

Thurrock - An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future

Corporate Overview and Scrutiny Committee

The meeting will be held at **7.00 pm** on **7 December 2023**

Committee Room 2, Civic Offices, New Road, Grays, Essex, RM17 6SL.

Membership:

Councillors Martin Kerin (Chair), Jack Duffin (Vice-Chair), Robert Gledhill, Valerie Morris-Cook, Georgette Polley and Lynn Worrall

Substitutes:

Councillors Paul Arnold, Aaron Green, John Kent, Sara Muldowney and James Thandi

Agenda

Open to Public and Press

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2 Minutes	5 - 16
To approve as a correct record the minutes of the Corporate Overview and Scrutiny Committee meeting held on 5 October 2023.	
To approve as a correct record the minutes of the Extraordinary Corporate Overview and Scrutiny Committee meeting held on 1 November 2023.	
3 Items of Urgent Business	
To receive additional items that the Chair is of the opinion should be considered as a matter of urgency, in accordance with Section 100B (4) (b) of the Local Government Act 1972. To agree any relevant briefing notes submitted to the Committee.	
4 Declaration of Interests	

5	Update from the Investment Advisory Panel - Verbal	
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Queries regarding this Agenda or notification of apologies:

Please contact Jenny Shade, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **29 November 2023**

Information for members of the public and councillors

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

When should you declare an interest *at a meeting*?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

What is a Non-Pecuniary interest? – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- leave the room while the item is being considered/voted upon

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Non-pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Our Vision and Priorities for Thurrock

An ambitious and collaborative community which is proud of its heritage and excited by its diverse opportunities and future.

1. **People** – a borough where people of all ages are proud to work and play, live and stay
 - High quality, consistent and accessible public services which are right first time
 - Build on our partnerships with statutory, community, voluntary and faith groups to work together to improve health and wellbeing
 - Communities are empowered to make choices and be safer and stronger together

2. **Place** – a heritage-rich borough which is ambitious for its future
 - Roads, houses and public spaces that connect people and places
 - Clean environments that everyone has reason to take pride in
 - Fewer public buildings with better services

3. **Prosperity** – a borough which enables everyone to achieve their aspirations
 - Attractive opportunities for businesses and investors to enhance the local economy
 - Vocational and academic education, skills and job opportunities for all
 - Commercial, entrepreneurial and connected public services

Minutes of the Meeting of the Corporate Overview and Scrutiny Committee held on 5 October 2023 at 7.00 pm

Present:	Councillors Martin Kerin (Chair), Robert Gledhill, Valerie Morris-Cook, Georgette Polley, Lynn Worrall and Paul Arnold (Substitute) (substitute for Jack Duffin)
Apologies:	Councillor Jack Duffin
In attendance:	Councillor Graham Snell, Portfolio Holder Finance, HR and Payroll Steven Mair, Interim Chief Financial Officer Jenny Shade, Senior Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting was being recorded, with the audio recording to be made available on the Council's website.

8. Minutes

Councillor Worrall requested that the numbered action points relate to the points risen, this would make the minutes more comprehensible.

Members stated that no updates had been provided to the actions within the minutes and asked for these to be provided following this meeting.

Members also requested that an Action List be presented at the next meeting.

Following the above being made, the minutes of the 11 July 2023 Corporate Overview and Scrutiny Committee be approved as a correct record.

9. Items of Urgent Business

There were no urgent items of business.

10. Declaration of Interests

No declaration of interests were made.

11. 2023/24 Quarter 1 Forecast Revenue and Capital Outturn

The report presented set out the estimated forecast revenue outturn position for 2023/24 for the General Fund, Housing Revenue Account (HRA), Dedicated Schools Grant (DSG) and Public Health Grant.

The following points were made:

- Member referred to recommendation 2 of the report and stated it would be helpful for committee members to have directorate budgets itemised as to what their mitigations were.
- Member referred to paragraph 3.3.5 and questioned what affect would the higher rates have and having some comparisons would have been beneficial to members.
- Member referred to paragraph 3.9.2, Members needed to understand more about what the debt recovery team. It was also noted the good work being undertaken by the debt recovery team. Officers will take away action to look at the currently recruitment exercise. (see action point 17)
- Member thanked officers for the detailed report.
- It was recorded that a Member had had a lot of interaction with the financial inclusion team who undertook some amazing work for residents.
- Member referred to paragraph 2.1, questioned how much of the hardship fund of £0.616m had been used this year. (see action point 18)
- Member made a general statement in regard to Children's social care, and this needed to be tackled nationally.
- Member referred to paragraph 3.3.4, questioned how this overspend would impact those children.
- Member referred to paragraph 3.4.3, commented on the cost of postage increases in year with the council trying to be more digital.
- Member referred to paragraph 3.8.4, questioned whether the CO2 was now completely empty and if so could this be temporarily taken out of ratings. (see action point 19)
- Member referred to paragraph 3.10.3, questioned why there had been a reduction in registrar services as the new Town Hall had more facilities to offer these services. (see action point 20)
- Members also stated the council should be exploring more registrar services to generate more income.
- Member referred to paragraph 4.1, Inflation, Energy Services, questioned the fluctuations and how could this be happening if the council had bulk purchased. (see action point 21)
- Member referred to paragraph 3.15.5, questioned whether this additional level of income had been a positive income of an action that had been agreed by the council.
- Member questioned when the financial accounts for 2020/21 would finally be completed.
- Members questioned how confident officers were on the final figure.
- Member stated the HRA Capital Program remained on track for delivery as no new capital programmes would commence.
- Member referred to Right to Buy Receipts and questioned whether there was a business case that these could be used.

The meeting adjourned at 7.36pm.

The meeting reconvened at 7.38pm.

- Member referred to paragraph 3.25, had concerns that the underspend had been achieved but these services had been reduced and were at risk of being lost. She questioned whether the best use of funding from external resources was being used.
- Member requested an update home to school transport and whether everything was undertaken to ensure that every child got to school. (see action point 22)
- Members noted and commented on the overspend against the ICT budget.
- Member referred to the intervention commissioner costs and questioned whether everything was being done.
- Members agreed that money being spent on garages could be better spent.
- Member referred to page 43, Pupil Referral Unit (PRU) and questioned whether this had already moved. (see action point 23)
- Member questioned the difference between the Tilbury Towns Fund (accelerated funding) and Tilbury and Grays Town Funds normal spends.
- Member referred to the overspend of ICT and that every committee held had experienced some form of ICT issue.
- Member raised concern on expenditure being spent on car parks and requested more information. (see action point 24)
- Member referred to the Projects on Hold and that health and safety had to be a consideration when deciding which projects should be put on hold.
- Member referred to paragraph 3.3.6 and questioned what the substantial shortfall in funding and what action was being undertaken.
- Member requested when grant money was received this could be coded to identify this as not council money but money that had been received into grants. Members were happy that this could be provided at a total level rather than individual projects.
- Member requested that recommendation 1.1 be amended to add the following words "Dependent on previous years accounts being signed off".
- Member requested that recommendation 1.2 be amended to add the following words "The mitigating action figures are brought back to committee".

Actions:

16. Steven Mair to report comments made to the debt recovery team and provide feedback on team vacancies.
17. Steven Mair to confirm figure on hardship fund.
18. Steven Mair to confirm situation of CO2.
19. Steven Mair to explore the reasons behind the shortfall of registrar services.
20. Steven Mair to check whether energy contracts were in place.
21. Steven Mair to provide update on school transport.
22. Steven Mair to question whether the PRU had already moved.
23. Steven Mair to obtain information on what car parks were expenditure was being spent.

24. Steven Mair to report back on how much the transformation budget was and what projects had been earmarked from it.

RESOLVED

1. That Committee noted the overall forecast general fund outturn position for period 3 was an underspend of £1.036m. Dependent on previous years accounts being signed off.
 2. That Committee noted that directors with significant adverse variances would continue to review directorate budgets and identify mitigating actions to resolve the forecast pressure against the 2023/24 budget. The mitigating action figures are brought back to committee.
 3. That Committee noted the potential risks to the position listed noted in section 4 and the following specific risks noted within the report:
a) There are an ongoing assessment of the investment portfolio values which will need to be reflected on an ongoing basis with the next update scheduled for Quarter 2. b) The requirement to change the accounting for cloud-based IT costs continues to be assessed in both the current and prior years and is likely to have a material short-term impact. c) There are ongoing wider financial accounting assessments related to prior periods which may also need to be considered. That Committee noted the HRA, DSG and Public Health project to deliver the budget within the existing funding envelopes.
 4. That Committee noted and comment on the capital programme, the current projected slippage of £7.46m and the impact on MRP.
 5. That Committee noted that the position will remain provisional as further substantive work is undertaken, notably in preparation of historic accounts, which could have an impact on current or future years.
12. **Report of the Cabinet Member for Finance, HR and Payroll/Financial Strategy Update**

Councillor Snell presented his portfolio holder report for Finance, HR and Payroll/Financial Strategy Update.

The following points were made:

- Member acknowledged the work undertaken by officers in producing this very detailed report.
- Member referred to paragraph 4.15 and discussed the 7% Public Works Loan Board.
- Member referred to paragraph 4.18 and discussed the £103 investment in the CCLA Property Fund as to whether this was a safe long-term return.

- Member referred to the savings of the £18.2 million from the revenue budget and questioned how confident the portfolio holder was this would be met.
- Members discussed the targets for 2024/25 and 2025/26.
- Member referred to how and when assets were sold, with officers reiterating that the council had an explicit direction to pay down debt and referred members to the notes on hurdle rates within the report.
- All members discussed the purpose of pink papers.
- Member noted the dates in the report were out of sequence to events.
- Members agreed that a robust and up to date Asset Register should be available.
- Member referred to Table 2, noted the expensive administration fees and questioned how confident the portfolio holder was in a return of those costs.
- Member stated for some this would be the first time they had an opportunity to see the council had a vast array of investments and acknowledged there was going to be a significant loss.
- Member referred to paragraph 3.8 and stated there was no mention in the bullet points that it was the reduction of the central government grant over time. With less money coming in the administration was over reliant on investment incomes and questioned whether this had been considered as the council developed their accounts in the future.

13. Work Programme

Members requested that an updated Action List be presented.

The chair requested that the Portfolio Holder Annual Report: Transformational Change, Communications and Governance be moved from the 1 February 2024 meeting to the 7 December 2023 meeting.

Members requested an update on the Investment Advisory Panel.

Any Other Business

Councillor Morris-Cook stated how uncomfortable she had felt, but had remained at this important meeting, on how inappropriate it was that Councillor Gledhill was now a member of this committee. Councillor Morris-Cook stated he had been the leader when the finance issues arose and with him now asking the current portfolio holder questions on finance was totally inappropriate.

Councillor Gledhill responded to say this had been an appointment made at the 27 September 2023 full council meeting made by the leader, with no objections being made. Councillor Gledhill stated the comment made by Councillor Morris-Cook had also been inappropriate, as a member he was entitled to sit on this committee like any other member and to hold the council to account.

The chair agreed for these notes to be included in the minutes.

Recording of Meeting

The full recording of the meeting can be viewed from the following link:

[Corporate Overview and Scrutiny Committee - Thursday 5 October 2023, 7:00pm - Thurrock Council committee meeting webcasts \(public-i.tv\)](#)

The meeting finished at 8.47 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**

Minutes of the Meeting of the Extraordinary Corporate Overview and Scrutiny Committee held on 1 November 2023 at 7.00 pm

- Present:** Councillors Martin Kerin (Chair), Robert Gledhill, Georgette Polley, John Kent (Substitute) (substitute for Valerie Morris-Cook) and James Thandi (Substitute) (substitute for Jack Duffin)
- Apologies:** Councillors Jack Duffin and Valerie Morris-Cook
- In attendance:** Dr Dave Smith, Chief Executive and Managing Director
Commissioner
Asmat Hussain, Director of Legal and Governance and Monitoring Officer
Matthew Boulter, Head of Democratic, Scrutiny and Member Services
Mark Bradbury, Interim Director of Place
Steven Mair, Interim Chief Financial Officer/Section 151 Officer
Rob Large, Assistant Director, Property
Jenny Shade, Senior Democratic Services Officer
-

Before the start of the Meeting, all present were advised that the meeting was being recorded, with the audio recording to be made available on the Council's website.

14. Items of Urgent Business

There were no urgent items of business.

15. Declaration of Interests

No interests were declared.

16. Call-in to Cabinet Decision 110667 - Asset Disposals Programme - Recommended next tranche of properties for disposal.

The report presented outlined the call-in made to the Cabinet Decision 110667 - Asset Disposals Programme – Recommended next tranche of properties for disposal, highlighted the reasons why the call-in was made and the alternative proposal being put forward. The report offered advice to the committee on how to manage the call-in through the committee process and should be used as a summary document to help understand the overview of this particular call-in.

Due to Councillor Green unable to attend the meeting due to illness, the chair agreed to read out the statement provided by Councillor Green:

I was supposed to be here this evening to object to the selling of land in Purfleet on Thames, which is distrusted into three sections. First being the Purfleet Medical Centre car park, to be sold for potential ground rent. With the Integrated Medical Centre project now up in the air and HOSC is now waiting for a report what next. Will they be happening? Will it be done on a smaller scale? No one knows. All we know is

we are waiting and a potential area for expansion could be the rear of the Purfleet Medical Centre which could potentially house any future medical centre building. But with all this aside expect people to pay to park in there hour of need, we are in a cost-of-living crisis, council tax and rent hikes, residents cannot be expected to fork any further expenditure. The next pieces are two pieces of land located off Water Lane and St Clements Courts and Tank Lane and Purfleet Primary School. Purfleet on Thames has seen many developments over the years and no local infrastructure, which the long-anticipated regeneration was supposed to rectify. But unfortunately, just like the Integrated Medical Centre the regeneration is up in the air. I strongly object and why is Purfleet on Thames potentially losing their green belt to 'the lungs of Thurrock'. In closing I ask you all to support my call-in and call on cabinet to make the right decision.

The chair asked the Portfolio Holder to speak, the following points were made:

- The land referred to by Councillor Green as green belt was actually white land.
- This was not recreational land; it was a piece of land the council no longer had any use for.
- Although the land was idle, the council still had maintenance liability for it.
- Questioned why land that the council had no use for, should be retained.
- Supported the disposal as there were no identifiable need or use for the land.
- Planning processes would still need to be undertaken for whomever purchased the land.
- Recommended to proceed with the disposal of the land at a market value.

Officer updated members on the small piece of land which said "ground rent" this was an old note and should not have been included on the plan.

The Chair asked members for their questions, the following points were made:

- Members sought some clarification on the relevant parcels of land that were included within the disposal as there had been some confusion over postcodes.
- Member noted that reports and documentation presented to members needed to be accurate ensuring that the detail presented was correct.
- Member had concern over the disposal of the land without any consultation or discussion with the community.
- Member questioned what process and due diligence had been undertaken to identify this land for disposal.
- Member questioned that going forward would there be an opportunity for ward members and communities to see cabinet papers, to comment and put forward any objections on land disposals.
- Member stated this felt like a "test case" and there had to be due process in place before further asset lists came forward and that lessons could be learnt from tonight's meeting.
- Officer agreed that information would be shared earlier and much wider, to be available in advance to try and avoid further call-in meetings.
- Member highlighted as the land was fenced off, access should only be available to those with permission.
- Member questioned whether the land had or could be called in for a community asset.
- Members discussed the planning process which would include looking at tree preservation orders.

The Chair agreed that Councillor Watson could speak, who raised her concerns in particular the amount of infrastructure being proposed for Purfleet on Thames, the uncertainty of the Integrated Medical Centre, loss of part of the NHS car park, questioned how these would fit into the local plan and to think about residents and what communities need.

