

Report to **Policy & Resources Committee**
Date **23 November 2023**
By **Chief Finance Officer**
Title of Report **Budget Monitoring Report 2023/24: Month 6**

Note

Recommendation: The Policy & Resources Committee is recommended to:

- 1. Note the 2023/24 Revenue Forecast position as at month 6 of a net (£52,000) below budget variance.**
 - 2. Note the 2023/24 Capital Forecast position as at month 6 of a zero-budget variance and recommend that the National Park Authority (the “NPA”) approve the additional Capital variations as set out in Appendix 2.**
 - 3. Note the Reserves position as at month 6, as set out at Appendix 3.**
 - 4. Note the Treasury Management overview and position as at month 6, as set out at Appendix 4.**
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1. Introduction

- 1.1 The South Downs National Park Authority (the Authority) approved the revenue and capital budget for the 2023/24 financial year on 30 March 2023. In accordance with financial procedures, reports on the Authority’s projected income and expenditure compared with the budget shall be submitted at least quarterly to Policy & Resources Committee. This report sets out the Authority’s 2023/24 forecast financial position as at the end of month 6 (September).
- 1.2 The Treasury Management Policy Statement and Annual Investment Strategy were also approved by the Authority at its meeting on 30 March 2023. In accordance with financial procedures, the Policy & Resources Committee shall receive quarterly treasury management update reports. This report provides an overview of the current economic and treasury management position as at the end of month 6 (September) 2023/24.

2. Policy Context

- 2.1 The revenue and capital budget are developed to align with Corporate Plan priorities which have now been more tightly defined around Nature Recovery, Climate Action, and a Park for All. The budget monitoring process reports on variances against approved budgets to identify changes and resource requirements at the earliest opportunity.

3. Issues for consideration

Revenue Forecast

- 3.1 The 2023/24 forecast revenue outturn as at month 6 is a net below budget variance of (£52,000), which represents a favourable movement of (£40,000) from the month 4 net below budget forecast variance of (£12,000). The month 6 forecast has been developed following a review of current and anticipated changes in staffing, as well as other significant known variances. A summary of the forecast revenue position is provided by service area below and the revenue movement between budget and forecast and the key variances by service are provided in Appendix 1.
- 3.2 Since the Month 6 forecast was produced, a re-forecast of income and expenditure for the Green Finance Initiative has been undertaken. Due to various delays on Biodiversity Net Gain and Nutrient Neutrality decisions, this has had an impact on predicted income and expenditure. These reductions result in a net adverse variance of £251k, which would move the £52k underspend to £199k overspend. This re-forecast will be included in the next Budget Monitoring report.

2023/24	Directorate	2023/24	2023/24	Forecast	Forecast
Variance		Budget	Forecast	Variance	Variance
Month 4		Month 6	Month 6	Month 6	Month 6
£'000		£'000	£'000	£'000	%
89	Corporate Services	3,388	3,519	131	3.87%
0	Seven Sisters Country Park	3	3	0	0.00%
(43)	Countryside Policy and Management	2,900	2,833	(67)	(2.31%)
(58)	Planning	4,455	4,339	(116)	(2.60%)
0	Strategic Investment Fund	599	599	0	0
(12)	Total Directorate Budgets	11,345	11,293	(52)	(0.46%)
0	National Park Grant	(10,486)	(10,486)	0	0%
0	Contribution to/from Reserves	(859)	(859)	0	0%
(12)	Total Authority Budget	0	(52)	(52)	

- 3.3 **Salaries:** As in previous years, the approved salary budgets for 2023/24 include a 10% net turnover rate, which reduces the overall salary budget by (£117,000). The net salary forecast across all services is (£119,000) below budget at month 6. If the budget had not been reduced by the turnover rate, the net salary forecast for month 4 would be below

budget by (£236,000). It should be noted that the forecast represents known staffing levels at the time of review. There were 9 vacant posts across all departments as at the month 6 position; some of the vacant posts are now recruited and are starting in October. The staffing structure is kept under continuous review and the replacement of vacancies and creation of new posts are only agreed following Senior Management Team approval where there is a clear operational requirement and sufficient budget identified. No organisation can expect to operate at full complement and a moderate level of turnover is both unavoidable and desirable.

