QUARTER 1 FINANCIAL REVENUE MONITORING - GENERAL FUND SERVICE ANALYSIS 2024/25

		Provisional Outturn 2023/24 £'000	Original Budget 2024/25 £'000	Budget Amendments 2024/25 £'000	Working Budget 2024/25 £'000	Q1 Actual 2024/25 £'000	Projected Outturn 2024/25 £'000	Projected Variance 2024/25 £'000	*Variance +/- £30K %*
	Services								
Environment & Place	AONB & Nature Reserves	98	106	6	112	10	112	0	
	Environmental Protection	330	387	0	387	(68)	350	37	*+10%*
	Fleet Management	47	35	(11)	24	42	(20)	44	*+183%*
	Food Safety	364	591	0	591	32	496	95	*+16%*
	Hospitality & Events Management	251	229	23	252	13	255	(3)	
	Parks & Open Spaces	1,376	1,236	3	1,239	439	1,256	(17)	
	Pest Control	0	(18)	0	(18)	(68)	(20)	2	
	Salt Ayre Leisure Centre	960	356	22	378	146	593	(215)	*(57%)*
	Service Support	662	786	2	788	189	770	18	
	Street Cleaning	1,739	1,793	6	1,799	384	1,791	8	
	Streetscape	65	72	0	72	17	72	0	
	Trade Refuse	(786)	(1,037)	0	(1,037)	(1,363)	(899)	(138)	*(13%)*
	Waste Collection	3,510	2,984	0	2,984	25	3,166	(182)	*(6%)*
	Williamson Park	538	366	43	409	77	476	(67)	*(16%)*
Governance	Democratic Support & Elections	962	1,030	0	1,030	(145)	1,025	5	
	Legal Services	647	634	0	634	201	686	(52)	*(8%)*
	Licensing	(21)	(72)	0	(72)	12	(93)	21	
Housing & Property	Commercial Land & Properties	(1,366)	(1,415)	(69)	(1,484)	(371)	(1,527)	43	*+3%*
	Customer Services	533	597	0	597	136	603	(6)	
	Facilities Management	550	664	0	664	135	635	29	
	GF Housing Schemes	179	(10)	0	(10)	(1)	3	(13)	
	Municipal Buildings	628	570	63	633	124	658	(25)	
	Other Land & Buildings	62	106	(72)	34	5	34	0	
	Private Sector Housing	885	1,521	0	1,521	(2,845)	1,486	35	*+2%*
	Property Group	703	842	(7)	835	175	784	51	*+6%*
	Public Health Services	122	127	0	127	25	134	(7)	
	Repairs & Maintenance	0	0	0	0	0	0	0	
People & Policy	Communications & Marketing	246	240	0	240	36	238	2	
	Community Connectors	313	382	0	382	66	204	178	*+47%*
	Emergency Planning & CSP	92	97	0	97	16	97	0	
	Exec Support	678	215	0	215	139	217	(2)	
	Health & Safety	85	74	0	74	14	59	15	
	HR & OD	1,384	1,123	0	1,123	241	1,144	(21)	
	Projects & Performance	127	183	0	183	26	174	9	
	VCFS	302	312	0	312	300	312	0	
	Visitor Information Centres	170	18	0	18	23	18	0	
Planning & Climate Change	DM - Building Control	121	190	0	190	15	186	4	
	DM - Planning	429	712	56	768	261	723	45	*+6%*
	Energy and Sustainability	150	167	0	167	32	173	(6)	
	Planning & Housing Strategy	747	974	0	974	184	932	42	*+4%*
Resources	CCTV	51	59	0	59	67	63	(4)	
	Finance	1,257	1,625	0	1,625	334	1,546	79	*+5%*
	ICT	1,503	1,807	0	1,807	610	1,733	74	*+4%*
	Internal Audit	156	169	0	169	58	169	0	
	Revenues & Benefits	992	1,213	0	1,213	5,246	1,213	0	
Sustainable Growth	Economic Development & Culture	346	220	0	220	51	220	0	
	Markets	(53)	(126)	(10)	(136)	(70)	(31)	(105)	*(77%)*
	Museums	433	485	0	485	137	490	(5)	
	Parking	(2,553)	(2,753)	0	(2,753)	(288)	(2,726)	(27)	
	Regeneration	873	590	(55)	535	(1,180)	514	21	
	Strategic Projects & Engineers	312	450	0	450	4	411	39	*+9%*
		21,199	**20,906**	**0**	**20,906**	**3,648**	**20,905**	**1**	
	Corporate Services								
Corporate Accounts	Corporate Accounts	2,093	98	0	98	(272)	256	(158)	*(161%)*
Other Items	Contributions from Reserves	3,880	2,362	0	2,362	0	2,362	0	
	Government Grants	(1,159)	(1,239)	0	(1,239)	(482)	(1,239)	0	
	Interest Payable	1,132	1,541	0	1,541	0	1,541	0	
	Interest Receivable	(1,413)	(505)	0	(505)	(178)	(505)	0	
	Minimum Revenue Provision	2,660	3,010	0	3,010	0	3,010	0	
	Notional Charges	(80)	0	0	0	0	0	0	
	Pandemic Support	0	0	0	0	0	0	0	
	Revenue Funding of Capital	132	0	0	0	0	0	0	
	Capital Funding of Revenue	(477)	0	0	0	0	0	0	
	UKSPF	0	0	0	0	0	0	0	
		6,768	**5,267**	**0**	**5,267**	**(932)**	**5,425**	**(158)**	*(3%)*
Net Recharges to Housing Revenue Account		(1,032)	(1,026)	0	(1,026)	(1,026)	(1,026)	0	
RMS Capital Charges (now Housing Revenue Account)		(130)	(139)	0	(139)	1,376	(139)	0	
Revenue Reserve funded items included in above analysis (Revenue)		1,295	1,272	172	1,444	178	4,270	(2,826)	*(196%)*
Revenue Reserve funded items included in above analysis (Appropriati		(1,295)	(1,272)	(172)	(1,444)	0	(4,270)	2,826	*+196%*
General Fund Revenue Budget		**26,805**	**25,008**	**0**	**25,008**	**3,244**	**25,165**	**(157)**	*(1%)*
Core Funding :	Revenue Support Grant	(406)	(433)	0	(433)	(117)	(433)	0	
	Additional New Homes Bonus	0	0	0	0	0	0	0	
	Supplementary Government Grants	0	0	0	0	0	0	0	
	Prior Year Council Tax Surplus	181	141	0	141	0	141	0	
	Net Business Rates Income	(16,126)	(13,788)	0	(13,788)	3,560	(13,788)	0	
Council Tax Requirement		**10,454**	**10,928**	**0**	**10,928**	**6,687**	**11,085**	**(157)**	*(1%)*

