

Quarter 1 - 2023/24 Financial Report

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September 2023

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Executive Summary - Month 3 (June 2023)

Revenue Forecast at M3 Q1

	Forecast M3 £k	Annual Budget £k	Outturn Variance £k
Community Services	4,613	4,613	0
Housing General Fund	728	713	15
Planning Policy	1,535	1,338	197
Strategy & Resources	6,225	6,187	38
Corporate Items	(916)	(916)	0
General Fund- Services	12,185	11,936	250
Central Funding	(11,935)	(11,935)	0
General Fund	250	0	250

Overall at M3 Q1 the Council is forecasting a £250k overspend, containable within contingencies to deliver a balanced outturn

- Community Services: No variance
- Housing General Fund: £15k overspend – 2.1% of committee budget
- Planning Policy: £197k overspend – 14.7% of committee budget
- Strategy & Resources: £38k overspend – 0.6% of committee budget
- Corporate Items: No Variance

M3 headlines are set out on the next slide, with full details in the Annex

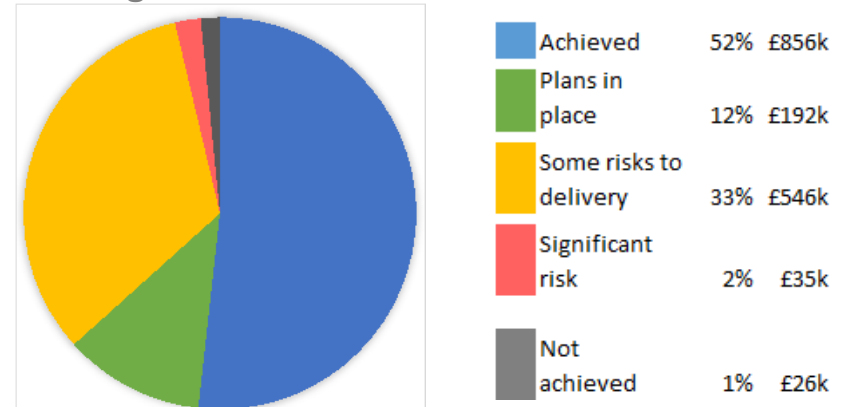
Capital Programme Forecast at M3 Q1

Net Forecast Underspend £8.9m

	Original Budget incl. Carry Forwards & Additions 2023/24 £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k
Community Services	2,077	1,740	(337)
Housing General Fund	642	503	(139)
Strategy & Resources	3,334	917	(2,417)
Planning Policy	2,608	500	(2,108)
General Fund	8,661	3,660	(5,002)
Housing Revenue Account	19,995	16,133	(3,862)
Total	28,656	19,793	(8,864)

Further detail is set out on Slide 6

Savings Plan at M3 Q1 - £1.65m



- Unachievable amount is due to a shortfall in Community Services – Regulatory Services
- Doubtful amounts relate to Resources - IT

Revenue Summary by Committee M3

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
4,156 Community Services	4,613	4,613	0	0	0
462 Housing General Fund	728	713	15	15	0
1,259 Planning Policy	1,535	1,338	197	166	31
5,952 Strategy & Resources	6,225	6,187	38	38	0
(589) Corporate Items	(916)	(916)	0	0	0
11,240 General Fund- Services	12,185	11,936	250	219	31
(11,351) Central Funding	(11,935)	(11,935)	0	0	0
(111) General Fund	250	0	250	219	31

Mitigation through contingencies

Offsetting the forecast deficit identified are contingencies as follows:

- £371k base budget contingency (£445k total contingency less £74k set aside for cost of living pressures)
- £550k set aside in 2022/23 outturn

Totalling £921k – a balanced outcome is therefore deemed to be achievable

Key Messages:

