

NOTICE OF MEETING

Meeting: CABINET

Date and Time: WEDNESDAY, 6 NOVEMBER 2024, AT 10.00 AM

Place: COUNCIL CHAMBER - APPLETREE COURT, BEAULIEU ROAD, LYNDHURST, SO43 7PA

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PUBLIC INFORMATION:

This agenda can be viewed online (<https://democracy.newforest.gov.uk>). It can also be made available on audio tape, in Braille and large print.

Members of the public are welcome to attend this meeting. The seating capacity of our Council Chamber public gallery is limited under fire regulations to 22.

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PUBLIC PARTICIPATION:

Members of the public may speak in accordance with the Council's [public participation scheme](#):

- (a) on items within the Cabinet's terms of reference which are not on the public agenda; and/or
- (b) on individual items on the public agenda, when the Chairman calls that item. Speeches may not exceed three minutes.

Anyone wishing to attend the meeting, or speak in accordance with the Council's public participation scheme, should contact the name and number shown above no later than 12.00 noon on Friday, 1 November 2024.

Kate Ryan
Chief Executive

Appletree Court, Lyndhurst, Hampshire. SO43 7PA
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AGENDA

Apologies

1. MINUTES

To confirm the minutes of the meeting held on 2 October 2024 as a correct record.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. PUBLIC PARTICIPATION

To receive any public participation in accordance with the Council's public participation scheme.

4. CORPORATE PLAN – KEY PERFORMANCE INDICATORS (Pages 3 - 8)

5. FINANCIAL MONITORING REPORT (BASED ON PERFORMANCE APRIL - SEPTEMBER 2024 INCLUSIVE) (Pages 9 - 24)

To:

Councillors

Jill Cleary (Chairman)
Steve Davies (Vice-Chairman)
Geoffrey Blunden

Councillors

Jeremy Heron
Dan Poole
Derek Tipp

Cabinet – 6 November 2024

Corporate Plan Key Performance Indicators (KPIs)

Purpose	For Decision
Classification	Public
Executive Summary	Cabinet were previously presented with the list of corporate plan KPIs. An action was tasked for EMT to review the KPIs and targets. This was undertaken in August. A number of observations were raised by EMT. Feedback from services has now been incorporated into the final list of KPIs with updated targets as appropriate. The KPI list 2024-2028 is now presented for approval.
Recommendation(s)	That Cabinet approve the KPI list 2024-2028.
Reasons for recommendation(s)	Following the approval of a suite of performance documents at Cabinet, EMT were asked to consider the list of Key Performance Indicators (KPIs), baseline and targets. These KPIs form our Corporate Plan set of measures. The KPIs require approval in order for the Q1 and Q2 results to be finalised and prepared for sharing internally before being published to Overview and Scrutiny Panels Cabinet as per our Performance Management Framework.
Ward(s)	All
Portfolio Holder(s)	Councillor Jill Cleary, Leader
Strategic Director(s)	Alan Bethune, Strategic Director Corporate Resources S151 and Transformation
Officer Contact	Name: Saqib Yasin Job Title: Performance and Insight Manager Telephone Number: +442380285495 Email address: saqib.yasin@nfdc.gov.uk

Introduction and background

1. Following the approval of a suite of performance documents at Cabinet, EMT were asked to consider the list of Key Performance Indicators (KPIs), baseline and targets. These were presented to EMT in the summer, along with a slide deck showing how the KPIs had been formed from the Corporate Plan.
2. The list of KPIs were presented and a number of prompts were posed to frame a discussion:
 - Reviewing the KPI List
 - Do they meet the KPI Challenge? (a set of considerations for a good performance indicator)
 - Should targets be revised, giving attention to any benchmarking, baseline figures and service pressures?
 - Might we wish to set any RAG tolerances and agree a set of narrative guidelines for inclusion in dashboards
3. A number of observations were raised by EMT. With follow-up from our services, we are now able to present back the updated KPI list.

The following should be read in conjunction with the KPI list 2024 / 28 referenced in **Appendix 1**.

There were a number of formatting and consistency issues highlighted which have now been resolved. This includes presenting survey results in a consistent format (% top scores).

Additionally, a number of targets were updated to reflect a new and challenging target profile, including tenant overall satisfaction, Appletree Careline customers and waste and recycling measures. Some of the measures were also changed from snapshot to cumulative to illustrate the incrementing nature of some of the KPIs (to year-end targets).

All matters are now resolved, and this report seeks approval from Cabinet for the KPI list 2024 / 28.

Next steps

4. Results against these KPIs are now being collated and will be presented to the relevant Overview and Scrutiny Panels, with the results over Q1 and Q2 this year, to follow the approval of the KPIs.

Corporate plan priorities

5. The KPIs are directly linked to the Corporate Plan priorities as outlined in the appendix.

Options appraisal

6. The recommendation that Cabinet approve the KPI list 2024 / 28 has been made following extensive work and consideration of alternative KPIs and targets beginning with the development of the Corporate Plan 2024 / 28.

