

**Forward Plan Reference Number: FP/037/02/23**

<b>Report title:</b> 2023/24 Financial Overview as at the Third Quarter Stage	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Councillor Christopher Whitbread, Chancellor of Essex and Cabinet Member with responsibility for Finance	
<b>Date:</b> 16 January 2024	<b>For:</b> Decision
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<b>County Divisions affected:</b> All Essex	

## **1 Everyone's Essex**

- 1.1 The Annual Plan and Budget was set for 2023/24 at Council in February 2023. The plan set out the Everyone's Essex strategic aims and commitments, alongside a budget to enable delivery of our aims, while also maintaining the financial sustainability of the Council.
- 1.2 The purpose of this report is to set out the current forecast financial position of Essex County Council's (ECC) revenue and capital budgets as at the third quarter stage of the 2023/24 financial year. The report highlights that, while there is a forecast over spend of 0.4% against a net revenue budget of £1.1bn, the short to medium term outlook remains incredibly challenging, with demand uncertainty, market pressures, above target inflation, relatively high interest rates and cost of living impacts. Significant over spends of 16.7% in the Children Service's and Early Years portfolio and 14% across Home to School Transport are being experienced, reflecting the picture seen nationally.
- 1.3 The **£4.5m** revenue over spend is an **£8.2m** favourable movement since the Half Year report of **£12.7m**. This is mostly driven by a movement of **£11m** in Other Operating Costs, partly offset by an adverse movement of **£4m** in Children's Services and Early Years. **Further details on movements are set out in section 5.**
- 1.4 The forecast outturn for the capital programme is £307.4m, before adjustments proposed within this report. This represents an under spend of **£16.5m** (5.1%) against the latest approved budget of £323.8m. **Further details on movements are set out in section 7.**
- 1.5 We are still facing unprecedented circumstances – after reaching a 40 year high back in winter 2022/23, inflation is now falling but still remains nearly double the Bank of England target at 3.9%. In the current economic climate forecasts for future inflation remain uncertain. There is a risk to the financial position if inflation does not reduce at the speed forecast by the Bank of

England, however with the actual rate now tracking quite closely to the forecast, this risk is beginning to ease. There are other unknowns that risk the position too, including ongoing demand for services, particularly across Children's Social Care and Home to School Transport – such pressures are being seen nationally; increasing complexity of need, as well as escalating supplier costs. These will be carefully monitored and are likely to result in ongoing volatility of expenditure for the remainder of the year, making it difficult to produce an accurate forecast.

- 1.6 Despite these challenges, our focus remains on prioritising our resources to achieve the strategic aims outlined in Everyone's Essex. Since the start of this year there has been a further **£1.6m** of funding approved towards our key strategic priorities.

## 2. Recommendations

Approval is sought for the following:

- 2.1 To draw down funds from reserves as follows:
- i. **£1.6m** from the Adults Investment Reserve to the Health, Adult Social Care and ICS Integration portfolio relating to Health and Social Care Reform (£732,000), and various project expenditure, details of which can be found in section 5 (section 5.5.vi)
  - ii. **£960,000** from the Transformation Reserve to the Health, Adult Social Care and ICS Integration portfolio relating to the Health and Social Care reform Cabinet Member Action FP/421/05/22, previously approved, but now time lapsed (section 5.5.vi)
  - iii. **£946,000** from the Reserve for Future Capital Funding to the Health, Adult Social Care and ICS Integration portfolio relating to Independent Living Older People housing scheme's capital costs transferring to revenue (section 5.5.vi)
  - iv. **£500,000** from the Covid Equalisation Reserve to the Children Service's and Early Years portfolio relating to the increased complexity and additional demand of mental health issues relating to young people (section 5.1.iii)
  - v. **£161,000** from the Ambition Fund Reserve to the Levelling Up, Communities and Business Engagement RSSS portfolio relating to the Just About Managing project to cover the costs associated with the Working Families Initiative, previously approved in FP/011/03/21, but now time lapsed (section 5.14.iii)
  - vi. **£117,000** from the Community Initiatives Reserve to the Levelling Up, Communities and Business Engagement RSSS portfolio to fund payments to community groups that have been awarded small grants (section 5.14.iii)

- vii. **£77,000** from the Waste Reserve to the Climate Czar, Environment, Waste Reduction and Recycling portfolio towards the Mechanical and Biological Treatment facility (MBT) ongoing legal costs (section 5.2.iii)
- viii. **£58,000** from the Capital Receipts Pump Priming Reserve to the Chancellor of Essex RSSS portfolio to fund costs on vacant properties pending transformation/sale (section 5.16.ii)
- ix. **£24,000** from the Transformation Reserve to the Planning a Growing Economy portfolio relating to the Cabinet Member Action FP/687/04/20 Supporting Community Infrastructure Levy Uptake across Essex, previously approved, but now time lapsed (section 5.9.iii)
- x. **£17,000** from the Technology and Digitisation Reserve to the Chancellor of Essex RSSS portfolio relating to My Oracle Support (section 5.16.ii).

2.2 To appropriate funds to reserves as follows:

- i. **£1.5m** to the Technology and Digitisation Reserve from the Chancellor of Essex RSSS portfolio to appropriate funds, for use in 2024/25, to deliver the Network and Voice Programme (£1m) and to offset pressures in 2024/25 within the Technology service (£500,000) (section 5.16.ii)
- ii. **£444,000** to the Commercial Investment in Essex Places Reserve from the Planning a Growing Economy portfolio relating to an under spend within the Essex Renewal Fund (decision FP/245/12/21), due to delays, for use in 2024/25 (section 5.9.iii)
- iii. **£370,000** to the Waste Reserve from the Climate Czar, Environment, Waste Reduction and Recycling portfolio to appropriate unused funds to the reserve for future use (section 5.2.iii)
- iv. **£319,000** to the Everyone's Essex Reserve from the Planning a Growing Economy portfolio, returning funding for use in 2024/25, relating to FP/426/06/22 Delivering Digital Essex, due to delays in the project (£239,000) and FP/247/12/21 Environment & Climate Action Programme funding not required this year (£80,000) (section 5.9.iii)
- v. **£26,000** to the Reserve for Future Capital Funding from the Climate Czar, Environment, Waste Reduction and Recycling portfolio to fund capital expenditure incurred in the purchase of a cherry picker (section 5.2.iii)

2.3 To approve the following adjustments:

- i. Reprofile and repurpose part of the allocations within the Carry Forward Reserve relating to the Corporate, Chief Executives Office and People and Transformation functions, following a review of the reserve, as follows:

- **£450,000** to the Chancellor of Essex RSSS portfolio, for use in 2024/25, supporting delivery of Whole Council Transformation (WCT)
  - **£436,000** to the Chancellor of Essex RSSS portfolio, for use in 2024/25, for P2P resource for income collection to reduce outstanding debts - 8 x full time equivalents (FTE) (repurpose)
  - **£205,000** to the Levelling Up, Communities and Business Engagement RSSS portfolio, for use in 2024/25, to support priorities in the delivery of performance and business intelligence (reprofiling)
  - **£153,000** to the Levelling Up, Communities and Business Engagement RSSS portfolio, for use in 2024/25, relating to fixed term contracts within Partnership and Equality (reprofiling)
  - **£150,000** to the Levelling Up, Communities and Business Engagement RSSS portfolio, for use in 2024/25, relating to training resources and 2 fixed term Data Analysts (reprofiling)
  - **£100,000** to the Chancellor of Essex RSSS portfolio, for use in 2024/25, for Decision Making training for officers within Legal (repurpose)
  - **£100,000** to the Chancellor of Essex RSSS portfolio, for use in 2024/25, to support efficiency savings in Finance (repurpose)
  - **£100,000** to the Chancellor of Essex RSSS portfolio, for use in 2024/25, to support efficiency savings in Technology services (repurpose)
- ii. Adjust the original approved profile of spend of the following decisions taken by the Cabinet Member in order to reflect the current anticipated spend:
- FP/406/05/22 Procurement of Social Care Case Management Platform, to reprofile £5.2m into 2024/25 and £3.6m into 2025/26
  - FP/474/07/22 Voice & Data Network services, to reprofile £1.9m into 2024/25 and £953,000 into 2025/26
  - FP/421/05/22 Health and Care Act 2022 – Adult Social Care Reforms to reprofile £2.8m into 2024/25.
- iii. Amend the capital budget as shown in Appendices C (i) and C (ii) which allows for capital slippage of **£33.5m** from 2023/24 plus **£22.8m** from 2024/25 across 2025/26 (**£14.5m**), 2026/27 (**£21.4m**), 2027/28 (**£5m**) and 2028/29 (**£15.4m**). A reduction to the capital programme of **£4.7m** and an addition to the capital programme of **£4m**. Furthermore, move advanced works totalling **£23.3m** (**£14.6m** into 2023/24, **£3.9m** into 2025/26, and **£4.8m** into 2026/27), with **£13.7m** from 2024/25 and **£9.6m** from 2027/28 (see section 7.2).

### 3. Executive Summary: Revenue

3.1 Appendix A summarises the revenue budgets and forecast outturn for each portfolio. There is a full year forecast over spend of **£4.5m (0.4%** against a net budget of **£1.1bn)**. The overall over spend position is driven by Children's Services and Early Years, Health and Adult Social Care and ICS Integration and The Chancellor of Essex portfolios:

- i. Children's Services and Early Years, **£20.6m**, mainly relates to placement pressure due to a combination of increased package costs and increases in demand. This is reflective of a national picture.
- ii. Health and Adult Social Care and ICS Integration, **£3.5m**, predominantly due to Older People Residential and Nursing Care with increased volumes and price, and capacity pressures within Reablement support, requiring additional spot purchasing.
- iii. The Chancellor of Essex, **£3.7m**, pressure in relation to delayed delivery of an ECC wide staffing review saving for 2023/24. Plans are in development to ensure full delivery in 2024/25.

