

COUNCIL BUDGET - 2024/25 BUDGET MONITORING (Period 10)

Cabinet Member & Portfolio	Councillor Martin Goddard Cabinet Member for Finance & Transformation
Responsible Officer	Richard Ennis, Corporate Director of Finance
Report Author & Directorate	Andy Goodwin, Finance Matt Davis, Finance
Papers with report	Appendices 1-4

HEADLINES

This report sets out a summary of the Council's General Fund and Housing Revenue Account forecast in-year monitoring position for both revenue and capital budgets as determined at the end of January 2025 (Period 10) for the current financial year 2024/25.

General Fund Revenue

The Council has an approved General Fund expenditure budget of £1.275bn, matched by equivalent funding. As at the end of December 2024 (Period 9), the forecast revenue variance was £10.1m (representing a 0.79% variance against expenditure and 0.40% taking both income and expenditure budgets into consideration). This forecast position was incorporated in the assumed balances carried forward as contained in the Council Tax and Budget Setting report for 2025/26, recently approved by Council.

The forecast variance has marginally increased in this Period 10 monitoring report, rising by £0.9m to a total £11.0m – the monthly change representing a 0.04% change when compared to the total income and expenditure budgets of the General Fund. The variance is entirely contained within service-focussed operating budgets and reflects the ongoing pressures and risks local authorities face in homelessness, childrens' and adults social care provision.

Dedicated Schools Grant [DSG]

The in-year deficit relating to DSG has improved from the previous month forecast by £1.4m to now be estimated at £15.9m. This is a significant improvement on the £25.6m deficit accumulated in the previous financial year and on track to the original forecast deficit for 2024/25 of £16.3m reported in May 2024.

Housing Revenue Account [HRA]

The approved 2024/25 HRA revenue budget consists of £88.7m expenditure matched by an equivalent level of income (rents, service charges and other contributions). The Period 10 budget monitoring position forecasts an unchanged nil variance against this budget. Within the individual changes from the previous month is £0.9m of underspend in operating costs, which has enabled additional spend of £1.0m to be directed to undertake a further £1.0m of repairs to tenant and void properties as well as compliance and inspection works. Rental forecasts have improved by £0.1m as further additional housing stock is brought into use.

General Fund and HRA Capital Programmes

The Council set itself ambitious targets to invest in local services, infrastructure and homes during 2024/25 – a total of £368m being budgeted across both the General Fund and HRA areas in

2024/25. 75% of that target is expected to be spent in year, but the remainder (£92m) will slip into later years, subject to Cabinet approval as part of the Draft Outturn report to be prepared in early 2025/26.

The General Fund capital programme includes a forecast of £9.3m of capital receipts to be used to fund transformation costs leading to ongoing future revenue savings or cost avoidance, and is to be funded from the flexible use of capital receipts (as allowed for under government regulation)

<p>Putting our Residents First</p> <p>Delivering on the Council Strategy 2022-2026</p>	<p>This report supports our ambition for residents / the Council of: An efficient, well-run, digital-enabled council working with partners to deliver services to improve the lives of all our residents</p> <p>This report supports our commitments to residents of: A Digital-Enabled, Modern, Well-Run Council</p>
<p>Financial Cost</p>	<p>N/A</p>
<p>Select Committee</p>	<p>Corporate Resources & Infrastructure</p>
<p>Ward(s)</p>	<p>All</p>

RECOMMENDATIONS

That the Cabinet:

1. **Note the latest forecast outturn position for both the General Fund and HRA 2024/25 revenue and capital budgets;**
2. **Approve the list of revised fees and charges relating to the HRA for 2025/26 as set out in Appendix 4 and explained in paragraphs 30 and 31.**

Reasons for recommendation

1. The reason for **Recommendation 1** is to aid understanding and transparency with regard to the Council's stewardship of residents funding of the Council and to enable decision makers to manage and control their budgets effectively – taking affirmative action where required to live within our means.
2. In order to deliver the maximum and best possible quality housing to our HRA tenants, it is important that fees and charges are set appropriately to cover relevant costs. **Recommendation 2** supports that objective by seeking approval to uplift a range of HRA fees and charges to reflect costs and overall contribution to HRA income streams.

Alternative options considered / risk management

3. Recommendation 1 is for noting and as such have no other options that could be considered.
4. Members may choose to vary the proposed changes to the HRA fees as relates to Recommendation 2, although any change will impact on the HRA business plan for 2025/26 and thus alter HRA reserves by the end of the year.

Select Committee comments

None at this stage.

PART A: MONTHLY BUDGET MONITORING - DETAIL

GENERAL FUND (REVENUE)

- Reports have been provided to Cabinet throughout the earlier part of this financial year. The General Fund revenue budget is of significant scale with £1.257bn of expenditure in the approved budget (and corresponding level of income – collectively £2.514bn, often referred to as “*gross transactional value*”). Should our budgets be 99% delivered against, the potential 1% difference would amount to a £25m variance. It is for this reason that the Council is committed over the medium term to bolster its level of reserves to insulate against such risks.
- At the end of the previous period (December 2024 – Period 9) the forecast General Fund revenue forecast envisaged a £10.1m overall overspend (a 0.4% variance against the above gross transactional budget). This comprised an overall service operating budget variance of £4.9m and £18.8m of the re-classification of unallocated savings and budget re-basing, offset by £2.6m of forecast underspends across contingencies and corporate budgets, and an £11m target to capitalise expenditure.
- The latest forecast sees the projected variance rise slightly to £11.0m – a £0.9m adverse variance. This change is entirely attributable to movements in the service operating budgets element of the overall General Fund revenue budgets. The table below summarises that headline position.