The Chair thanked members for their robust debate and summarised the following comments - thanked Councillor Green for his call-in; Portfolio Holder disputed the call-in by stating no planned use of the land; Members were here to scrutinize reports; the lack of detailed information had been noted; uncertainties raised on the use of the land; questioned the due diligence process; members appreciated the financial situation of the council; consideration of consultations; awareness of future disposals and to improve communication; be mindful of any tree preservation orders; thanked officers for their comments; Chair's personal view was there was no reason to dispose of council land; noted Councillor Watson's comments that backed up Councillor's Green statement; the words "consultation" and "unsure" were heard a lot this evening; referred to the principles of the call-in made by Councillor Green to refer back to cabinet.

The Chair called a vote to which 6 members voted for, 0 against, 0 abstained.

RESOLVED

1.1 The Corporate Overview and Scrutiny Committee agreed to accept the call-in and refer back to Cabinet.

1.2 The Corporate Overview and Scrutiny Committee ask Cabinet to re-consider the decision based on due regard to communities.

At 7.50pm, Mark Bradbury and Rob Large left the meeting.

17. Call-in to Cabinet Decision 110676 Resources to Support the Council's Budget

The report presented outlined the call-ins made to the Call-in to Cabinet Decision 110676 Resources to Support the Council's Budget, highlighted the reasons why the call-ins were made, and the alternative proposals being put forward. The report offered advice to the committee on how to manage the call-in through the committee process and should be used as a summary document to help understand the overview of this particular call-in.

The Chair asked Councillor J Kent to speak, the following points were made:

- Understood how difficult it was to identify large savings from the Council's revenue budget.
- Paying Price Waterhouse Coopers (PwC) £800,000 to identify £5.2million saving was disproportionate.
- Confusion on what the Portfolio Holder had said at Corporate Overview and Scrutiny Committee on the 5 October 2023 against the report that had been presented to Cabinet only seven days later.
- This was unreasonable and the council should be looking to its own members and officers first to identify those savings.
- The council should not be looking to bring in outside agencies such as PwC at extortionate fees to do the council's job.

The Chair asked Councillor Speight to speak, the following points were made:

- Referenced comments made by the Portfolio Holder for Finance at cabinet in regard to the poorly resourced finance team.
- Referenced also comments made at the Corporate Overview and Scrutiny Committee only four working days later at Cabinet by the Portfolio Holder for Finance on his confidence of the finance team and its findings.
- Noted it was mentioned at both meetings that PwC were currently working within the council. Having looked into this no payments had been made this year to PwC.
- Raised his concerns, alongside the uncertainty of members and members of the public and recommended that the decision be referred back to cabinet.

The Chair asked the Portfolio Holder to speak, the following points were made:

- Since Section 114 and the BVI inspection it had become clear that significant revenue savings needed to be made.
- PwC had already been in-situ in the council before he had taken the role of Portfolio Holder.
- PwC were helping the council identify ways and means of making savings and putting systems in place. There were a lot of change, the council did not have the resources to undertake these changes without outside assistance.
- The council did not have the resources or knowledge within the officer staff in the finance team. PwC would pass on skills and methods of working to those council staff and retain those skills learnt for the future.
- Confirmed that what had been said at previous committees had been true.
- Recommended the call-in be rejected.

The Chair asked members for their questions, the following points were made:

- Members agreed there was some confusion on what was said at both committee meetings.
- Members questioned the sudden decision that extra support was required.
- Members questioned what due diligence had been undertaken across all aspects of the council.
- Members noted there had been no financial payment to PwC in this calendar year.
- Members agreed there needed to be honesty, trust, openness and have a professional relationship between members and officers.
- Members also agreed that honestly would stop any further call-ins being made.
- Member questioned whether the potential to lose PwC had instigated the urgent paper to cabinet.
- Member questioned the loss of PwC based on potential demand of the company.
- Member were informed as the report had not been on the forward plan it had proceeded on urgency decision rules.
- Member agreed this was the right time to ensure officers were skilled to deliver the savings.
- Members agreed there needed to be a timeline and approach to quantify the PwC expenditure.

The Chair thanked members for their robust debate and summarised the following comments – thanked Councillor J Kent and Councillor Speight for presenting their call-ins; acknowledged Councillor Kent's comment on disproportionate effect and

Councillor Speight's comment on the speed the report was presented to cabinet; noted the contradiction of what had been said at both committees; noted the Portfolio Holder and chief executives comments; noted the need for resources and reasonings; noted that Councillor Polley and Councillor Gledhill were against the call-in; noted what could be learnt from PwC; noted Councillor Worrall's comment on discussion of this specific call-in; Chair's personal view was to support recommendation 1.1 as both call-ins had aligned the consistency with the budget setting approach and timelines; noted the urgency decision so that PwC could start working and there was sufficient concern on the comments made by the Portfolio Holder to refer both call-ins back to cabinet.

The chair called a vote on both call-ins to which 3 members voted for, 3 voted against, 0 abstained. With the vote being tied, the chair exercised his second and casting vote and announced that recommendation 1.1 be carried with 4 votes for and 3 votes against.

Councillor Gledhill stated he wished a minority report to be lodged for Cabinet's awareness. The points Councillor Gledhill wished to be raised with Cabinet were as follows:

- Referred to the need of the urgent item to Cabinet due to forward plan requirements and no other factors.
- Questioned whether the ED2 had been presented before or after the Corporate Overview and Scrutiny Committee.
- Noted there had been an urgent need to continue otherwise the council would not be able to fully deliver next year's budget.
- Noted that the ED2 process had been pursued prior to the urgent item to Cabinet. The Monitoring Officer confirmed this was the case.
- Agreed this was the right report at the right time for the right processes to ensure officers are skilled to deliver the budget and also deliver the expectation of the budget.
- Questioned that after the 22 weeks there would not be a requirement to extend for another 22 weeks and another £800,000.
- Noted and acknowledged the proposed PwC offered 10% discount from the published framework rates.
- Requested at the 22 weeks point, the Corporate Overview and Scrutiny committee be provided with an update.

RESOLVED

1.1 The Corporate Overview and Scrutiny Committee agreed to accept both call-ins and refer back to Cabinet.

1.2 The Corporate Overview and Scrutiny Committee ask Cabinet to re-consider the decision based on consistency with the Council's budget framework.

The full meeting can be viewed from the following link:

[Corporate Overview and Scrutiny Committee - Wednesday 1 November 2023, 7:00pm - Thurrock Council committee meeting webcasts \(public-i.tv\)](#)

The meeting finished at 9.06 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**

7 December 2023	ITEM: 6
Corporate Overview and Scrutiny Committee	
2023/24 Quarter 2 Forecast Revenue and Capital Outturn	
Wards and communities affected: All	Key Decision: Key
Report of: Steve Mair, Chief Financial Officer, and S151 Officer	
Accountable Assistant Director: Jonathan Wilson, Assistant Director Finance	
Accountable Director: Steve Mair, Chief Financial Officer, and S151 Officer	
This report is Public	

Executive Summary

This report sets out the estimated forecast revenue outturn position for 2023/24 for the General Fund, Housing Revenue Account (HRA), Dedicated Schools Grant (DSG) and Public Health Grant.

General Fund

The quarter 2 general fund position is a forecast underspend of £1.512m including the current assumed capitalisation directive of £180.159m. This is an improvement of £0.476m on quarter 1 as set out below:

General Fund	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Variance £'000	Quarter 1 Variance £'000	Movement £'000	Direction of Travel
Directorate position	169,383	171,744	2,361	2,605	(244)	▲
Intervention and Commissioners Process	6,206	6,206	0	0	0	No change
Transformation Implementation (One-off)	12,515	12,515	0	0	0	No change
Central Financing	(158,768)	(158,768)	0	0	0	No change
Treasury	154,855	150,982	(3,873)	(3,641)	(232)	▲
Use of Reserves	(4,032)	(4,032)	0	0	0	No change
Capitalisation Directive	(180,159)	(180,159)	0	0	0	No change
	0	(1,512)	(1,512)	(1,036)	(476)	▲

The directorate position is forecast to overspend by £2.361m against a revised budget of £169.383m, equivalent to 1.4%.

An estimated underspend within the Treasury management function of £3.873m reduces the overall position to £1.512m less than the assumed general fund budgeted levels.

It is noted this projected underspend would reduce the planned capitalisation direction by £1.512m.

The financial accounts of the Council remain open from 2020/21 onwards and further issues could be identified which impact on the current position.

Housing Revenue Account (HRA)

The HRA is forecast to achieve an operating surplus of £0.817m for the year as set out in section 5 of the report.

Dedicated Schools Budget (DSG)

The current projected outturn for 2023/24 is a breakeven position as set out in section 6 of the report.

Public Health

The current projected outturn for 2023/24 is a breakeven position as set out in section 7 of the report.

Capital Programme

The General Fund (GF) and HRA Capital Programme positions are set out in section 8. There is forecast slippage on the GF programme of £22.13m against a budgeted programme of £48m. Forecast slippage on the HRA capital programme is £12.59m against a budgeted programme of £44.04m.

Expenditure Control Panels

The expenditure control panels remain in place and the impact of these has been reported to the Finance Recovery Board. The presentation to the Board is included in Appendix 6 to this report to provide the Committee with oversight of this ongoing process.

Recommendation(s)

That the Committee:

- 1.1. Note and comment on the overall forecast general fund outturn position for quarter 2 is an underspend of £1.512m.**
- 1.2. Note that directors with adverse variances will continue to review directorate budgets and identify mitigating actions to resolve the forecast pressure against the 2023/24 budget.**
- 1.3. Note the potential risks to the position listed noted in section 4 and the following specific risks noted within the report:**
 - a) Note there is an ongoing assessment of the investment portfolio values which remains under assessment pending reporting in quarter 3.**
 - b) Note there are ongoing wider financial accounting assessments related to prior periods which may also need to be considered.**
- 1.4. Note and comment on the positions set out in respect of the HRA, DSG and Public Health which project to deliver the budget within the existing funding envelopes.**
- 1.5 Note and comment on the capital programme, the current projected General Fund slippage of £22.13m, the HRA slippage of £12.59m and the outcomes of the external capital programme review.**
- 1.6 Note the proposed changes to the capital programme for 2023/24 as set out in section 8 and Appendices 7 and 8.**
- 1.7 Note that the position will remain provisional as further substantive work is undertaken, notably in preparation of historic accounts, which could have an impact on current or future years.**
- 1.8 Note Thurrock's 2024-25 Schools funding formula to be implemented as set out in section 6.**
- 1.9 Note the review of the Expenditure Control Panels included at Appendix 6.**

2. Introduction and Background

- 2.1 On 1 March 2023, Full Council agreed the 2023/24 budget proposals which enabled a balanced budget to be set based on the following key assumptions:**
 - 9.99% council tax increase, including a hardship fund of £0.616m,**
 - £8.146m of service savings, including £2m vacancy factor,**
 - 4% staff pay award for 2023/24 and budget adjustment to reflect the change to the 22/23 pay policy,**
 - Exceptional Financial Support from Central Government in the form of a capitalisation direction of £180m.**

- 2.2 The budget was set in the context of the scale of the financial risk faced by the Council which had been provisionally quantified as part of the 2022/23 Quarter 2 financial report presented to Cabinet on 14 December 2022. This confirmed the need for exceptional financial support from government. This is because the actions the Council can take to mitigate the scale of financial losses reflected will not be sufficient to address these losses. Consequently, there was, and remains, no clear path to financial sustainability without exceptional support from government and discussions continue with officials at DLUHC to consider this position.
- 2.3 The current economic climate provides further relevant context for this report. The Bank of England has announced interest rates will be rising to 5% and inflation is still exceeding 7%. The cost-of-living crisis is a well-publicised national issue impacting residents and businesses. The Council is not immune to the effects of the wider economic position and accurately forecasting for income and expenditure remains difficult in these challenging times.

3. Quarter 2 General Fund Budget monitoring

3.1 Overall Position

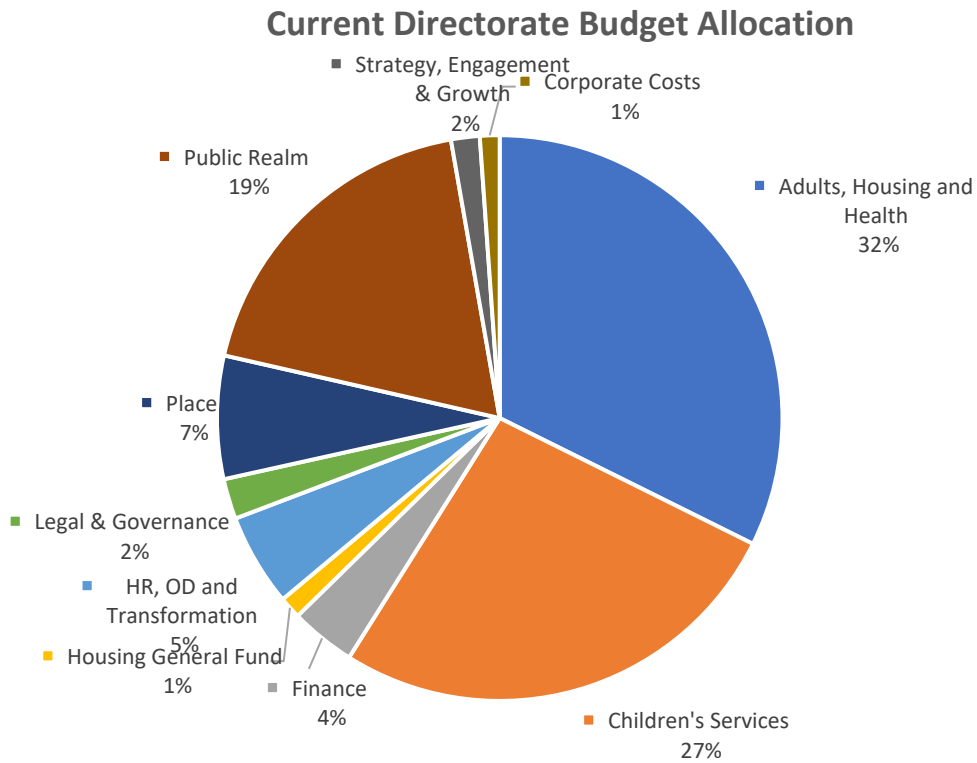
- 3.1.1 The quarter 2 forecast outturn position for 2023/24 is set out in the following table. There is a pressure within the directorate position of £2.361m, against a revised budget of £169.383m (including planned use of reserves), this is equivalent to a 1.4% overspend.

