

North Somerset Council

Report to the Executive

Date of Meeting: 8 December 2022

Subject of Report: Financial report covering Month 6 Budget Monitoring 2022/23 & Medium Term Financial Plan Update 2023-2027

Town or Parish: All

Officer/Member Presenting: Ash Cartman, Executive Member for Corporate Services

Key Decision: Yes

Reason: Financial implications within the report are in excess of £500,000 and impact on all wards and communities within North Somerset

Recommendations

1. The Executive is asked to note:
 - a) the updated revenue and capital budget forecasts as detailed within para 3.1 of the report in respect of the monitoring the budgets for 2022/23 financial year and the proposed strategy to balance the budget by the end of the year,
 - b) the updated range of revenue budget assumptions and risks within the Medium Term Financial Plan for the period 2023-2027 as detailed within paras 3.3 and 3.4 of the report,
 - c) the draft savings strategies and proposals that have been included within the Medium Term Financial Plan as described within para 3.5 and listed in Appendix 1,
 - d) the updated budget gap of **£4.111m** for 2023/24 financial year as detailed in para 3.2, together with outstanding areas of work which are to be completed before the Executive can present a balanced budget for the 2023/24 financial year
2. The Executive is asked to approve:
 - e) the in-year amendments to the budgets within the current capital programme following the re-assessment and re-phasing of the current capital programme as detailed listed in Appendix 2,
 - f) the release of the Executive's latest draft budget for 2023/24 for consultation and engagement with the public and other stakeholders, incorporating growth and savings items as described throughout the report, whilst recognising that further changes will still need to be made to finalise and balance the budget for next year.

1. Summary of Report

This report provides a further update with regards to the assumptions that underpin the council's financial monitoring for the current financial year, as well as those included within the medium term financial plan (MTFP), covering the 4-year period to 2026/27.

Previous reports on each of these areas were considered by the Executive at the meetings in September and October 2022. At that time the council had an **in-year** budget pressure of **£4.4m** and a budget gap of over £41m for the 4-year period to 2026/27, with a **short-fall of £17m** for the **2023/24** financial year.

The council has a well-established and embedded process to continually review and assess its financial performance and work to alleviate pressures by developing and implementing a range of strategies to close budget gaps.

Progress has been made since the last reports were published and the latest modelling shows that the council's financial position across all years has slightly improved. The projected overspend for the current financial year has **reduced to £4m** and the budget gap across the medium term has reduced to £27m, with a short-fall of **£4.1m for 2023/24**, compared to the previous position of £17m, now that identified savings of £10.53m have been incorporated.

The council would usually aim to publish a draft balanced budget at this point in the year so that residents, businesses and other stakeholders across North Somerset can review and assess the major components of the council's budget plans for the year ahead and provide commentary and feedback where appropriate.

However, there remain several key areas of uncertainty about some areas of Government policy and funding arrangements for local government, which may have a material impact on council's medium term financial plan. These are expected to be clarified in the financial settlement, which is expected in late December. The council is acutely aware of the importance of financial assumptions so that it can ensure that funds are not only allocated to the priorities identified within the Corporate Plan, but that the challenging decisions that may be required to close any budget gaps are based on sound evidence.

Therefore, whilst a range of spending and funding assumptions have been included within the financial modelling presented within this report, some of these assumptions could change over the next few weeks, potentially as a result of the national economic situation, as well as the Governments response in managing those financial challenges.

There is a legal requirement to prepare and approve a robust revenue budget for the 2023/24 financial year, along with relevant council tax bandings and rates. Ultimately the MTFP will work towards delivering these outcomes and will culminate in a financial update being presented to Council in January and then a further report on the draft balanced budget presented to the Executive in February 2023.

2. Policy

The council has a net revenue budget of £185m for 2022/23, which is supported by a rolling MTFP process. It also has a capital investment programme for the period 2022-2027 which totals c.£340m, which is based on the needs and ambitions described within the Capital Strategy.

The council's MTFP supports the on-going provision of services for the people of North Somerset, within the context of the priorities for the area, as set out within the approved Corporate Plan. It identifies the likely costs and pressures that the council will face and compares these against the anticipated income and resource allocations over the period. The MTFP integrates a range of financial strategies and highlights the key risks inherent within our budget planning processes.

3. Details

3.1. Update on the 2022/23 revenue budget monitoring position

The council follows a traditional incremental approach to its annual budgeting cycle whereby the approved revenue base budget is used as a starting point to build from and variations are considered and incorporated where they are material in nature, aligned to delivery of statutory responsibilities or Corporate Plan priorities. A similar approach is adopted in respect of creating funding forecasts.

Therefore, when preparing budgets for future years it is important to firstly review the baseline position for the current financial year and to understand and quantify the extent to which any existing risks and pressures will be ongoing and which may impact on the council's budget in the future. Should ongoing pressures be identified as part of this review, they must be addressed as part of the council's work to prepare a sustainable budget going forwards.

The table below shows an updated forecast of the council's revenue budget position for the current financial year, using the information gathered from budget managers at the end September 2022.

Revenue Budget Monitoring Summary 2022/23

	Month 6 Forecast (end of September 2022)					Month 5 Forecast (August)			Change + / - £000
	Original Net Revenue Budget £000	Revised Revenue Budget £000	Projected Out-turn Position £000	Projected Out-turn Variance £000 %		Revised Revenue Budget £000	Projected Out-turn Position £000	Projected Out-turn Variance £000	
Service Expenditure Budgets									
Adult Social Services	75,158	75,050	75,488	438	0.58%	75,171	75,585	414	24
Children's Services	26,989	27,097	28,484	1,386	5.12%	26,977	28,450	1,473	(87)
Corporate Services	27,553	27,461	27,896	434	1.58%	27,461	28,055	594	(159)
Place	29,989	30,080	31,335	1,255	4.17%	30,080	31,428	1,348	(93)
Public Health & Reg Services	1,374	1,374	1,317	(57)	-4.17%	1,374	1,360	(14)	(43)
Incremental impact of pay offer	0	0	1,603	1,603		0	1,603	1,603	0
Impact of energy procurement	0	0	812	812		0	812	812	0
	161,063	161,063	166,934	5,871	3.65%	161,063	167,293	6,230	(359)
Other Revenue Budgets									
Capital Financing & Interest	11,207	11,207	9,312	(1,895)	-17%	11,207	9,312	(1,895)	0
Other Non Service Budgets	13,205	13,205	13,260	55	0.42%	13,205	13,260	55	0
	24,412	24,412	22,573	(1,839)	-7.53%	24,412	22,573	(1,839)	0
Total Net Revenue Budget	185,475	185,475	189,507	4,032	2.17%	185,475	189,866	4,391	(359)
General Fund Financing Budgets	(185,475)	(185,475)	(185,475)	0	0.00%	(185,475)	(185,475)	0	0
NET REVENUE BUDGET TOTAL	(0)	0	4,032	4,032	2.17%	(0)	4,391	4,391	(359)

The table is displayed in the council's standard financial monitoring template and depicts the reported position for each of the 'directorates' in turn, as well as showing an aggregated picture of all council services.

