

EXECUTIVE

14th November 2024

Report Title	Capital Outturn 2024/25 – Forecasted Outturn as at Quarter 2
Lead Member	Councillor Lloyd Bunday, Executive Member for Finance and Transformation
Report Authors	Claire Edwards, Executive Director of Finance and Performance

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	N/A
Which Corporate Plan priority does the report most closely align with?	Modern public services

List of Appendices

Appendix A – General Fund Forecast Capital Outturn for 2024/25 as at Q2

Appendix B – HRA Forecast Capital Outturn for 2024/25 as at Q2

Appendix C - Capital Strategy Prudential Indicators for 2024/25 as at Q2

1. Purpose of Report

- 1.1 This report sets out the capital outturn position for 2024/25 as forecasted at quarter 2 (30th September 2024) for North Northamptonshire Council (NNC).
- 1.2 The report also details the latest revised capital budgets (2024/25) for the General Fund (GF) and the Housing Revenue Account (HRA) Capital Programme, including new schemes which have been approved since 1st April 2024.

2. Executive Summary

- 2.1 This report sets out the forecasted 2024/25 outturn as at quarter 1 for the capital programme.
- 2.2 Within the report there is a commentary on the Council's current financial outturn position for 2024/25 for both the GF and the HRA Capital Programmes. It should be recognised that the final outturn position may be affected by any changes arising from the outstanding audits for 2021/22, 2022/23 and 2023/24.
- 2.3 The Council will continue to assess and refine its capital profiling as part of the capital monitoring for 2024/25 prioritising schemes and focussing on deliver ability.

3. Recommendations

- 3.1 It is recommended that the Executive:
 - a. Note the provisional capital outturn position as forecasted at quarter 2 for the General Fund (GF) Capital Programme and Housing Revenue Account (HRA) Capital Programme for 2024/25.
 - b. Note the new schemes that have been approved since 1st April 2024.
 - c. Note the schemes to be removed from the capital programme, detailed in table 3.
- 3.2 Reasons for Recommendations: this is in line with the Council's constitution and financial regulations in relation to governance.
- 3.3 Alternative Options Considered: this report is on the forecasted out-turn and therefore alternative options are not proposed

4. Report Background

- 4.1 The Capital Programme is the Council's plan for investing in assets to efficiently deliver its statutory services, and to improve and shape the local infrastructure of North Northamptonshire, with the benefits lasting over several years.
- 4.2 Resources come from several sources including Government grants, capital receipts from surplus land and buildings, revenue contributions, other external contributions and borrowing. The Council is required to set a balanced revenue budget and therefore must ensure that where borrowing is proposed to fund the cost of capital that the cost of servicing the debt is affordable within the Council's revenue budget.
- 4.3 The Council captures its projected capital expenditure within the Capital Programme to monitor the same, help to control costs and ensure transparency. Given that the Capital Programme is approved by Executive, changes to it are

also approved by Executive unless authority has been delegated in accordance with the Council's constitution.

- 4.4 This report provides an update to the Capital Programme 2024/25 as adopted by the Council in February 2024 and updated in subsequent reports to Executive.
- 4.5 The programme has been split into three areas:
- General Fund Committed Capital Programme containing schemes approved by predecessor councils, the majority of which are in the process of being delivered.
 - General Fund Development Pool containing schemes which are in the early stages of their lifecycle and are not ready to commence. The Development Pool comprises the schemes that the Council would be prepared to take forward, subject to final negotiations, confirmation and evidencing of funding and submission of robust business cases to the Strategic Capital Board for approval by the Executive.
 - Housing Revenue Account Capital Programme which contains schemes that are either committed or in their early stages of their life cycle.

Capital Approval Process

- 4.6 The Capital Approval Governance process aims to provide greater emphasis on the link to strategic priorities and achievement of benefits and outcomes. As part of this each submission is requested to identify any contribution to reducing carbon and/or how the development or investment will support a zero-carbon agenda.
- 4.7 The governance process requires that Directorates submit business cases to the officer led Strategic Capital Board for initial consideration. Each scheme requires approval to enter the development pool or as a commitment in the main programme. The business case must set out the requirement for funding and any funding streams available (e.g. grant), how it meets the Council's strategic priorities, risk analysis and expected outcomes and benefits.
- 4.8 The Strategic Capital Board meets monthly to scrutinise new proposals and progress/risks in relation to schemes already in delivery as well as update on potential schemes which may be in the future pipeline. The board is chaired by the Executive Director of Finance and consists of the other Directors and finance/project management support.
- 4.9 In line with the agreed process, schemes progress from the Strategic Capital Board to be considered by the Deputy Leader and the Executive Member for Finance and Transformation. Following review, the capital scheme proposals are reported to Executive for approval each month through the Capital Update Report. These proposals will be changes to the programme for the year as originally approved by Executive.