Partially offset by under spends in:

- iv. Other Operating Costs, **£18m** driven by higher levels of income on interest earned from treasury management activity due to rising interest rates and larger cash balances than forecast, plus reduced expectations on capital financing costs following re-profiling in the capital programme.
  - v. Highways Maintenance and Sustainable Transport **£2.6m** and Chancellor of Essex RSSS **£1.7m** in relation to energy costs – following a stabilisation of the energy market since the budget was set, unit rates are now nearly half that assumed.
- 3.2 The Council continues to find itself in an extremely uncertain economic environment. CPI inflation is continuing to decline, but at 3.9% is still nearly double the Bank of England target rate. The Bank of England's most recent forecast (November Monetary Policy Committee (MPC) Report) continued to forecast an ongoing reduction in inflation, down to around 4% by the end of this financial year, averaging over 6% for the year. Whilst this broadly matches assumptions built into the budget for 2023/24, a slower or bumpier decline than predicted will potentially create pressure against 2023/24 budgets, and could impact our medium term plans. Alongside this, interest rates are now at their highest levels since 2008, and the expectation is this will continue in the short to medium term, which will impact on the revenue cost of borrowing to support the capital programme in the medium term.

- 3.3 At this time, pressure of over £16m relating to inflation is being reported. We continue to hold reserves specifically set aside for inflationary risk, which can mitigate any emergent pressure if necessary in the short term. The position will continue to be carefully monitored and is likely to result in ongoing volatility of some spend in the remaining months of the year, which makes it difficult to produce an accurate forecast.
- 3.4 The position reported in section 5 assumes the approval of the proposed adjustments in this report as set out in the recommendations in paragraphs 2.1 to 2.3.

#### 4. Executive Summary: Capital

- 4.1 The original capital programme for 2023/24 as set by Full Council in February 2023 was **£274.9m**. The forecast outturn is **£307.4m**, before adjustments proposed within this report. This represents an under spend of **£16.5m** (5.1%) against the latest approved budget of **£323.8m**. After taking account of budget change requests in this report there is a residual over spend of **£3.2m**, mainly in relation to Schools cash balances, which is controlled by Essex schools and any balance at Provisional outturn will be funded from Devolved Formula capital grant. More detail is set out in Section 7.
- 4.2 The **£16.5m** under spend in the 2023/24 Capital Programme position relates to the following requests in this report:
- 2023/24 Slippage: **£33.5m** (plus £22.8m from 2024/25, with £14.5m into 2025/26, £21.4m into 2026/27, £5m into 2027/28 and £15.4m into 2028/29)
  - 2023/24 Additions: **£4m**
  - 2023/24 Reductions: **£4.7m**
  - 2023/24 Advanced Works: **£14.6m** (plus further advance works of £3.9m into 2025/26 and £4.8m into 2026/27. With £13.7m from 2024/25 and £9.6m from 2027/28)
- 4.3 Appendix C (i) summarises current year forecasts and changes to the Capital Programme for 2023/24 since approval of the original programme in the Budget Report to Council in February 2023. Appendix C (ii) contains the detail of the budget adjustments seeking approval.
- 4.4 The Council has an ambitious four-year capital programme totalling over £1.2bn. Despite the continued decline in general inflation, we are still experiencing specific materials inflation and market instability, therefore we face some significant risks, particularly on our large major schemes. These risks are being seen nationally on major building schemes, and while the risks do not impact on the current year capital programme, the Council is working to resolve these risks as far as possible with partners, to ensure any impact on the aspirational capital programme is minimised.

## 5. Revenue Position

### 5.1 Children's Services and Early Years:

- **Non-DSG - £20.6m (16.7%) over spend**
  - **DSG – £3.8m under spend**
- i. The forecast over spend in Non-DSG is predominantly as a result of higher than budgeted numbers of children in particular types of care; mainstream residential, external fostering and unregistered arrangements. Also, the average weekly rate paid for mainstream residential placements is £1,638 (35%) above the budgeted rate, and for Children with Disabilities residential £1,383 (48%) above the rate budgeted. There is limited sufficiency in the market, which has resulted in price inflation far in excess of budgeted levels. In addition, there is a forecast £2.2m over spend on staffing as vacancies are lower than expected.
- ii. There has been an adverse movement since the Half Year report of **£4m**:
- **£3m** placement costs, profiled as:
    - **£1.2m** mainstream residential due to 3 new placements and 3% rise in average weekly rate
    - **£141,000** unregistered placements where there are 5 new placements
    - **£988,000** supported living due to a 29% rise in average weekly rate
    - **£374,000** Parent and Child placements where forecast weeks of care have increased by 46%
  - **£710,000** direct payments and provisions due to increased numbers
  - **£664,000** Separated Migrant Children where there has been increased placement spend and a reduction in the numbers of young people in education, who are eligible for grant funding.
- iii. Approval is sought in this report for the following:
- **£500,000** from the Covid Equalisation Reserve due to the increased complexity of mental health issues in young people leading to additional demand

### 5.2 Climate Czar, Environment, Waste Reduction and Recycling - £86,000 (0.1%) under spend

- i. The portfolio reports a small forecast under spend of **£86,000** and favourable movement of **£23,000** from the Half Year report.
- ii. The following should be noted for 2023/24 in relation to Waste Management:
- For residual waste the forecast tonnage for the remaining months of the year is as per the budget set for December to March
  - For non-residual waste the baseline from which the 2023/24 forecast (December to March) is driven has been adjusted to reflect 2022/23 actuals, all other assumptions used at budget setting remain unchanged.

- Any variation from these assumptions could have a material budgetary risk or opportunity and therefore tonnage variances will be carefully monitored throughout the remainder of the year to assess impact on the full year forecast outturn position.
- It should be noted that the food waste intervention is in the early stages of roll out and therefore there is an opportunity that food waste may increase over the remaining months of the year.

iii. Approval is sought in this report for the following:

- **£370,000** to the Waste Reserve to appropriate unused funds to the reserve for future use
- **£77,000** from the Waste Reserve towards the Mechanical and Biological Treatment facility (MBT) ongoing legal costs
- **£26,000** to the Reserve for Future Capital Funding to fund capital expenditure incurred to date in the purchase of a cherry picker.

### 5.3 **Education Excellence, Lifelong Learning and Employability (DSG) - £194,000 over spend**

i. An in year **£194,000** over spend is reported which results from:

- **£4.9m** Increased costs and volume within Independent Schools
- **£2.8m** Top-Up funding for mainstream schools largely due to an increase in the price and volume of pupils with an Education Health and Care Plan (EHCP)
- **£966,000** for pupils placed in Individual Packages of Education Support due to an increase in volume of pupils placed through the framework
- **£489,000** for new enhanced provisions due to the cost of new provisions
- **£426,000** for SEND Therapies largely due to the increase in costs of Independent Therapists
- **£410,000** for Essex pupils placed in other LA schools due to an increase in the volume of mainstream places and the cost of special school places
- **£2.9m** Planned expenditure from the High Needs Block (HNB) carry forward for additional place and top up funding agreed through the Schools Forum and commitments for the Inclusion Framework
- **£1.1m** Alternative Provision over spend largely due to an increase in the cost of Personal Budgets and suppliers not covered by the Individual Packages of Education Support (IPES) contract.

Partially offset by the following under spends:

- **£13m** High Needs Block contingency funding
- **£1.1m** Schools Block funding
- **£206,000** Specialist Teachers under spend due to vacancies where recruitment is ongoing for the new posts created through the SEND restructure.

ii. This is an adverse movement of **£6.9m** since the Half Year report mainly attributable to:



- **£2.1m** Mainstream top up funding where there has been a significant increase in the volume of EHCP's
- Planned expenditure from the High Needs Block (HNB) carry forward:
  - **£2m** Additional place and top up funding agreed through the School Forum
  - **£857,000** Additional commitments for the Inclusion Framework
- **£850,000** Increased average cost of Education Health and Care Plans (EHCP) and payments backdated to 2022/23
- **£183,000** An increase in the average hourly rate of Other Local Authority SEN top ups, plus 12 new placements

**5.4 Education Excellence, Lifelong Learning and Employability (Non DSG) - £530,000 (1.8%) over spend**

- i. A forecast over spend of **£530,000** is largely due to:
- **£652,000** relating to the Educational Psychologist teams where the cost of associate Educational Psychologists of £618,000 and back dated pay rises of £270,000 are only partially offset by staffing vacancies

Partially offset by:

- **£236,000** vacancies in the SEND Operations teams where recruitment is ongoing for the new posts.

- ii. This is an adverse movement of **£120,000** since the Half Year report mainly attributable to increased costs across the SEND Operations and Educational Psychology teams within the Quadrants.

**5.5 Health, Adults Social Care and ICS Integration - £3.5m (0.8%) over spend**

- i. The Adult Social Care system is facing increased pressure to support hospital discharges, resulting in higher numbers of temporary packages having to be commissioned at increased costs as there continues to be a supply and demand mismatch. This mismatch gives a challenge in being able to accurately predict future financial outturn and the service will continue to track the impact.
- ii. The Adult Social Care forecast is based on volume growth being in line with latest assumptions and price uplifts as per Cabinet Decision papers taken earlier this year. The forecast makes no prediction about further savings delivery over and above that already validated. The service are actively pursuing the delivery of savings not reflected in the forecast (£1.2m), and as these savings come to fruition, and if all other assumptions remain in line with budget, the outturn position will move favourably, enabling the offset of further emerging volume and price pressures.
- iii. There are several over and under spends, the most significant being Older People Residential and Nursing Care driven by increased volumes and price, where some of the price pressure is being driven by complexity of need.