Key messages and headlines that can be taken from the table are;

- The council's approved net revenue budget for the year totals **£185.475m** (white and blue shaded columns)
- Managers estimate that the council will spend **£189.507m** on delivering services by the end of the year (yellow shaded column)
- This is **£4.032m** more than the council has available to spend or had planned to spend when the budget was approved back in February 2022.

As a comparator has been included, it is possible to see that the council's underlying financial position has marginally improved compared to the previous report presented to the Executive at the meeting in October, as the projected overspend has reduced by £0.359m from £4.391m.

A review of the information supporting these forecasts indicate that the reduction is largely because of the mitigations and interventions that are being put into place by directors as they collectively strive to reduce the overspend. There have been a range of individual changes implemented within each service area but can be grouped into the following themes;

- Review and reduce staffing costs, e.g. holding posts vacant for longer or until the end of the financial year,
- Review and reduce areas of discretionary spending or defer delivery where possible,
- Implementation of processes to manage rising demand for services, e.g. introduce review and assurance panels to validate requests for services,
- Improve the collection of outstanding debts to increase income due to the council

It is anticipated that these courses of action will minimise the potential use of the financial risk reserve at the end of the financial year in order to balance the budget. The council recognises that reserves are a short-term solution and should only be used to fund specific one-off impacts or until a longer-term funding strategy has been put into place.

Integration of 2022/23 and 2023/24 financial years

The information presented above is a high-level financial summary based on the council's more detailed budget analysis and forecasts. The detail that supports these values was previously reported to the Executive at the meeting in October and remains unchanged and so provides an opportunity to understand and assess those pressures which are likely to be one-off in nature or continue.

A review of these variances show that there are several material budget pressures being experienced in the current year, which are likely to continue into future years, a summary of these items is provided below.

- | | |
|--|---------|
| • Inflation on contracts, including fuel (various areas) | £1.864m |
| • Inflation on energy contracts | £0.812m |
| • Inflation on pay budgets | £1.603m |
| • Children's services placement costs | £1.132m |
| • Home to school transport costs | £1.276m |

It should be noted that additional provision has been added into the financial modelling for next year to provide a more sustainable and realistic baseline for these service costs going forwards. Values and forecasts will continue to be reviewed and updated in the coming

months to ensure that the latest levels are included within the final budget considered by Council in February 2023.

3.2. Latest budget projections for 2023-2027

In addition to updating the financial position for the current financial year the council has also updated its financial modelling for the medium term. The table below shows that the budget gap has reduced to £28m across the 4-years, with **£4.1m** of this in 2023/24.

MTFP FINANCIAL SUMMARY	MTFP - DECEMBER 2022				
	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
- Resources - Grants, Council Tax & Business Rates	179,090	191,845	194,618	199,380	206,330
- Current Budget - base spending position	171,317	179,090	191,845	194,618	199,380
- Budget pressures, increased spending and investment plans	16,396	28,949	13,552	13,982	14,221
- Remove Covid & other one-off impacts	-4,466	-1,553	0	0	0
- Savings proposals and increased income	-4,157	-10,530	-1,938	-572	-690
- Revised Spending Base	179,090	195,956	203,459	208,029	212,911
- Budget Gap	0	-4,111	-8,841	-8,649	-6,581
			-28,182		
Core Assumptions for Council Tax Increase:	2.99%	2.99%	2.99%	2.99%	2.99%
- North Somerset Council Services	1.99%	1.99%	1.99%	1.99%	1.99%
- Adult Social Care Precept	1.00%	1.00%	1.00%	1.00%	1.00%

Revised forecasts have been included within the report for each of the following elements;

- Paragraph 3.3 - budget pressures (i.e. how much money the council may need to pay to deliver services),
- Paragraph 3.4 - resources (i.e. how much money the council expects that it will receive into the budget so that it can pay for the services), and also
- Paragraph 3.5 savings proposals, this is how much money the council expects to save after implementing a series of proposals designed to either reduce costs or increase income, all of which are needed to close the budget gap.

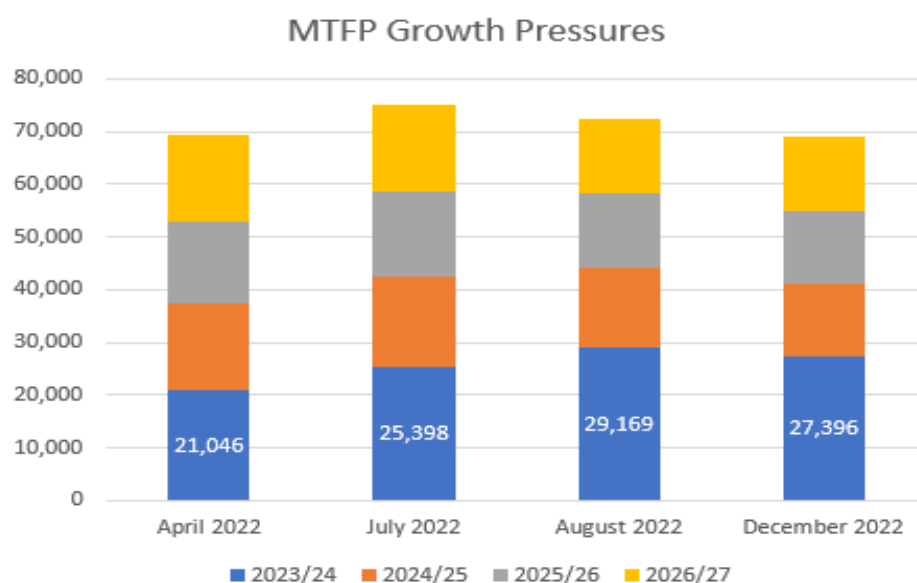
3.3. Building a sustainable and robust revenue budget for the future

As noted in para 3.1 above, the results of budget monitoring forecasts in respect of the current financial year have been reviewed to ensure that the budget for next year does not feature any legacy issues and is set at robust levels wherever possible.

Information has **also** been gathered from a variety of sources to ensure that any other new spending plans or growth allocations that have been included within the MTFP are essential to the ongoing delivery of services. And in addition, all items of growth that have been included will need to be supported by evidenced based calculations using a series of transparent cost drivers so that they can be validated and assessed.

Forecasts show that income is not keeping up with our costs and this means that some difficult decisions have been made to restrict new spending proposals from being included within the budget plans unless they support an essential service. Indeed, **any opportunities to invest in anything other than core statutory services has been extremely limited.**

The chart below shows the latest levels of additional spending that have been included across the 4 years of the MTFP, and the latest levels of growth included at this time currently total **£27.396m** for next year.