Table 1 Quarter 2 General Fund forecast outturn:

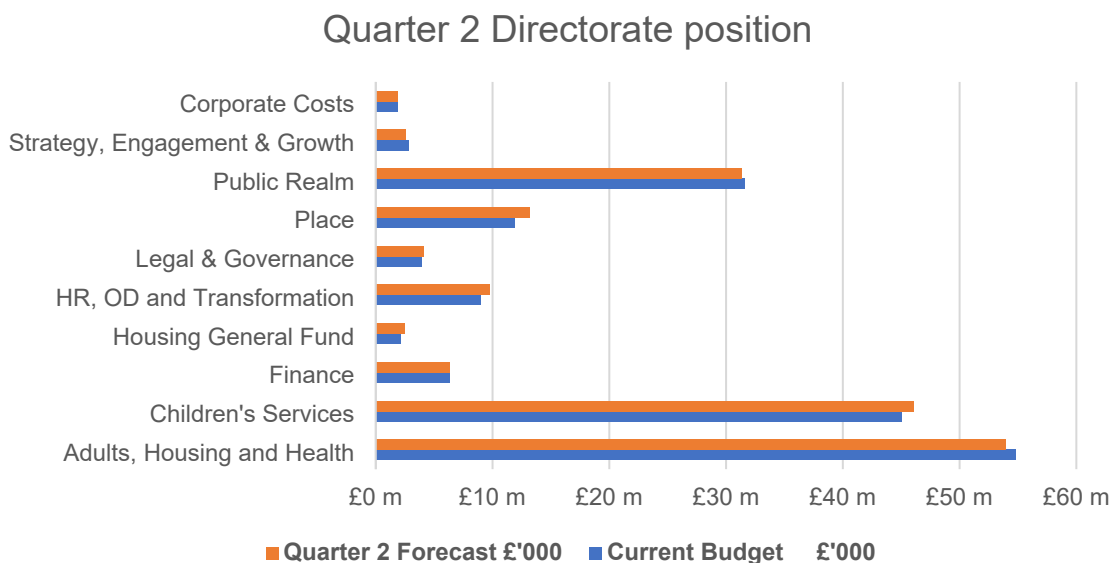
Interim Directorate Structure	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 Forecast Variance £'000	Movement £'000	Direction of Travel
Adults, Housing and Health	54,771	53,985	(786)	(672)	(114)	▲
Children's Services	45,066	46,056	989	1,040	(51)	▲
Finance	6,319	6,351	32	102	(70)	▲
Housing General Fund	2,133	2,499	366	59	307	▼
HR, OD, and Transformation	8,960	9,759	799	1,176	(377)	▲
Legal & Governance	3,906	4,111	205	77	128	▼
Place	11,914	13,166	1,252	998	254	▼
Public Realm	31,630	31,377	(253)	(47)	(206)	▲
Strategy, Engagement & Growth	2,776	2,534	(242)	(128)	(114)	▲
Corporate Costs	1,907	1,907	0	0	0	
Directorate position	169,383	171,744	2,361	2,605	(244)	▲
Additional Resource & Capacity	5,870	5,870	0	0	0	
Commissioner Support	336	336	0	0	0	
Intervention and Commissioners Process	6,206	6,206	0	0	0	no change
Transformation Implementation (One-off)	12,515	12,515	0	0	0	no change
Central Financing	(158,320)	(158,320)	0	0	0	no change
Housing Benefits	(448)	(448)	0	0	0	no change
Treasury	154,855	150,982	(3,873)	(3,641)	(232)	▲
Use of Earmarked Reserves	(1,031)	(1,031)	0	0	0	no change
Use of General Reserves	(3,001)	(3,001)	0	0	0	no change
Capitalisation Directive	(180,159)	(180,159)	0	0	0	no change
Total Funding	(188,104)	(191,977)	(3,873)	(3,641)	(232)	▲
Quarter 2 position	0	(1,512)	(1,512)	(1,036)	(476)	▲

Directorate Position

3.1.2 The £169.4m general fund directorate budgets are allocated as follows, with 60% supporting social care and housing support services, these areas provide services for some of the borough's most vulnerable residents:



3.1.3 The quarter 2 forecast outturn position is summarised in the below chart and supporting narrating for directorate included in the following sections:



Key variances are set out below for each directorate:

3.2 Table 2 Adult Social Care

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Assistive Equipment & Technology	699	768	69	0	69	▼
Commissioning & Service Delivery	(1,110)	(1,192)	(82)	6	(88)	▲
Community Development	2,149	2,124	(25)	(41)	16	▼
External Placements	38,843	38,682	(161)	(562)	401	▼
Fieldwork Services	5,067	4,954	(114)	8	(122)	▲
Provider Services	9,123	8,648	(475)	(83)	(392)	▲
	54,771	53,985	(786)	(672)	(114)	▲

3.2.1 Forecast underspend of £0.786m (1%) against a revised budget of £54.8m, this is an improvement of £0.114m from the quarter 1 reported position. The key variances are:

3.2.2 £0.161m forecast underspend within the provision for External Placements. This budget represents the biggest expenditure item within the ASC budget (£38.8m). This is a demand-led budget, which is held at client need level and includes care packages for residential and nursing care, domiciliary homecare and supported living. This is the current projected outturn position and includes planned expenditure for uplifts in the contract cost for working age adults, which are agreed on an individual basis.

3.2.3 The Adult Social Care Leadership Team have put in place a programme of measures to avoid and reduce unnecessary placement spend that have contributed to the current underspend position. These have included:

- continuing to implement and expand strengths-based integrated care models that prevent and delay demand,
- a targeted programme of more frequent care package reviews that allows more timely reduction in the acuity of care packages where care is no longer needed, and
- The development of Power BI ASC placement dashboard that allows front line social care staff oversight of volume, acuity, and cost placement data of different client groups, settings, and teams including trend data over time. The system increases accountability and ability of front-line staff to use resources more effectively and acts as a starting point for positive challenge about strength-based practice at both team meetings and a placement spending control panel.

£0.114m predominantly relates to vacant social worker posts which are difficult to recruit to.

3.2.4 Furthermore, this also takes into account assumed packages where children are transitioning into adulthood, and subsequently their care costs are transferred over to Adult Social Care throughout the year. Both will be subsumed into the outturn position once formalised and will form part of the core budget.

3.2.5 £0.475m forecast underspend within internal Provider Services. Provider services are primarily mainly demand led. Action has been taken to actively reduce overtime, additional bank usage and agency staff from those in the previous forecast. A current vacancy freeze has been agreed, which is linked to savings identified for 2024/25, and this is improving the forecast outturn position. Demand is currently lower than capacity, but the provider remains in place where services cannot be sourced externally.

3.2.6 £0.025m underspend within Community Development. An operational underspend due to current vacancies, all savings within community development are on target to be achieved. This service area includes the provision of libraries and community hubs.

3.2.7 £0.015m underspend within Fieldwork services. These are front line social work and operational staff.

3.3 Children's Services

Table 3 Children's Services breakdown

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Children and Family Services	35,615	37,287	1,671	986	685	▼
Education & Skills	5,115	4,814	(301)	54	(355)	▲
School Transport	4,336	3,955	(381)	0	(381)	▲
	45,066	46,056	989	1,040	(51)	▲

3.3.1 Forecast overspend of £0.989m (2%) against a revised budget of £45m. This is a small improvement of £0.051m from the quarter 1 reported position. The key variances are:

3.3.2 Education and Skills are reporting an underspend of £0.301m, a favourable movement of £0.355m compared to quarter 1. The movement is a result of the early achievement of 2024/25 reduction plans.

3.3.3 Home to School Transport are reporting an underspend of £0.381m. Risks remain with the unprecedented increase in pupils moving into Thurrock causing pressure with school placements and potential transport implications. This is a favourable movement compared to quarter 1 because of changes for the new academic year.

3.3.4 Children and Family Services are reporting an overspend of £1.671m, an increase from the £0.986m reported at Quarter 1. The key variances are:

3.3.5 Placements £2.153m (16%) overspend within Placement Support as shown in the below table:

Table 4 Placements Support

Placement Type	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Placed with Parent / Adoption	0	0	0	0	0	
Supported Accommodation	1,000	1,551	551	288	263	▼
External Fostering	5,054	4,150	(904)	(1,009)	105	▼
External Residential	7,960	7,560	(400)	(1,794)	1,394	▼
Secure Placement	0	168	168	193	(25)	▲
Unregulated	0	3,127	3,127	2,993	134	▼
Joint Funded Contribution	(500)	(1,391)	(891)	(124)	(767)	▲
Contingency Inflation/Demand	0	502	502	109	393	▼
Total	13,514	15,667	2,153	656	1,497	▼

3.3.6 The current projected outturn position within the placements budget is an overspend of £2.153m, this includes contingency of £0.502m for demand, price, and increased packages of care. This contingency would allow for 4 additional residential placements for the remainder of the year at an average cost of £0.006m per week for 26 weeks. Compared to Quarter 1, this is an increase of £1.497m. The key components of this are:

3.3.7 The key movement area is within external residential placements. In addition to the additional contingency of £0.502m there has been 4 specific high costs cases totalling £362k. These were:

- 2 placements moved from internal to external provision
- 1 case required significant additional support
- 1 case moved to a significantly higher cost placement

3.3.8 The external placements can be partially offset by additional joint funded contributions.

3.3.9 Children With Disabilities are reporting an overspend of £0.684m due to an increase in Direct payments and short break packages to support young people remaining in their home. This is essential early intervention that supports the child to remain with parents. This is an increase compared to quarter 1 of £0.338m due to outstanding updated data received from the service that has provided robust monitoring information.

3.3.10 Unaccompanied Asylum Seekers is reporting an overspend of £0.197m. There is currently a substantial shortfall between the funding local government receives and the actual cost of caring for UASC, as well as costs associated with providing age assessments.

3.3.11 Savings to budget have been achieved through early achievement of 2023/24 and 2024/25 reduction plans and the receipt of additional Youth Justice Board and remand grant.

3.4 Finance

Table 5 Finance

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarte 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Chief Executive's Support Services	502	575	72	22	50	▼
Contract & Procurement Management	869	839	(30)	(30)	0	no change
Corporate Finance	1,480	1,448	(32)	26	(58)	▲
Insurance	828	856	28	29	(1)	▲
Revenues and Benefits	2,640	2,633	(7)	55	(62)	▲
Quarter 2 position	6,319	6,351	32	102	(70)	▲

3.4.1 Forecast overspend of £0.032m (0.5%) against a revised budget of £6.3m. This is an improvement of £0.070m from the quarter 1 reported position. The key variances are:

3.4.2 The Chief Executive area is forecasting an overspend of £0.072m. This is due to ongoing subscriptions costs to various professional bodies and additional support staff.

- 3.4.3 Corporate Finance can contain costs within budget, but it should be noted that there remains a pressure due to accounting software licenses which can no longer be capitalised and were unbudgeted within the revenue account (£0.075m). This follows a confirmed change of approach to the accounting treatment of cloud-based software licenses. This is mitigated by additional income within the finance function and the utilisation of alternative funding streams to support the interim resource requirements whilst the formal restructure of the team is being finalised.
- 3.4.4 The Insurance service is forecasting to overspend by £0.028m, there is a pressure related to the non-recovery of income, the team are no longer delivering services to schools.
- 3.4.5 All teams continue to manage their vacant posts with a view to mitigate the remaining pressure by the end of the financial year.

3.5 Housing General Fund:

Table 6 Housing General Fund.

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Homelessness	986	1,235	249	59	190	▼
Private Sector Housing	1,094	1,242	147	0	147	▼
Travellers	53	22	(31)	0	(31)	▲
	2,133	2,499	366	59	307	▼

- 3.5.1 Forecast overspend of £0.366m (17%) against a revised budget of £2.1m. The key variances are:
- 3.5.2 £0.249m overspend against the homelessness budget due to the high level of demand for temporary accommodation above and beyond the utilisation of more cost-effective temporary accommodation portfolio. This is a demand led service supporting some of the most vulnerable people and the cost-of-living and high levels of inflation continues to impact the number of people requiring support.
- 3.5.3 It is likely the number of cases will continue to grow steadily throughout the year, currently there are on average 354 placements per month. Significant investment has been made into the service to find alternative accommodation solutions to bed and breakfast by offering people furnished lettings within the Council owned stock as an alternative to privately owned nightly lets. The ongoing utilisation of the council existing stock is one of the few ways in which the department can manage costs in the face of rising demand. It also offers a better solution to people that are in need of temporary accommodation. There

remains the risk of further pressure on this budget, and this will be assessed in subsequent periods.

3.6 HR, OD & Transformation

Table 7 HROD

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
HR; OD and Transformation	4,800	4,671	(129)	222	(351)	▲
ICT	4,160	5,088	928	954	(26)	▲
	8,960	9,759	799	1,176	(377)	▲

3.6.1 Forecast overspend of £0.799m (9%) against a revised budget of £8.96m. This is an improvement of £0.377m from the quarter 1 reported position. The key variances are:

3.6.2 £0.928m overspend against the ICT budget of £4.1m due to of £0.550m software licence costs which can no longer be capitalised and £0.633m pressure from unachieved capitalisation target, partly offset against (£0.255m) ICT service's mitigating actions resulting in savings on rationalisation of other contracts and further efficiencies.

3.6.3 This reflects the consequence of accounting for IT expenditure through revenue rather than capital. The technical accounting treatment remains under review and the associated impact on corresponding MRP is also being assessed.

3.6.4 There remains further risk from the assessment of prior years as part of the financial accounting work which will reconsider costs back to 2018/19. Once complete the impact will be considered.

3.6.5 £0.129m underspend within human resources team budgets reflects a full review of staffing resource requirements and updated contract end dates. There is an assumed utilisation of one-off funding to support interim staffing arrangements.

3.7 Legal & Governance

Table 8 Legal

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Democratic Services	264	284	20	14	6	▼
Electoral Services	457	443	(14)	14	(28)	▲
Legal Services	2,281	2,530	248	74	174	▼
Members Services	904	854	(50)	(24)	(26)	▲
	3,906	4,111	205	78	127	▼

3.7.1 Forecast overspend of £0.205m (5%) against a revised budget of £3.9m. This is £0.127m worse than the quarter 1 reported position. The key variances are:

3.7.2 £0.248m within the Legal Services team - this represents an increase in the caseloads charged through the SLA with another local authority (£0.111m) a shortfall in the assumed capitalisation of staff time (£0.086m). There is also a shortfall in the recovery of legal fees and charges due to a slowing property market impacting the number of requests.

3.7.3 Members services are forecast to underspend by £0.050m due to a review of staffing requirements and non-pay budget lines.

3.8 Place

Table 9 Place

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Economic Growth & Partnerships	643	732	90	12	78	▼
Lower Thames Crossing & Transport Infrastructure Service	145	462	318	317	1	▼
Place Delivery	286	308	22	0	22	▼
Planning; Transportation and Public Protection	5,890	5,890	0	56	(56)	▲
Property	4,950	5,773	823	613	210	▼
	11,914	13,166	1,252	998	254	▼

3.8.1 Forecast overspend of £1.252m (11%) against a revised budget of £11.9m. This is £0.254m worse than the quarter 1 reported position. The key variances are:

- 3.8.2 The Economic Development service is forecasting to overspend by £0.090m at quarter 2. This largely relates to a revised reduced forecast for income from Thameside. This remains under review following the decision to keep the complex open for the remainder of the year.
- 3.8.3 Lower Thames Crossing is forecast to overspend by £0.317m. This is due to (predominantly legal) costs which cannot be funded from the National Highways PPA. These costs are estimated at £0.594m but they will be partly mitigated with the Lower Thames Crossing core budget and the dedicated reserve leaving the remaining pressure as £0.317m
- 3.8.4 A review of the planning service has improved the forecast outturn position by £0.056m to enable costs to be contained within budget. This relates to work being carried out and charged appropriately to other councils and confirmation of available capital budget to charge relevant staff costs against.
- 3.8.5 The Property service is forecasting to overspend by £0.823m which is an increase in costs of £0.210m from quarter 1, the movement in the forecast is due to an increase in repairs and maintenance costs of £0.034m for both Civic 2 and the Town Hall and budgeted costs which cannot be capitalised (following wider restrictions to the capital programme) of £0.500m. This is partially mitigated by a reduction in the utility forecasts of (£0.228m) and a reduction in the agency staff forecast of (£0.096m).
- 3.8.6 The pressures within the property budget totalling £0.823m are set out below:
- Asset Management £0.740m – there is a pressure from Asset management team costs of £0.201m. There has been a large turnover of staff and a heavy reliance on agency personnel. A programme of recruitment is being progressed to reduce the number of agency staff. The budget included an assumption that eligible staff costs would be charged to the capital programme. As noted above, this is no longer the case and has resulted in a £0.500m worsening of the position. There is a further pressure of £0.039m from specialist software licences used within the team.
 - Corporate Landlord £0.239m, contained within this service is a pressure of £0.442m which relates to the expected use of the Thameside complex – the assumption in the budget was the running costs would be required for part of the year and the expectation is the complex will remain in use for the whole year. The running of the theatre is reflected within the Economic Development service above. A review of utility costs across the property portfolio mitigates part of this pressure back down to £0.239m.
 - £0.152m underspend against the Land & Buildings budget, this includes £0.253m rental income in excess of budget following a review of existing leases and new tenants secured. This position continues to

be closely monitored as the time taken to complete the legal process associated with this activity can impact the in-year position.