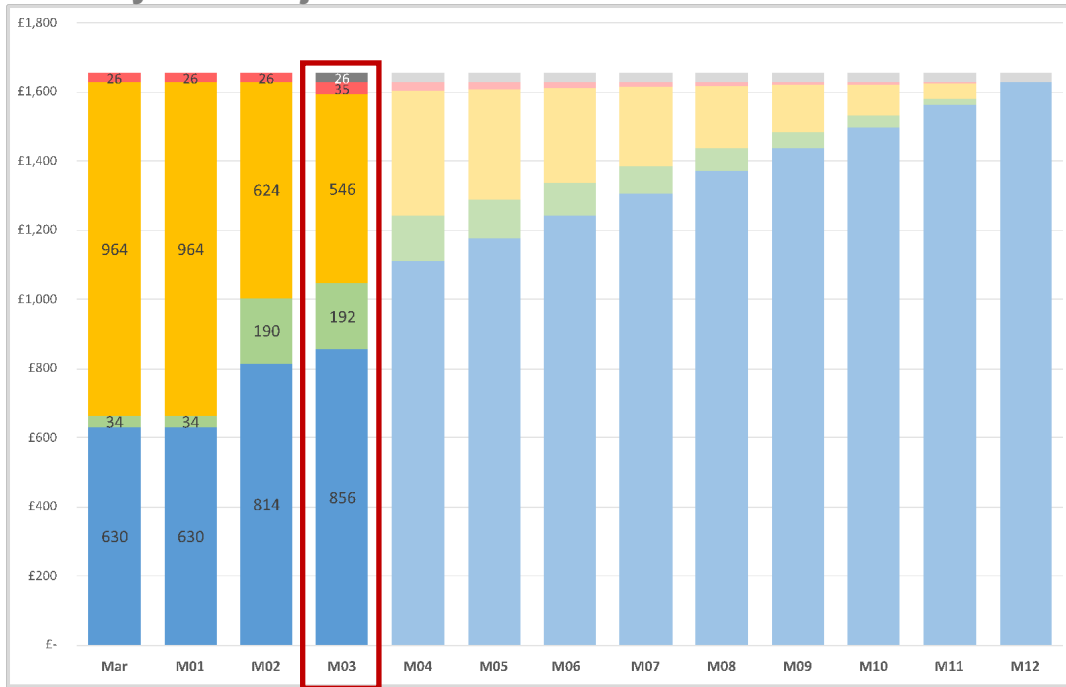
Committees are projecting a full year £250k overspend in Q1.

- **Community Services:** No forecast variance at Qtr1. There are risks and opportunities to the budget meaning that overall a balanced outcome is expected.
- **Housing General Fund: £15k overspend** due to Meadowside additional repairs and tree pollarding
- **Planning Policy: £197k overspend** due mainly to **£143k additional forecast expense (predominantly providing for appeals costs). £27k additional Gatwick DCO** expenditure incurred for air quality and noise pollution surveys. **£31k less income Land Charges and Street Naming & Numbering** due to reduction in Land Charges income caused by external pressures of rising inflation and high interest rates.
- **Strategy and Resources: £38k overspend** - primarily due to £19k vacancy factor not yet identified and £19k gap in income generation.
- **Corporate Items:** No forecast variance at Qtr1.

Whilst at Q1, an overspend of £250k is forecast, there are significant risks and opportunities that will need to be managed as the year progresses. There is a particular risk to the panning appeals and homelessness budgets which may cause volatility later in the year.

Saving Plans Delivery

Summary and Projection



Key:

Black – Savings target will not be met this year

Red – Significant risks to delivery, delivery plan yet to be agreed

Amber – Some risks to delivery, or detailed delivery plan still in development

Green – Clear plans, realistic timescales

Blue – Savings delivered

Delivery by Committee

Committee	Target	Complete	Green	Amber	Red	Black
Community Svcs	388	198	148	17	0	26
Housing GF	210	60	0	150	0	0
Planning	70	30	0	40	0	0
S&R	844	426	44	339	35	0
Corporate Items	142	142	0	0	0	0
Total	1,654	856	192	546	35	26

Commentary

Total plan of £1.65m - forecasting c£1.63m (98%) delivery

- **Black** - is mainly on account of Regulatory Services – Productivity and Digital Improvements not being achievable in Community Services.
- **Red**- IT saving to be reviewed alongside RBBC joint working.
- A full update is provided in the Future Tandridge Programme report.