Table 1 – Summary of General Fund Revenue Forecast

	Period 9 (Dec) Forecast			Period 10 (Jan) Forecast			Variance Change (£m's)
	Approved Budget (£m's)	Forecast Outturn (£m's)	Forecast Variance (£m's)	Approved Budget (£m's)	Forecast Outturn (£m's)	Forecast Variance (£m's)	
Property, Highways & Transform	8.3	8.5	0.2	8.3	8.4	0.1	(0.1)
Finance & Transformation	39.4	37.2	(2.2)	39.4	37.0	(2.4)	(0.2)
Corporate Services	24.9	23.5	(1.4)	24.9	23.7	(1.2)	0.2
Residents' Services	40.8	46.0	5.2	40.8	45.8	5.0	(0.2)
Children, Families & Education	77.5	78.4	0.9	77.5	79.7	2.2	1.3
Health & Social Care	111.1	113.4	2.3	111.1	113.3	2.2	(0.1)
Service Operating Budgets	302.1	307.0	4.9	302.1	307.9	5.8	0.9
Re-Allocated Savings	(4.7)	-	4.7	(4.7)	-	4.7	-
Re-allocated Budget Rebasing	(14.1)	-	14.1	(14.1)	-	14.1	-
Pay Award / Risk Contingencies	1.1	-	(1.1)	1.1	-	(1.1)	-
Total Net Expenditure	284.4	307.0	22.6	284.4	307.9	23.5	0.9
Corporate Funding	(284.4)	(285.9)	(1.5)	(284.4)	(285.9)	(1.5)	-
Interventions - Capitalisation	-	(11.0)	(11.0)	-	(11.0)	(11.0)	-
	-	10.1	10.1	-	11.0	11.0	0.9

8. From the table above, it can be seen that the predominant driver of the change in forecast variance relates to a £1.3m movement in the Children, Families and Education portfolio, with movements in other service operating budgets being minor, and no changes to other budgets.
9. The Council is not unique in facing challenges in affording to meet growing pressures particularly in homelessness demand, adult and children's social care pressures. These demand-led pressures are driven by statutory duties to provide support and against a backdrop of continued real-terms funding cuts from government over the last fifteen years. A number of councils have already sought exceptional financial support from central government because of this difficult financial environment – seven London authorities have so far sought £418m in such support for 2025/26. A survey by London Councils has suggested that councils across London are expecting to see budgets exceeded by £700m in the current financial year – on average £21.2m per council and gives some context to the latest forecast variance of £11.0m for this authority.
10. Set out below is a brief overview of the underlying nature of the reported Period 10 variances for each service operating budget portfolio:
 - i. Property, Highways and Transport – the £0.1m forecast overspend relates to slippage in delivery of a saving regarding the review of the Civic Centre operating costs;
 - ii. Finance and Transformation – the overall £2.4m forecast underspend predominantly relates to additional interest earnings on cash balances and lower capital borrowing costs associated with later phasing and in-year underspends across the capital programme, offset by higher than budgeted energy costs;
 - iii. Corporate Services – the £1.2m forecast underspend is driven by optimising the use of alternative funding sources (including recharging others appropriately and capitalisation) in addition to holding a number of posts vacant;
 - iv. Residents' Services – the overall £5.0m forecast overspend within this portfolio is predominantly driven by rising levels of homelessness demand (£4.3m), together with a substantial element of the remainder relating to costs associated with statutory inspections of imported food through Heathrow airport;
 - v. Children, Families and Education – the £2.2m forecast overspend relates almost entirely to the costs of care provision for looked after children.

The movement in forecast of £1.3m from the previous period forecast includes a £0.6m relating to grant funding assumed in the forecast which is unlikely to be able to be utilised in the current financial year as spending forecasts on applicable activity is less than previously assumed. This unused funding remains available to offset emerging pressures in 2025/26 and is not lost to the Council. The service area and Finance are reviewing other means in which this adverse variance may be mitigated before the year end; and

- vi. Health and Social Care – the forecast overall overspend of £2.2m relates to levels of demand for adult social care support at the same time of dealing with significant pressure from care suppliers for above inflation contract rate increases.

11. A further summary table illustrating the service operating budget position is set out in Appendix 1.
12. Key to managing budgets is the continuous monitoring and drive to realise proposed savings approved and included in the budget. Savings of £21.4m were approved for 2024/25 when the budget was set in February 2024.
13. The table below sets out the latest monitoring information for all planned savings and shows a slight worsening as £0.5m of savings have moved from green and amber categories to being in the red (at risk) category. Any anticipated delay in delivering these savings has been included in the £11.0m forecast year-end variance set out above.

