
Licensing & Enforcement - Shortfall in Private Hire Vehicle Income		(7.0)	(7.0)	
Licensing & Enforcement - Shortfall in Hackney Carriage Vehicle Income		(11.0)	(11.0)	
Licensing & Enforcement - Liquor Licences		10.0	10.0	
Other misc variances		0.6	0.6	
TOTAL	(20.6)	(71.9)	(92.5)	

Responsible Section/Team	Financial Services	Page	12
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Environmental Health, Public Protection Unit and the Licensing and Enforcement Service Highlight Report – Q2 – 30th September 22

Historic Issues

- Nothing reported

Current Quarter Issues

At the end of Q2 Environmental Health, Public Protection Unit and the Licensing and Enforcement budgets are overspent by £64k in the main due to staffing but broken down as follows:-

Environmental Health

- Staffing Costs are £3.3k overspent due to a combination of the pay-award off set with agency saving of £9k. Fixed Penalty Notices (FPN's) and other contributions - based on the recovery to date this income stream will fall short by £26k and £19k respectively. Direct costs are within budget.

Rogue Landlords

- Due to COVID, over the last couple of years training for private landlords has not been able to be delivered and the provider who was in place ceased trading. Environmental Health are in the process of delivering some training in this area from funding that has been brought forward from Provisions to carry-out this work throughout 2022-23.

Climate Change.

- The Climate Change Initiative is underway and within budget.

Public Protection Unit

- The staffing costs are slightly overspent by £3.8k due to the pay-award.
- Within direct costs the Dog Services are projecting to spend less saving £8.7k.

Licensing & Enforcement

- Staffing Costs are overspent by £27k due to an extra member of staff remaining within this service area.
- Direct Costs are within budget with the exception of vet fees £3.8k which will be recharged where possible.

Future Issues

A decision needs to be taken regarding the unbudgeted post within Licensing & Enforcement.

Responsible Section/Team	Financial Services	Page	13
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Economic Development Directorate

Period 6 (Sep)

Economic Development & Regeneration Services	2022/23 Orig Budget £000	Virements Budget £000	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Planning							
Development Control	156.7	-	156.7	168.8	(12.1)	7.7	(19.8)
Forward Planning	153.6	-	153.6	139.4	14.2	12.4	1.7
Building Control							
Building Control - Fee Earning Account	(4.5)	-	(4.5)	(21.3)	16.9	18.6	(1.7)
Building Control - Statutory Function	33.2	-	33.2	30.7	2.6	4.8	(2.2)
Building Control - Street Signs	2.5	-	2.5	4.3	(1.8)	0.9	(2.7)
Regeneration						0.0	-
Economic Regeneration	177.5	0.0	177.5	220.9	(43.4)	3.0	(46.4)
Whitaker Park Museum	20.0	-	20.0	20.0	(0.0)	0.0	(0.0)
Tourisms	40.0	-	40.0	40.0	0.0	-	0.0
Markets	(23.9)	-	(23.9)	(14.2)	(9.6)	(13.6)	4.0
Property Services & Facilities Management							
Property Services	95.1	-	95.1	88.1	7.0	12.3	(5.3)
Corporate Estates	(425.6)	-	(425.6)	(361.0)	(64.6)	(41.9)	(22.7)
Non Domestic Estates	(126.6)	-	(126.6)	(128.2)	1.7	(2.4)	4.1
Office Accommodation	39.5	-	39.5	59.8	(20.3)	(19.1)	(1.2)
Operational Properties	358.4	-	358.4	427.5	(69.1)	(99.7)	30.5
Leisure Properties	103.3	-	103.3	100.1	3.2	1.2	2.0
Bus Shelters	107.6	-	107.6	123.2	(15.6)	6.8	(22.4)
Business Centre	154.3	0.2	154.5	186.3	(31.8)	(23.8)	(8.0)
Strategic Housing							
Housing Strategy	59.1	-	59.1	26.7	32.5	(1.9)	34.3
Private Sector Housing Renewals	(3.7)	-	(3.7)	(1.9)	(1.8)	(0.0)	(1.8)
Homelessness	141.6	(37.1)	104.5	104.7	(0.2)	(3.8)	3.6
Total	1,073.1	(36.9)	1,036.3	1,228.8	(192.5)	(138.5)	(54.0)

Responsible Section/Team	Financial Services	Page	14
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

	Bfwd £000	this Qtr £000	£000	A G
Planning				
Forward Planning staffing	11.3	1.5	12.8	
Planning staffing	72.0	(5.0)	67.0	
Planning Agency Staff Fees	(70.7)	(14.0)	(84.7)	
Planning Consultancy fees/ Legal fees	(32.1)	(5.0)	(37.1)	
20% FBHM to support staffing	48.0	10.0	58.0	
Planning Application Fee Income	14.1	12.0	26.1	
Pre-App Income	(19.6)	(4.0)	(23.6)	
Computer system IDOX	-	(9.6)	(9.6)	
Building Control				
Building Control staffing	15.3	(6.0)	9.3	
Building Control Fees	8.8		8.8	
Planning /Building Control misc under/over	(2.6)	(4.5)	(7.1)	
Regeneration				
Economic Regeneration Staffing Saving	5.7	35.4	41.1	
Direct Costs Overspend includes Recruitment Advertising	(2.7)	2.7	-	
Professional Fees for the Levelling Up Bid		(84.5)	(84.5)	
Markets Income underachieved	(13.6)	4.0	(9.6)	
Strategic Housing				
Housing Strategy Staffing and Direct Costs overspend	(1.8)	34.3	32.5	
Private Sector Housing Renewals Agency Costs	(40.0)	(0.6)	(40.6)	
Private Sector Housing Renewals staffing and Direct Costs	17.3	16.3	33.6	
Private Sector Renewals additional fee income or contribution from Housing reserve	23.9	(15.1)	8.8	
Homelessness	(3.7)		(3.7)	
Other Miscellaneous Variances	(1.3)	1.9	0.6	
Property Services Team				
Property Services staffing	3.5	5.2	8.7	
Pool Car, CCTV, Emergency Planning	5.5	(6.1)	(0.6)	
Corporate Estates				
Corporate Estates rental income	(44.3)	6.5	(37.8)	
Futures Park rental income	(21.0)	2.9	(18.1)	
Valuation Fees & Professional Fees	(6.2)	(15.4)	(21.6)	
Non Domestic Estates				
Industrial units rental income	0.5		0.5	
Operational Properties				
Property Running Costs: Repairs & Maintenance	-	(0.3)	(0.3)	
Gas, Electricity, Water	(109.6)	1.2	(108.4)	
NNDR - excluding Spinning Point bus station	19.0	-	19.0	
Knotweed Treatment	(12.3)		(12.3)	
Leisure Properties	8.7		8.7	
Bus Station / Shelters				
Spinning Point Bus Station running costs	1.8	1.1	2.9	
Spinning Point Bus Station - units to rent		(11.5)	(11.5)	
Bus Shelters	6.8	(7.1)	(0.3)	
Business Centre				
Business Centre rentals	(16.3)		(16.3)	
Business Centre Fit Tarrif	3.0		3.0	
Property Insurance Premiums	(5.5)		(5.5)	
Other Miscellaneous Variances	(0.4)	(0.3)	(0.7)	
TOTAL	(138.5)	(54.0)	(192.5)	

Responsible Section/Team	Financial Services	Page	15
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Economic Development & Regeneration Highlight Report – Q2 (Sept 2022)

Historic Issues

- None

Current Quarter Issues

Economic Regeneration are currently forecasting an adverse variance of £43k, which is broken down as detailed below: -

- Staff Costs in Economic Development are underspent by £37.3k – due to the Managers Post being Dis-established. Offset by costs for recruitment £2.3k. There has been some small extra costs incurred £0.5k,
- During 22-23 £84k additional costs have been incurred for Professional Fees relating to the Levelling Up Bid. At the time of writing the Scheme of Delegation this was to be found from in year savings. However, due to the Economic Crisis this will now need to be funded from reserves.
- The Museum and Promoting Rossendale are currently estimated to be within Budget. From 2022/23 the running costs for the Whittaker Museum have transferred to the Whitaker CIC.
- Markets for Bacup and Haslingden have been transferred into Economic Development and are currently struggling to achieve the income target and are showing an adverse variance of £12.1k.
- New Projects for 22-23 include Rossendale Works 1.4 – More Positive Together has commenced.

Housing net underspend of £32.2k

- Extra agreed resource have been added to the Private Sector Renewal Team to address the backlog on the DFG's. Any shortfall in the top slice of the DFG Funding will be met from the Homelessness Reserve.
- Staffing savings in the first part of the year generate £17.3k of savings. However, these are offset by Agency costs £40k. The Grade 5 position was filled at the end of July 22 with the new member of staff now in post.
- Within the Housing Options Team over the year it has been necessary to secure extra support in the form of Agency Staff which is projected to cost £37.4k and will be paid for out of the Homelessness Prevention Grant which currently provides the funding for an existing member of staff too. The Homelessness Prevention Grant during 22-23 is funding two posts.
- There are currently 15 households in B&B Accommodation which includes families and single occupancy.
- Staff Costs on Housing Strategy are underspent by £32k due to the Manager Post being dis-established.