Consultation undertaken

7. The performance team have worked closely with data owners, responsible service managers and strategic directors to form the KPI list 2024 / 28, including identify KPIs which align with corporate plan objectives, consideration of baseline and benchmarking data (where applicable) and the setting of SMART targets.

Financial and resource implications

8. There are no financial or resource implications arising from this report.

Legal implications

9. There are no legal implications arising from this report.

Risk assessment

10. There is a risk that while the KPIs are not fully resolved, we cannot demonstrate accountability against the commitments set out in the Corporate Plan or publish performance results.

Environmental / Climate and nature implications

11. There are no environmental / climate and nature implications arising from this report.

Equalities implications

12. There are no equalities implications arising from this report.

Crime and disorder implications

13. There are no crime and disorder implications arising from this report.

Data protection / Information governance / ICT implications

14. There are no Data protection / Information governance / ICT implications arising from this report.

Conclusion

15. In conclusion Cabinet is to be aware that the KPI list 2024 / 28 has been updated following discussion with EMT, resulting in the resolution of some formatting and display issues and amendment to some targets.
16. Once approved progress against these KPIs will be presented to the relevant Overview and Scrutiny Panels at a future date.

Appendices:

Appendix 1 – KPI List 2024-2028

Background Papers:

N/A

APPENDIX 1

Theme	Priority	Overview and Scrutiny Panel	Portfolio Holder	NFDC ID	Short Name	Good Performance Up/ Down	Return Format	Freq.	Bench-marking	Baseline	Total 2024/25 Target
People	Helping those in our community with the greatest need	Housing and Communities	Cllr Steve Davies	1	Percentage of homelessness duty cases successfully prevented.	Up	%	Quarterly	-	50%	>50%
		Housing and Communities	Cllr Steve Davies	2	Number of households in external emergency accommodation.	Down	Num	Quarterly	-	50	<50
		Housing and Communities	Cllr Steve Davies	3	Number of families with children under 16 in external emergency shared accommodation over 6 weeks	Down	Num	Quarterly	-	7	<7
		Housing and Communities	Cllr Dan Poole	4	Number of Appletree careline services provided to customers.	Up	Num	Quarterly	-	3942	4139
	Empowering our residents to live healthy, connected and fulfilling lives	Housing and Communities	Cllr Dan Poole	5	Resident perception that their quality of life is affected by the fear of crime	Down	%	2 years	-	24.5%	20%
		Housing and Communities	Cllr Dan Poole	6	Resident perception that they feel safe when outside in their local area	Up	%	2 years	-	85%	85%
		Housing and Communities	Cllr Dan Poole	7	Investment in and rollout of public space CCTV system	Up	£	Quarterly	-	0	40000
		Housing and Communities	Cllr Dan Poole	8	Number of education and awareness sessions in relation to serious crime.	Neutral	Num	Quarterly	-	0	Monitor
		Housing and Communities	Cllr Dan Poole	9	Number of positive interventions in response to Public Spaces Protection Orders (1 and 2).	Neutral	Num	Quarterly	-	953	Monitor
		Housing and Communities	Cllr Dan Poole	10	Number of cultural events and activities supported by New Forest District Council.	Up	Num	Quarterly	-	0	24
	Meeting housing needs	Housing and Communities	Cllr Steve Davies	11	Number of affordable social housing homes delivered by NFDC and its partners.	On forecast	Num	Annual	-	133	186
		Housing and Communities	Cllr Steve Davies	12	Number of affordable council homes delivered against the 2018-2026 target.	On forecast	Num	Annual	-	339	373
		Housing and Communities	Cllr Steve Davies	13	Percentage score for overall tenant satisfaction with the Council as a landlord, as determined in the Tenant Satisfaction Measures (TSMs)	Up	%	Annual	TBC	81.1%	81.60%
		Housing and Communities	Cllr Steve Davies	14	Number of council homes achieving Energy Performance Certification band C.	Up	Num	Annual	-	2546	2646
		Housing and Communities	Cllr Steve Davies	15	Percentage scores for the 5 safety and compliance management Tenant Satisfaction Measures (TSMs)	Up	%	Quarterly	-	96.08%	96.80%
Place	Shaping our place now and for future generations	Place and Sustainability	Cllr Derek Tipp	16	Percentage of major planning applications determined in time	Up	%	Quarterly	86.7%	86%	85%
		Place and Sustainability	Cllr Derek Tipp	17	Percentage of minor planning applications determined in time	Up	%	Quarterly	81.9%	94%	95%
		Place and Sustainability	Cllr Derek Tipp	18	Percentage of other planning applications determined in time	Up	%	Quarterly	86.1%	97%	95%
