

Committee Name and Date of Committee Meeting

Cabinet – 29 July 2024

Report Title

Financial Outturn 2023/24

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Services

Report Author(s)

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Ward(s) Affected

Borough-Wide

Report Summary

The report outlines the final revenue and capital outturn position for 2023/24.

The Council set a balanced budget position for 2023/24 as part of the Budget and Council Tax Report 2023/24 approved at Council 1 March 2023. A Revenue Budget of £302.2m was set for General Fund services; this excludes schools' budgets and Housing Revenue Account (HRA). The Medium-Term Financial Strategy (MTFS) contained within that report included a balanced position for 2023/24, 2024/25 and a funding gap of £1.7m for 2025/26. This Budget and MTFS position was based on sound financial assumptions at the time, factoring in cover for service demand pressures in particular within Adult Social Care.

However, the Council has seen significant demand and market pressure challenges across Social Care and Home to School Transport along with inflation remaining stubbornly high for most of 2023/24. High inflation has continued to cause market pressures driving up supplier prices along with energy prices remaining high compared with historical trend, despite prices falling during the year. These pressures have seen the Council's base costs rise further, not only through the Council's own costs increasing for example, through increased energy bills, but the price of goods and services the Councils procures has increased.

The December Financial Monitoring Report 2023/24 submitted to Cabinet on 12 February 2024 outlined that the Council anticipated an overspend of £1.2m. This forecast position was also outlined in the Budget and Council Tax 2024/25 report

which was submitted to the same Cabinet meeting and also to Council on 1 March 2024. The overspend was proposed to be funded from the Budget and Financial Strategy Reserve. However, the report noted the Council's intention was to further improve that outturn position, if possible, which would see a lower value call on reserves.

During 2023/24 the Council has successfully delivered agreed savings to help mitigate some of the forecast cost pressures which have arisen from the wider financial impact of inflation, demand led pressures on children's residential placements and Home to School Transport, along with legacy impact of lockdown restrictions on some directorate's services, particularly in Regeneration and Environment (R&E). As a result the final outturn was improved to £0.1m, down from £1.2m as reported to Cabinet in February 2024, reducing the Council's call on reserves.

There remains funding uncertainty for the local government sector beyond 2023/24 and 2024/25 as the Local Government Financial Settlement has been only a one-year allocation for both these years. The Council will continue to face significant challenges moving forwards with the funding of social care. This is perhaps best illustrated by the volume of Local Authorities across the UK that have recently hit difficult times with a number having to issue S114 notices.

The Council's final overspend position of £0.1m has been funded by the Treasury Management Savings Reserve and the Council also used £1.4m of reserves to support the Budget, as approved within the Budget and Council Tax Report 2023/24.

The Council's General Fund minimum balance has remained at £25m as planned and set out within the Council's Reserves Strategy reported in the Budget and Council Tax Report 2023/24. The reserve is held to protect the Council against unforeseen events and realisation of contingent liabilities.

The Housing Revenue Account had an underspend of £4.5m. As a result of this the HRA was able to transfer to reserves £4.5m, instead of drawing down £200k, an improvement of £4.7m. This will help the HRA to mitigate the financial challenges presented by increased maintenance requirements over the medium term.

The capital outturn shows slippage and underspend of £11.7m against the Budget for 2023/24 included within the Capital Programme. However, capital expenditure (programme delivery) in the year has achieved a higher level than in previous years at £140.7m, an increase of £10.4m or 8% over the 2022/23 outturn of £130.3m.

Recommendations

That Cabinet:

1. Note the revenue outturn position.
2. Note the budgeted transfer to HRA reserves increased by £4.7m following the revenue and capital outturn positions.
3. Note the carry forward of the combined schools balance of £2.2m in accordance with the Department for Education regulations.

4. Note the reserves position set out in paragraphs 2.52 to 2.57.
5. Note the capital outturn, funding position and programme variations as set out in paragraphs 2.58 to 2.97.
6. Approve the capital budget variations as detailed in section 2.80 of the report.

List of Appendices Included

Appendices 1 to 4 – Capital Programme 2024/25 to 2027/28
Appendix 5 Equalities Impact Assessment
Appendix 6 Carbon Impact Assessment

Background Papers

Budget and Council Tax 2023/24 Report to Council on 1st March 2023
May Financial Monitoring 2023-24 Report to Cabinet on 10th July 2023
July Financial Monitoring 2023-24 Report to Cabinet on 18th September 2023
September Financial Monitoring 2023-24 Report to Cabinet on 20th November 2023
November Financial Monitoring 2023-24 Report to Cabinet on 22nd January 2024
December Financial Monitoring 2023-24 Report to Cabinet on 12th February 2024
Budget and Council Tax 2024/25 Report to Council on 28th February 2024
Finance Update Report to Cabinet on 10th June 2024

Consideration by any other Council Committee, Scrutiny or Advisory Panel

No

Council Approval Required

No

Exempt from the Press and Public

No

Financial Outturn 2023/24

1. Background

- 1.1 This report sets out the Council's revenue, capital, HRA and schools outturn position in 2023/24. It also describes the details of the Council's reserves balances as at the end of the financial year. The Council set a revenue budget for 2023/24 of £302.2m and a 4-year capital programme of £610.890m (£252.015 m for 2023/24).
- 1.2 Delivery of the Council's Revenue Budget, Medium Term Financial Strategy (MTFS) and Capital Programme within the parameters agreed by Council is essential if the Council's objectives are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.
- 1.3 This report is the final report in a series of financial monitoring reports to Cabinet for 2023/24, setting out the year end revenue budget outturn position in light of actual costs and income.

2. Key Issues

- 2.1 The Council's Directorates had an overspend position of £8.8m before mitigation was largely due to the following overall issues:
 - Placement pressures within Children and Young People's Services and Adult Social Care.
 - Home to School Transport pressures within Regeneration and Environment and Children and Young People's Services.
 - Pressures on income generation within Regeneration and Environment, relating to the longer-term recovery from Covid-19 and the cost of living crisis.
 - Inflationary costs impacting the cost of food in Schools Catering and contractual and provider inflation impacting Children and Young People's Services.
 - Increased costs of homelessness due to increased demand.
 - Increased property costs in Regeneration and Environment.
 - Impact of the Local Government Pay Award.
- 2.2 These pressures were reduced by savings in Central Services and use of the corporate budget risk contingency, £8.7m, which reduced the Council's overall outturn to £0.1m overspend.
- 2.3 This final overspend position was funded by the Treasury Management Savings Reserve and the Council also used £1.4m of reserves to support the Budget, as approved within the Budget and Council Tax Report 2023/24. This £1.5m use of reserves to support the Budget was £4.8m less than was included in the Budget and Council Tax Report 2023/24 and £0.8m less than planned in the approved Budget and Council Tax Report 2024/25. Overall, this reflects that whilst the Council has faced some significant challenges, through robust management and controls and careful financial planning, the Council's overall financial position continues to improve.