Property Services and Facilities Management is currently showing an adverse variance of £189.7k.

- Salary costs are showing a favourable variance of £8.7k.
- Facilities running costs are showing an adverse variance of £102k this is mainly due to the increase in utility costs.
- The estates income is showing an overall adverse variance of £55.9k The section is seeking new income streams and to date has secured an extra 10.7k from Garage sites and rent reviews
- Futures Park units are showing an under achievement of £18.1k
- Property Services proportion of insurance premiums is showing an overspend of £5.5k.
- Business Centre room hire are projecting an under achievement of £16.3k Three tenants remain.

Responsible Section/Team	Financial Services	Page	16
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Planning & Building Control are showing a favourable variance of £19.7k

- Planning/Forward Planning staffing (inc agency/consultancy) costs are showing a favourable variance of £12.7k, this is due to an underspend in Forward Planning.
- Building Control staffing costs are £9k below the budget.
- Planning / Building Control income are projecting a favourable variance of £26.2k and £10.3k respectively.
- Pre-application fees have an income target of £31.6k for 2022/23. However this budget is projected to under achieve by £23.6k. There has been a lack of interest in this service due to the time it is taking for planning applications to progress

Future Issues

- Continued increases in gas and electricity cost are placing a strain on the Council's budget.
- Land Charges searches are to be migrated to the Land Registry. The Council will receive initial funding and new burdens monies to help with this.

Responsible Section/Team	Financial Services	Page	17
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Corporate Services Directorate

Period 6 (Sept)

Corporate Management	2022/23 Orig Budget £000	Virements Budget £000	2022/23 App Budget £000	2022/23 Forecast £000	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr2 (Adv)/Fav £000
Corporate Management							
Executive Office	372.0	-	372.0	360.7	11.3	15.0	(3.7)
Corporate Contingency	65.2	-	65.2	65.2	-	(0.0)	0.0
Exec Support & Corporate Subscriptions	34.2	-	34.2	45.0	(10.8)	(0.0)	(10.8)
Legal Services	180.4	-	180.4	181.2	(0.8)	3.3	(4.1)
Land Charges	(17.7)	-	(17.7)	(13.8)	(3.9)	(1.3)	(2.6)
Democratic Services							
Electoral Registration	73.1	-	73.1	73.4	(0.4)	3.7	(4.1)
Elections	75.0	-	75.0	78.1	(3.1)	(0.2)	(3.0)
Democratic Support	348.4	-	348.4	345.3	3.1	(0.5)	3.7
Mayoralty & Civic Events	56.0	-	56.0	61.8	(5.8)	(1.1)	(4.8)
Town Twinning	2.5	-	2.5	2.5	0.0	-	0.0
Financial Services							
Treasury Management	81.2	-	81.2	170.4	(89.3)	(89.5)	0.3
Insurance, Risk & Audit Fees	64.7	-	64.7	64.7	-	-	-
Financial Services Team	439.1	-	439.1	459.8	(20.7)	(28.9)	8.2
People & Policy							
Human Resources	457.4	-	457.4	445.6	11.8	8.2	3.7
Corporate Support	224.8	-	224.8	247.1	(22.3)	(5.6)	(16.7)
Publicity	4.0	-	4.0	4.0	-	4.0	(4.0)
Leisure Services	(55.1)	-	(55.1)	(45.4)	(9.7)	(12.8)	3.2
Empty Homes Scheme	300.0	-	300.0	900.0	(600.0)	(600.0)	(0.0)
Total	2,705.1	-	2,705.1	3,445.7	(740.6)	(705.8)	(34.8)

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr £000	R A G
Executive Office				
Salary variances	15.0	(2.3)	12.7	
General subscriptions	-	(10.8)	(10.8)	
Legal Services				
Salary variances	2.3	(1.6)	0.7	
Other Legal Misc under/ over	1.0	(2.4)	(1.4)	
Land Charges				
Salary variances	0.3	(2.0)	(1.7)	
Search Income	(2.0)	(0.7)	(2.7)	
Democratic Services				
Salary variances Elections	1.7	(8.0)	(6.3)	
Other Election Misc under/ over	1.7	1.0	2.7	
Salary variances Democratic Support	2.6	(7.1)	(4.5)	
Members Costs - Extra Cabinet Member	(3.4)	8.4	5.0	
Traffic Management for Remembrance Sunday	-	(3.3)	(3.3)	
Financial Services				
Salary variances - Accountants	(25.7)	(6.2)	(31.9)	
Salary variances - Exchequer	3.6	11.5	15.1	
Cash collection charges	(4.8)	(2.6)	(7.4)	
External Audit Fees - Grant Thornton	(55.0)		(55.0)	
Bank Charges / Bank interest	(34.5)		(34.5)	
Human Resources				
Salary variances	8.2	9.0	17.2	
Minor Variances		2.8	2.8	
Corporate Support				
Salary variances	(5.5)	(13.8)	(19.3)	
Other variances		(3.0)	(3.0)	
Publicity				
Publicity	4.0		4.0	
Leisure				
Leisure	(12.8)	3.2	(9.6)	
Empty Homes				
Empty Homes	(600.0)		(600.0)	
Other Misc under / (over) spends	(2.5)	(5.4)	(7.9)	
TOTAL	(705.8)	(33.3)	(739.1)	

Responsible Section/Team	Financial Services	Page	18
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Corporate Management Highlight Report – Q2 Sept 2022

Historic Issues

- None

Current Quarter Issues

The Corporate Management outturn is forecast to be £713.9k adverse, the main movements being: -

- Staff changes are £18k adverse:
 - Corporate Management – saving of £13k
 - Legal Services – are showing a saving of £0.7k
 - Land Charges – are showing an adverse variance of £1.7k
 - Democratic Services – are showing an overspend of £4.5k
 - Elections – are showing an overspend of £6.3k
 - Corporate support – are showing an adverse variance of 19.3k
 - Financial Services – adverse £16.8k linked to the cost of agency staff covering vacant posts.
 - People & Policy – is showing a favourable variance of £17.2k
- Local Land Charges income is showing an adverse variance of £2.7k.
- External Audit charges are anticipated to be c£55k overspent, due to additional charges received from Grant Thornton for the audit of the 2016/17 & 2017/18 accounts. This remains unchanged from Q1.
- Due to the increase in volume of individuals using the Council's electronic payment system bank charges are predicted to be £34k over budget, in line with anticipated costs as at Q1.
- The Empty Homes scheme is predicted to overspend by £600k revenue, this is due to various issues that have been reported to full Council.

Futures Issues

The empty Homes scheme continues to place additional pressures on the Council's finances.

Responsible Section/Team	Financial Services	Page	19
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Corporate Services Directorate

Period 6 (Sep)

Non-Distributed Costs & Capital Financing	2022/23 Orig Budget	Virements Budget	2022/23 Org Budget	2022/23 Forecast	2022/23 Variance (Adv)/Fav £000	Variance last reported £000	Change in Qtr1 (Adv)/Fav £000
	£000	£000	£000	£000	£000	£000	£000
Non Distributed Costs							
Employee & Pension Costs	112.7	-	112.7	122.3	(9.6)	-	(9.6)
Other Non-distributed Costs	19.5	-	19.5	20.7	(1.3)	(1.3)	-
Capital Financing							
Minimum Revenue Provision	549.6	-	549.6	549.3	0.3	0.3	-
Interest (net)	119.0	-	119.0	43.4	75.6	4.7	70.9
Total	800.8	-	800.7	735.7	65.1	3.7	61.4

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Qtr £000	Full-Yr Forecast £000	R A G
Employee & Pension Costs				
Other minor variances	(1.3)		(1.3)	
Capital Financing				
Interest expenditure/income from bank accounts	5.0	61.4	66.4	
Other minor variances			-	
TOTAL	3.7	61.4	65.1	

Responsible Section/Team	Financial Services	Page	20
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Non-Distributed Costs & Capital Financing Highlight Report – Q2 (September 2022)

Historic Issues

- Savings on the pension costs fall into two areas; savings on historical pension costs as former employees pass away and the advance payment of pension costs at a discount, which reduce Council costs. The Q2 projection is for expenditure to meet budget.

Current Quarter Issues

- The original budgeted staff savings target was £200k. Added to this is £25k of savings from employees purchasing additional leave. The additional impact of the pay award has negated any staff savings. The table below attempts to show the position against the savings target adjusted for the pay award impact. It must be noted that this table does not include the cost of any agency cover. This position is currently realised across services with the target saving held in Non-Distributed Costs (NDC). The net variance presented in NDC is thus offset by performance in services, and is contained within the overall outturn.