Notes:
1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

APPENDIX B

QUARTER 1 FINANCIAL REVENUE MONITORING - GENERAL FUND SUBJECTIVE ANALYSIS 2024/25

		Provisional Outturn 2023/24 £'000	Original Budget 2024/25 £'000	Budget Amendments 2024/25 £'000	Working Budget 2024/25 £'000	Q1 Actual 2024/25 £'000	Projected Outturn 2024/25 £'000	Projected Variance 2024/25 £'000	*Variance +/- £30K %*
Employees	Direct Employee Expenses	23,769	25,116	203	25,319	5,577	24,153	1,166	*+5%*
	Indirect Employee Expenses	2,348	816	0	816	(63)	1,025	(209)	*(26%)*
Premises Related Exp	Cleaning and Domestic Supplies	272	169	0	169	55	169	0	
	Energy Costs	2,207	1,548	0	1,548	(63)	1,548	0	
	Fixtures and Fittings	1	1	0	1	0	1	0	
	Grounds Maintenance Costs	52	61	0	61	10	61	0	
	Operational Bldgs Allocation	219	107	0	107	62	107	0	
	Other Premises Costs	0	0	0	0	0	0	0	
	Premises Insurance	294	320	0	320	1	320	0	
	Rates	1,284	1,339	0	1,339	1,480	1,485	(146)	*(11%)*
	Rents	72	65	0	65	29	65	0	
	Repair and Maintenance	1,421	1,262	(121)	1,141	62	1,144	(3)	
	Water Services	393	338	73	411	63	411	0	
Transport Related Exp	Car Allowances	12	2	0	2	2	2	0	
	Contract Hire Operating Leases	215	46	0	46	22	63	(17)	
	Direct Transport Costs	1,777	1,503	0	1,503	244	1,615	(112)	*(7%)*
	Other Transport Costs	0	0	0	0	0	0	0	
	Public Transport	13	20	0	20	3	20	0	
	Transport Insurance	77	87	0	87	3	87	0	
Supplies and Services	Catering	51	40	0	40	5	40	0	
	Clothing Uniform and Laundry	104	88	0	88	33	88	0	
	Communications and Computing	1,496	1,693	0	1,693	1,010	1,688	5	
	Contribution to Provisions	963	250	0	250	0	250	0	
	Equip Furniture and Materials	1,807	1,610	77	1,687	419	1,799	(112)	*(7%)*
	Expenses	588	528	0	528	115	512	16	
	General Office Supplies	245	247	0	247	70	253	(6)	
	Grants and Subscriptions	1,929	1,782	74	1,856	554	1,869	(13)	
	Miscellaneous Expenses	1,458	1,232	1,803	3,035	219	3,044	(9)	
	Services	7,638	6,824	1,903	8,727	1,372	9,007	(280)	*(3%)*
Transfer Payments	Housing Benefit	25,310	21,977	0	21,977	4,848	21,977	0	
Support Services	Recharges Exp	151	141	87	228	0	228	0	
Capital Charges	Amortisation of Def Chgs	0	0	0	0	0	0	0	
	Depreciation	0	17	0	17	0	17	0	
Capital Financing Costs	Interest Payments	1,132	1,542	0	1,542	0	1,542	0	
Appropriations	Appropriations	6,670	5,373	0	5,373	0	5,373	0	
Income	Customer Fees and Charges	(19,482)	(20,040)	0	(20,040)	(6,308)	(19,781)	(259)	*(1%)*
	Government Grants	(29,176)	(25,281)	(2,852)	(28,133)	(5,137)	(28,055)	(78)	*(0%)*
	Interest	(1,611)	(568)	0	(568)	(178)	(568)	0	
	Other Grants and Contributions	(3,261)	(2,281)	(1,247)	(3,528)	(1,465)	(3,448)	(80)	*(2%)*
	Recharges Inc	(2,471)	(1,501)	0	(1,501)	(328)	(1,481)	(20)	
Capital Financing Inc	Capital Related Income	0	(300)	0	(300)	0	(300)	0	
Net Recharges to Housing Revenue Account		(1,032)	(1,026)	0	(1,026)	(1,026)	(1,026)	0	
RMS Capital Charges (now Housing Revenue Account)		(130)	(139)	0	(139)	1,376	(139)	0	
Revenue Reserve funded items included in above analysis (Revenue)		1,295	1,272	172	1,444	178	4,270	(2,826)	*(196%)*
Revenue Reserve funded items included in above analysis (Appropria		(1,295)	(1,272)	(172)	(1,444)	0	(4,270)	2,826	*+196%*
General Fund Revenue Budget		**26,805**	**25,008**	**0**	**25,008**	**3,244**	**25,165**	**(157)**	*(1%)*
Core Funding :	Revenue Support Grant	(406)	(433)	0	(433)	(117)	(433)	0	
	Additional New Homes Bonus	0	0	0	0	0	0	0	
	Supplementary Government Grants	0	0	0	0	0	0	0	
	Prior Year Council Tax Surplus	181	141	0	141	0	141	0	
	Net Business Rates Income	(16,126)	(13,788)	0	(13,788)	3,560	(13,788)	0	
Council Tax Requirement		**10,454**	**10,928**	**0**	**10,928**	**6,687**	**11,085**	**(157)**	*(1%)*

Notes:
1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

QUARTER 1 FINANCIAL REVENUE MONITORING - HRA SERVICE ANALYSIS 2024/25

		Provisional Outturn 2023/24 £'000	Original Budget 2024/25 £'000	Budget Amendments 2024/25 £'000	Working Budget 2024/25 £'000	Q1 Actual 2024/25 £'000	Projected Outturn 2024/25 £'000	Projected Variance 2024/25 £'000	*Variance +/- £30K %*
	Housing Revenue Account								
Housing Revenue Account	Policy & Management	2,748	3,080	0	3,080	759	3,415	(335)	*(11%)*
	Repairs & Maintenance	7,935	6,911	0	6,911	1,056	7,041	(130)	*(2%)*
	Welfare Services	(90)	(237)	0	(237)	(160)	(237)	0	
	Special Services	266	238	0	238	74	245	(7)	
	Miscellaneous Expenses	1,039	952	0	952	162	1,173	(221)	*(23%)*
	Income Account	(17,551)	(17,985)	0	(17,985)	(4,397)	(18,090)	105	*+1%*
	Capital Charges	(4,298)	7,014	0	7,014	0	7,463	(449)	*(6%)*
	Appropriations	9,434	(490)	0	(490)	0	(891)	401	*+82%*
	Gain/Loss on Asset Sales	0	0	0	0	0	0	0	
	Gain/Loss on Asset Sales(Move)	0	0	0	0	0	0	0	
		(517)	**(517)**	**0**	**(517)**	**(2,506)**	**119**	**(636)**	*(123%)*
Net Recharges to General Fund		517	517	0	517	517	517	0	
Housing Revenue Account Budget		**0**	**0**	**0**	**0**	**(1,989)**	**636**	**(636)**	