Table 2 – 2024/25 Savings Tracker

	Blue Banked (£m's)	Green Delivery in Progress (£m's)	Amber I Initial Stages of Delivery (£m's)	Amber II Potential Problems in Delivery (£m's)	Red Significant Problems in Delivery (£m's)	Savings to be Written Out (£m's)
Property, Highways & Transform	(0.5)	(0.6)	(0.2)	(0.4)	-	-
Finance & Transformation	0.1	(0.9)	-	-	(0.5)	-
Corporate Services	(0.1)	(0.5)	0.1	-	(0.9)	-
Residents' Services	(0.6)	(2.5)	(0.6)	-	(0.8)	(2.9)
Children, Families & Education	(0.2)	(0.6)	(0.4)	-	(0.5)	(0.3)
Health & Social Care	(1.2)	-	(0.2)	-	-	-
Cross Cutting	-	-	-	-	-	(6.2)
Total	(2.5)	(5.1)	(1.3)	(0.4)	(2.7)	(9.4)
<i>Previous Month Total</i>	<i>(2.5)</i>	<i>(5.4)</i>	<i>(1.6)</i>	<i>(0.4)</i>	<i>(2.2)</i>	<i>(9.4)</i>
<i>Change from Previous Month</i>	<i>-</i>	<i>0.3</i>	<i>0.3</i>	<i>-</i>	<i>(0.5)</i>	<i>-</i>

14. In setting the 2025/26 General Fund revenue budget, the 2025/26 Council Tax and Budget Setting Report (approved by Council in Feb 2025) noted the Period 9 forecast outturn and predicted a closing cumulative reserves level of £24.5m (assuming a year-end adverse outturn of £10.1m for 2024/25). The latest forecast, if held to the year-end, would see that anticipated closing reserves position fall slightly to £23.6m
15. Risks remain to deliver a final outturn position in line with the current forecast. In particular, the identification of an additional assumed £11.0m of revenue expenditure capable of being capitalised is currently underway but has yet to identify items to that value in full.
16. Senior management and portfolio holders are committed to continue to identify measures to mitigate continued pressures on service budgets, many of which are demand-led and statutory and will seek to seek alternative options to contribute to this overall position.
17. Income relating to the Council's collection of Council Tax and Business Rates (the latter also termed National Non-Domestic Rates [NNDR]) is subject to special local government accounting regulations that, through the Collection Fund, defer any in-year variances to that originally budgeted into later years. As such, any forecast in-year variance does not ultimately

impact on the 2024/25 revenue account or level of usable reserves carried forward into 2025/26.

18. The Period 10 monitoring forecast of the Collection Fund has seen a £0.5m adverse movement from the £0.9m forecast in Period 9 and will thus form an additional pressure of £0.5m in the 2026/27 financial year (the previously estimated £0.9m being included in the approved 2025/26 budget). The overall forecast deficit is now forecast to be £1.4m and consists of:
- i. Council Tax – forecasting a £2.4m pressure against a budget of £145.8m; and
 - ii. Business Rates – forecasting a £1.0m favourable movement on a £66.9m budget.

Dedicated Schools Grant [DSG]

19. The Dedicated Schools Grant total Block for the Maintained Schools is forecasting a deficit of £15.9m (an improvement of £0.9m on the forecast in Period 9 reporting), representing a significant improvement from the £25.6m reported at outturn 2023/24 and on track to the original forecast deficit for 2024/25 of £16.3m reported in May 2024.
20. The opening deficit brought forward from previous years has been adjusted to reflect an adjustment to the Council's final accounts presented to Audit Committee for approval in February 2025. This adjustment relates to the reversal of creditor accruals in earlier years and is not related to activity within the current financial year. The final adjustment made in the accounts was for £3.1m and differs by £0.9m from the previously reported figure of £4.0m. Taking this adjustment for the opening balance into account, the forecast closing deficit is thus £2.3m better than reported in Period 9.
21. The in-year deficit of £15.9m is wholly driven by High Needs placement demand and cost pressures which continue to be significantly underfunded in the DSG settlement that the authority receives from the Department for Education [DfE]. The table below sets out a summary of the Schools Budget and Forecast:

Table 3 – DSG Income and Expenditure Summary

	2024/25 Budget			Forecast Maintained (£m's)	Period 10 Variance (£m's)	Change from Period 9 (£m's)		
	DSG Settlement (£m's)	Academy Recoupment (£m's)	Council Maintained (£m's)					
	Schools Block	278.9	174.9				104.0	104.0
Early Years Block	36.8	-	36.8	37.0	0.2	0.2		
Central Schools Block	2.5	-	2.5	2.5	-	-		
High Needs Block	68.8	11.6	57.2	72.9	15.7	(1.6)		
Total	387.0	186.5	200.5	216.4	15.9	(1.4)		
						DSG Deficit b/f	50.6	(0.9)
						Plus Period 10 Forecast	15.9	(1.4)
						DSG Deficit c/f	66.5	(2.3)