Capital Summary by Committee - M3

	Original Budget 2023/24	Carry Forward from 2022/23	Approved Additions	Original Budget incl. Carry Forwards & Additions 2023/24	Forecast M3 2023/24	Variance M3 2023/24	Variance Overspend/ (Underspend)	Variance Acceleration /(Slippage)
	£k	£k	£k	£k	£k	£k	£k	£k
Community Services	990	1,087	0	2,077	1,740	(337)	0	(337)
Housing General Fund	503	139	0	642	503	(139)	0	(139)
Strategy & Resources	1,822	1,217	295	3,334	917	(2,417)	(36)	(2,381)
Planning Policy	500	2,108	0	2,608	500	(2,108)	0	(2,108)
General Fund	3,814	4,552	295	8,661	3,660	(5,002)	(36)	(4,965)
Housing Revenue Account	15,398	4,597	0	19,995	16,133	(3,862)	0	(3,862)
Total	19,212	9,149	295	28,656	19,793	(8,864)	(36)	(8,827)

Capital – Net Variance: £8,864k mainly due to:

• **Community Services: Slippage of £337k** across various capital schemes as noted below:-.

- Vehicle Fleet Renewals (£88k)
- Car Parking (£34k)
- Garden Waste Bins (£31k)
- Refuse, Recycling and Food Waste (£184k)

• **Housing General Fund: £139k less than budget.** Slippage, surplus capital grant, reprofiled into 2024/25.

• **Strategy and Resources : £2,417k less than budget, mainly due to:**

- Croydon Road Regeneration - £2,256k Slippage with major works being deferred.
- IT - Hardware/Infrastructure/Customer First Projects (£36k) underspend and (£125k) Slippage due to various aspects of the hardware rolling replacement programme.

• **Planning Policy – Community Infrastructure Levy: £2,108k less than budget.** Slippage, surplus reprofiled into 2024/25.

• **Housing Revenue Account : Slippage of £3,862k** mainly due to the potential for slippage across the programme.

Additional Information

Debt as at 30th June 2023

Update to set out the direction of travel for debt recovery. Direction of travel from the last report has been RAG rated as follows;

Red – deteriorates by over 10% against target;

Amber – deteriorates by less than 10% against target

Green – improves against target

Sundry Debt, HBOP and HRA:

Type	Q4 21/22	Q4 22/23	Q1 23/24	Outcome
Sundry Debts	£282k	£249k	£227k	G
HBOP	£1,144k	£1342k	£1259k	G
HRA	£444k	£525k	£565k	A

Collection Fund (2019/20 used as pre-Covid baseline)

	Monthly			YTD
	A	M	J	Qtr 1
Business Rates 19/20	15.2%	8.8%	8.9%	33.0%
Business Rates 22/23	14.7%	7.6%	8.5%	30.8%
Business Rates 23/24	16.3%	8.4%	7.3%	32.0%
Outcome	G	G	R	G
Council Tax (19/20)	17.3%	9.2%	9.3%	35.8%
Council Tax (22/23)	16.6%	9.3%	9.0%	34.9%
Council Tax (23/24)	16.5%	9.1%	8.9%	34.5%
Outcome	A	A	A	A

HRA & CT - Debt in general has increased given cost of living impacting on residents and tenants prioritising which bills to pay. The debt recovery team continues to work with debtors to help alleviate outstanding bills

Business Rates - June recovery is lower than previous years however July has shown improvements.

Vacancy Factor – 3% improvement overall from Q4

Area	Posts	FTE	Staff	Vacancies	%	Temps	%	Total	%	Last Qtr	Difference
Communities	63	61.5	52.5	9	85%	3	5%	55.5	90%	92%	-2%
Planning	58	56.1	42.1	14	75%	9	16%	51.1	91%	93%	-2%
Housing	47	46.6	43.6	3	94%	2	4%	45.6	98%	97%	1%
Strategy & Resources	120	109.3	90.3	19	83%	9	8%	99.3	91%	84%	7%
Total	288	273.5	228.5	45	84%	23	8%	251.5	92%	89%	3%

ANNEX

DETAILED REVENUE AND CAPITAL

- M3 Forecast – Committee Detail (slides 9 to 14)
- Financial Risks and Opportunities (slide 15 - 16)
- Capital Budget – Committee Detail (slide 17 - 21)