		Place and Sustainability	Cllr Derek Tipp	19	Percentage of allowed planning appeals	Down	%	Annual	-	25%	<10%
		Place and Sustainability	Cllr Derek Tipp	20	The total outstanding net dwelling supply as set out in our development plan.	Down	Num	Annual	-	8443	7,720+ delivery shortfall
	Protecting our climate, coast, and natural world	Place and Sustainability	Cllr Geoffrey Blunden	21	Kilogrammes of non-recycled waste produced per household	Down	Kg	Quarterly	95.95kg	457.18	456
		Place and Sustainability	Cllr Geoffrey Blunden	22	Households using our chargeable garden waste service as a percentage of total properties in NFDC.	Up	%	Quarterly	-	26%	27%
		Place and Sustainability	Cllr Geoffrey Blunden	23	Emissions from the council's vehicle fleet.	Down	Tonnes of CO2e	Annual	-	1696	Monitor
		Place and Sustainability	Cllr Geoffrey Blunden	24	Percentage of household waste sent for recycling.	Up	%	Quarterly	41.36%	33.9%	38.5%
	Caring for our facilities, neighbourhoods and open spaces in a modern and responsive way	Place and Sustainability	Cllr Geoffrey Blunden	25	Number of fly-tipping incidents per 1,000 people	Down	Num	Quarterly	-	13.94	<13.94
		Place and Sustainability	Cllr Geoffrey Blunden	26	Percentage customer satisfaction with the appearance of their local area.	Up	%	2 years	-	-	75%
		Place and Sustainability	Cllr Geoffrey Blunden	27	Equivalent number of 0.5 litre bottles filled at water-filling stations - waste averted	Up	Num	Quarterly	-	22880	23000
	Prosperity	Maximising the benefits of inclusive economic growth and investment	Place and Sustainability	Cllr Derek Tipp	28	Squared metres of industrial/employment land developed.	Up	Sqm	Annual	-	21,209sqm
Place and Sustainability			Cllr Jeremy Heron	29	Level (£) of retained business rates (at source)	Up	£	Annual	-	£0	£0
Supporting our high-quality business base and economic centres to thrive and grow		Place and Sustainability	Cllr Geoffrey Blunden	30	Resident perception of our highstreets and town centres	Up	%	2 years	-	-	82.50%
		Place and Sustainability	Cllr Derek Tipp	31	Vacancies of retail premises within town/local centres	Down	%	Annual	-	10%	Monitor
Championing skills and access to job opportunities		Place and Sustainability	Cllr Derek Tipp	32	Employment rate percentage of working age adults (aged 16-64).	Up	%	Annual	-	80%	Monitor
		Place and Sustainability	Cllr Derek Tipp	33	Proportion (in percentage terms) of employee jobs with hourly pay below the living wage.	Down	%	Annual	-	14.2%	Monitor
Future New Forest	Putting our customers at the heart	Resources and Transformation	Leader, Cllr Jill Cleary	34	Resident satisfaction with Council services	Up	%	2 years	-	62%	65%
		Resources and Transformation	Cllr Jeremy Heron	35	Staff satisfaction score with NFDC ICT services	Maintain	%	Annual	-	-	70%
		Resources and Transformation	Cllr Jeremy Heron	36	Resident satisfaction score with the quality of NFDC digital services	Maintain	%	Annual	-	-	70%
	Being an employer of choice	Resources and Transformation	Leader, Cllr Jill Cleary	37	Percentage of vacancies filled first time.	Up	%	Quarterly	-	73.5%	80%
		Resources and Transformation	Leader, Cllr Jill Cleary	38	Percentage staff turnover.	Down	%	Annual	14%	13.48%	11%
		Resources and Transformation	Leader, Cllr Jill Cleary	39	Average number of days sickness absence per employee.	Down	Num	Quarterly	8.91	9.88	8
		Resources and Transformation	Leader, Cllr Jill Cleary	40	Number of council apprenticeships	Up	Num	Annual	-	12	10
	Being financially responsible	Resources and Transformation	Cllr Jeremy Heron	41	Percentage variance to Council budget +/- (General fund budget variations).	Up or down	%	Quarterly	-	-8.1%	+/- 3%
		Resources and Transformation	Cllr Jeremy Heron	42	Percentage variance to Housing Revenue budget +/- (HRA budget variations).	Up or down	%	Quarterly	-	3.89%	+/- 3%
		Resources and Transformation	Cllr Jeremy Heron	43	Percentage of Council Tax collected in year	Up	%	Quarterly	-	98.65%	98.5%
		Resources and Transformation	Cllr Jeremy Heron	44	Percentage of Non-domestic Rates collected in year	Up	%	Quarterly	-	98.96%	98.5%
	Designing modern and innovative services	Resources and Transformation	Cllr Jeremy Heron	45	Benefit realisation from ICT investment	Maintain	%	6 Months	-	-	70%
		Resources and Transformation	Cllr Jeremy Heron	46	Percentage of ICT incidents resolved within SLA.	Up	%	Quarterly	-	98.8%	95%
		Resources and Transformation	Cllr Jeremy Heron	47	Percentage of annual ICT work programme delivered on time and on budget.	Maintain	%	Quarterly	-	-	70%
Resources and Transformation		Cllr Jeremy Heron	48	Percentage unscheduled downtime for critical systems	Down	%	Quarterly	-	-	<5%	