- 3.4 **Planning Income:** At month 6 (QTR 2) there is an anticipated net below budget variance of £150,000 on Planning Income fees. The variance has increased from the month 4 position of an anticipated variance of £100,000. The variance has been partly offset by a reduction in Delegated Agreement payments, currently expected to be (£100,000) less than budgeted. This is a result of effective contract management and an example of 'payment per application' working within the agreements. Note that the value of planning applications received is lower when compared to the same period last year by 27%, and the number of applications under £5,000 has also dropped by 10% when compared to same period last year. There is also an anticipated £10,000 below budget variance on CIL admin income due to less developments than anticipated for 2023/24. The forecast is likely to vary by quarter and therefore will be regularly reviewed. Movements in income do not directly relate to changes in workload. Please see other key variances for Planning, provided in Appendix 1.
- 3.5 The Capital Programme forecast at month 6 is showing a zero variance for the year as detailed at **Appendix 2** to this report. However, the variance for the year-to-date is shown below to provide an indication of the progress of capital schemes.

Capital Budget	Month 6		
	Budget	Actuals	Variance
	£'000	£'000	£'000
Seven Sisters Country Park – Reed Bed *	300	22	278
Seven Sisters Country Park – Micro Tractor	20	0	20
Seven Sisters Country Park – Trading Company*	250	0	250
Seven Sisters – Original Refurbishment Works	136	115	21
South Downs Centre and Seven Sisters Country Park Energy Efficiency Programme *	219	0	219
South Downs Centre – Cladding	150	7	143
South Downs Memorial Hall – AV equipment	35	0	35
New Vehicle	46	19	27
National Park Signage Project Phase 2*	39	25	14
Total Capital Budget	1,195	188	1,007

- 3.6 The majority of the Invest to Save fund has been allocated with currently only £71k remaining unallocated of £1.440m; this represents full allocation of the reserve until the outcome of all tender processes is known. Works are progressing at speed with design and studies. Tenders for procurement are either in hand, or are currently due out, to start a number of projects within this financial year. It should be noted that not all Invest to Save projects fall within the remit of Capital expenditure (e.g. are Revenue or Grant) and are therefore not included above.
- The Reed Bed programme for the Seven Sisters Country Park is proceeding at pace, with Tree and Biodiversity surveys in progress. The tender for this works will be going out early November* See variation in appendix 2.
 - The new Micro Tractor at Seven Sisters Country Park has not yet been ordered, as the specification is being reviewed.
 - The Cladding works and the Energy Efficiency programme at South Downs Centre and Seven Sisters buildings. Listed building consent was granted on 13th October for South Down Centre and the tender for the cladding works was released on the 27th October. The works at the Camping Barn at Seven Sisters is being amalgamated with lighting and heating works within other buildings on site and has been released for tender with a supplier day held on 9th November, with the aim of starting works early in the new year. Solar panels at South Downs Centre will not be installed until after the Cladding works have been completed. See variation in appendix 2.
 - The specification for the Audio-Visual equipment for South Downs Memorial Hall is being developed. Once this is determined the equipment can be ordered.
 - The Phase I construction works for the Seven Sisters Country Park have been officially completed including the Dairy Barn construction works. The capital budget shown in the table above therefore relates to the approved Phase Ia works which had a dominant focus on the Facilities Block and Foxhole cottages to provide a good accommodation offer for the Country Park. The Phase Ia budget includes the successful SELEP grant funding and the remaining balance of funding from Phase I. The fit out of the Foxhole Cottages is now completed. There is a retention fee for both Phase I and Phase Ia that will be paid in 2023/24.
 - One pickup vehicle has been received for the Eastern Area and a new order has been raised for another pickup vehicle, is anticipated within the next month.
 - There are several signs identified as needing repairs and repair/replacement work is in progress.

Review of Reserves

- 3.7 A schedule of reserves held by the Authority is provided at Appendix 3, which gives the purpose, movement, and balance of each reserve. The major movement in reserves from month 4 to the month 6 position is as follows;
- (£325,017) transfer from Community Infrastructure Levy reserves towards Centurion Way Phase 2.
- 3.8 Capital reserves of £6,750,000 are held in relation to S106, CIL and other agreements over which the Authority does not have direct control.
- 3.9 The Strategic Investment fund reserve has a pipeline of projects approved and allocated against it. Projects to the value of £84k against this fund have been approved by OMT in this financial year to date.
- 3.10 The Reserve Table at Appendix 3 sets out reserves under headings that categorise the level of control and influence the Authority has over each type of reserve. The table shows that

the Authority holds approved and recommended risk reserves of £1,021,000 which must be maintained to demonstrate financial prudence and resilience; Capital Reserves of £127,000 to manage the timing of capital payments across financial years. The reserves over which the Authority has direct influence and control are therefore 'General Reserves' which have been fully allocated, and 'Earmarked Reserves', which currently stand at £2,788,000 to meet approved projects and programmes.