Revenue Commentary- Communities Services

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
1,206 Salaries	1,298	1,298	0		
(31) Car Parking-On Street	0	0	0		
30 Car Parking-Off Street	40	40	0		
(19) Hackney Carriage/Private Hire	(19)	(19)	0		
201 Leisure & Community Grants	260	260	0		
290 Environmental Services	311	311	0		
2,245 Waste Services	2,325	2,325	0		
(36) Cesspool Services	(59)	(59)	0		
(199) All Operational Services	(130)	(130)	0		
400 Parks and Open Spaces	582	582	0		
69 Streets & Public Conveniences	5	5	0		
0 Other Variances less than £10k	0	0	0		
4,156 Community Services	4,613	4,613	0	0	0

Communities Services: Balanced to budget, therefore no forecast variance at Qtr.1

Despite forecasting to budget overall, a number of offsetting risks and opportunities are being managed within the budget, particularly:

- Waste inflation – until inflation rates are confirmed, this could lead to a surplus or deficit against the budget
- Garden Waste – whilst membership remains high, there is still risk to delivering on this budget
- Operational Services - £16.5k savings target remains as amber, pending further work on delivering changes in the service
- Car Parking – the impact of Surrey County Council taking on on-street parking responsibilities is uncertain at this point
- Cesspool – the performance of this traded service is being kept under review and may be a risk or an opportunity as the year progresses.

Revenue Commentary – Housing General Fund

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
601 Salaries	865	865	0		
(141) Meadowside Mobile Homes	(109)	(124)	15	15	
50 Westway	0	0	0		
75 Private Sector Enabling	82	82	0		
(84) Housing of the Homeless	(179)	(179)	0		
51 Other Housing Renewal Functions	12	12	0		
0 Syrian & Afghan Refugees	25	25	0		
(45) Ukraine Placements	0	0	0		
4 Redstone House	0	0	0		
(69) Housing Benefits	31	31	0		
21 Other variances less than £10k	1	1	0		
462 Housing General Fund	728	713	15	15	0

Housing General Fund overspend £15k mainly due to :-

- **£15k Meadowside Mobile Homes** – increased costs for planned repairs and tree works.

Alongside the known variance on Meadowside, risks are being managed within the budget, particularly in respect of Homelessness which is very sensitive to changes in temporary accommodation costs. Spend to-date is in line with expectations, but a small increase in numbers can have a significant impact on the budget. Temporary Accommodation costs can also have a knock-on impact on Housing Benefit (although a reserve exists to mitigate the impact on the latter).

Revenue Commentary – Planning Policy

2022/23 Outturn £k		Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
409	Planning Applications & Advice	387	391	(4)	(4)	
316	Planning Strategy & Policy Guidance	324	324	0		
259	Enforcement	250	239	11	11	
0	Appeals	212	80	132	132	
95	Tree Preservation & Advice	100	100	0		
0	Community Infrastructure Levy (CIL)	2	2	0		
182	Local Development Plan - Evidence	178	178	0		
2	Gatwick Airport DCO	27	0	27	27	
8	Transfer to/from Neighbourhood Plan Reserve	8	8	0		
(11)	Land Charges and Street Naming	47	16	31		31
1,259	Planning	1,535	1,338	197	166	31

Note – the forecast currently assumes that the budgets for the local plan and other planning policy matters are spent in full in 2023/24 or remain ringfenced to the local plan if not.

This ensures that funding approved for such matters is retained to meet uncertain future costs and not used to offset overspends elsewhere in the budget.

Planning Policy overspend £197k The variance mainly comprises of:

- **(4k) Planning Application and Advice** positive variance at year end predicted based upon the following:
 - £86k overspend on salaries due to reliance on contract staff for longer than originally anticipated. £47k Overspend on running costs related mainly to third party external consultant advice including retail impact assessments and highways matters.
 - £136k surplus on planning application fee income. It is expected that fee income will be supported by income from some major sites where planning applications are anticipated.
- **£11k Enforcement overspend** predicted. £21k salary overspend due to reliance on contract staff offset by one off lower running costs (£10k) and a small amount of income.
- **£132k Appeals overspend** due to a change in the forecast Appeals provision, based on doubling the 2022/23 provision.
- **£27k Gatwick DCO overspend** associated with consultant commission for bespoke assessment of air quality and noise impacts on Tandridge arising from Gatwick Airport Northern Runway project. Up to £30k approved by Planning Policy Committee on 23 March 2023. Note that this forecast precedes additional approvals in September and will need to be updated for Quarter 2.
- **£31k Land Charges and Street Naming & Numbering overspend.** Reduction in Land Charges income caused by transient external pressures of rising inflation and high interest rates. Officers will closely monitor search numbers/income and initiate a promotion of the service through Communications in order to maintain and increase our market share.

