



Corporate Performance and Resources

Year-End Report 2023/24



Date	17 June 2024	Version	2.0 (Cabinet)	Approved by	MH/JJ
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INTRODUCTION

I am pleased to present the Corporate Performance and Resources Annual Report, setting out progress in delivering the council's priorities and spending plans for the year, with a particular emphasis on the period between October 2023 and April 2024.

Stockport is a great place to be right now and 2024 is a landmark year for us. We have an ambitious £1billion development and regeneration programme that is transforming the town centre and beyond, and Stockport continues to attract accolades. The borough has recently been named by the Sunday Times as "the best place to live in the North West". It comes on the back of being named best place to retire (Which?), buy your first home (The Times) and one of the 25 best places to shop (The Telegraph).

The next phase of our Borough Plan is One Stockport: One Future, which looks ahead at the next 15 years and sets out the '5 Big Things' that, together with partners, we need to deliver to make Stockport a place where everyone can live happy and healthy lives. We want to build on the brilliant success we have already achieved and tackle some of our biggest challenges, from inequalities across our borough to the effects of climate change.

I mentioned the 2023 Staff Survey in the mid-year report and, since then, the results have been published. The response rate was up on our first survey in 2022 and, encouragingly, overall satisfaction with working for the council increased compared to 2022. More of our colleagues were aware of our values and how they applied them in their everyday work, and a remarkable 95% of colleagues said that they understood how their work benefits Stockport residents.

We know that times continue to be hard for many people and that our borough has long suffered from inequalities. We are seeing increased demand on our services – local people are being impacted by the ongoing cost-of-living crisis, and we face the immense challenge of climate change. Like many councils across the country, we also face significant financial challenge. This comes from continued reductions in government funding, the rising costs of social care for vulnerable children and adults, and the challenges of the cost-of-living crisis. We are committed to tackling these challenges head-on through our strong leadership and working with our local communities and businesses.

Looking ahead, a General Election has now been called and we face the uncertainties this brings, not knowing what direction the next government will take in respect of local government and the services we deliver. Our hope is that this will herald a new era of more certainty, with multi-year financial settlements and a more grown-up response to the challenges all councils face, particularly around the funding of social care. We are under no illusion that there will suddenly be more money available, but we hope the money there is will be used more wisely than we have seen in recent years and that we will no longer be faced with single year financial settlements.



Finally, this report comes as we are set to say goodbye to Caroline Simpson, our Chief Executive. She will be leaving us later this month to take over as Chief Executive of the Greater Manchester Combined Authority. She will be replacing Eamonn Boylan, who was also previously Chief Executive here in Stockport, who is set to retire. The role of Chief Executive is broad and challenging and Caroline has met all the challenges she has faced with skill and wisdom. She has built, and will leave behind a very strong senior leadership team, who will continue her work as we recruit her replacement. We wish her well in her new role, knowing that she will remain part of our wider team at the Greater Manchester level, and thank her for her part in making Stockport what it is today.

Cllr Mark Hunter, Leader of the Council

1. OVERVIEW OF CORPORATE DELIVERY AND PERFORMANCE



- 1.1 This report provides an overview of progress towards delivering against the priorities of the Council Plan 2023/24. It includes a high-level overview of the activity, performance and spend that contributed to meeting these priorities.
- 1.2 The Corporate Report should be considered alongside the seven individual 2023/24 Quarter 4 Portfolio Performance and Resource Reports (PPRRs), which include full details of activity and performance relating to the portfolios. These reports can be accessed by following the links to the five Scrutiny Committees in the table below. The updated Portfolio Performance Dashboards are published alongside the seven PPRRs, and these can be [found here](#). They contain the latest data across the full set of portfolio measures, including historical trend and comparative data (where available).

Scrutiny Committee	Date	2023/24 Portfolio Reports
Communities and Transport	10 th June 2024	Communities, Culture and Sport Parks, Highways and Transport Services
CRMG	11 th June 2024	Finance and Resources Corporate Report
Children and Families	12 th June 2024	Children, Families and Education
Adult Social Care and Health	13 th June 2024	Health and Adult Social Care
Economy, Regeneration and Climate Change	13 th June 2024	Climate Change and the Environment Economy, Regeneration and Housing

Summary Financial Position

Revenue Budget Outturn Position 2023/24				Reserves and Balances	
	Revenue Budget £000	Out-Turn £000	(Surplus)/ Deficit £000	Balance at 31/03/24 £000	
Cash Limits	248,586	254,897	6,311	<u>Non-Ring fenced:</u>	
Non-Cash Limits	64,318	60,882	(3,436)	General Fund Balances	14,515
Total	312,904	315,779	2,875	Earmarked Reserves	82,584
Revenue Financing	312,904	315,111	2,207		
Total	0	668	668	<u>Ring fenced:</u>	
2023/24 Capital Programme (£000)			148,520	DSG and School Reserves	13,720
2024/25 Capital Programme (£000)			194,103	HRA Reserves	2,711
2025/26 Capital Programme (£000)			105,469	Total Reserves and Balances	113,530

1.3 Delivering our priorities

The individual PRRs set out a wide range of key programmes, projects and initiatives delivered across the seven portfolios. Some highlights however are summarised below.

- Stockport Council was recently shortlisted in four categories of the 2024 Municipal Journal Achievement Awards. Winners will be announced at the awards ceremony in London on 21st June 2024.
 - The Stockport Climate Action Now (CAN) team has been shortlisted in two categories: “*Leadership in responding to the climate emergency*” and “*Rising Star*”.
 - Our Corporate Leadership Team (CLT) was shortlisted in the “*Senior Leadership Team*” category.
 - The DigiKnow Partnership was shortlisted in the “*Innovation in Partnerships*” category.
 - DigiKnow was also shortlisted in the iNetworks awards’ “*Outstanding Achievement*” category.
- Stockport Interchange was delivered on time and on budget in partnership with TfGM and GMCA, alongside construction company Willmott Dixon. This modern and attractive transport hub has redefined the town’s connectivity and contains a new two-acre park, named as Viaduct Park, new walking and cycling links to the railway station and the town centre, and is the first phase of the transformational regeneration of Stockport Town Centre West.
- Stockport’s time as Greater Manchester Town of Culture concluded with the Town of Culture Weekender on March 23rd and 24th. This weekend saw over 50 events delivered across 25 locations in Stockport Town Centre involving in excess of 100 partners. The weekend provided unprecedented opportunities to witness and take part in activities focusing on culture, creativity and physical activity. Stockport recorded its busiest weekend of 2024 so far, with Saturday footfall in Merseyway up 14% and Sunday footfall up 50% on normal levels. Stockport Museums and Central Library had their busiest weekends on record with 5,000 and 1,200 visitors through the doors, respectively.
- The Family Hub early adopter areas of Brinnington & Werneth, Edgeley & Offerton and Great Moor & Hazel Grove went live in October 2023 and have been supporting the prototype for further phases. Family hub site opportunities are still being scoped for the Offerton area. Phase 2 implementation went live in February 2024 and has focused on Heaton & Reddish, and a Town Centre launch is planned May 2024. Phase 3 - Cheadle, Bramhall and Marple will launch in July 2024. There will be less emphasis on designating family hub buildings and a greater focus on developing a local network of family hub bridges, which will facilitate and enhance access to the family hub offer. These places and people will have strong links to communities and trusted relationships or established connections with families, creating a wide breadth of access to information, help and support.
- The SEND Board has received and agreed the SEND Strategy and Joint Commissioning and Integrated Working Plan for 2024-2027. Both documents align to the Children and Young People Plan 2024-2027. We are focusing attention on the requirements of our three highest levels of need: - (i) social, emotional, mental health; (ii) autism and neurodiversity; and (iii)

speech, language and communication needs. In addition two cross cutting themes, applicable to all education, health and care services for SEND, have been identified: - (i) timeliness of assessment and diagnosis and ensuring those that are waiting are 'waiting well'; and (ii) developing and promoting our early help ambition of 'success at SEN Support' from the early years to leaving education.