Notes:
1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

QUARTER 1 FINANCIAL CAPITAL MONITORING - GENERAL FUND SERVICE ANALYSIS 2024/25

	Services	Original Budget 2024/25 £'000	Budget Amendments 2024/25 £'000	Working Budget 2024/25 £'000	Q1 Actual 2024/25 £'000	Projected Outturn 2024/25 £'000	Projected Variance 2024/25 £'000	2023/24 Slippage / (Accelerated Expenditure) Request £'000	*Variance +/- £30K %*
Environment & Place	AONB - Capital Access Works	0	0	0	0	0	0		
	Electric Taxis	0	0	0	(342)	0	0		
	Food Waste Strategy	0	0	0	(1,462)	0	0		
	Happy Mount Park Footpaths	0	0	0	0	0	0		
	Purchase Of Vehicles	1,301	0	1,301	211	1,079	222	(179)	
	Salt Ayre Equipment Programme	976	0	976	0	0	976		*+100%*
Housing & Property	1 Lodge Street Urgent Structural Repairs	0	0	0	0	422	(422)	422	
	Commercial Property Works	62	0	62	0	62	0		
	Coopers Fields - BLRF	0	0	0	(300)	0	0	0	
	Disabled Facilities Grants	0	0	0	(715)	0	0	0	
	HIA Purchase of Vehicles	127	0	127	0	0	127	0	*+100%*
	Lancaster City Museum	0	0	0	0	0	0		
	Low Voltage Switchgear & Solar Array - Gateway	984	0	984	0	984	0		
	Mellishaw Park	0	0	0	393	519	(519)	73	
	Next Steps Accommodation Programme	0	0	0	(6)	0	0		
	Palatine Recreation Ground - Veterans Cl	0	0	0	0	0	0		
	Property Capital Works	355	0	355	0	355	0		
	White Lund Depot Improvements	996	0	996	3	1,834	(838)	838	*(84%)*
People & Policy	PRG Grant	0	0	0	(40)	0	0		
Planning & Climate Change	Burrow Beck Solar	200	0	200	0	200	0		
	Property De-carbonisation Works	240	(240)	0	(106)	0	0		
	Property De-carbonisation Works 2024-25	0	240	240	1	750	(510)		*(213%)*
	SALC Salix Funded Optimised Solar Farm	0	0	0	(134)	0	0	0	
Resources	Application System Renewal	0	0	0	13	0	0		
	Capital Clearance	0	0	0	0	0	0		
	I.S. Desktop Equipment	166	0	166	12	166	0		
	I.T.Strategy	115	0	115	27	231	(116)	116	*(101%)*
	ICT Laptop Replacement & E-campus screens	0	0	0	5	113	(113)	113	
	ICT Nimble	300	0	300	0	300	0		
	ICT Telephony	5	0	5	3	15	(10)	10	
	Lancaster Local Fibre Network	755	0	755	122	1,378	(623)	623	
	Transformation Costs - Flexible Use of Cap Receipt	0	0	0	0	0	0		
Sustainable Growth	Artle Beck Improvements	0	0	0	0	0	0		
	Bare Outfall Flooding	50	0	50	0	50	0		
	Brownfield Land Release Fund	0	0	0	(2,389)	0	0		
	Caton Road Flood Relief Scheme	0	0	0	(1,653)	0	0	0	
	Centenary House Grant Funded Works	0	0	0	(725)	0	0		
	City Museum Shop	30	0	30	8	30	0		
	Coastal Revival Fund - Morecambe Co-op	0	0	0	(9)	0	0	0	
	Economic Growth & Regen Devpt Pool	0	0	0	0	0	0	0	
	Engineers Electric Vehicle	0	0	0	0	0	0		
	Lancaster HS Heritage Action Zone	0	0	0	62	373	(373)	373	
	Lancaster Square Routes Project	5	0	5	(18)	5	0		
	Lawsons Bridge S106 scheme	0	0	0	48	57	(57)	63	
	Morecambe Sea Front Parapet	30	0	30	0	30	0		
Other Items	REPF 23/24 (yr1) External Projects	0	0	0	(23)	0	0		
	REPF 24/25 (Yr2) External Projects	0	0	0	(375)	0	0		
	UKSPF - 23-24 (yr2) External Projects	0	0	0	(11)	0	0		
	UKSPF - 24/25 (yr3) Capital Funding Allocation	0	0	0	(790)	0	0		
	UKSPF-23/24 (yr2) Digital Tourism Transformation	0	0	0	(20)	0	0		
	UKSPF-23-2(yr2) The Streets Are Ours Public Realm	0	0	0	(73)	0	0		
	UKSPF-23-24 (yr2) Lancs CVS Community Warm Hubs	0	0	0	0	0	0		
	UKSPF-23-24 (yr2) Lodge St Environs Enabling Works	0	0	0	(69)	0	0		
	UKSPF-23-24 (yr2) Maritime Museum Access	0	0	0	0	0	0		
	UKSPF-23-24 (yr3) Heysham Village Toilets	0	0	0	0	0	0		
	UKSPF-24/25 (yr3) External Projects	0	0	0	2	0	0		
	UKSPF-24-25 (yr3) City Museums Accessible Engagemt	0	0	0	0	0	0		
	UKSPF-24-25 (yr3) Digital Tourism Transformation	0	0	0	0	0	0		
	UkSpF-24-25 (yr3) Lancs CVS Community Warm Hubs	0	0	0	0	0	0		
		6,697	**0**	**6,697**	**(8,350)**	**8,953**	**(2,256)**	**2,452**	*(34%)*
GRAND TOTAL		**6,697**	**0**	**6,697**	**(8,350)**	**8,953**	**(2,256)**	**2,452**	*(34%)*

Notes:
1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

Council Housing Capital Programme 2024/25

	2024/25 Original Budget £	2024/25 Working Budget £	2024/25 P3 Actual £	2024/25 Projected Outturn £	2024/25 Variance (Working v Projected) £	Comments (Working Budget to Projected Outturn)	2023/24 Slippage Request £
EXPENDITURE							
Adaptations	300,000	300,000	120,907	300,000	0		0
Energy Efficiency / Boiler Replacement	909,000	909,000	147,217	1,333,700	(424,700)	Projected Outturn Variance relates to slippage as per column to right	424,700
Kitchen / Bathroom Refurbishment	888,000	888,000	120,094	888,000	0		0
External Refurbishment	526,000	526,000	3,093	546,800	(20,800)	Projected Outturn variance relates to slippage as per column to right	20,800
Environmental Improvements	150,000	150,000	21,391	277,600	(127,600)	Projected Outturn variance relates to slippage as per column to right	127,600
Re-roofing / Window Renewals	493,000	493,000	41,764	781,500	(288,500)	Projected Outturn variance relates to slippage as per column to right	288,500
Rewiring	88,000	88,000	2,745	109,900	(21,900)	Projected Outturn variance relates to slippage as per column to right	21,900
Lift Replacement	0	0	0	0	0		0
Fire Precaution Works	392,000	392,000	41,117	486,100	(94,100)	Projected Outturn variance relates to slippage as per column to right	94,100
Housing Renewal & Renovation	607,000	607,000	42,883	1,206,000	(599,000)	Projected Outturn variance relates to slippage as per column to right; £25K Additional cost to increase Alder Grove development to EPC A, funded from HRA Business Support Reserve	574,000
Mainway Regeneration Project	0	0	-363,919	0	0		0
TOTAL EXPENDITURE	**4,353,000**	**4,353,000**	**177,291**	**5,929,600**	**(1,576,600)**		**1,551,600**

Note: Variances are expressed as negative ( ) for adverse and positive + for favourable