Treasury Management Overview and Position

- 3.11 The Chartered Institute of Public Finance and Accountancy published the revised Treasury and Prudential codes in 2021, which now requires quarterly reporting of performance against forward looking prudential indicators. The performance of the Authority's treasury management activity to Month 6, against benchmarks and the key indicators in the Authority's Treasury Management Strategy, as approved by Full Authority at its meeting of 30 March 2023, are set out below.

Economic Overview

- 3.12 The Bank of England's Monetary Policy Committee (MPC) has increased the Base Rate three times to 5.25% during 2023/24 to date but kept rates unchanged at their September meeting. The vote of the members was split with 5 members voting to hold rates and 4 voting for a 0.25% increase.
- 3.13 In his post-meeting interview, Governor Bailey stated that the decision was due to "good news on the inflation front". Annual CPI fell from 6.8% to 6.7% in August, but core inflation (i.e. excluding food and energy) fell from 6.9% to 6.2%. Governor Bailey stressed that whilst the MPC have paused rates, this doesn't indicate that a cut would soon follow. Current market expectations forecast that the Bank will ease interest rates from September 2024.

4. Investments

- 4.1 The Authority's investment portfolio of £13.530m as at 30 September 2023 is made up of the following:
- £3.000m sustainable fixed deposits held with Standard Chartered Bank.
 - £3.000m fixed deposit held with Goldman Sachs International Bank.
 - £3.000m fixed deposit held with Lloyds Corporate Markets
 - £1.500m fixed deposit held with Santander UK plc.
 - £1.500m fixed deposit held with NatWest Markets.
 - The remaining balance is invested via Brighton & Hove City Council (£1.530m as at 30 September 2023)
- 4.2 Investments held with external counterparties were increased again during August to allow the Authority to take advantage of attractive investment rates which have improved the performance of the overall investment portfolio beyond what could be achieved from the BHCC pooled investment rate. However, note that although the investment return from the BHCC pool is lower than fixed term investments, it is effectively an instant access investment providing instant liquidity and, in this respect, remains a competitive rate.
- 4.3 The parameters for the Annual Investment Strategies were met in full during the year with no breaches.
- ### **5. Investment Performance and Risk**
- 5.1 The table at Appendix 4 summarises the performance of these investments to 30 September 2023. The actual average interest rate earned between months 4 and 6 was 5.17% (compared to 1.00% average for month 4 to 6 2022/23). Investment returns have continued

to increase, reflecting the decision to increase longer fixed term investments and reduce liquidity to lock into attractive investment rates at a time where we see the Bank Rate reaching its peak.

- 5.2 The Authority uses the Sterling Overnight Index Average (SONIA) as a benchmark against its investment performance. The average benchmark rate for months 4-6 was 5.18% compared to an average investment rate achieved of 5.17%. The investment rate is therefore very close to the benchmark. The portfolio has caught up with the benchmark due to investment decisions made during July & August to reduce liquidity. The investment rates at that time were exceptionally attractive due to changes in interest rate expectations, so the investment portfolio performance has improved significantly.
- 5.3 The security of the Authority's investment portfolio has been monitored to month 6, to assess the risk of loss. These risks were assessed using the financial standing of the groups invested in, the length of each investment, and the historic default rates. The investment strategy sets an allowable risk level of 0.05% (i.e., that there is a 99.95% probability that the Authority will get its investments back). The actual indicator ranged between 0.037% and 0.040%. The indicator has risen since Period 4 reflecting the increase in longer term investments and reduction of liquid balances. The indicator is well within tolerance levels.

6. Borrowing

- 6.1 The 2023/24 Capital Strategy identified a total borrowing need for the Authority of £0.410m for investment in the Seven Sisters Country Park. This has reduced to £0.136m as a result of using other sources of funding to finance the Capital Programme. The borrowing need is expected to be met internally, effectively reducing the Authority's balances available for investment rather than holding external borrowing. This is cost effective, and an assessment has been made to ensure that the cash balances remain an appropriate size to maintain this internal borrowing position, but this will be carefully monitored.

7. Prudential Indicators

- 7.1 The below tables show the indicators that were agreed as part of the 2023/24 Treasury management Strategy and the actual indicators for the year.
- 7.2 The Capital Financing Requirement (CFR) is the cumulative unfinanced capital spend. There is no external borrowing, and therefore the CFR is 100% funded through internal borrowing.