22. Whilst the Safety Valve Agreement with the Department of Education [*DfE*] is currently suspended, work has continued and is very successfully taking control of the market, managing unit costs down and beginning to see a significant reduction in the deficit as a consequence. It should be noted that constructive discussions with the DfE are continuing and that the Council has set aside £8.0m of available capital receipts which can ultimately be allocated to reduce the deficit.
23. A core target for the revised High Needs Safety Valve Plan is to actively reduce unit costs by concentrating Special Educational Needs [*SEN*] support in-Borough within our maintained schools and thereby reduce dependence on high cost independent and out-of-borough placements. Trend data shows clear evidence that the approach which has been in place since early last financial year is now beginning to have a positive impact.
24. The service strategy to manage the High Needs Deficit Plan through a combination of mitigating costs and releasing savings is beginning to take effect and show significant success, with an in-year forecast reduction of £9.7m on last year's deficit of £25.6m, with both costs and the in-year deficit reducing in 2024/25.
25. The issue of mounting DSG deficits remains a national issue, with projections for a £4bn deficit across the country forming a key strand to lobbying by sector bodies such as the LGA and London Councils.

HOUSING REVENUE ACCOUNT (REVENUE)

26. The Housing Revenue Account [*HRA*] is required to be ring-fenced as a separate account from the General Fund for the income and expenditure related to the provision of social housing and as such neither can subsidise the other. It is accordingly reported separately to the General Fund in the sections above.
27. The HRA is reporting no change from Period 9 and is forecast to balance to the approved budget with no variance to the budgeted closing balances. Slippage in the delivery of additional housing units has marginally impacted on anticipated rental income but is offset by a reduction in associated capital financing costs incurred as the result of acquiring or building those additional units. A summary of the latest HRA monitoring position is set out in the table below:

Table 4 – Housing Revenue Account – Revenue Forecast

	Period 9 (Dec) Forecast			Period 10 (Jan) Forecast			Variance Change (£m's)
	Approved Budget (£m's)	Forecast Outturn (£m's)	Forecast Variance (£m's)	Approved Budget (£m's)	Forecast Outturn (£m's)	Forecast Variance (£m's)	
Operational Assets	14.0	14.0	-	14.0	15.0	1.0	1.0
Director of Housing	9.6	9.7	0.1	9.6	9.2	(0.4)	(0.5)
Other Service Areas	1.0	1.0	-	1.0	0.8	(0.2)	(0.2)
Contribution to Shared Services	13.3	13.3	-	13.3	13.1	(0.2)	(0.2)
HRA Operating Costs	37.9	38.0	0.1	37.9	38.1	0.2	0.1
Capital Programme Financing	26.7	26.0	(0.7)	26.7	26.0	(0.7)	-
Interest Expenditure & Income	16.1	16.1	-	16.1	16.1	-	-
Total Expenditure	80.7	80.1	(0.6)	80.7	80.2	(0.5)	0.1
Rent & Other Income	(80.6)	(80.0)	0.6	(80.6)	(80.1)	0.5	(0.1)
(Surplus) / Deficit	0.1	0.1	-	0.1	0.1	-	-
HRA Reserves b/f	15.1	15.1	-	15.1	15.1	-	-
(Surplus) / Deficit	(0.1)	(0.1)	-	(0.1)	(0.1)	-	-
HRA Reserves c/f	15.0	15.0	-	15.0	15.0	-	-

28. A summary of the key variances for the HRA are set out below:

- i. Operational Assets – anticipated savings across other elements of the HRA revenue budget have released an additional £1.0m of resources that have been able to be directed toward improving the residents homes through further repairs and maintenance works; void refurbishments (to bring vacant homes back into use quicker); and compliance and inspection programmes;
- ii. Staffing costs of the HRA, energy costs for communal areas etc, and recharges from the General Fund for back-office services it supplies to the HRA are contained within the Director of Housing, Other Service Areas, and Contribution to Shared Services budget headings. Additional savings of £0.9m in these budgets have enable the above additional investment in improving the homes of residents;
- iii. Capital Programme Financing and Interest Expenditure & Income budgets show no change in forecast from the prior month. Slippage in the capital programme creates a modest underspend of £0.7m in this year's expected capital charges; and
- iv. Rents and Other Income includes both rents and service charges for tenants and leaseholders. Slippage in the delivery of additional units within the HRA sees income forecast to be £0.5m lower than originally budgeted – a £0.1m improvement on the forecast position in the previous period.

29. The overall revenue forecast for the HRA remains unchanged as previously reported in Period 9 as a balanced net budget. Forecast reserves at year end thus also remain unchanged at £15.0m after the originally planned drawdown of £0.1m.

30. Fees and charges changes for 2025/26 were generally considered in the Council's recent Budget and Council Tax Setting report (approved by Council February 2025). That report omitted a number of charges relating to the HRA as cost modelling remained to be completed and validated.
31. This report seeks Cabinet approval for a number of HRA charges to be approved for the financial year 2025/26. A schedule of these proposed charges is set out in Appendix 4. In the main, these charges are proposed to be increased by 1.7% (the September 2024 Consumer Price Index [CPI] and generally used for a large number of government uplifts to benefits etc). Energy cost prices are proposed to be reduced in line with anticipated costs and reflect aiming to charge residents for the cost of energy used without making a surplus.