APPENDIX F

Reserves Statement (Including Unallocated Balances)

	<----- ORIGINAL BUDGET ----->					<----- PROJECTED OUTTURN ----->				
	31 March 2024	From Revenue	To / (From) Capital	To Revenue	31 March 2025	31 March 2024	From Revenue	To / (From) Capital	To Revenue	31 March 2025
	£	£	£	£	£	£	£	£	£	£
Unallocated Balances	**(8,620,400)**	**(1,070,000)**	**0**	**1,277,500**	**(8,412,900)**	**(10,327,000)**	**(913,000)**		**3,420,700**	**(7,819,300)**
Earmarked Reserves:										
Corporate Priorities	**(18,300)**			82,700	**64,400**	**(454,700)**			375,800	**(78,900)**
Capital Support	**(73,000)**				**(73,000)**	**(73,000)**				**(73,000)**
Corporate Property	**(313,500)**				**(313,500)**	**(313,500)**				**(313,500)**
Covid 19 Support Reserve	**(9,700)**				**(9,700)**	**(9,700)**				**(9,700)**
Investment Property Maint	**(34,900)**				**(34,900)**	**(84,900)**				**(84,900)**
Invest to Save	**(73,500)**				**(73,500)**	**(264,300)**			162,900	**(101,400)**
Museums Acquisitions	**(40,800)**	(4,500)			**(45,300)**	**(42,500)**	(4,500)			**(47,000)**
Planning Fee Income	**(30,400)**				**(30,400)**	**(10,600)**				**(10,600)**
Restructure	**(399,900)**				**(399,900)**	**(450,600)**			50,600	**(400,000)**
To Support Revenue & Capital Expenditure	**(994,000)**	**(4,500)**	**0**	**82,700**	**(915,800)**	**(1,703,800)**	**(4,500)**	**0**	**589,300**	**(1,119,000)**
Renewals Reserves	**(1,422,700)**	(491,800)	38,000		**(1,876,500)**	**(1,430,300)**	(491,800)	38,000	4,100	**(1,880,000)**
General Renewals	**(1,064,300)**	(295,800)			**(1,360,100)**	**(1,068,500)**	(295,800)		4,100	**(1,360,200)**
Salt Ayre Leisure Centre	**(55,700)**	(150,000)	38,000		**(167,700)**	**(55,700)**	(150,000)	38,000		**(167,700)**
Williamson Park	**(47,000)**	(18,000)			**(65,000)**	**(47,000)**	(18,000)			**(65,000)**
Car Parks	**(135,200)**	(12,000)			**(147,200)**	**(135,200)**	(12,000)			**(147,200)**
Happy Mount Park	**(49,900)**	(14,000)			**(63,900)**	**(49,900)**	(14,000)			**(63,900)**
Arnside & Silverdale AONB	**(70,600)**	(2,000)			**(72,600)**	**(74,000)**	(2,000)			**(76,000)**
Elections	**9,600**	(45,000)			**(35,400)**	**(17,300)**	(45,000)			**(62,300)**
Homelessness Support	**(110,800)**				**(110,800)**	**(110,800)**				**(110,800)**
Lancaster District Hardship	**(500)**				**(500)**	**(106,000)**			105,400	**(600)**
Business Rates Retention	**(7,694,000)**	(751,000)			**(8,445,000)**	**(11,313,400)**	(751,000)			**(12,064,400)**
Revenue Grants Unapplied	**(158,700)**			73,400	**(85,300)**	**(440,400)**			355,100	**(85,300)**
S106 Commuted Sums - Affordable Housing	**(155,800)**				**(155,800)**	**(218,800)**				**(218,800)**
S106 Commuted Sums - Highways, Cycle Paths etc.	**(1,398,600)**	(200,000)			**(1,598,600)**	**(1,274,400)**	(200,000)	63,000		**(1,411,400)**
Welfare Reforms	**(324,900)**				**(324,900)**	**(324,900)**				**(324,900)**
Amenity Improvements	**(29,000)**				**(29,000)**	**(29,000)**				**(29,000)**
Reserves Held in Perpetuity:					**0**					
Graves Maintenance	**(22,200)**				**(22,200)**	**(22,200)**				**(22,200)**
Marsh Capital	**(47,700)**				**(47,700)**	**(47,700)**				**(47,700)**
Total ring-fenced/held against risk	**(11,355,300)**	**(1,487,800)**	**38,000**	**73,400**	**(12,731,700)**	**(15,335,200)**	**(1,487,800)**	**101,000**	**464,600**	**(16,257,400)**
Total Earmarked Reserves	**(12,349,300)**	**(1,492,300)**	**38,000**	**156,100**	**(13,647,500)**	**(17,039,000)**	**(1,492,300)**	**101,000**	**1,053,900**	**(17,376,400)**
Total Combined Reserves	**(20,969,700)**	**(2,562,300)**	**38,000**	**1,433,600**	**(22,060,400)**	**(27,366,000)**	**(2,405,300)**	**101,000**	**4,474,600**	**(25,195,700)**

HRA Reserves Statement (Including Unallocated Balances)

	<----- ORIGINAL BUDGET ----->					<----- PROJECTED OUTTURN ----->				
	31 March 2024 £	From Revenue £	To / (From) Capital £	To Revenue £	31 March 2025 £	31 March 2024 £	From Revenue £	To / (From) Capital £	To Revenue £	31 March 2025 £
HRA Unallocated Balances	**(750,000)**	**(95,600)**			**(845,600)**	**(750,000)**	**(95,600)**		**634,900**	**(210,700)**
Earmarked Reserves:										
Business Support Reserve	**(35,400)**				**(35,400)**	**(581,900)**		219,000	328,600	**(34,300)**
Major Repairs Reserve	**(121,400)**	(4,325,700)	4,325,700		**(121,400)**	**(779,500)**	(5,392,300)	5,392,300		**(779,500)**
Flats - Planned Maintenance	**(472,400)**	(33,000)		22,900	**(482,500)**	**(404,500)**	(33,000)		67,100	**(370,400)**
ICT and Systems Improvement	**(963,200)**			688,900	**(274,300)**	**(974,200)**			699,900	**(274,300)**
Sheltered - Equipment	**(254,200)**	(37,900)		43,000	**(249,100)**	**(299,300)**	(39,800)		43,000	**(296,100)**
Sheltered - Planned Maintenance	**(56,500)**	(75,600)		15,300	**(116,800)**	**(284,100)**	(79,500)		40,300	**(323,300)**
Sheltered Support Grant Maintenance	**(235,900)**	(37,900)			**(273,800)**	**(279,500)**	(39,800)			**(319,300)**
Total Earmarked Reserves	**(2,139,000)**	**(4,510,100)**	**4,325,700**	**770,100**	**(1,553,300)**	**(3,603,000)**	**(5,584,400)**	**5,611,300**	**1,178,900**	**(2,397,200)**
Total Combined Reserves	**(2,889,000)**	**(4,605,700)**	**4,325,700**	**770,100**	**(2,398,900)**	**(4,353,000)**	**(5,680,000)**	**5,611,300**	**1,813,800**	**(2,607,900)**

