



Hinckley & Bosworth  
Borough Council

Forward timetable of consultation and decision making

Finance & Performance Scrutiny 16 December 2024

Wards affected: All

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## FINANCIAL OUTTURN- SEPTEMBER 2024

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Report of Section 151 Officer

**1. Purpose of report**

1.1 Present the financial outturn position as at September 2024

**2. Recommendation**

2.1 The report is noted.

**3. Background to the report**

3.1 The financial reports attached to this report are based on the original budget taken to Council in February 2024 and allow for budget movements for the first six months.

3.2 Attached to this report are the monthly outturn reports including the following information for the period ending September 2024:

- General Fund budget monitoring summary
- General Fund detailed variance analysis
- Capital Programme outturn by scheme

**General Fund**

3.3 Based on the approved budget (Council February 2024) it was anticipated that £730,423 would be transferred to balances and a net £520,868 transferred to earmarked reserves. Since that date, the budget has been increased by £52,369 representing supplementary budgets that have been approved in line with financial procedures rules. As at the end of September

2024, the forecast is for the General Fund cost to decrease by £20.586. This means an estimated £751,009 will be taken to balances compared against the budgeted position of £730,423 being transferred to balances.

<b>Table 1</b>	<b>Budgeted</b>	<b>Forecast</b>	<b>Movement</b>
<b>Contribution (from)/to General Fund Balances (£000)</b>	730	751	(21)

3.4 The table below shows summarises the movements between Original Budget and the estimated outturn position as at the end of September 2024.

<b>Table 2</b>	<b>Outturn variances £000</b>	<b>Explanation</b>
Additional budgets	(52)	To take into account the latest contractual commitments
Forecast Outturn Movement	(777)	Estimated forecast variance from services (see general fund attachments)
External Interest	(29)	Reduction in borrowing costs and additional investment income
<b>Transfer to Unapplied and Contributions</b>	(399)	Estimated transfer at year end to the unapplied grant reserve for use on grant funded projects in future years
Transfer to reserves	1,278	Estimated income from Business Rates Pool to be set aside for regeneration
<b>Change in Outturn</b>	(21)	<b>Contribution (from)/to General Fund Balances (£000)</b>

3.5 Explanations for variances against both profiled budget and estimated outturn have been detailed in the monthly outturn reports appended. The major service variations in excess of £50,000 are summarised below:

<b>Table 3</b>	<b>Outturn variances £000</b>	<b>Explanation</b>
Homelessness	125	Additional Homelessness funding provided by MHCLG
Development Control	(50)	Reduction in income from planning applications
Development Control	(80)	Agency staff overspend
Development Control	115	Forecast underspend on appeal costs
Planning Policy	(125)	Predicted overspend on the Local Plan
Planning Policy	(135)	Agency/consultancy overspend
Council Tax Support	(84)	Reduction in Council Tax Support Admin Grant received
General Grants	(800)	Retained pooled business rates income - Budgeted £1.6m income received in 23/24 and additional £0.8m in 24/25.

Industrial Estates	85	Additional rental income
Misc Property	(283)	Service charge and rental income lower principally due to the delay in NHS move into Hinckley Hub
Council Offices	(78)	Additional utility costs at Hub and Atkins buildings
Council Offices	(85)	Additional utility costs arising from additional depot site
Legal Services	(90)	Agency staff overspend
<b>Refuse Collection</b>	50	Underspend on fuel costs primarily due to price reduction
All Services	403	Forecast underspend on salaries due to vacant posts
Other net movement	255	
	<b>777</b>	<b>Total</b>

3.6 The table below summarises the major movements in earmarked reserves compared to approved budget.

<b>Table 4</b>	<b>To revenue £000</b>	<b>From revenue £000</b>	
<b>Local Plan Procedure</b>	97		Allow for additional biodiversity studies
<b>Economic Priorities Reserve</b>	(1719)	800	Retained pooled income: £1.719m primarily reflects pooled income received earlier in the prior year.
<b>Enforcement and Planning Appeals</b>	90	(90)	£0.09m to be used for planning enforcement so additional contribution to maintain reserve balance.
<b>Crematorium Reserve</b>		2,100	£2.1m reduction in the amount for future capital project.
<b>Total</b>	<b>(1,532)</b>	<b>2810</b>	

## Capital

3.7 £5,576,602 has been spent on capital schemes to the end of September 2024 against a budget for that period of £13,761,853. It is envisaged that most of the schemes will still be completed by year-end.

## Housing Revenue Account

- 3.8 As at September 2024 it is anticipated that the HRA outturn will be in a deficit of £17,939 compared against a budgeted deficit of £102,939. Major variances are explained below-

<b>Table 5</b>	<b>Outturn variances. £000 Under/(Over) Spend</b>	<b>Explanation</b>
Employee Costs	(27)	Overspend due to overtime and salary overspend due to vacancy factor and pay award (for fully staffed service) offset by underspend on severance pay
Premises related costs	(173)	Overspend on gas and caretaking costs and premises insurance
Revenue income	48	Additional income from Lifeline and sheltered scheme charges
Rental Income	308	Additional rent from dwellings offset by a small shortfall in garage rents
Interest on borrowing	(75)	Additional interest costs

- 3.9 The Housing Repairs Account is currently forecasted to make a surplus of £37,530, which is an underspend of £75,000 compared to the latest budgeted deficit of £37,470. This is due to an estimated overspend in the responsive repairs budgets due to increased demand.

#### **4. Exemptions in accordance with the Access to Information procedure rules**

- 4.1 Report taken in open session.

#### **5. Financial implications [IB]**

- 5.1 Contained in the body of the report.

#### **6. Legal implications [ST]**

- 6.1 None

#### **7. Corporate Plan implications**

- 7.1 The Budget and outturn contributes to the achievement of all Corporate Plan Priorities.

## 8. Consultation

8.1 None

## 9. Risk implications

9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks		
Risk description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances are maintained to ensure financial resilience	Julie Kenny

## 10. Knowing your community – equality and rural implications

10.1 There are no direct implications arising from this report.

## 11. Climate implications

11.1 There are no direct implications arising from this report. Budget holders ensure any implications are assessed as part of their service delivery.

## 12. Corporate implications

12.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
  - Environmental implications
  - ICT implications
  - Asset Management implications
  - Procurement implications
  - Human Resources implications
  - Planning implications
  - Data Protection implications
  - Voluntary Sector
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Background papers: Civica Reports

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