5. Issues and Choices – Forecast Outturn as at Quarter 2 2024/25

Draft General Fund Capital Outturn as at Q2 2024/25

5.1 The outturn forecast for 2024/25 at quarter 2 in respect of the GF Capital Programme shows a revised capital budget of £108.8m, including brought forward and in-year approved programmes. The outturn position is currently estimated at a spend of £74.7m, which represents a variance of £34m against the budget, however £28.3m of the £34m has been forecasted as requiring re-phasing of budgets into 2025/26.

5.2 The table below shows the budget and forecast by directorate.

General Fund Capital Programme 2024/2025										
Directorate	Original Budget	Draft Brought forward Budget	Approved in year	Revised Budget	YTD Actuals P6	Forecast P6	Movement from P3 forecast	Variance to Budget	Forecasted re-phasing into 2025/26	Revised forecasted variance to budget after re-phasing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Place and Economy	31,167	24,010 *	16,132	71,309	10,703	43,788	(11,120)	(27,521)	(22,706)	(4,815)
Children and Education	5,589	8,046	8,632	22,267	7,620	19,155	657	(3,112)	(2,422)	(690)
Adults, Health Partnerships and Housing	540	4,327	0	4,867	672	4,867	0	0	0	0
Public Health and Wellbeing	3,590	1,827	451	5,868	572	2,486	(689)	(3,382)	(3,208)	(174)
Enabling and Support Services	2,527	1,916	0	4,443	(160)	4,444	0	0	0	0
Total	43,414	40,126	25,214	108,753	19,406	74,740	(11,152)	(34,014)	(28,335)	(5,679)

* Draft brought forward budget amended by £17k to reflect Changing Places budget that should have been carried forward from 2023/24.

5.3 The following capital schemes are currently forecasting variances over £300k compared to their revised approved budgets. Explanations for these significant variances are detailed below:

Table 2

Directorate	Revised Budget	Forecast as at Q2	Variance to Budget	Forecasted re-phasing	Revised forecasted variance to budget after re-phasing	Explanation of Variance
	£'000	£'000	£'000	£'000	£'000	
Place and Economy	£'000	£'000	£'000	£'000	£'000	
Levelling Up Fund Round 3 – Cultural Allocation	5,000	1,000	(4,000)	(4,000)	0	Relates to delivery of projects throughout 2024/25 and 2025/26. Distribution of the funds is only following evidence of defrayal, so it is likely the majority of this spend will occur in 2025/26,

						therefore re-phasing forecasted.
Street Lighting LED Upgrade 2022-23	3,523	2,098	(1,426)	(1,426)	0	Progress of the works remains on target to complete during 25/26. The profile of spend will see £1.4m of expenditure coming through in 2025/26 as shown.
HG0220 - Northamptonshire Superfast Broadband	3,254	1,262	(1,992)	(1,992)	0	Delivery timescales have moved, due to complexity of project. Next phase of work currently being identified. Forecasted remaining budget therefore re-phased into 2025/26.
Replacement Refuse Vehicles	2,915	0	(2,915)	(2,915)	0	Work currently ongoing regarding options in relation to bin collection services across NNC, re-phasing expected as spend unlikely to occur in 2024/25.
Kerbside Kitchen Food Waste Service Rollout	2,495	757	(1,739)	(1,739)	0	Project underway, purchase of vehicles now expected in 2025/26 rather than 2024/25 as previously estimated.
Workspace transformation and Stock Condition	3,250	1,000	(2,250)	(2,250)	0	Project delayed due to review of locations, therefore element of spend expected to be re-profiled into 2025/26.
Highways Integrated Transport 2024/25 onwards	2,079	1,400	(679)	(679)	0	Provisional figure, pending agreement with Kier, likely to result in works carried over into next year, therefore re-phasing forecasted.
Corby Town Fund Multi-Use Building	1,500	500	(1,000)	(1,000)	0	Procurement of works due to go out shortly, works will not be completed this financial year, resulting in re-profiling element of spend into 2025/26.
Garden Communities 2022-23	1,376	100	(1,276)	(1,276)	0	Project seasonal, therefore reduction in spend anticipated until spring. Review of whole project underway, anticipating to re-phase this project into 2025/26.
Priors Hall Sustainable Urban extension - A43/Steel Road junction	996	0	(996)	0	(996)	Steel Road junction improvements delivered for less than the original budgeted cost. Grant conditions only allow the Council to draw down funding for these works, so remaining budget will not be spent.
Oakley Vale adoption	960	330	(630)	(630)	0	Main works completed to progress adoption, remaining profile of works expected to span into 2025/26, therefore reprofiling expected.