APPENDIX G

GENERAL FUND - 2024/25 SAVINGS & BUDGET PROPOSALS MONITORING (QUARTER 1)

Initiative	Budget	Actual to Date	Projected Outturn	Projected Variance	Progress
2023/24 APPROVED SAVINGS	**£'000**	**£'000**	**£'000**	**£'000**	
Council Wide					
Fees & Charges	838	210	838	0	This is difficult to project as there are shortfalls in income across services however this maybe attributable to other issues over pricing strategy. A more robust projection will be provided at Q2.
Environment & Place					
Service Administration	12	0	12	0	restructuring in process - template on target
EHO (Apprentice/Student) Staffing Review	25	25	25	0	template delivered
Salt Ayre Leisure Centre (Soft Play Charging)	18	0	0	(18)	template delivered - income levels are down at SALC and will be reviewed within Q2
Happy Mount Park (Splash Park Charging)	22	0	0	(22)	template delivered - weather affected income levels which isn't connected to pricing
Parks & Open Spaces Staffing Review	55	55	55	0	template delivered
Housing & Property					
Customer Services	32	0	32	0	Budgeted for 2nd half of year
Property Compliance Staffing Review	0	0	0	0	savings to be delivered from 25/26 onwards
Mellishaw Park Staffing Review	15	15	15	0	template delivered - budget removed
People & Policy					
Playschemes	26	26	26	0	template delivered - budget removed
Planning & Climate Change					
Planning Fees	100	20	100	0	National downturn in major apps; hoped that Gov't changes will encourage an upturn in latter quarters of the year
S106 Monitoring Fees	10	0	10	0	Profiled from Q2 onwards - template on target
Resources					
Financial Services Staffing Review	30	8	30	0	Staff changes on-going and savings will be made by end of year - template on target
Sustainable Growth					
Coastal Maintenance	50	50	50	0	Post not yet filled, savings from R&M already taken
TOTAL SAVINGS	**1,233**	**409**	**1,193**	**(40)**	
2024/25 APPROVED GROWTH	**£'000**	**£'000**	**£'000**	**£'000**	
Environment & Place					
The Platform	75	19	75	0	Part of running costs in year; will be within budget
People & Policy					
Project Management System	12	0	12	0	Software not yet purchased
Planning & Climate Change					
Restructuring/Biodiversity Officer	38	0	22	(16)	Difficulties recruiting to post, expected for second half of year
TOTAL GROWTH	**125**	**19**	**109**	**(16)**	
NET SAVINGS	**1,108**	**390**	**1,084**	**(24)**	

GENERAL FUND SERVICE ANALYSIS 2024/25

		Provisional Outturn 2023/24 £'000	Original Budget 2024/25 £'000	Q1 Projected 2024/25 £'000	Q2 Projected 2024/25 £'000	Q3 Projected 2024/25 £'000	Q4 Projected 2024/25 £'000
	Services						
Environment & Place	AONB & Nature Reserves	98	106	112			
	Environmental Protection	330	387	350			
	Fleet Management	47	35	(20)			
	Food Safety	364	591	496			
	Hospitality & Events Management	251	229	255			
	Parks & Open Spaces	1,376	1,236	1,256			
	Pest Control	0	(18)	(20)			
	Salt Ayre Leisure Centre	960	356	593			
	Service Support	662	786	770			
	Street Cleaning	1,739	1,793	1,791			
	Streetscape	65	72	72			
	Trade Refuse	(786)	(1,037)	(899)			
	Waste Collection	3,510	2,984	3,166			
	Williamson Park	538	366	476			
Governance	Democratic Support & Elections	962	1,030	1,025			
	Legal Services	647	634	686			
	Licensing	(21)	(72)	(93)			
Housing & Property	Commercial Land & Properties	(1,366)	(1,415)	(1,527)			
	Customer Services	533	597	603			
	Facilities Management	550	664	635			
	GF Housing Schemes	179	(10)	3			
	Municipal Buildings	628	570	658			
	Other Land & Buildings	62	106	34			
	Private Sector Housing	885	1,521	1,486			
	Property Group	703	842	784			
	Public Health Services	122	127	134			
	Repairs & Maintenance	0	0	0			
People & Policy	Communications & Marketing	246	240	238			
	Community Connectors	313	382	204			
	Emergency Planning & CSP	92	97	97			
	Exec Support	678	215	217			
	Health & Safety	85	74	59			
	HR & OD	1,384	1,123	1,144			
	Projects & Performance	127	183	174			
	VCFS	302	312	312			
	Visitor Information Centres	170	18	18			
Planning & Climate Change	DM - Building Control	121	190	186			
	DM - Planning	429	712	723			
	Energy and Sustainability	150	167	173			
	Planning & Housing Strategy	747	974	932			
Resources	CCTV	51	59	63			
	Finance	1,257	1,625	1,546			
	ICT	1,503	1,807	1,733			
	Internal Audit	156	169	169			
	Revenues & Benefits	992	1,213	1,213			
Sustainable Growth	Economic Development & Culture	346	220	220			
	Markets	(53)	(126)	(31)			
	Museums	433	485	490			
	Parking	(2,553)	(2,753)	(2,726)			
	Regeneration	873	590	514			
	Strategic Projects & Engineers	312	450	411			
		21,199	**20,906**	**20,905**	**0**	**0**	**0**
	Corporate Services						
Corporate Accounts	Corporate Accounts	2,093	98	256			
Other Items	Contributions from Reserves	(1,594)	2,362	2,362			
	Government Grants	(1,159)	(1,239)	(1,239)			
	Interest Payable	1,132	1,541	1,541			
	Interest Receivable	(1,413)	(505)	(505)			
	Minimum Revenue Provision	2,660	3,010	3,010			
	Notional Charges	(80)	0	0			
	Pandemic Support	0	0	0			
	Revenue Funding of Capital	132	0	0			
	Capital Funding of Revenue	(477)	0	0			
	UKSPF	0	0	0			
		1,294	**5,267**	**5,425**	**0**	**0**	**0**
Net Recharges to Housing Revenue Account		(1,032)	(1,026)	(1,026)			
RMS Capital Charges (now Housing Revenue Account)		(130)	(139)	(139)			
Revenue Reserve funded items included in above analysis (Revenue)		1,295	1,272	4,270			
Revenue Reserve funded items included in above analysis (Appropriati		(1,295)	(1,272)	(4,270)			
General Fund Revenue Budget		**21,331**	**25,008**	**25,165**	**0**	**0**	**0**
Core Funding :	Revenue Support Grant	(406)	(433)	(433)			
	Additional New Homes Bonus	0	0	0			
	Supplementary Government Grants	0	0	0			
	Prior Year Council Tax Surplus	181	141	141			
	Net Business Rates Income	(10,652)	(13,788)	(13,788)			
Council Tax Requirement		**10,454**	**10,928**	**11,085**	**0**	**0**	**0**

Notes:
1. Income is expressed as a negative figure in brackets
2. Expenditure is expressed as a positive figure
3. Projected Variances are expressed as negative ( ) for adverse and positive + for favourable

APPENDIX I

Treasury Management Update

Quarter ended 30th June 2024

Report of Chief Resources and S151 Officer

2024/25 Treasury Management Update

Quarter Ended 30th June 2024

1. Introduction

The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Council is implementing best practice in accordance with the Code.