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Cabinet – 6 November 2024

Financial Monitoring Report (based on Performance April to September 2024 inclusive)

Purpose	For Decision
Classification	Public
Executive Summary	<p>This report provides the latest budget forecasts for the General Fund, Housing Revenue Account (HRA) and capital programme for the 2024/25 financial year, based on the half year performance from April 2024 to September 2024 inclusive.</p> <p>It confirms that despite variations a balanced budget is forecast in the General Fund, a forecast deficit in the HRA currently of £200,000 has been identified and a net increase in the capital programme for 2024/25 of £300,000.</p>
Recommendation(s)	<p>It is recommended that Cabinet:</p> <ol style="list-style-type: none"> 1) note the latest budget forecasts of the General Fund, HRA, and Capital. 2) approve the £75,000 supplementary budget for the Salisbury Arcade, Totton scheme funded via a corresponding reduction in the councils Revenue Contribution to Capital Outlay (RCCO) and Milford-on-Sea Public conveniences capital scheme. 3) request Council approval of the £375,000 supplementary budget for the Hardley Depot scheme as a result of abnormal ground works.
Reasons for recommendation(s)	<p>To comply with accounting codes of practice and best practice which requires councils to regularly monitor the annual budget position and take any action to support the sustainability of the council's financial position ensuring we are being financially responsible.</p>

	To comply with the council's financial regulations regarding budget virements and supplementary budget requests.
Ward(s)	All
Portfolio Holder(s)	Councillor Jeremy Heron - Finance and Corporate
Strategic Director(s)	Alan Bethune - Strategic Director Corporate Resources and Transformation (Section 151 Officer)
Officer Contact	Paul Whittles Assistant Director - Finance 02380 285766 paul.whittles@nfdc.gov.uk

Introduction and background

1. Following the approval of the Original Budget for 2024/25 in February 2024 this report provides a further update on the General Fund, Housing Revenue Account and Capital budgets, adjusting for any budget changes now required and recommended.
2. Financial Monitoring is an important feature in the management of the council's finances as it gives an opportunity to reflect on variations as against the latest set budget and reflect on the impact that these variations may have over the period covered by the council's Medium Term Financial Plan (MTFP).

Pay award implications

3. As previously reported the 2024/25 pay award for Chief Officers (Strategic Directors) had been agreed at 2.5%. During October the National Joint Council for Local Government Services (NJC) has come to an agreement on the 2024/25 pay award relevant to the rest of the NFDC workforce, applicable from 1st April 2024 to 31st March 2025. This has agreed an additional £1,290 on all pay points up to SCP 43 on the NJC scale (equivalent to NFDC scale point 47) and an increase of 2.50% for all other pay points (including the Chief Executive), implemented from 1st April 2024. This increase in pay costs is covered within the council's 2024/25 budget. Further detailed work will determine the variation to the budgeted sum,

with any variation to budget being reported in the Q3 Financial Monitoring Report.

General Fund revised projection

4. A General Fund budget of £24.513 million for 2024/25 was agreed by council in February 2024 (£24.898 million at Portfolio analysis level, with other budget elements reducing this to this lower General Fund budget figure).
5. This report identifies a number of new budget variances but there is no overall change from the Q1 position, that being a £4,000 reduction from the original budget approved in February to £24.509 million.
6. The latest budget variations reported include net unfavourable expenditure variations of £150,000 and net income increases of £150,000. Major variations are detailed below (ordered in accordance with **Appendix 1**), with full variations listed in **Appendix 2**.

Environment and Sustainability (Place, Operations and Sustainability)

7. **Car Parks – Income (£200,000)** – The rollout of the new tariffs in January 2024 to support the council’s MTFP has led to a positive increase in car parking income, forecast at £810,000 albeit against the budgeted £1.1m increase (total income budget £4.988m). This £290,000 projected shortfall has been partially mitigated via agreed increases for both pay and display payments and parking clocks. These will come into effect from 1 January 2025 positively impacting the final quarter of this financial year, resulting in a £200,000 forecast shortfall overall.
8. **Street Scene – Operational (£90,000)** – Operational staff and vehicle costs have been higher than expected this year. Pressures from long term sick absences and vacancies have led to increased agency and overtime costs to maintain service delivery. Extra hire costs have been incurred because of issues with an ageing fleet and vehicle reliability, and further compounded by longer vehicle repair turnaround times. Mitigation is now in place, with 7 new vehicles now arriving to replace the older/less reliable elements of the fleet.
9. **Waste and Recycling – Fuel (-£30,000)** – Fuel costs are on average approximately 15% lower than budgeted, therefore savings

of £30,000 have been identified based on the first six months of the financial year.