A table has also been included to provide further clarity on the main areas of additional spending that have been reflected within the MTFP. Narrative descriptions on each of the core assumptions supporting these values have been included within previous reports.

MTFP Growth Pressures

	2023/24	2024/25	2025/26	2026/27
Inflation - pay	4,528	2,671	2,751	2,841
Inflation - energy	4,198	-972	395	435
Inflation - major contracts	2,598	1,027	1,049	1,072
Adult social care - existing services	8,960	6,233	6,032	6,055
Adult social care - new responsibilities	1,686	0	0	0
Childrens services	1,380	488	550	550
Waste Service	3,052	0	0	0
Home to Schools Transport	1,416	350	350	1,100
Other growth items	-422	3,755	2,855	2,168
TOTALS	27,396	13,552	13,982	14,221

3.4. Update on resource assumptions

The council pays for its services each year through three main sources of income, these being council tax, business rates and government grants. The table below shows how much money the council currently expects to receive from each of these sources within the latest modelling, along with the main assumptions that underpin these forecasts.

MTFP Resources		2023/24	2024/25	2025/26	2026/27
Revenue Support Grant		2,250	2,250	2,250	2,250
New Homes Bonus Grant		819	819	0	0
Lower Tier Services Grant		224	224	0	0
Services Grant		1,096	1,096	0	0
Social Care Support Grant	Assumed up by £2.3m	10,395	12,695	14,995	17,295
ASC Market Sustainability Grant	To fund Reform costs	2,310	2,310	2,310	2,310
Council Tax Income - baseline		124,848	129,475	134,075	138,725
Council Tax Income - increase	Assumed 1.99%	2,485	2,577	2,577	2,577
Council Tax Income - ASC Precept	Assumed 1%	1,248	1,294	1,294	1,294
Business Rate Grants		12,543	9,041	9,041	9,041
Business Rate Income		32,105	32,838	32,838	32,838
Use of Risk Reserve	To fund Energy costs	1,522	0	0	0
TOTALS		191,845	194,618	199,380	206,330

Previous reports have provided additional commentary to support the council's assumptions on its resource base as there is more uncertainty within this area of the financial modelling because a lot of the components are influenced by Government policy as well as the health of the nations' finances. Once decided, these factors will influence how much money the government has available to be able to allocate to each of its spending departments or how much money the council will be able to raise through council tax or business rates. It is therefore hoped that the Chancellors announcements within the Autumn Statement will provide further clarity so that the council can finalise its assumptions for both 2023/24 and into the medium term. At the time of writing the council is aware that some of the following assumptions will need to be updated in a later report and para 3.7 provides an indication of areas that might change.

Areas of uncertainty or potential change are listed below;

- i. **Council tax capping limits** – this being the percentage increase that the council could increase council tax by without the need to hold a referendum. An increase of 1% would bring the council approximately £1.25m of additional income. The MTFP currently assumes that the cap is set at 2% to fund general council spending, with a further 1% specifically for an increase in the adult social care precept, making a total increase of 3% or an increase of c.£3.75m for next year.

However, the MTFP also assumes an increase in the current social care support grant of £2.3m, which if converted into a council tax percentage increase, means that the MTFP reflects an increase of c.5% for next year. Paragraph 3.7 refers to the additional funding for Adult Social Care, announced in the Autumn Statement, but it is not yet clear the extent to which this funding will come with conditions, which might require it to be spent on new activities, projects and programmes.

- ii. **Social care support grant** – the council currently receives £8m from the social care support grant which is used to fund pressures within the council's social care services.

As noted above the MTFP currently assumes that the government will provide additional funds at a national level and the council will receive an increase of £2.3m of the current social care support grant in each of the next two years taking the estimated level of grant to be £10.395m and £12.695m.

Over recent years the government has chosen to fund the rising cost of social care through a combination of national and local resources by providing additional funding

through increasing the specific grant **and** also allowing councils to levy an adult social care precept through the council tax system. This combined approach means that the government can ensure that funding increases are applied fairly and consistently for councils across the country, because allocating funding using the council tax base mechanism alone would mean that some councils would be able to generate much higher levels of income compared to others.

The assumptions within the current modelling are based on the premise that the council has received an increase in collective funding for social care of between £3.5m-£4m in each of the last 4 years through both Grant and Precept, although the proportions between Grant and Precept have differed in each year which makes forecasting difficult. The council's modelling assumes that overall level of funding increases of this scale will continue, although it has not been possible to confirm whether the additional money will come through as a Grant or as a Precept on local taxpayers.

It is therefore important to understand both the council tax flexibilities and the current social care grant funding elements together, because whilst there would be a financial risk to the council's forecasts if grant levels did not increase as expected, this risk could be mitigated if the government increased the cap on the council tax and / or the adult social care precept.

- iii. **Social care reforms** – includes two elements, the care cap (i.e. how much a person will pay towards the cost of their care) and sustaining the market through providing a fair price for care. The council needs to understand implementation timescales and the funding envelope being allocated for these new policy decisions although the MTFP currently assumes a break-even position, in that the financial impact for the council will match the funding allocated by the government. Given that policy changes require specific outcomes to be delivered the principle of ring-fencing would apply for any areas of new grants. Again, as noted in paragraph 3.7, the care cap element of the reforms has been delayed for at least 2 years and the consequences of this need to be further understood and reported at a later date.
- iv. **Business rate income and associated grants** – each year the government applies inflation on business rate income at a national level through the 'multiplier', although this value has not been confirmed and so may change from the rates included within the MTFP.

In addition to this, there have been instances in recent years where the government has changed several national policies for business rates and either not passed on the inflationary increase to businesses themselves or have introduced reliefs to help small businesses or those operating within certain sectors, for example retail, hospitality and leisure. In these situations the government has compensated councils who would have been entitled to receive their share of the income by way of a specific grant, meaning that should similar changes be introduced over the next few weeks, whilst the individual components of the council's modelling might change, the net impact should be neutral.

- v. **New Homes Bonus** - The government has not confirmed whether there will be a further round of New Homes Bonus Payments in 2023/24. In 2020 the government launched a consultation on its future, which recommended a series of reforms, but the government has not yet responded to the consultation. The council continues to plan on the current basis that the money will continue.

- vi. There are a number of **other grants** currently included within the council's resource forecasts which have not yet been confirmed and so may change in the future. The council will seek to clarify the arrangements and values associated with the Services grant as there remain questions about how much the council will receive for 2023/24 and beyond. This is largely because the government previously advised that funding would be withdrawn following the reversal of the National Insurance Levy increase and it is likely that this will be done through the Services grant.

3.5. Financial strategies and savings plans

Budget reports over recent years have shown that the council has faced many difficult decisions in identifying savings proposals as it has been necessary to balance its books following an increase in spending in areas of need. When preparing the draft budget for next year a similar approach will again be required, although given economic backdrop of continued high levels of inflation, the savings values included within the latest modelling are actually much higher than in recent years.