2. Economic update (provided by Link Asset Services)

The first quarter of 2024/25 saw:

- *GDP growth flatlining in April following positive Q4 2023/24 growth figures of 0.7% q/q.*
- *A stalling in the downward trend in wage growth, with the headline 3myy rate staying at 5.9% in April.*
- *CPI inflation falling from 2.3% in April to 2.0% in May.*
- *Core CPI inflation decreasing from 3.9% in April to 3.5% in May.*
- *The Bank of England holding rates at 5.25% in May and June.*
- *10-year gilt yields climbing to 4.35% in April, before closing out at 4.32% in May.*

The news that the economy grew by 0.7% q/q in Q4 2023/24 confirmed that it moved out of its very mild technical recession that prevailed at the back end of 2023. However, data released for April and May so far shows a slight stalling in the recovery, with GDP data for April coming out at 0.0% m/m, as inclement weather weighed on activity. Moreover, the fall in the composite Purchasing Manager Index output balance from 53.0 in May to 51.7 in June confirms tepid growth.

On a more positive note, the 2.9% m/m increase in retail sales volumes in May more than reversed the 1.8% m/m drop in April as rainfall returned to seasonal norms. The strength was broad-based across the retail sector, including online, (+5.9% m/m) suggesting an underlying strengthening in sales beyond weather effects. With inflation falling back to target, Bank Rate likely to be reduced soon and with consumer confidence improving, retail sales may well continue to strengthen.

Stronger consumer spending, as low inflation allows households' real incomes to strengthen and the drag from higher interest costs fades, suggests that real consumption will strengthen substantially over the next two years. However, investment will only make a modest contribution to GDP growth. With the industrial sector still 12% smaller than in 2019, excess capacity will continue to cap the need for industrial firms to invest. But improving business sentiment should raise investment by services' firms. Further, a fall in mortgage rates should trigger a recovery in residential investment. Overall, strong consumer spending is likely to be the backbone of GDP growth, along with government consumption. Our colleagues at Capital Economics forecast that following GDP growth of 1.0% in 2024, activity will continue to surprise to the upside with GDP growth of 1.5% for both 2025 and 2026 (consensus forecasts are 1.2% and 1.4% respectively).

Nonetheless, the on-going stickiness of wage growth in April will be a lingering concern for the Bank of England. The 3myy rate of average earnings growth stayed at 5.9% in April (consensus 5.7%), whilst the more timely 3m annualised rate rebounded from 5.9% to 9.3%. This stickiness partly reflected April's 9.8% increase in the minimum wage. This leaves the Bank of England's forecast for a fall back in regular private sector pay growth from 5.8% in April to 5.1% in June looking a challenge.

Despite the stickiness of wage growth in April, sharp falls in employment and a move up in unemployment suggests that wage growth will soon be back on a downward path. The 139,000 fall in employment in the three months to April was accompanied by a rise in the unemployment rate from 4.3% to 4.4%. This was the fourth increase in a row and took it to its highest level since September 2021. The rise would have been larger were it not for the 132,000 increase in inactivity in the three months to April as the UK's disappointing labour market participation performance since the pandemic continued. The vacancies data also paint a picture of a slowly cooling labour market. The number of job vacancies fell from an upwardly revised 908,000 to 904,000, leaving vacancies 31% below the peak in May 2022, but 11% above the pre-pandemic level.

The fall in CPI inflation in May back to the Bank's 2% target for the first time since July 2021 will have come as welcome news to the Bank. Furthermore, with CPI inflation of 3.3% in the US and 2.6% in the Euro-zone in May, the UK appears to have won the race to get CPI inflation back to 2.0%. A further easing in food inflation from 2.8% in April to 1.6% in May played a part in the fall in overall CPI inflation and with food producer price inflation at just 0.2% in May, food price inflation will probably soon fall to zero.

The core rate also fell back from 3.9% to 3.5%. Within that, core goods CPI inflation slipped below zero for the first time since October 2016. As expected, clothing/footwear, recreation/culture and restaurants/hotels categories inflation declined, reflecting base effects from big increases last May. While services inflation fell from 5.9% to 5.7%, this decline was smaller than the Bank of England expected (forecast 5.3%). And the timelier three-month annualised rate of services prices has rebounded from 8.5% to 9.2%. This suggests that the persistence in domestic inflation that the Bank is worried about is fading more slowly than it thought. Even so, there is scope for inflation to fall further.

There was little chance that the Bank would cut rates at its June meeting, given upside surprises on services CPI inflation and wage growth. But several developments implied a rate cut is getting closer (August?). First, two members of the MPC, Ramsden and Dhingra voted again to reduce rates immediately to 5.00%. Second, despite the recent run of stronger inflation and activity, the minutes noted "indicators of inflation persistence had continued to moderate" and that a range of indicators suggest pay growth had continued to ease. And there was new wording that members of the MPC will consider all the information available and how this affects the assessment that the risks from inflation persistence are receding "as part of the August forecast round".

3. Interest Rate Forecast

The Council has appointed Link Group as its treasury advisors and part of their service is to assist the Council to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1st November 2012. For Housing Revenue

Account authorities, the lower Housing Revenue Account (HRA) PWLB rate has also been available since 15 June 2023 (standard rate minus 60 bps) but is available for HRA borrowing only.

The latest forecast, updated on 28th May, sets out a view that both short and long-dated interest rates will start to fall once it is evident that the Bank of England has been successful in squeezing excess inflation out of the economy, despite a backdrop of a stubbornly robust economy and a tight labour market.

Link Group Interest Rate View	28.05.24											
	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
BANK RATE	5.25	5.00	4.50	4.00	3.50	3.25	3.25	3.25	3.25	3.00	3.00	3.00
3 month ave earnings	5.30	5.00	4.50	4.00	3.50	3.30	3.30	3.30	3.30	3.00	3.00	3.00
6 month ave earnings	5.30	4.90	4.40	3.90	3.50	3.30	3.30	3.30	3.30	3.10	3.10	3.20
12 month ave earnings	5.10	4.80	4.30	3.80	3.50	3.40	3.40	3.40	3.40	3.20	3.30	3.40
5 yr PWLB	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.90	3.90	3.90	3.80
10 yr PWLB	5.00	4.80	4.60	4.40	4.30	4.10	4.10	4.10	4.00	4.00	4.00	3.90
25 yr PWLB	5.30	5.20	5.00	4.80	4.70	4.50	4.50	4.40	4.40	4.40	4.30	4.30
50 yr PWLB	5.10	5.00	4.80	4.60	4.50	4.30	4.30	4.20	4.20	4.20	4.10	4.10

Additional notes by Link on this forecast table: -

- *Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.*
- *The Link forecast for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short-term cash at any one point in time.*

4. Investing Activities

The Treasury Management Strategy Statement (TMSS) for 2024/25, which includes the Annual Investment Strategy, was approved by the Council on 28 February 2024. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Council's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Council will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Council's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seek out value available in periods up to 12 months with high credit rated financial institutions, using the Link suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

As shown by the charts below and the interest rate forecasts in section 3, investment rates have remained elevated during the first quarter of 2024/25 but are expected to fall back through the second half of 2024 as inflation reduces and the MPC starts to loosen monetary policy.