Forecast Year End Staffing Variances	Q1 £000	Cum Q2 £000
Customer Services	-	(8.5)
Operations	60.2	(178.6)
Public Protection	(24.1)	(47.2)
Economic Development	83.3	110.4
Corporate Management	15.0	12.7
Legal & Democratic	6.9	(11.8)
Financial Services	(22.1)	(16.8)
People & Policy	2.7	(2.1)
Savings in staff costs	121.9	(141.9)
*Adj - impact of pay award		264.0
Total staff savings	121.9	122.1
Additional Leave	(25.0)	(25.0)
Original savings target	(200.0)	(200.0)
Staff Variance	(103.1)	(102.9)

* Adjustment for additional impact of the pay award.

- Interest income is currently forecast to be c£75k this is above the budget by c£66k. The recent Bank of England interest rate rises have now slowly been reflected in the rates the Council is being offered from banking institutions. However officers are placing funds with institutions offering the highest rates, which are currently Lancashire County Council and the Debt Management Office. The continued level of uncertainty around income collection has prompted officers to keep cash flow mainly with instant accounts.

Future Issues

The 'Cost of Living Crisis' continues to dominate headlines with the impact of the employers pay award, should it be accepted having significant implications on the MTFS assumptions.

Responsible Section/Team	Financial Services	Page	21
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Earmarked Reserves

Earmarked Reserves (cash-backed items only)	Employment & Transport Reserve	Director Invest Reserve	Local Business Rates Retention Reserve	Transitional Budgetary Support	Planning Reserve	Response & Recovery Reserve
	AN060103	AN060123	AN060144	AN060129	AN060145	AN060146
Balance at 01/04/2022	270.1	74.0	4,613.9	2,458.1	65.0	808.7
Funds Received 2022/23						
Collection Fund - S31 Grants (NNDR1)			1,460.0			
Collection Fund - Renewable Energy (NNDR1/3)			183.0			
New Homes Bonus				132.0		
Services Grant				150.0		
Lower Tier Services Grant				98.0		
Other Revenue income received						
Total Funds Available	270.1	74.0	6,256.9	2,838.1	65.0	808.7
2022/23 Published Budget Utilisation						
Retained Business Rates						
New Homes Bonus				(132.0)		
Services Grant				(150.0)		
Lower Tier Services Grant				(98.0)		
General budget support				(1,541.3)		
2022/23 Other Utilisation Plans						
Transfers between Reserves		(74.0)	(2,028.0)	2,102.0		
IER						
Collection Fund Surplus/Deficit impact			(1,913.0)			(445.1)
Support Forward Plan						
Economic Development Projects	(270.1)			(22.5)		
Legionella Risk Assessment						
Living Well, Living Better Project						
Haslingden Task Force						
Homelessness Projects						
Property-related projects						
Other Commitments				(1,424.5)	(10.0)	
Total Utilisation Commitment	(270.1)	(74.0)	(3,941.0)	(1,266.3)	(10.0)	(445.1)
Reserve Estimates 31/3/2023	0.0	0.0	2,315.9	1,571.8	55.0	363.6
Future Contributions/Utilisation Plans						
2023/24 plans			297.0	(641.5)	(20.0)	
2024/25 Plans				(666.0)		
2025/26 Plans				(568.0)		
Potential Reserve Balances	0.0	0.0	2,612.9	(303.7)	35.0	363.6

Responsible Section/Team	Financial Services	Page	22
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Earmarked Reserves (cash-backed items only)	Vehicle Reserve	Leisure Reserve	Rawtenstall Bus Station	Directorate Reserves	General Reserve	Total
	AN060130	AN060118	AN060150	AN06		
Balance at 01/04/2022	189.1	46.6	517.0	1,485.4	1,000.0	11,528.0
Funds Received 2020/21						
Collection Fund - S31 Grants						1,460.0
Collection Fund - Renewable Energy						183.0
New Homes Bonus						132.0
Services Grant						150.0
Lower Tier Services Grant						98.0
Other Revenue income received				0.0		0.0
Total Funds Available	189.1	46.6	517.0	1,485.4	1,000.0	13,551.0
2022/23 Published Budget Utilisation						
Retained Business Rates						0.0
New Homes Bonus						(132.0)
Services Grant						(150.0)
Lower Tier Services Grant						(98.0)
General budget support						(1,541.3)
2022/23 Other Utilisation Plans						
Transfers between Reserves						0.0
IER				(13.7)		(13.7)
Collection Fund Surplus/Deficit impact						(2,358.1)
Support Forward Plan						0.0
Economic Development Projects						(292.6)
Legionella Risk Assessment						0.0
Living Well, Living Better Project						0.0
Haslingden Task Force						0.0
Homelessness and Communities Projects						0.0
Property-related projects				(20.9)		(20.9)
Other Commitments	(189.1)	(20.0)		(261.3)		(1,904.9)
Total Utilisation Commitment	(189.1)	(20.0)	0.0	(295.9)		(6,511.5)
Reserve Estimates 31/3/2023	0.0	26.6	517.0	1,189.5	1,000.0	7,039.5
Future Contributions/Utilisation Plans						
2023/24 plans				(134.3)		(498.8)
2024/25 Plans				(52.0)		(718.0)
2025/26 Plans				(52.8)		(620.8)
Potential Reserve Balances	0.0	26.6	517.0	950.4	1,000.0	5,201.8

Responsible Section/Team	Financial Services	Page	23
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Current issues

As noted on page 2, the forecast adverse variance on the General Fund of £1,541.3k will require a contribution from the Transitional Reserve to support the budget.

The Council's share of S31 grant receipts will now be contributed to the Transitional Budgetary Support Reserve (from the Business Rates Retention reserve). This is shown in the Earmarked Reserves Table 1 as a transfer between the respective reserves.

The Covid related S31 grant receipts received during 2020/21 and 2021/22 in respect of the Retail, Hospitality, Leisure and Nursery reliefs were added to the Business Rates Retention reserve, and then released equally over the next three years, commencing 2022/23, to fund Collection Fund deficits. This is in accordance with amended legislation to fund the 'exceptional balance' incurred as a result of the Covid pandemic on the Collection Fund ('re-phasing the deficit'). The planned contribution features in the above table.

As above, the Response & Recovery Reserve will continue to be used to release funds as necessary to meet eligible expenditure incurred as a consequence of Covid. The planned expenditure/grant returns are included within the above table. Details of these commitments are included in the Covid summary on page 41.

The release of funding from the Employment & Transport Reserve to support approved expenditure incurred in 2022/23 means the fund will be exhausted by the end of the year.

The legacy of the Covid pandemic, the Empty Homes scheme and the ongoing economic crisis are placing significant pressure on the Council's financial position.

Grants Unapplied

Grants Unapplied (* denotes a capital grant)	Disabled Facilities Grants *	Homeless Grant	Domestic Abuse Grant	Hoarding Grant	Total
	£000	£000	£000	£000	
	AL030132	AL030127	AL030130	AL030129	
Balance at 01/04/2022	2,221.3	52.9	6.8	1.7	2,282.7
New Funds Received 2022/23					
Grant due/received	1,160.1				1,160.1
Total Funds Available	3,381.4	52.9	6.8	1.7	3,442.8
Utilisation in 2022/23					
DFGs Outturn 2021/22	(850.0)				(850.0)
Transforming Lives/Hoarding Projects					0.0
Homelessness Project					0.0
Domestic Abuse Projects					0.0
Covid related expenditure					0.0
Movement to Earmarked Reserves					0.0
Anticipated Balance 31/03/2023	2,531.4	52.9	6.8	1.7	2,592.8
Future Utilisation Plans					
2023/24 plans	(1,000.0)	0.0	0.0	0.0	(1,000.0)
2024/25 plans	(858.2)	0.0	0.0	0.0	(858.2)
Potential Reserve Balances	673.2	52.9	6.8	1.7	734.6

Responsible Section/Team	Financial Services	Page	24
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

In addition to the £2,221.3k of unspent DFG grant brought forward from 2012/22, the 2022/23 allocation of £1,160k has been confirmed, giving total DFG resources of £3,381.4k. For the purpose of the above table, future utilisation plans recognise an estimated profile of DFG grants received to date only, and do not include estimation of any future receipts from the Better Care Fund. The Council's approved Medium Term Capital Strategy assumes DFG grant receipts in the sum of £1,000k per year over the plan period and will be updated in due course to reflect the recent confirmation that the DFG allocation for the Council for 2022/23 is again £1,160k.