- iv. The favourable movement of **£1.3m** since the Half Year report is driven by actions taken as a result of recovery plan, along with increases to the forecast in respect of Residential and Non Residential income due to increased volumes and individual contribution levels.
- v. The Public Health forecast outturn is an online position. Of the £67.7m allocated to ECC in 2023/24, approximately £900,000 is unallocated to expenditure. There is a workstream to set out and define the appropriate focus on existing gaps in service delivery in line with the approved Wellbeing, Public Health and Communities business plans. The funds remain subject to the normal Public Health grant conditions. £2.3m of the £2.5m of Central Government Contain Management Outbreak funding (COMF) carried forward from 2022/23 is allocated to the Essex Wellbeing Service which has a major focus on enabling communities to become more confident post Covid.
- vi. Approval is sought in this report for the following drawdowns from reserves:
  - **£1.6m** from the Adults Investment Reserve relating to:
    - **£732,000** in relation to Health and Social Care reform Cabinet Member Action FP/421/05/22, previously approved, but now time lapsed
    - **£523,000** in relation to Adults with Disabilities Residential and Nursing price uplifts utilising the Social Care Grant
    - **£180,000** in relation to Day Opportunities Diagnostics
    - **£127,000** in relation to Anthropol Tech Test and Learn funding
    - **£32,000** in relation to Care Intermediate Care Independent Living Housing Advisors
    - **£28,000** in relation to Electronic Home Care Monitoring
    - **£10,000** in relation to Advocacy resources
    - **£8,000** to fund backfill of Apprenticeship posts
  - **£960,000** from the Transformation Reserve relating to the Health and Social Care reform Cabinet Member Action FP/421/05/22, previously approved, but now time lapsed
  - **£946,000** from the Reserve for Future Capital Funding relating to Independent Living Older People housing scheme's capital costs transferring to revenue as they will now not be capitalised.

## 5.6 Highways, Infrastructure and Sustainable Transport - **£2.6m (2.1%) under spend**

- i. The forecast under spend of **£2.6m** predominantly relates to energy under spends across policy lines, which is partially offset with pressures being reported within Home to School Transport. This represents an adverse movement of **£1.8m** from the Half Year report mainly within Home to School Transport.
- ii. The largest variances are:
  - **£6.5m** under spend in relation to energy across policy lines as energy prices are nearly half the unit price expected when the budget was set

Offset by:

- **£4.9m** over spend within Home to School Transport policy lines; £3.7m resulting from an unfunded pressure within Hired Transport due to a number of factors which include more complex passenger needs and further mileage travelled, an estimated £600,000 transporting 176 Asylum students from hotels to 20 mainstream schools across the county and £600,000 on a combination of demand and price increases agreed with operators since August 2022 in Public Tickets.

#### 5.7 **Leader – £110,000 (4.9%) over spend**

- i. The portfolio reports a forecast over spend of **£110,000**. This is an adverse movement of **£150,000** from the Half Year report. This movement is due to adjusted staffing forecast assumptions within the Democratic Core and Chief Executive Officer policy lines, offset by an additional £40,000 of income from Slough in relation to commissioner activity.
- ii. The over spend is offset by the under spend that is reported in the Levelling Up, Communities and Business Engagement portfolio, managed through the management structure of the authority.

#### 5.8 **Levelling Up, Communities and Business Engagement – £186,000 (2.9%) under spend**

- i. The portfolio reports a forecast under spend of **£186,000**, a favourable movement of **£167,000** from the Half Year report. This is mainly driven by an increase in Deputyships income of £107,000, where Deputyship fees are fixed nationally by the Court of Protection. A further £50,000 is due to an increase in expected management training course income within Strategic Partnerships.

#### 5.9 **Planning a Growing Economy – £37,000 (0.3%) under spend**

- i. The portfolio reports a forecast under spend of **£37,000** which is mainly attributable to the following:
  - **£60,000** under spend within Developer Management & Staffing due to staffing vacancies
  - **£52,000** under spend within Strategic Spatial Planning due to reduced spend, including lower consultancy and travel costs where possible, to offset the pressure within Environmental Planning
  - **£24,000** under spend within Housing Growth & Strategic Sites due to staffing vacancies.

Offset by:

- **£79,000** over spend within Environmental Planning due to the additional costs of the Local Minerals Plan

- **£20,000** over spend within Economic Renewal relating to a forecast pressure within staffing.
- ii. This is a favourable movement of **£69,000** from the Half Year report which is mainly due to revised staffing forecasts within Developer Management & Staff.
- iii. Approval is sought in this report for the following:
  - **£444,000** to the Commercial Investment in Essex Places Reserve relating to an under spend within the Essex Renewal Fund, due to delays. This is intended for use in 2024/25
  - **£319,000** to the Everyone's Essex Reserve returning funding which will now be used in 2024/25, relating to FP/426/06/22 Delivering Digital Essex due to delays in the project (£239,000) and FP/247/12/21 Environment & Climate Action Programme as funding is not now required this year (£80,000)
  - **£24,000** from the Transformation Reserve relating to the Cabinet Member Action FP/687/04/20 Supporting Community Infrastructure Levy Uptake across Essex, previously approved, but now time lapsed

#### 5.10 The Arts, Heritage and Culture – **£63,000 (0.2%) over spend**

- i. The portfolio reports a forecast over spend of **£63,000** mainly attributable to the following:
  - **£360,000** over spend within the Registrations Service, largely due to income pressures as a result of declining numbers of ceremony bookings compared to those anticipated when the budget was set
  - **£32,000** over spend in Trading Standards due to the New Burdens grant not being received directly to the service as it has been included in the overall government funding to ECC

##### Offset by

- **£144,000** under spend within Gypsy and Travellers relating to the contribution to the Essex Countywide Traveller Unit for Outreach work now being funded by Public Health, and staffing under spends as a result of in-year vacancies
  - **£99,000** under spend in Youth Services largely due to staffing vacancies (£218,000) and income in excess of budget (£200,000), partially offset by an over spend on supplies and services where there has been one off investment made in Youth Centre buildings (£347,000)
  - **£56,000** under spend in Libraries Services due to staffing vacancies
  - **£41,000** under spend in Heritage and Cultural Service due to not filling a vacant post
- ii. This is an adverse movement of **£247,000** from the Half Year report largely attributable to income pressures within the Registration Service.

#### 5.11 The Chancellor of Essex – **£3.7m (50.9%) over spend**

- i. The **£3.7m** forecast over spend is driven by the full amount of the £5m organisation wide staffing saving being budgeted within the portfolio. Delivery of the saving has been delayed, creating the over spend within the Portfolio. Plans are now being developed to ensure delivery of the saving in 2024/25.
- ii. There is a favourable movement of **£725,000** from the Half Year report predominantly due to £500,000 of lower costs forecast in relation to the council tax sharing agreement, plus £186,000 within Customer Services mainly due to vacancies being held within Compliance and Complaints in preparation for the delivery of savings in the next financial year.

#### 5.12 **Other Operating Costs – £18m (20.4%) under spend**

The **£18m** forecast under spend represents a favourable movement from the Half Year report of **£11m**, driven by capital financing and treasury management. Increasing interest rates and greater cash balances (driven in part by lower than expected usage of reserves) has resulted in higher investment returns, and reduced expectations on capital financing costs following re-profiling in the capital programme.

#### 5.13 **Leader Recharged Strategic Support Services - £78,000 (3.8%) over spend**

- i. The portfolio reports a **£78,000** over spend, which is an adverse movement of **£64,000** from the Half Year report. The total over spend is driven by concerns within the Communications and Marketing Service about meeting the current year marketing activity savings target of £50,000, as well as a nominal staffing over spend. The service expects this saving to be fully realised in 2024/25.

#### 5.14 **Levelling Up, Communities and Business Engagement Recharged Strategic Support Services – £401,000 (5.8%) under spend**

- i. The portfolio reports a **£401,000** forecast under spend, which is a favourable movement of **£383,000** from the Half Year report mainly driven by:
  - **£188,000** attributable to delays in filling vacant roles with Performance and Business Intelligence
  - **£83,000** due to difficulties currently facing the Legal and Assurance function in filling specialised posts
  - **£50,000** relating to Public Health additional recharge income within Performance and Business Intelligence
- ii. This under spend is offset by the over spend in the Leader portfolio, this is managed through the management structure of the authority
- iii. Approval is sought in this report for the following:

- **£161,000** from the Ambition Fund Reserve relating to the Just About Managing project to cover the costs associated with the Working Families Initiative, previously approved in FP/011/03/21, but now time lapsed.
- **£117,000** from the Community Initiatives Reserve to fund payments to community groups that have been awarded small grants.

**5.15 Planning a Growing Economy Recharged Support Services - £45,000 (4%) under spend**

- i. This forecast under spend of **£45,000** and a favourable movement of **£26,000** from the Half Year report are due to revised staffing forecasts.

**5.16 The Chancellor of Essex Recharged Support Services - £1.6m (1.4%) under spend**

- i. This **£1.6m** forecast under spend position is driven by:
  - **£2.7m** under spend within Property Utilities & Energy. Of this, £1.6m is due to the 2023/24 unit rate for electricity being significantly lower than the unit rate assumed in the current year budget, and £1m is due to lower than budgeted consumption levels.