The Executive have continued their stance in that they would like to continue to protect front line services from direct cuts in service provision where possible, and also any areas that support vulnerable people within our communities although they do recognise that hard choices will need to be made across all areas of the budget.

Senior officers within the Corporate Leadership Team (CLT) have spent many months looking at ways in which costs can be reduced, more income generated or services delivered differently as they recognise that as time goes by it becomes ever more challenging to deliver further savings from efficiencies.

The work undertaken by CLT included allocating savings targets to each of the directorates to ensure that all services and all areas of the council could help to contribute to the financial challenge in a fair and consistent way. The targets were initially calculated and shared using a variety of measures which took into account the individual nature of the relevant directorate and their spending powers and also their ability to consider and deliver change or unlock savings plans. However, as the council's financial modelling continued to be updated and the budget gap grew, it was necessary to change this approach and ask all service areas to identify savings which equated to 10% of their net budget, however challenging that may be.

All options and ideas have been shared with the Executive who provided a collective response on whether savings should be taken forward and included within the draft budget for next year or not. This iterative process also helped to refine and shape the details of some proposals as well as confirm delivery timescales and ensure there is a clear understanding of consultation and communication requirements, which are likely to be different for each item.

Appendix 1 provides a detailed schedule showing all of the draft budget proposals that have been approved in principle by the Executive and are currently included within the draft medium-term financial plan, **with £10.5m** of these being scheduled for delivery in 2023/24. Whilst it can be seen that the listing does include some difficult choices, the council is aware that it **still** has a budget shortfall of **£4.1m** for next year, which means that further savings or changes to assumptions within the MTFP will be required in order to balance the budget.

Each of the draft budget proposals will be supported by an Equalities Impact Assessment which will enable the council to understand the nature of the saving and also the impact of any budget change and to mitigate any potential inequalities that may arise.

The background and approach taken by each director when formulating proposals for their areas was shared within the All-Member Budget Scrutiny Session held on 17 November 2022.

3.6. Next steps, including closing the budget gap and timetable

As described above, the council has updated its financial modelling to reflect the latest known information in respect of its resource forecasts as well as its spending pressures. The corporate leadership team has taken care to assess and challenge all of the anticipated cost and demand increases which have been proposed to date to ensure that the budget is prepared in a robust and sustainable way, but without increasing the budget gap to unachievable levels, as this would mean that the council would be required to identify greater reductions in other areas of the budget.

Every effort will be made over the coming weeks to review further options, choices and alternatives so that a balanced budget can be set for the year ahead although there may be more difficult choices to consider. Areas currently being considered to close the budget gap include;

- Review the capital financing costs included within current forecasts to see if they can be reduced by re-phasing or reducing capital spending. Further information is included within para 3.8,
- Review growth calculations currently included for provider inflation,
- Review and assess the impacts of the triennial review on the council's pension costs,
- Review the detailed calculations supporting the council tax base for next year once information has been gathered, this would include data to show delivery of new homes, current position for reliefs and discounts and cash collection rates,
- Lobby for increased resources from the government in respect of new burdens for new responsibilities as well as new funding for specific pressures, notably adult social care,
- Increase the amount of savings proposals from current levels
- Explore collaboration opportunities with our partners to seek efficiencies and resilience
- Explore the potential for shared roles and services - although unlikely to have an impact on the 2023/24 budget.

As noted above, one of the main areas of continued uncertainty is waiting for information from the government. Although the Autumn Statement provides some guidance, the provisional local government finance settlement will give the detailed funding envelope for the council and is due to be published on 21 December 2022. Although the council is likely to receive the details required for next year, it is hoped that these announcements will also contain some high level information to inform a second year, which would allow the council to have more confidence in being able to prepare a robust financial plan that focuses on more than a single year at a time. This would support more strategic decisions to be made about the future of services.

The formal and informal milestones associated with the MTFP process are as follows;

- Report to Executive, December 2022 – updated financial summary incorporating draft savings proposals;

- Scrutiny – initial All Member session 17 November (prior to release of the formal report) and further session to be arranged in January (after further budget work has been completed to close the gap)
- Autumn Statement, 17 November 2022 – release of information by the Chancellor
- Taxbase, December 2022 – Executive Member decision on the forward plan
- Initial Equality Impact Assessments, December 2022 – initial EIA for all savings included within the December report, to be published on the council’s website
- Provisional local governance finance settlement, 21 December 2022
- Other engagement – December and January, including equalities forum, discussions with town and parish councils and other key stakeholders
- Report to Council, January 2023 – to provide an update on the financial modelling, including changes required to deliver a balanced budget
- Report to Executive, February 2023 – recommended balanced revenue and capital budgets for 2023/24 to Council; including detailed Equality Impact Assessments and the consideration of any alternative budgets
- Report to Council, February 2023 – approval of the 2023/24 revenue and capital budgets along with council tax levels and bandings

3.7. Key messages included within the Autumn Statement

The Chancellor of the Exchequer released his Autumn Statement on 17 November which aimed to “restore stability to the economy, protect high quality public services and build long-term prosperity for the United Kingdom.”

The speech and supporting documentation contained many changes which are likely to affect all residents and businesses over the next few years, as well as those organisations who deliver public services.

Some of the main headlines are listed below, and although not all will have a direct impact on the council’s finances they are important to be aware of;

- The state pension, benefits and tax credits will increase by 10.1% from April 2023
- Employment taxation – freeze in income tax levels; higher rate earners threshold reduced; national living wage to be increased from £9.50 to £10.42 from April 2023
- Energy taxation – energy firms will see the windfall tax increase from 25% to 35%
- Energy bills and support – majority of households will pay more in energy from April as government support is reduced; although increased financial support for pensioner households (£300), those on means tested benefits (£900) and those on disability benefits (£150); no detail on impact for businesses or the public sector
- Electric vehicles will be required to pay vehicle excise duty from April 2025
- There will be no cuts to capital spending plans within major projects to continue
- Council tax flexibility – capping limit for unitary councils increased to 3%; adult social care precept increased to 2%
- Small business rate reliefs to be extended; multiplier to be frozen

- Public sector spending - levels across local government to be protected; spending across other departments will be lower and limited to 1% above inflation
- Social care reforms – implementation of the care cap to be delayed for two years; additional funding to be given to the care sector and local government to provide care for an extra 200,000 people and also support and improve hospital discharges

Given the complexities surrounding the government proposals it will take time to review the detail included within the report and assess how this will affect the council and also whether any of the core assumptions within the current financial modelling need to be updated. Additional details will also be included within the provisional local government finance settlement on 21 December and so an update on the MTFP will be presented to Council at the meeting in January, ahead of the budget report to be considered by the Executive in February 2023.

3.8. Capital Strategy

The Capital Strategy outlines the council's approach to capital investment over the short, medium and longer term and gives a high-level overview of how capital expenditure contributes to the provision of local services within the area.