Staff Costs, including agency

Net Employment Costs 2022/23 to end June	YTD Budget £000	YTD Actual £000	YTD Variance (Adv)/Fav £000	Variance last Qtr (Adv)/Fav £000	Change this Qtr (Adv)/Fav £000	FTE Original Budget 2021/22	FTE Changes during 2021/22	Current Vacant Posts
Communities Directorate								
Customer Services	172	171	1	(2)	2	7.8	0.0	0
Operations Service*	885	949	(65)	(38)	(27)	51.0	0.0	1
Parks & Cemeteries*	343	333	10	10	(1)	21.0	0.0	1
Public Protection Unit	79	76	3	2				
Environmental Health	116	116	(0)	(0)	0	8.0	0.0	0
Licensing & Enforcement	77	88	(12)	(8)	(4)	5.0	0.0	0
Communities Team	47	44	3	(2)		2.0		
Economic Development Directorate								
Planning Services	266	259	7	(0)	7	12.4	0.0	0
Building Control Services	82	72	9	1	8	4.0	0.0	0
Regeneration	53	50	3	0	2	2.0	0.0	0
Property Services	52	39	13	11	2	3.6	0.0	1
Housing	163	165	(2)	15	(17)	8.5	0.0	1
Corporate Services								
Corporate Management	183	194	(11)	2	(13)	4.0	0.0	0
Legal Services	82	79	3	1	2	3.0	0.0	0
Local Land Charges	28	27	1	(0)	-	1.5	0.0	0
Empty Homes	14	10	3	2				
Democratic Services	119	112	7	3	4	6.4	0.0	0
Financial Services	242	220	22	7	14	9.0	0.0	0
People & Policy	317	301	16	2	14	17.9	0.0	0
Total Net Overspend	3,317	3,307	10	8	(6)	167.1	0.0	4.0

The net employee underspend at Q2 is £10k. Expectation was £100k at Month 6. This is down to these three main areas affecting the staffing savings at Q2:-

- Operations are overspent by £65k
- Licensing & Enforcement which are overspent by £12k
- Corporate Management are overspent by £11k.

Explanations for these are included in commentary elsewhere in this report.

Responsible Section/Team	Financial Services	Page	25
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

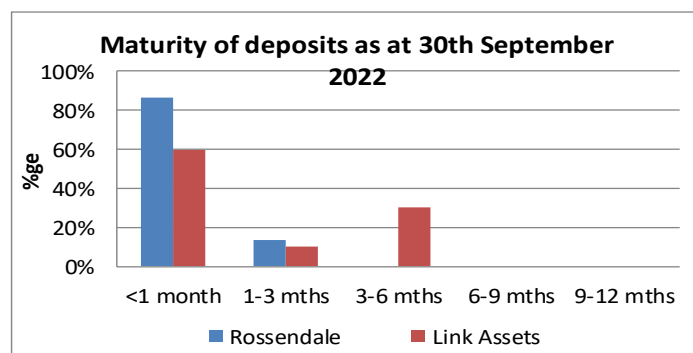
Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Treasury Management & Cash Flow Monitoring

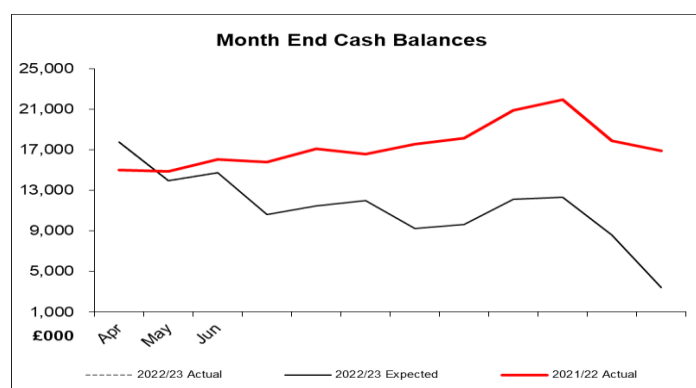
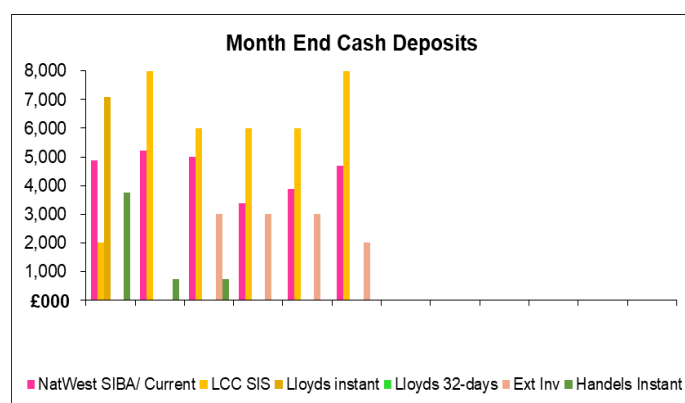
At the end of September the bank balances were £14.7m. Maintenance of significant cash balances in Q2 are largely as a result of a delay to the anticipated repayment of sums reported at Q1. It was originally estimated that c£6m of funding held over from 2020/21 would be repayable to Government by the end of April 22. c£3m was repaid in July, with the remaining funding due to be repaid during the remainder of the 2022/23 financial year. Current estimates suggest returnable sums due in Q3 of 2022/23 and this timing is assumed in future cashflow planning.

During the period the Council has also held and distributed funding for the Energy Rebate Scheme (£4m), this project completed within this quarter.

Given the increase to Bank Rate and the temporary cash balances available to invest, the Council has taken a more proactive approach to managing its cash balances in 2022/23 to maximise interest receivable, relative to its budget estimate, and to mitigate the impact of rising costs as far as possible, a result of historically high inflation pressures.



Balances & Interest Rates at 30/09/2022	Current Balance £k	Avg Interest Rate %
NatWest SIBA	4,701	0.10
Lancashire CC Call	8,000	2.25
Handelsbanken instant	-	0.00
External Investments	2,000	2.25
Lloyds instant access	-	0.00
Lloyds 12mth Deposit	-	-
Total Bal & Avg interest	14,701	1.56



NB 2022/23 Month end cash balances currently aligned to actual cash – hence cannot see dotted line at Q1/Q2.

The Bank of England voted to increase the 'Bank Rate' on 3rd February 2022 and again on 17th March 2022, increasing from 0.25% to 0.50% and subsequently to 0.75%. Indeed the Monetary Policy Committee (MPC) increased the bank rate again on 5th May 2022, increasing the rate from 0.75% to 1.00%. Since Q1 there have subsequently been a further 2 interest rate increases, firstly to 1.75% on 4th August and again to 2.25% on 22nd September. Since the end of Q2 interest rates have further risen to 3%, a 30 year record for in year increases.

Responsible Section/Team	Financial Services	Page	26
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

The Council's strategy remains to retain a significant portion of its balances as liquid funds, to ensure it can respond promptly when required to meet its commitments as they fall due (revenue and capital expenditure).

Instant access arrangements typically return lower interest rates despite the recent increase in bank rate. In many cases there has been no uplift to interest rates on offer to the Council from its existing relationships.

As per the commentary above, the Council is taking a more proactive approach to fixed and longer-term investments for a smaller proportion of its surplus balances. In accordance with the approved Treasury Management Strategy, these deposits will be placed with high quality Counterparties eg Central Government, Other Local Authorities. The strategy is considered prudent in the context of CIPFA's Prudential Code which prioritises Security and Liquidity over Yield (SLY).

At 30th September 2022, the Council's portfolio mix consists of £8m in an LCC call account, £2m on deposit with the DMO for 3 months and liquid funds of £4.7m.

Interest Forecast	Budget	Forecast	Variance	Change
	2022/23	2022/23	Fav/(Adv)	Fav/(Adv)
Revenue				
Interest payable (PWLb)	(127.0)	(127.0)	0.0	0.0
Other interest payable	(1.0)	0.0	1.0	1.0
Misc Interest income	0.0	0.0	0.0	0.0
Bank Interest income	9.0	85.0	76.0	76.0
Net Interest	(119.0)	(42.0)	77.0	77.0

The average effective interest rate at the end of Q2 was 1.56%, compared to a target of 0.1%.

Interest Paid/Received

The budget for interest in 2022/23 is a net cost of £119k, current estimates are that the outturn will be a net cost of £42k. However if interest rates continue to rise this net cost should decrease.

Economic Outlook

(Released November 22)

The Consumer Prices Index rose by 9.6% in the 12 months to October 2022, up from 7.8% in June. The largest upward contributions to the annual CPIH inflation rate in October 2022 came from housing and household services (2.78 percentage points, principally from electricity, gas and other fuels, and owner occupiers' housing costs) and transport (1.47 percentage points, principally from motor fuels and second-hand cars).

Average petrol prices stood at 164.46 pence per litre in October 2022, compared with 161.8 pence per litre at the last year end. The April 2022 price is the highest recorded. The average

Responsible Section/Team	Financial Services	Page	27
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

price of diesel in April 2022, which was 176.1 pence per litre, was also the highest on record and has been slowly falling since. The 12-month rate for motor fuels and lubricants was 24.5%, the highest since before the start of the constructed historical series in January 1989 was in July 2022 when the rate was 46.8%.

These increases are likely to impact on the original forward planning assumptions approved when setting the budget for 2022/23 and Medium Term Financial Strategy (MTFS), and particularly budgets for utility supplies, fuel for fleet vehicles, and any contractual obligations linked to CPI uplifts and potentially future pay award for Council staff.

Work continues to assess and review the MTFS as part of the closure of the Councils accounts for 2021/22.

Borrowing

The Council has an identified a 'prudential' borrowing need to finance its Capital expenditure plans, in the sum of £7.6m, over the plan period to 2024/25.

The increase to Bank Rate during the quarter has affected the borrowing rates on offer from PWLB.

Given the updated cashflow forecast above, the Council's Capital plans, and in accordance with the approved Treasury Management Strategy, the Council continues to assess its borrowing options and timing of any external borrowing, given the delay to the repayment of sums to Government, and the positive impact on its working capital.