There have been few changes to credit ratings over the quarter under review. However, officers continue to closely monitor these, and other measures of creditworthiness to ensure that only appropriated counterparties are considered for investment purposes.

The current investment counterparty criteria selection approved in the Treasury Management Strategy is meeting the requirement of the treasury management function.

The average level of funds available for investment purposes to the end of quarter 1 was £21.69M. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

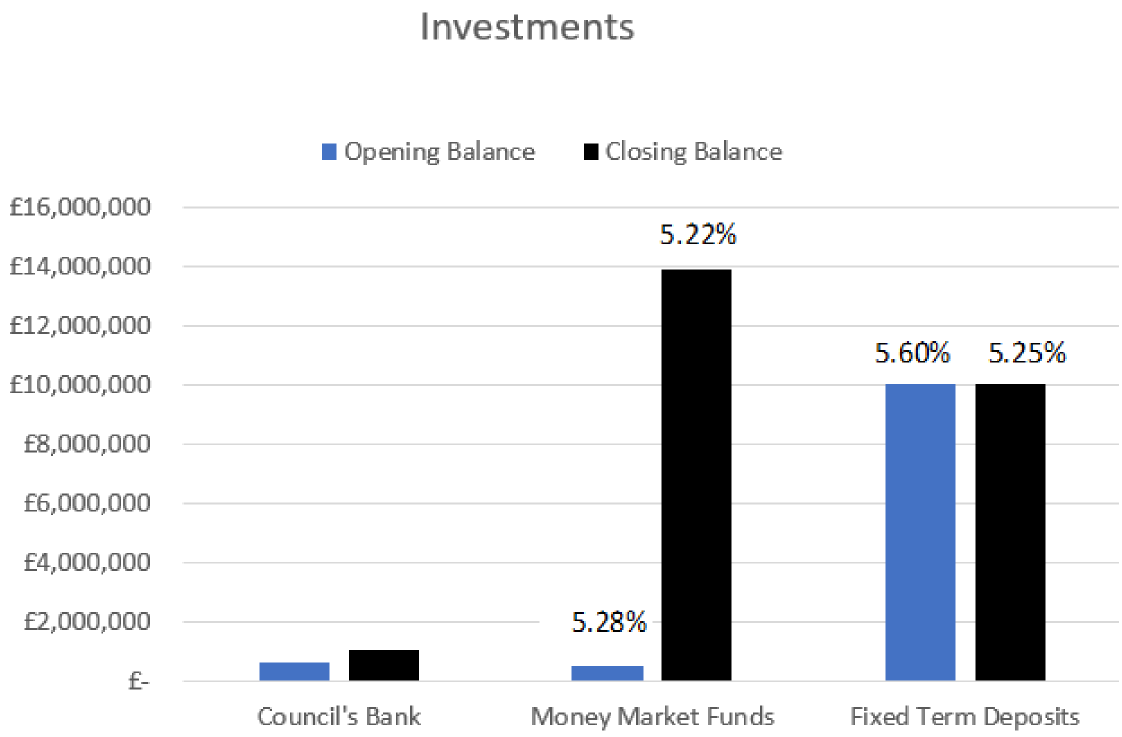
In terms of performance against external benchmarks, the return on investments compared to the 7-day SONIA and bank rates at the end of the period is shown below. This is viewed as good performance given the need to prioritise the investments and liquidity (i.e. making sure that the Council’s cash flow meets its needs).

Base Rate	5.25%
7 day SONIA	5.20%
Lancaster City Council investments	5.23%

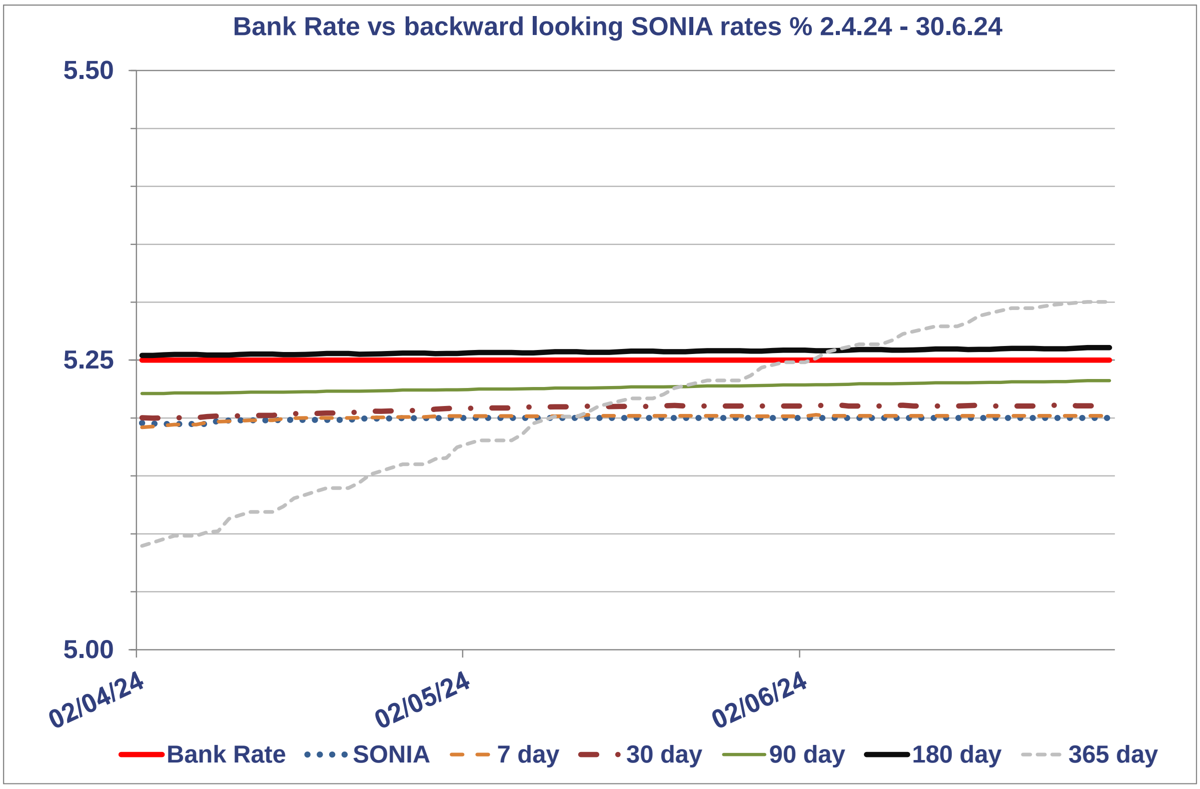
Investment Balances – quarter ended 30 June 2024

At the start of the quarter investments totalled £10.5M rising to £23.9M by 30 June. Fixed term investment with local authorities on 30 June were £10.0M whilst Money Market Fund balances were £13.9M.

Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30th June 2024.



Other Investments	Term	Maturity Date	Opening 1.4.24 £	Closing 30.06.2024 £	Indicative Rate (YTD)	Current Fixed Rate	Interest to Date £
Call Accounts							
Natwest (Cash Manager Plus)			610,437	1,043,405	0.01%		6,607
Money Market Funds							
Aberdeen Life Investments			0	6,000,000	5.22%		62,251
BlackRock 1st			0	0	5.16%		3,571
LGIM			500,000	6,000,000	5.23%		71,064
Insight			0	1,900,000	5.17%		16,819
Fixed Term Deposits							
Halton Borough Council	184 days	20/11/2024	0	5,000,000		5.25%	30,205
West Dunbartonshire	182 days	22/05/2024	5,000,000	0		5.55%	38,774
West Dunbartonshire	183 days	03/12/2024	0	5,000,000		5.25%	20,137
Waltham Forest Council	189 days	30/05/2024	5,000,000			5.65%	45,664
Sub-total			**11,110,437**	**24,943,405**			**295,092**
						Budgeted income	**136,621**
							158,471

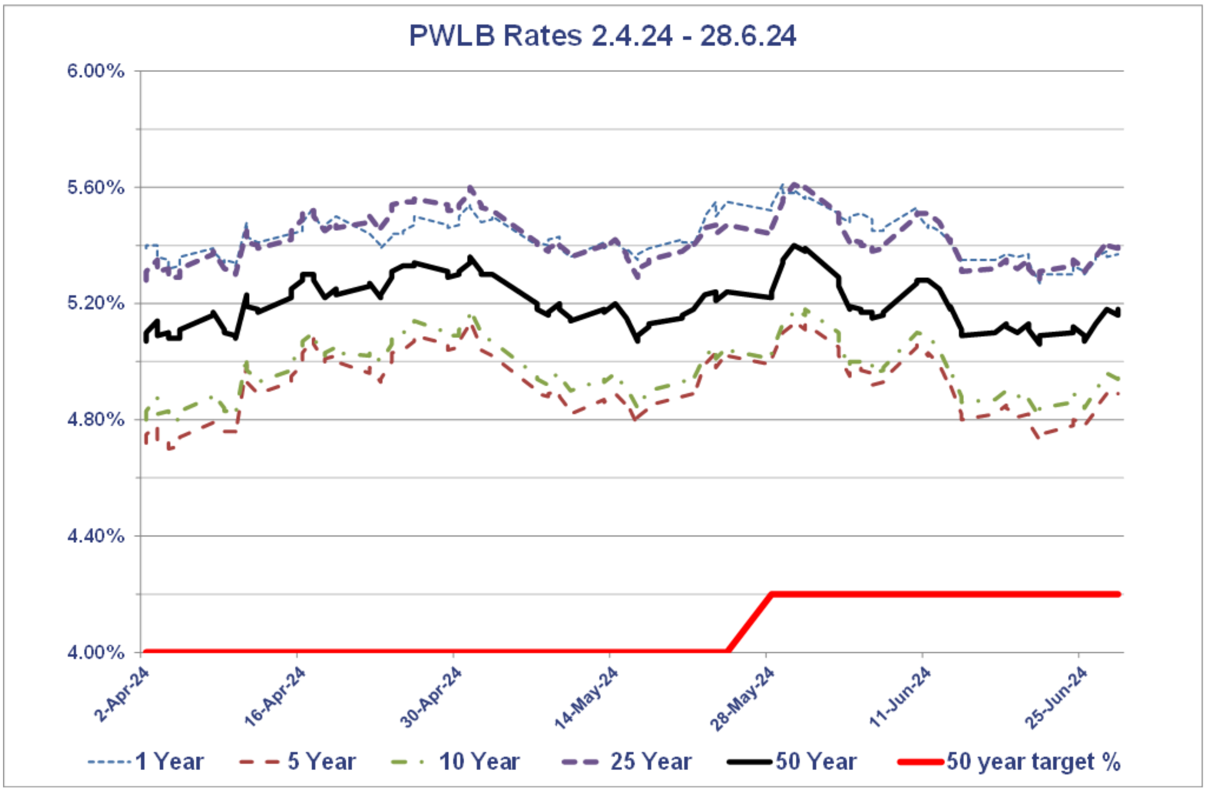


5. New Borrowing

No borrowing was undertaken during the quarter ended 30th June 2024. It is anticipated that further borrowing will be undertaken during this financial year. Balance sheet projections indicate that around £2M borrowing may be required before the end of the financial year. This is anticipated to be temporary borrowing. The ultimate timing will depend on exact working capital cashflows in the run up to year end which are kept under close review. These will continue to be monitored in the forthcoming financial year.

PWLB rates remained relatively stable between 1st April and 30th June. Having said that, the spread between the low and high points during the quarter was between 0.3% and 0.45% across the curve.

The 50-year PWLB target certainty rate for new long-term borrowing started 2024/25 at 4.00% and increased to 4.20% on 28th May. As can be seen, with rates remaining elevated across the whole of the curve, it is advised to not borrow long-term unless the Authority wants certainty of rate and judges the cost to be affordable.



6. **Debt Rescheduling**

Debt rescheduling opportunities have remained a possibility in the current quarter for those authorities with significant surplus cash and a flat or falling Capital Financing Requirement in future years. Members will be advised if there is value to be had by rescheduling or repaying a part of the debt portfolio.

7. **Compliance with Treasury and Prudential Limits**

It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. During the quarter ended 30th June 2024, the Council has operated within the treasury and prudential indicators set out in the Council's Treasury Management Strategy Statement for 2024/25. The Chief Resources & S151 Officer reports that no difficulties are envisaged for the current or future years in complying with these indicators.

All treasury management operations have also been conducted in full compliance with the Council's Treasury Management Practices.

The Prudential and Treasury Indicators for 2024-25 as of 30th June 2024 are set out below:

Treasury Indicators	31.03.24 Actual £M	2024/25 Approved Estimate £M
Authorised limit for external debt	115.00	120.00
Operational boundary for external debt	99.00	104.52
Gross external debt	57.96	71.93
Investments	(10.50)	(13.61)

Prudential Indicators – Non HRA	31.03.24 Actual £M	2024/25 Approved Estimate £M
Capital expenditure *	7.60	17.01
Capital Financing Requirement (CFR) *	64.50	70.47
Annual change in CFR *	0.93	3.52
Ratio of financing costs to net revenue stream *	17.98%	18.20

Prudential Indicators – HRA	31.03.24 Actual £M	2024/25 Approved Estimate £M
Capital expenditure *	6.76	4.77
Capital Financing Requirement (CFR) *	34.08	33.05
Annual change in CFR *	(1.05)	(1.04)
Ratio of financing costs to net revenue stream *	17.52%	16.22

8. Other Issues

Changes in risk appetite

The 2021 CIPFA Codes and guidance notes have placed enhanced importance on risk management. Where an authority changes its risk appetite e.g., for moving surplus cash into or out of certain types of investment funds or other types of investment instruments, this change in risk appetite and policy should be brought to members' attention in treasury management update reports.