It matches the council's priorities and planned service requirements with funding projections and asset management considerations. One of the main themes within the capital strategy is that capital investment plans must be affordable, prudent and sustainable, which means that the MTFP and the annual revenue budget must contain the ongoing financial impacts of any borrowing decisions associated with the capital programme.

The forecasts linked to the capital monitoring process show that the council is facing significant inflationary impacts for some of the projects within the current programme and so further work will be undertaken to quantify the potential scale of these risks.

This means that decisions must be taken to prioritise and manage the inflationary impacts within the current programme, before the council is able to make any decisions about its ambitions to deliver new capital investment projects within the short-term. A detailed assessment of the current programme has been carried out which has looked to either re-phase or remove areas of non-essential spending in order to generate a financial saving within the revenue budget forecasts.

It is proposed that the council's capital strategy for 2023/24 will recommend that new capital spending will be focused across the following;

- those projects which have ring-fenced external funding, such as maintenance of the highways network, bus service improvement plan, spending on maintaining schools and providing additional places, enabling residents to stay in their homes by providing disabled facilities grants and providing funding for more affordable housing.
- projects that actively support the council's essential operational service delivery, such as investment in ICT provision and further investment in the maintenance of our roads, buildings, leisure facilities, or library assets to ensure that they are fit for purpose. Projects that deliver a positive financial outcome from a business case would also be considered.

The council will identify additional resources to support new capital spending, although this will be at lower levels than in the current year. Further details will be included within the Capital Strategy report considered by the Executive at the meeting in February 2023.

3.9. Dedicated Schools Budget

The Council, through the Strategic Schools Forum (SSF), is responsible for overseeing the Dedicated Schools Grant (DSG) and distributing funding to schools and early years providers. The total 2022/23 DSG is c. £191m but is paid by the government to the Council minus deductions (“recoupment”) for academies and further education. The 2022/23 DSG is as follows:

Block	Total DSG (£m)	Deductions (£m)	DSG payable to NSC (£m)	Notes / Examples of Services
Schools	145.657	137.333	8.324	Formula driven funding for individual schools, including academies
Central Services	1.670	0	1.670	Funding, admissions, inclusion and historic borrowing costs
High Needs	32.248	3.453	28.795	Special schools, Top-Up Funding, Alternative Provision
Early Years	11.640	0	11.640	Formula driven funding for individual providers
TOTAL	191.215	140.786	50.429	

Each year, the SSF consults with schools and interested stakeholders, and then takes decisions on the formula for distributing resources to providers (including academies), along with associated funding arrangements.

The schools’ block of the DSG is expected to increase by around of £2.8m (or 1.85%) in 2023/24, particularly to allow the implementation of the Government’s promised minimum funding per pupil of £4,405 for primary schools and £5,715 for secondary schools. Funding in the High Needs Block is expected to rise by around £1.8m (5.7%).

The initial budget planning process has identified that, despite an increase in funding in the High Needs Block of the DSG from central government, it is unlikely that there will be sufficient funding to meet existing demands, particularly in relation to out of authority placements and top-up funding, given the high level of increases in the number of children with Special Education Needs and Disabilities (SEND) who have an Education, Health and Care Plan (EHCP).

As a result, it is not anticipated that the DSG deficit (projected to be c.£18m by the end of 2022/23) will reduce in the short term. However, the Council has a DSG Management Plan in place and, during the course of the next few months, will be taking part in the DfE’s Safety Valve Programme, with an agreement hoped to be reached by 31 March 2023.

The Safety Valve Programme requires local authorities to develop substantial plans for reform to their high needs systems and associating spending, with support and challenge from the department, to rapidly place them on a sustainable footing (i.e. an in-year balanced budget within a “reasonable” period of time). Local authorities will be held account for their reforms and deficit reduction targets via regular reporting to the department. The department will help the local authorities with additional funding over time to contribute to “paying off” their historic DSG deficits, contingent on delivery of the reforms.

As part of the Safety Valve Programme, the Council is being actively encouraged to consider a movement of resources from the School Block to the High Needs Block of up to 1% (movements of 0.5% have been agreed in the last 3 years), in order to close the gap

between the expected total peak deficit and the amount that the DfE is prepared to contribute; the Council may also need to look at its own general or earmarked reserves, subject to agreement by the Local Government Minister.

The timetable for the setting of the Schools' Budget covered by the DSG is as follows:

Key Dates	Details
28 November 2022 to 23 December 2022	Consultation period
Late December 2022	EFA confirms DSG allocations for 2023-24 (prior to recoupment of funding for academies)
December/January 2022/2023	Formula funding for schools updated to reflect on October 2022 data set and 2023-24 DSG
13 January 2023	Deadline for submission of Safety Valve Proposal to DfE
19 January 2023	SSF Meeting
20 January 2023	Deadline for submission of final 2023/24 APT to ESFA
8 February and 21 February 2023	Executive and Council approval of schools budget
By 28 February 2023	Delegated budget shares for mainstream maintained schools 2023/4 to be confirmed
8 March 2023	SSF Meeting
By 31 March 2023	Early years and high needs allocations issued

4. Consultation

The government, through its legislative framework, clearly expects that local authorities will be able to demonstrate that they have in place mechanisms to ensure that 'representatives of local people' are being appropriately informed, consulted or involved in services, policies or decisions that affect or interest them.

There are many aspects of service delivery which impact on our residents, customers and other stakeholders and members of the public, and so we recognise that it is our responsibility to ensure that any changes we make to them through the budget, need to be considered and consulted upon. Failure to do so adequately could result in aspects of the budget being subject to legal challenge.

The council is fully committed to ensuring that residents, business and other stakeholders from across the district such as town and parish councils, are included within its MTFP planning, through scrutiny, consultation and engagement plans.

All Members were invited to attend the first scrutiny session on 17 November so that they could have the opportunity to understand the major components of the councils' financial arrangements and considerations and ask questions or challenge any of the key assumptions used within the modelling. It is anticipated that further sessions will be arranged once savings plans have been finalised and progress has been made to balance the budget for next year.

Once the draft budget has been approved for consultation then officers will arrange for members of its citizens panel to be consulted about the plans for the year ahead and they have the opportunity to share their views. It is expected that a broad range of questions relating to current service provision as well as potential changes highlighted within the budget papers will be asked with feedback included within the next report.

5. Financial Implications

Financial implications are contained throughout the report.

6. Legal Powers and Implications

The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs including balancing their budgets each year from within their own resource allocations, although further details and requirements are contained within related legislation.

The **setting of the council's budget** for the forthcoming year, and the ongoing **arrangements for monitoring** all aspects of this to ensure that the councils spending is within the approved limits, is an integral part of the financial administration process.

Further requirements are contained within the Local Government Act 1988, Section 114 (3) which provide for instances whereby the chief finance officer of an authority makes a judgement that the expenditure of the authority in a financial year is likely to exceed the resources available.