Interest rate forward predictions

The Council's treasury management advisors, Link, have reviewed their interest rate forecast over the next 12 months following Bank Rate change at the end of Q2, suggestions of future rate rises in the short-term and rising inflation rates.

Interest Rate Forecasts								
Bank Rate	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24
Link	3.50%	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%
Cap Econ	3.75%	4.75%	5.00%	5.00%	5.00%	4.75%	4.25%	3.75%
5Y PWLB RATE								
Link	4.30%	4.30%	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%
Cap Econ	4.50%	4.30%	4.10%	4.00%	3.80%	3.70%	3.60%	3.60%
10Y PWLB RATE								
Link	4.50%	4.50%	4.40%	4.30%	4.20%	4.00%	3.90%	3.70%
Cap Econ	4.30%	4.20%	4.10%	4.00%	3.80%	3.80%	3.70%	3.60%
25Y PWLB RATE								
Link	4.70%	4.70%	4.60%	4.50%	4.40%	4.30%	4.10%	4.00%
Cap Econ	4.30%	4.30%	4.20%	4.20%	4.10%	4.00%	4.00%	3.90%
50Y PWLB RATE								
Link	4.30%	4.40%	4.30%	4.20%	4.10%	4.00%	3.80%	3.70%
Cap Econ	4.20%	4.20%	4.10%	4.10%	4.10%	4.00%	3.90%	3.90%

Link also provide their view of the borrowing rates from the Public Works Loan Board (PWLB). This forecast is based on a concessionary rate reduction to the standard rate for new loans, known as the 'Certainty Rate'. This discount is currently equal to a 20 basis point reduction to the standard rate. For completeness, the above table includes both the Certainty Rate* and standard rate for comparison.

Responsible Section/Team	Financial Services	Page	28
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

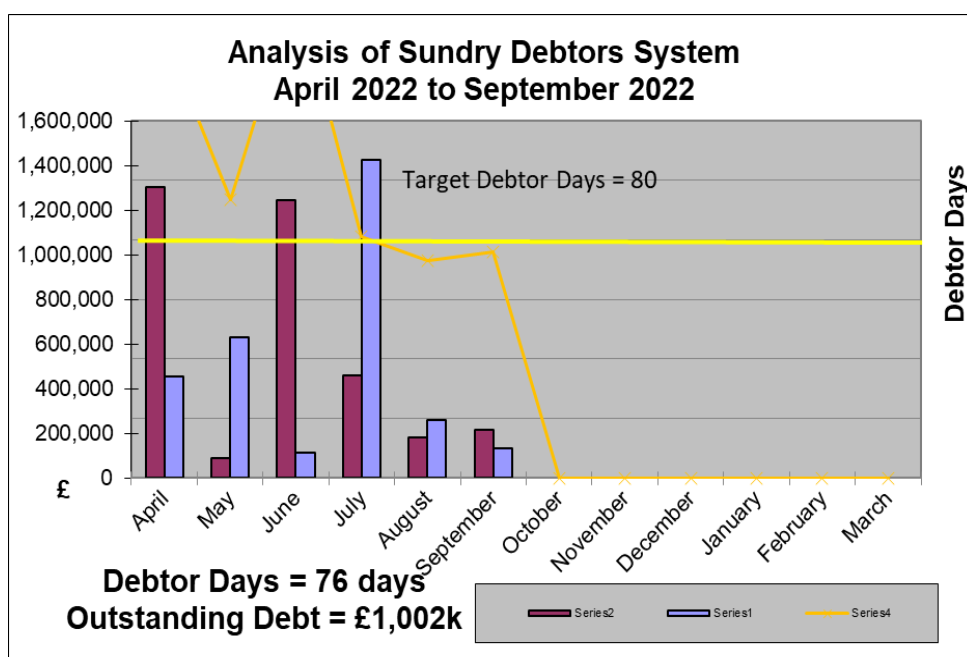
The Council completed the annual application for access to the Certainty rate for 2022/23 to support its Capital borrowing plans on the most favourable terms available.

Treasury Management Practices (TMPs) and Prudential Indicators

The Council's Treasury Management Strategy Statement 2022/23 was approved by Council on 23rd February 2022.

At the end of March 2022, the Council received on-account sums in excess of £4m to fund the Government's £150 Energy Rebate Scheme for 2022/23. This resulted in the Council breaching its approved Counterparty limit with its main bankers, Nat West, on 1 April 2022 by c£900k.

Sundry Debts Monitoring

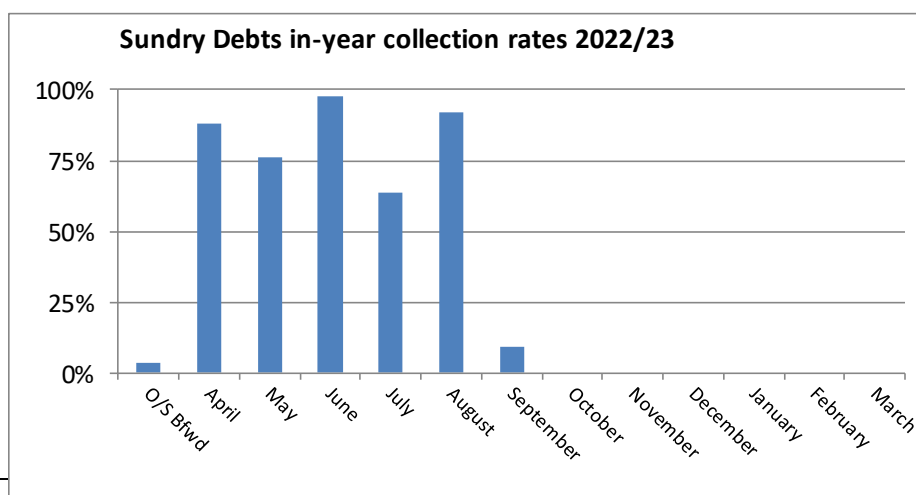


Invoices raised in the year, to the end of Q2 totalled £3,558k. As at September 2022, £470k (13.2%) of new debts raised in the year were considered outstanding or overdue giving a derived collection rate of 86.8%.

Housing Rent Debts

Of the £324k of housing rent debts brought forward at April 2022 the Council has a provision of £288.5k brought forward for doubtful debts (89%), leaving a net £36k not currently provided for. However as at Q2 this debt has risen to £340k of which 85% is now provided for as doubtful debts and 15% is not currently provided for.

Doubtful debts



The debtor days in Q2, based on a rolling 12 month average has decreased from 94 days to 76 days, for collection of sums due, which is in line with the target average of 80 days.

The Council has set aside sufficient sums in the event of non-recovery (100%). The Council will consider any decision to write-off

Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

sums in due course following an analysis of recovery attempts eg Debtor has 'gone away' or sums are considered uneconomical to pursue further. Any such decision will be reported to Cabinet in accordance with the Council's Constitution.

The Council has a provision of c84% for debts its considered to be at risk of going unpaid (impairment) and c54% for total debt issued and considered overdue.

Given the subsequent collection performance of Q4 debts into 2022/23, the current level of provision is therefore adequate but will be maintained under review throughout 2022/23, given the ongoing, challenging economic conditions for individuals and businesses.

The general impairment provision carried forward at 31 March 2022 remains at £380.6k, with an additional £5.4k for Licensing debts.

Of the sundry debts below, £25k are held on the Local Land Charges Register.

Comparative analysis of Debts Outstanding

Debts Outstanding	Dec 2021	Mar 2022	Jun 2022	30 Sept 2022		Doubtful Debts	
	£k	£k	£k	£k	£k	rate	value
Earlier Debt	57.6	65.6	65.6		65.6	100%	65.6
2017/18 Debt	19.9	68.8	68.5		68.4	100%	68.4
2018/19 Debt	71.6	61.2	61.2		61.5	100%	61.5
2019/20 Debt	73.6	26.7	26.3		25.3	100%	25.3
2020/21 Debt	36.4	131.6	126.3		125.5	100%	125.5
2021/22 Debt		245.5	94.8		79.8	75%	59.9
2022/23 Debt			350.0				
Q1 Jun					205.1	15%	30.8
Q2 Jul				167.6		15%	25.1
Q2 Aug				14.7		15%	2.2
Q2 Sept			0.0	197.7	380.0	15%	29.7
Total Debt o/s	259.1	599.4	792.7		1,011.2		494.0

Capital

Capital Resources

Table 1 - 2022/23 receipts

Major Receipts:	Original		
	Budget £000	Year to Date £000	Forecast £000
Capital Receipts			
Land & Property Sales	50	4	50
Obsolete refuse vehicles	50	17	50
Net receipts to table 2	100	21	100

Responsible Section/Team	Financial Services	Page	30
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Table 2 - Useable Capital Resources

Useable Capital Resources	£ 000
Balance at April 2022	2,975
Capital Grants in 2022/23	1,983
Capital Receipts in 2022/23	21
	4,979
Revenue Contributions	
from Earmarked Reserves	
from Revenue Operations	-
Total Capital Resources 2022/23	4,979
Capital Prog funding applied	(1,432)
Total Capital Resources March 2023	3,547
Capital Receipts Reserve (housing)	-
Capital Receipts Reserve (Whitworth)	100
Capital Receipts Reserve (Haslingden)	236
Capital Receipts Reserve (unalloc)	3,211

Current issues

A budget of £206k was provided in the original capital programme for improvements at Henrietta Street Depot, but the budget manager has indicated that this project is under review and might not be carried out. More information on this will be available shortly. The anticipated expenditure on this project for the year has been adjusted down to £14k to reflect this.