GENERAL FUND CAPITAL PROGRAMME

32. At the time of compiling this report, the Council had not set a new capital programme as part of the 2025/26 Budget Setting process. This report is based on the capital budgets as pertained to the position at the end of Period 10.
33. The General Fund capital programme is forecasting a spend of £111.9m against a then approved budget of £160.3m – a forecast underspend of £48.4m. Of this variance, one programme (Older People's Initiatives) is reported as an overall underspend with the remainder to be requested as slippage into next or other future years. A request to slip current year budgets will be submitted to Cabinet as part of the Draft Outturn Report early in the new financial year.
34. A summary of the General Fund capital monitoring position is set out in the table below and more comprehensive details provided in Appendix 2.

Table 5 – General Fund Capital Monitoring

	2024/25 Budget (£,000's)	2024/25 Forecast (£,000's)	2024/25 Variance (£,000's)	2024/25 Rephasing (£,000's)	Other Movement (£,000's)
Property, Highways & Transform	65,348	43,102	(22,246)	(22,246)	-
Finance & Transformation	7,000	13,300	6,300	6,300	-
Residents' Services	1,834	772	(1,062)	(1,062)	-
Children, Families & Education	33,063	9,500	(23,563)	(23,563)	-
Health & Social Care	6,000	6,000	-	-	-
Major Projects	113,245	72,674	(40,571)	(40,571)	-
Property, Highways & Transform	27,420	21,892	(5,528)	(5,528)	-
Finance & Transformation	4,511	3,131	(1,380)	(1,380)	-
Corporate Services	4,819	4,295	(524)	(374)	(150)
Residents' Services	3,604	3,035	(569)	(569)	-
Children, Families & Education	1,138	1,295	157	157	-
Health & Social Care	2,850	2,850	-	-	-
Programme of Works	44,342	36,498	(7,844)	(7,694)	(150)
Capital Contingency	2,701	2,701	-	-	-
Total General Fund Capital	160,288	111,873	(48,415)	(48,265)	(150)

35. The General Fund capital programme includes a forecast of £9.3m of capital receipts to be used to fund transformation costs leading to ongoing future revenue savings or cost avoidance, and is to be funded from the flexible use of capital receipts (as allowed for under government regulation). The ability to finance these costs is predicated on the delivery of capital receipts from asset disposals.
36. As detailed in Appendix 2, the anticipated slippage in capital expenditure is expected to be fully spent in the remaining years of the five-year capital programme (with the exception of the £150k specifically mentioned above)

HOUSING REVENUE ACCOUNT CAPITAL PROGRAMME

37. The HRA has an approved capital budget of £207.7m (as at Period 10 and before Council approved the new Medium Term Financial Strategy in February 2025) and is anticipating a year-end spend of £164.3m against this budget – a variance of £43.4m. The entirety of this variance is assumed to be rolled-forward and spent in future years to maintain investment in the Council's stock of housing.
38. Details of individual programme budgets and forecasts are set out in Appendix 3 and are summarised in the table below:

Table 6 – Housing Revenue Account Capital Monitoring

	2024/25 Budget (£,000's)	2024/25 Forecast (£,000's)	2024/25 Variance (£,000's)	2024/25 Rephasing (£,000's)	Other Movement (£,000's)
Acquisitions - Allocated	84,805	79,109	(5,696)	(5,696)	-
Development - Allocated	15,650	10,417	(5,233)	(5,233)	-
Unallocated	29,537	-	(29,537)	(29,537)	-
Contingency	4,000	4,000	-	-	-
Major Projects	133,992	93,526	(40,466)	(40,466)	-
Hayes Regeneration	31,798	31,798	-	-	-
Green Homes Initiative	6,756	4,997	(1,759)	(1,759)	-
House Extension Programme	1,786	1,786	-	-	-
HRA Works to Stock Programme	30,919	29,725	(1,194)	(1,194)	-
Major Adaptations	2,457	2,457	-	-	-
Programme of Works	41,918	38,965	(2,953)	(2,953)	-
Total HRA Capital	207,708	164,289	(43,419)	(43,419)	-

39. As detailed in Appendix 3, the anticipated slippage in capital expenditure is expected to be fully spent in the remaining years of the five-year capital programme

TREASURY MANAGEMENT UPDATE

40. The Council invests surplus balances which have derived from balances relating to, amongst other items, creditor balances; provisions; reserves; grants and contributions paid in advance etc.