Offset by

- **£627,000** over spend within Property Contracts, of which £348,000 is attributable to the Mitie Contract and the Mitie Managed Fund where the actual CPI rate is higher than that assumed at budget setting, and £210,000 relating to Iron Mountain storage costs
- **£290,000** over spend within Property Landlord relating to a pressure of £340,000 mostly due to dilapidation costs for the exit of Essex House which are higher than originally estimated and are therefore outside of the approved Cabinet Member Action value, offset with a £50,000 under spend due to staffing vacancies within the Core Management Team where the staffing structure is currently under review

- ii. Approval is sought in this report for the following drawdowns:
  - **£1.5m** to the Technology and Digitisation Reserve to appropriate funds, for use in 2024/25, to deliver the Network and Voice Programme (£1m) and to offset pressures in 2024/25 within the Technology service (£500,000)
  - **£58,000** from the Capital Receipts Pump Priming Reserve to Property Landlord to fund costs on vacant properties pending transformation/sale
  - **£17,000** from the Technology and Digitisation Reserve relating to My Oracle Support.

**6. Trading Activities**

- 6.1 Trading activities as a whole are reporting a **£1,000** surplus against the budgeted surplus of **£300,000**.

- 6.2 Place Services is forecasting an achievement of the planned target of **£300,000** which will be appropriated to County Reserves
- 6.3 Music Services is forecasting a small surplus of **£1,000**.
- 6.4 These forecast positions will leave a net residual surplus in reserves of **£1.7m**, of which **£1.4m** relates to Place Services
- 6.5 Appendix B shows the position by each Trading Activity.

## 7. Capital

- 7.1 An under spend of **£16.5m** (5.1%) is forecast against the latest capital budget of **£323.8m**. After taking account of budget change requests in this report there is a residual over spend of **£3.2m**.
- 7.2 Approval is sought for:
  - i. 2023/24 Slippage: **£33.5m** plus 2024/25 slippage of £22.8m (£14.5m into 2025/26, £21.4m into 2026/27, £5m into 2027/28 and £15.4m into 2028/29)
  - ii. 2023/24 Additions: **£4m**
  - iii. 2023/24 Reductions: **£4.7m**
  - iv. 2023/24 Advanced Works: **£14.6m** (plus further advance works of £3.9m into 2025/26 and £4.8m into 2026/27. With £13.7m from 2024/25 and £9.6m from 2027/28)
- 7.3 The key points to note are listed below, and the detailed requests are shown at Appendix C(ii).
- 7.4 **Children Service and Early Years – £2.3m (47.8%) under spend**
  - i. Approval is sought to slip **£2.4m** into 2024/25. This slippage mainly relates to the Solo Placements programme; **£800,000** has been earmarked for the fourth Solo Placement premise which has yet to be identified and therefore is requested to be slipped. **£450,000** relates to Woodlands where there is a 14-week programme, however it is likely to require full planning which will delay works starting, therefore spend is likely to slip into 2024/25. Finally, **£235,000** of slippage relates to Roach Vale due to ongoing discussions with the new Head Teacher to ensure the project adheres to DfE requirements. Outside of Solo placements, Early Years is slipping **£205,000** as the Great Chesterford project is to be delivered by the school, and planning has not yet been submitted.
- 7.5 **Climate Czar, Environment, Waste Reduction and Recycling – £25,000 (2.8%) over spend**

- i. Approval is sought to add £26,000 into programme relating for the purchase of a cherry picker vehicle, which will be funded by a revenue contribution to the Reserve for Future capital funding.

#### 7.6 **Education Excellence, Lifelong Learning and Employability - £3.4m (6.9%) over spend**

- i. Overall, approval is sought to;
  - Reprofile **£2m** from 2023/24, **£1.8m** into 2024/25 and **£193,000** into 2025/26
  - To advance **£1.9m** from 2024/25
  - For capital programme additions of **£1.4m**;
  - Partially offset by capital programme reductions of **£1.2m**.

The most material adjustments relate to the following:

- ii. A **£1.9m** over spend relates to advanced works within Maldon Primary Basic Need and specifically Limebrook Way Primary, based on the latest contractor cashflows. This is partly offset by **£1m** slippage within Special Schools, mainly relating to unallocated funds intended for new projects which will now not start until the next financial year, and **£600,000** slippage within Temporary Accommodation due to issues with work undertaken on Reinforced Autoclaved Aerated Concrete at several sites, which has resulted in delays to originally planned works that will now be undertaken in Summer 2024.
- iii. Schools Cash Balances is reporting a non-controllable over spend of **£3.4m** in relation to grants to Schools. This will be fully funded by the Devolved Formula Capital grant.

#### 7.7 **Health, Adult Social Care and ICS Integration – £462,000 (81%) under spend**

- i. An under spend of **£298,000** is forecast on the Independent Living Ninefields scheme as the brick payment to the developer is now expected to be due early in the new financial year.
- ii. An under spend of **£180,000** is forecast on Independent Living Adults with Complex Needs in relation to delays with the land purchase due to ongoing planning permission issues.
- iii. Overall approval is sought to slip **£571,000** into 2024/25, for additions of **£190,000**, partially offset by reductions of **£101,000** and advanced works of **£20,000** from 2024/25.

#### 7.8 **Highways, Infrastructure and Sustainable Transport - £11.9m (7.6%) under spend**

- i. Overall, approval is sought to;



- Reprofile **£13.3m** from 2023/24, **£13.9m** from 2024/25, **£3.9m** from 2025/26, **£25.1m** into 2026/27, **£100,000** into 2027/28 and **£5.8m** into 2028/29
  - Capital programme additions of **£1.1m**;
  - Capital programme reductions of **£631,000**
  - Advanced works of **£932,000** into 2023/24, **£9,000** into 2024/25, **£3.9m** into 2025/26, **£4.8m** into 2026/27, **£9.6m** from 2027/28
- ii. There is **£6.6m** under spend on Housing Infrastructure Fund projects which is driven by slippage of **£4.7m** on Colchester Rapid Transit System into 2024/25, due to delays in delivery following an extended tender process. Furthermore, slippage of **£2.8m** relating to A133-A120 Link Road resulting from delays due to land issues and public inquiry. This is offset by advanced works of **£872,000** on Harlow Sustainable Transport Corridor due to the ability to progress more rapidly following the cabinet decision to award contract.
- iii. There is a **£2.5m** under spend for Highways Major Schemes, mainly relating to slippage of **£1.9m** on A127 Corridor Improvements as work has been paused as the Major Roads Network funding is not yet confirmed. A meeting with the Department for Transport is due to take place to confirm the requirements to unlock the funding.
- iv. An under spend of **£2.8m** is forecast on the Highways Maintenance Programme. An under spend of **£1m** is forecast on the Footway Maintenance programme due to unexpected delays in the start date of several schemes. An under spend of **£500,000** is also forecast on the Passenger Transport Infrastructure scheme in relation to the Basildon Volt project to electrify bus services in Basildon; ECC has developed a bid into the Zero Emission Bus Regional Areas (Zebra) funding call, and depending in the timing of the announcement for successful bids, it is likely that some expenditure will now fall into 2024/25.

#### 7.9 **Leader – £9m (14%) over spend**

- i. Approval is sought to advance **£11.7m** into 2023/24 from 2024/25. This is regarding Beaulieu Park Station as Network Rail are progressing ahead of schedule.
- ii. An under spend of **£2.8m** is forecast on Chelmsford North East Bypass as the Silt Lagoon works that were due to start in March have now slipped into early 2024/25. There is also a risk that any issues securing land could extend the forecast out past the Homes England deadline for scheme funding.

#### 7.10 **Levelling Up, Communities and Business Engagement – £33,000 (28.2%) under spend**

- i. Approval is sought to reprofile **£33,000** from 2023/24 into 2024/25 for the Changing Places project at Barleylands due to delays in the work completing.

### 7.11 Planning a Growing Economy – £13.1m (38.8%) under spend

- i. Overall approval is sought to:
  - Reprofile **£11.5m** from 2023/24, **£7.7m** into 2024/25, **£2.3m** into 2025/26, **£1.4m** into 2026/27 and **£93,000** into 2027/28
  - Add **£988,000** into capital programme
  - Reduce **£2.6m** from the capital programme
- ii. Economic Investment has an under spend of **£8.7m** which mainly relates to Harlow Development Fund's slippage of **£5m**, as it is unlikely that £5m of projects will have been identified by year end to enable ECC to release its contribution. Furthermore, slippage of **£1.5m** for Colchester Town Regeneration as the valuation of the Queen Street bus garage is yet to be finalised and legal delays are anticipated for the scheme. Finally, slippage of **£1.4m** in relation to the Clacton Town Regeneration programme; a business case has recently been endorsed for the Clacton Hub which seeks to add ECC's proportion of Tendring District Council's successful Levelling Up Fund bid (£2.8m) to the capital programme and reprofile the existing ECC contribution to the project (£7.9m) in to future years.
- iii. Essex Housing reports an under spend of **£1.5m** which relates to the Independent Living schemes that are being removed as a Third Party will now be delivering these. ECC will only be carrying out design and planning work.
- iv. Superfast Broadband is reporting a **£977,000** under spend which relates to contracts that have now completed on target but under budget. Approval is sought to reprofile these under spends into 2024/25. As per the agreements with the Department for Culture, Media and Sport (DCMS), ECC are required to retain these under spends to reinvest in the further rollout of superfast broadband, or repay funds to DCMS.
- v. Essex Housing LLP Loans report an under spend of **£1.9m**, which relates to the realignment of Essex Housing LLP to the latest Annual Delivery Plan.

### 7.12 The Arts, Heritage and Culture – £993,000 (58.6%) under spend

- i. Approval is sought to reprofile **£993,000** from 2023/24 into 2024/25. The slippage relates to Transforming Youth Services, due to delays as the scope of works are being determined.