3.9 Public Realm

Table 10 Public Realm

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Counter Fraud & Enforcement	(1,197)	(1,133)	64	137	(73)	▲
Emergency Planning and Resilience	479	452	(27)	(11)	(16)	▲
Environment and Highways	1,553	1,536	(17)	(64)	47	▼
Highways; Fleet and Logistics	8,233	8,630	397	201	196	▼
Street Scene and Leisure	22,562	21,892	(670)	(310)	(360)	▲
	31,630	31,377	(253)	(47)	(206)	▲

3.9.1 Forecast underspend of £0.253m (1%) against a revised budget of £31.6m. This is £0.206m improvement on quarter 1 reported position. The key variances are:

3.9.2 £0.064m Counter Fraud & Enforcement overspend largely due to a forecast under-recovery on Penalty Charge Notices (income). This service requires a full staffing establishment to generate income and is currently in the process of recruiting to vacancies. On and off-street parking income recovery levels have however improved in this area.

3.9.3 £0.397m Highways, Fleet & Logistics forecast overspend primarily due to traffic management costs including pothole repairs. Late billing of street lighting costs has added an in-year pressure of £0.080m. The accounts remain open for 2022-23 so the option to accrue for these costs will be explored and reflected appropriately as part of the quarter 3 update.

3.9.4 £0.670m Street Scene & Leisure underspend primarily due to a positive waste disposal position and reduced staff costs in Cleaner Greener. The changes to the Waste service continue to be monitored. There remains a variable element to disposal contracts which can be impacted by volume and type of waste being disposed of. Bi-weekly collections have commenced for garden and recycling and budgetary impacts continue to be monitored to manage the budgetary impact.

3.10 Strategy, Communication & Customer Service

Table 11 Strategy

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 reported variance £'000	Movement £'000	Direction of Travel
Corporate Communications	341	337	(5)	(1)	(4)	▲
Customer Services	1,458	1,333	(124)	(168)	44	▼
Social Care Performance	726	711	(15)	43	(58)	▲
Strategy Team	251	153	(98)	(3)	(95)	▲
	2,776	2,534	(242)	(129)	(113)	▲

3.10.1 Forecast underspend of £0.242m (9%) against a revised budget of £2.8m, this is an improvement of £0.113m against the quarter 1 reported position. The key variances are:

3.10.2 Staffing underspends across the directorate, the establishment has been reviewed and vacant posts have been held in preparation for 2024/25 savings plans.

3.10.3 Contained within the position is an income shortfall of £0.030m for the Registrars service due to a reduction in the number of ceremonies that the service has been able to accommodate.

3.11 Other Corporate Costs

3.11.1 Forecast to contain costs within the budgeted allocation of £1.9m. This covers items such as audit fees, pension/overheads, and levies.

3.12 Savings

3.12.1 Extensive work has been undertaken by the Change Team and service areas to provide clarity on the position of the 70 savings initiatives agreed by Full Council on 1 March 2023.

3.12.2 As has been reported previously, proposed changes to the original proposals require a formal change control process. This includes documentation to capture the justification for the change as well as a business case for the replacement saving.

3.12.3 This work is ongoing; the quarter 2 review shows 96% of the savings have either been achieved or are on track to be achieved by the end of the financial year. Appendix 5 shows the quarter 2 delivery risk assessment extract by directorate.

3.12.4 The Expenditure Control process introduced in December 2022 continues to operate across the authority and provides challenge to all requested spend exceeding £500, an updated progress paper is included as Appendix 6

3.13 Intervention & Commissioner Support

3.13.1 There is a £6.2m budget for the Resources & Capacity Plan –this covers commissioner costs, additional capacity to support the recovery plan and specialist advice regarding the investment’s portfolio. The quarter 2 position currently assumes this allocation will be spent in full but has £0.138m yet to be allocated to a specific theme. The plan remains under review and will be updated to respond to the demands of the business. Indicative spend is set out below:

Table 12 Indicative Intervention & Commissioner costs

Theme	Estimated cost £'000
Financial Sustainability	4,383
Governance & Control	93
Leadership for Change	1,255
Contingency	138
Total Resource & Capacity	5,870
Commissioners & BVI	336
Total Commissioner support	336
Total Intervention & Commissioner support	6,206

3.13.2 There is the potential for costs associated with the legal action/administration process to be recouped but at this stage remain a cost to the council. These costs are included within the Financial Sustainability theme in the above table.

3.14 Transformation Implementation

3.14.1 There is a one-off £12m Transformation Implementation budget for 2023/24. This allocation is intended to meet the cost of implementing wider transformational change – the Change Team are in place and have commenced the programme of work and potential requirements against this budget for 2023/24 will be identified.

3.14.2 Alongside the Change Team, external resource has been procured to determine wider opportunities for transformational change and ongoing budgetary savings. Invest-to-save projects may be identified as part of this workstream.

3.14.3 The projected position is prudently forecast to spend this allocation in full whilst work continues to confirm requirements. There are current quantified commitments to the value of £2.2m. The budget remains under review and any remaining balance will be placed into an earmarked reserve and carried forward to 2024/25 to further support the Authority through this period of change.

3.15 Treasury

3.15.1 The in-year treasury position is shown below. It is assumed that £6.6m will be placed into the Treasury Equalisation Reserve to provide further protection from adverse pressures arising in this area:

Table 13 Treasury

Service	Current Budget	Quarter 2 Forecast	Variance to Budget	Quarter 1 Variance
	£'000	£'000	£'000	£'000
MRP on Capital Programme				
MRP - Asset Life (Supported)	1,488	2,229	741	741
MRP - Asset Life (Unsupported)	8,632	6,960	(1,672)	(1,671)
	10,120	9,189	(931)	(930)
Borrowing Costs				
Interest - PWLB - Existing		39,152		
Interest - PWLB - Refinancing	50,501	17,061	(4,256)	(1,698)
Less HRA Recharges		(9,967)		
	50,501	46,245	(4,256)	(1,698)
Interest - Market Loans	1,810	1,911	101	101
Interest - CD Premium	950	695	(255)	(113)
	53,261	48,851	(4,410)	(1,710)
Total Costs	63,381	58,040	(5,341)	(2,640)
Investment Income	(9,114)	(14,327)	(5,213)	(4,600)
Other Treasury Costs				
Brokerage Fees	1,928	1,928	0	0
Internal Deposits	405	405	0	0
Premiums and Discounts	421	421	0	0

	2,754	2,754	0	0
MRP on Investments	74,976	74,976	0	0
MRP on CD	22,619	22,619	0	0
	97,595	97,595	0	0
Total Treasury	154,616	144,062	(10,554)	(7,240)
Contribution to Reserves			6,681	3,600
Treasury Outturn Forecast			(3,873)	(3,641)

3.15.2 Key variances have been explained below:

MRP on existing capital programme

3.15.3 A reduction in the projected capital expenditure in the previous financial year has resulted in a reduction in associated MRP charges in 2023/24.

Borrowing Costs

3.15.4 Interest expenditure costs are forecast to be £4.3m under budget during the financial year. The reasons for this variance are as follows:

- Deferral of the dates for which the Council expected to draw down borrowing based on an improved cash flow position.
- Management of the cash flow position ensures the most efficient use of borrowing.
- Improvement in the investment income position at the end of the previous financial year which further reduced the borrowing requirement of the Council.

Investment Income

3.15.5 - An additional level of investment income of £5.2m, above the budget is predicted for 2023/24. This is largely linked to one specific investment in the renewable energy sector which has made a higher level of equity distribution than planned. This was based on improved performance of the underlying assets. The additional income is planned to be transferred to the Treasury Equalisation reserve, to provide further contingency against potential treasury pressures in future years.

Investment Valuations

3.15.6 The valuation of the investment portfolio remains under ongoing review. There are no further changes to report as part of the quarter 2 reporting but there will be further updates in quarter 3. There remains potential for both upside and downside risk from the position reported as part of the provisional outturn for

2022/23. These will ultimately impact on the final balance of the capitalisation direction sought from government.

3.16 Central Financing

3.16.1 There are currently no significant variances identified within the central financing allocation which covers council tax, NNDR and government grants. The collection fund will continue to be monitored throughout the year.

3.17 Capitalisation Direction

3.17.1 The current budget assumes £180.159m of further exceptional support in 2023/24 and this position continues to be monitored alongside wider reviews of the financial position. It is noted the projected underspend would reduce the planned capitalisation direction for 2023/24 by £1.440m.

4. Risk

4.1 The period 3 forecast outturn position is based on several assumptions, and it is noted there are several risks which could affect the position as the year progresses and these are set out below:

Table 14 Key risks

Risk Area	Concern
Inflation	<ul style="list-style-type: none"> • Inflation remains high (over 7%) and continues to impact supply chain costs across many services. Whilst there is some evidence that this has tailed off recently, it remains an area of focus for the authority. • Energy costs continue to fluctuate impacting Corporate Landlord services. • Potential changes to the national position on public sector pay could impact in-year staffing costs, the 2023-24 budget assumes a 4% increase across pay bands A-I
Provider Failure	<ul style="list-style-type: none"> • There are significant additional financial pressures on external providers to deliver core services commissioned by the Council, around energy costs, inflation, and wage pressures. Fee uplifts required to maintain care packages for vulnerable people could exceed budgeted levels.
Ongoing Demand Volatility	<ul style="list-style-type: none"> • Following the pandemic, the level of demand for key services within the system and particularly within the Social Care services has risen. • Increases in the level of need for people being discharge from hospital requiring continuing social care support to live independently outside of residential care. • Increased complexity and the associated requirement for additional care support for Looked After Children • Demand of people facing potential homelessness including mental health issues, substance abuse, domestic violence, as well as people experiencing financial hardship in the current economic climate
Delivery Risk	<ul style="list-style-type: none"> • Savings which were applied to the 2023/24 budget allocation need to be achieved and further savings identified, effective monitoring through the DRA process needs to remain in place and mitigating action taken where non-delivery of savings is identified.
Interest rates	<ul style="list-style-type: none"> • Changes to the Bank of England interest rate may further impact the cost of borrowing.
Waste Collection	<ul style="list-style-type: none"> • There have been several changes to the waste collection service and the wider strategy is under review which could impact staff requirements and disposal costs.
School Transport	New academic year changes to routes, contracts, numbers, and inflation uplift, based on September RPI. Funds available to support but a risk until pupil movement and value of contracts is known.

5. Housing Revenue Account

5.1 The summary position of the Housing Revenue Account is shown in the Table below, although a breakeven position – this assumes a contribution to capital of £0.817m which derives from an operational surplus:

Table 15 Housing Revenue Account

Service	Current Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 Forecast Variance £'000	Movement £'000	Direction of Travel
Housing Development	293	887	595	0	595	▼
Financing and Recharges	26,101	26,134	33	(504)	537	▼
Rent and Income	(54,955)	(55,184)	(229)	0	(229)	▲
Repairs and Maintenance	13,337	13,552	216	203	13	▼
Operational Activities	15,225	13,794	(1,431)	151	(1,582)	▲
Contribution to Reserves	0	817	817	150	667	▼
Grand Total	0	0	0	0	0	No Change

- 5.2 The overall HRA budget position is projecting £0.817m surplus at the end of the year. This funding will be transfer to the HRA general reserves and will be used to fund expenditure in the next financial year.
- 5.3 There are areas several posts which remain vacant within the operational activities area, that the service area seeking to recruit to. This is included under the forecast within the operation activities heading.
- 5.4 The significant change in the forecast represents the revised forecast within the timing to recruit to the posts, and therefore results in an underspend of £1.431m within operational activities.
- 5.5 Where possible, development costs will be capitalised at the end of the financial year, if they form part of an agreed Capital scheme. At the moment however, these are included in the revenue outturn forecast.

6. Dedicated Schools Budget

6.1 The current projected outturn for 2023/24 is a breakeven position as shown below:

Table 16 DSG

Block	DSG Budget £'000	Quarter 2 Forecast £'000	Quarter 2 Forecast Variance £'000	Quarter 1 Reported Variance £'000	Movement £'000	Direction of Travel
Schools	5,450	5,194	(256)	(276)	20	▼
Central Services	1,632	1,622	(10)	(49)	39	▼
High Needs	31,073	31,368	295	355	(60)	▲
Early Years	13,599	13,569	(30)	(30)	0	No change
Total	51,754	51,754	0	0	0	No change

6.2 The outturn position reflects the following key areas:

- Schools Block – Pupil Growth, in line with projections, has an underspend of £0.256m.
- Central Services Block – Staffing underspends and maximisation of external funding.
- High Needs Block – An overspend of £0.295m, an improvement from Quarter 1. The overspend relates to increased Education Health Care Plans (EHCP's) awarded to mainstream academies and the increase in cost of Out of Authority specialist placements.

6.3 The DSG has a carried forward deficit of £0.534m into 2023/24. No change to this is currently forecasted in 2023/24.

6.4 Thurrock with a DSG deficit of £0.534m, is part of the Delivering Better Value in SEND programme that aims to support LA's to improve delivery of SEND services for children and young people while ensuring services are sustainable. The programme will provide dedicated support and funding to 55 local authorities. Thurrock is engaged in Wave 8 of the DBV programme, with an expected grant application to be made January 2024, for additional one-off funding to be received for the financial year 2024/25.

6.5 Grays Convent High School is reporting a breakeven position.

Dedicated Schools Grant 2024/25

6.6 In July, the Secretary of State for Education announced details of the provisional Dedicated Schools Grant (DSG) allocations for 2024/25. These have subsequently been revised with updated information received in October. The change was made when the Department for Education uncovered an error made by DfE officials during the initial calculations of the NFF. Specifically, there was an error processing forecast pupil numbers, which means that the overall cost of the core schools budget would be 0.62% greater than allocated. The department has therefore issued new NFF allocations to correct that error while continuing to deliver, in full, the £59.6 billion core schools budget that has been promised.

6.7 The table below shows the provisional information received and includes the 2023/24 allocation for the Schools Block Growth fund and the Early Years Block. These amounts along with the final DSG allocations, updated to reflect the Oct-23 School census, will be published in December 2023.

Dedicated Schools Grant	Funding Allocation 2023/24	Indicative Settlement 2024/25	Provisional Increase 2024/25
	£m	£m	£m
Schools Block	156.834	165.604	8.770
Central School Services Block	1.633	1.599	(0.034)
High Needs Block	37.356	38.958	1.602
Early Years Block	13.599	13.599	0.000
Total	209.421	219.760	10.339

6.8 The key changes made by the ESFA to the National Funding Formula (NFF) in 2024/25 are:

- The mainstream schools additional grant 2023/24 has been rolled into 2024/25 funding formula baselines. In Thurrock this accounts for £5.438m of the £8.770m increase. The true increase for schools is 2.58%.
- Increasing NFF factor values (on top of the amounts added for the schools supplementary grant) by:
 - o 1.4% to the following factors: basic entitlement, low prior attainment (LPA), FSM6, income deprivation affecting children index (IDACI), English as an additional language (EAL), mobility, and sparsity factors, and the lump sum.
 - o 1.4% to the minimum per pupil levels (MPPL). This will mean that, next year, every primary school will be allocated at least £4,610 per pupil, and every secondary school at least £5,771.