Private Sector Housing - Home Repair Grants	646	50	(596)	(596)	0	Work underway to review projects, spend unlikely to occur until 2025/26
Children and Education						
Schools Minor Works 2022-2024	3,699	3,255	(444)	(444)	0	Wide ranging scheme of works on various school conditions, profiling of works subject to change, likely elements of spend will fall into 2025/26.
Earls Barton School S106 works/ bng	2,603	1,435	(1,168)	(1,168)	0	Work underway and spend profile under review, based on progress likely work will span into 2025/26.
Northamptonshire Children's Trust property condition	1,170	750	(420)	(420)	0	Wide ranging scheme of works based on condition reports of buildings, spend likely to span financial years, therefore any unspent funds to be re-profiled into 2025/26.
Southfield School for Girls SEND	652	326	(326)	(326)	0	Work underway, timescales reviewed and work expected to fall into 2025/26.
Public Health and Wellbeing						
Kettering Library Roof works	3,288	875	(2,413)	(2,413)	0	Project on track, currently out to procurement. Updated profiling of spend pattern indicates the majority of the expenditure will fall outside of 2024/25, therefore re-phasing forecasted.
Leisure and Tourism Projects	438	108	(330)	(330)	0	Awaiting updated spent plan from external providers, expected spend will need to be re-profiled into 2025/26.

5.4 The forecast detailed by significant schemes are shown at **Appendix A**.

5.5 The following schemes have been identified for removal from the Capital Programme:

Table 3

Directorate	Revised Budget	Forecast as at Q2	Variance to Budget	Action	Comment
Place and Economy	£'000	£'000	£'000		
East Kettering (Hanwood Park) S106 Highways works	1,651	0	(1,651)	Remove altogether	Project established in NCC, planning application for this area is currently being resubmitted, therefore unlikely that this work will now be delivered in the original format intended. Remove scheme from Capital Programme and Development Pool, new scheme to be submitted in due course if required.
S106 Receipt Account	1,128	0	(1,128)	Remove altogether	Legacy NCC code for receipt of income, not intended for expenditure to be occurred on this scheme, therefore budget line should be removed.
Land at Gainsborough and Sower Leys Road	59	0	(59)	Remove altogether	Project established in NCC for a junction improvement in Corby, which used contributions from a number of S106 agreements. The works cost less than forecast and the £59k budget represents the remainder unspent. This budget should therefore be removed from the capital programme and the S106 income be considered for future projects via the Developers Contributions Board.
CPO Fund	601	0	(601)	Move to Development Pool	No current properties identified at present, move to development pool in case of future properties being identified.
TOTAL	3,439	0	(3,439)		

General Fund Capital Programme Funding

5.6 For the General Fund capital programme funding sources have been identified to cover the capital budget requirements, including the original MTFS budget of £39m, together with funding for the slippage (£33m), in-year approved schemes (£22.8m) and the year-end approvals (£1.8m). Below shows the expected funding for the in-year expenditure for 2023/24 of £49.4m (note this is estimated until the 2023/24 Statement of Accounts work is complete).