2.4 Table 1 below provides a summary of the Revenue Outturn for 2023/24. This is followed by a summary of the position by Directorate which includes an explanation of the key variances.

| Directorate | Budget 2023/24 | Outturn 2023/24 | Variance over/under (-) |
|---|-------------------|--------------------|-------------------------------|
| | £m | £m | £m |
| Children and Young People Services | 69.0 | 73.6 | 4.6 |
| Adult Care, Housing & Public Health | 121.6 | 122.3 | 0.7 |
| Regeneration and Environment Services | 59.6 | 63.6 | 4.0 |
| Finance and Customer Services | 22.6 | 22.5 | -0.1 |
| Assistant Chief Executive | 7.9 | 7.5 | -0.4 |
| Central Services | 21.5 | 12.8 | -8.7 |
| Directorate Forecast Outturn | 302.2 | 302.3 | 0.1 |
| Dedicated Schools Grant | | | -4.2 |
| Housing Revenue Account (HRA) | | | -4.6 |

2.5 Children and Young People Services Directorate (£4.6m overspend)

2.6 The Children & Young People Services had a budget pressure of £4.6m at the end of March 2024. In the main the overall pressures relate to continued demands on placements and home to school transport cost pressures. These pressures were offset by staff savings and identified recovery plans.

2.7 The reported position includes the impact of several in-year actions (recovery plan) implemented to mitigate cost pressures in the year. The recovery plan proposals identified £1.9m of cost savings, of which £1.7m was delivered. Implemented actions delivered include delay in recruitment and recruitment freeze where possible, moratorium on spend and maximising a range of grant funding. The following section summarises the key budget variances across the CYPS directorate for the year.

2.8 Children's placements were overspent by £4.9m mainly due to pressures against the children in care / LAC placements costs (£4.1m), S17 spend (£0.2m), LAC Home to School Transport (£0.3m) and other variances (£0.53m).

2.9 The Looked After Children placement numbers at the end of March 2024 was 504, lower than the assumed budget profile for the year of 545. This is despite a significant increase in UASC numbers for the year. The LAC placement overspend of £4.1m can be explained as follows:

- External residential placements (£5.3m) – increase in placement numbers against budget profile (42 at year end compared to 19 planned), as well as increase in average weekly cost due to market pressures.

- In-house residential homes (£0.4m) – overspend relates to slippage in the number of in-house homes available and reduced number of placements compared to the budget profile (8 placed for the year compared to 14 in the plan).
- Foster Care placement costs (-£0.2m) – net underspend is due to reduced number of placements in external fostering agencies offset by an increase in the use of in-house foster carers.
- Other variances (-£0.6m) – relates to reduced spend on other placements budgets (e.g. special guardianship orders, child arrangement orders, adoption allowances, etc) and staff turnover / slippage in the Children in Care teams.

2.10 There was an underspend of £0.2m relating to staff savings on the Commissioning and Performance & Planning Teams supported by additional grant income received.

2.11 The wider Directorate had a £0.4m underspend due to savings on strategic management costs, workforce development and the training budget, offset by an overspend on operational safeguarding Unit.

2.12 Early Help services had a £0.4m underspend, mainly attributable to staffing savings due to posts not being filled in the short term (business support; Early Help locality teams).

2.13 Education Services had a pressure of £0.7m that in the main relates to Home to School Transport (post 16 and post 19 learners with Education Health Care Plans (EHCP's) and staffing pressures in the Education Health Care Team.

2.14 Dedicated Schools Grant (DSG) Budgets

2.15 A surplus balance position of £2.2m is reported for all 25 maintained schools in Rotherham for 2024/25. There has been a noticeable reduction (£0.7m) in overall school surplus balances when compared to the previous year and could be attributable to the increased cost pressures that schools are facing. There were 3 schools that reported a year-end deficit totalling £0.3m. A budget recovery plan will be agreed with these schools to bring the budget back into a surplus position within an agreed timeframe.

2.16 Centrally retained DSG budgets that relate to budgets for schools' expenditure that are retained and managed by the council where it is cost-effective to do so. These comprise, in the main, elements of the early years and high needs DSG blocks.

- High Needs Block (-£2.2m) – an underspend is reported in the high needs block in 2023/24 and has been transferred to the DSG central reserves. This is mainly attributable to the increased transfer (1.5%) from the schools' block. This underspend compares favourably to the amount forecast in the DSG management plan / Safety Valve Agreement. Despite this

underspend, pressures remain in the High Needs Block because of several factors, namely; increase in EHCP numbers; increase in post 16 learners with EHCPs; increase in placements in higher cost provision and an increase in the number of pupils in Alternative Provisions (Pupil Referral Units).

- Early Years Block (-£0.5m) - The brought forward balance of £503k at the start of 2023/24 has been utilised to fund the Inclusion support Grant payments to providers leaving a shortfall of £11k and bringing the year end position to £0.5m. This will be carried forward in the DSG reserve and like 2023/24 will be used to fund the Inclusion Support Grant payments in 2024/25.
- DSG Safety Valve Position - The closing position of the DSG reserve for 2023/24 was an accumulated deficit of £1.4m. This is comprised of £5.9m carried forward from 2022/23, the £2.2m in-year High Needs Block (HNB) surplus transferred to the Reserve account and £2.0m safety valve monies received from the DfE in 23/24. The latest DSG management plan shows an overall net deficit in the DSG reserve account of £0.5m by 2025/26. This compares unfavourably to a balanced position assumed in the signed Safety Valved Agreement. The Council is currently exploring options (including the transfer of funding from the schools' block) to address the deficit position in the DSG reserve account by 2025/26.

2.17 Adult Care, Housing & Public Health (£0.7m overspend)

- 2.18 The overall directorate is reporting a £0.7m pressure at the end of March 2024. This is made up of a £0.8m overspend in homelessness where there has been a significant increase in demand and a £0.1m underspend in Adult Social Care. Public Health came in on budget.
- 2.19 Adult Social Care is £72k under budget. Demand has increased across all types of care, but especially domiciliary care which has increased by 108 clients, or 8%, between May 2023 and March 2024. However, in September the Council received an additional £2m grant income from the Market Sustainability Improvement Fund (MSIF) which has been maximised to increase capacity across the Directorate and has mitigated the demand pressure. Prior year grants of £856k have also been applied to bring down the overspend.
- 2.20 Staffing budgets are £491k under budget due to vacancies which have eventually needed to be filled by agency placements that provide cover for the service and some overtime payments for staff. There is also a small underspend on the training budget.
- 2.21 Neighbourhood Services (Housing) is overspent by £0.8m. The key variance is an overspend of £1.1m on hotel costs. The numbers seeking support continue to be well in excess of previous years and therefore in excess of budget. In March 2024 there were 68 households needing hotel

accommodation, compared to 48 in December 2023. Additional grant income of £300k in year and from prior years partly offset this. Temporary accommodation also overspent slightly as rental income was lower than budgeted but this was offset by lower than budgeted gas and electricity costs and cleaning costs.