- o 1.6% to the free school meal (FSM) factor value.
 - o 0.5% to the floor and
 - o 0% on premises factors.
 - Introducing for the first time, a methodology for calculating and allocating funding for falling rolls.
- 6.9 In 2024/25, each local authority will continue to set a local schools funding formula, in consultation with local schools. Local authorities were required to bring their own formulae closer to the schools NFF from 2023/24. This transition will continue in 2024/25. In particular, local authorities must:
- move their local formula factors at least 10% closer to the NFF values, except where local formula is classed as mirroring the NFF. Thurrock is deemed to be mirroring the NFF.
 - follow the requirements for growth and falling rolls funding.
- 6.10 Thurrock's funding formula will implement the following principles consistent with the decision made by Cabinet from 2020/21:
- National Funding Formula including Area Cost Adjustment values to be applied.
 - Where this is unaffordable the Basic Entitlement value, to be included, will be reduced to contain within the funding available. The reduction to be applied will be weighted, consistent with the distribution of funding between Primary and Secondary.
 - Growth fund to be retained to support sufficiency of school places.
- These principles have been discussed with the Schools Forum on 7 December 2023.

Decision Required

- 6.11 Cabinet will be required to agree that Thurrock's 2024/25 Schools funding formula to be implemented as stated in paragraph 6.8 above. This being consistent with previous Cabinets decisions made since 2020/21.

7. Public Health Grant

- 7.1 The Public Health Grant was increased by £0.384m in 2023/24, to give an overall allocation of £12.295m for the main grant. This is supplemented by the planned use of reserves as set out below.
- 7.2 The increase in funding has been allocated to meet the costs of rising contractual arrangements for the provision of services relating to staffing and treatment contracts, and in the main, has been passported directly to primary care providers to ensure continuity in our services for residents.
- 7.3 There is active discussion underway to identify any savings though the assessment of contracts that are due to be re-commissioned at the end of the financial year. Contracts are progressing through the tender and approval processes.

Public Health Reserves

- 7.4 In the current year, it is planned to fully use the health inequalities and the specific grant funding reserve.

Table 17 Public Health Reserves

Reserve	Opening Reserve 2023/24
Public Health Grant	(684)
Health inequalities funding	(350)
Specific Grant Funding	(226)
Total	(1,260)

Capital Programme

- 8.1. Since the last out-turn report was reported to Cabinet (13-Sep-2023), a review of the capital programme has been undertaken to:
- minimise prudential borrowing for capital purposes, given the recent Direction from DLUHC that the Council should, as a priority, implement a debt reduction strategy, and to
 - ensure that the revised capital programme is financially sustainable in terms of future years' revenue budgets and is focussed on essential spending which supports delivery of statutory services.
- 8.2 The proposed changes to the capital programme arising from the review are attached in appendices 7 and 8 and this will be considered by overview and scrutiny in February 2023. This follows initial consideration at the Finance Recovery Board. This update reflects the proposed changes.
- 8.3 Capital schemes and resources are identified in two specific categories:
- **Mainstream schemes** – capital expenditure funded through prudential (unsupported) borrowing, from capital receipts, from the capital contribution from revenue budget or from earmarked capital reserves; and
 - **Specific schemes** – capital expenditure funded through external funding sources, for example, government grants and Section 106 monies which are ring fenced for specific projects.

General Fund Schemes

- 8.4. The current position for General Fund schemes for 2023/24 is summarised below:
Table 18 - Capital Programme – Projected Outturn as at Quarter 2

Summary of the 2023/24 General Fund Capital Programme – by Directorate	Latest Agreed Budget	Projected Outturn	Projected Outturn Variance
	£'000	£'000	£'000
Expenditure:			
Adults; Housing and Health	1,425	764	(661)
Children's Services	14,007	2,245	(11,762)
Corporate	1,532	1,437	(95)
Place	21,973	12,362	(9,611)
Public Realm	9,064	9,062	(2)
Total Expenditure	48,001	25,870	(22,131)
Resources:			
Prudential Borrowing	(12,993)	(13,241)	(248)
Capital Receipts	(123)	(123)	0
Government Grants	(33,652)	(11,325)	22,327
Other Grants	(757)	(753)	4
Developer Contributions (S106)	(476)	(428)	48
Total Resources	(48,001)	(25,870)	22,131
Forecast Deficit/(Surplus) in Resources	0	0	0

8.5 The table above also shows a projected outturn at the end of the financial year of £25.870m, which is £22.131m less than the latest agreed budget of £48.001m for the year.

8.6 The in-year underspend is principally due to slippage on current schemes (£22.356m). Consequently, the funding remains allocated to specific current schemes and will be re-profiled into subsequent years. The impact of the reprofiling will be an ongoing exposure to inflationary pressures on costs and hence capital budgets. This continues to be assessed on a project-by-project basis.

Table 19 - Capital Programme Carry Forward by Project Stage

Project Stage	Slippage Amount	Reason
	£'000	
Projects Demand Led	9,623	Funding for projects that is utilised as needed. For example, Government funding for schools to make building improvements and providing classroom expansions.
Early Design Stages	12,706	Projects at an early stage of design/feasibility where decisions to proceed will be taken later in the financial year for implementation at a future date.
Projects Commenced	28	Projects include works on the highways network and IT infrastructure which are

		expected to complete in the next financial year.
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- 8.7 Following the quarter 2 review, projects that have either completed under budget or are no longer proceeding (£0.320m) will have their associated budgets removed from the programme.
- 8.8 Following the review of the capital programme and the removal of budgets, some final expenditure continues will be incurred on the Stanford le Hope and Purfleet projects to consider wider options in respect of these schemes. These will be brought back to members for further consideration in due course.

Slippage on Capital Programme

- 8.9 The slippage on the capital programme schemes over £1m is shown in the table below. A full schedule is shown in appendix x and the most significant projects are set out below:

Table 20 – Capital Slippage by Project

Description	Carry Forward £'000
Secondary and Primary Schemes (to be Identified)	4,580
TTF Heart - Civic Square	4,192
SEN Capital	4,100
TTF Hub - Station Gateway	3,169
Tilbury Pioneer Academy	2,750
TTF Heart - Youth Zone	1,251

- Secondary and Primary School Schemes – Funded by Government Basic Needs grant and will be used on improvements and expansions at the borough’s schools. As improvements and expansions are identified, reports will be brought back to Cabinet for approval to proceed.
- Tilbury Towns Fund – Civic Square – the main part of the works will commence in 2024/25 with improvements to the public realm.
- SEN Capital is likely to spend around £0.170m this financial year with the remainder to be profiled in future years. Children’s services are looking to build a new Special Education Needs facility within the borough, possible locations for the new building are still be investigated.

- Tilbury Towns Fund – Station Gateway –improvement works on the public realm and pontoon will commence in 2024.
 - Tilbury Pioneer Academy – Design and surveys are continuing this financial year, with new options expected to be presented to Cabinet in March 2024. Improvement/construction costs are expected to be incurred in 2024/25 with an estimated completion of May 2025.
- 8.10 The financial impact resulting in the delay of the projects will be assessed and included within the 2024/25 programme. This will range across the schemes and will be subject to further viability assessment.
- 8.11 A schedule of General Fund projects is included in Appendix x.
- 8.12 Several capital schemes are expected to complete construction in future years with expenditure totalling £45.016m. Budgets for these schemes have already been profiled accordingly.
- 8.13 Major projects are reported within the current annual budget envelopes as part of this report. The wider detailed updates on project progress will be shared with Cabinet by the lead officers as soon as practicable.

Housing Revenue Account Capital Schemes

- 8.14 The out-turn position for Housing Revenue Account schemes for 2023/24 is summarised below.

Table 21 - HRA Capital Programme

Summary of the 2023/24 HRA Capital Programme	Latest Agreed Budget	Projected Outturn	Projected Outturn Variance
Expenditure:	£'000	£'000	£'000
Housing Development	2,829	2,829	0
Transforming Homes	41,207	28,622	(12,585)
Total Expenditure	44,036	31,451	(12,585)
Resources:			
Prudential Borrowing	(32,632)	(20,047)	12,585
Reserves	(230)	(230)	0
Government and Other Grants	(5)	(5)	0
Revenue Contribution to Capital (MRR)	(11,169)	(11,169)	0
Total Resources	(44,036)	(31,451)	12,585
Forecast Deficit/(Surplus) in Resources	0	0	0

Transforming Homes

8.15 The budget for Transforming Homes in 2023/24 is £41.207m and the out-turn spend is £28.622m.

- Tower Block Refurbishment (£12.426m) – current contractual issues have resulted in delays to the work being undertaken. Works are expected to be completed during 2024/25.

HRA New Build Schemes

8.16 The outturn position for 2023/24 for HRA New Build Schemes are set out in Appendix2 and primarily covers Loewen Road and feasibility and design works for Teviot Avenue and Blackshots. Projects will utilise receipts held under Right to Buy sharing agreement between the Council and the DLUHC and are forecast to be delivered with the current timeframes and budgets allocations.

9. Reasons for Recommendation

9.1 The Council has a statutory requirement to set and deliver a balanced budget annually and this can include the use of reserves.

9.2 This report sets out the budget pressures in 2022/23 and notes that exceptional financial support is required to deliver a breakeven position.

10. Consultation (including Overview and Scrutiny, if applicable)

10.1 This report is based on consultation with the services, Senior Leadership Team, and Commissioners (Essex County Council).

11. Impact on corporate policies, priorities, performance, and community impact

11.1 The budget gap identified in the report requires ongoing engagement with the Department for Levelling-up Housing and Communities (DLUHC) regarding exceptional financial support. The outcome of this engagement in terms of conditions applied to the support may require further savings within budgets to be made, potentially impacting on the ability to deliver services to the current levels.

12. Implications

12.1 Financial

Implications verified by: Jonathan Wilson

Assistant Director - Finance

The financial implications are set out in the body of the report.

12.2 Legal

Implications verified by: **Mark Bowen**
Interim Project Lead - Legal

There are no specific legal implications set out in the report. There are statutory requirements of the Council's Section 151 Officer in relation to setting a balanced budget. Under section 28 of the Local Government Act 2003, the Council is under a statutory duty to periodically conduct a budget monitoring exercise of its expenditure and income against the budget calculations during the financial year. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such remedial action as it considers necessary to deal with any projected overspends. The Council is facing a challenging situation in relation to its budgetary position.

All information regarding Community Equality Impact Assessments can be found here: <https://intranet.thurrock.gov.uk/services/diversity-and-equality/ceia/>

12.3 Diversity and Equality

Implications verified by: **Natalie Smith**
Strategic Lead - Community Development and Equalities

The Equality Act 2010 places a public duty on authorities to consider the impact of proposals on people with protected characteristics so that positive or negative impacts can be understood and enhanced or mitigated as appropriate. Services will be required to consider the impact on any proposals to reduce service levels through a community equality impact assessment which should seek to involve those directly affected.

12.4 Other implications (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None

13. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

There are various working papers retained within the finance and service sections.

14. Appendices to the report

- Appendix 1 – Capital Programme – General Fund – Projected Outturn
- Appendix 2 – Capital Programme – HRA – Projected Outturn
- Appendix 3 – Capital Programme – General Fund – Projected Outturn (Portfolio Analysis)
- Appendix 4 – General Fund Capital Project Slippage
- Appendix 5 – Delivery Risk Assessment extract
- Appendix 6 – Expenditure Control update
- Appendix 7 – Capital Programme Funding to be removed.
- Appendix 8 – Items on hold excluded from the Capital Programme

Report Author:

Steve Mair

Chief Finance Office

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Appendix 1

Summary of the 2023/24 General Fund Capital Programme by Directorate		Latest Agreed Budget	Projected Out-turn	Projected Out-turn Variance	Future Years Budget		
		2023/24	2023/24	2023/24	2024/25	2025/26	2026/27
		£'000	£'000	£'000	£'000	£'000	£'000
Childrens Service							
10021	<i>Beynon Primary - Expansion (B0750)</i>	267	267	0	0	0	0
10028	<i>Capital Maintenance Schemes (to be identified) (B0997)</i>	110	0	110	110	0	0
10047	<i>Emergency Health and Safety Works (B0719)</i>	22	22	0	0	0	0
10111	<i>Priority Suitability and Condition Programme (B0661)</i>	58	58	0	0	0	0
10135	<i>SEN Capital (B0800)</i>	4,267	167	4,100	7,366	0	0
10142	<i>Secondary and Primary Schemes (to be Identified) (B0998)</i>	4,452	0	4,452	11,580	0	0
10149	<i>St Cleres Expansion (B0744)</i>	99	40	59	0	0	0
10167	<i>Temporary Classrooms (B0725)</i>	884	884	0	0	0	0
10182	<i>Universal infant free school meals (B0738)</i>	222	0	222	222	0	0
10266	<i>Grays Convent High School - Additional Classroom</i>	32	0	32	0	0	0
10304	<i>Thames Park Secondary School</i>	37	0	37	0	0	0
10385	<i>Abbotts Hall Improvements</i>	425	425	0	0	0	0
10439	<i>Oaktree Centre Feasibility Study and Surveys</i>	39	39	0	0	0	0
10453	<i>Family Hubs</i>	93	93	0	53	0	0
10485	<i>Tilbury Pioneer</i>	3,000	250	2,750	2,750	0	0
T	Total Childrens Service	14,007	2,245	11,762	22,081	0	0
Adults; Housing and Health							
10013	<i>Aspirational Capital Pot - Feasibilities - Culver Centre (R1000-AP006)</i>	30	30	0	0	0	0
10018	<i>Aveley Community Hub (R0740)</i>	130	130	0	0	0	0
10146	<i>Improvement Works at South Ockendon Community Hub</i>	9	9	0	0	0	0
10147	<i>Community Hub within Whiteacres Development</i>	49	0	49	0	0	0
10256	<i>Travellers Site Refurbishment Works</i>	1	1	0	0	0	0
10332	<i>Blackshots Regeneration Study</i>	1	0	1	0	0	0
10481	<i>Well Homes Offers (G0600)</i>	111	0	111	111	0	0
10484	<i>Disabled Facility Grant (G0604)</i>	1,094	594	500	1,000	0	0
T	Total Adults; Housing and Health	1,425	764	661	1,111	0	0
Public Realm							
10049	<i>Environmental Enhancements at Play Sites (N0277)</i>	110	110	0	0	0	0