Table 4

Directorate	Discretionary Funding	Capital Receipts and Reserves	Capital Grants	S106	Other External Contributions	Total
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Place and Economy	8,294	2,208	31,879	349	1,059	43,789
Children and Education	2,159	0	15,181	1,925	70	19,334
Adults, Health Partnerships and Housing	1,314	0	3,554	0	0	4,867
Public Health and Wellbeing	1,404	481	572	29	0	2,486
Enabling and Support Services	0	4,443	0	0	0	4,443
Total	13,171	7,132	51,185	2,303	1,129	74,919

Development Pool

5.8 The Development Pool was updated within the 2024/25 MTFP process and will be reviewed throughout the year.

Housing Revenue Account Capital Programme

Draft HRA Capital Outturn as at Q2 2024/25

5.9 The outturn forecast for 2024/25 in respect of the HRA Capital Programme shows a revised capital budget position of £23.0m, including brought forwards from 2023/24. The forecast spend is £13.0m, which represents slippage/underspend of £9.9m against the revised budget. The table below sets out the position by each neighbourhood account. Detailed analysis by project shown in **Appendix B**.

Table 5

Housing Revenue Account 2024/25							
	Original Budget	Slippage*	Revised Budget	YTD Actuals	P6 Forecast	P3 Forecast	Variance to Budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corby	10,420	3,158	13,578	2,586	5,587	11,703	(7,991)
Kettering	4,850	4,612	9,462	3,095	7,455	8,704	(2,007)
Total	15,270	7,770	23,039	5,681	13,042	20,407	(9,997)

- 5.10 A proportion of the budget is forecast not to be spent in 2024/25 as initially planned. Some schemes are forecast to underspend due to experiencing delays in finalising new contractual arrangements and a change in focus on utilising right to buy capital receipts to acquire properties as part of the change in regulations of 100% funding over the next two years.
- 5.11 Virements have been reflected in **Appendix B** for the HRA capital programme relating to the housing tenancy capital schemes, which is a ringfenced fund. The overall purpose of these budgets has not changed, which is to enhance and maintain the current housing stock.

Capital Strategy – Capital related Prudential Indicators as at Q2 2024/25

- 5.12 CIPFA's Prudential Code sets out the requirement for quarterly monitoring of performance against the prudential indicators that were approved by The Council in February 2024/25 as part of the Capital Strategy. Performance against these indicators for 2024/25 is set out in Appendix C.

6 Next Steps

- 6.1 The brought forward balances are still subject to external audit. Any adjustments required because of the outstanding audits for the Council for 2021/22, 2022/23 and 2023/24 will be reported back to Executive.
- 6.2 Schemes will continue to be monitored throughout the year and will be reported back to The Executive each quarter.

7 Implications (including financial implications)

7.1 Resources, Financial and Transformation

- 7.1.1 The financial implications are set out in the detail of the report.

7.2 Legal and Governance

- 7.2.1 The Council must utilise funding and deliver schemes in line with the restrictions and requirements as set out in the agreements linked to that funding and the requirements as set out in the Council's Constitution, in particular the budget setting and policy framework and the financial regulations.

7.3 Relevant Policies and Plans

- 7.3.1 The schemes provide a strategic fit with the Council's priorities as set out within the corporate plan.

7.4 Risk

- 7.4.1 The deliverability of the 2024/25 Capital Programme is monitored by the relevant accountable project manager and senior officer. There are a number of risks to be managed throughout the year and these are highlighted in the paragraphs below.

- 7.4.2 With most capital projects there is a risk that delays, and cost increases may arise as a result of the impact of inflation. Generally, this relates to the supply and price of materials with projects requiring increased lead in times. Whilst every attempt is made to cost these implications into the project, the risks remain. However, it must be recognised that the current "Cost of Living Crisis" has driven up the level of inflation, which is much higher than in previous periods and indeed when funding bids were originally submitted. This therefore poses a risk to the deliverability of the projects as originally envisaged, where reductions to the scope of projects may be required to ensure budgets are not overspent.

- 7.4.3 If any overspends or emerging pressures are identified during the year for whatever reason, then mitigating actions will be sought and management interventions undertaken.

- 7.4.4 There is a risk in relation to funding, particularly S106 where works may be required to take place in advance of S106 triggers/funding being payable. This occurs where a road or school is needed to provide infrastructure for the first residents/businesses utilising the site. Where this is the required, the Council will fund costs at risk in relation to the funding being received to reimburse its costs.