7. Climate Change and Environmental Implications

Both aspects covered within this report, that is in terms of monitoring of the budget for the current year and setting budgets for future years, will be impacted by the increasing costs of energy, which does provide an opportunity to highlight climate and environmental issues.

The council's financial forecasts show that it will need to spend more on its energy costs than ever before which is a challenge given the scale of other financial pressures.

The council is therefore considering ways in which it can reduce these costs through the development of longer-term investment proposals. Whilst there are no specific climate related investment plans detailed at this time, climate and environmental related implications will be at the forefront of our thinking when considering underlying service policies, priorities and strategies associated with the revenue budget, as well as through formulating investment plans and determining options to make reductions in our energy usage and associated costs to ensure a more sustainable future and the continued commitment to Net Zero by 2030.

8. Risk Management

In setting the revenue and capital budgets, the council must consider the known key financial risks that may affect its plans and these will either be explicitly provided for within the base budget or be offset and held against the unallocated contingency budget or the council's general fund working balance.

The council recognises that known risks, together with the unconfirmed, but anticipated timeframes surrounding future funding settlements, does attract a high degree of risk in terms of making specific decisions around its financial planning, particularly at such a critical point in the process.

Officers will continue to test the impact of varying key assumptions in the medium term financial strategy to assess the sensitivity of the ranges of indicative budget figures. This

informs decisions about the level of working balances needed to provide assurance as to the robustness of the budget estimates.

An MTFP risk register is regularly updated which reflects the most significant areas of the council's financial planning, although at this time some of the most significant risks are shown below;

- Uncertainty about some elements of funding likely to be received from central government in future years,
- Continued longer-term uncertainty about future reforms of local government finance and the impact this may have on the council's resources,
- Continued uncertainty about the long-term funding solution for adult social care, as well as the potential impacts that may arise in this area following the delayed Social Care Reforms, especially any potential short-falls in funding in relation to the "Fair Cost of Care", the Care Cap, and changes to the means test when they are eventually implemented,
- Ongoing uncertainty across a range of economic factors and inflationary rates that are likely to drive up cost in key areas such as pay, energy and third-party contracts, as well as impact on the sustainability of providers and partners, e.g. notably those who provide social care services and bus, transport and leisure related services,
- Potential increases in demand in areas which are difficult to control, including adult and children's social care and home to school transport (especially for children with special educational needs and disability SEND (Special Educational Needs and Disabilities)),
- Ability to facilitate economic and housing growth to increase income and generate wider economic benefits,
- Ability required to deliver change through transformation and innovation and capture the financial benefits,
- Impact of the inflationary costs associated with major capital projects,
- Impact on council employees.

In addition, there are specific concerns across the sector relating to the possible end of the statutory override period in relation to the Dedicated Schools Grant deficit. This is currently set for the end of March 2023, although the Government is currently consulting with all councils about the potential impacts should that go ahead. Alongside this, the council has started its "Safety Valve" negotiation with the Government as to how, in the medium term, the high needs block of the DSG (Dedicated Schools Grant) can be brought into in-year balance and how, consequently, the Government may contribute to reducing the historic deficit which will then inform the level of resources that the council may need to identify from its own reserves to close the gap.

9. Equality Implications

In considering its vision, ambitions and financial planning the council is mindful of its Public Sector Equalities Duties to have due regard to the need to:

- eliminate unlawful discrimination
- advance equality of opportunity; and
- Encourage good relations between groups.

As per previous years, the council will undertake thorough Equality Impact Assessments, (EIA), for all budget savings plans which will be incorporated within the relevant budget papers throughout the MTFP process.

It is anticipated that an initial summary EIA will be completed and published on the council's website in December 2022 in respect of all the savings plans that are included within this report, which will provide an outline of the plans should they be approved and integrated into the budget in subsequent years.

Should further savings proposals be required to balance the budget and included within the MTFP in later reports, they will also follow the same core requirement of having an EIA published on the council's website.

10. Corporate Implications

The Corporate Plan and MTFP, along with the supporting financial monitoring processes and performance management framework are vital tools to help align effort across the organisation and ensure that core services are all are focused on delivery to agreed community and organisational priorities.

With continuing financial pressures and rising demands for services, it is essential that the councils' limited resources continue to be prioritised and allocated in line with the identified priorities. The Corporate Plan continues to be reviewed in the light of emerging risks and pressures and steps are being taken to assess timeframes and monitor key outcomes although it should be noted that the proposed changes included within the MTFP may impact on colleagues and capacity levels and deliverability.

11. Options Considered

The council is legally required to set a balanced budget and to implement a robust financial framework to ensure that spending is aligned to available resources and work to date has focused on achieving that objective. Some of the core assumptions that unpin this aim are subjective or based on information held at a specific point in time could therefore be updated or alternative options could be considered for inclusion within future modelling, particularly to enable the budget to be balanced for next year.

All proposals contained within the draft budget have been considered in detail by individual Executive Members and approved by the Executive collectively.

Author:

Amy Webb, Director of Corporate Services, amy.webb@n-somerset.gov.uk
Jo Jones, Finance Business Partner (Place), jo.jones@n-somerset.gov.uk
Katherine Sokol, Finance Business Partner (Adults and Children's Services),
katherine.sokol@n-somerset.gov.uk
Melanie Watts, Head of Finance, melanie.watts@n-somerset.gov.uk

Appendices:

Appendix 1 Savings plans included within draft budget
Appendix 2 Changes to the current capital programme

Background Papers:

Exec Report – February 2022, Medium Term Financial Plan and Revenue Budget update
Exec Report – September 2022, Medium Term Financial Plan and Revenue Budget update
Exec Report - September 2022, Revenue Budget Monitoring 2022/23 Month 5
Council Report – February 2022, Council Tax Setting 2022/23

MTFP Savings Proposals included within the draft budget
APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
ASS	ASS01	Better Care Fund - Inflation on adult protection element - contribution to increased costs	300	0	0	300
ASS	ASS02	Extra Care Housing - reduced unit costs of care element following re-tender	25	0	0	25
ASS	ASS03	Reducing the number / size of new care packages through reablement, Technology Enabled Care (TEC) and other early intervention services	400	0	0	400
ASS	ASS04	Meeting the needs of people through strengths-based assessment and governance approach that ensures equity and consistency	200	0	0	200
ASS	ASS05	Reviews of existing care packages to ensure that all appropriate Continuing Health Care (CHC) or joint funding is received	500	0	0	500
ASS	ASS06	Reviews of existing care packages to ensure still appropriate, strengths-based assessment and use of TEC	500	0	0	500
ASS	ASS07	Review the services received within Mental Health / Learning Disabilities considering TEC, Shared lives and Housing with support to maximise independence.	325	0	0	325
ASS	ASS08	Identify new Supported Living schemes as a more cost effective and independence maximising alternative to residential placements	100	0	0	100
ASS	ASS09	Equipment demonstration delivery moved to alternative venues, end use of MOTEX demonstration centre	60	0	0	60
ASS	ASS10	Review of arrangements for shared office accommodation with Avon and Wiltshire Mental Health Partnership	75	0	0	75
ASS	ASS11	Review staffing arrangements in the Learning Disabilities and mental Health Teams	120	0	0	120
ASS	ASS12	Increase vacancy management target in adult social care by 1%	125	0	0	125
ASS	ASS13	Increased client contributions to reflect increases in benefits and pensions	940	0	0	940
ASS	ASS14	Review Voluntary and Community Sector Grants and Commissioned Services	200	0	0	200
ASS	ASS15	Review of staffing and deletion of non-statutory Bristol Autism Services seconded Social Worker role	59	0	0	59
ASS	ASS16	Freeze TEC Coordinator post until external funding becomes available	49	0	0	49
ASS	ASS17	Review of funding arrangements for staff in the Housing Team	163	0	0	163
ASS	ASS18	Annual uplift to fees and charges to cover inflationary cost of services - Adults	255	256	256	767