10051	Footway Maintenance (E2876)	199	199	0	0	0	0
10056	Grays Riverside Park - Replace Splash Pool & Water Features	5	5	0	0	0	0
10082	Leisure Centre Works (L0410)	1,072	1,072	0	0	0	0
10097	Other Infrastructure (Drainage) (E2878)	110	110	0	0	0	0
10110	Pot Holes & Challenge Fund (E2840)	1,793	1,793	0	0	0	0
10129	Rights of Way (E1841)	35	35	0	0	0	0
10141	Safety Fencing (E2831)	126	126	0	0	0	0
10153	Street Lighting (E2877)	135	135	0	0	0	0
10155	Structural Maintenance A Class Roads (E2826)	503	503	0	0	0	0
10156	Structural Maintenance B and C Class Roads (E2827)	263	263	0	0	0	0
10157	Structural Maintenance Unclassified Roads (E2874)	293	293	0	0	0	0
10172	Thurrock Park Way Environmental Improvements (78/00601/OUT)	0	0	0	51	0	0
10180	Traffic Signals (E2833)	92	92	0	0	0	0
10186	Upgrades to the Drainage System; Gully Frames and Lids (E2882)	10	10	0	0	0	0
10187	Vehicle & Plant Replacement Programme (N0256)	260	260	0	0	0	0
10192	White Lining (E2832)	6	6	0	0	0	0
10219	Street Lighting LED Completion	25	25	0	0	0	0
10220	Carriageway Summer Damage Treatments	320	320	0	0	0	0
10223	VMS Purchases and Installation	72	72	0	0	0	0
10224	Vehicle Restraint System	65	65	0	0	0	0
10226	Replacement of Wheeled Containers	355	355	0	271	294	0
10227	Other Road Markings	46	46	0	0	0	0
10269	Traveller Injunction	46	46	0	0	0	0
10305	Principal Bridge Inspections and Remedial Works	248	248	0	0	0	0
10313	High Risk Concrete Lamp Column Replacement	207	207	0	0	0	0
10314	Footway Slab Replacement Programme (2020-2025)	300	300	0	0	0	0
10329	Flats Recycling	100	100	0	0	0	0
10358	Urgent repairs to road leading between Tilbury Port and Tilbury2	2	0	2	0	0	0
10363	Highways Lit signage replacement programme	337	337	0	0	0	0
10364	A1014 The Manorway - Footway Protection	215	215	0	0	0	0
10365	Wharf Road, SLH - Drainage scheme	49	49	0	0	0	0
10402	Food Caddies	500	500	0	0	0	0
10406	Tree Fund	151	151	0	62	0	0
10410	1934 Fort Road Tilbury - Bridge repairs	257	257	0	400	0	0
10411	Junction 31 Electrical Repairs	187	187	0	170	0	0
10412	Orchard Footbridge renewal	52	52	0	0	0	0
10414	Carriageway Concrete Slab Replacement	115	115	0	0	0	0
10416	Public Rights of Way - FP36 SLH	59	59	0	0	0	0
10434	Works to Council Car Parks and Pay and Display Machines	44	44	0	0	0	0
10460	Carriageway Micro Surfacing Programme	300	300	0	0	0	0
T	Total Public Realm	9,064	9,062	2	954	294	0
Place							

10005	A13 Widening (Works) (E2910)	2,251	2,251	0	0	0	0
10019	B186 West Thurrock Way - Road Capacity and Efficiency	54	54	0	1,138	0	0
10045	East Tilbury 1st payment (CCTV / Anti-Skid / VAS / Bus Stop upgrade)	92	92	0	0	0	0
10057	Grays South and Rail Station Regeneration (R0670)	358	413	-55	0	0	0
10067	Implementation of Corporate Property Database (T0702)	20	20	0	0	0	0
10070	Improvement works between Thurrock Park Way and Manor Road	0	0	0	287	0	0
10075	Improvements to the Manorway Interchange (E0911)	0	0	0	65	0	0
10078	Kerb It - Highways (E1870)	170	170	0	0	0	0
10087	Mayflower Road parking management and capacity improvements	421	60	361	361	0	0
10098	PRS - Borough wide Disabled Bays (E1843-T3429)	4	4	0	0	0	0
10107	PTI - Local Bus Infrastructure (E1838)	51	51	0	0	0	0
10113	Pupil Referral Unit Relocation (D0020)	300	300	0	0	0	0
10115	Purfleet Centre Fees Budget (R0500)	171	269	-98	0	0	0
10116	Purfleet Land Assembly Development Agreement (R0501)	122	121	1	0	0	0
10117	Purfleet SELEP Land Acquisition (R0502)	13	13	0	0	0	0
10118	Purfleet Thurrock School Contribution (R0503)	11	0	11	0	0	0
10121	RSF - Node 4 - North Stifford Int (E1830-T3031)	259	259	0	0	0	0
10128	Replacement of Bus Passenger Shelters (E1839)	50	50	0	0	0	0
10148	South Road / Stifford Road Junction Improvements (E0908)	0	0	0	190	0	0
10151	Stanford Le Hope Interchange (E2920)	312	703	-391	0	0	0
10230	Unallocated Budget Traffic Management (E9999-T7001)	48	48	0	0	0	0
10234	PRS - Ad-Hoc Parking Requests	1	1	0	0	0	0
10235	TFM - Road Safety Audits - Scheme Development	10	10	0	0	0	0
10237	TFM - Ad-Hoc Minor Works	298	298	0	0	0	0
10260	Corporate Landlord Compliance	362	210	152	0	0	0
10273	Investment Portfolio Compliance	20	13	7	0	0	0
10285	Investment Portfolio Spend to Save	17	0	17	0	0	0
10295	Corporate Landlord Spend to Save	6	1	5	0	0	0
10321	A1013 School Access Improvements (Treetops)	1,763	1,763	0	0	0	0
10330	Emergency Active Travel Plan	178	178	0	0	0	0
10334	PRS - EV Charging Upgrade and Expansion	318	318	0	0	0	0
10337	Traffic Management Salary Capitalisation	147	147	0	0	0	0
10346	Tilbury Towns Fund - Accelerated Funding	89	89	0	0	0	0
10347	Grays Towns Fund - Accelerated Funding	19	19	0	0	0	0
10349	N13 Cycle Route	272	272	0	0	0	0
10350	A126 Improvements	500	500	0	1,713	0	0
10367	SRS - East Tilbury Primary School	348	348	0	0	0	0
10368	AIP - Area XX - Tilbury (East of St Chads)	21	21	0	0	0	0
10381	ATF - Corringham Road/Billet Lane	8	8	0	0	0	0
10384	ATF - A128 Junction Signal Scheme	17	17	0	0	0	0
10394	Grays Town Fund (General)	295	295	0	0	0	0
10397	TTF Heart - Civic Square	4,842	650	4,192	4,592	400	0
10399	TTF Heart - Youth Zone	1,651	400	1,251	3,599	751	0

10400	TTF Heritage - Riverside	8	8	0	100	0	0
10401	TTF Hub - Station Gateway	3,529	360	3,169	9,349	900	0
10424	RSE - London Road West Thurrock	32	32	0	400	0	0
10431	AIP Chadwell South and Grays Riverside areas	386	386	0	0	0	0
10432	AIP - 3 Villages - Orsett Ward	75	75	0	0	0	0
10444	Demolition of Buildings	15	15	0	0	0	0
10445	Civic Offices Tenanted Areas Alterations	7	0	7	0	0	0
10448	RSE - A13 (Five Bells to Manorway Interchange)	20	20	0	0	0	0
10449	RSE - B186 West Thurrock Way	23	23	0	0	0	0
10450	SRS - 20mph Speed Zones Around Schools	50	50	0	0	0	0
10451	AIP - Area 27 - Ockendon West	100	100	0	0	0	0
10452	AIP - Area 04 - Stanford Le Hope West	100	100	0	0	0	0
10454	Grays TF Project 3: Grays Riverfront	680	680	0	1,729	6,141	0
10455	Grays TF Project 4: Grays Beach Park & Kilverts Field - Leisure	496	0	496	2,416	2,904	0
10456	Grays TF Project 5: Riverfront Activities Centre	486	0	486	2,292	2,743	0
10457	UK Shared Prosperity Fund	54	54	0	155	0	0
10458	Transformational Capital Funds To Support The Ongoing 3Rs Review	23	23	0	0	0	0
T	Total Place	21,973	12,362	9,611	28,386	13,839	0
Corporate							
10062	ICT Infrastructure Refresh and Extension (T0505)	35	35	0	0	0	0
10063	ICT Operating Software System Upgrades (T0506)	0	0	0	190	0	0
10095	Oracle Improvement / Cloud Upgrade (T0015)	10	10	0	0	0	0
10096	Oracle Improvement / Cloud Upgrade - Evosys (T0015-TC050)	113	113	0	0	0	0
10169	The Central Grays Civic Buildings Optimisation project (T3010)	235	235	0	0	0	0
10181	Transformation Programme Management Support (T3050)	21	21	0	0	0	0
10283	Strategic Wi-Fi - non Civic Offices	47	8	39	0	0	0
10289	Agile Working	22	0	22	0	0	0
10318	School Transport – Synergy Project	6	0	6	0	0	0
10322	Microsoft 365 Design, Build and Delivery (Phase 2)	111	111	0	0	0	0
10331	Data Analytics - Phase 4	301	301	0	0	0	0
10345	Robotic Process Automation	171	171	0	177	0	0
10348	Oracle Cloud Recruitment (OCR)	57	57	0	0	0	0
10354	4Me Service Desk Self Service Enhancement	12	12	0	0	0	0
10359	Core Licencing	28	0	28	28	0	0
10369	Applications Alignment to Office 2019	8	8	0	0	0	0
10378	Thurrock WAN Upgrade	52	52	0	0	0	0
10435	Core Website Rebuild (Drupal 7 to Drupal 9)	20	20	0	0	0	0
10441	Education Health Care Plan (EHCP) Hub	129	129	0	0	0	0
10459	Liquidlogic Hosting	154	154	0	113	0	0

T	Total Corporate	1,532	1,437	95		508	0	0
	Total Expenditure	48,001	25,870	22,131		53,040	14,133	0

Appendix 2

Summary of the 2023/24 HRA Capital Programme by Directorate		Latest Agreed Budget	Projected Out-turn	Projected Out-turn Variance	Future Years Budget		
		2023/24	2023/24	2023/24	2024/25	2025/26	2026/27
		£'000	£'000	£'000	£'000	£'000	£'000
Housing Development							
10293	Aspriational Capital Pot - Feasibilities - Loewen Road	11	11	0	0	0	0
10393	Redevelopment of Council Offices For Residential Accommodation	83	83	0	0	0	0
10417	Blackshots Housing Development	1,124	1,124	0	4,830	5,179	33,097
10418	Broxburn Drive Housing Development	21	21	0	0	0	0
10419	Vigerons Way Housing Development	32	32	0	0	0	0
10420	Teviot Avenue Housing Development	206	206	0	1,158	11,174	2,370
10423	Aveley Library Housing Development	93	93	0	0	0	0
10440	Loewen Road Construction	1,258	1,258	0	0	0	0
T	Total Housing Development	2,829	2,829	0	5,988	16,352	35,467
Transforming Homes							
10461	Thurrock New Standard - Wates (H2000)	10,088	10,088	0	11,307	0	0
10462	HRA Fire Safety Works (H2805)	2,552	2,552	0	1,000	0	0
10463	Non Traditional Properties (H2815)	3,843	3,843	0	0	0	0
10464	HRA Garages (H2820)	903	903	0	250	0	0
10465	Sheltered Housing Improvements Works (H2825)	186	186	0	0	0	0
10466	Major Adaptations (H2827)	265	265	0	200	0	0
10467	Tower Block Refurbishment (H2828)	17,426	5,000	12,426	12,426	0	0
10468	Heating Replacement Programme (H2832)	658	658	0	600	0	0
10469	Lifts Refurbishment (H2829)	174	164	10	200	0	0
10470	Door Entry Installation (H2830)	590	440	150	650	0	0
10471	Water Mains (H2831)	176	176	0	40	0	0
10472	Transforming Homes Programme Support (H2840)	290	290	0	260	0	0
10474	Carbon Reduction Requirements (3 blocks) (H2852)	2,500	2,500	0	1,642	0	0
10475	Electrical infrastructure Testing (H2855)	774	774	0	250	0	0
10476	HRA Highways and Lighting (H2856)	420	420	0	300	0	0
10477	Pram Sheds Buy Backs (H2902)	5	5	0	0	0	0
10478	HRA Property Purchases (H2910)	3	3	0	0	0	0
10479	HRA Phi Property Purchases (H2920)	354	354	0	0	0	0
T	Transforming Homes	41,207	28,622	12,586	29,125	0	0
Total Expenditure		44,037	31,451	12,586	35,112	16,352	35,467

Summary of the 2023/24 Capital Programme by Portfolio (General Fund Projects)		Latest Agreed Budget	Projected Out-turn	Projected Out-turn Variance	Future Years Budget		
		2023/24	2023/24	2023/24	2024/25	2025/26	2026/27
		£'000	£'000	£'000	£'000	£'000	£'000
Culture and Communities							
10018	<i>Aveley Community Hub (R0740)</i>	130	130	0	0	0	0
10082	<i>Leisure Centre Works (L0410)</i>	1,072	1,072	0	0	0	0
10146	<i>Improvement Works at South Ockendon Community Hub</i>	9	9	0	0	0	0
10147	<i>Community Hub within Whiteacres Development</i>	49	0	49	0	0	0
10256	<i>Travellers Site Refurbishment Works</i>	1	1	0	0	0	0
10269	<i>Traveller Injunction</i>	46	46	0	0	0	0
T	Culture and Communities	1,307	1,258	49	0	0	0
Children and Education							
10021	<i>Beynon Primary - Expansion (B0750)</i>	267	267	0	0	0	0
10028	<i>Capital Maintenance Schemes (to be identified) (B0997)</i>	110	0	110	110	0	0
10047	<i>Emergency Health and Safety Works (B0719)</i>	22	22	0	0	0	0
10111	<i>Priority Suitability and Condition Programme (B0661)</i>	58	58	0	0	0	0
10113	<i>Pupil Referral Unit Relocation (D0020)</i>	300	300	0	0	0	0
10135	<i>SEN Capital (B0800)</i>	4,267	167	4,100	7,366	0	0
10142	<i>Secondary and Primary Schemes (to be Identified) (B0998)</i>	4,452	0	4,452	11,580	0	0
10149	<i>St Cleres Expansion (B0744)</i>	99	40	59	0	0	0
10167	<i>Temporary Classrooms (B0725)</i>	884	884	0	0	0	0
10182	<i>Universal infant free school meals (B0738)</i>	222	0	222	222	0	0
10266	<i>Grays Convent High School - Additional Classroom</i>	32	0	32	0	0	0
10304	<i>Thames Park Secondary School</i>	37	0	37	0	0	0
10318	<i>School Transport – Synergy Project</i>	6	0	6	0	0	0
10385	<i>Abbotts Hall Improvements</i>	425	425	0	0	0	0
10439	<i>Oaktree Centre Feasibility Study and Surveys</i>	39	39	0	0	0	0
10441	<i>Education Health Care Plan (EHCP) Hub</i>	129	129	0	0	0	0
10453	<i>Family Hubs</i>	93	93	0	53	0	0
10485	<i>Tilbury Pioneer</i>	3,000	250	2,750	2,750	0	0
T	Total Children and Education	14,442	2,674	11,768	22,081	0	0
Central Services							