Capital Financing Requirement (CFR) (Underlying Borrowing Need)	Original Estimate 2023/24 £m	Revised forecast as at 30 September 2023 £m
Opening Balance	1,195	1,119
New Borrowing requirement	410	136
Minimum Revenue Provision	(27)	(25)
Closing Balance – underlying borrowing	1,578	1,230
External Borrowing as of 30 September 2023		0
Forecast Under-borrowing		1,230

7.3 The below table shows the borrowing limits agreed for 2023/24. As no external borrowing was undertaken, the borrowing limits have been adhered to for the year.

2023/24 Borrowing Limits	Authorised Limit £'000	Operational Boundary £'000
Indicator set	2,900	2,600
Less: allowance for leases	(800)	(800)
Limit for underlying borrowing	2,100	1,800
Maximum borrowing outstanding during 2022/23	0	0
Variance	*2,100	1,800

* Cannot be less than zero

7.4 The authorised limit is the maximum external debt that the Authority can enter into. This limit can only be revised by agreement of Full Authority. The operational boundary is the limit that the external debt is not expected to exceed during the year.

8. Options & cost implications

8.1 By continuously identifying and explaining variances against budgets, the Authority can identify risks, changes and new resource requirements at the earliest opportunity. A below budget variance at the end of the financial year could increase reserve levels and have implications for the Medium-Term Financial Strategy of the Authority.

9. Next steps

9.1 Annual budgets are approved by the National Park Authority (NPA). Budget monitoring is a key component of the Authority's overall performance monitoring and control framework and is reported at least quarterly to the Policy & Resources Committee.

10. Other implications

Implication	Yes*/No
Will further decisions be required by another committee/full authority?	No
Does the proposal raise any Resource implications?	Yes. Budget monitoring requires action plans to mitigate above budget variances to ensure that the Authority does not overspend on its available resources. A below budget variance at the end of the financial year could increase reserve levels and may have implications for the Medium-Term Financial Strategy of the Authority.
How does the proposal represent Value for Money?	Internal controls and governance are in place to ensure the economical, efficient, and effective use of resources.
Which PMP Outcomes/ Corporate plan objectives does this deliver against	None

Implication	Yes*/No
Links to other projects or partner organisations	No
How does this decision contribute to the Authority's climate change objectives	None
Are there any Social Value implications arising from the proposal?	No
Have you taken regard of the South Downs National Park Authority's equality duty as contained within the Equality Act 2010?	There are no implications arising directly from this report. The Authority's equality duty shall be considered in respect to all expenditure and programmes undertaken by the National Park Authority.
Are there any Human Rights implications arising from the proposal?	No
Are there any Crime & Disorder implications arising from the proposal?	No
Are there any Health & Safety implications arising from the proposal?	No
Are there any Data Protection implications?	No

11. Risks Associated with the Proposed Decision

11.1 There are no risks directly associated with this report as the recommendations are for noting only.

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Appendices

1. 2023/24 Revenue Key Variance by Service Area – Movement and Variances

2. 2023/24 Capital Forecast

3. 2023/24 Reserves Position

4. 2023/24 Treasury Management Performance

5. Explanation of Key Terms

SDNPA Consultees

Chief Executive; Director of Countryside Policy and Management; Director of Planning; Chief Finance Officer; Monitoring Officer; Legal Services, Head of Finance and Corporate Services.

External Consultees

None.

Background Documents

Information in this report is taken from audited Financial Management Information Systems maintained by the Corporate Financial Services provider, Brighton & Hove City Council.

This report is presented in accordance with the Authority's Financial Regulations and Standard Financial Procedure.

2023/24 Revenue Key Variance by Service Area – Explanation of Movements since last Quarter

	Variance Month 4	Variance Month 6	Movement	
Service	£'000	£'000	£'000	Explanation of Main Variance
Corporate Services	89	131	42	The movement is due to one-off costs of £20,000 for compensation to SDCO for the delay in the handover of Foxholes cottages, £10,000 net above budget variance for staff advertising costs for recruiting to vacant posts and £10,000 agreed overspend for South Downs Green Finance Summit not included in the original budget, and other minor movements across the service.
Seven Sisters Country Park	0	0	0	Net Zero Variance.
Countryside Policy & Management	(43)	(67)	(24)	The net below budget movement is due to staff vacancies within Ranger Services and reduction in mileage and public transport forecasts, due to increased use of pool cars.
Planning	(58)	(116)	(58)	The movement is due to lower than anticipated budget requirements of (£38,000) for Minerals of Waste payments costs 2023-24, (£15,000) reduction in mileage and public transport forecasts, due to increase use of pool cars and other minor movements across the service.
Strategic Investment Fund	0	0	0	Net Zero Variance.
Totals	(12)	(52)	(40)	