- The CAN Summit took place on 9th November 2023 with 161 people attending in person and online to hear talks from speakers and take part in workshops around: Council CAN, Energy, Young People and Communities, and Nature and Biodiversity.
- In January 2024, the *Match My Project* initiative was launched with our Voluntary, Community, Faith and Social Enterprise (VCFSE) infrastructure partner, Sector3. It is an online platform which will help us to maximise the impact of social value and corporate social responsibility, by matching VCFSE organisations with private sector businesses who are looking to give something back to our community.
- Merseyway Innovation Centre has been well received with lots of positive feedback about the quality of the space and offer. It is now 34% occupied, which is ahead of profile, with ten businesses occupying eleven individual offices. One business is registered to the Shared Office and 20 businesses are using the flexible coworking space on a regular basis. Meeting rooms and the business lounge are well used and the centre has fast become established as a hub for small businesses.
- The Resident Advice and Support (RAS) team has continued to evolve its cost-of-living response and network building to offer financial support. The “tell us once” approach has been relayed to relevant VCFSE groups, charities, social prescribers and partners, as well as to council teams and departments, meaning there is “no wrong front door” when a resident presents in financial crisis. The Cost-of-Living hub dealt with over 3,300 calls, showing that demand is increasing and residents’ situations are becoming more complex. Approximately 2,700 referrals have been made to around 40 services including Welfare Rights, Debt Advice, Foodbanks, Citizens Advice, Disability Stockport.
- As part of the collaborative health and care programme progress has been made with Area Leadership Teams (ALTs) established in the six Stockport PCNs. These integrated teams are responsible for setting the strategic direction and developing population health priorities. Each team has jointly developed a population health plan for their neighbourhood population, with the next phase being delivery through 2024/25.
- This quarter has also seen us take further steps to support the transformation of community mental health services in order to deliver the vision set out in the Mental Health and Wellbeing Strategy. We are continuing to redesign community mental health teams, with the creation of both mental health living well teams and the Living Well Hub through the Living Well Collaboratives. In addition, a review and evaluation of Stockport Mental Health Urgent Care pathway has been completed and presented to the Mental Health and Wellbeing Partnership. The evaluation demonstrates that the additional services to support Stockport residents who experience crisis or emotional distress are well utilised, however further work is needed to ensure that all parts of the pathway continue to work in an integrated way to achieve the ‘no wrong door’ approach.

- Road safety around some of our schools has been enhanced by the School Street experimental Traffic Regulation Orders being made permanent to support the schools continuing with volunteers closing the roads when practicable.

1.4 Portfolio Performance Highlights

Each of the seven PPRs includes a range of performance measures. These are [available here](#) in the seven portfolio dashboards. The portfolio highlights below briefly set out key issues relating to these measures in Quarter 4, highlighting where we are performing particularly well and also some areas of challenge.

Performance highlights at Quarter 4 include:

- Breastfeeding at 6-8 weeks was 56.6% in Quarter 3 2023/24, which is the highest quarterly rate we have on record since 2008. This makes the year-to-date rate 54.7%, which is higher than any previous annual rate. Start Well have also now met all UNICEF baby friendly standards for reaccreditation – this is an amazing achievement led by our Stockport NHS foundation trust colleagues. Our ambition is to achieve gold status.
- We have seen a sustained increase in the percentage of safeguarding cases where clients' outcomes are wholly or partially achieved, as well as in the number of carers receiving direct payments. Performance in Stockport is above that of our comparator authorities.
- Vaccination rates in Stockport are a little down on last year, reflecting vaccine fatigue amongst the population and services. Uptake in Stockport however, continues to be high compared to national and GM rates. The school vaccination programme was a success within Stockport, with the authority achieving first or second place across the whole of GM. In relation to the Covid-19 winter vaccination programme, vaccination rates in Stockport are the highest in GM.
- Numbers of people engaging with Stockport's Green Network are substantially above the in-year target of 80. Though a large proportion of this is from the Green Network's community fun day, "Greenstock", the target would still have been achieved without Greenstock attendees.
- Recycling rates are holding up well and "missed bin collection" rates are down.
- Museum visits are substantially up on 2022/23 (up 44%), boosted by a wide range of activities, full reopening of the Hatworks as well as "Town of Culture". Use of library facilities such as e-loans, Open+ and outreach events were also up on 2022/23.
- Occupancy rates of units in Stockport Town Centre and our eight main district centres remain high – above national average levels.
- The number of continuing education learners from our priority areas is at the highest level it has been since September 2016 and is now above target for the first time September 2022.
- Business Rates and Council Tax collection rates are holding up well and the percentage of invoices we pay on time is increasing – though still falling slightly short of target rates.

- Our digital inclusion initiatives, DigiKnow and Digital Volunteers, are continuing to exceed their targets for engaging residents.
- A long-term target to plant 11,500 trees by 2030 remains on track.
- The measures on street cleanliness and the quality of our green space are holding up well.

Areas of challenge at Quarter 4 include:

- Targets relating to fixed-term exclusions were missed for Stockport as a whole and all subgroups. In all subgroups the rate of fixed term exclusions has increased for Stockport. This is a trend that is also seen both nationally and across NW England, with comparators worsening at a higher rate than Stockport. Overall suspension rates in Stockport have increased from 7.79% to 9.86% whereas national and NW have both almost doubled (national – 5.5% 2022, 9.6% 2023; NW – 5.0% 2022, 9.3% 2023).
- Performance in relation to persistent absence is on target for Stockport as a whole and SEN Support Cohorts. Performance is improving (but still “amber”) for children on Education Health and Care Plans. Performance is worsening for Children In Need and Free School Meals cohorts and in both cases is worse than comparators and the end-of-year target.
- Development and accreditation of the Carbon Literacy for Business course took longer than anticipated. As a result, the pilot of the course did not take place till November 2023. Ten people completed that course. The target for the year was 40.
- Though the overall crime rate for the borough decreased compared to 2022/23, the number of antisocial behaviour incidents recorded by police in the borough increased.
- Findings from the Sport England Young People’s Active Lives Survey continue to suggest activity levels have not yet returned to pre-pandemic levels and that reported activity levels are lower than those across GM and nationally.
- Challenging market conditions and a number of contractors going into administration contributed to housing delivery targets being missed. A number of large schemes expected to complete over the next few years however should see more impressive numbers delivered in future.
- There continues to be pressure on housing services. The number of households presenting to the council as homeless is still relatively high and numbers actually assessed as being homeless is 25% up on 2022/23. Use of hotels to accommodate homeless people continues to rise, with the number of placements having more than doubled since 2022/23. The typical length of stay is also increasing. If current trends continue, it is estimated that spend on hotel placement for homeless people will exceed £1m in 2024/25. The 21 rough sleepers identified in the borough during the annual Rough Sleeping Count in autumn 2023 was the most ever recorded by the count in Stockport, and more than double the number recorded in 2022.