7.5 Consultation

- 7.5.1 The 2024/25 Capital Strategy and Capital Programme were subject to consultation prior to approval by the North Northamptonshire Authority in February 2024. The programme was approved by Council at its meeting on 22nd February 2024 and was subject to consultation from 21st December 2023 to 26th January 2024. These changes are in addition to the approved programme.

7.6 Consideration by Executive Advisory Panel

7.6.1 Not applicable

7.7 Consideration by Scrutiny

7.7.1 The report will be considered at a future meeting of the Finance and Resources Scrutiny Committee.

7.8 Equality Implications

7.8.1 None specific within this report

7.9 Climate and Environment Impact

7.9.1 With the Council's declaration of a climate emergency in July 2021 and the approval of the Carbon Management Plan in December 2022, we have committed to working towards becoming a carbon neutral council by 2030.

7.9.2 Significant progress has since been made and reported into the Climate, Growth and Environment Executive Advisory Panel at regular intervals throughout 2022.

7.9.3 Since 2023, significant progress on climate action has been made and reported to the Sustainable Communities Executive Advisory Panel at regular intervals throughout the year. The initial focus has been to identify mechanisms, procedures and systems that will provide a solid foundation for further development of climate action as we plot our course towards reaching the Council's target of becoming carbon neutral by 2030 and complying with the national legal requirement of achieving Net Zero by 2050, or sooner.

7.9.4 The climate impact of each capital project will be considered and managed within the relevant scheme.

7.9.5 A number of the capital schemes include initiatives to offset/reduce carbon impact as a priority for the Council and in recognition of the Climate Emergency declared by the Council.

7.10 Community Impact

7.10.1 These proposals can be considered to have a positive impact on the community as the Capital Programme delivers the infrastructure to support, educate, connect and regenerate communities. This includes enhancing the cultural offer and promoting a positive environmental impact.

7.11 **Crime and Disorder Impact**

7.11.1 None specific within this report

8. Background Documents

8.1 The following background papers can be considered in relation to this report:

Capital Programme Budget 2024/25 – Full Council, 22nd February 2024 - [Capital Programme Report 2024-28.pdf \(modern.gov.co.uk\)](#)

Appendix A

General Fund Capital Programme

	Original Budget	Budget B/fwd	Approved in Year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-phasing	Revised forecasted variance to budget after re-phasing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE - PLACE										
Corby Town Fund - Train Station to Town Centre	2,000	6,026	0	8,026	436	8,026	0	0	0	0
Highways Pothole Fund	4,804	1,401	(2,138)	4,067	3,612	4,067	(2,138)	0	0	0
Levelling Up Fund Round 3 – Cultural Allocation	0	0	5,000	5,000	0	1,000	0	(4,000)	(4,000)	0
LA Highways Maintenance Additional Funding	3,735	0	0	3,735	280	3,735	0	0	0	0
Corporate property decarbonisation project 2024/25	0	0	3,414	3,414	72	180	0	(3,234)	(3,234)	0
Network North 2023 onwards	0	0	2,138	2,138	1,324	2,138	2,138	0	0	0
Street Lighting LED Upgrade 2022-23	980	2,543	0	3,523	0	2,098	58	(1,426)	(1,426)	0
HG0220 - Northamptonshire Superfast Broadband	2,000	1,254	0	3,254	(146)	1,262	0	(1,992)	(1,992)	0
Highways -Road Condition Work	3,000	0	1,500	4,500	1,982	4,500	1,500	0	0	0
Replacement Refuse Vehicles	2,915	0	0	2,915	0	0	(2,915)	(2,915)	(2,915)	0
Disabled Facilities Grant NNC	2,560	0	0	2,560	1,105	2,400	(160)	(160)	(160)	0
Kerbside Kitchen Food Waste Service Rollout	0	0	2,495	2,495	0	757	(1,739)	(1,739)	(1,739)	0
Workspace transformation and Stock Condition	2,250	0	1,000	3,250	0	1,000	(1,250)	(2,250)	(2,250)	0
Safer Roads Fund, A6	0	0	2,200	2,200	4	2,200	0	0	0	0
Highways Integrated Transport 2024/25 onwards	1,364	705	10	2,079	116	1,400	0	(679)	(679)	0
East Kettering (Hanwood Park) S106 Highways works	0	1,651	0	1,651	0	0	0	(1,651)	0	(1,651)
Corby Town Fund Multi-Use Building	713	787	(75)	1,425	14	500	(1,000)	(925)	(1,000)	75
Garden Communities 2022-23	0	1,376	0	1,376	6	100	(1,276)	(1,276)	(1,276)	0
Highways Incentive Maintenance 2024.25 onwards	934	278	0	1,212	533	1,212	0	0	0	0
UK Shared Prosperity Fund	1,060	78	0	1,138	55	1,138	0	0	0	0
S106 Receipt Account	500	628	0	1,128	0	0	(1,128)	(1,128)	0	(1,128)
Priors Hall Sustainable Urban extension - A43/Steel Road junction	0	996	0	996	0	0	(996)	(996)	0	(996)
Oakley Vale adoption	476	484	0	960	56	330	(630)	(630)	(630)	0
Rural England Prosperity Fund	871	16	0	887	201	887	0	0	0	0
PRIVATE SECTOR HOUSING - HOME REPAIR GRANTS	0	646	0	646	6	50	(596)	(596)	(596)	0
CPO Fund	0	601	0	601	0	0	(601)	(601)	0	(601)
All other schemes (individual budgets under £500k)	1,005	4,540	513	6,058	1,046	4,809	(387)	(1,249)	(810)	(439)
TOTAL PLACE	31,167	24,010	16,057	71,234	10,703	43,788	(11,120)	(27,446)	(22,706)	(4,740)