Revenue Commentary – Strategy and Resources

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
398 Legal Services	495	457	38	38	
595 Democratic Services	587	587	0	0	
1,117 Information Technology	1,401	1,401	0	0	
359 Human Resources	355	355	0	0	
587 Customer Services	453	453	0	0	
341 Policy and Communications	411	411	0	0	
158 Emergency Planning & Community Safety	340	340	0	0	
284 Office Services	382	382	0	0	
138 Asset Management	152	152	0	0	
291 Leadership Team	243	243	0	0	
1,066 Financial Services	1,032	1,032	0	0	
455 Revenues and Benefits	374	374	0	0	
166 Communities Executive Projects	0	0	0	0	
5,953 General Fund	6,225	6,187	38	38	0
-1 Wellbeing Prescription	0	0	0	0	
5,952 Strategy & Resources	6,225	6,187	38	38	0

Strategy & Resources overspend of £38k due to:

£38k Legal Services overspend primarily due to £19k vacancy factor not being delivered and £19k gap in income generation. Legal Services Team are looking at possibility of recharges to other departments for certain in house services to cover shortfalls and reviewing other options which are in their infancy, for mitigating the overspend. At the same time Legal officers are responding to an increase in demand for completing work in house which has reduced opportunities for obtaining work from third parties.

Risks are being managed in other areas, particularly in Assets and Facilities Management where interim staffing costs are currently being offset by lower-than-expected electricity and gas inflation. As energy costs are volatile and may increase, particularly over the winter, there is a risk that this position will deteriorate.

Revenue Commentary - Corporate Items

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
1,163 Interest Payable	1,163	1,163	0		
(1,495) Interest Receivable & Investment Income	(1,495)	(1,495)	0		
(745) Property Income	(777)	(777)	0		
(2,048) Non GF Support recharges & Bank charges	(2,498)	(2,498)	0		
1,161 Minimum Revenue Provision (MRP)	1,179	1,179	0		
1,488 Pension - Actuarial top up, Added Years, & Compensation	1,485	1,485	0		
(42) Write Offs and Bad Debt Provision	22	22	0		
(201) Cost of Collection	(270)	(270)	0		
116 Contingency	445	445	0		
15 Contributions to / (Drawdown from) Earmarked Reserves	0	0	0		
0 Management structure saving held corporately	(170)	(170)	0		
(589) Corporate Items	(916)	(916)	0	0	0

Corporate Items - Balanced to budget, therefore no forecast variance at Qtr.1.

Performance against interest receivable is likely to exceed budget and provide an opportunity at year end to review the level of reserve held for volatility in investment values.

Revenue Commentary – Housing Revenue Account

2022/23 Outturn £k	Forecast Qtr 1 £k	Annual Budget £k	Outturn Variance £k	One-off events £k	Ongoing Pressures £k
2,302 Salaries	2,149	2,149	0		
1,027 Services Costs	1,925	1,865	60		60
1,542 Corporate Support Service	1,572	1,572	0		
2,457 Repairs and Maintenance	3,636	3,636	0		
1,616 Interest Changes on Loan	2,045	2,045	0		
(14,528) Rental Income Dwellings	(15,973)	(15,973)	0		
(263) Rental Income Garages	(385)	(385)	0		
(359) Other Income	(136)	(136)	0		
(6,205) Total Revenue Movement before Tfr to Reserves	(5,167)	(5,227)	60	0	60
6,205 Transfer to Reserves	5,227	5,227	0		
0 HRA	60	0	60	0	60

Housing Revenue Account overspend £60k mainly due to :-

- Projected increased costs on Orchard MRI Housing Management Software linked to upgrading to a new hosted version.