2023/24 Revenue Key Variance by Service Area – Explanation of Main Variances

2023/24 Variance Month 6 £'000	Service Area	Explanation of Main Variances
4	Chief Executive's Service	Minor net variance.
97	Business Services	£42,000 net above budget variance on salaries is due to the turnover rate that has been applied to the salaries budget not yet being matched, and to staff changes within the service. There are one-off costs of £20,000 for compensation to SDCO for the delay in the handover of Foxholes cottages and £10,000 net above budget variance for staff advertising costs for recruiting to vacant posts and other minor costs across supplies and services.
0	Seven Sisters Country Park	Net zero variance.
37	Marketing and Income Generation	£28,000 net above budget variance on salaries is due to additional maternity costs, and grade changes to staff that were not included in the budget and £10,000 agreed overspend for South Downs Green Finance Summit not included in the original budget, and other minor movements across the service.
(7)	Governance and Support Services	Net below budget salary variance is due to a staff member recruited at a lower cost than budgeted.
131	Total Corporate Services Variance	
4	Director of Countryside Policy and Management	Minor net variance.
(21)	Countryside and Policy Central	Net below budget salary variance is due to the vacant Lead Ranger post, now recruited and reduction in mileage and public transport forecasts, due to increased use of pool cars.

(21)	Countryside and Policy Eastern	Net below budget salary variance was due to a vacant post, now recruited, and reduction in mileage and public transport forecasts due to increased use of pool cars
(17)	Countryside and Policy Western	Net below budget salary variance is due to a vacant post and reduction in mileage and public transport forecasts, due to increased use of pool cars.
(12)	Research and Performance	Net below budget salary variance is due to a staff member employed for fewer hours than budgeted.
(67)	Total Countryside Policy and Management Variance	
2	Director of Planning	Net minor variance due to salary turnover.
(71)	Planning Development Management	(£61,000) net below budget salary variance is due to several vacant posts within the service, some of which have now been recruited to, and this is also resulting in an anticipated net below budget of (£10,000) on mileage costs.
46	Performance and Technical Management	An anticipated net below budget variance of £150,000 on planning income fees; this is offset by a (£100,000) net below budget variance on Delegated Agreements payments and minor net below budget variance on salaries due to vacant posts now recruited.
(93)	Planning Policy	(£55,000) net below budget salary variance due to one-off funding for Ecologist role for 2023/24 and vacant posts and (£38,000) lower than anticipated budget requirements for Minerals of Waste payments costs for 2023-24.
(116)	Total Planning Variance	
0	Strategic fund Projects	Net zero variance.
0	Strategic Fund Projects	
(52)	Total Revenue Budget Variance	

2023/24 Capital Forecast

Capital Project	2023/24 Month 6 Original Budget	2023/24 Month 6 Variation	2023/24 Month 6 Adjusted Budget	2023/24 Month 6 Forecast	2023/24 Month 6 Variance	2023/24 Month 6 Variance
	£'000	£'000	£'000	£'000	£'000	%
Seven Sisters Country Park – Reed Bed	250	50	300	300	0	0%
Seven Sisters Country Park – Micro Tractor	20	0	20	20	0	0%
Seven Sisters Country Park – Trading Company	100	150	250	250	0	0%
Seven Sisters – Original Refurbishment Works*	136	0	136	136	0	0%
South Downs Centre and Seven Sisters Country Park Energy Efficiency Programme	129	90	219	219	0	0%
South Downs Centre - Cladding	150	0	150	150	0	0%
South Downs Memorial Hall – AV equipment	35	0	35	35	0	0%
New Vehicle	46	0	46	46	0	0%
National Park Signage Project Phase 2	39	0	39	39	0	0%
Total Capital Budget	905	290	1,195	1,195	0	0.0%

Capital Variations

Capital Project Variation	Variation Type	Value	Description
Seven Sisters - Reed Bed	Increase Capital Budget (subject to NPA approval)	50	At the time of budget setting in March 2023, the costs for the Reed Bed were not finalised, so an estimated budget was allocated. The original agreed budget was £250,000 but the required budget is £300,000. The variation is £50,000 and this can be funded from the Invest to Save reserve.
Seven Sisters – Camping Barn	Increase Capital Budget (subject to NPA approval)	90	At the time of budget setting in March 2023 it was agreed to upgrade the lighting and heating system for the rangers' office in Seven Sisters; the project has now been extended to include the Camping Barn, Turkey Barn and the office space in the Pump Barn. The original Budget was £129,000 for both Seven Sisters and South Downs Centre; the budget now required is £219,000. The variation is £90,000 and this can be funded from the Invest to Save reserve.
Seven Sisters - Trading Company	Increase Capital Budget (Approved by the NPA on 11 July 2023)	150	The variation is due to the increase in loan facility to the Trading Company from £100,000 to £250,000 agreed at NPA 11 July 2023. The additional £150,000 can be funded from reserves.