2.22 Public Health has come in on budget.

2.23 Regeneration and Environment Directorate (£4m overspend)

2.24 The directorate is reporting a pressure of £4m at the end of March 2024. This reflects the impact of ongoing demographic pressures in Home to School Transport, the impact of inflationary pressures in the economy, particularly on food prices and in addition there are rising property costs in Asset Management. The outturn position includes the following specific budget issues.

2.25 Community Safety and Street Scene (CSSS) is reporting an overspend of £2.4m. The most significant pressure continues to be in respect of Home to School Transport where the overspend is at £2.5m, due to ongoing demographic pressures leading to an increase in the number of new eligible passengers and fewer contractors in the market leading to increased prices. To address the increased costs and demand a range of solutions are being explored to influence demand and maximise savings opportunities, using improved cost data analysis to support plans to implement lower cost routes.

2.26 Culture Sport and Tourism (CST) is a pressure of £506k at the end of March 2024. There is a £207k pressure in Green Spaces mainly as a result of income pressures at Thrybergh Country Park and staffing pressures in the Trees and Woodland Service, resulting from the requirement to increase resources in the service to deal with a backlog of maintenance issues. There is also an overspend of £226k at Rother Valley Country Park primarily due to the poor summer weather impacting income generation and £149k at the Waleswood Caravan Park due to flooding in April that impacted on pitch availability and poor weather during the summer impacting on income generation.

2.27 Planning, Regeneration and Transport (PRT) is an overall pressure of £1.9m at the end of March 2024. The major pressure is in School Meals of £1.3m. The pressure in school meals is partially offset by additional contract income in building cleaning (£0.4m).

2.28 Asset Management is an overspend of £393k with pressures in Facilities Management including rising property costs for repairs and maintenance and fixtures and fittings. There is also an underachievement of external rental income in strategic asset management. The property saving for 2023/24 is now delivered with a full year impact being seen in 2024/25. These pressures are offset by an overachievement of income in building consultancy due to charges to significant capital schemes.

2.29 A pressure of £88k is reported in the Rotherham Investment and Development Office (RIDO) service, largely due to a forecast shortfall on Markets income arising from the number of void stalls and the ongoing difficult trading conditions. However, grant income offsetting direct costs in other services in RIDO has helped to mitigate the Markets service pressure

2.30 Finance and Customer Services (£0.1m underspend)

2.31 Customer, Information and Digital Services delivered a £96k underspend at outturn. The service continued to generate cost reductions on the renewal or removal of ICT contracts and telephony, which delivered a small budget saving during 2023/24. The service has also incurred difficulties with recruitment, creating further temporary cost reductions.

2.32 Legal Services faces continued demand for legal support with child protection hearings and court case costs relating to Looked After Children. The number of cases remains volatile and will continue to be monitored closely. Ongoing difficulties in recruiting to key posts, in particular within Adult Social Care legal support, created an overspend in 2023/24 as a result of the need to employ a number of locum solicitors, with the service ending the year with a £200k overspend. This was offset by income from the Registrars and Bereavement Service.

2.33 Assistant Chief Executive (£0.4m underspend)

2.34 The underspend at outturn is a result of higher Human Resources (HRA) Service Level Agreement (SLA) and salary sacrifice income than budget of £104k (partially offset by increased costs of DBS checks £36k) and additional funding in support of resettlement work in excess of £100k. The staffing position has also been favourable with a small number of vacancies across the directorate delivering an underspend during the year.

2.35 Central Services (£8.7m underspend)

2.36 Central Services delivered an underspend of £8.7m resulting from the £5m corporate budget risk contingency approved within the Council's Budget and Council Tax Report 2023/24, along with savings made in year from the Treasury Management function of £3.7m. The total Treasury Management savings for 2023/24 were actually in excess of £11m, however, the bulk of these savings have been used to reduce the Council's planned call on the Treasury Management Savings Reserve, which was £6.3m when the 2023/24 Budget was set and offset wider pressures such as the impact of the Local Government Pay Award. The use of Treasury Management Reserve was reduced to just £0.8m for 2023/24.

2.37 Central Services has continued to see pressures as a result of high inflation, energy prices and the impact of the 2023/24 Local Government Pay Award. Inflation continues to impact the renewal of Council contracts and payments to key service providers, as such it continues to present a financial challenge to the Council's approved Budget and Medium Term Financial Strategy.

However, the Council was able to build into the Council's Budget and Council Tax Report 2023/24 greater levels of funding to manage the impact of inflation, energy and pay. As such these impacts have been controlled within the existing budgetary provision. As stated within the Budget and Council Tax Report 2024/25 uncertainty in the global and UK economy remains a significant budget risk and as such will need to continue to be closely monitored.

- 2.38 Inflation has reduced significantly since September 2023, falling from 6.7% in September 2023 to 3.2% in March 2024. The sharp fall in headline inflation was driven in part by a reduction in energy regulator Ofgem's price cap, reflecting lower wholesale gas prices. Slowing food price inflation also helped bring the headline number lower. However, this doesn't mean that prices are falling, just that the rate of increase is slowing as higher prices become embedded in the base costs. These financial challenges are being regularly reviewed as part of the Council's ongoing Medium Term Financial Planning. As such, the Council will face short term financial pressures that will need to be managed and mitigated through the Medium Term Financial Strategy and where required the Council's reserves. The Council's ability to build further capacity into reserves as part of the 2023/24 outturn position has been a significant benefit.
- 2.39 The Council's Treasury Management functions continued to perform well during 2023/24. The Council has held significant cash balances and has been able to invest them for a greater return given current high interest rates. This, in addition to slippage on the Capital Programme in 2022/23, meant the level of financing costs for 2023/24 was less than anticipated. The benefits from the Treasury Management function were used to support wider inflationary pressures that the Council faced during 2023/24 and reduce the call on reserves. The Council will soon have a requirement to borrow and will be doing so in a market that is a high interest rate market, as such the Council's Treasury Management Strategy and approach will be as important as ever, to navigate these high rates until they start to fall as projected by market experts. This risk will be mitigated through the Council's cashflow strategies and taking small, short term local authority borrowing rather than locking into long term high rate loans.
- 2.40 Central Services is made up of a number of corporate budgets for levies and charges such as the Integrated Transport Levy (ITA), Private Finance Initiative (PFI) Financing, and Treasury Management. A list of the main budget areas within Central Services was provided as part of the Council's Budget and Council Tax Report 2023/24, approved at Council 1 March 2023. The costs within this area are largely fixed costs, set out prior to the start of a financial year, not specific to a particular Directorate and are therefore not controllable by the directorates and thus held centrally. For example, the cost of levies for 2023/24 was set at £13.2m at the outset of 2023/24.
- 2.41 Housing Revenue Account (HRA)**
- 2.42 The Housing Revenue Account is a statutory ring-fenced account that the Council has to maintain in respect of the income and expenditure incurred in relation to its council dwellings and associated assets. The HRA has underspent by £4.6m.