10062	ICT Infrastructure Refresh and Extension (T0505)	35	35	0	0	0	0
10063	ICT Operating Software System Upgrades (T0506)	0	0	0	190	0	0
10067	Implementation of Corporate Property Database (T0702)	20	20	0	0	0	0
10095	Oracle Improvement / Cloud Upgrade (T0015)	10	10	0	0	0	0
10096	Oracle Improvement / Cloud Upgrade - Evosys (T0015-TC050)	113	113	0	0	0	0
10169	The Central Grays Civic Buildings Optimisation project (T3010)	235	235	0	0	0	0
10181	Transformation Programme Management Support (T3050)	21	21	0	0	0	0
10260	Corporate Landlord Compliance	362	210	152	0	0	0
10273	Investment Portfolio Compliance	20	13	7	0	0	0
10283	Strategic Wi-Fi - non Civic Offices	47	8	39	0	0	0
10285	Investment Portfolio Spend to Save	17	0	17	0	0	0
10289	Agile Working	22	0	22	0	0	0
10295	Corporate Landlord Spend to Save	6	1	5	0	0	0
10322	Microsoft 365 Design, Build and Delivery (Phase 2)	111	111	0	0	0	0
10331	Data Analytics - Phase 4	301	301	0	0	0	0
10345	Robotic Process Automation	171	171	0	177	0	0
10348	Oracle Cloud Recruitment (OCR)	57	57	0	0	0	0
10354	4Me Service Desk Self Service Enhancement	12	12	0	0	0	0
10359	Core Licencing	28	0	28	28	0	0
10369	Applications Alignment to Office 2019	8	8	0	0	0	0
10378	Thurrock WAN Upgrade	52	52	0	0	0	0
10435	Core Website Rebuild (Drupal 7 to Drupal 9)	20	20	0	0	0	0
10444	Demolition of Buildings	15	15	0	0	0	0
10445	Civic Offices Tenanted Areas Alterations	7	0	7	0	0	0
10458	Transformational Capital Funds To Support The Ongoing 3Rs Review	23	23	0	0	0	0
10459	Liquidlogic Hosting	154	154	0	113	0	0
T	Total Central Services	1,867	1,590	277	508	0	0
Environment							
10049	Environmental Enhancements at Play Sites (N0277)	110	110	0	0	0	0
10056	Grays Riverside Park - Replace Splash Pool & Water Features	5	5	0	0	0	0
10172	Thurrock Park Way Environmental Improvements (78/00601/OUT)	0	0	0	51	0	0
10187	Vehicle & Plant Replacement Programme (N0256)	260	260	0	0	0	0
10226	Replacement of Wheeled Containers	355	355	0	371	394	0
10329	Flats Recycling	100	100	0	0	0	0
10402	Food Caddies	500	500	0	0	0	0
10406	Tree Fund	151	151	0	62	0	0
T	Total Environment	1,481	1,481	0	484	394	0
Growth							

10013	Aspirational Capital Pot - Feasibilities - Culver Centre (R1000-AP006)	30	30	0	0	0	0
10057	Grays South and Rail Station Regeneration (R0670)	358	413	-55	0	0	0
10115	Purfleet Centre Fees Budget (R0500)	171	269	-98	0	0	0
10116	Purfleet Land Assembly Development Agreement (R0501)	122	121	1	0	0	0
10117	Purfleet SELEP Land Acquisition (R0502)	13	13	0	0	0	0
10118	Purfleet Thurrock School Contribution (R0503)	11	0	11	0	0	0
10346	Tilbury Towns Fund - Accelerated Funding	89	89	0	0	0	0
10347	Grays Towns Fund - Accelerated Funding	19	19	0	0	0	0
10394	Grays Town Fund (General)	295	295	0	0	0	0
10397	TTF Heart - Civic Square	4,842	650	4,192	4,592	400	0
10399	TTF Heart - Youth Zone	1,651	400	1,251	3,599	751	0
10400	TTF Heritage - Riverside	8	8	0	100	0	0
10401	TTF Hub - Station Gateway	3,529	360	3,169	9,349	900	0
10454	Grays TF Project 3: Grays Riverfront	680	680	0	1,729	6,141	0
10455	Grays TF Project 4: Grays Beach Park & Kilvert's Field - Leisure	496	0	496	2,416	2,904	0
10456	Grays TF Project 5: Riverfront Activities Centre	486	0	486	2,292	2,743	0
10457	UK Shared Prosperity Fund	54	54	0	155	0	0
T	Total Growth	12,854	3,401	9,453	24,232	13,839	0
Housing							
10332	Blackshots Regeneration Study	1	0	1	0	0	0
10481	Well Homes Offers (G0600)	111	0	111	111	0	0
10484	Disabled Facility Grant (G0604)	1,094	594	500	1,000	0	0
T	Total Housing	1,206	594	612	1,111	0	0
Transport and Public Safety							
10005	A13 Widening (Works) (E2910)	2,251	2,251	0	0	0	0
10019	B186 West Thurrock Way - Road Capacity and Efficiency	54	54	0	1,138	0	0
10045	East Tilbury 1st payment (CCTV / Anti-Skid / VAS / Bus Stop upgrade)	92	92	0	0	0	0
10051	Footway Maintenance (E2876)	199	199	0	0	0	0
10070	Improvement works between Thurrock Park Way and Manor Road	0	0	0	287	0	0
10075	Improvements to the Manorway Interchange (E0911)	0	0	0	65	0	0
10078	Kerb It - Highways (E1870)	170	170	0	0	0	0
10087	Mayflower Road parking management and capacity improvements	421	60	361	361	0	0
10097	Other Infrastructure (Drainage) (E2878)	110	110	0	0	0	0
10098	PRS - Borough wide Disabled Bays (E1843-T3429)	4	4	0	0	0	0
10107	PTI - Local Bus Infrastructure (E1838)	51	51	0	0	0	0
10110	Pot Holes & Challenge Fund (E2840)	1,793	1,793	0	0	0	0

10121	RSF - Node 4 - North Stifford Int (E1830-T3031)	259	259	0	0	0	0
10128	Replacement of Bus Passenger Shelters (E1839)	50	50	0	0	0	0
10129	Rights of Way (E1841)	35	35	0	0	0	0
10141	Safety Fencing (E2831)	126	126	0	0	0	0
10148	South Road / Stifford Road Junction Improvements (E0908)	0	0	0	190	0	0
10151	Stanford Le Hope Interchange (E2920)	312	703	-391	0	0	0
10153	Street Lighting (E2877)	135	135	0	0	0	0
10155	Structural Maintenance A Class Roads (E2826)	503	503	0	0	0	0
10156	Structural Maintenance B and C Class Roads (E2827)	263	263	0	0	0	0
10157	Structural Maintenance Unclassified Roads (E2874)	293	293	0	0	0	0
10180	Traffic Signals (E2833)	92	92	0	0	0	0
10186	Upgrades to the Drainage System; Gully Frames and Lids (E2882)	10	10	0	0	0	0
10192	White Lining (E2832)	6	6	0	0	0	0
10219	Street Lighting LED Completion	25	25	0	0	0	0
10220	Carriageway Summer Damage Treatments	320	320	0	0	0	0
10223	VMS Purchases and Installation	72	72	0	0	0	0
10224	Vehicle Restraint System	65	65	0	0	0	0
10227	Other Road Markings	46	46	0	0	0	0
10230	Unallocated Budget Traffic Management (E9999-T7001)	48	48	0	0	0	0
10234	PRS - Ad-Hoc Parking Requests	1	1	0	0	0	0
10235	TFM - Road Safety Audits - Scheme Development	10	10	0	0	0	0
10237	TFM - Ad-Hoc Minor Works	298	298	0	0	0	0
10305	Principal Bridge Inspections and Remedial Works	248	248	0	0	0	0
10313	High Risk Concrete Lamp Column Replacement	207	207	0	0	0	0
10314	Footway Slab Replacement Programme (2020-2025)	300	300	0	0	0	0
10321	A1013 School Access Improvements (Treetops)	1,763	1,763	0	0	0	0
10330	Emergency Active Travel Plan	178	178	0	0	0	0
10334	PRS - EV Charging Upgrade and Expansion	318	318	0	0	0	0
10337	Traffic Management Salary Capitalisation	147	147	0	0	0	0
10349	N13 Cycle Route	272	272	0	0	0	0
10350	A126 Improvements	500	500	0	1,713	0	0
10358	Urgent repairs to road leading between Tilbury Port and Tilbury2	2	0	2	0	0	0
10363	Highways Lit signage replacement programme	337	337	0	0	0	0
10364	A1014 The Manorway - Footway Protection	215	215	0	0	0	0
10365	Wharf Road, SLH - Drainage scheme	49	49	0	0	0	0
10367	SRS - East Tilbury Primary School	348	348	0	0	0	0
10368	AIP - Area XX - Tilbury (East of St Chads)	21	21	0	0	0	0
10381	ATF - Corringham Road/Billet Lane	8	8	0	0	0	0
10384	ATF - A128 Junction Signal Scheme	17	17	0	0	0	0
10410	1934 Fort Road Tilbury - Bridge repairs	257	257	0	400	0	0
10411	Junction 31 Electrical Repairs	187	187	0	170	0	0
10412	Orchard Footbridge renewal	52	52	0	0	0	0
10414	Carriageway Concrete Slab Replacement	115	115	0	0	0	0
10416	Public Rights of Way - FP36 SLH	59	59	0	0	0	0

10424	RSE - London Road West Thurrock	32	32	0	400	0	0
10431	AIP Chadwell South and Grays Riverside areas	386	386	0	0	0	0
10432	AIP - 3 Villages - Orsett Ward	75	75	0	0	0	0
10434	Works to Council Car Parks and Pay and Display Machines	44	44	0	0	0	0
10448	RSE - A13 (Five Bells to Manorway Interchange)	20	20	0	0	0	0
10449	RSE - B186 West Thurrock Way	23	23	0	0	0	0
10450	SRS - 20mph Speed Zones Around Schools	50	50	0	0	0	0
10451	AIP - Area 27 - Ockendon West	100	100	0	0	0	0
10452	AIP - Area 04 - Stanford Le Hope West	100	100	0	0	0	0
10460	Carriageway Micro Surfacing Programme	300	300	0	0	0	0
T	Total Transport and Public Safety	14,844	14,872	-28	4,724	0	0
	Total Expenditure	48,001	25,870	22,131	53,139	14,233	0

Appendix 4

Slippage on Capital Programme

Description	Carry Forward
	£'000
Secondary and Primary Schemes (to be Identified) (B0998)	4,580
TTF Heart - Civic Square	4,192
SEN Capital (B0800)	4,100
TTF Hub - Station Gateway	3,169
Tilbury Pioneer	2,750
TTF Heart - Youth Zone	1,251
Disabled Facility Grant (G0604)	500
Grays TF Project 4: Grays Beach Park & Kilverts Field - Leisure Destination	496
Grays TF Project 5: Riverfront Activities Centre	486
Mayflower Road parking management and capacity improvements (E0904)	361
Universal infant free school meals (B0738)	222
Well Homes Offers (G0600)	111
Capital Maintenance Schemes (to be identified) (B0997)	110
Core Licencing	28
All Directorate	22,356

2023/24 Delivery Risk Assessment Cycle 6

Directorate	Savings Totals		Delivery RAG Assessment				
	Original (Baseline) £'000	Actual (excl. non deliverable) £'000	Amount of savings that are non-deliverable (£ 000)	Amount of savings At High Risk of not being delivered by 31/3/24 (£ 000)	Amount of savings At Risk of not being delivered by 31/3/24 (£ 000)	Amount of savings on target for delivery by 31/3/24 (£ 000)	Amount of savings already delivered (£ 000)
Adult Social Care	1,576	1,576	0	0	60	1,119	397
Housing General Fund	531	531	0	0	0	110	421
Children's Services	997	997	0	0	0	200	797
HR, OD & Transformation	789	789	0	50	25	269	446
Finance	921	921	0	0	20	901	0
Public Realm	2,122	2,122	0	0	58	1,485	579
PLACE	900	900	0	0	24	785	91
Strategic, Engagement & Growth	351	351	0	0	0	175	176
Legal and Governance	110	110	0	0	84	0	26
Total Savings	8,297	8,297	0	50	271	5,044	2,932
% of Savings			0%	1%	3%	61%	35%

Movement from Previous Period
Previous Period



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September 2023

Jo Freeman

Expenditure Control Process Update

A reminder...

Essential Spend Criteria:

- Existing staff payroll and pension costs (approval required through Resourcing Panel led by HROD)
- Goods and services which have already been received
- To support the provision of statutory services at a minimum possible level
- Urgent action required to safeguard vulnerable people
- Existing legal agreements and contracts
- Ring-fenced grant funded activity
- Action required to achieve value for money or mitigate additional in-year costs



What have we done?



Introduced digital-based business case templates and digital workflows to allow effective decision making by review panels



Amended procurement request forms to demonstrate compliance to essential spend criteria and implemented SAP approval requirements to proceed with any tender process



Reviewed and closed blanket purchase agreements (BPA) already in place that did not comply with essential spend criteria – formal requests required to reinstate



Reviewed purchase card spend at all levels, reduced transactional limits to £500, disabled card usage in some cases

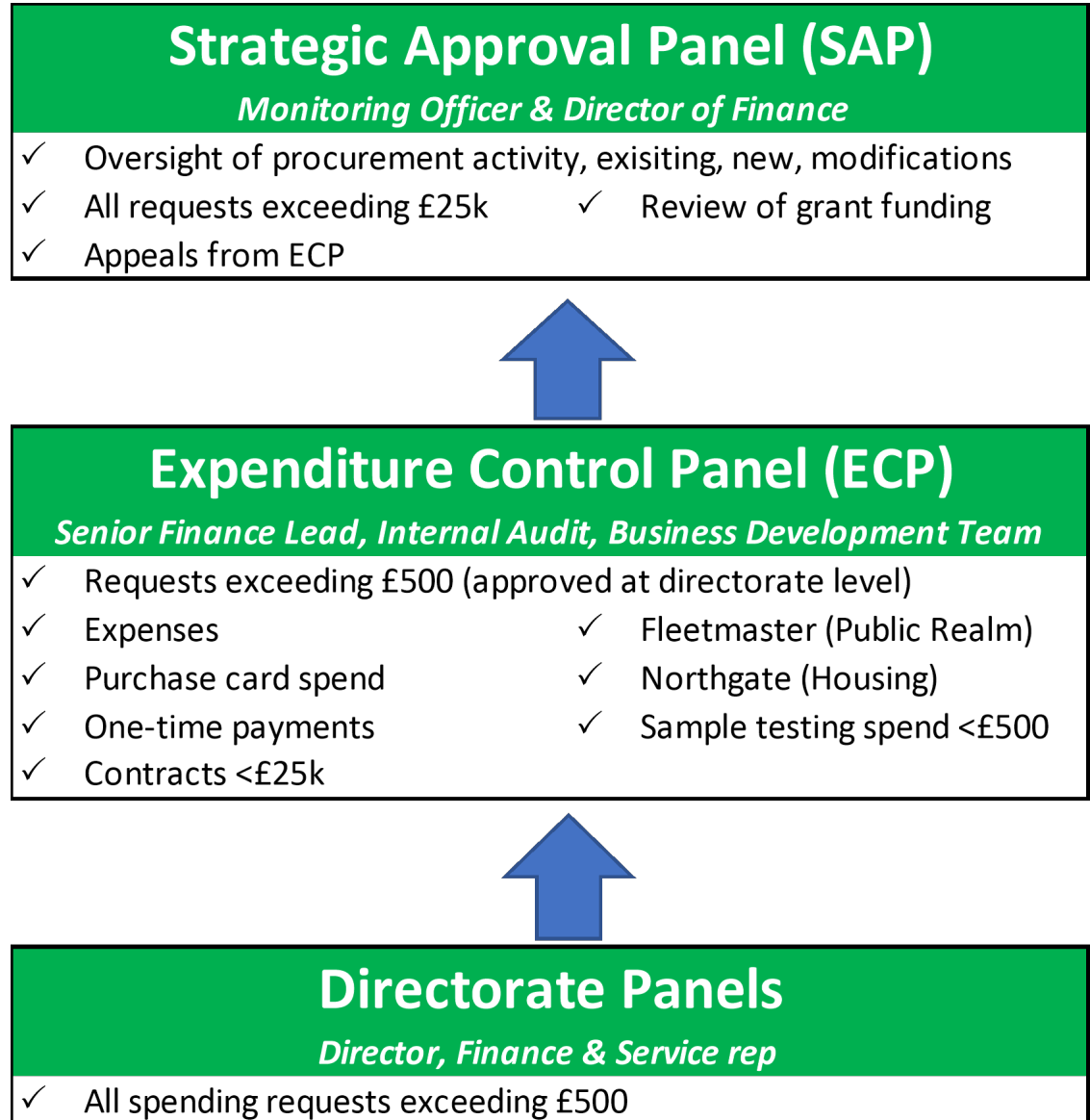


Held staff briefing sessions, delivered targeted staff training sessions & newsletter updates, set up a dedicated mailbox to manage queries