Finance and Corporate (Corporate Resources and Transformation)

10. There are variations that impact directly on the reported Finance and Corporate Portfolio summary and other variations under the control of the Portfolio holder which impact all Portfolios or other General Fund budgets:
11. **Interest Earnings (-£400,000)** – The continued implementation of the Investment Strategy and the current comparatively high Bank of England base rate compared to recent years means the council is forecasting additional interest earnings of £400,000. Further work is ongoing with the treasury management team, and this is likely to be updated in future reporting.
12. **Revenue and Benefits (-£75,000)** – Current vacancies within the Revenue and Benefits Service will result in salary underspends of £75,000.
13. **ICT Cloud Storage (£105,000)** – Additional General Fund apportionment of ongoing cloud storage consumption costs are being incurred following the implementation of the Azure Cloud project. Work will be ongoing with the ICT department as to whether these costs can be offset going forward.
14. **Insurance Premium (£70,000)** – The council has historically benefitted from lower costs for professional indemnity insurance, however due to a change in the premium calculation methodology by our insurer this has grown significantly. This is a Hampshire wide issue affecting all members of the Hampshire Insurance Forum. Officers are seeking clarification on the rationale with a view to mitigating the impact where possible. £70,000 is the General Fund proportion.
15. **Support Services (-£30,000)** Current vacancies within Support Services will result in salary underspends of £30,000.

Planning and Economy (Place, Operations and Sustainability)

16. **Planning Fees (£150,000)** – Planning fee income is cyclical and dependent on market conditions in the development sector/wider economy. An increase in nationally set planning fees has not delivered anticipated revenue as the market is still reasonably suppressed, and key sites have not come forward as expected. Work

will be ongoing with the planning department to review and reprofile budgetary expectations going forwards. It is also noted that the recent consultation on the National Planning Policy Framework proposed a further increase to the nationally set planning fees, albeit any benefit this financial year would be subject to that being taken forwards and would be a part year effect only.

17. **Planning Development Management (-£80,000)** – Current vacancies within the Development Management service has resulted in salary underspends of £80,000. Vacancies will be managed throughout the remainder of the year to provide further mitigation to the budgeted income shortfall covered above.
18. The revised General Fund Budget for 2024/25 can be seen at Appendix 1, with further details on the variations being reported included within Appendix 2.

Other Financial Matters to Note

19. The following matters do not affect the council's net revenue position but are included for information and transparency.
20. Within the Finance and Corporate portfolio, an additional £52,000 of staffing costs to support transformation within Human Resources are to be funded using the council's corporate contingency.
21. Within the Planning and Economy portfolio a £100,000 Planning Skills Delivery Fund grant awarded by the Ministry of Housing, Communities and Local Government will be used on skills support expenditure.
22. Within the Leader portfolio the Resident Insight Survey will not be carried out in 2024/25, consequently the £25,000 budget will be returned to reserves to be available for use in 2025/26 as required.

Housing Revenue Account Revised Projection

23. A break-even HRA budget for 2024/25 was agreed in February 2024, with a Revenue Account contribution of £9.700 million supporting the financing of the £32.380 million HRA Capital Programme.
24. The quarter one monitoring report to September Cabinet identified additional budget requirements of £122,000.

25. This report identifies additional net budget increases of £78,000 (£200,000 total). New variations are detailed in the following paragraphs and summarised in **Appendix 3**.
26. **General Management - (£43,000)** – The council has historically benefitted from lower costs for professional indemnity insurance, however due to a change in methodology in calculating the premium by our insurer this has grown significantly. This is a Hampshire wide issue affecting all members of the Hampshire Insurance Forum. Officers are seeking clarification on the rationale with a view to mitigating the impact where possible. £43,000 is the HRA proportion.
27. **General Management - (£35,000)** – ICT Cloud Storage – additional HRA proportion of ongoing cloud storage consumption costs are being incurred following the implementation of the Azure Cloud project. Work will be ongoing with the ICT department as to whether these costs can be offset going forward.
28. There are additional in-year budget pressures on the HRA, particularly due to the procurement of external contractors to cover trades vacancies. However, work will continue over the remainder of the year targeted to mitigate any net impact and budget pressure.
29. The updated HRA budget can be seen at Appendix 3.

Capital Expenditure (General Fund and Housing Revenue Account)

30. A Capital Programme budget of £48.959 million for 2024/25 was agreed by council in February 2024.
31. Principally due to rephasing from 2023/24, the budget was increased by £3.454 million to £52.413 million in the September Cabinet report.
32. The latest forecast confirms gross programme changes in year totalling £300,000 and rephasing into 2025/26 of £213,000 which results in an updated 2024/25 Capital Programme Budget of £52.500 million (**Appendix 4**).
33. Details of the changes and rephasing are provided below:
34. **Environment and Sustainability** – Expenditure regarding various coastal schemes has been reviewed resulting in the rephasing of £213,000 into 2025/26 relating to Barton Horizontal Directional

Drilling Trials, Hurst Spit Beach Shingle Source Study and Milford Beach and Cliff Study.