### 7.13 The Chancellor of Essex – £28,000 (0.3%) under spend

- i. Approval is sought to reduce the capital programme by **£200,000** and add **£200,000** to the programme. This is to realign funding between the core estate maintenance programme and the various Salix grant funded carbon reduction initiatives within the Portfolio.

- 7.14 **Appendix C** provides a comparison of approved and forecast outturn capital payments by Portfolio and sets out the variance plan which summarise the proposals for addressing the forecast budget variances.

## **8. Policy context and Outcomes Framework**

- 8.1 This report is an assessment of the financial position of the County Council, which itself is a representation of the Annual plan. The budget and Annual plan were approved in parallel in February 2023.

## **9. Reserves**

- 9.1 A summary of the forecast balances on reserves is provided in **Appendix D**.
- 9.2 Of the recommendations requested in this report the most significant is to approve **£1.6m** from the Adults Investment Reserve to the Health, Adult Social Care and ICS Integration portfolio relating to Health and Social Care Reform (£732,000) and various other project expenditure, and to appropriate **£1.5m** to the Technology and Digitisation Reserve from the Chancellor of Essex RSSS portfolio relating to unused funds, for use in 2024/25, to deliver the Network and Voice Programme (£1m) and to offset pressures in 2024/25 within the Technology service (£500,000).

## **10. Financial Implications**

### **Finance and Resources Implications (Section 151 Officer)**

- 10.1 The report is provided by the Section 151 Officer. There are no further comments.

## **11. Legal Implications**

- 11.1 The Council is responsible for setting the budget each year. Once agreed the executive then have to implement the policy framework and keep within the budget, subject to the limits set by Financial Regulations.

## **12. Equality and Diversity implications**

- 12.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act

- (b) Advance equality of opportunity between people who share a protected characteristic and those who do not
  - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 12.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 12.3 The equality implications are assessed as part of budget setting process and as part of individual schemes.
- 12.4 There are no equality and diversity or other resource implications associated with this report.

### **13. List of Appendices**

Appendix A	Revenue Forecast Outturn
Appendix B	Trading Activities
Appendix C (i)	Capital Forecast Outturn
Appendix C (ii)	Capital Variance Plan
Appendix D	Balance Sheet - Earmarked Reserves
Appendix E	Treasury Management
Appendix F	Prudential Indicators

**(Available at [www.essex.gov.uk](http://www.essex.gov.uk) if not circulated with this report)**

### **14. List of Background Papers**

Budgetary control reports.

## Appendix A

## Revenue Forecast Outturn

Portfolio	Q3 Forecast			Half Year Forecast		
	Latest Budget £000	Variance £000	% of Latest Budget	Variance £000	Movement £000	Direction of Travel
Children's Services and Early Years DSG	(401)	(3,791)	945.0%	(3,812)	21	↓
Children's Services and Early Years Non DSG	123,150	20,594	16.7%	16,608	3,986	↓
Climate Czar, Environment, Waste Reduction and Recycling	93,427	(86)	(0.1%)	(64)	(23)	↑
Education Excellence, Life Long Learning and Employability DSG	(2,662)	194	(7.3%)	(6,712)	6,906	↓
Education Excellence, Life Long Learning and Employability Non DSG	29,934	530	1.8%	410	120	↓
Health, Adult Social Care and ICS Integration	450,898	3,465	0.8%	4,795	(1,329)	↑
Highways, Infrastructure and Sustainable Transport	123,811	(2,573)	(2.1%)	(4,413)	1,840	↓
Leader	2,227	110	4.9%	(41)	150	↓
Levelling Up, Communitas and Business Engagement	6,400	(186)	(2.9%)	(20)	(167)	↑
Planning a Growing Economy	10,745	(37)	(0.3%)	32	(69)	↑
The Arts, Heritage and Culture	27,587	63	0.2%	(185)	247	↓
The Chancellor of Essex	7,248	3,691	50.9%	4,416	(725)	↑
Other Operating Costs	88,352	(18,008)	(20.4%)	(6,997)	(11,011)	↑
Leader RSSS	2,046	78	3.8%	14	64	↓
Levelling Up, Communitas and Business Engagement RSSS	6,859	(401)	(5.8%)	(18)	(383)	↑
Planning a Growing Economy RSSS	1,122	(45)	(4.0%)	(19)	(26)	↑
The Chancellor of Essex RSSS	114,837	(1,648)	(1.4%)	(1,791)	143	↓
<b>Total</b>	<b>1,085,581</b>	<b>1,949</b>	<b>0.2%</b>	<b>2,204</b>	<b>(254)</b>	
DSG Offset	3,063	3,597	117.4%	10,524	(6,927)	
<b>Total Excluding DSG</b>	<b>1,088,644</b>	<b>5,546</b>	<b>0.5%</b>	<b>12,727</b>	<b>(7,181)</b>	
Funding		(1,053)			(1,053)	
<b>Revised Total</b>	<b>1,088,644</b>	<b>4,494</b>	<b>0.4%</b>	<b>12,727</b>	<b>(8,234)</b>	

Trading Activities

	Revenue reserve 1 April 2023	Income	Budget Expenditure	(Surplus)/ Deficit	Income	Forecast Expenditure	Forecast (Surplus) / deficit	Final Outturn position	Appropriations To County Revenue Account	To Trading Activity reserve	Final Outturn position	Variance Plan Proposals to/(from) reserves	Revenue reserve 31 March 2024
Traded Services	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Place Services	(1,443)	(3,968)	3,668	(300)	(4,048)	3,748	(300)	(0)	(300)	(0)	-	-	(1,443)
Music Services	(285)	(4,338)	4,338	-	(4,771)	4,770	(1)	(1)	-	-	(1)	-	(285)
Total	(1,729)	(8,306)	8,006	(300)	(8,819)	8,518	(301)	(1)	(300)	(0)	(1)	-	(1,729)

Appendix C (i)

Capital Forecast Outturn

	Year to date			Budget Movement		Full Year		
	Budget	Actuals	Variance	Original Budget	In year approved changes	Revised Budget	Outturn	Variance
	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services and Early Years	1,711	414	(1,297)	3,010	1,902	4,913	2,566	(2,347)
Climate Czar, Environment, Waste Reduction and Recycling	590	885	295	-	886	886	911	25
Education Excellence, Life Long Learning and Employability	29,370	33,892	4,522	55,201	(5,730)	49,472	52,869	3,397
Health, Adult Social Care and ICS Integration	(1,086)	(55)	1,031	2,277	(1,706)	571	108	(462)
Highways, Infrastructure and Sustainable Transport	104,643	91,697	(12,946)	118,183	38,626	156,810	144,929	(11,880)
Leader	33,289	51,685	18,396	42,527	23,450	65,977	74,929	8,952
Levelling Up, Communities and Business Engagement	61	67	7	100	16	116	83	(33)
Planning a Growing Economy	12,225	11,896	(329)	45,442	(11,635)	33,806	20,707	(13,099)
The Arts, Heritage and Culture	1,089	3	(1,087)	1,351	344	1,695	702	(993)
The Chancellor of Essex	6,304	5,093	(1,211)	6,768	2,832	9,600	9,572	(28)
<b>ECC Capital Programme</b>	<b>188,196</b>	<b>195,576</b>	<b>7,380</b>	<b>274,859</b>	<b>48,986</b>	<b>323,845</b>	<b>307,377</b>	<b>(16,469)</b>

Financed by:

	Budget Movement		Full Year		
	Original Budget	In year approved changes	Revised Budget	Outturn	Variance
	£000	£000	£000	£000	£000
<b>ECC Capital Programme</b>					
Grants	137,479	27,457	164,936	183,243	18,307
Reserves	7,300	9,068	16,368	16,393	25
Developer & Other contributions	23,627	10,495	34,122	29,275	(4,847)
Capital receipts	5,000	(1,422)	3,578	3,578	-
Unsupported borrowing	101,454	3,387	104,841	74,888	(29,954)
<b>ECC Capital Programme</b>	<b>274,859</b>	<b>48,986</b>	<b>323,845</b>	<b>307,377</b>	<b>(16,469)</b>

Appendix C(ii)

Capital Variance Plan

Variance plan - current year

Portfolio	Approved changes					Variance Plan (2023/24)					
	Slippage	Additions	Reductions	Advanced Works	Approved changes	Slippage	Additions	Reductions	Advanced Works	Residual Variance	Total Variance
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Children's Services and Early Years	146	2,236	(706)	227	1,903	(2,371)	24	-	-	(0)	(2,347)
Climate Czar, Environment, Waste Reduction and Recycling	886	-	-	-	886	-	26	-	-	(1)	25
Education Excellence, Life Long Learning and Employability	(7,030)	8,834	(7,682)	148	(5,730)	(1,965)	1,449	(1,236)	1,945	3,204	3,397
Health, Adult Social Care and ICS Integration	(1,706)	-	-	-	(1,706)	(571)	190	(101)	20	(0)	(462)
Highways, Infrastructure and Sustainable Transport	(11,361)	98,869	(65,004)	16,123	38,627	(13,254)	1,073	(631)	932	(0)	(11,880)
Leader	(608)	-	-	24,058	23,450	(2,768)	-	-	11,720	0	8,952
Levelling Up, Communities and Business Engagement	-	16	-	-	16	(33)	-	-	-	-	(33)
Planning a Growing Economy	(11,818)	17,133	(16,237)	(713)	(11,635)	(11,515)	988	(2,573)	-	(0)	(13,099)
The Arts, Heritage and Culture	(110)	515	(61)	-	344	(993)	-	-	-	0	(993)
The Chancellor of Essex	317	6,468	(3,953)	-	2,832	-	200	(200)	-	(28)	(28)
<b>ECC Capital Programme</b>	<b>(31,284)</b>	<b>134,071</b>	<b>(93,643)</b>	<b>39,843</b>	<b>48,987</b>	<b>(33,470)</b>	<b>3,950</b>	<b>(4,742)</b>	<b>14,617</b>	<b>3,176</b>	<b>(16,469)</b>