A budget of £100k was included for works on Hareholme Viaduct in the original capital programme. To date, none of the work has been undertaken in respect of the project, and as the work is contingent upon reasonable weather conditions due to safety issues, it is unlikely that the project will commence before Spring 2023, meaning this will slip into the next financial year. The projection for the expenditure on this project for the year has been revised downwards to £10k.

The Carbon Reduction Fund is meeting £95k of expenditure against the Capital Building Repairs Contract; this consists of £41.5k for the Mechanics Hall boiler, and £53.5k for the installation of LED lighting at Futures Park. The overall total projected expenditure against the Fund has been reduced from the previous quarters projection – even though these additional demands have been placed upon the Fund, the expenditure to date is only £16k. It is probable that the current estimated spend of £300k in the year might need to be revised downwards.

Financing the Capital Programme

The Useable Capital Receipts Reserve holds the balance of the funds generated by the sale of Council assets; the balance brought forward at 1st April 2022 is £2,975k. This figure is still subject to the implications of the post-audit amendments to the 2017/18 accounts and subsequent years impact and the financing of 2021/22 Capital expenditure.

The original Capital Programme for 2022/23 approved in February was £5,082k, to which £3,901k of slippage was added, relating to projects which were ongoing at the end of 2021/22. This included £2,211k for DFGs.

Responsible Section/Team	Financial Services	Page	31
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

The original 2022/23 estimate for DFGs included in the programme was £1,000k. The actual grant received for the year was £1,160k, and an additional £160k has been added to the base programme.

Additional projects has been added to the original budget; £45k for the Marl Pits Running Track, and £239k for the Capital Building Repairs Project has been awarded, of which £235k will be met from existing budgets and a further £4k from a designated revenue pot for repairs at Clare House.

The total grant income expected for the approved capital programme is £1,857k. Current funding for the slippage carried forward into the 2022/23 capital programme consists of a mixture of resources, namely £3,901k of grants, capital receipts and (internal) borrowing. The most effective method of funding the Council's capital programme will be determined by the end of the financial year. Commentary on the projected Capital outturn can be seen on page x.

The total in the Useable Capital Receipts Reserve at the end of 2022/23 is currently expected to be £3,211k. This represents the most effective method of financing the planned Capital spend in 2022/23. It is noted that Capital resources remain earmarked for Whitworth projects (£100k), and Haslingden Regeneration (£236k) respectively and that the Council will assess the most effective method of financing these projects as they fall due.

Future Issues

Slippage on schemes approved in the 2021/22 programme will be moved into 2022/23 where appropriate, along with the estimated source of financing.

Capital Programme Spending

Capital Programme 2022/23	Original Cap Prog	Revised Cap Prog	Spent	Full-Year Forecast	Variance (Adv)/Fav	Estimated Slippage	Adj Variance (Adv)/Fav	Indicative Funding Arrangements			
	£000	£000	£000	£000	£000	£000	£000	Grants/ Contrib'n	Capital Receipts	Reserves /RCCO	RBC Int Borrow
Communities Directorate											
IT Software & Equipment	105	104	41	110	(6)	(6)	-	-	11	-	99
Operations	1,047	1,063	1,003	1,123	(60)	(60)	-	-	-	-	1,123
Communities	80	24	106	257	(233)	(233)	-	49	39	-	169
Housing	1,500	3,880	884	1,139	2,741	2,741	-	800	335	4	-
Economic Devt Directorate											
Whitaker Park Museum Refurbishment	-	246	(6)	246	-	-	-	246	-	-	-
Henrietta Street Depot Improvements	206	158	11	14	144	144	-	-	14	-	-
Futures Park	-	550	7	86	464	464	-	-	86	-	-
Spinning Point Ph1 & 2 (Bus Station)	-	102	3	82	20	20	-	74	-	8	-
Property Repairs & Maint	100	142	2	88	54	54	-	-	88	-	-
Car Parks General 22-26 MTFs	72	72	5	77	(5)	(5)	-	-	55	-	22
Stubblee Skate Park	21	21	125	125	(104)	(104)	-	96	29	-	-
Bacup Historic England	484	431	67	431	-	-	-	431	-	-	-
Haslingden 2040 NLHF	800	1,300	133	1,300	-	-	-	1,227	-	73	-
Museum Improvements	0	25	0	25	-	-	-	-	25	-	-
Rawtenstall Market Electrical Works	-	101	-	101	-	-	-	-	101	-	-
Rawtenstall Market External Cabins	-	6	-	6	-	-	-	-	6	-	-
Rawtenstall Public Realm Town Square	-	56	32	56	-	-	-	-	56	-	-
Hareholme Viaduct	100	100	-	10	90	90	-	-	-	-	10
Carbon Reduction Fund	250	496	16	300	196	196	-	-	246	-	54
Printer Replacement	30	30	-	30	-	-	-	-	30	-	-
Christmas Lighting Catenary	33	33	-	33	-	-	-	-	33	-	-
Marl Pits - Running Track	-	15	45	45	(30)	(30)	-	-	45	-	-
Leisure Facilities Upgrade and Liabilitie	254	237	2	158	79	79	-	-	158	-	-
	5,082	9,192	2,476	5,842	3,350	3,350	0	2,923	1,357	85	1,477

Responsible Section/Team	Financial Services	Page	32
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Capital Programme 2022/23	£000	Funded by
Original Capital Programme	5,082	
Slippage from 2021/22	3,901	see list
Increase to capital projects in 2022/23		
Marl Pits Running Track	45	Capital Receipt
DFG	160	External Grants
Clare House repairs	4	Revenue Contribution
Revised Capital Programme	9,192	

Slippage items cfwd at end of 2021/22		Indicative Funding Arrangements			
		Costs '£000	Grants/ Contrib'n	Capital Receipts	RCCO (reserves or S106)
Communities Directorate					
DFGs	2,211	2,211			
CPOs	5		5		
Vehicles / Equipment	26	5			21
Wheeled & Litter Bins	(6)		(6)		
Playgrounds (Various)	(143)		(143)		
Cemeteries	18				18
Pathways (Various)	48				48
Sub-total	2,159	2,216	(144)	0	87
Economic Development Directorate					
Whitaker Park Museum Refurb	246	246			
Futures Park	550		550		
Spinning Point Ph I & II (Bus Station)	102		28		74
Property Repairs & Maintenance	118		118		
Haslingden 2040 NLHF	500				500
Rawtenstall Market Electrical Works	101		101		
Rawtenstall Public Realm Town Squar	56		56		
Bacup High St Action Zone	(53)				(53)
Henrietta St Depot Improvements	(48)		(48)		
Leisure Legacy Liabilities (Various)	(76)		(76)		
Carbon Reduction Fund	246		246		
Sub-total	1,742	246	975	-	521
Total	3,901	2,462	831	-	608

Responsible Section/Team	Financial Services	Page	33
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Capital Programme

The original Capital Programme was £5,082k, including £977k for the replacement of Vehicles and Equipment, a provisional estimate of £1,000k for DFGs, and regeneration projects of £1,534k including Bacup High Street and Haslingden 2040.

To this was added slippage of £3,901k from 2021/22, including DFGs, and other, smaller projects to the sum of £1,690k. A revised estimate for DFGs has been made following confirmation of the 2022/23 grant allocation with a net increase of £160k. An additional project for the Marl Pits Running Track (£45k) has been added. The annual Capital Building Repairs Contract has now been awarded; the total budgeted expenditure is £239k of which all but £4k will be met from existing budgets. An assessment of the timing of 'spend' has been undertaken as part of the development of the MTFS and cost estimates re-profiled over the medium term. The revised 2022/23 Capital Programme is now estimated at £9,192k. More details are provided in the tables above.

The indicative outturn for the Council's Capital expenditure programme at 31st March 2023 is £5,842k. The Council is currently assessing the most cost effective method of financing this expenditure from available resources, namely external grants and contributions, capital receipts and 'prudential' (internal/external) borrowing. The Council's current strategy is to finance expenditure from capital receipts where it is able to do so, in order to limit the future impact upon the Council's Revenue Account e.g. sums set aside for future repayment of loan principal and interest. However, it is acknowledged that the Council has an underlying need to borrow to finance its capital plans and proceeds from the disposal of assets are a finite resource.

As outlined above, the revised Capital Programme was re-profiled as part of the development of the MTFS, with the likely timing of the expenditure estimated. The actual timing of spend as at 31st March 2022 has caused an adverse variation against this estimate which will see future years' estimated spend adjusted to reflect spend being incurred earlier than anticipated.