35. **Finance and Corporate** – The **New Depot Site at Hardley** has an additional budget requirement of £375,000. This is due to higher build contract costs due to matters outside of our project control, concerning abnormal ground works and drainage redesign.
36. Value engineering options have been considered with a view to offsetting these unexpected abnormal costs. However, there is a clear balance between ensuring the depot is set up to operate effectively and efficiently in operational use and cutting costs in the short term which will only create longer term maintenance or operational costs.
37. The council is committed to constructing a modern fit for purpose depot facility that futureproofs the delivery of operational service provision for the district over the long term and this additional investment covered by the supplementary budget will provide this.
38. Following a tender process to refurbish the **Salisbury Arcade, Totton** an additional budget requirement of £75,000 has been identified above the £150,000 approved as part of the 2023/24 budget.
39. This refurbishment is essential in supporting the two adjoining council investment assets and will enhance the overall appearance and value of each of the assets.
40. The additional £75,000 can be funded by a corresponding reduction in the council's Revenue Contribution to Capital Outlay (RCCO).
41. This transfer is possible due to a reduction of £75,000 in the **Milford-on-Sea Public Conveniences** capital budget. This project will now provide an interim solution whilst a wider Masterplan for the area is concluded. As options are reviewed, the final proposal might enable a further reduction of spend in 2024/25.

Corporate plan priorities

42. Regular monitoring and reporting of our financial activity including adjusting budgets whilst maintaining a balanced medium term financial plan (MTFP), ensures we are being financially responsible and supports our Future New Forest transformation programme which underpins the delivery of all our priorities.

Options appraisal

43. In relation to the Hardley Depot supplementary budget request the project team have been exploring options to mitigate costs by reviewing the scope of remaining contract works and the depot requirements with the operational team.
44. Unfortunately, the cost saving options would only result in disproportionately large additional expenditure being incurred regarding maintenance and operational costs over the medium to long term of the asset, which outweighs the short-term cost reduction during construction.
45. Therefore, officers consider the best course of action to be the approval of the supplementary budget as included in the recommendation.

Consultation undertaken

46. Internal consultation between finance officers, service managers and budget holders has determined the forecast data presented in the report.

Financial and resource implications

47. This is a financial report with budget implications already detailed and considered in the main body of the report.

Legal implications

48. There are no legal implications arising directly from this report.

Risk assessment

49. The projected forecast is prepared based on estimates and assumptions in consultation with services. There are key risks in the projections across all service areas and both revenue and capital activity.

Environmental / Climate and nature implications

50. There are no environmental implications arising directly from this report.

Equalities implications

51. There are no equality implications arising directly from this report.

Crime and disorder implications

52. There are no crime and disorder implications arising directly from this report.

Data protection / Information governance / ICT implications

53. There are no data protection, information governance or ICT implications arising directly from this report.

Appendices:

Appendix 1 – Revised General Fund Budget 2024/25

Appendix 2 – Variation Analysis General Fund 2024/25

Appendix 3 – Revised Housing Revenue Account Budget 2024/25

Appendix 4 – Revised Capital Programme 2024/25

Background Papers:

Cabinet 4 September 2024:

[Financial Monitoring Report - \(based on Performance April to June 2024 inclusive\)](#)

Cabinet 21 February 2024 – Budget Reports 24/25:

[Housing Revenue Account Budget and the Housing Public Sector Capital Expenditure Programme 2024/25](#)

[Medium Term Financial Plan and Annual Budget 2024/25](#)

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FINANCIAL MONITORING 2024/25

REVISED GENERAL FUND BUDGET 2024/25

	Feb-24	Sept-24	November'24			
	2024/25 £'000's Original Budget	2024/25 £'000's Latest Budget	2024/25 £'000's New Variations Expenditure	2024/25 £'000's New Variations Income	2024/25 £'000's New Variations Rephasings	2024/25 £'000's Updated Budget
PORTFOLIO REQUIREMENTS						
Community, Safety and Wellbeing	3,468	3,451	0	0	0	3,451
Environment and Sustainability	8,540	8,722	60	200	0	8,982
Finance and Corporate	4,220	4,360	0	0	0	4,360
Housing and Homelessness	3,499	3,271	0	0	0	3,271
Leader	1,174	1,286	0	0	-25	1,261
Planning and Economy	3,997	4,131	20	50	0	4,201
Multi Portfolio adjustments - To be allocated	0	222	145	0	0	367
	24,898	25,443	225	250	-25	25,893
Reversal of Depreciation	-2,190	-2,190				-2,190
Contribution (from) / to Earmarked Revenue Reserves	-410	-959	0	0	25	-934
NET PORTFOLIO REQUIREMENTS	22,298	22,294	225	250	0	22,769
Minimum Revenue Provision	2,269	2,269				2,269
Contribution to Capital Programme Financing (RCCO)	1,250	1,250	-75			1,175
Interest Costs	150	150				150
Interest Earnings	-1,432	-1,432		-400		-1,832
New Homes Bonus	-22	-22				-22
GENERAL FUND NET BUDGET REQUIREMENTS	24,513	24,509	150	-150	0	24,509
COUNCIL TAX CALCULATION						
Budget Requirement	24,513	24,509	150	-150	0	24,509
Less: Settlement Funding Assessment						
Lower Tier Service Grant	0	0				0
Services Grant	-25	-28				-28
Guarantee Grant (MHCLG)	-1,200	-1,233				-1,233
Business Rates Baseline	-4,330	-4,330				-4,330
	-5,555	-5,591	0	0	0	-5,591
Locally Retained Business Rates	-4,320	-4,320				-4,320
Estimated Collection Fund (Surplus)/Deficit Business Rates	1,305	1,305				1,305
Contribution from Business Rates Equalisation Reserve	-1,305	-1,305				-1,305
Estimated Collection Fund (Surplus)/Deficit Council Tax	-179	-179				-179
Contribution to/ from(-) Variation Reserves	0	40	-150	150	0	40
COUNCIL TAX	14,459	14,459	0	0	0	14,459
TAX BASE NUMBER OF PROPERTIES	72,371.50	72,371.50				72,371.50
COUNCIL TAX PER BAND D PROPERTY	199.79	199.79				199.79
GENERAL FUND BALANCE 31 MARCH	3,000	3,000				3,000