MTFP Savings Proposals included within the draft budget
APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
CH	CH01	Efficiency savings or reductions in budgets in line with projected or historic spend or demand	85	0	0	85
CH	CH02	Relocate Family Support and Safeguarding team to alternative office accommodation	20	0	0	20
CH	CH03	Deletion of vacant posts in Education Funding, Fostering Training, Strategy and Policy and Training Teams	121	0	0	121
CH	CH04	Review of Family Time Service to ensure service supports children with the highest needs	60	0	0	60
CH	CH05	Increase in Vacancy Management target	38	0	0	38
CH	CH06	Review of costs for children with complex care needs	50	0	0	50
CH	CH07	Review of staffing in Family Support & Safeguarding Teams	76	0	0	76
CH	CH08	Review of arrangements for Family Group Conferencing	56	0	0	56
CH	CH09	Remove final tranche of discretionary funding for under two's child care	80	0	0	80
CH	CH10	Review funding arrangements for staffing costs in Youth Justice Service	29	0	0	29
CH	CH11	Rationalisation / reprioritisation of Children's Centre and Early Help provision	300	0	0	300
CH	CH12	Annual uplift to fees and charges to cover inflationary cost of services - Children	13	14	14	41

MTFP Savings Proposals included within the draft budget

APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
CSD	CSD1	Reduce senior management within the directorate, along with external resources previously used to support transformation	159	0	0	159
CSD	CSD2	Review the scope and scale of support provided to the council through external contractual arrangements in respect of Internal Audit and Archiving, i.e. the storing of historic artefacts.	10	10	8	28
CSD	CSD3	Review the scope and scale of the Business Intelligence team, the Policy & Partnerships team and the delivery of consultation and research activity	80	20	0	100
CSD	CSD4	Reduction in grants from the corporate services directorate to external organisations, will be considered as part of a wider review.	10	0	0	10
CSD	CSD5	Review and reduce resources required to deliver Procurement services, reflecting reduced demand as a result of lower overall external spend.	54	0	0	54
CSD	CSD6	Review of the Comms team and release capacity from vacant post	35	0	0	35
CSD	CSD7	Reduce number of editions of North Somerset Life from 3 to 2 per year. Also look to increase income opportunities	39	0	0	39
CSD	CSD8	Realign occupational health budget and annual leave buy back budgets to current levels	13	0	0	13
CSD	CSD9	Review the resources required to deliver a range of internal support services including the senior leadership support team, legal, democratic and scrutiny services as well as electoral and registration services and look to reduce costs and / or increase income.	21	95	60	176
CSD	CSD10	Review and reduce the resources required to deliver a range of internal support services such as ICT support and project management and external contract costs for bought in services. Seek further income from trading opportunities and project management activity.	120	0	0	120
CSD	CSD11	Reduce printing costs and equipment leases, reduce physical document storage costs	10	10	0	20
CSD	CSD13	Increase income from Carelink users - aligned to inflation	10	0	0	10
CSD	CSD14	Implement a range of changes and cuts to the Support Services Contract through reductions to the scope and scale of services and capacity available to the council. Areas of change include; Facilities, Digital Support, Cash Collection, Revenues and Benefits, Accounts Payable, Carelink and ICT.	133	235	0	368
CSD	CSD15	Increase council tax income by introducing a new policy to levy a second homes premium	0	150	0	150
CSD	CSD16	Realign council tax support scheme to current levels of demand	100	0	0	100
CSD	CSD17	Undertake a review of the Finance Service to evaluate core areas of responsibility, reduce the scope and scale of services currently provided and efficiencies.	58	65	14	137
CSD	CSD19	Align income budget from tenants to current levels at Castlewood and reduce premises related costs within office accommodation sites by 10% e.g. paper supplies, maintenance etc	235	0	0	235

MTFP Savings Proposals included within the draft budget
APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
CSD	CSD20	Reduce budgets associated with the Sovereign Centre including the removal of resources set-aside to fund the capital financing costs of potential future investment and contract management costs.	290	0	0	290
CSD	CSD21	Increase income from external investment activity largely as a result of higher interest rates	695	0	0	695
CSD	CSD22	Reduction in debt costs and charges (Avon Loan Debt & Revolving Infrastructure Fund)	20	15	0	35
CSD	CSD23	Reduction in former employee pension costs	10	10	0	20
CSD	CSD24	Annual uplift to fees and charges to cover inflationary cost of services - Corporate	36	37	37	110

MTFP Savings Proposals included within the draft budget
APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
PH&RS	PH1	Indicative proposal relating to the Housing elements of Regulatory Services - based on 22/23 month 6 forecast - some opportunity to increase income, although will need to be phased in over period of time; to be validated & supported by evidence	45	0	0	45
PH&RS	PH2	Indicative proposal relating to the Consumer Protection element of Regulatory Services - based on 22/23 month 6 forecast - some opportunity to increase income, although will need to be phased in over period of time; staffing budgets to be reviewed and compared to capacity levels as still being impacted by pandemic activity; to be validated & supported by evidence	60	0	0	60
PH&RS	PH3	Indicative proposal relating to Environmental Protection element of Regulatory Services - based on 22/23 month 6 forecast - some opportunity to increase income, although will need to be phased in over period of time; staffing budgets to be reviewed and compared to capacity levels as still being impacted by pandemic activity; to be validated & supported by evidence	25	0	0	25
PH&RS	PH4	Annual uplift to fees and charges to cover inflationary cost of services - PH&RS	10	11	11	32
PH&RS	PH5	Remodel team structure and limit recruitment against restructure plans agreed earlier in 2022. New reporting lines and allocation of functions to share increased workload. Will deliver savings to also support further realignment in 22/23.	118	0	0	118
PH&RS	PH6	Reduce allocation of budget to GP delivery of health checks and target provision in areas of higher deprivation or high risk workplace settings.	30	0	0	30
PH&RS	PH7	Seek economies of scale in delivery of settings programmes and reduce funding to support some interventions e.g. mental health training.	20	0	0	20
PH&RS	PH8	Need to top-slice PH savings to fund ring-fenced pressures, includes staffing budgets and contract increases	-168	0	0	-168