	Original Budget	Budget B/fwd	Approved in year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-phasing	Revised forecasted variance to budget after re-phasing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE - CHILDREN AND EDUCATION										
Schools Minor Works 2022-2024	1,800	1,899	0	3,699	2,221	3,699	0	0	0	0
Earls Barton School S106 works/ bng	1,290	1,313	0	2,603	617	1,435	(996)	(1,168)	(1,168)	0
Manor School Bulge	0	0	1,311	1,311	536	1,311	(0)	0	0	0
Kingsley Special School mobile	1,136	169	0	1,305	327	726	0	(579)	0	(579)
Relocation of Wilby CE VA Primary School to Glenvale Park	0	0	1,276	1,276	701	1,213	(63)	(64)	(64)	0
Northamptonshire Children's Trust property condition	0	0	1,170	1,170	0	750	(420)	(420)	0	0
Rowan Gate Special School mobile to permanent	482	669	0	1,151	967	1,151	0	0	0	0
Greenfields Primary School SEND	0	0	1,067	1,067	0	1,067	(179)	0	0	0
Great Doddington Primary School mobile replacement	100	847	0	947	260	947	0	0	0	0
Wollaston School Expansion	0	0	822	822	457	822	822	0	0	0
Avenue Infants School SEND provision	133	724	0	857	(3)	857	0	(326)	(326)	0
Childrens Residential Home Provision 2022-23	0	762	0	762	0	762	0	0	0	0
Southfield School for Girls SEND	0	0	652	652	290	326	0	(326)	(326)	0
Childrens trust Planned Capital Maintenance Programme	0	545	0	545	357	545	0	0	0	0
Corby Business Academy SEND	0	2	542	544	336	542	0	(2)	0	(2)
All other schemes (individual budgets under £500k)	648	1,116	1,792	3,556	554	2,925	245	(631)	(1)	(630)
TOTAL CHILDREN AND EDUCATION	5,589	8,046	8,632	22,267	7,620	19,078	580	(3,189)	(1,978)	(1,210)

	Original Budget	Budget B/fwd	Approved in year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-phasing	Revised forecasted variance to budget after re-phasing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE - ADULTS, HEALTH PARTNERSHIPS AND HOUSING										
Phase 2 Refugee Resettlement Programme	0	2,818	(2,478)	340	277	340	(2,478)	340	0	0
Refugee Resettlement Programme 2023	0	735	0	735	26	735	0	735	0	0
Housing and Homelessness Prevention	0	688	0	688	363	688	0	688	0	0
Community equipment capitalisation 2022-23	540	0	0	540	0	540	0	540	0	0
All other schemes (individual budgets under £500k)	0	86	2,478	2,564	6	2,564	2,478	(2,303)	0	0
TOTAL ADULTS, HEALTH PARTNERSHIPS AND HOUSING	540	4,327	0	4,867	672	4,867	0	0	0	0