2.43 There was an underspend of £4.827m against expenditure budgets and an under-recovery of income of £0.937m. The under-recovery on income was partially offset by additional interest income which was £0.795m higher than budgeted. The total variances resulted in an increased transfer to the HRA general reserve of £4.423m and a transfer of £0.038m to the HRA Sinking fund.

2.44 The overall underspend largely relates to reduced energy costs for the Council’s District Heating scheme £3.9m and £4.0m in contract shared savings and rebased fees for maintenance costs. Contract shared savings is a refund from repairs contractors based on the profits they made during the previous year once those have been confirmed and audited. These cost savings have been partly offset by increased maintenance costs to reduce works’ backlog and mould and damp eradication works.

2.45 The income is expected to be ringfenced to cover expected costs associated with:

- bringing stock conditions surveys up to date;
- improving systems and processes for providing assurance on property services compliance;
- preparing for new regulatory framework and inspection regime;
- and expanding our housing growth function to achieve the Council’s new homes target.

2.46 Delivery of Savings

2.47 At the start of 2022/23 the Council had £11.5m of previously agreed savings to deliver, that had been re-profiled across 2022/23 to 2024/25. Following delivery of £4.4m in 2022/23, the remaining £7.1m was scheduled to be delivered by the end of 2024/25. Table 2 below provides an update on the delivery of the remaining £7.1m. To date £1.618m has been secured against these remaining savings from savings in Children and Young People Services (CYPS) placements, management costs and R&E customer and digital programme. Whilst placement costs have been reduced overall in CYPS, the placement mix is not yet meeting the budget plan, with too many high cost external residential placements relied upon.

Table 2: Previously agreed savings

| Saving | Total to be delivered by end of 2023/24 | Total to be delivered by end of 2024/25 | Total achieved as at 31st March 2024 |
|------------------------|---|---|--------------------------------------|
| | £000 | £000 | £000 |
| CYPS | 3,713 | 6,385 | 1,594 |
| R&E | 388 | 410 | 0 |
| R&E Customer & Digital | 300 | 300 | 300 |
| Total Savings | 4,401 | 7,095 | 1,894 |

- 2.48 The remaining R&E saving still to be delivered of £410k is a mix of Waleswood additional income and savings from a rationalisation of operational buildings. The operational buildings saving of £329k was not secured in 2023/24 however through the work done to rationalise buildings and maximise use of Riverside House with partners, it has been secured from April 2024. The operational buildings savings programme will continue and is progressing well with a number of further opportunities identified so it is expected the saving will be overachieved. The Waleswood saving was not delivered following assessment of the income forecasts once the main summer season concluded, the impact of flooding in April at site being the key factor. Customer and Digital savings have been secured and allocated to services.
- 2.49 As part of the Budget and Council Tax Report 2023/24 a series of new temporary and permanent savings were approved. Table 3 shows the progress against these new savings which include a range of permanent and temporary savings with a total of £4.398m secured against 2023/24 total of £4.344m.

Table 3: New Savings agreed as part of the Budget and Council Tax 2023/24 report

| Directorate | Total to be delivered by end of 2023/24 | Total to be delivered by end of 2024/25 | Total achieved as at 31st March 2024 |
|---------------------------------------|--|--|---|
| Finance and Customer Services | 308 | 238 | 362 |
| Assistant Chief Executive | 303 | 407 | 303 |
| Children's and Young Peoples Services | 1,348 | 1,059 | 1,348 |
| Adult Care, Housing and Public Health | 1,224 | 1,998 | 1,224 |
| Regeneration and Environment | 1,161 | 1,001 | 1,161 |
| Total | 4,344 | 4,703 | 4,398 |

2.50 Schools Outturn 2023/24

- 2.51 School balances at the end of 2023/24 for the Council's maintained schools was £2.264m. This represents the net surplus balances (i.e. unspent budgets), for all maintained schools including special schools and the Pupil Referral Units (PRUs). This represents a decrease of £0.311m on the previous year.

2.52 Reserves

The Budget and Council Tax Report 2023/24 approved the use of £6.3m from Treasury Management Savings Reserve to support the Budget Strategy. Due to the strong position on Treasury Management during 2023/24 the requirement for a transfer from the Treasury Management Savings Reserve

has been reduced to just £0.8m, £5.5m less than had been assumed in the Budget and Council Tax Report 2023/24.

2.53 The Financial Monitoring Report 2023/24 submitted to Cabinet on 12 February 2024 was based on the financial monitoring position as at December 2023, which outlined that the Council anticipated an overspend of £1.2m. The overspend was to be funded from Reserves as approved at Council as part of the Budget and Council Tax 2023/24 report though the report noted the Council's intention was to further improve that outturn position, if possible, which would see a lower value call on reserves.

2.54 The table below sets out the reserves position as at the outturn 2023/24 compared against the expected position per the Budget and Council Tax Report 2023/24.

The bullet points below explain the reasons for variation.

- Budget and Financial Strategy Reserve position was improved due to the Council's outturn position for both 2022/23 and 2023/24, both years requiring less call on the reserve than estimated when setting the Budget and Council Tax Report 2023/24 at Council 1st March 2023 (prior to the final year end position 2022/23).
- Corporate Grants Reserve has increased across since the 2023/24 Budget was set due to the Council receiving new funding streams to support various asylum seeker settlement programmes.
- Covid Recovery Fund Reserve was expected to be fully utilised by the end of 2023/24 however £0.1m has been carried into 2024/25 to complete the Energy Crisis Support Scheme. This scheme was extended in time due to extra funding being provided for this activity through the Household Support Fund.
- Treasury Management Savings Reserve has increased significantly since the 2023/24 Budget was set at Council on the 1st March 2023. This is due to an improved financial outturn position for 2022/23 and 2023/24 meaning that the Council's position required less support from treasury savings built up. Also the Treasury Management Strategy has continued to generate significant in year savings for the Council, these savings have been used to support in year pressures and reduce the call on the reserve for 2023/24.

2.55 In summary, this means that the total of Corporate Reserves balance at the Financial Outturn 2023/24 is £59m, which is £9.6m more than the £49.4m estimated in the Budget and Council Tax 2023/24 report. The individual reserve balances are shown in the table below. The Budget and Council Tax Report 2024/25 planned for £4.2m use of reserves in 2024/25. Based on the 2023/24 financial outturn position, that will leave a total of £54.8m Corporate Reserves at the end of the 2024/25 financial year.

The Corporate Reserve balances are shown in the table below.