Variance plan - Future years

Variance Plan - Future Years											
Portfolio	2024/25		2025/26		2026/27		2027/28		2028/29		Total Variance
	Slippage	Advanced Works	Slippage	Advanced Works	Slippage	Advanced Works	Slippage	Advanced Works	Slippage	Advanced Works	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	
Children’s Services and Early Years	2,371	-	-	-	-	-	-	-	-	-	2,371
Education Excellence, Life Long Learning and Employability	1,772	(1,945)	193	-	-	-	-	-	-	-	20
Health, Adult Social Care and ICS Integration	571	(10)	-	(10)	-	-	-	-	-	-	551
Highways, Infrastructure and Sustainable Transport	(13,845)	9	(3,916)	3,890	25,140	4,781	100	(9,612)	5,775	-	12,322
Leader	(22,478)	(11,720)	15,973	-	(5,185)	-	4,815	-	9,643	-	(8,952)
Levelling Up, Communities and Business Engagement	33	-	-	-	-	-	-	-	-	-	33
Planning a Growing Economy	7,742	-	2,271	-	1,409	-	93	-	-	-	11,515
The Arts, Heritage and Culture	993	-	-	-	-	-	-	-	-	-	993
ECC Capital Programme	(22,841)	(13,666)	14,521	3,880	21,364	4,781	5,008	(9,612)	15,418	-	18,853



Portfolio & Scheme	Slippage	Additions	Reductions	Advanced Works	2023/24 Changes
	£000	£000	£000	£000	Requested
EARLY YEARS	(217)	24	-	-	(193)
ADAPTATIONS	(327)	-	-	-	(327)
CHILDRENS RESIDENTIAL	(328)	-	-	-	(328)
SOLO PLACEMENTS	(1,499)	-	-	-	(1,499)
<b>Children's Services and Early Years</b>	<b>(2,371)</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>(2,347)</b>
CHERRY PICKER	-	26	-	-	26
<b>Climate Czar, Environment, Waste Reduction and Recycling</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>26</b>
SCHOOLS CAPITALISED BUILDING MAINTENANCE	-	134	-	-	134
HARLOW PRIMARY BASIC NEED	-	9	-	-	9
EPPING FOREST PRIMARY BASIC NEED	(207)	-	(3)	-	(210)
EPPING FOREST SECONDARY BASIC NEED	(6)	6	-	-	-
COLCHESTER PRIMARY BASIC NEED	-	-	(17)	-	(17)
COLCHESTER SECONDARY BASIC NEED	(7)	227	(10)	-	210
BRAINTREE PRIMARY BASIC NEED	(93)	-	(4)	2	(95)
MALDON PRIMARY BASIC NEED	-	-	-	1,943	1,943
TENDRING PRIMARY BASIC NEED	-	-	(82)	-	(82)
TENDRING SECONDARY BASIC NEED	-	-	(6)	-	(6)
UTTLESFORD SECONDARY BASIC NEED	-	592	-	-	592
UTTLESFORD PRIMARY BASIC NEED	-	-	(692)	-	(692)
CHELMSFORD PRIMARY BASIC NEED	-	3	-	-	3
CHELMSFORD SECONDARY BASIC NEED	(50)	-	-	-	(50)
SPECIAL SCHOOLS	(1,002)	113	(113)	-	(1,002)
ACL DIGI HUB	-	-	(245)	-	(245)
TEMPORARY ACCOMMODATION	(600)	113	(26)	-	(513)
<b>Education Excellence, Life Long Learning and Employability</b>	<b>(1,965)</b>	<b>1,197</b>	<b>(1,198)</b>	<b>1,945</b>	<b>(21)</b>
BRIDGEMARSH	-	-	-	20	20
INDEPENDENT LIVING ADULTS WITH COMPLEX NEEDS	(180)	-	-	-	(180)
INDEPENDENT LIVING OLDER PEOPLE NINEFIELDS WALTHAM	(391)	190	(97)	-	(298)
INDEPENDENT LIVING OLDER PEOPLE COPPINS COURT	-	-	(4)	-	(4)
<b>Health, Adult Social Care and ICS Integration</b>	<b>(571)</b>	<b>190</b>	<b>(101)</b>	<b>20</b>	<b>(462)</b>
ACTIVE TRAVEL	-	-	(111)	-	(111)
ACTIVE TRAVEL 3 & COL TOWN FID LCWIP4	-	311	-	-	311
ACTIVE TRAVEL 4	(318)	321	(21)	-	(18)
AIR QUALITY THEATRE & EDUCATION	-	-	-	10	10
BUS & PASSENGER TRANSPORT INFRASTRUCTURE	(500)	-	-	-	(500)
CYCLE ASSET RENEWAL	-	-	(200)	-	(200)
FOOTWAY MAINTENANCE	(1,000)	-	-	-	(1,000)
PT TRANSPORT ADVERTISING	(350)	-	-	-	(350)
SECTION 106	-	89	-	-	89
SURFACE WATER ALLEVIATION	(405)	-	-	-	(405)
School Streets	(284)	-	(300)	-	(584)
A133-A120 LINK HIF	(2,800)	-	-	-	(2,800)
COLCHESTER RAPID TRANSIT SYSTEM (HIF)	(4,733)	-	-	-	(4,733)
HARLOW STC NTH/STH (Ph1:GILSTON TO TC) (HIF)	-	-	-	872	872
A120 MILLENNIUM WAY SLIPS	(184)	-	-	-	(184)
A127 Corridor Improvements	(1,933)	-	-	-	(1,933)
CHELMSFORD GROWTH AREA	-	274	-	-	274
CAMBRIDGE ROAD JUNCTION	(443)	-	-	-	(443)
CYCLING INFRASTRUCTURE	(303)	-	-	-	(303)
SOUTH MALDON RELIEF ROAD	-	-	-	50	50
ADVANCED SCHEME DESIGN	-	79	-	-	79
<b>Highways, Infrastructure and Sustainable Transport</b>	<b>(13,253)</b>	<b>1,074</b>	<b>(632)</b>	<b>932</b>	<b>(11,879)</b>

2023/24 Financial Overview as at the Third Quarter Stage

Portfolio & Scheme	Slippage	Additions	Reductions	Advanced Works	2023/24 Changes
	£000	£000	£000	£000	Requested
BEAULIEU PARK STATION	-	-	-	11,720	11,720
CHELMSFORD NORTH EASTERN BYPASS	(2,768)	-	-	-	(2,768)
<b>Leader</b>	<b>(2,768)</b>	<b>-</b>	<b>-</b>	<b>11,720</b>	<b>8,952</b>
CHANGING PLACES	(33)	-	-	-	(33)
<b>Levelling Up, Communities and Business Engagement</b>	<b>(33)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33)</b>
BDUK ESSEX SUPERFAST PROGRAMME PHASE 3	-	-	(262)	-	(262)
BDUK ESSEX SUPERFAST PROGRAMME PHASE 4	(735)	228	(207)	-	(714)
COLCHESTER GROW ON SPACE	(686)	-	-	-	(686)
COLCHESTER TOWNS FUND	(100)	-	-	-	(100)
Colchester Town Regeneration	(1,500)	-	-	-	(1,500)
ADVANCED SCHEME DESIGN - ECONOMIC GROWTH	(93)	-	(79)	-	(172)
CLACTON TOWN REGENERATION	(1,409)	128	(128)	-	(1,409)
Harlow Development Fund	(5,000)	-	-	-	(5,000)
HARWICH LEVELLING UP	-	395	(120)	-	275
Harlow Town Centre Regeneration	(85)	-	-	-	(85)
LEXDEN SPRINGS ILOP	-	-	(671)	-	(671)
SHENFIELD LIBRARY	(35)	-	-	-	(35)
ST PETERS ILOP - INV	(199)	-	(150)	-	(349)
PRIMROSE MEADOW ILOP	-	-	(360)	-	(360)
MOULSHAM LODGE	-	-	(6)	-	(6)
WESTFIELD	-	-	(102)	-	(102)
EH LLP LOAN ECH	(1,673)	-	-	-	(1,673)
EH LLP LOAN SHERNBROKE	-	238	-	-	238
EH LLP LOAN PURFORD	-	-	(487)	-	(487)
<b>Planning a Growing Economy</b>	<b>(11,515)</b>	<b>989</b>	<b>(2,572)</b>	<b>-</b>	<b>(13,098)</b>
TRANSFORMING YOUTH SERVICES - TOWNHOUSE YOUTH CENT	(993)	-	-	-	(993)
<b>The Arts, Heritage and Culture</b>	<b>(993)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(993)</b>
SALIX PSDS3A	-	164	-	-	164
SALIX PSDS3B	-	-	(81)	-	(81)
CAPITALISED BUILDING MAINTENANCE	-	36	(119)	-	(83)
<b>Chancellor of Essex</b>	<b>-</b>	<b>200</b>	<b>(200)</b>	<b>-</b>	<b>-</b>
<b>ECC Capital Programme</b>	<b>(33,470)</b>	<b>3,699</b>	<b>(4,704)</b>	<b>14,617</b>	<b>(19,855)</b>
Devolved Formula Capital	-	251	(38)	-	213
<b>Total Capital Programme</b>	<b>(33,470)</b>	<b>3,950</b>	<b>(4,742)</b>	<b>14,617</b>	<b>(19,642)</b>