Items of estimated slippage and the associated funding arrangements are shown in the table above.

The revised Capital Programme over the life of the MTFS will be amended to reflect the timing variation as outlined above and finalisation of slippage adjustments

Minimum Revenue Provision (MRP)

Minimum Revenue Provision (MRP)	MRP Budget 2022/23	Revised MRP Required 2022/23	Potential (Additions) / Savings 2022/23
	£000	£000	£000
Corporate	549.6	549.3	0.3
	549.6	549.3	0.3

MRP is the annual revenue repayment of internal funds used to support capital work.

The MRP cost is currently estimated to be on budget.

Responsible Section/Team	Financial Services	Page	34
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Section 106 Receipts Monitoring

Section 106 Agreements	Third Party Projects	RBC Revenue Projects	RBC Capital projects	Total Held
2022/23	£000	£000	£000	£000
Balance b fwd at 1st April 2022	326.6	104.6	770.3	1,201.5
Deposits received in 2022/23			36.7	36.7
Deposits applied in 2022/23	(0.8)	(10.0)		(10.8)
Current Balance	325.8	94.6	807.0	1,227.4

The value of S106 agreements brought forward on the 1st April was £1,201.5k. To the end of September 2022, £14.4k of new S106 deposits have been received. Closing position at Q2 £1,227.4k.

Section 106 Agreements in detail	Third Party Projects	RBC Revenue Projects	RBC Capital projects	Total Held
Balance b fwd at 1st April 2022	326.6	104.6	770.3	1,201.5
Douglas Rd		(10.0)		(10.0)
Scout Moor	(0.8)			(0.8)
Station Rd, Whitworth			22.3	22.3
Scout Moor			14.4	14.4
	325.8	94.6	807.0	1,227.4

Council Tax & NNDR Collection Rates

Collection Rates	Council Tax					Business Rates				
	2018/19	2019/20	2020/21	2021/22	2022/23	2018/19	2019/20	2020/21	2021/22	2022/23
April	10.41	10.51	10.04	10.90	10.44	11.26	12.22	10.24	8.60	12.78
May	19.72	19.70	18.96	19.70	19.44	18.93	21.07	18.89	16.20	31.81
June	28.79	28.63	27.62	28.70	28.35	27.28	28.68	25.62	24.30	28.16
July	37.97	37.86	36.56	37.66	37.21	36.25	37.37	33.92	33.96	35.83
August	47.03	46.90	45.24	46.71	46.21	49.93	50.82	48.55	47.63	47.86
September	56.05	56.01	54.29	55.43	55.64	58.43	58.34	57.84	56.05	55.54
October	65.32	65.23	63.29	71.16		67.95	67.52	68.97	64.90	
November	74.52	74.78	72.30	78.43		74.77	74.26	77.15	73.09	
December	83.55	83.33	80.90	82.12		83.00	82.70	85.92	81.41	
January	92.72	92.48	89.90	90.96		91.11	90.91	90.17	89.30	
February	94.90	94.60	92.37	93.43		95.73	95.00	93.66	95.13	
March	96.70	96.32	95.72	95.59		98.47	97.78	94.19	98.15	

Collection rates for Council Tax are recovering but are not yet back at pre-pandemic levels with collection performance for 2022/23 slightly below that of 2021/22 (-0.35%). This remains an area of focus into 2022/23 given the 'Cost of Living Crisis' and potential impact on future collection.

Responsible Section/Team	Financial Services	Page	35
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

For Business Rates however, the situation is harder to gauge as collection rates are distorted by the Covid relief the Government distributed. This has continued into 2022/23 with the retrospective distribution of the CARF relief.

The increase in Business rate collection in May 2022/23 is primarily due to two large rateable value reductions, this will unwind throughout the year as their refunds are processed. However this will have a significant adverse impact on the level of Business Rates the Council receives

Council Tax Collection Fund

At the time of this report the estimated surplus on the Council Tax collection fund is forecast at £1,269k. This includes a £500k contribution for doubtful debts. It must be noted, we are half way through the year and based on the current economic climate this position could change significantly as the year progresses. This year RBC's share of the Council Tax is 13.69%, equating to £174k of the forecast surplus.

Council Tax Forecast 2022/23	Q1 £'000	Q2 £'000
Council Tax Collectable (after Discounts & Exemptions)	45,479	45,413
less Doubtful Debt Provision	(500)	(500)
	44,979	44,913
less Precepts for 2022/23		
Lancashire County Council	(31,164)	(31,164)
Police	(4,866)	(4,866)
Fire	(1,590)	(1,590)
Rosendale Borough Council	(5,965)	(5,965)
Whitworth Town Council	(58)	(58)
	(43,643)	(43,643)
Surplus / (Deficit)	1,336	1,269
RBC Share = 13.69%	183	174

Local retention of Business Rates (NNDR)

Under the business rates scheme, variances from the original budgets fall into two categories – those arising from changes to the collection fund and those arising from grants and levies received or charged to the General Fund.

The business rates collection fund is now predicting a deficit of £1,639k in 2022/23,

Business Rates Collection Fund 2021/22 (50% Pool)	NNDR1 £000	Q1 £000	Q2 £000
Net Liability Due	12,557	10,593	9,780
Use of Appeals Provision	0	1,241	1,241
Less Cost of Collection Allowance	(93)	(93)	(96)
Less Doubtful Debt Provision	(400)	(500)	(500)
Less Appeals Provision	(590)	(590)	(590)
Less Renewables 100% to RBC	(183)	(183)	(183)
Net NNDR due	11,291	10,468	9,652
Less Trans surcharge	0	0	0
Less Precepts	(11,291)	(11,291)	(11,291)
Cash Surplus/(Deficit)	0	(823)	(1,639)
RBC Share = C x 40%	0	(329)	(656)
Central Government share 50%		(412)	(820)
LCC and Fire share 10%		(82)	(164)

the Council retains a local share of any surplus or deficit arising at year-end from activity on the fund, in the sum of 40%, thus the Council's share of the deficit is £656k. This is largely due to two successful business rates appeals relating to Asda and Tesco, which have resulted in reducing their rateable values by £280k and £70k respectively per annum, backdated to 2010.

Responsible Section/Team	Financial Services	Page	36
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Whilst there is an appeals provision within the Collection fund to cover the cash refund due, the rateable value reduction will adversely affect the Council's in-year cashflow, because although the net liability due from the businesses has decreased, under existing legislation, the Council is required to make good its payments to major preceptors as originally assumed, despite a reduction in Collection Fund income.

The Council, is part of the Lancashire Business Rates Pool, each year the Council is subject to a levy payment of 50% of calculated business rates growth, above its baseline funding level, as determined annually in the Local Government Finance

RBC General Fund / Pooling gains		NNDR1 £000	Q1 £000	Q2 £000
Business Rates Income	A+B	11,291	10,468	9,652
RBC Share = 40%		4,517	4,187	3,861
less tariff paid to Lancashire Pool		(2,714)	(2,714)	(2,714)
add S31 Grants (for Levy calculation)	E	1,643	1,643	1,643
Subtotal		3,446	3,117	2,790
RBC Baseline Funding Level used in Budget		2,180	2,180	2,180
Surplus for Levy Calculations	F	1,266	937	610
Levy due for non Pool membership 50%		(633)	(468)	(305)
Levy payable as Pool member 10% of above	G	(63)	(47)	(31)
Retained Levy through Pool membership		570	422	275

Settlement. Membership of the Pool restricts this levy to 10% (of the 50% levy) and allows the Council to hold the balance as 'retained levy' thus reducing the total value of sums paid over to central Government, to apply locally. Therefore even though it is anticipated the Council will suffer a collection fund loss of £656k a pooling gain is estimated of £275k. The February 2022 MTFS included a contribution of an estimated pooling gain of £390k, whilst we are still early in the year if the current forecast materialises it will result in a £115k deficit against that income budget, thus placing additional pressure on the MTFS.

Central government also gives authorities Section 31 grants to cover small business reliefs and other government-backed schemes. In the NNDR1 budget submission in January 2022 the estimate for those grants totalled £1,643k.

Business Rates Summary		NNDR1 £000	Q1 £000	Q2 £000
Business Rates Surplus/(Deficit) 2022/23	D	0	(329)	(656)
less Lancashire Pooling Levy	G	(63)	(47)	(31)
Renewable Energy		183	183	183
Overall Gain/(loss)	H	120	(193)	(504)
Business Rates Retention Reserve Bfwd		4,613	4,613	4,613
Business Rates Cash Surplus/(Deficit) 2021/22		(1,913)	(1,913)	(1,913)
Business Rates Cash Surplus/(Deficit) 2022/23			(329)	(656)
S31 Reliefs			1,643	1,643
Less Budgeted Utilisation		0	(2,028)	(2,028)
Total Retained Business Rates Resources Cfwd		2,700	1,986	1,659

The table shows the potential impact on the Business Rates Retention Reserve, although it must be noted the reserve includes funds provided by Government to cover the impact of the 2020/21 & 2021/22 Collection Fund deficits arising from

the additional Covid reliefs awarded to businesses throughout the pandemic that will not fully unwind until 2023/24.