Table 4: Total Corporate Earmarked Reserves as at 31 March 2024

| | Projected Balance at 31 March 2024 (per Budget Report 23/24) | Actual Balance as at 31 March 2024 | Transfer to/(from) in the year |
|--|--|------------------------------------|--------------------------------|
| | £m | £m | £m |
| General Fund Reserves | | | |
| Budget and Financial Strategy | 13.5 | 13.9 | 0.4 |
| Business Rates | 4.0 | 4.0 | 0.0 |
| Corporate Revenue Grants Reserve | 1.3 | 2.5 | 1.2 |
| Covid Recovery Fund | 0.0 | 0.1 | 0.1 |
| Local Council Tax Support Grant | 1.2 | 1.2 | 0.0 |
| Collection Fund Income Guarantee Grant | 0.7 | 0.7 | 0.0 |
| Treasury Management Savings | 3.8 | 11.6 | 7.8 |
| Total | 24.4 | 34.0 | 9.6 |
| | | | |
| General Fund Minimum Balance | 25.0 | 25.0 | 0.0 |
| | | | |
| Total General Fund | 49.4 | 59.0 | 9.6 |

2.56 Capital Reserves

2.57 The total earmarked and un-earmarked capital reserve balances at the end of 2023/24 are shown in Table 5 below.

Table 5 Capital Reserves as at 31 March 2024

| | Balance as at 31 March 2024 | Committed Resources | Un-earmarked as at 31 March 2024 |
|------------------------------------|-----------------------------|---------------------|----------------------------------|
| | £m | £m | £m |
| Capital Receipts Reserve | | | |
| General Fund | 0.0 | 0.0 | 0.0 |
| Housing (Corporately held) | 17.2 | 14.9 | 2.3 |
| HRA | 10.6 | 7.5 | 3.1 |
| Sub-Total | 27.8 | 22.4 | 5.4 |
| | | | |
| Capital Grants – Unapplied | | | |
| General Fund | 60.9 | 60.9 | 0.0 |
| HRA | 2.3 | 2.3 | 0.0 |
| Sub-Total | 63.2 | 63.2 | 0.0 |
| | | | |
| Major Repairs Reserve – HRA | 9.4 | 9.4 | 0 |
| | | | |
| Total | 100.4 | 95.0 | 5.4 |

2.58 CAPITAL OUTTURN 2023/24

- 2.59 The outturn on the Capital Programme was £140.726m, an increase of £10.387m or 8% over 2022/23 (£130.339m). The final Capital Programme was £152.387m split between the General Fund £111.651m and HRA £40.736m with underspend and slippage of (£11.661m). The programme was ambitious, however, the impact of inflation and an overloaded construction market has significantly impacted its delivery. This has been seen through restrictions to scheme delivery on contractors and the need to re-think, reengineer schemes or find new funding solutions when inflationary based cost increases have been forecast.
- 2.60 The level of slippage on the Capital Programme is reflective of the delivery challenges that the Council faces due to built up demand in the supplier market following Covid restrictions, inflation and the Council's Capital Programme being the largest it has ever been. The outturn position shows that 92.3% of the planned expenditure has been delivered. The Council is on an improvement journey in terms of Capital delivery and management with work underway to review the delivery side of the Capital Programme in Regeneration and Environment, the biggest element of the programme, in order to identify areas for improvement.

Table 6 Capital Outturn 2023/24

| Directorate | 2023/24 Budget £m | 2023/24 Outturn £m | 2023/24 Variance £m |
|-------------------------------------|-------------------------|--------------------------|---------------------------|
| General Fund Capital | | | |
| Children and Young Peoples Services | 6.760 | 7.043 | 0.283 |
| Assistant Chief Executive | 0.345 | 0.303 | -0.042 |
| Adult Care & Housing | 5.722 | 5.802 | 0.080 |
| Finance & Customer Services | 3.976 | 3.672 | -0.304 |
| Regeneration & Environment | 94.847 | 82.235 | -12.612 |
| Total General Fund Capital | 111.651 | 99.055 | -12.595 |
| | | | |
| Total HRA Capital | 40.736 | 41.671 | 0.934 |
| | | | |
| Total RMBC Capital Programme | 152.387 | 140.726 | -11.661 |

2.61 Children and Young People's Service

2.62 The CYPS Capital Programme outturn has a variance of £0.283m against the approved budget of £6.760m, reflecting accelerated delivery of the programme. The main items contributing to this position are:

- Childrens Residential Homes, £565k slippage. The purchase of one of these properties is now due in the summer of 2024/25 resulting in slippage of costs from 2023/24. There have been challenges in identifying suitable property types in suitable locations and then gaining necessary planning approvals.
- Adaptations – Foster Care, £370k slippage. Progress in 2023/24 was slower than anticipated due to increased building costs resulting in the exploration of alternative options. For example, making contributions towards house purchases rather than high value extensions to existing properties.
- Special educational needs and disabilities (SEND) schemes, £297k slippage. Budget has slipped on mainstream schools accessibility budget as schools take up has been slower than anticipated.
- Schools PFI Life Cycle Programme, £1,825 budget brought forward. The information on spend is only provided by the PFI provider towards year end and this has revealed that life cycle spend is ahead of the expected profile.

2.63 As part of the outturn position the following key outputs have been delivered.

- 2 house extensions for children in care were completed and 20 more are in the capital programme at various stages

2.64 Adult Care & Housing

2.65 The Adult Care & Housing capital programme outturn had a variance of £0.080m against the approved budget of £5.722m. The main items contributing to this position are:

- Fair Access to All (Aids and Adaptations Privates – Disabled Facilities Grant's), acceleration of £141k. This is due to an increase in demand for the service and an increase in the cost of materials.
- Assistive Technology, acceleration of £209k. This is due to increased costs for new units and SIM cards due to the upgrade from analogue to digital.
- Affordable Housing, slippage of £116k. The bulk of this is slippage relates to the requirement for more detailed legal works for the Warden Street project with leasehold titles.

2.66 As part of the outturn position the following key outputs have been delivered.

- 222 Disabled Facilities Grant's (DFG's) completed.
- A further 74 DFG's started.

2.67 Single Homelessness Accommodation Programme (SHAP): The Council has received confirmation of further grant funding totalling £718,054 over 4 years from the Department for Levelling Up, Housing and Communities through its

Single Homeless Accommodation Programme (SHAP). The value for 2024/25 is £232,086 (plus £56,330 for 2023/24) which has been awarded to Roundabout Ltd to deliver the service, through a Delegated Officer Decision. There is an intention to award the grant for the financial years 2025/26 and 2026/27 at an overall value of £429,638. The Council will undertake a competitive procurement for years 2025/26 and 2026/27 in line with Public Contracts Regulations 2015 (as amended)/Procurement Act 2023, to ensure the grant is maximised.