- The number of staff completing Performance Development Reviews (PDR) during the year fell below target. A new approach to PDRs (“Our Conversation”) was developed during the year and a significant number of PDRs were delayed as both parties preferred to wait until “Our Conversation” was operational, which affected the numbers completing a PDR during the year. “Our Conversation” is now up and running however, so completion rates are expected to pick up in 2024/25.
- In relation to the percentage of home care agencies in Stockport rated as good or outstanding, in the last year, four providers previously rated as good have slipped down to “requires improvement”. Our ongoing work with providers gives us a good overview on the actual quality of provision and we can take some reassurance in this. Through our quality assessment and positive relationship management we are confident the necessary steps to improve and rectify any corrective actions have been undertaken and sustained. This gives us confidence should they be inspected in the near future, their ratings prospects are positive.
- Number of publicly accessible electric vehicle charging points (26) delivered remains below target (62). This is due to delays in both delivery and activation of charging infrastructure .



2. FINANCIAL OVERVIEW AND ANALYSIS

REVENUE BUDGET

2.1 Revenue Budget

This section of the report sets out the 2023/24 revenue outturn position. It includes:

- A summary of the revenue budget and outturn position for the council as at 31 March 2024.
- Details of the revenue outturn position relating to cash limit budgets, non-cash limit budgets, Dedicated Schools Grant (DSG), the Housing Revenue Account (HRA) and Collection Fund;
- Updates on the Cabinet's positive investments; and
- Details on Reserves and Balances as at 31 March 2024.

2.2 Revenue Budget Adjustments

2.2.1 The following table summarises changes to the revenue budget that have arisen during Quarter 4 since the Quarter 3 Budget Monitoring Update Report that was presented to CRMG on the 27 February and Cabinet on the 12 March.

2023/24 Revised Budget as of 31 March 2024

	Approved Budget £000	Revised Budget 31/03/24 £000	Increase (Reduction) £000
Cash Limits	241,778	248,586	6,808
Non-Cash Limits	71,126	64,318	(6,808)
Total	312,904	312,904	0

2.2.2 The table reflects the net movement of budgets of £6.808m from Non-Cash Limit to Cash Limit and mainly relates to the allocations across Portfolios of the Covid-19 Financial Scarring Impact contingency as part of the financial year end process. A breakdown of the Quarter 4 budget virements are shown in the table below. The revised budget by portfolio is shown in Appendix 1.

Virements Presented for Approval by Cabinet

Item	Type*	Amount £000	From	To	P/T**
Soulbury Pay Award	V	60	NCL	CFE	T
Redundancy/Pension Capital Strain	V	394	NCL	Various	T
Covid-19 Scarring	V	6,354	NCL	Various	T

* V = Virement meaning the transfer of budget from one service to another

* BR = Budget re-alignment – transfer of budget and activity from one service area to another

** P = Permanent and T = Temporary

= Revenue Budget Control Total

2.3 2023/24 Revenue Outturn

- 2.3.1 The overall outturn position for the council's revenue budget is a deficit of £0.668m compared to a forecast deficit position at Quarter 3 of £2.026m. This is made up of a £6.311m deficit on cash limit (service) budgets offset by a £3.436m surplus on non-cash limit (corporate core) budgets and £2.207m of additional resources recognised as a part of the council's general financing.
- 2.3.2 During the year financial recovery work and corporate control measures have had a significant impact on the council's early forecast outturn (£4.725m forecast outturn deficit reported at Quarter 2). This has helped to support the reduction of the forecast deficit and balancing of the outturn position at year end.
- 2.3.3 The deficit of £0.688m will be funded from general Fund Balances as part of the financial year end process. This adjustment has been taken account of in the Reserves and Balances figure shown in the Summary Financial Position table in section 1.2 of this report.

2023/24 Revenue Outturn as of 31 March 2024

Portfolio	Original Budget £000	Revised Budget £000	Outturn £000	(Surplus)/ Deficit £000
Climate Change & Environment	8,226	10,410	10,410	0
Communities, Culture & Sport	7,214	8,014	7,253	(761)
Economy, Regeneration & Housing	996	1,468	2,000	532
Education, Children & Families	51,005	55,875	61,439	5,564
Finance & Resources	27,246	37,367	38,026	659
Health & Adult Social Care	115,451	121,484	121,484	0
Parks, Highways & Transport Services	11,050	13,968	14,285	317
Total (Cash Limit)	221,188	248,586	254,897	6,311
Pay Inflation	6,072	297	0	(297)
Inflation - Price and National Living Wage	13,477	3,033	0	(3,033)
Demand Pressures	500	0	0	0
Apprenticeship Levy	428	428	468	40
Covid-19 Financial Scarring Impacts	8,580	2,226	0	(2,226)
Other Non-Cash Limits	60,161	58,334	60,414	2,080
Total (Non-Cash Limit)	89,218	64,318	60,882	(3,436)
Total	310,406	312,904	315,779	2,875
Financed by				
Council Tax	158,726	158,726	158,726	0
Adult Social Care Precept	24,969	24,969	24,969	0
Business Rates Income	79,939	79,939	79,939	0
Business Rates Tariff	(21,001)	(20,455)	(20,455)	0
Grants in Lieu of Business Rates	28,238	28,238	28,238	0
Grants in Lieu of Business Rates - Green	0	0	245	245
Plant and Machinery Compensation				
Business Rates Growth Levy Surplus	0	0	402	402
New Homes Bonus Grant	134	134	134	0
Better Care Fund	6,619	6,619	6,619	0
Social Care Grant	18,578	18,578	18,578	0
Sustainability and Improvement Fund	3,005	4,957	4,957	0
Services Grant	1,938	1,938	1,938	0
Collection Fund One off Available Resources	6,636	6,636	6,636	0
Collection Fund 2022/23 Declared	3,860	3,860	3,860	0
Covid-19 Collection Fund Deficit Deferral	(2,119)	(2,119)	(2,119)	0
Appropriation From Reserves	884	884	884	0
GMCA Waste Levy Reserve Return	0	0	1,238	1,238
Airport Dividend	0	0	322	322
	310,406	312,904	315,111	2,207
	0	0	668	668

Cash Limit Portfolios

2.3.4 Cash Limit portfolios are reporting a deficit of £6.311m outturn position which largely relates to the Education, Children and Families portfolio (£5.564m) with other deficit variances in Finance and Resources portfolio (£0.659m), Economy, Regeneration and Housing portfolio (£0.532m) and Parks, Highways and Transport Services portfolio (£0.317m). These are partially offset by a surplus in the Communities, Culture and Sport portfolio (£0.761m).