2023/24 Reserves Position

Reserve Type and Title	Purpose of Reserve	2022/23 Month 4 £'000	Movement Between Reserves £'000	Contributions to/from Reserves £'000	2023/24 Month 6 £'000
General Reserves:					
General Reserve	General Reserve representing the 2021/22 approved budget surplus	0	0	0	0
Approved Risk Reserves:					
Working Balance	Working Balance	663	0	0	663
Planning Reserve	To fund unforeseen planning inquiries, changes to future delegation arrangements, significant income falls and support for neighbourhood plans	358	0	0	358
Earmarked Reserves:					
Partnership Management Plan Reserve	To fund outcomes identified in the Partnership Management Plan	251	(35)	0	216
Strategic Fund	Reserve to hold unspent Strategic Fund allocations	441*	(35)	(11)	395
Invest to Save Reserve	To support future schemes to save money in future years	1,440	0	0	1,440
Affordable Housing	Funds to implement an Affordable Housing Strategy within the National Park	161	0	0	161

Reserve Type and Title	Purpose of Reserve	2022/23 Month 4 £'000	Movement Between Reserves £'000	Contributions to/from Reserves £'000	2023/24 Month 6 £'000
Transition Reserve	To support the work to adjust SDNPA's expenditure profile in line for future funding constraints.	107	0	0	107
Trading Company Borrowing Reserve	This will allow the company to borrow funds to purchase assets to allow operations at SSCP to begin	180	70	0	250
Green Finance (Nitrates) Reserve	The reserve is for nitrates monitoring and mitigation	167	0	0	167
Climate Change Fund Reserve	Funds to support the Authority becoming a 'net-zero' organisation by 2030.	52	0	0	52
Funds held in lieu of Agreements:					
South Downs Way	Funding transferred from South Downs Joint Committee	20	0	0	20
Section 106 Receipts Reserve	Receipts primarily used to develop infrastructure within the National Park	350	0	0	350
Section 106 Interest on Statutory Receipts		264	0	0	264
Community Infrastructure Levy Reserve*	Receipts to fund infrastructure in development areas	6,441	0	(325)	6,116
Capital (Timing) Reserves:					

Reserve Type and Title	Purpose of Reserve	2022/23 Month 4 £'000	Movement Between Reserves £'000	Contributions to/from Reserves £'000	2023/24 Month 6 £'000
Capital Receipts	Proceeds from disposal of assets available for use on capital expenditure	28	0	0	28
Estates Management Reserve	To support refurbishment of area offices.	50	0	0	50
Vehicle Repairs and Renewals	To fund purchase of replacement vehicles	49	0	0	49
Total Reserves Balance		11,022	0	(336)	10,686