41. As at the end of Period 10, the Council had £66.1m on deposit in a range of financial instruments (a reduction of £4.3m from the previous month) and is summarised in the table below:

Table 7 – Investments

	Actual (£m's)	Actual (%age)	Movement from Per 9 (£m's)
Call A/c & Money Market Funds [MMF's]	31.6	47.8%	8.2
Up to 3-Mth Fixed Term Deposits	19.5	29.5%	(12.5)
	51.1	77.3%	(4.3)
Strategic Pooled Investment Funds	15.0	22.7%	-
Total	66.1		(4.3)
<i>Average Balances (Apr 24 to Jan 25)</i>	78.5		

42. The Council has long term borrowing which has been taken to fund capital investment historic and current capital projects. Overall borrowing has risen by £2.5m since the previous month (£8.5m borrowing for the HRA offset by a net £6.0m repayment of General Fund debt). In total the Council had £475.2m of borrowing outstanding at the end of Period 10 - £172.9m by the General Fund and £302.4m by the HRA. A summary of the Council's borrowings is set out in the table below:

Table 8 – Borrowing

	General Fund (£m's)	Housing Revenue Account (£m's)	Total (£m's)	Average Interest Rate (%age)
PWLB Long Term Debt	81.9	249.4	331.2	3.65%
Market Borrowing	15.0	33.0	48.0	4.11%
Local Authorities	76.0	-	76.0	5.33%
PWLB Short Term Debt	-	20.0	20.0	5.07%
Total	172.9	302.4	475.2	4.02%
<i>Change from Month 9</i>	(6.0)	8.5	2.5	0.06%

43. The need to borrow and timing of that borrowing has been less than originally anticipated as the delivery of capital programmes have been delayed. Both the General Fund and HRA revenue forecasts include favourable variances as interest costs are lower (£2.4m and £0.7m respectively).

Appendix 1: Service Operating Budgets and Forecast

Service		Approved Budget	Underlying Forecast	Earmarked Reserves	Provisions	Transformation Capitalisation	Forecast Outturn	Variance	Month 9	Movement
		£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Cabinet Member for Property, Highways & Transport	Expenditure	18.5	19.9	(0.1)	0.0	0.0	19.8	1.3	1.4	(0.1)
	Income	(10.2)	(11.4)	0.0	0.0	0.0	(11.4)	(1.2)	(1.2)	0.0
	Subtotal	8.3	8.5	(0.1)	0.0	0.0	8.4	0.1	0.2	(0.1)
Cabinet Member for Finance	Expenditure	145.7	145.8	(0.1)	0.0	(3.2)	142.5	(3.2)	(2.8)	(0.4)
	Income	(106.3)	(105.5)	0.0	0.0	0.0	(105.5)	0.8	0.6	0.2
	Subtotal	39.4	40.3	(0.1)	0.0	(3.2)	37.0	(2.4)	(2.2)	(0.2)
Cabinet Member for Corporate Services	Expenditure	26.6	27.8	0.0	0.0	(1.0)	26.8	0.2	0.4	(0.2)
	Income	(1.7)	(3.1)	0.0	0.0	0.0	(3.1)	(1.4)	(1.8)	0.4
	Subtotal	24.9	24.7	0.0	0.0	(1.0)	23.7	(1.2)	(1.4)	0.2
Cabinet Member for Residents' Services	Expenditure	88.1	102.9	(0.6)	0.0	(0.5)	101.8	13.7	15.5	(1.8)
	Income	(47.3)	(56.0)	0.0	0.0	0.0	(56.0)	(8.7)	(10.3)	1.6
	Subtotal	40.8	46.9	(0.6)	0.0	(0.5)	45.8	5.0	5.2	(0.2)
Cabinet Member for Children, Families & Education	Expenditure	101.1	107.6	0.0	0.0	(4.0)	103.6	2.5	0.9	1.6
	Income	(23.6)	(23.9)	0.0	0.0	0.0	(23.9)	(0.3)	0.0	(0.3)
	Subtotal	77.5	83.7	0.0	0.0	(4.0)	79.7	2.2	0.9	1.3
Cabinet Member for Health and Social Care	Expenditure	162.6	170.9	0.0	(0.6)	(0.6)	169.7	7.1	7.5	(0.4)
	Income	(51.5)	(55.9)	(0.5)	0.0	0.0	(56.4)	(4.9)	(5.2)	0.3
	Subtotal	111.1	115.0	(0.5)	(0.6)	(0.6)	113.3	2.2	2.3	(0.1)
		302.0	319.1	(1.3)	(0.6)	(9.3)	307.9	5.9	5.0	0.9