2.3.5 Details for each portfolio can be found in the respective Portfolio Performance and Resources Reports (Quarter 4 Finance section) on the relevant scrutiny committee meeting agendas. The following summarises the main areas of note:

Climate Change and Environment

2.3.6 The outturn position is a balanced budget.

2.3.7 Surpluses forecast at Quarter 3 have been utilised to fund project expenditure thus protecting reserves. All Climate Action Now expenditure has been offset by reserves funding (£0.395m).

Communities, Culture & Sport

2.3.8 The outturn position is a surplus of £0.761m which represents a favourable variance of £0.365m compared to Quarter 3. The surplus represents 9.5% of the cash limit budget.

2.3.9 The surplus is caused primarily by the delay in opening Stockroom and a reduction in requirement for the management fee for Leisure.

2.3.10 Income pressures relating to Taxi Licensing, Premises Licensing, Hygiene Action and Pest Control have reduced the surplus, with these deficits being partially funded by a temporary budget allocation from the council's Covid-19 Financial Scarring contingency. These pressures are partly offset by vacancy savings identified across the Portfolio.

2.3.11 The position includes the Management Fee for leisure provision which has experienced pressures on income, caused by changes in behaviour as one of the lasting impacts of the pandemic, and on increased energy costs. These pressures have been fully offset by a temporary budget allocation from the council's Covid-19 Financial Scarring contingency and reserves. An improvement in the leisure position resulting in a decrease in the management fee is shown in the surplus.

Economy, Regeneration and Housing

2.3.12 The outturn position is a deficit of £0.532m which represents an adverse variance of £0.252m compared to Quarter 3. The deficit represents 36.2% of the cash limit budget.

2.3.13 Expected Planning and Building control fees income have not been achieved and delays to the Stockport Local Plan have also led to higher than expected costs to the service resulting in the change since Quarter 3.

2.3.14 The position includes a charge to the Investment and Development (I&D) account within the Finance and Resources Portfolio (£0.443m).

Children, Families and Education

2.3.15 The outturn position for the Children, Families and Education Portfolio is a deficit of £5.564m which represents 10% of the cash limit budget.

Education

- 2.3.16 The outturn position is a deficit of £0.534m on Education, which is a decrease from the Quarter 3 forecast (£1.291m) due to the corporate policy to maximise the use of surplus available central government grant funding relating to migrant communities being offset here.
- 2.3.17 The overall deficit continues to reflect the ongoing demand, challenges and cost pressures associated with the statutory requirement to provide Special Educational Needs (SEN) transport for our most vulnerable pupils across the borough. The demand for specialist school provision placements over the last 12 months has continued to rise and add pressure to the system, e.g., 855 pupils / 293 routes in April 23 compared to 988 pupils / 340 routes in spring 2024.
- 2.3.18 Within the above, a large number of routes relate to pupil placement in other Local Authority/External provision, which is costly, with the additional factor of new “solo” routes from September related to external placements where there are no other children attending from the same area/proximity.

Children & Family Services

- 2.3.19 There is a deficit at outturn on Children and Family Services of £5.030m. This represents an increase of £0.667m since Quarter 3 reporting and reflects the continuing challenges currently facing the service in the securing of placements for Children Looked After (CLA), the increased complexity of cases and the rising cost of placements in the external market.
- 2.3.20 There are 31% of placements in external residential provision above the average weekly cost of circa £5k per week per child in the Greater Manchester residential framework contract. The deficit relating to CLA placements accounts for 55% of the overall deficit. The number of children looked after has continued to rise since Quarter 3 with an overall CLA population at outturn of 504 compared to 493 at Quarter 3. As at the end of March there are 83 young people placed in external residential settings, 46 in registered children’s homes and 37 16+ young people placed in semi-independent provisions. Of those aged 16+, 18 (49%) are Unaccompanied Asylum Seeking Children (UASC). Internal children’s home provision is full to capacity.
- 2.3.21 There has been a net reduction of 1 across all external settings, residential and foster care (Independent Fostering Agencies – IFA) since Quarter 3 and an increase of 10 in internal foster care highlighting the continued efforts of the service to place internally wherever possible.
- 2.3.22 It is important to understand the impact of the National Transfer Scheme (NTS)¹ for UASC on the continued increase in the CLA numbers. There is no preventative work which can be undertaken by the council that can have an impact on the numbers received through the NTS.
- 2.3.23 A further part of the deficit relates to section 17 payments to prevent young people from becoming looked after and CLA maintenance in correlation to the increased number in care. There are further deficits in the Children with Disabilities service, because of high-cost respite care packages supporting young people with complex needs and disabilities who would otherwise be in higher cost residential placements.

¹ The National Transfer Scheme for Unaccompanied Asylum Seeking Children is a UK Government scheme to enable the planned transfer of an unaccompanied asylum seeking child from one local authority to another local authority in Great Britain.

14-19 Service

2.3.24 The outturn position for the 14-19 service is a balanced budget.

Finance and Resources

2.3.25 The outturn position is a deficit of £0.659m, an improvement of £0.284m on the forecast £0.943m deficit outturn reported in the Quarter 3 Budget Monitoring Update report. The deficit represents 1.8% of the revised and final £37.367m cash limit budget.

2.3.26 Most of the service areas have reduced their predicted spending following the implementation of the financial recovery plan outlined in the previous Quarter 3 Budget Monitoring Update report; particularly in respect of additional vacancy management and recruitment controls.

2.3.27 Legal Services, however, is in a significant deficit position of over £0.700m and an outlier in the general pattern of savings or cost mitigation in services. The causes include increased demand and complexity of childcare casework (often leading to court representation with King's Counsel); and a competitive labour market for professional staff. This has been the case throughout the year.

2.3.28 The Investment and Development Account required additional support from the Income, Risk and Mitigation Reserve; and Covid-19 scarring contingency to balance. Though this amounted to £6.251m in total, it is better by £1.142m compared with previous projections due to a range of factors including improvements to the Merseyway account; management and void costs on Stockport Exchange; and favourable bad debt provision adjustments.

Health and Adult Social Care

2.3.29 The portfolio is reporting a balanced position at outturn against a cash limit budget of £121.484m.

Adult Social Care

2.3.30 The service is reporting a balanced position at outturn, against a cash limit budget allocation of £109.106m.

2.3.31 The service continues to experience significant demand and demographic pressures on the external commissioning of adult social care services to individuals to meet their Care Act eligible needs. This includes both younger adults with predominantly more complex needs and services to older individuals. Alongside this are financial pressures on the fees paid for some care services to ensure the council can continue to commission good quality, local care that represents value for money and retain market sustainability.

2.3.32 These increasing financial pressures were met through the council's investment into ASC at budget setting and utilisation of specific grants for ASC, alongside in year vacancies within the service.