	Original Budget	Budget B/fwd	Approved in year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-phasing	Revised forecasted variance to budget after re-phasing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE - PUBLIC HEALTH & WELLBEING										
Kettering Library Roof works	3,175	113	0	3,288	374	875	0	(2,413)	(2,413)	0
Small and other capital works and grants	150	408	(105)	454	16	262	(60)	(192)	(192)	0
Leisure and Tourism Projects	108	330	0	438	54	108	(330)	(330)	(330)	0
Swimming Pool Support Fund 2024/25	0	0	303	303	1	303	0	(0)	0	0
Greenway Washbrook Road	0	291	0	291	14	291	0	0	0	0
All other schemes (individual budgets under £200k)	157	685	252	1,094	114	647	(299)	(447)	(273)	(174)
TOTAL PUBLIC HEALTH & WELLBEING	3,590	1,827	451	5,868	572	2,486	(689)	(3,382)	(3,208)	(174)

	Original Budget	Budget B/fwd	Approved in year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-profiling	Revised variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
DIRECTORATE - ENABLING SERVICES										
IT Strategy Holding Account	1,757	559	(948)	1,369	0	1,369	(948)	0	0	0
IT strategy - One Council Access & Device Update (OCADU)	0	0	948	948	0	948	948	0	0	0
Infrastructure / Flexi & Remote Working	220	550	0	770	31	770	0	0	0	0
End User Devices	400	258	0	658	(309)	658	0	0	0	0
Revenue & Benefits System	0	381	0	381	87	381	0	0	0	0
ICT Hardware Replacement	150	168	0	318	31	318	0	0	0	0
TOTAL ENABLING SERVICES	2,527	1,916	0	4,443	(160)	4,444	0	0	0	0

	Original Budget	Budget B/fwd	Approved in year	Revised Budget	YTD Actuals	P6 Forecast	Movement from P3 forecast	Variance to Budget	Forecasted re-profiling	Revised variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
TOTAL GENERAL FUND CAPITAL PROGRAMME	43,414	40,126	25,139	108,678	19,406	74,663	(11,229)	(34,016)	(27,892)	(6,124)

Directorate - Housing	Original Budget	Revised Budget C/fwd.	Proposed Virements (to be approved)	Revised Budget	P6 Actual	P6 Forecast	P3 Forecast	Variance to Budget	Movement to P6
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Housing Corby									
New Build	5,500	0		5,500	1,020	1,522	5,500	(3,978)	3,978
Homes for the Future (Corby)	52	0	478	530	0	35	480	(495)	445
Hidden Homes	0	179		179	0	100	95	(79)	(5)
Estate Management	250	130	(150)	230	10	180	180	(50)	0
Roof Renewals	350	235	(150)	435	0	100	400	(335)	300
Electrical Upgrades	360	786	0	1,146	184	700	1,130	(446)	430
Heating Upgrades	350	191		541	150	400	400	(141)	0
Compliance	200	616	(450)	366	57	115	250	(251)	135
Disabled Adaptations	250	(3)		248	15	240	240	(8)	0
Supply Chain Upgrades	40	78		118	11	30	30	(88)	0
Kitchen & Bathrooms	300	(106)	200	394	89	150	350	(244)	200
Doors & Windows	205	113	100	418	84	290	378	(128)	88
HRA - Unallocated Labour & Overheads	1,600	410	0	2,010	634	900	1,190	(1,110)	290
HRA Housing Management System [CBC]	0	10		10	0	10	0	0	(10)
Major Voids Works	564	(116)	100	548	298	595	530	47	(65)
Sheltered Housing	200	154		354	35	200	300	(154)	100
Energy Improvements	200	480	(128)	552	0	20	250	(532)	230
Total Corby Housing	10,420	3,158	0	13,578	2,586	5,587	11,703	(7,991)	6,116