Responsible Section/Team	Financial Services	Page	37
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Covid Grants 2021/22

During the year to date, the Council has received a number of grants to support the Council and the community through the Covid pandemic. The					
Covid Grants	Opening Balance 2022/23 £	Amount Applied 2022/23 £	Commitments including repayment of restricted funds £	Closing Balance £	Description
LA Covid Support	363,700	(19,420)	(18,394)	325,886	This is to support the Council's Covid related costs and supplement lost income.
Containing Outbreak Management Fund (COMF)	330,505	(29,580)	(300,925)	(0)	Department of Health funding to cover specific expenditure relating to the pandemic. Confirmation has been received that committed funding can be carried forward into 22/23, but can only be used Covid related expenditure
Compliance & Enforcement	18		(18)	(0)	To be spent on Covid compliance & enforcement measures. There is potential that ultimately any unspent funding will have to be returned.
Self Isolation Practical Support	53,924		(53,924)	0	This is to support vulnerable residents whilst they are self isolating - this is not the Track & Trace Self Isolation grants. Includes funding to support core staffing costs as eligible
Public Protection - COVID response	24,265	(244)	(24,021)	(0)	This to support community based surge testing capacity. There is potential that ultimately any unspent funding will have to be returned.
Self Isolation Grants (£500)	(80,500)		80,500	0	This is the balance of funds owed to the Council for the Track and Trace self isolation grant scheme. Not yet reimbursed.
Emergency Assistance	4,584		(4,584)	(0)	For provision of emergency assistance to members of the community. There is potential that ultimately any unspent funding will have to be returned .
Clinically Extremely Vulnerable	64,187		(64,187)	0	To support the Council in delivering support to people shielding and the community hub. There is potential that ultimately any unspent funding will have to be returned.
Lateral Flow Testing Support	(17,847)	17,847		0	Balance of funding owed from Lancashire County Council / DHSC for testing sites, communication and (core) staffing costs. Reimbursed in Q1
Omicron Hospitality and Leisure Grant	38,012	(38,012)		0	Balance of Covid Business Grant Funding repaid to Government
High Street Recovery	0	(6,759)	6,759	0	ERDF funding to support High Street Recovery. Grant claimed in arrears based on expenditure incurred. However, not all expenditure was eligible to draw down on all of the claim. Balance to be funded from other LA Covid Support fund.
Total	780,846	(76,168)	(378,794)	325,885	

Any balances remaining at year end will be moved to reserves to support Covid recovery in future years and are included in the Response and Recovery balances in the Earmarked Reserves section of this report.

Responsible Section/Team	Financial Services	Page	38
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Glossary

Accrual

An adjustment at year-end to charge costs or income due in the old year, regardless of whether the cash has been paid or received. Accounts are prepared on an accruals basis in order to match the income for each financial year with the costs attributable to the same time period.

Capital expenditure

Spending on the acquisition or maintenance of assets either directly by the Council or indirectly in the form of grants to other persons or bodies. Expenditure that does not fall within the definition must be charged to a revenue account.

Capital Grants Received in Advance

Grants received in cash during the year, but not spent or committed, are held on the Balance Sheet in the Short-term Liabilities area as Capital Grants Received in Advance, acknowledging the potential requirement to pay these grants back should the related project not go ahead or underspend.

Capital Receipts

Proceeds from the sale of fixed assets, such as land or buildings, or the repayment of capital grants or advances. These funds form part of the Council's Useable Reserves, though they are ring-fenced for capital projects rather than revenue costs.

Cash & Cash Equivalents

Cash deposits are those which provide instant access to the funds without significant penalty or loss of interest. For the Council this is the balance on the NatWest accounts and two other instant access accounts with Lloyds and Handelsbanken. This is in comparison to short- and long-term **Investments** in which funds are untouchable during the life of the deposit.

Collection Fund

Rossendale Borough council collects funds on behalf of other precepting bodies, Lancashire County Council, Fire and Police as well as central government and Whitworth Town Council from domestic and commercial properties in the borough. These amounts are formally ring fenced in the Collection Fund and then distributed amongst the precepting bodies in line with their demands as set in the February budget setting meeting. At the end of the year each precepting body has their share of the arrears, the doubtful debt provision or appeals provision and the accumulated surplus or deficit. Rossendale Borough Council accounts for its own share, but holds the other preceptors shares separately on an agency basis. Hence, within the Council Tax and Business Rates monitoring members will see the overall position and the RBC share clearly identified.

Compulsory Purchase Order (CPO)

Compulsory acquisition of key properties in accordance with the Council's regeneration agenda. Compensation must be paid to the property owners, but where they cannot be traced the Council must deposit the funds with the courts for a minimum of 12 years.

Consumer Price Index (CPI)

The consumer price index (CPI) is a measure estimating the average price of consumer goods and services purchased by households. It is a price index determined by measuring the price of a standard group of goods meant to represent the typical market basket of a typical urban consumer and how this changed in the previous 12 months.

Earmarked Reserves

Cash-backed funds identified to fund specific projects in the future.

Full Time Equivalent (FTE)

Responsible Section/Team	Financial Services	Page	39
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

Each full-time post within the Council works 37 hours per week. Part-time posts are expressed in relation to this, for example a post working 4 days a week would be 0.8FTE.

General Fund

The main revenue fund of the Council.

Grants Unapplied

Unlike Capital Grants Received in Advance, there is no requirement to repayment of these grants. The unspent balance will be released into capital or revenue in the coming years as projects come online. These funds form part of the Council's Useable Reserves.

Homes and Communities Agency (HCA)

The Homes and Communities Agency (HCA) is the non-departmental public body which helps to fund new affordable housing in England. It was established by the Housing and Regeneration Act 2008 as one of the successor bodies to the Housing Corporation, and became operational on 1 December 2008. In 2012 the HCA approved the East Lancashire Empty Homes Scheme.

Investments

The Council invests surplus cash in short- and long-term deposits in accordance with the Treasury Management Strategy and Practices revised in February each year. In this context short-term includes anything up to 365 days, and long-term is for more than one year. Funds deposited in such investments are not accessible until the end of the agreed terms.

Link Asset Services (formerly Capita & Sector)

Link Asset Services (formerly Capita & Sector) is the company which provides the Council with Treasury Management advice, including daily market reports and predictions, credit rating updates, interest rate forecasts and annual reviews of our strategy and practices ahead of the February reports to Full Council.

Medium Term Financial Strategy (MTFS)

The Council's financial planning document for the foreseeable future.

Minimum Revenue Provision (MRP)

The minimum amount which must be charged to the Council's revenue account each year and set aside as provision for credit liabilities, as required by the Local Government and Housing Act 1989.

Ministry of Housing, Communities and Local Government (MHCLG)

The former Department of Communities and Local Government (DCLG) has been redesignated as the Ministry of Housing, Communities and Local Government, or MHCLG.

National non-domestic rates - now Business Rates (NNDR)

National non-domestic rates for commercial premises are set annually by the government and collected by all local authorities. The localisation of business rates in April 2013 meant that the National pool no longer exists, but the acronym NNDR is still widely used in local government circles.

Provision

Cash 'put aside' for expenditure on an intended project which has not commenced or is not complete at the year-end, but which has been contractually committed.

Provisional

Best forecast given current knowledge.

Public Works Loans Board (PWLB)

Responsible Section/Team	Financial Services	Page	40
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

The PWLB is a central government statutory body which lends funds to local authorities with advantageous interest rates. Interest rates are published daily and local authorities provide the PWLB with annual estimates of cash requirements in return for certainty on the availability of funds and the interest rates being charged.

Reserve

Amounts included in one financial year's accounts to provide for payment for goods or services, whether revenue or capital, in a future financial year.

Revenue account

An account that records an authority's day-to-day expenditure and income on such items as salaries and wages and other running costs of services.

Section 106 Agreement

Planning agreement whereby developers make a contribution towards specific projects linked to their development as a condition of planning application approval. Deposits may be for revenue or capital schemes, but application of the funds are dependent on firstly the developer, and then the Council, pursuing the projects specified within the agreement.

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آپ کو ان معلومات کا سروسز سے حرف میں، ایجوکیشن، ہارٹنگ، ہائیڈرو پاور اور ان میں دیگر سروسز کے
مہربانی ہمیں بتائیں، ہم ہائیڈرو پاور کے لئے ان کا انتظام کریں گے۔
ہمارے سربراہی 01706 217777 پر ٹیلیفون کریں یا بھرتیوئی کنٹیکشن سے اس پتہ پر رابطہ قائم کریں:

آپنی اگر اس وقت سارے سروسز بڑھ رہے ہیں، اس لیے آپ کو اس وقت سے ہی اس پتہ پر رابطہ قائم کریں۔
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Responsible Section/Team	Financial Services	Page	41
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022

Monthly Financial Monitoring Report 2022/23 Q2 September 2022

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Responsible Section/Team	Financial Services	Page	42
Responsible Author	Finance Manager	Produced	30/09/2022
Dates covered in this review	2022/23 Monitoring	Next review	31/12/2022