2023/24 Financial Overview as at the Third Quarter Stage

Portfolio & Scheme	2024/25		2025/26		2026/27		2027/28		2028/29	
	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000
EARLY YEARS	217	-	-	-	-	-	-	-	-	-
ADAPTATIONS	327	-	-	-	-	-	-	-	-	-
CHILDRENS RESIDENTIAL	328	-	-	-	-	-	-	-	-	-
CHILDREN WITH DISABILITIES	-	-	-	-	-	-	-	-	-	-
SOLO PLACEMENTS	1,499	-	-	-	-	-	-	-	-	-
<b>Children's Services and Early Years</b>	<b>2,371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
SOCIAL HOUSING DECARB FUND	-	-	-	-	-	-	-	-	-	-
WASTE & RECYCLING	-	-	-	-	-	-	-	-	-	-
CHERRY PICKER	-	-	-	-	-	-	-	-	-	-
SHRUB END REDEVELOPMENT	-	-	-	-	-	-	-	-	-	-
<b>Climate Czar, Environment, Waste Reduction and Recycling</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
SCHOOLS CAPITALISED BUILDING MAINTENANCE	-	-	-	-	-	-	-	-	-	-
BASILDON PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
BASILDON SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
HARLOW PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
HARLOW SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
EPPING FOREST PRIMARY BASIC NEED	207	-	-	-	-	-	-	-	-	-
EPPING FOREST SECONDARY BASIC NEED	6	-	-	-	-	-	-	-	-	-
COLCHESTER PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
COLCHESTER SECONDARY BASIC NEED	7	-	-	-	-	-	-	-	-	-
ROCHFORD PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
ROCHFORD SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
BRAINTREE PRIMARY BASIC NEED	93	(2)	-	-	-	-	-	-	-	-
BRAINTREE SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
CASTLE POINT PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
CASTLE POINT BASIC NEED	-	-	-	-	-	-	-	-	-	-
MALDON PRIMARY BASIC NEED	-	(1,943)	-	-	-	-	-	-	-	-
MALDON SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
TENDRING PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
TENDRING SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
UTTLESFORD SECONDARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
UTTLESFORD PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
BRENTWOOD PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
CHELMSFORD PRIMARY BASIC NEED	-	-	-	-	-	-	-	-	-	-
CHELMSFORD SECONDARY BASIC NEED	50	-	-	-	-	-	-	-	-	-
SCHOOLS FEASIBILITIES	-	-	-	-	-	-	-	-	-	-
SPECIAL SCHOOLS	809	-	193	-	-	-	-	-	-	-
ACL DIGI HUB	-	-	-	-	-	-	-	-	-	-
TEMPORARY ACCOMMODATION	600	-	-	-	-	-	-	-	-	-
<b>Education Excellence, Life Long Learning and Employability</b>	<b>1,772</b>	<b>(1,945)</b>	<b>193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
BRIDGEMARSH	-	(20)	-	-	-	-	-	-	-	-
INDEPENDENT LIVING ADULTS WITH COMPLEX NEEDS	180	-	-	-	-	-	-	-	-	-
INDEPENDENT LIVING OLDER PEOPLE NINEFIELDS WALTHAM	391	10	-	(10)	-	-	-	-	-	-
INDEPENDENT LIVING OLDER PEOPLE COPPINS COURT	-	-	-	-	-	-	-	-	-	-
IL OP INVESTMENT	-	-	-	-	-	-	-	-	-	-
POLLYSFIELD	-	-	-	-	-	-	-	-	-	-
<b>Health, Adult Social Care and ICS Integration</b>	<b>571</b>	<b>(10)</b>	<b>-</b>	<b>(10)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
HIGHWAYS MAINTENANCE	-	-	-	-	-	-	-	-	-	-
ACTIVE TRAVEL	-	-	-	-	-	-	-	-	-	-
ACTIVE TRAVEL 3 & COL TWN FD LCWIP4	-	-	-	-	-	-	-	-	-	-
ACTIVE TRAVEL 4	318	-	-	-	-	-	-	-	-	-
A127 AIR QUALITY (AQMP)	-	-	-	-	-	-	-	-	-	-
AIR QUALITY MANAGEMENT AREAS INTERVENTIONS	-	-	-	-	-	-	-	-	-	-
AIR QUALITY THEATRE & EDUCATION	-	(10)	-	-	-	-	-	-	-	-
BASILDON AIR QUALITY MANAGEMENT (EASTMAYNE)	-	-	-	-	-	-	-	-	-	-
BRIDGES	-	-	-	-	-	-	-	-	-	-
BUS LANE CAMERA ENFORCEMENT	-	-	-	-	-	-	-	-	-	-
BUS & PASSENGER TRANSPORT INFRASTRUCTURE	500	-	-	-	-	-	-	-	-	-
CYCLE ASSET RENEWAL	-	-	-	-	-	-	-	-	-	-
CASUALTY REDUCTION	-	-	-	-	-	-	-	-	-	-
EV CHARGEPOINTS	-	-	-	-	-	-	-	-	-	-
FOOTWAY MAINTENANCE	1,000	-	-	-	-	-	-	-	-	-
LED ROLLOUT	-	-	-	-	-	-	-	-	-	-
LOCAL HIGHWAYS PANELS	-	-	-	-	-	-	-	-	-	-
PASSENGER TRANSPORT	-	-	-	-	-	-	-	-	-	-
PT TRANSPORT ADVERTISING	350	891	-	(891)	-	-	-	-	-	-
PUBLIC RIGHTS OF WAY	-	-	-	-	-	-	-	-	-	-
Real Time Legacy Displays	-	-	-	-	-	-	-	-	-	-
ROAD MAINTENANCE	-	-	-	-	-	-	-	-	-	-
SAFETY BARRIER REPLACEMENT	-	-	-	-	-	-	-	-	-	-
SECTION 106	-	-	-	-	-	-	-	-	-	-
STREET LIGHTING REPLACEMENT	-	-	-	-	-	-	-	-	-	-
SURFACE WATER ALLEVIATION	405	-	-	-	-	-	-	-	-	-
School Streets	284	-	-	-	-	-	-	-	-	-
TRAFFIC SIGNAL REFURBISHMENT	-	-	-	-	-	-	-	-	-	-
A133-A120 LINK HIF	(7,645)	-	10,445	-	-	-	-	-	-	-
COLCHESTER RAPID TRANSIT SYSTEM (HIF)	4,733	-	-	-	-	-	-	-	-	-
HARLOW STC NTH/STH (PH1:GILSTON TO TC) (HIF)	-	(872)	-	-	-	-	-	-	-	-
HIGHWAYS MAJOR SCHEMES	-	-	-	-	-	-	-	-	-	-
A120 MILLENNIUM WAY SLIPS	(5,691)	-	-	-	-	-	100	-	5,775	-
A127 Corridor Improvements	868	-	(16,494)	-	17,559	-	-	-	-	-
A127 FAIRGLEN INTERCHANGE	(1,850)	-	-	-	1,850	-	-	-	-	-
CHELMSFORD GROWTH AREA	-	-	-	-	-	-	-	-	-	-
COLCHESTER A134 ST BOTOLPHS	(7,864)	-	2,133	-	5,731	-	-	-	-	-
M11 JUNCTION 7A AND GILDEN WAY UPGRADING	-	-	-	-	-	-	-	-	-	-
CAMBRIDGE ROAD JUNCTION	443	-	-	-	-	-	-	-	-	-
COLCHESTER ITP (BOROUGH WIDE)	-	-	-	-	-	-	-	-	-	-
CYCLING INFRASTRUCTURE	303	-	-	-	-	-	-	-	-	-
SOUTH MALDON RELIEF ROAD	-	-	4,781	-	4,781	-	(9,612)	-	-	-
BASILDON INTEGRATED TRANSPORT PACKAGE	-	-	-	-	-	-	-	-	-	-
M11 JUNCTION 8	-	-	-	-	-	-	-	-	-	-
SAFER ROADS A104 ESSEX	-	-	-	-	-	-	-	-	-	-
ADVANCED SCHEME DESIGN	-	-	-	-	-	-	-	-	-	-
OTHER HIGHWAYS MAJOR SCHEMES	-	-	-	-	-	-	-	-	-	-
FLOOD MANAGEMENT	-	-	-	-	-	-	-	-	-	-
<b>Highways, Infrastructure and Sustainable Transport</b>	<b>(13,846)</b>	<b>9</b>	<b>(3,916)</b>	<b>3,890</b>	<b>25,140</b>	<b>4,781</b>	<b>100</b>	<b>(9,612)</b>	<b>5,775</b>	<b>-</b>