Appendix 2: General Fund Capital Programme

	Current Year Budget	Current Year Forecast	Current Year Cost Variance	Current Year Rephasing Variance	5-Year Budget	5-Year Forecast Spend	5-Year Forecast Variance	Council Resources	Government Grants	Other Cont'ns
GF Major Projects										
Property, Highways and Transport										
Appropriation of Townfield to General Fund	100	0	0	(100)	100	100	0	(100)	0	0
Asha Day Centre Refurbishment	45	20	0	(25)	45	45	0	(45)	0	0
Battle of Britain Underground Bunker	430	131	0	(299)	430	430	0	(430)	0	0
Botwell Leisure Centre Adaptations	250	250	0	0	250	250	0	(250)	0	0
Botwell Leisure Centre Football Pitch Replacement	99	0	0	(99)	99	99	0	(99)	0	0
Carbon Initiatives	13,532	10,101	0	(3,431)	13,532	13,532	0	(3,431)	(10,101)	0
Cedars & Grainges Car Park Improvements	10	10	0	0	10	10	0	(10)	0	0
Charville Lane - Children Specialist House	4,141	3,030	0	(1,111)	4,341	4,341	0	(1,354)	(2,987)	0
Civic Centre Transformation	14,976	12,509	0	(2,467)	16,476	16,476	0	(16,476)	0	0
Cranford Park Heritage	244	244	0	0	244	244	0	(244)	0	0
Flood Alleviation	165	22	0	(143)	165	165	0	(165)	0	0
Harefield Family Hub New Build	2,050	1,750	0	(300)	2,150	2,150	0	(2,150)	0	0
Hillingdon Water Sports Facility	10,128	1,100	0	(9,028)	23,128	23,128	0		(23,128)	0
Housing Company Financing	5,858	5,858	0	0	10,858	10,858	0	(10,858)	0	0
Jubilee Leisure Centre, West Drayton	8,429	6,153	0	(2,276)	19,014	19,014	0	(19,014)	0	0
Motor Vehicle Workshop - Relocation	465	320	0	(145)	465	465	0	(465)	0	0
New Years Green Lane Extension	932	150	0	(782)	932	932	0	(882)	(50)	0
Northwood Hills Library (New)	2,390	0	0	(2,390)	2,390	2,390	0	(2,390)	0	0
Otterfield Road library	0	0	0	0	1,974	1,974	0	(1,974)	0	0
Parking Improvements	401	780	0	379	401	401	0	(401)	0	0
Uxbridge Cemetery Gatehouse & Chapel Refurbishment	522	492	0	(30)	522	522	0	(476)	0	0
Uxbridge Mortuary Extension	138	138	0	0	138	138	0	(138)	0	0
Yiewsley / West Drayton Community Centre	43	43	0	0	43	43	0	(43)	0	0
Property, Highways and Transport Total	65,348	43,102	0	(22,246)	97,707	97,707	0	(61,395)	(36,266)	0

	Current Year Budget	Current Year Forecast	Current Year Cost Variance	Current Year Rephasing Variance	5-Year Budget	5-Year Forecast Spend	5-Year Forecast Variance	Council Resources	Government Grants	Other Cont'ns
Finance										
Capitalisation of Transformation Expenditure	3,000	9,300	0	6,300	3,000	3,000	0	(2,303)	0	0
DSG Capitalisation Support	4,000	4,000	0	0	8,000	8,000	0	(8,000)	0	0
Finance Total	7,000	13,300	0	6,300	11,000	11,000	0	(10,303)	0	0
Residents										
Shopping Parade Initiatives	1,594	532	0	(1,062)	1,594	1,594	0	(1,594)	0	0
Waste Services Improvements	240	240	0	0	240	240	0	(240)	0	0
Residents Total	1,834	772	0	(1,062)	1,834	1,834	0	(1,834)	0	0
Children, Families and Education										
Secondary School Expansions	7,544	0	0	(7,544)	7,544	7,544	0	(7,544)	0	0
SRP / SEND	25,519	9,500	0	(16,019)	25,519	25,519	0	(20,000)	(5,519)	0
Children, Families and Education Total	33,063	9,500	0	(23,563)	33,063	33,063	0	(27,544)	(5,519)	0
Health and Social Care										
Investment in Home Care Capacity	6,000	6,000	0	0	10,500	10,500	0	(10,500)	0	0
Health and Social Care Total	6,000	6,000	0	0	10,500	10,500	0	(10,500)	0	0
GF Major Projects Total	113,245	72,674	0	(40,571)	154,104	154,104	0	(111,576)	(41,785)	0

	Current Year Budget	Current Year Forecast	Current Year Cost Variance	Current Year Rephasing Variance	5-Year Budget	5-Year Forecast Spend	5-Year Forecast Variance	Council Resources	Government Grants	Other Cont'ns
GF Programme of Works										
Property, Highways and Transport										
Bowls Club Refurbishment	63	61	0	(2)	63	63	0	(63)	0	0
D.F.G. - Mandatory	4,319	1,000	0	(3,319)	12,903	12,903	0	0	(12,903)	0
Emergency Active Travel	41	41	0	0	41	41	0	(30)	(11)	0
Environmental and Recreational Initiatives - Pollution Screening	484	484	0	0	484	484	0	0	(484)	0
Highways Bridges and Structures	300	300	0	0	1,500	1,500	0	(1,500)		0
Highways Section 106 Projects	477,790	477,790	0	0	477,790	477,790	0	0	(56)	(53)
Highways Structural Works	9,671	9,671	0	0	42,671	42,671	0	(42,219)		0
HS2 Amenity Fund	212	0	0	(212)	212	212	0	0	(212)	0
HS2 Road Safety Fund	338	338	0	0	338	338	0	0	(338)	0
Leisure Centre Refurbishment	748	626	0	(122)	1,148	1,148	0	(722)	(426)	0
Property Works Programme	1,213	1,259	0	46	3,777	3,777	0	(3,823)	0	0
Road Safety	120	120	0	0	600	600	0	(600)	0	0
School Building Condition Works	7,028	5,109	0	(1,919)	20,696	20,696	0	0	(20,696)	0
Street Lighting Replacement	925	925	0	0	4,625	4,625	0	(4,625)	0	0
Transport for London	1,481	1,481	0	0	7,313	7,313	0	0	(7,290)	0
Property, Highways and Transport Total	27,420	21,892	0	(5,528)	96,848	96,848	0	(53,582)	(42,415)	(53)
Finance										
Purchase of Vehicles	4,511	3,131	0	(1,380)	4,511	4,511	0	(4,511)	0	0
Finance Total	4,511	3,131	0	(1,380)	4,511	4,511	0	(4,511)	0	0
Corporate Services										
Corporate Technology and Innovation Programme	4,619	4,245	0	(374)	16,116	16,116	0	(16,106)	(10)	0
Older Peoples Initiative	200	50	(150)	0	1,000	850	(150)	(1,000)	0	0
Corporate Services Total	4,819	4,295	(150)	(374)	17,116	16,966	(150)	(17,106)	(10)	0