2.3.33 The outturn position and cash limit budget align to the reported Quarter 3 forecast position.

Health and Adult Social Care (Public Health)

2.3.34 The service is reporting a balanced position at outturn, against a cash limit budget allocation of £12.378m; including a transfer to the Public Health reserve of £0.147m.

2.3.35 Underspends from in year staffing vacancies and from some external contracts such as sexual health services were part offset by increased costs in other contracts such as Drug and Alcohol Tier 4 services.

2.3.36 Further consideration is required as to the financial commitments aligned to the Healthy Child Programme both from an in year and recurrent funding position.

2.3.37 This has created the variation from Quarter 3 reporting and will be managed within the revised Public Health reserve position.

Parks, Highways & Transport Services

2.3.38 The outturn position is a deficit of £0.317m, which represents an adverse variance of £0.097m compared to Quarter 3. The deficit represents 2.3% of the cash limit budget.

2.3.39 The position is mainly due to a pressure on Car Parking income as the use of car parks has not yet returned to pre-pandemic levels. The pressure on Car Parking income has been partially offset by a temporary budget allocation from the council's Covid-19 Financial Scarring contingency.

2.3.40 Other deficits include pressures on expenditure on Street Cleaning, Network Management, Road Safety and Feasibility. These deficits are offset by vacancy savings identified within the Neighbourhoods Team and a surplus on income within the Traffic Management service.

2.3.41 Ash trees die back continues to be prevalent in Stockport with significant health and safety and liability implications where there is the potential for trees to fall onto roads, buildings, and publicly accessible areas. There is an ongoing programme to mitigate this risk and protect the public, the Quarter 4 position includes the cost of tree removal (£0.280m) which has been fully offset using the insurance provision release (see paragraph 2.3.42).

Non-Cash Limit

CSS

2.3.42 The outturn position is a surplus of £0.512m, most of which is on the Housing Benefit grant and overpayments recovery activity reflecting relative success of claims processing. Insurance Fund provision of £1.399m has been released at year end in line with the Insurance Actuary's assessment of the council's insurance claim risk going forward. £1.118m of the release has been appropriated to the insurance reserve at year end and will be considered in the context of the council's required self-insurance as part of the 2024/25 Reserves Policy. The balance £0.280m has been used to fund the ash tree dieback cost incurred during the year.

Place

2.3.43 The outturn position is a surplus of £0.088m, which represents a favourable variance of £0.037m compared to Quarter 3 due to a reimbursement relating to actual waste tonnages compared to estimated. The surplus represents 0.2% of the cash limit budget.

Technical

2.3.44 The outturn position for technical non-cash limit is a surplus of £2.836m which is an increase of £0.264m from that reported Quarter 3.

2.3.45 The position includes a decrease in the usage of Covid-19 Scarring impact contingency of £0.418m as well as an increase in the surplus of pay inflation contingency (£0.030m) specifically for Soulbury staff. These favourable changes since Quarter 3 have been partially offset by adverse variances in Debt charges (£0.099m), Redundancy and Pension Capital costs (£0.045m) and Apprenticeship Levy (£0.040m).

2.4 Positive investments

2.4.1 As part of the 2021/22 and 2022/23 budgets, the council approved a range of positive investments through the utilisation of one-off resources, with the view that it will provide additional council support to protecting and recovering the Stockport economy, supporting residents, maintaining, and developing the sense of community and providing further financial investment for the council's Climate Action Strategy. Balances were brought forward from 2022/23 and continued to be utilised in 2023/24. Updates of the positive investments will be provided in the respective Quarter 4 Annual PPRs.

2.4.2 Remaining balances being carried forward into 2024/25 will be reviewed as part of the 2024/25 Reserves Policy review.

2.5 Dedicated Schools Grant (DSG)

2.5.1 Dedicated Schools Grant (DSG) is made up of four blocks (Schools, early years, high needs, and central school services), the schools delegated budgets are considered spent at the point of delegation as individual school budgets are managed at school level with the governing body.

2.5.2 The remaining budgetary resource is the Centrally Held Budget (CHB) managed by the council on behalf of schools and consists of a range of services to schools and pupils.

2.5.3 The total DSG allocation which is centrally held is £66.559m (inclusive of £22.012m early years funding which is largely directly allocated to providers)

2.5.4 The final outturn is a £12.563m outturn deficit. The deficit will be carried forward as part of the overall cumulative deficit of £23.816m and does not impact on the council's General Fund. The council continues to seek new transformational ways of working, efficiencies, and cost saving options as part of the DfE's delivering better value (DbV) support program to ensure a sustainable budgetary position going forward. In addition, the opening of the new specialist school places across the Borough are expected to have a favourable impact on the position going forward.

2.5.5 The significant cost pressures within the overall DSG position are the continued cost increase and demand in the high needs block pertaining to:

- More pupils in mainstream schools accessing High Needs top-up support funding;
- Requirement to increase local specialist capacity further for Special Educational Needs placements;
- Requirement to access more alternative provision/Pupil Referral Unit places due to increase in permanently excluded pupils;
- Increase in placements in high-cost external/independent providers; and
- Increase in occupational health and speech and language support contracts for the increased special school pupil cohort.

2.6 Housing Revenue Account (HRA)

- 2.6.1 The HRA outturn for the year is illustrating a surplus for the year of £0.712m which is £0.297m better than budgeted and an improvement of £0.517m since Quarter 3. Of this, £0.615m is to be paid to Stockport Homes to go towards the recovery of costs already incurred by them in relation to Project Phoenix².
- 2.6.2 Positive outcomes are mainly as a result of lower interest and bad debts, along with higher income from Solar PV FIT³ income than budgeted, and higher rental income due to better than budgeted voids and Right To Buys.
- 2.6.3 An adverse variance on the Renewable Heat Incentive income has offset some of the surplus which is due to the existing Biomass contract unexpectedly ending in July, and all district heating systems reverting to gas. Biomass deliveries have now started to recommence from February.
- 2.6.4 During the year, there was an increase to the management fee of £0.443m to reflect the additional 2023-24 pay award cost and SHPS pension increase. See the table below and Appendix 2.

	Budget 2023/24 £000	Quarter 4 Outturn £000	Variance 2023/24 £000
Total Management and Maintenance	38,024	36,458	(1,566)
Total Other Expenditure	24,423	24,165	(258)
Total Expenditure	62,447	60,623	(1,824)
Total Income	(62,832)	(61,263)	1,569
Net Cost of Services	(385)	(640)	(255)
Investment Income	(30)	(72)	(42)
Net Operating Expenditure	(415)	(712)	(297)
Revenue Contribution to Capital Spend	0	0	0
Surplus for year	(415)	(712)	(297)
Surplus brought forward	(1,000)	(1,000)	0
Future Investment Reserve	318	615	297
Accumulated Surplus	(1,097)	(1,097)	0

² Project Phoenix covers the development and implementation of a single customer-centred IT solution, bringing together systems and processes for Housing Management, Repairs, CRM and Asset Management as well as a number of peripheral systems.