2023/24 Financial Overview as at the Third Quarter Stage

Portfolio & Scheme	2024/25		2025/26		2026/27		2027/28		2028/29	
	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000	Slippage £000	Advanced Works £000
BEAULIEU PARK STATION	(3,896)	(11,720)	3,896	-	-	-	-	-	-	-
CHELMSFORD NORTH EASTERN BYPASS	(18,582)	-	21,350	-	-	-	-	-	-	-
<b>Leader</b>	<b>(22,478)</b>	<b>(11,720)</b>	<b>15,973</b>	<b>-</b>	<b>(5,185)</b>	<b>-</b>	<b>4,815</b>	<b>-</b>	<b>9,643</b>	<b>-</b>
CHANGING PLACES	33	-	-	-	-	-	-	-	-	-
<b>Levelling Up, Communities and Business Engagement</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
BDUK ESSEX SUPERFAST PROGRAMME PHASE 3	-	-	-	-	-	-	-	-	-	-
BDUK ESSEX SUPERFAST PROGRAMME PHASE 4	735	-	-	-	-	-	-	-	-	-
COLCHESTER GROW ON SPACE	-	-	686	-	-	-	-	-	-	-
COLCHESTER TOWNS FUND	100	-	-	-	-	-	-	-	-	-
Colchester Town Regeneration	1,500	-	-	-	-	-	-	-	-	-
ADVANCED SCHEME DESIGN - ECONOMIC GROWTH	-	-	-	-	-	-	93	-	-	-
CLACTON TOWN REGENERATION	-	-	-	-	1,409	-	-	-	-	-
Harlow Development Fund	5,000	-	-	-	-	-	-	-	-	-
HARWICH LEVELLING UP	-	-	-	-	-	-	-	-	-	-
Harlow Town Centre Regeneration	(1,500)	-	1,585	-	-	-	-	-	-	-
LEXDEN SPRINGS ILOP	-	-	-	-	-	-	-	-	-	-
SHENFIELD LIBRARY	35	-	-	-	-	-	-	-	-	-
ST PETERS ILOP - INV	199	-	-	-	-	-	-	-	-	-
PRIMROSE MEADOW ILOP	-	-	-	-	-	-	-	-	-	-
MOULSHAM LODGE	-	-	-	-	-	-	-	-	-	-
WESTFIELD	-	-	-	-	-	-	-	-	-	-
EH LLP LOAN ECH	1,673	-	-	-	-	-	-	-	-	-
EH LLP LOAN SHERNBROKE	-	-	-	-	-	-	-	-	-	-
EH LLP LOAN PURFORD	-	-	-	-	-	-	-	-	-	-
<b>Planning a Growing Economy</b>	<b>7,742</b>	<b>-</b>	<b>2,271</b>	<b>-</b>	<b>1,409</b>	<b>-</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>
TRANSFORMING YOUTH SERVICES - TOWNHOUSE YOUTH CENT	993	-	-	-	-	-	-	-	-	-
<b>The Arts, Heritage and Culture</b>	<b>993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
SALIX PSDS3A	-	-	-	-	-	-	-	-	-	-
SALIX PSDS3B	-	-	-	-	-	-	-	-	-	-
CAPITALISED BUILDING MAINTENANCE	-	-	-	-	-	-	-	-	-	-
Chancellor of Essex	-	-	-	-	-	-	-	-	-	-
<b>ECC Capital Programme</b>	<b>(22,841)</b>	<b>(13,666)</b>	<b>14,521</b>	<b>3,880</b>	<b>21,364</b>	<b>4,781</b>	<b>5,008</b>	<b>(9,612)</b>	<b>15,418</b>	<b>-</b>
Devolved Formula Capital	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Programme</b>	<b>(22,841)</b>	<b>(13,666)</b>	<b>14,521</b>	<b>3,880</b>	<b>21,364</b>	<b>4,781</b>	<b>5,008</b>	<b>(9,612)</b>	<b>15,418</b>	<b>-</b>

## Appendix D

## Balance Sheet – Earmarked Reserves

	2023/24 movements				Adjustments proposed in quarterly report included within this position £000
	Balance at 1 April 2023 £000	(Contributions)/ Withdrawals agreed £000	Future commitments £000	Estimated Closing balance £000	
Long Term Contractual Commitment					
PFI Reserves					
A130 PFI	(17,324)	10,052	695	(6,577)	
Building Schools for the Future PFI	(2,122)	-	(830)	(2,952)	
Debden School PFI	(1,154)	-	762	(392)	
Clacton Secondary Schools' PFI	(1,409)	-	184	(1,226)	
Waste Reserve	(114,589)	9,884	(9,090)	(113,795)	(293)
Grant Equalisation Reserve	(43,933)	-	5,037	(38,896)	
Trading Activities (not available for use)	(1,729)	304	(304)	(1,728)	
Partnerships and Third Party (not available for use)	(2,267)	-	-	(2,267)	
Schools (not available for use)	(43,704)	-	-	(43,704)	
General Balance	(68,096)	-	4	(68,092)	
Reserves earmarked for future use					
Adults Digital Programme	(28)	-	28	0	
Adults Risk	(12,561)	-	2,837	(9,724)	
Adults Investment	(9,802)	(21,567)	21,567	(9,802)	1,640
Ambition Fund	(10,551)	(9,925)	13,602	(6,874)	161
Bursary for Trainee Carers	(263)	-	263	-	
Capital Receipts Pump Priming	(10,034)	(1,000)	500	(10,534)	58
Carbon Reduction	(711)	152	-	(559)	
Carry Forward	(15,039)	-	15,039	(0)	
Childrens Risk	-	(5,000)	5,000	-	
Childrens Transformation	(6,010)	-	3,352	(2,658)	
Collection Fund Risk	(17,084)	(9,114)	-	(26,198)	
Commercial Investment in Essex Places	(15,469)	650	223	(14,596)	(444)
Community Initiatives Fund	(277)	(350)	350	(277)	117
Covid Equalisation Reserve	(26,273)	-	24,330	(1,943)	500
EES Pension Risk	(4,000)	-	-	(4,000)	
Emergency	(23,227)	(4,000)	4,000	(23,227)	
Emergency Planning	(300)	-	-	(300)	
Equalities Fund Reserve	(261)	-	-	(261)	
Essex Climate Change Commission	(3,067)	-	2,218	(849)	
Essex Crime and Police	(73)	-	-	(73)	
Everyones Essex	(44,987)	(2,000)	13,165	(33,821)	(319)
Future Capital Funding	(36,295)	(7,463)	9,715	(34,042)	920
General Risk	(14,841)	(10,338)	(371)	(25,550)	
Health and Safety	(4,649)	-	1,205	(3,443)	
Highways	(3,000)	-	3,000	-	
Insurance	(11,125)	-	600	(10,525)	
Newton	(151)	-	-	(151)	
Property Fund	(962)	-	28	(934)	
Quadrennial Elections	(1,491)	(500)	-	(1,991)	
Renewal Fund	(2,427)	-	181	(2,246)	
Social Distancing & Hygiene	(900)	-	-	(900)	
Technology and Digitisation	(20,119)	(5,000)	14,959	(10,160)	(1,483)
Transformation	(58,880)	(11,820)	18,290	(52,410)	984

## Treasury Management

## TREASURY MANAGEMENT SUMMARY - 2023/24

	Actual Balance 1 April 2023 £000	Movements			Estimated Balance at 31 March 2024 £000
		Raised	Repaid	Net movement	
		£000	£000	£000	£000
<b>Borrowing</b>					
Long Term	583,831	-	(12,044)	(12,044)	571,787
Temporary	12,150	1,377	-	1,377	13,527
<b>Total External Borrowing (A)</b>	<b>595,981</b>	<b>1,377</b>	<b>(12,044)</b>	<b>(10,667)</b>	<b>585,314</b>
<b>Investments</b>					
Long Term	4,853	6,414	(3,917)	2,497	7,350
Temporary	635,558	1,844	(428,100)	(426,256)	209,302
<b>Total External Investments (B)</b>	<b>640,411</b>	<b>8,258</b>	<b>(432,017)</b>	<b>(423,759)</b>	<b>216,652</b>
<b>Net indebtedness (A-B)</b>	<b>(44,430)</b>	<b>(6,881)</b>	<b>419,973</b>	<b>413,092</b>	<b>368,662</b>

<b>Borrowing</b>	
Average balance of long term borrowing during the year over the period to date (£000)	580,361
Opening pool rate at 1 April 2023 (%)	3.37%
Weighted average rate of interest on new loans secured to date	N/A
Average pool rate for year (%)	3.40%

<b>Investments</b>	
Average daily cash balance over period to date (£000)	720,689
Average interest earned over period	4.96%
Benchmark rate - average 1 month SONIA rate	4.92%

## Appendix F

## Prudential Indicators

## Prudential Indicators - Summary

		Approved Indicator	Current Forecast
Affordability			
Incremental impact on Council Tax of 2023/24 and earlier years 'starts'	£	£123.99	£111.58
Ratio of financing costs to net revenue streams	%	9.7%	9.4%
Prudence			
Net borrowing and Capital Financing Requirement		Net borrowing is below the medium term forecast of the CFR	
Capital Expenditure			
Capital expenditure	£m	275	310
Capital Financing Requirement (excluding credit arrangements )	£m	1,324	1,093
External Debt			
Authorised limit (borrowing only )	£m	1,080	N/A
Operational boundary (borrowing only )	£m	900	N/A
Actual external borrowing (maximum level of debt during year)	£m	N/A	596
Treasury Management			
Interest rate exposures			
Upper limit for exposure to fixed rates			
Net exposure	£m	1,080	547
Debt		100.0%	98.7%
Investments		100.0%	78.3%
Upper limit for exposure to variable rates			
Net exposure	£m	380	202
Debt		35.0%	2.8%
Investments		100.0%	85.7%
Maturity structure of borrowing (upper limit)			
Under 12 months	%	30.0%	2.1%
12 months and within 24 months	%	30.0%	3.0%
24 months and within 5 years	%	30.0%	10.3%
5 years and within 10 years	%	40.0%	17.1%
10 years and within 25 years	%	85.0%	24.1%
25 years and within 40 years	%	40.0%	30.3%
40 years and within 50 years	%	20.0%	0.0%
50 years and above	%	20.0%	13.2%
Total sums invested for more than 364 days			
Authorised limit	£m	30	N/A
Actual sums invested (maximum position during year )	£m	N/A	-
Summary			
All Treasury Management activities have been undertaken in accordance with approved policies and procedures.			
External debt is within prudent and sustainable limits.			
Credit arrangements have been undertaken within approved indicators			
Maturity Structure of borrowing: maturity dates for market loans are based on the next review date, not the final maturity date.			