	Current Year Budget	Current Year Forecast	Current Year Cost Variance	Current Year Rephasing Variance	5-Year Budget	5-Year Forecast Spend	5-Year Forecast Variance	Council Resources	Government Grants	Other Cont'ns
Residents										
CCTV Programme	349	349	0	0	1,094	1,094	0	(1,094)	0	0
Chrysalis Programme	2,228	1,928	0	(300)	8,228	8,228	0	(5,077)	0	(3,151)
Environmental and Recreational Initiatives - Green Spaces	677	408	0	(269)	677	677	0	0	(199)	(4078)
Playground Replacement Programme	200	200	0	0	1,000	1,000	0	(1,000)	0	0
Property Works Programme	43	43	0	0	43	43	0	(43)	0	0
Sports Clubs Rebuild / Refurb Programme	107	107	0	0	107	107	0	0	(107)	0
Residents Total	3,604	3,035	0	(569)	11,149	11,149	0	(7,214)	(306)	(3,629)
Children, Families and Education										
Devolved Capital to Schools	385	385	0	0	1,925	1,925	0	0	(1,925)	0
Youth Provision	753	910	0	157	1,153	1,153	0	0	(1,153)	0
Children, Families and Education Total	1,138	1,295	0	157	3,078	3,078	0	0	0	0
Health and Social Care										
Equipment Capitalisation - Social Care	2,850	2,850	0	0	14,250	14,250	0	0	(14,250)	0
Health and Social Care Total	2,850	2,850	0	0	14,250	14,250	0	0	(14,250)	0
GF Programme of Works Total	44,342	36,498	(150)	(7,694)	146,952	146,802	(150)	(82,413)	(60,059)	(3,682)
GF Capital Contingency										
GF Contingency										
General Fund Capital Contingency	2,701,000	2,701,000	0	0	10,701,000	10,701,000	0	(10,701)	0	0
GF Contingency Total	2,701,000	2,701,000	0	0	10,701,000	10,701,000	0	(10,701)	0	0
GF Capital Contingency Total	2,701	2,701	0	0	10,701	10,701	0	(10,701)	0	0
Grand Total	160,288	111,873	(150)	(48,266)	311,757	311,607	(150)	(204,690)	(101,844)	(3,682)

Appendix 3: HRA Capital Programme

	Current Year Budget	Current Year Forecast	Current Year Cost Variance	Current Year Rephasing Variance	5-Year Budget	5-Year Forecast Spend	5-Year Forecast Variance	Council Resources	Government Grants	Other Cont'ns
HRA Major Projects										
Acquisition and Development Unallocated	29,537	0	0	(29,537)	105,071	75,292	(29,779)	(105,071)	0	0
Acquisitions	84,805	79,109	0	(5,696)	118,116	112,420	(5,696)	(96,103)	(22,013)	0
Development Allocated	15,650	10,417	0	(5,233)	15,650	50,587	34,937	(4,507)	(11,143)	0
HRA General Contingency	4,000	4,000	0	0	20,000	20,538	538	(20,000)	0	0
HRA Major Projects Total	133,992	93,525	0	(40,467)	258,837	258,837	0	(225,681)	(33,156)	0
HRA Regen										
Hayes Regeneration	31,798	31,798	0	0	132,298	132,298	0	(131,249)	(1,049)	0
HRA Regen Total	31,798	31,798	0	0	132,298	132,298	0	(131,249)	(1,049)	0
HRA Programme of Works										
Green Homes Initiatives Programme	6,756	4,997	0	(1,759)	37,187	37,187	0	(24,287)	(12,900)	0
House Extension Programme	1,786	1,786	0	0	5,577	5,577	0	(5,577)	0	0
HRA Works to Stock Programme	30,919	29,725	0	(1,194)	126,695	126,695	(0)	(126,695)	0	0
Major Adaptations	2,457	2,457	0	0	12,347	12,347	0	(12,347)	0	0
HRA Programme of Works Total	41,918	38,965	0	(2,953)	181,806	181,806	(0)	(168,906)	(12,900)	0
Grand Total	207,708	164,288	0	(43,420)	572,941	572,941	(0)	(525,836)	(47,105)	0