2.68 Assistant Chief Executive

2.69 The Assistant Chief Executive capital programme outturn had £42k of underspend and slippage against the approved budget of £345k.

2.70 As part of the outturn position the following key outputs have been delivered:

- 156 projects supported across the borough through the ward allocations, broken down as follows:-
 - North – 44 projects
 - South – 52 projects
 - Central – 60 projects

2.71 Finance and Customer Services

2.72 The Finance & Customer Services Capital Programme outturn had £0.304m of underspend and slippage against the approved budget of £3.976m.

2.73 As part of the outturn position the following key outputs have been delivered:

- Implemented the 'Bailey' chatbot to support resident enquiries on the website.
- Procured a corporate online booking system, for implementation in 2024/25.
- Delivered public WiFi to 8 community/neighbourhood centres.
- 1,174 IT devices refreshed/upgraded.
- Upgraded the fleet of Multi-Functional Device printers.
- Upgraded wi-fi capability across the Council's primary estate (10 buildings) – improving availability, reliability, coverage and extending public access.
- Implemented a number of process automations utilising new technology – developing a pipeline of processes for further use.
- Enhanced cyber security defences and maintained Public Services Network (PSN) accreditation.

2.74 Regeneration & Environment

2.75 The Regeneration & Environment Capital Programme outturn required slippage of £12.612m against the approved budget of £94.847m. The main variances contributing to this position were:

Planning, Regeneration & Transport

- Building Decarbonisation, (£1.291m) slippage. This project has slipped due to delays and technical issues with heat network connection to the five buildings planned for delivery in 2023/24.

- Rotherham Markets Redevelopment (£1.291m) slippage. Budget has been slipped as a result of a prolonged design process which has delayed the start of this project.
- Forge Island Commercial Development has required £1.986m of the budget to be brought forward into 2023/24. There was significant slippage (£6.543m) report to Cabinet in December 2023 to reflect the latest profile from MUSE, however, delivery on site has progressed further than anticipated.
- Wentworth Woodhouse £0.648m budget brought forward as the delivery of the project has accelerated against previous profiled budget assumptions. This is an externally led project and so the Council has less control on delivery.
- Gullivers Skills Village £0.700m budget brought forward as the delivery of the project has accelerated against previous profiled budget assumptions. This is an externally led project and so the Council has less control on delivery.
- Parkgate & Rawmarsh Flood Alleviation Scheme (£0.965m) slippage. This is due to ongoing negotiations with landowners in order to get access to land to undertake intrusive surveys.
- Department for Transport Local Transport Plan Carriageway Resurfacing (£0.778m) slippage. This is due to difficulty in accessing carriageways due to competing works taking place.
- Sheffield Road (1.064m) slippage, Maltby Bus corridor (£0.684m) slippage There was an extended design and procurement and mobilisation process which resulted in the scheme commencing later than anticipated.

Community Safety & Streetscene

- 2020-2024 Roads Programme, (£1.067m) slippage. This is slippage is required as a number of planned schemes have been re-profiled to 2024/25 (April/May), in part as a result of the Council maximising grant spend rather than the Council's borrowing.
- Additional Pothole Funding, (£0.688m) slippage. An element of this funding, confirmed late in 2023/24, is intended to be used for wider road maintenance capital schemes which are yet to be identified but are expected to commence in 2024/25.

2.76 As part of the outturn position the following key outputs have been delivered:

- The Ickles lock flood defence scheme was completed and a completion ceremony took place in July 2023.

- The new pedestrian bridge at Forge Island was lifted into place linking Forge Island to the town centre.
- The fire stopping project in Riverside House was completed. This project is to maintain the fire integrity within the building.
- Manvers Way Cycle Scheme completed in July 2023. This provides an attractive high quality and direct cycle route between Wath Upon Dearne Town Centre, residential areas and employment areas. This supports economic growth in the Dearne Valley and contributes towards reducing congestion and improving air quality.
- Maltby Bus Corridor, an extra bus lane has been added on sections of the A631 and an existing bus lane extended. This provides residents, students, employees and businesses in and around the Maltby and Hellaby areas with faster and more reliable bus services, particularly the X1, X7 and X2 services linking Maltby to Rotherham and onwards to Sheffield City Centre via Magna and Meadowhall.
- Manvers Way Footbridge, Work to repaint and refurbish Manvers Way Footbridge was undertaken from July to November 2023.
- During 2023/24 Towns & Villages Fund completed 8 projects and has a further 3 on site.
- Town Deal, Levelling Up and Future High Street Fund funding has now been amalgamated into Pathfinder funding. Town centre initiatives utilising this funding currently have contracts underway or are undergoing detailed design development which will lead to delivery over the next 1-2 years.
- Completion of Century II Business Centre took place in November 2023.
- Completed on the acquisition of 3-7 Corporation Street, a long term blighted property in the town centre.
- Enabling works started on the Markets & Library redevelopment scheme in September 2023. This scheme will include a modern and accessible central library, a new community hub, extensive public realm and improved links to the town centre and college.
- The public realm works on Frederick St and Howard St were completed. This includes paving/seating and landscaping works.
- Swinton Civic Hall works to replace the flooring completed in September 2023.

- Building works started on Gullivers Skills Street. This will create dedicated space to provide training for children, young people and adults in many areas including retail, construction, hospitality and manufacturing.
- 17km of highways and 14km of footway repairs were completed. 17 footway tactile crossings were completed.
- Completed delivery of the fourth year of the £24million to 2024 Roads Programme and the second year of the Highways Capital Maintenance funding through South Yorkshire Mayoral Combined Authority (SYMCA) with a total investment in 2023/24 of over £8.8m

2.77 Housing Revenue Account (HRA)

2.78 The HRA capital programme outturn had a variance of £0.934m against the approved budget of £41.671m. The main variances contributing to this position were:

- Refurbishments (£0.647m) underspend. No carry forwards were required for projects in 2024-25 as the budget had already been set factoring in expected underspend.
- Major Voids (£3.029m) overspend. The programme of voids had a budget of £4.200m and an actual outturn position of £7.229m. This project originally planned to deliver improvements to 343 major void properties at an average of £10,650 per unit. The responsive nature of the service lead to 435 major voids being completed at an average cost of £16,618 per unit.
- Strategic Acquisitions at North Farm Close (£0.513m) and Brampton Vale (£0.749m) both slipped from 2023/24 into 2024/25 due to delays in property handovers from the developers.

2.79 As part of the outturn position the following key outputs have been delivered:

- Housing delivered £26.442m of investment in the Councils existing stock during 2023/24. The programme is split into multiple schemes for example, investing in external elements including window and roof renewals, fascias, and soffit along with internal upgrades to boilers, improving communal areas, improving major elements in properties when they become void, increasing the energy efficiency of homes, and upgrading the fire doors to flats.
- 133 properties had replacement kitchens and/or bathrooms and associated electric works.