Revenue Risks

These risks have not been included in the budget monitoring position unless otherwise stated

Committee	Outline of Risk	Mitigation	Range Max - Min £k
Community Services	Ops and Localities net shortfall of savings from Phase 1 Tandridge Future Saving's programme	Improvements in 2023/24 outturn	£16.5k
Housing	Demand for Social accommodation is on the rise with lack of availability of LA's being able to house families and individuals. The use of Bed and Breakfast accommodation is on the rise not only in Tandridge but throughout the UK.	Keeping a watching brief on the costs Tandridge are incurring. The government have released additional grant of £154k in 2023/24 to help with the additional costs and also Tandridge hold funds within the Homelessness reserve which we expected will cover any additional costs.	
Planning	The need for externalising legal work could increase as more complex planning matters arise and thereby causing a possible cost pressure within planning services. Costs are unpredictable.	Monitor and report, taking commensurate actions where opportunities arise	
Planning	Unexpected fall of in planning application fee income, driven by the national economic situation	Monitor and report, taking commensurate actions where opportunities arise	
Planning	Gatwick Airport Development Consent Order. Gatwick Airport has set out its proposal to bring its existing northern runway into regular use, alongside its main runway, as set out in its masterplan. The Council will incur specialist consultant advice to respond to each stage of the consultation process.	Value for money will be achieved by working with other Councils to secure the most effective, efficient and economical services to deliver the Councils responses to the consultation.	Further spend subject to committee approval or urgency decisions.
Resources	Escalating external legal costs related to specialist employee matters are a possible cost pressure within HR.	Risks to be partially mitigated by looking at options for refreshing training with officer on Council policies	
Resources	External employment market is buoyant for professional Legal staff. Any further reduction of staff is a risk to service provision	Outsourcing of Legal work would reduce the legal compliance risks to the Council, but increase cost pressures	
Resources	Council continues to seek tenants for available Council office space to increase rent income.	The Council has extended the security hours related to the offices to further develop interest in the rental.	
Corporate Items	Possibility of higher empty properties due to business revaluating workspaces and impact on investment / property income (above current forecast)	Asset Manager will review all opportunities to maximise investments and market all opportunities (for finding new tenants).	£0-100k

Revenue Opportunities

These opportunities have not been included in the budget monitoring position

Committee	Outline of Opportunity	Any blockers to achievability	Range Max - Min £k
Community Services	Waste and Garden waste contract indexation rate used in the Budget 2023/24 may now not be as high as anticipated. If this happened then the Council would incur less costs on both the Waste and Garden waste contracts. This has not been included in the latest forecast as there is a high degree of volatility around what may happen.	The UK inflation rates stay high and drive up the cost of living.	£0-£59k
Resources	IRIS contribution reduction. The Surrey Police managed Identification and Referral to Improve Safety ("IRIS") programme is a training and support programme which enables GPs to identify patients affected by domestic violence and abuse and refer them to specialist services. The Council contributes funding to this programme	Council is exploring options to seek alternative funding for the IRIS programme.	£0-19k
Corporate Items	Improved temporary lending rates due to Bank base rate increases (affects Interest Receivable)	BoE decisions and investment market reaction	£0-£200k

Capital Budget – Community Services

	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
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Community Services								
Waste and Recycling	123	110		234	19	(215)	0	(215)
Parks, Playgrounds and Open Spaces	539	547		1,086	1,086	0	0	0
Community infrastructure and assets	328	430		757	635	(122)	0	(122)
Total Community Services	990	1,087	0	2,077	1,740	(337)	0	(337)

- The Capital Budget was approved by Full Council on 9th February 2023 at £990k.
- The request for Capital carry forwards of £1,087k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- The total available budget for 2023/24 is therefore £2,077k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £1,740k.
- The variance of (£337k) Slippage is mainly due to
 - Waste and Recycling (£215k) of slippage due to a review of the expenditure on bins to be carried out later in the year and changes to be made to the capital expenditure profile
 - Community Infrastructure and Assets (£122k) of slippage. Surplus capital - reprofiled into next year.
- Spend across the Committee's schemes is c.£64k (4%) at Q1.