Directorate - Housing	Original Budget	Revised Budget C/fwd.	Virements	Revised Budget	P6 Actual	P6 Forecast	P3 Forecast	Variance to Budget	Movement to P9
Kettering Housing									
Kitchens & Bathrooms (Kettering)	315	68	0	383	114	200	255	(183)	55
Heating Upgrades (Kettering)	261	45	0	306	71	250	250	(56)	0
Roof Renewals (Kettering)	134	225	(30)	329	35	100	200	(229)	100
Disabled Adaptations (Kettering)	200	59	0	259	71	150	200	(109)	50
Electrical Upgrades (Kettering)	290	33	20	343	105	230	330	(113)	100
External Doors & Windows (Kettering)	269	177	0	446	165	255	300	(191)	45
Major Void Works (Kettering)	199	(615)	1,324	908	492	985	904	77	(81)
Energy Improvements (Kettering)	200	432	(350)	282	74	200	240	(82)	40
Sheltered Housing Communal Upgrades (Kettering)	50	80	(50)	80	11	50	50	(30)	0
Estate Maintenance (Kettering)	100	98	(100)	98	34	68	80	(30)	12
Compliance (Kettering)	50	0	0	50	4	10	30	(40)	20
Supply Chain Upgrades (Kettering)	27	11		38	5	2	17	(36)	15
Homes for the Future (Kettering)	870	742	(764)	848	27	250	800	(598)	550
Hidden Homes (Kettering)	0	160	(50)	110	8	50	95	(60)	45
HRA - Unallocated Labour & Overheads	900	0	0	900	270	871	871	(29)	0
New Build	985	3,097	0	4,082	1,610	3,784	4,082	(298)	298
Total Kettering Housing	4,850	4,612	0	9,462	3,095	7,455	8,704	(2,007)	1,249
Total Housing Revenue Account	15,270	7,770	0	23,039	5,681	13,042	20,407	(9,997)	7,365

Appendix C

Capital Strategy Prudential Indicators Q2 Forecasts 2024/25

The Authority measures and manages its capital expenditure and borrowing with reference to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

1) Capital Expenditure: The Authority has undertaken and is planning capital expenditure as detailed in the main report and summarised below:

	2023/24 Reported Draft Out-turn £000	2024/25 Capital Strategy £000	2024/25 Revised Budget £000	2024/25 Q2 forecast £000	2025/26 budget £000	2026/27 budget £000
General Fund	49,351	43,414	108,753	74,740	27,254	24,523
HRA	7,996	15,270	23,039	13,042	14,046	14,491

The movement between the approved Capital Strategy for 2024/25 and the revised budget is due to draft brought forward capital budgets (General Fund £40,126; HRA £7,770) and budgets approved in year (General Fund £25,214).

2) Capital Financing Requirement: The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP (General Fund) / loan repayments (HRA) and capital receipts used to replace debt.

The loans CFR forecast for the year as forecast at 30th September 2024 is as follows:

	31.3.2024 estimated* £000	31.3.2025 forecast £000	31.3.2026 budget £000	31.3.2027 budget £000
General Fund	532,826	542,226	547,307	547,618
HRA	113,359	109,956	109,956	109,956
TOTAL LOANS CFR	646,185	652,182	657,263	657,575

**The CFR reflected above is still under review following the agreement of final balance sheet disaggregation balances.*

3) Gross Debt and the Capital Financing Requirement: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium term as is shown below.

	31.3.2024 estimated*	31.3.2025 forecast	31.3.2026 budget	31.3.2027 budget	Debt at 30.9.2024
Debt (incl. PFI & leases)	537,479	521,844	525,439	518,796	525,882
Capital Financing Requirement	745,581	745,700	744,460	738,129	

**The CFR reflected above is still under review following the agreement of final balance sheet disaggregation balances.*

4) Debt and the Authorised Limit and Operational Boundary: The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

	Maximum debt Q2 2024/25 £000	Debt at 30.9.24 £000	2024/25 Authorised Limit £000	2024/25 Operational Boundary £000	Complied?
Borrowing	455.08	432.36	781.88	710.81	YES
PFI and Finance Leases	99.40	99.40	120.27	109.34	YES
Total debt	554.48	531.76	902.15	820.15	YES

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

5) Proportion of Financing Costs to Net Revenue Stream: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP (GF) / loan repayments (HRA) are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

The forecast for the year as at 30th September 2024 is as follows:

	2024/25 Q2 forecast £000	2025/26 budget £000
Financing costs (£m)	11.1	10.4
Proportion of net revenue stream	2.96%	3.11%

6) Treasury Management Indicators: These indicators (Liability Benchmark, Maturity Structure of Borrowing and Long-Term Treasury Management Investments) are within the Treasury Management Report Q2 2024/25.