- A total of 1,565 properties have had replacement boilers and/or central heating systems. 839 of those were programmed to be delivered and 726 were delivered on an ad-hoc basis.
- Investment into energy efficiency measures to improve the thermal efficiency at 130 properties in Maltby.
- 431 properties received over £5k investment to bring them back to a lettable standard via the major void process.
- Maltby Phase 1 Externals completed. The scheme delivered investment to 130 properties. Work included external envelope, roof, gutters, and rainwater goods. Additional work to ensure energy efficiency with A+ windows and doors, external and cavity wall and loft insulation. Maltby Phase 2 Externals has now commenced.
- There were 10 new build direct delivery units starts on site at East Herringthorpe.
- A further 38 new units have been purchased under the Strategic Acquisitions programme, 14 at Thorpe Hesley, 12 at Wickersley and 12 others at East Dene, Kimberworth, Throapham, Swallownest, Harthill and Ravenfield.
- The Environmental programme delivered 10 schemes across the borough. These included redesigning the paths and steps in three streets of bungalow stock, fencing schemes, improvements to housing owned play equipment, resurfacing a housing owned parking area, landscaping of communal planting, measures to reduce anti-social behaviour and relocation of bin pads away from properties to reduce potential fire spread to properties.

2.80 Capital Programme Variations

2.81 The following variations to the Capital Programme cover significant variations between capital projects that are either key decision value or a change in use of corporate resources and as such need reporting to Cabinet.

2.82 Rotherham Country Parks

Rotherham Country Parks, Rother Valley & Thrybergh require revised Budgets as a result of the impact of inflation and the volatile national and international construction market. This has seen increased costs of materials, construction, and fees across the two schemes, as has been experienced across the Councils Capital Programme. As a result there is a separate Cabinet Report on the required Budget variations on this Cabinet agenda.

The overall impact of the proposed scheme variations is a reduced scope for the Thrybergh scheme and an overall increase in the programme budget of £2.310m. It is proposed the additional funding is provided through the Parkgate-Eastwood Bridge scheme being de-scooped to just getting the scheme to the preliminary design stage, this will allow £2.310m of the pathfinder funding to be transferred to support the Country Parks projects.

2.83 Parkgate-Eastwood Bridge

Funding was secured for the Parkgate-Eastwood Bridge scheme in 2021 in Rotherham's Town Deal allocation as part of the Government's Levelling Up agenda. As the project has progressed the complexities of the project have more apparent, such as bringing the new rail bridge up to current standards, possible impact on existing Network Rail infrastructure, modifications needed to existing Parkgate Shopping assets and the legal and consenting aspects of the parties involved. As a result it is now proposed to only take the project to the preliminary design stage. At which point the Council can review the challenges of the future scheme deliver.

As a result of this proposal £2.310m of the pathfinder funding grant can be transferred across to support the revised budget for Rother Valley and Thrybergh.

2.84 The Alma

In 2021 Rotherham Council was allocated £31.6m from the Government's Town Deal Fund. Of this £4.5m was allocated to the development of a new music focussed leisure development, initially, aimed to be at the Guest & Chrimes site in Rotherham town centre, in 2022 this was switched to the Essoldo building. However, design and feasibility work has determined that both these buildings are not viable options.

In December 2022 the Council acquired, as part of a package of land, the Alma Tavern, a derelict public house on Westgate, adjacent to the existing Grade 2 listed Cutlers Arms, which the Council also took ownership of. With the previous two projects unable to progress and the need to create a sustainable future for The Alma it is now proposed to move the current Essoldo allocation to the development of The Alma.

The scheme will be developed up to RIBA stage 3 after which cabinet will be updated on the position and approval will be sought to deliver the scheme.

2.85 Castle View Adult Care Elements

The social care elements of this project will be funded through general fund resources. The first is the Castle View Day Centre Facility. The estimated cost and budget of this was £5.917m for the building and ground costs and £500k for fit and furnishings making a total of £6.417m. Following the recent procurement exercise, given increases in market prices, this element of the scheme requires a further £234k.

The second element is adult social care accommodation with support. The estimated cost of this was £1.703m to build and £200k to fit out, making a total of £1.902m. Following the submission of the tender prices in early April 2024, the total costs have increased by £407k.

The total additional costs of these two elements, is £641k. To now change the scope of the construction would require further design time, pricing and new planning application, which in turn would result in additional costs and increased timescales leading to a delay in delivery. It is therefore proposed that the additional £641k will be transferred from the Learning Difficulties Accommodation budget.

2.86 Packman Road

On Wednesday 20 March, a landslide occurred adjacent to the B6089 Packman Road. This involved the collapse of a 4.8m wall over a 24m length with associated damage to properties bordering the public highway. The wall is confirmed to be an RMBC asset.

Work has progressed to make immediate repairs to the land surrounding the land slip and to reopen the road to traffic. The initial reactive work was to stabilise the land and clear the debris/vegetation. This has now completed in conjunction with the appropriate level of surveying and geotechnical assessments taking place. This information related will inform the final design of the scheme with build expected to complete this calendar year.

The estimated base costs of these works to Packman Road are £500,000. Various design options for the structural solution are being considered and have been costed. The recommendation is that a do minimum repair will not provide a suitable repair and significant residual risk will be present. Therefore, the option of a comprehensive repair is the viable and recommended option.

The estimate of the cost is £808,641 which includes preliminaries, site clearance, structural repairs, and risk, which is estimated at 40% in accordance with the current design stage. This level of optimism bias is expected and therefore cost and material inflation, utilities risks and scope creep are included within the contingency.

Funding options have been explored and it is recommended that the Council's Capital Contingency allocation is utilised.

2.87 Wath Library & Dinnington Principal Areas of Growth

Cabinet approved the acceptance of the grant funding and to proceed with the schemes at Wath upon Dearne and Dinnington in August 2023.

The Council has developed feasibility and design proposals for both projects, these have now reached RIBA Stage 3 and in July 2024 Cabinet will be asked to approve implementation of the schemes proceeding to market engagement, procurement, planning and contract implementation. Cabinet will also be asked to allocate £1m from the Phase 2 Towns & Villages Fund to each project.

2.88 Funding of the Capital Programme 2023/24

2.89 £140.726m of capital expenditure was funded as shown in the table below:

Table 7 Funding of the Capital Programme 2023/24

| Funding Stream | Outturn £m |
|-------------------------------------|-----------------------|
| Grants and Contributions | 40.863 |
| Unsupported Borrowing | 54.751 |
| Capital Receipts | 3.185 |
| Revenue Contributions | 0.256 |
| Total Funding - General Fund | 99.055 |
| Grants and Contributions | 1.393 |
| Housing Major Repairs Allowance | 30.613 |
| Useable Capital Receipts | 7.875 |
| Revenue Contributions | 1.789 |
| Total Funding - HRA | 41.671 |
| Total | 140.726 |

2.90 Capital Receipts Outturn 2023/24

2.91 The Council is continuing to undertake a comprehensive review of its assets and buildings portfolio with the aim of rationalising both its operational and non-operational asset holdings. This may contribute future capital receipts which are earmarked to support the revenue budget, in accordance with the Council's approved flexible use of capital receipts strategy.