MTFP Savings Proposals included within the draft budget
APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
PD	PD1	Increase recycling materials income target	900	0	0	900
PD	PD2	Close Backwell recycling centre	300	0	0	300
PD	PD3	Garden Waste inflationary increase	150	0	0	150
PD	PD4	Garden waste optimisation of rounds (Garden Waste collected on a different day to other collections)	50	100	0	150
PD	PD5	Find efficiency savings within the Waste Contract - This could include campaigns to improve the sorting of recycling by residents	150	150	0	300
PD	PD6	Refresh and embed a policy to minimise replacement/additional bins/containers	50	50	0	100
PD	PD7	Campaigns to increase recycling and reduce disposal costs	50	0	0	50
PD	PD8	Increase public convenience charges to 30p	30	0	0	30
PD	PD9	Income from public surveillance cameras & private CCTV monitoring	10	0	0	10
PD	PD10	Fixed Penalty Notice (FPN) revenue for Anti-Social-Behaviour & CCTV used to issue FPNs for Highways and Public Protection Order and review funding models for Community Response	50	85	0	135
PD	PD11	Realign income budgets for leisure centres to current usage levels	15	0	0	15
PD	PD12	Make permanent the existing closure of Churchill Sports Centre	117	0	0	117
PD	PD13	Seafront staff review	40	0	0	40
PD	PD14	Review the commercial model for the following buildings: Somerset Hall Playhouse Theatre Tropicana The Bay Cafe	248	0	0	248
PD	PD15	Realign the budget for Curatorial Service	5	0	0	5
PD	PD17	Establishment of a single, council-wide transport function and improved commissioning	50	0	0	50
PD	PD18	Revisit safe walking routes to school	100	0	0	100
PD	PD20	Moving traffic violations - Adopt new powers available to Highways Authorities to improve safety and reduce congestion by enforcing traffic contraventions	100	100	0	200
PD	PD21	Bus lane enforcement	50	50	0	100
PD	PD22	Realign budget for structure repairs to reflect actual spending	25	0	0	25
PD	PD23	Reduce external spend and increase internal spend on the Capital Programme	200	0	0	200
PD	PD24	Realign budget for affordable housing income	28	0	0	28

MTFP Savings Proposals included within the draft budget

APPENDIX 1

Directorate	Ref	Description	2023/24	2024/25	2025/26	Total Proposals
PD	PD25	Deletion of vacant officer post within Development Team	37	0	0	37
PD	PD26	Estimated increase in national planning application fees	16	0	0	16
PD	PD27	Delete vacant Access Officer post	19	0	0	19
PD	PD28	Economy team additional income	16	0	0	16
PD	PD30	Expand commercial waste service	0	50	0	50
PD	PD32	Review residents parking zones	0	50	50	100
PD	PD33	Biodiversity Net Gain	0	25	0	25
PD	PD34	Progress the libraries strategy by investigating alternative funding opportunities, models and partnerships	0	135	0	135
PD	PD35	Review Placemaking & Growth services	0	93	0	93
PD	PD36	Annual uplift to fees and charges to cover inflationary cost of services - Place	124	122	122	368

ANALYSIS OF CHANGES TO THE 2022/23 CAPITAL PROGRAMME

APPENDIX 2

	2022/23 Capital Programme Budget £000	2023/24 Capital Prog Budget £000	2024/25 Capital Prog Budget £000	2026/27 Capital Prog Budget £000	Total Capital Prog Budget £000
ORIGINAL APPROVED CAPITAL EXPENDITURE BUDGETS	94,798	99,181	17,978	0	211,957
Adj P10 - P12	2,273	0	0	0	2,273
Budget as per P12 Out-turn	97,071	99,181	17,978	0	214,230
Planned Additions to the capital Programme - Exec, Feb 2022	38,722	0	0	0	38,722
Slippage of approved budgets from 2021/22	48,582	0	0	0	48,582
TOTAL ORIGINAL CAPITAL BUDGETS	184,374	99,181	17,978	0	301,533
AMENDMENTS TO THE PROGRAMME IN-YEAR;					
Months 1-5 - Previously approved	(14,939)	13,969	35,349	5,000	39,378
Month 6					
Additions - Kia E-Niro - (DP233)	36	0	0	0	36
Additions - Golden Valley Primary School - (CY56)	224	0	0	0	224
Additions - BSIP (DP247)	200	0	0	0	200
Virement - Funding for Carlton Centre works - KCY310 (CS27)	0	0	0	0	0
Virement - Reallocation of City Deal and LTP schemes - DP*	0	0	0	0	0
Rephase - Low Emission Vehicle Provision	(45)	45	0	0	0
Rephase - Purchase of Land to support biodiversity net gain	(300)	300	0	0	0
Rephase - Digital documentation of Decisions taken	(50)	50	0	0	0
Rephase - GIS / Mapping system projects	(105)	105	0	0	0
Rephase - Ravenswood replacement de-mountable building	(150)	150	0	0	0
Rephase - Portishead Lakegrounds	(150)	150	0	0	0
Rephase - Development Strategy	(1,000)	1,000	0	0	0
Rephase - Waste Depot	(500)	500	0	0	0
Rephase - Tropicana & Magistrates	(400)	0	400	0	0
Rephase - ICT - Security Tools	(50)	50	0	0	0
Rephase - ICT - Windows 11 upgrade project	(50)	50	0	0	0
Rephase - ICT - Customer Services	(50)	50	0	0	0
Rephase - ICT - ContrOCC	(150)	150	0	0	0
Rephase - Accommodation	(1,851)	1,718	133	0	0
Rephase - Banwell Monitor of party Wall	(500)	0	500	0	0
Rephase - J21 northbound Slip	(527)	527	0	0	0
Rephase - Highways Maintenance Schemes	(1,098)	1,098	0	0	0
Rephase - Waste & Recycling - vehicles and electric top-up	(1,250)	1,250	0	0	0
Rephase - A38 MRN	(567)	(581)	1,148	0	0
Rephase - SBL Part 1 Claims	(620)	285	336	0	(0)
Rephase - Leisure Asset Management (HM Air Handling & Roof)	(700)	700	0	0	0
Rephase - Asset Management Plans	(806)	806	0	0	0
Rephase - Parks & Streetscene - Vehicles & Equipment	6	(6)	0	0	0
Savings - Parks & Streetscene - Vehicles & Equipment	0	(812)	0	0	(812)
Savings - Parking Review	0	(250)	0	0	(250)
Savings - Placemaking District Wide	(125)	0	0	0	(125)
REVISED 2022/23 CAPITAL PROGRAMME	158,855	120,485	55,844	5,000	340,184