³ The Feed-in Tariffs (FIT) scheme, introduced in 2010, was designed by government to promote the uptake of renewable and low-carbon electricity generation

2.7 Collection Fund

2.7.1 The table below provides a summary of the Collection Fund outturn for 2023/24:

	Council Tax	Business Rates	Total
	£000	£000	£000
Collection Fund Income	(217,760)	(95,166)	(312,926)
Council Tax Support Fund	(512)		(512)
Collection Fund Expenditure	217,954	89,497	307,451
2023/24 Surplus	(318)	(5,669)	(5,987)
Allocated to:			
Stockport Metropolitan Borough Council	(268)	(5,612)	(5,880)
Mayoral Police and Crime Commissioner	(35)		(35)
Mayoral General including Fire Services	(15)	(57)	(72)
	(318)	(5,669)	(5,987)

2.7.2 The outturn position is a surplus of £5.987m made up of a £0.318m surplus on the Council Tax and a £5.669m surplus on Business Rates. The council's share of this surplus is £5.880m of made up of £0.268m surplus on Council Tax and £5.612m surplus on Business Rates.

2.7.3 In 2023/24, discretionary Council Tax support was provided to support residents experiencing financial hardship by reducing their Council Tax bills. This reduced Council Tax income collected by £0.512m and is offset by the Council Tax Support Fund held to fund this support. This has been reflected in the Council Tax position above.

2.7.4 A declared forecast outturn of £4.669m was made in January as part of the budget setting process. The council's share of the declared position being £4.489m; £4.023m approved to support the 2024/25 Budget and the balance of £0.466m reimbursing the Collection Fund reserve at year end. The outturn surplus means additional resources of £1.318m are available compared to the declared position and will be released for the Collection Fund in 2025/26 as required by Collection Fund accounting. The Council's share of the additional resources is £1.391m made up of a decrease to the Council Tax surplus compared to the declared forecast of £0.492m and an improvement to the Business Rates surplus compared to the declared forecast of £1.883m. This will be used to support the council's 2025/26 Budget.

	Council Tax Declared	Council Tax Outturn	Change	Business Rates Declared	Business Rates Outturn	Change	Additional Resource
	£000	£000	£000	£000	£000	£000	£000
2023/24 (Surplus)/Deficit	(902)	(318)	584	(3,767)	(5,669)	(1,902)	(1,318)
Allocated to:							
Stockport Metropolitan Borough Council	(760)	(268)	492	(3,729)	(5,612)	(1,883)	(1,391)
Mayoral Police and Crime Commissioner	(99)	(35)	64				64
Mayoral General including Fire Services	(43)	(15)	28	(38)	(57)	(19)	9
	(902)	(318)	584	(3,767)	(5,669)	(1,902)	(1,318)

2.7.5 The variance on the declared outturn position compared to the outturn includes the following:

- Lower than forecasted levels of Empty Premises relief on Non-Domestic Rates (NDR);
- Release of provision for the 2010 list which was cleared by the Valuation Office Agency (VOA) in 2023/24;
- Release of some of the provision on the 2017 list due to a reduction in checks and challenges;
- These favourable variances were offset by lower gross business rates and higher mandatory reliefs compared to the declared position; and
- Lower growth than expected on Council Tax income.

2.7.6 The council has benefitted from the 100% retention of Business Rates income in 2023/24, this benefit at outturn is a total of £11.295m. This is to be shared 75% to the council and 25% to GMCA with the council's share of the benefit being £8.471m. This is an increase of £2.197m compared to the budgeted benefit of £6.274m. The benefit arising from the increased pilot benefit at outturn is included in the Business Rates outturn position presented above and is not in addition. £4.705m of the budget benefits was included in the council's 2023/24 Reserves Policy with the balance being transferred to the Collection Fund reserve at year end.

2.8 Reserves and Balances

2.8.1 The table below shows the overall summary position on reserves at Quarter 4 and reflects the adjustments made as part of the Reserves Policy reported earlier in the year and appropriations made to the end of March.

Reserves and Balances on 31 March 2024

	Balance as at 01/04/2023 £000	Reserves Policy adjustments £000	Transfers to/(from) Reserves £000	Balance as at 31/03/2024 £000
General Fund Balances	14,916	267	(668)	14,515
Total General Fund Balances	14,916	267	(668)	14,515
Reserve Linked to Budget	14,453	(5,704)	(2,481)	6,268
Strategic Priority Reserve	29,330	(2,867)	668	27,131
Budget Resilience Reserve	11,354	9,724	(587)	20,491
Corporate Reserves	22,583	(1,611)	7,192	28,164
Directorate Reserve	558	191	(219)	530
Total Earmarked Reserves	78,278	(267)	4,573	82,584
DSG and School Balances	13,960	0	(240)	13,720
HRA Balances	1,000	0	97	1,097
HRA Earmarked Reserves	1,614	0	0	1,614
Total Ring-fenced Reserves	16,574	0	(143)	16,431
Total Reserves and Balances	109,768	0	3,762	113,530

- 2.8.2 General Fund Balances have decreased by £0.401m from £14.916m at the start of the financial year to £14.515m at outturn. The movement relates to:
- £0.267m increase to top the balance back up to the recommended level following the 2022/23 financial year outturn deficit as part of the 2023/24 Reserves Policy; and
 - £0.668m reduction relating to the 2023/24 outturn deficit as reported in section 2.3.3.
- 2.8.3 The recommended minimum level of General Fund Balances as set out in the 2024/25 Budget is £15.183m. As a result, the year-end balance of £14.515m will be increased to the recommended minimum level through the realignment of earmarked reserves as part of the 2024/25 Reserves Policy.
- 2.8.4 The net increase to Earmarked Reserves at outturn is £4.306m resulting in a balance held of £82.584m. This includes the following use of reserves during the year:
- £0.884m approved use of reserves to support the council's 2023/24 budget;
 - £0.863m use of reserves relating to the 2022/23 100% Business rates retention benefit included in the 2023/24 budget;
 - £2.368m from the Children's reserve;
 - £2.122m from the Post-Covid Investment reserve;
 - £1.915m from the Income and Interest Rate Risk Mitigation reserve; and
 - £1.264m from the Transformation – Double Running reserve, to support 2023/24 phased savings.
- 2.8.5 The use of reserves is offset by the following increase to reserves at outturn:
- £6.938m to the Collection fund reserve relating to the 2023/24 Collection fund surpluses;
 - £2.171m to the Cabinet One-Off Investment reserve to fund activities agreed in the 2022/23 and 2023/24 budgets;
 - £1.118m to the Insurance reserve following a release from the insurance provision following the Actuary's review of the council's insurance cover position;
 - £1.082m to the Health and Social Care Integration reserve; and
 - £0.899m to the Legislative and Statutory Requirements reserve.
- 2.8.6 DSG and School Balances decreased by £0.240m to £13.720m and relates to the redistribution of school balances back to schools.
- 2.8.7 Details of individual earmarked reserve balances can be found at Appendix 3 and includes the latest commitments against each reserve.
- 2.8.8 Reserves play an essential role in the robust financial management of the council over the medium term. Whilst councils continue to be encouraged by Government to use reserves to fund pressures and balance their budgets, it is important to recognise that significant use of reserves will impact on the council's financial robustness and resilience. The £83m of resources held in reserves equates to circa 11% of the council's total expenditure (revenue and capital).