2.92 In 2023/24 General Fund Capital receipts of £1.621m have been generated as shown in the table below. Although £0.329m of this was for loan repayments., these cannot be used to support the revenue budget as only those receipts for the disposal of property, plant and equipment can be used in that way.

Table 8 – General Fund Capital Receipts Received in 2023/24

| Description | Total as at 31st March 2024 £m |
|---|--|
| Land at Kiveton Park | -1.236 |
| Miscellaneous | -0.057 |
| Total Capital Receipts (Excluding loan repayments) | -1.293 |
| Repayment of Loans | -0.329 |
| Total Capital Receipts | -1.621 |

2.93 Although capital receipts were generated in this financial year they were utilised to fund the expenditure on short life asset's in order to reduce borrowing costs which is a more favourable overall outcome for the Council.

2.94 Updated Capital Programme 2024/25 to 2027/28

2.95 The Capital Programme 2024/25 has been reset at £201.394m split between the General Fund £150.287m and HRA £51.107m. The programme for 2024/25 is less than the previous 2 years as there has been an increased emphasis on accurate profiling of capital expenditure. This has resulted in the reprofiling of budgets to future years. It does not reflect a reduction in the size of the capital programme and capital expenditure in 2024/25 is expected to be on a similar level to the prior two years.

2.96 The 2024/25 programme has decreased overall by £44.880m from the position reported to Cabinet in February 2024. The movement is based on the latest profiles of expenditure against schemes, following the 2023/24 outturn position, factoring in slippage from 2023/24 and new grant funding. The total slippage from 2023/24 was £11.661m.

Table 9: Updated Capital Programme 2024/25 to 2027/28

| Directorate | 2024/25 Budget £m | 2025/26 Budget £m | 2026/27 Budget £m | 2027/28 Budget £m | Total Budget £m |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| General Fund Capital | | | | | |
| Children and Young People's Services | 10.885 | 16.172 | 6.360 | 6.667 | 40.084 |
| Regeneration and Environment | 107.902 | 83.679 | 27.375 | 11.196 | 230.152 |
| Adult Care & Housing | 11.277 | 11.992 | 4.827 | 9.610 | 37.706 |
| Assistant Chief Executive | 0.228 | 0.210 | 0.210 | 0.210 | 0.858 |
| Finance and Customer Services | 19.994 | 29.984 | 5.644 | 5.471 | 61.093 |
| Total General Fund Capital | 150.287 | 142.037 | 44.416 | 33.154 | 369.894 |
| | | | | | |
| Total HRA Capital | 51.107 | 42.796 | 111.953 | 31.174 | 237.030 |
| | | | | | |
| Total RMBC Capital Programme | 201.394 | 184.833 | 156.369 | 64.328 | 606.924 |

Table 10: Funding of the approved Capital Programme

| Funding Stream | 2024/25 Budget | 2025/26 Budget | 2026/27 Budget | 2027/28 Budget | Total Budget |
|---|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| | £m | £m | £m | £m | £m |
| Grants and Contributions | 81.090 | 69.732 | 19.853 | 11.466 | 182.141 |
| Unsupported Borrowing | 69.063 | 71.659 | 24.423 | 21.545 | 186.847 |
| Capital Receipts | 0.000 | 0.509 | 0.000 | 0.000 | 0.509 |
| HRA Contribution | 0.134 | 0.137 | 0.140 | 0.143 | 0.554 |
| Total Funding - General Fund | 150.287 | 142.037 | 44.416 | 33.154 | 369.894 |
| Grants and Contributions | 1.367 | 0.210 | 0.000 | 0.000 | 1.577 |
| Unsupported Borrowing | 9.797 | 11.192 | 62.394 | 2.374 | 85.755 |
| Housing Major Repairs Allowance | 26.205 | 24.927 | 32.639 | 23.965 | 107.735 |
| Capital Receipts | 7.913 | 1.753 | 12.206 | 0.121 | 21.994 |
| Revenue Contribution | 5.826 | 4.714 | 4.714 | 4.714 | 19.970 |
| Total Funding - HRA | 51.107 | 42.796 | 111.953 | 31.174 | 237.030 |
| Total | 201.394 | 184.833 | 156.369 | 64.328 | 606.924 |

3. Options considered and recommended proposal

3.1 This detail is set out in Section 2 above.

4. Consultation on proposal

4.1 None identified.

5. Timetable and Accountability for Implementing this Decision

5.1 The Strategic Director - Finance and Customer Services is responsible for implementing any actions arising from the supported recommendations in this report.

5.2 These should be actioned at the earliest opportunity to aid the monitoring of the 2022/23 Revenue Budget and Capital Programme.

6. Financial and Procurement Advice and Implications

6.1 As set out in the sections above.

6.2 Project specification procurement implications are included in the main body of this report. There are no direct procurement implications arising from the recommendations detailed in this report.

7. Legal Advice and Implications

7.1 No direct implications.

8. Human Resources Advice and Implications

8.1 No direct implications.

9. Implications for Children and Young People and Vulnerable Adults

9.1 No direct implications.

10. Equalities and Human Rights Advice and Implications

10.1 This is a finance update report, providing a review of the Council's outturn position for 2023/24. Any equalities and human rights impacts from service delivery have been or are detailed as service budgets, capital projects are pulled together for inclusion within the Council's revenue budget or capital programme.

11. Implications for CO2 Emissions and Climate Change

11.1 No direct implications.

12. Implications for Partners

12.1 No direct implications.

13. Risks and Mitigation

13.1 There are increasing cost pressures associated with the rising demand for social care services. The Council will continue to closely monitor its financial position throughout the year and if required management will implement appropriate mitigations.

13.2 There is funding uncertainty for the local government sector beyond 2023/24 as the Local Government financial settlement was only a one year allocation. The Council's Medium Term Financial Strategy will be revised and updated later in the year to reflect the estimated outcomes of economic pressures that are impacting the Council's costs such as inflation and energy prices along with revised resources as greater clarity is provided by Government.

14. Accountable Officers

Rob Mahon, Assistant Director – Financial Services

Approvals obtained on behalf of Statutory Officers: -

| | Named Officer | Date |
|---|----------------------|-------------|
| Chief Executive | Sharon Kemp OBE | 20/06/24 |
| Strategic Director of Finance & Customer Services (S.151 Officer) | Judith Badger | 18/06/24 |
| Assistant Director of Legal Services (Monitoring Officer) | Phil Horsfield | 18/06/24 |

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This report is published on the Council's [website](#).