Capital Budget – Housing General Fund

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
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Housing General Fund								
Disabled Facilities Grants	503	139		642	503	(139)	0	(139)
Total Housing General Fund	503	139	0	642	503	(139)	0	(139)

- The Capital Budget was approved by Full Council on 9th February 2023 at £503k.
- The request for Capital carry forwards of £139k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- The total available budget for 2023/24 is therefore £642k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £503k.
- The variance of (£139k) Slippage is mainly due to
 - Disabled Facilities Grants (£139k) of slippage. Surplus Capital, reprofiled into 2024/25.
- Spend across the Committee's schemes is c.£23k (5%) at Q1.

Capital Budget – Planning Policy (CIL)

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
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Planning Policy								
Capital contributions to third parties from CIL	500	2,108		2,608	500	(2,108)	0	(2,108)
Total Planning Policy	500	2,108	0	2,608	500	(2,108)	0	(2,108)

- Capital Budget was approved by Full Council on 9th February 2023 at £500k.
- The request for Capital carry forwards of £2,108k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- The total available budget for 2023/24 is therefore £2,608k.
- Due to match funding and project delivery delays, we expect £2,108k slippage in the projected scheme expenditure. This is normal practice with grant allocations.

Capital Budget – Strategy and Resources

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
Strategy & Resources								
Land/Asset Development	0	0		0	0	0	0	0
Quadrant House Refurbishment	400	(400)		0	0	0	0	0
Croydon Road Regeneration	1,000	1,306		2,306	50	(2,256)	0	(2,256)
A22 Cycleway	0	0		0	0	0	0	0
Quadrant House Solar Panels & Suite Refurb	150	0		150	150	0	0	0
Council Offices Buildings	25	14		39	39	0	0	0
Digital FTP	0	0	295	295	295	0	0	0
GF IT - Hardware/Infrastructure	247	298		545	383	(162)	(36)	(125)
Total Strategy & Resources	1,822	1,217	295	3,334	917	(2,417)	(36)	(2,381)

Capital Budget was approved by Full Council on 9th February 2023 at £1,822k.

- The request for Capital carry forwards of £1,217k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- During the year, £295k was approved as an addition for the Digital project in Future Tandridge Programme.
- The total available budget for 2023/24 is therefore £3,334k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £917k.
- The variance of (£2,417k) is a combination of underspend and slippage is mainly due to
 - Croydon Road Regeneration (£2,256k) of slippage. Reprofiled into next year
 - GF IT – Hardware / Infrastructure variance of (£162k) due to:-
 - (£36k) reduced expected spend linked to telephony solution
 - (£125k) of slippage in aspects of the hardware rolling replacement programme due to IT needing to prioritise DR implementation, network and laptop refreshes
- Spend across the Committee’s schemes is c.£50k (6%) at Q1.

Capital Budget – Housing Revenue Account

Service	Original Budget 2023/24 £k	Carry Forward from 2022/23 £k	Approved Additions £k	Original Budget incl. Carry Forwards & Additions £k	Forecast M3 2023/24 £k	Variance M3 2023/24 £k	Variance Overspend/ (Underspend) £k	Variance Acceleration /(Slippage) £k
Housing Revenue Account								
Council House Building	11,680	3,426		15,106	11,244	(3,862)	0	(3,862)
Improvements to Housing Stock	3,652	996		4,648	4,648	0	0	0
HRA IT - Hardware/Infrastructure	66	175		241	241	0	0	0
Vehicle Fleet Renewals - HRA	0	0		0	0	0	0	0
Total Housing Revenue Account	15,398	4,597	0	19,995	16,133	(3,862)	0	(3,862)

- The Capital Budget was approved by Full Council on 9th February 2023 at £15,398k.
- The request for Capital carry forwards of £4,597k from 2022/23 was approved in the S&R Committee on 29th June 2023, with a revised phasing to be reported during the September 2023 committee cycle.
- The total available budget for 2023/24 is therefore £19,995k.
- A review of the capital schemes and have forecast the total capital amount required for 2023/24 is £18,944k.
- The variance of (£3,862k) slippage is based on a line-by-line review of the Council House Building and associated schemes (including LAHF and buy-back programmes). Based on prior-year experience, slippage of 20% against scheme by scheme expectations has been assumed.
- Spend across the Committee's schemes is c.£1,454k (9%) at Q1 although will accelerate as stalled schemes at Uplands and Bronzeoak are re-started and the LAHF purchases are completed.