2.8.9 The council is not an outlier in the amount of reserves held and against some comparators holds less than other similar sized councils. The need to use reserves to mitigate financial risk is recognised in the council's Reserves Policy. Increasing demand for services and inflationary costs requires the underpinning of the MTFP with the use of identified earmarked reserves. However, significant accelerated use of reserves to fund budget pressures and balance budgets will adversely impact on this position and expose the council to a resilience risk in terms of ability to invest and absorb financial shocks. Use of reserves needs to be managed over the medium term to ensure a managed approach to the use of reserves and the impact this has on the council's continuing financial robustness and resilience.

2.9 2023/24 Statement of Accounts

2.9.1 The draft Statement of Accounts for 2023/24 are being prepared and are planned to be submitted to the council's External Auditors ahead of the audit start date in September 2024. It is unlikely that the external audit will be complete by the Audit Committee meeting on 18 September but an update on the progress of the audit will be presented then.

2.9.2 Whilst the 2023/24 audit remains open, the process of finalising and auditing the Statement of Accounts may give rise to late adjustments which may impact on the revenue and capital outturn, reserves and/or balances position presented in this report. In these circumstances, it is proposed that the approval of changes to the outturn, reserves and/or balances position is delegated to the Deputy Chief Executive, Corporate Director - Corporate and Support Services, in consultation with the Cabinet Member for Finance and Resources. Any material changes will be reported to the Cabinet at the earliest opportunity.

3. FINANCIAL OVERVIEW AND ANALYSIS CAPITAL PROGRAMME



3.1 2023/24 Capital Programme

3.1.1 The council's 2023/24 three-year capital programme is £448.092m and includes outturn expenditure of £148.520m in 2023/24.

2023/24 Three-Year Capital Programme

	2023/24 Programme £000	2024/25 Programme £000	2025/26 Programme £000	Programme 2026/27 onwards £000
Communities, Culture & Sport	846	7,098	13,678	375
Economy, Regeneration & Housing	83,870	111,038	49,656	90,096
Finance & Resources	25,980	30,920	6,167	8,546
Health & Adult Social Care	71	291		
Parks, Highways & Transport Services	37,753	44,756	35,968	6,304
TOTAL	148,520	194,103	105,469	105,321

3.1.2 The table below provides the position of the 2023/24 Capital Programme as at 31 March 2024 compared to that reported at Quarter 3.

	2023/24 Quarter 3 Programme £000	2023/24 Expenditure as at 31 March 2024 £000
Communities, Culture & Sport	745	846
Economy, Regeneration & Housing	82,349	83,870
Finance & Resources	24,398	25,980
Health & Adult Social Care	362	71
Parks, Highways & Transport Services	32,215	37,753
TOTAL	140,069	148,520

3.2 Capital Programme Adjustments

3.2.1 Since last reported to Members on 12 March 2024, there has been a net increase in the overall three-year Capital Programme of £50.361m due to funding allocations and capital scheme approvals. Details of the changes are set out in the paragraphs below. Further information for each portfolio can be found in the respective Portfolio Performance and Resources Reports (PPRRs - Quarter 4 Finance section) on the relevant scrutiny committee meeting agendas. Links to the PPRRs are included in the Executive Summary to this report.

3.2.2 As stated, a net total of £50.361m has been added to the three-year Capital Programme since last reported at Quarter 3. The most significant funding allocations and amendments (to the 2023/24 Programme unless otherwise stated) include the following:

- £1.903m of additional grant funding, capital receipts and directly funded borrowing for Merseyway Development and Merseyway Development MIC schemes, £0.795m of this has been allocated to 2024/25 (Economy, Regeneration and Housing);
- £1.600m capital grant funding for Stockport Interchange (Economy, Regeneration and Housing);
- £2m additional capital receipts funding has been allocated to the Future High Streets Fund scheme in 2024/25 (Economy, Regeneration and Housing);
- £2.323m of additional funding for HRA General Capital and New Housing schemes in 2024/25;
- £10.538m in third party loans to Stockport Homes Limited for the Affordable Homes schemes in 2024/25 and £3.406m in 2025/26 (Economy, Regeneration and Housing);
- £2.318m of Department for Education funding for RAAC claims as part of the Schools Estate (Finance and Resources);
- £6.912m of directly funded borrowing for Adswold Depot Redevelopment, which has been allocated as follows, £0.299m in 2023/24, £2.967m in 2024/25 and £3.646m in 2025/26;
- A reduction of £1.160m in third party loans for the Totally Local Company Limited Fleet Vehicle Loan Facility in 2024/25 as the loan facility expired at the end of March 2024, proposals for a replacement loan facility are currently being worked on;
- £1.820m additional grant funding for the Mayoral Walking and Cycling Challenge Fund Highways scheme (Parks, Highways and Transport Services);
- £7.026m grant funding for the Interchange Ramp scheme (Parks, Highways and Transport Services);
- £0.560m highways capital grant funding from City Region Sustainable Transport Settlement including Highway Trees schemes (Parks, Highways and Transport Services);
- £0.502m highways capital grant funding for Active Travel Measures (Parks, Highways and Transport Services);
- £0.724m in commuted sums for Section 278 and Section 106 Highways schemes (Parks, Highways and Transport Services); and,
- £7.879m of highways capital grant funding has been allocated to a number of highways schemes in 2024/25, including £2.410m for Pot Hole and Highways Maintenance Improvements Programme.

3.2.3 Capital schemes often span many years. The spending profiles of the schemes are regularly reviewed as they progress and the programme is adjusted accordingly. During this final quarter, a net total of £8.333m has been re-phased from 2023/24 to 2024/25 or later. The significant schemes being re-phased are set out below (re-phasing is from 2023/24 to 2024/25 unless otherwise stated):

- £0.893m of directly funded borrowing has been brought forward from 2024/25 to meet outturn expenditure for the Merseyway Development scheme (Economy, Regeneration and Housing);
- £2.580m of capital grant funding for Future High Streets has been brought forward from 2024/25 to meet outturn expenditure (Economy, Regeneration and Housing);
- £3.592m of directly funded borrowing has been brought forward from 2024/25 to meet outturn expenditure for the Weir Mill development (Economy, Regeneration and Housing);
- £1.712m of directly funded borrowing for Stockport Exchange Phase 4 (Economy, Regeneration and Housing);
- £3.477m of directly funded borrowing for Mayoral Development Corporation schemes, £2.509m to 2024/25 and £0.968m to 2025/26 (Economy, Regeneration and Housing);

- £1.589m of third party loans to Stockport Homes for the Affordable Homes schemes (Economy, Regeneration and Housing);
- £2.190m of capital grant funding for School Estates Schemes in the Secondary Sector (Finance and Resources);
- £0.561m of corporate unsupported borrowing for Asset Management Plan (Finance and Resources); and,
- A net total of £5.469m of largely highways capital grant funding has been re-phased to 2024/25, the most significant of which includes, £2.141m for the SEMMMS Relief Road scheme, £0.579m for A34 Major Route Network Outline Business Case Preparation and £0.551 for Active Travel Measures (Parks, Highways and Transport Services).