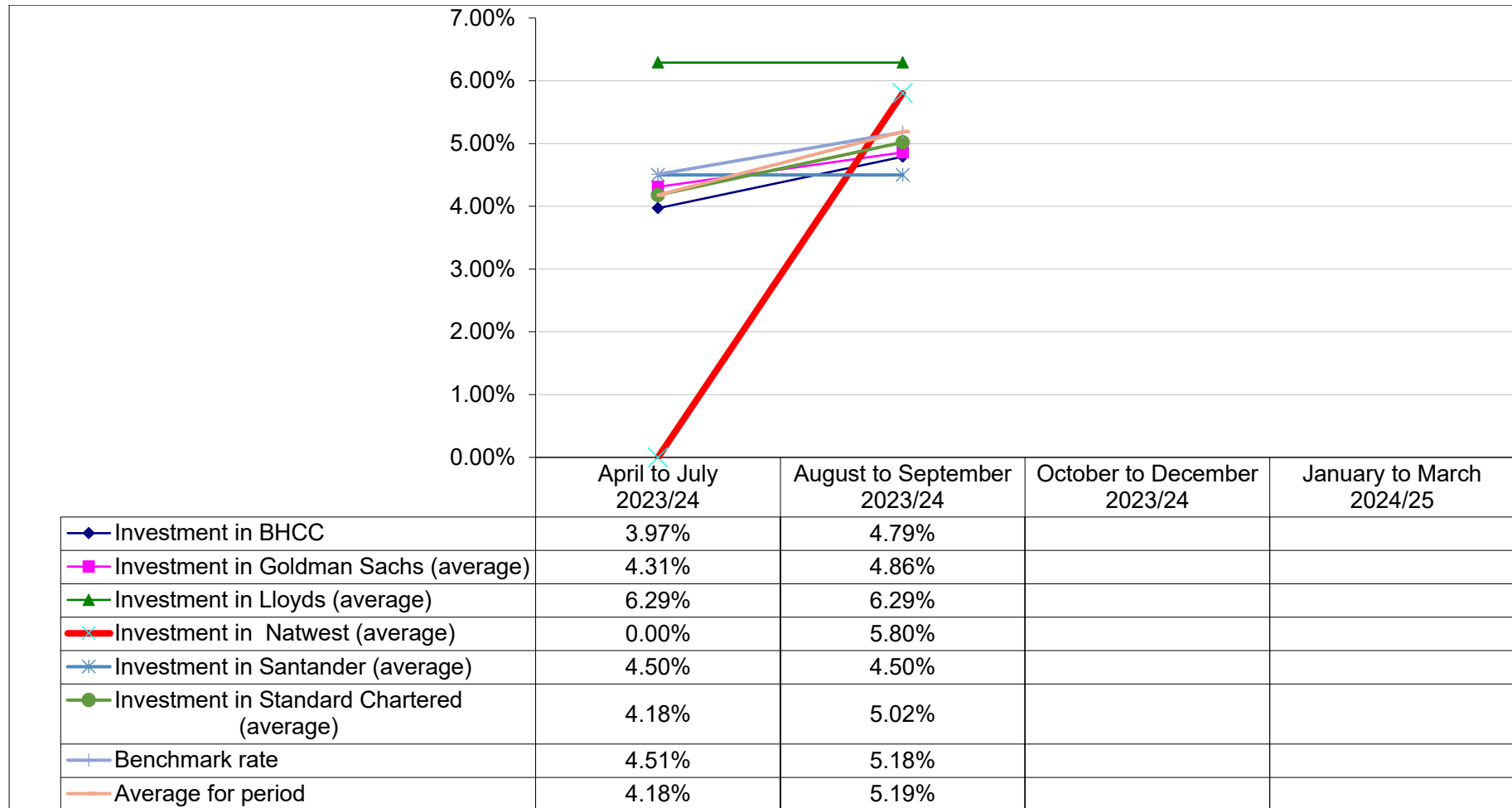
**The value of the Community Infrastructure Levy reserve represents amounts receivable in accordance with Financial Regulations and the Town and County Planning Act 1990.*

** The reserve value may not represent the value of actual income received due to agreed payment terms and profile of payments for some developments.*