FINANCIAL MONITORING 2024/25

VARIATION ANALYSIS GENERAL FUND 2024/25

	Sept'24 2024/25 £'000's Previous Variations	November'24			
		2024/25 £'000's New Variations Expenditure	2024/25 £'000's New Variations Income	2024/25 £'000's New Variations Rephasings	2024/25 £'000's Updated Budget
PORTFOLIO ADJUSTMENTS					
Community, Safety and Wellbeing					
Previously Reported;					
Grants - Rephased into 24/25	25				
CCTV - Rephased into 24/25 (Proposed spend from £284k in reserve)	85				
Health and Leisure Centres AMR funding vired to ATC East Wing Roof	-127				
	-17	0	0	0	0
Environment and Sustainability					
Previously Reported;					
Cemeteries - Maintenance budget rephased into 24/25	29				
Climate and Nature Action - spend relates to Revenue not Capital	150				
Open Spaces - projected Trees overspend	50				
Recycling - additional Glass income - partially used to fund temp. posts	-150				
Recycling - additional Garden Waste income, partially offset by new round	-50				
Waste Strategy - Temporary posts met from Corporate Plan Priorities	153				
New Items;					
Car Parks - Projected income shortfall after new fees from Jan'25			200		
Street Scene - Operational issues - vehicle hire, sickness cover etc		90			
Waste and Recycling - fuel underspends due to price per litre		-30			
	182	60	200	0	260
Finance and Corporate					
Previously Reported;					
Sustain. and Regen. Assets - Salisbury Rd, Totton	140	75			
New Items;					
Revenue and Benefits Service - salary underspends		-75			
Human Resources - Transforming HR report EMT March'24		52			
Above funded by Contingency		-52			
	140	0	0	0	0
Housing and Homelessness					
Previously Reported;					
Homeless Assistance - Homes for Ukraine Grant	-228				
	-228	0	0	0	0
Leader					
Previously Reported;					
Prosperity Funds - UKSPF Schemes - Rephased into 2024/25	112				
New Items;					
Resident Insight - rephasing into 25/26				-25	
	112	0	0	-25	-25

FINANCIAL MONITORING 2024/25

VARIATION ANALYSIS GENERAL FUND 2024/25

	Sept'24 2024/25 £'000's Previous Variations	November'24			
		2024/25 £'000's New Variations Expenditure	2024/25 £'000's New Variations Income	2024/25 £'000's New Variations Rephasings	2024/25 £'000's Updated Budget
PORTFOLIO ADJUSTMENTS					
Planning and Economy					
Previously Reported;					
Policy - Digital Planning Grant (DLUHC) - rephased into 24/25	100				
Economic Development - Initiatives budget rephased into 24/25	34				
New Items;					
Planning Fees Development Management - shortfall in income			150		
Planning Development Management - salary underspends		-80			
Planning Skills Delivery Grant spend/grant		100	-100		
	134	20	50	0	70
Portfolio adjustments - Non Direct					
Previously Reported;					
AMR Scheme - North Wing Appletree Court. Rephased into 24/25	34				
AMR Scheme - East Wing Appletree Court. Rephased into 24/25	93				
AMR Scheme - East Wing Appletree Court, virement	95				
New Items;					
ICT - Azure - additional cloud storage costs		105			
Insurance Premium Implications		70			
Support Services - salary underspends		-30			
	222	145	0	0	145
TOTAL PORTFOLIO ADJUSTMENTS	545	225	250	-25	450
NON-PORTFOLIO ADJUSTMENTS					
Central Government Grants	-36				
Contribution to/from(-) Earmarked Reserves	-549			25	
TOTAL NON-PORTFOLIO ADJUSTMENTS	-585	0	0	25	25
GRAND TOTAL ADJUSTMENTS (Credited to (-) / Debited from (+) Budget Reserves)	-40	225	250	0	475