3.2.4 The changes to the Capital Programme since last reported at Quarter 3 are set out by portfolio in the table below.

	Programme as at 31 Dec 2023 £000	Additional /Reduced Programme £000	Virement/ Re- phasing £000	Programme as at 31 Mar 2024 £000
<u>2023/24</u>				
Communities, Culture & Sport	745		101	846
Economy, Regeneration & Housing	82,349	2,965	(1,444)	83,870
Finance & Resources	24,398	2,812	(1,230)	25,980
Health & Adult Social Care	362		(291)	71
Parks, Highways & Transport Services	32,215	11,007	(5,469)	37,753
Total	140,069	16,784	(8,333)	148,520
<u>2024/25</u>				
Communities, Culture & Sport	6,990		108	7,098
Economy, Regeneration & Housing	95,954	15,008	76	111,038
Finance & Resources	28,193	1,497	1,230	30,920
Health & Adult Social Care	0		291	291
Parks, Highways & Transport Services	30,193	9,075	5,488	44,756
Total	161,330	25,580	7,193	194,103
<u>2025/26</u>				
Communities, Culture & Sport	14,262		(584)	13,678
Economy, Regeneration & Housing	44,815	3,680	1,161	49,656
Finance & Resources	1,850	4,317		6,167
Health & Adult Social Care	0			0
Parks, Highways & Transport Services	35,968			35,968
Total	96,895	7,997	577	105,469

3.3 Capital Programme Resources

3.3.1 The following table sets out resources available to fund the 2023/24 Capital Programme:

	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 onwards £000
Capital Grants	55,521	91,744	48,358	10,953
Directly Funded Borrowing	61,050	70,785	28,828	28,887
Unsupported Borrowing	8,249	7,707	2,621	8,578
Capital Receipts	3,629	6,554	9,065	11,639
External Contributions	3,093	676		
Commuted Sums	2,813	1,005	1,750	
Revenue Contributions (RCCO)	1,157	1,734	498	15,466
HRA funding from MRR	13,008	13,898	14,349	29,798
TOTAL	148,520	194,103	105,469	105,321

3.3.2 Prudential borrowing, which is directly funded borrowing and corporate unsupported borrowing, make up the largest source of financing for the 2023/24 Capital Programme, providing £69.299m (47%) of the funding.

3.3.3 The largest source of funding the council receives for the Capital Programme is from capital grants and equates to £195.623m (44%) over the council's three-year Capital Programme.

3.4 Capital Prudential Indicators 2023/24

3.4.1 The prudential indicators for the council's 2023/24 Capital Programme are set out below. These are split into General Fund (non-HRA) and HRA and compare the budgeted 2023/24 Capital Programme to the outturn 2023/24 Capital Programme per this report.

Capital Expenditure	2023/24 Budget £000	2023/24 Outturn £000
General Fund (non HRA)	152,214	128,113
HRA	36,265	20,407
Total	188,479	148,520

3.4.2 The Capital Financing Requirement (CFR) measures the council's cumulative underlying need to borrow due to capital investment.

Capital Financing Requirement	2023/24 Budget £000	2023/24 Outturn £000
General Fund (non HRA)	771,456	746,026
HRA	167,942	156,024
Total	939,398	902,050

3.4.3 The Council's Gross Borrowing Position is £743.989m as at 31 March 2024 and comparing this the CFR illustrates the extent to which the Council is using its internal balances to support the Capital Programme.

3.4.4 The ratio of financing costs to net revenue stream is the percentage of the revenue budget set aside each year to service debt-financing costs. The tables below set out these ratios for the General Fund and HRA.

General Fund	2023/24 Budget £000	2023/24 Outturn £000
Total Financing Costs	29,802	27,855
Ratio to Net Revenue Stream	9.60%	8.97%

HRA	2023/24 Budget £000	2023/24 Outturn £000
Total Financing Costs	6,096	6,146
Ratio to Net Revenue Stream	10.76%	10.04%

Recommendations

Scrutiny is asked to:

- a) Note the key delivery and performance issues from the council's seven portfolios set out in sections 1.3 and 1.4.
- b) Review progress against delivering council priorities and capital schemes alongside budget outturns contained within the report.
- c) Note the Cash Limit and Non-Cash Limit outturn positions for 2023/24 as set out in section 2.3.
- d) Note the update to the council's positive investments as set out in section 2.4.
- e) Note the Dedicated Schools Grant, Housing Revenue Account and Collection Fund outturn positions as set out in sections 2.5, 2.6, and 2.7.
- f) Note the appropriations to/from reserves and balances during the period as set out in section 2.8 and note the resulting reserves and balances position at outturn.
- g) Note the position for the 2023/24 Capital Programme as set out in section 3.1.
- h) Note the adjustments of capital schemes during the quarter as set out in section 3.2.
- i) Approve the resourcing of the capital programme as set out in section 3.3.
- j) Approve the 2023/24 prudential indicators as set out in section 3.4.

Appendices

1. Revised Revenue Budget as at 31 March 2024.
2. 2023/24 Housing Revenue Account Outturn position as at 31 March 2024.
3. Reserves and Balances as at 31 March 2024.

GLOSSARY

Common acronyms used within the Corporate Report and likely to be referred to in the individual Portfolio Reports include the following:

ALT:	Area Leadership Team
ASC:	Adult Social Care
CAN:	Climate Action Now
CFE:	Children, Families and Education
CFR:	Capital Financing Requirement
CHB:	Centrally-Held Budget
CLA:	Children Looked After
CRMG:	Corporate Resource Management and Governance
CSS:	Corporate Support Services
DbV:	Delivering Better Value
DfE:	Department for Education
DSG:	Dedicated Schools Grant
FIT:	Feed-In Tariff
GM:	Greater Manchester
GMCA:	Greater Manchester Combined Authority
HRA:	Housing Revenue Account
MIC:	Merseyway Innovation Centre
MTFP:	Medium-Term Financial Plan
NDR:	Non-Domestic Rates
NTS:	National Transfer Scheme
NCL:	Non-Cash Limit
NW:	North West
PDR:	Performance Development Review
PPRA:	Portfolio Performance and Resources Agreement
PPRR:	Portfolio Performance and Resources Report
RAAC:	Reinforced Autoclaved Aerated Concrete
RAS:	Resident Advice Service
RCCO:	Revenue Contributions to Capital Outlay
SEMMMS:	South East Manchester Multi Modal Strategy
SEN:	Special Educational Needs
SEND:	Special Educational Needs and Disabilities
TfGM:	Transport for Greater Manchester
UASC:	Unaccompanied Asylum Seeking Children
UNICEF:	United Nations International Children's Emergency Fund
VCFSE:	Voluntary, Community, Faith and Social Enterprise
VOA:	Valuation Office Agency