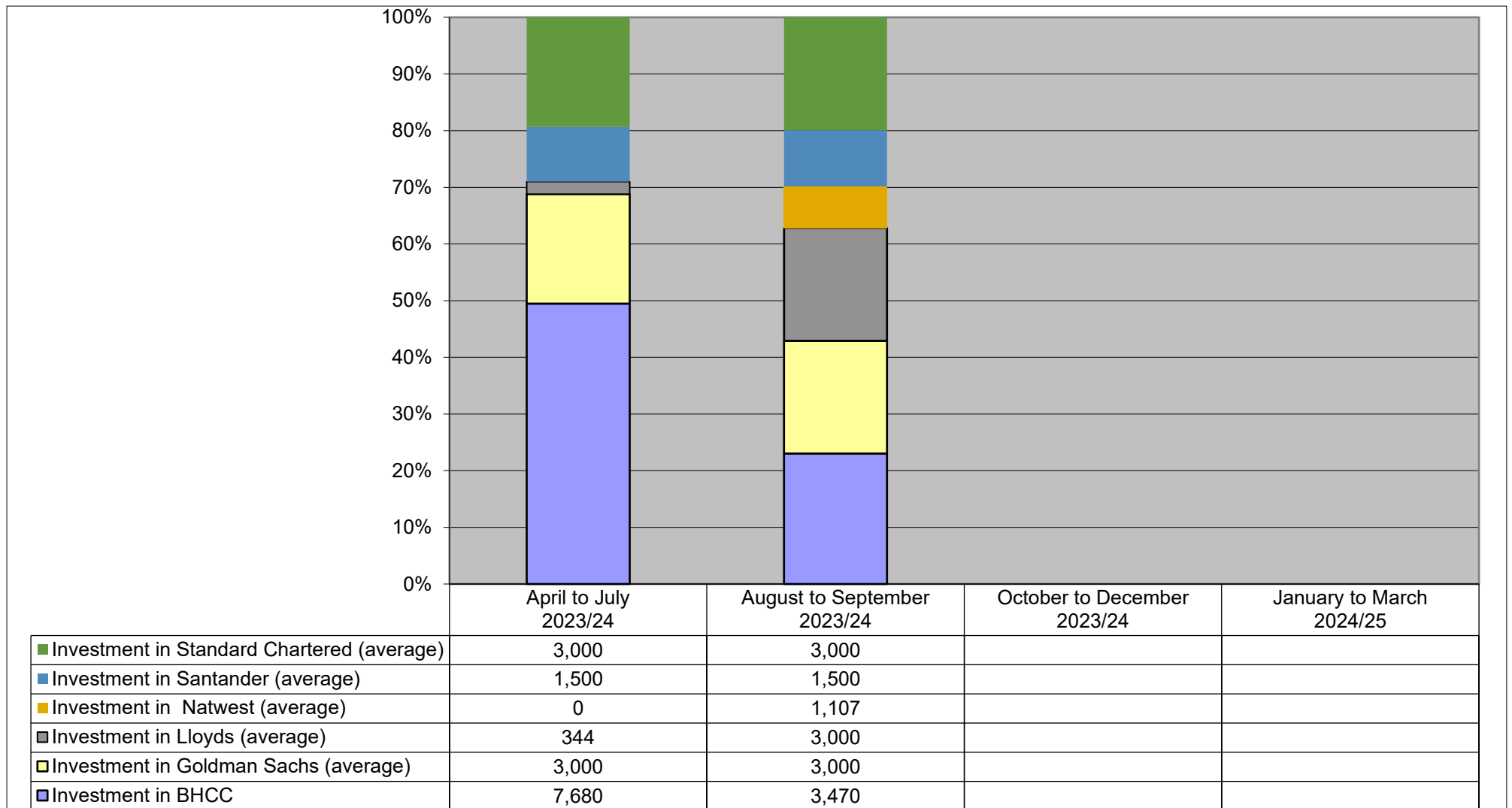
**The Strategic Fund Reserve balance includes budget for projects that are committed but not yet drawn down. The actual unallocated balance is £264K.*

2023/24 Treasury Management Performance

Average Interest rate achieved on Investments compared to Benchmark (7 Day-LIBID)



Average amount invested (weighted by amount per day)



Explanation of Key Terms

Key Term	Explanation
Above budget Variance	Difference between budgeted and actual/forecasted activity which would have an adverse impact on the Authority's financial position, e.g. expenditure in excess of available budget, or less income than budgeted.
Below budget variance	Difference between budgeted and actual/forecasted activity which would have a favourable impact the Authority's financial position, e.g. less expenditure than budgeted, or more income than budgeted.
Budget Carry Forward	Unspent revenue budgets to be moved from one financial year to another where circumstances mean that it is not possible to spend budgets in the current financial year.
Capital Expenditure	Expenditure involving the acquisition or enhancement of assets with a long term value to the Authority, such as land, buildings, and major items of plant, equipment or vehicles.
Capital Programme	Approved budgets for capital expenditure over the Medium Term Financial Strategy period which supports priorities informed by the Members' Budget Workshops and outcomes identified in the PMP.
Capital Reprofile	Unspent capital budgets to be moved from one financial year to another where circumstances mean that it is not possible to spend capital budgets in the current financial year.
Financial Procedures	Approved procedures which set out the responsibilities of Members and officers of how Financial Regulations are to be applied in practice.
Financial Regulations	Approved responsibilities of Members, directors, statutory officers and managers in looking after the financial affairs of the Authority. It seeks to ensure high standards of financial conduct, and probity in dealing with public money.
Medium Term Financial Strategy (MTFS)	Planned use of resources over a five year period taking into consideration assumptions for anticipated changes in commitments, savings and grant income.
Movement	Changes in actual/forecasted activity compared to previously reported forecasts.

Non-Grant Funded Budgets	Expenditure budgets that are not funded by grants from external bodies
Provisional Outturn Position	The anticipated year-end financial position of the Authority subject to any required approvals and assessment from external auditors.
Reserves	Funds retained to provide for future services and activities, usually earmarked for specific purposes, subject to maintaining prudent levels and any statutory limitations
Revenue	Expenditure and income required to meet ongoing day-to-day activities of the Authority. Examples include salaries, wages, material, supplies and services.
Ringfenced Grants	Financial assistance from external bodies to fund specific activity, where conditions exist to repay the grant should it not be used to fund the specified activity.
Unringfenced Grants	Financial assistance from external bodies to fund activity, where no conditions exist to repay the grant.