FINANCIAL MONITORING 2024/25

REVISED HOUSING REVENUE ACCOUNT BUDGET

2024/25

	Feb-24	Sept-24	November-24	
	2024/25	2024/25	2024/25	2024/25
	£'000's	£'000's	£'000's	£'000's
	Original	Latest	New	Updated
	Budget	Budget	Variations	Budget
INCOME				
Dwelling Rents	-33,396	-33,396		-33,396
Non Dwelling Rents	-775	-775		-775
Charges for Services & Facilities	-1,169	-1,169		-1,169
Contributions towards Expenditure	-60	-60		-60
Interest Receivable	-441	-441		-441
Sales Administration Recharge	-33	-33		-33
Shared Amenities Contribution	-313	-313		-313
TOTAL INCOME	-36,187	-36,187	0	-36,187
EXPENDITURE				
Repairs & Maintenance				
Cyclical Maintenance	1,886	1,886		1,886
Reactive Maintenance - General	3,400	3,400		3,400
Reactive Maintenance - Voids	1,521	1,521		1,521
Supervision & Management				
General Management	7,766	7,859	78	7,937
Grounds Maintenance and Trees	936	1,026		1,026
Older Person and Temporary Accommodation	1,150	1,150		1,150
Rents, Rates, Taxes and Other Charges	0	0		0
Provision for Bad Debt	150	150		150
Capital Financing Costs - Interest/Debt Management	5,137	5,137		5,137
Capital Financing Costs - Internal Borrowing	0	0		0
TOTAL EXPENDITURE	21,946	22,129	78	22,207
HRA OPERATING SURPLUS(-)	-14,241	-14,058	78	-13,980
Contribution to Capital - supporting Housing Strategy	9,700	9,700		9,700
Capital Financing Costs - Principal	4,541	4,541		4,541
HRA Total Annual Surplus(-) / Deficit	0	183	78	261
Contribution to/from(-) Earmarked Reserves		-61		-61
HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT	0	122	78	200

FINANCIAL MONITORING 2024/25

REVISED CAPITAL PROGRAMME 2024/25

	Portfolio	Feb-24	Sept-24	November'24		
		2024/25 £'000's Original Budget	2024/25 £'000's Latest Budget	2024/25 £'000's New Variations Expend.	2024/25 £'000's New Variations Rephasing	2024/25 £'000's Updated Budget
UK Shared Prosperity Fund	LEADER/ALL	208	230			230
Rural England Prosperity Fund	LEADER/ALL	300	531			531
Disabled Facilities Grants	HSG (GF)	1,500	1,500			1,500
Sustainability Fund - Unallocated	ENV & SUSTAIN	250	100			100
Strategic Regional Coastal Monitoring (22-27)	ENV & SUSTAIN	2,667	2,925			2,925
Barton Horizontal Directional Drilling Trials	ENV & SUSTAIN	260	313		-113	200
Hurst Spit Beach Shingle Source Study	ENV & SUSTAIN	100	100		-50	50
Milford Beach and Cliff Study	ENV & SUSTAIN	100	100		-50	50
Milford - Sea Wall Construction Works	ENV & SUSTAIN	100	100			100
Waste Strategy Containers	ENV & SUSTAIN	1,025	1,088			1,088
St Georges Hall, Calshot	ENV & SUSTAIN		375			375
Asset Modernisation Programme - Public Convenience	F&C/E&S	300	300	-75		225
New Depot Site: Hardley	FIN & CORP	4,372	5,974	375		6,349
Ringwood Depot: Extension and Works	FIN & CORP	250	250			250
V&P; Replacement Programme	FIN & CORP	2,102	3,102			3,102
V&P; Replacement Programme - Waste Strategy Vehicles	FIN & CORP	885	885			885
ATC East Wing Boiler Replacement	FIN & CORP	160	160			160
Mitigation Schemes	PLAN & ECON	1,000	1,000			1,000
Infrastructure Projects	PLAN & ECON	1,000	1,000			1,000
TOTAL GENERAL FUND CAPITAL PROGRAMME		16,579	20,033	300	-213	20,120
Fire Risk Assessment Works	HRA	1,000	1,000			1,000
Major Structural Refurbishments	HRA	1,260	1,260			1,260
HRA - Major Repairs	HRA	8,600	8,600			8,600
Decarbonisation	HRA	2,170	2,170			2,170
Estate Improvements	HRA	200	200			200
Council Dwellings - Strategy Delivery	HRA	18,200	18,200			18,200
Disabled Facilities Grants	HRA	950	950			950
TOTAL HRA CAPITAL PROGRAMME		32,380	32,380			32,380
GRAND TOTAL CAPITAL PROGRAMME		48,959	52,413	300	-213	52,500

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