Developed board performance dashboards to monitor spend request activity levels

Panel Structure

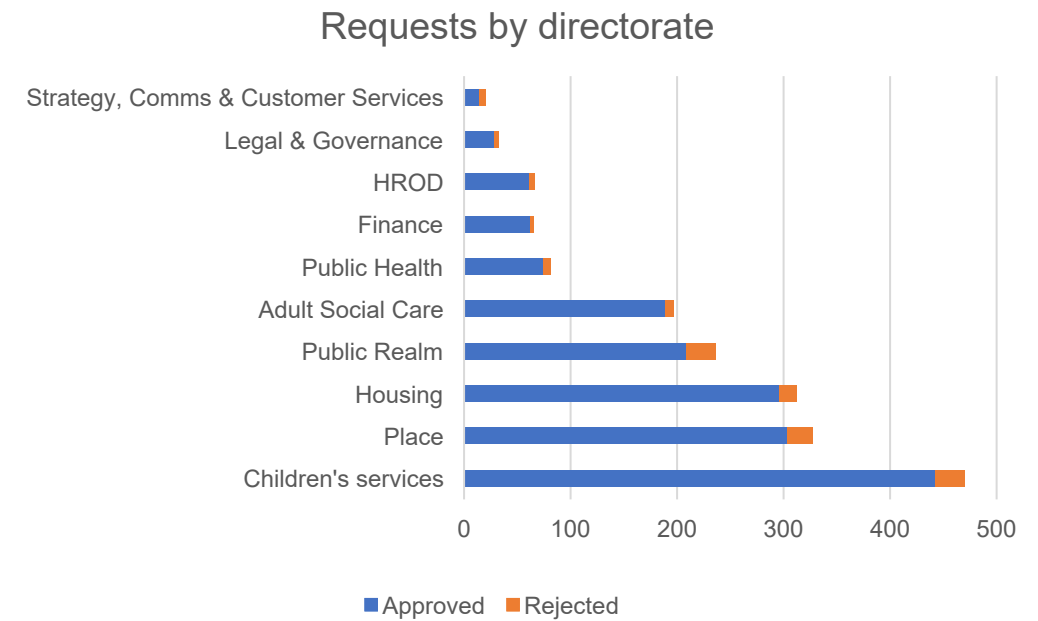
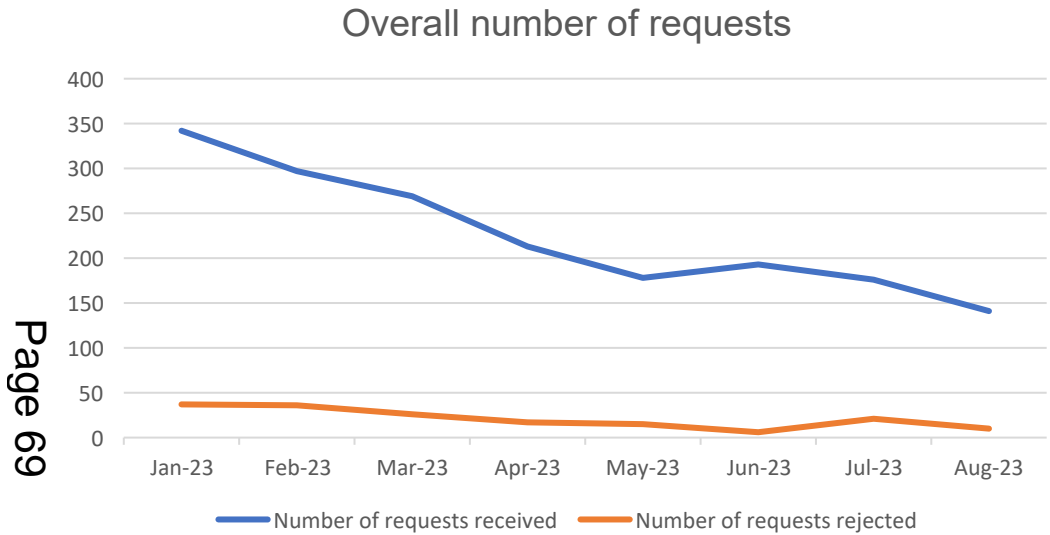


Outside of Scope:

- *Resources Panel manage all recruitment requests*
- *Social Care placements are managed by specific Placements Panels within Children's & Adults Services*

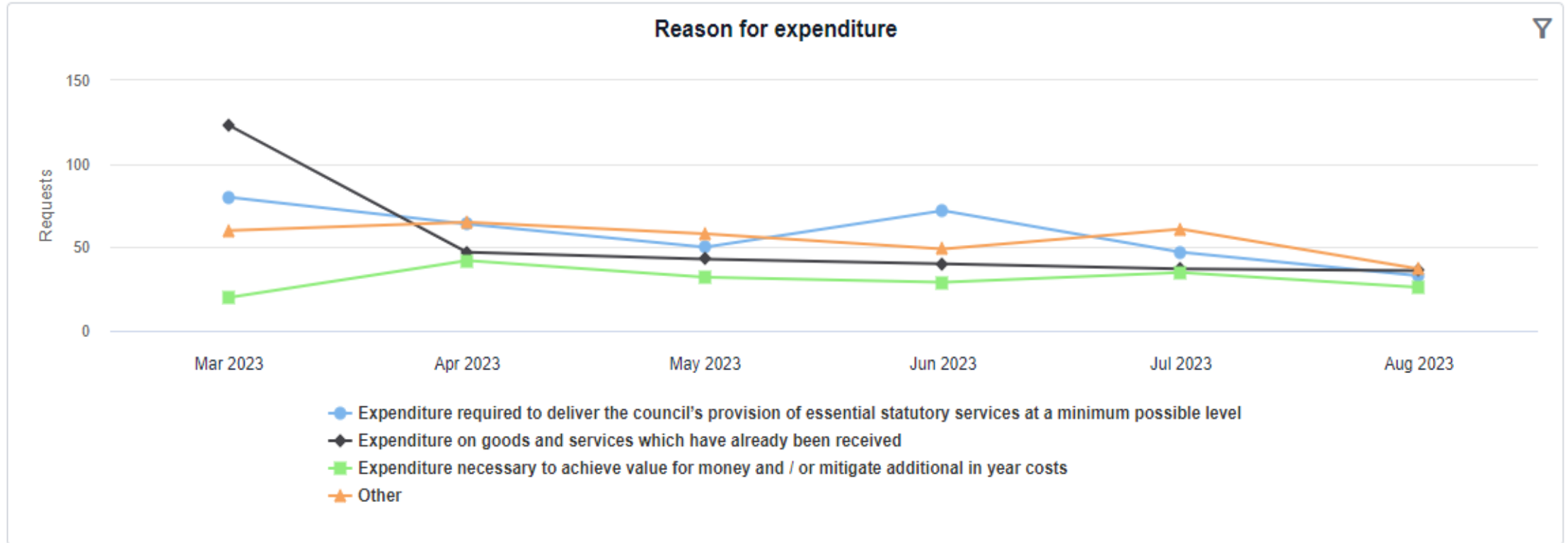
Spending requests received

Between Jan-Aug 2023, the overall number of requests entering the process has steadily declined, this can be attributed in part to increased staff awareness of the financial situation and a better understanding of the essential spend criteria



An average of 9% of requests are rejected at various points in the process

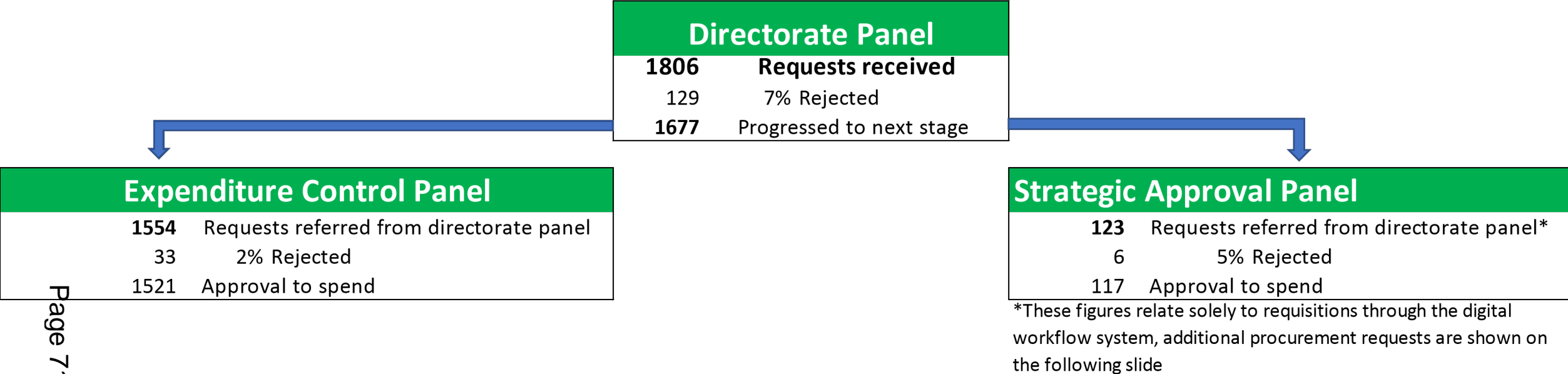
58% of requests originate from Children's Services (26%), Adults Social Care (11%), Public Health (4%) and Housing (17%). These Directorates deliver a vast number of services supporting vulnerable people



- In March 2023 a mandatory field was added to the request template to identify with category of spend the request relates
- At the start of the process a large number of requests related to 'goods and services already received,' this has significantly decreased but remains an area to target for further analysis (approval should be sought ahead of engagement with suppliers)
- 'Other' category relates to grant funded activity and spend related to existing legal agreements/contracts

Panel Rejections

1 Jan 2023 - 31 August 2023



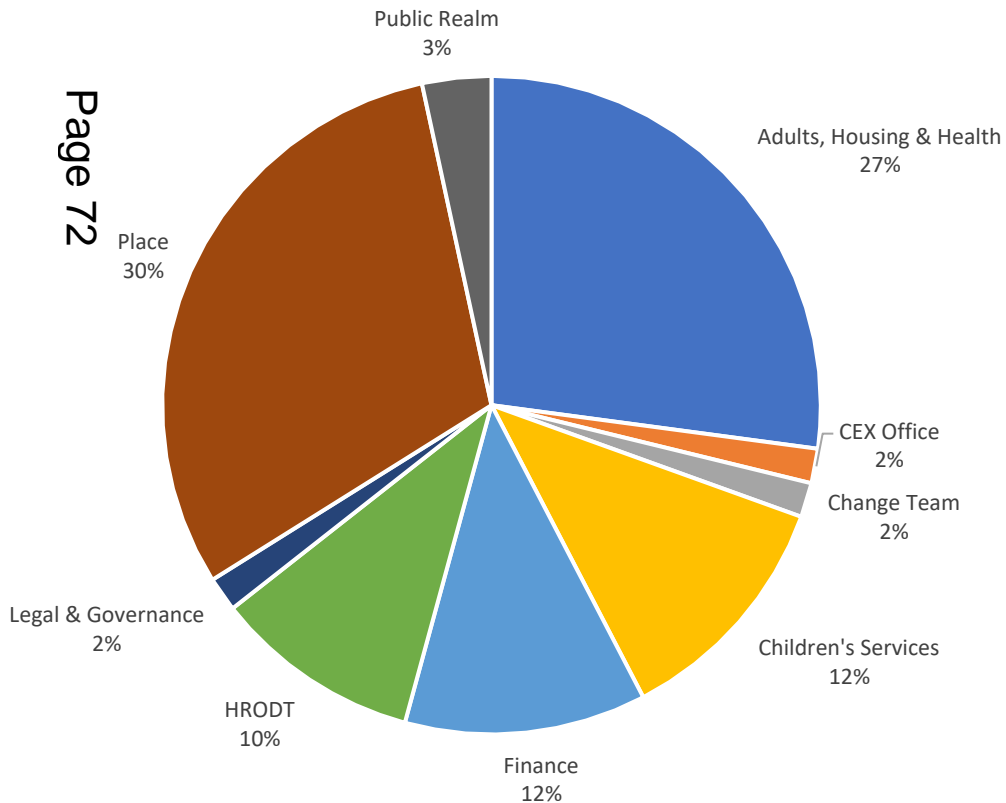
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- The Directorate panels act as gate-keepers and have rejected 7% of the requests received
- Of the requests that progressed to the next stage in the process, ECP rejected 2% and SAP 5%

Strategic Approval Panel

- The below is based on a sample analysis of panel requests Jul-23, the panel meets on a weekly basis
- The majority of requests to this panel are **before** any spend requests enter the digital workflow system. They are largely requests to progress procurement activity in some form
- Although rejections do not directly lead to budget savings, it is clear there is additional challenge taking place
- Note the values being requested often relate to multiple financial years

Requests by Directorate

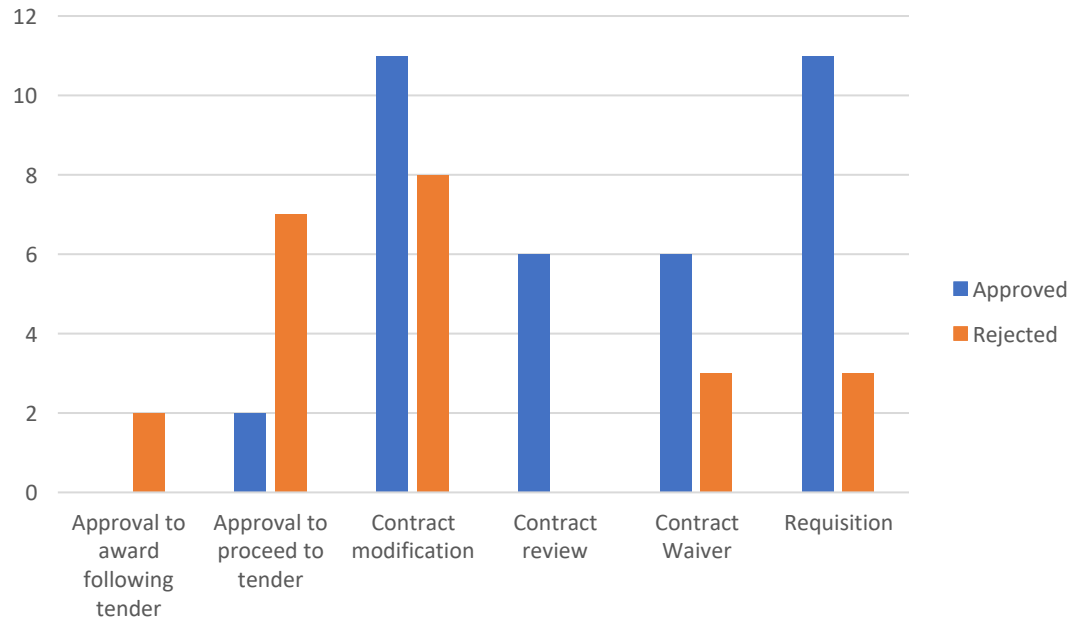


Meeting Date	Number of requests	Number rejected	% number requests rejected	Value requested £'000	Value rejected £'000	% rejections in value terms
06/07/2023	15	5	33%	12,137	976	8%
13/07/2023	11	5	45%	3,116	2,770	89%
20/07/2023	12	6	50%	2,743	1,430	52%
27/07/2023	21	7	33%	4,327	1,889	44%
	59	23	39%	22,322	7,065	32%

Strategic Approval Panel -Rejections

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Number of requests by procurement category

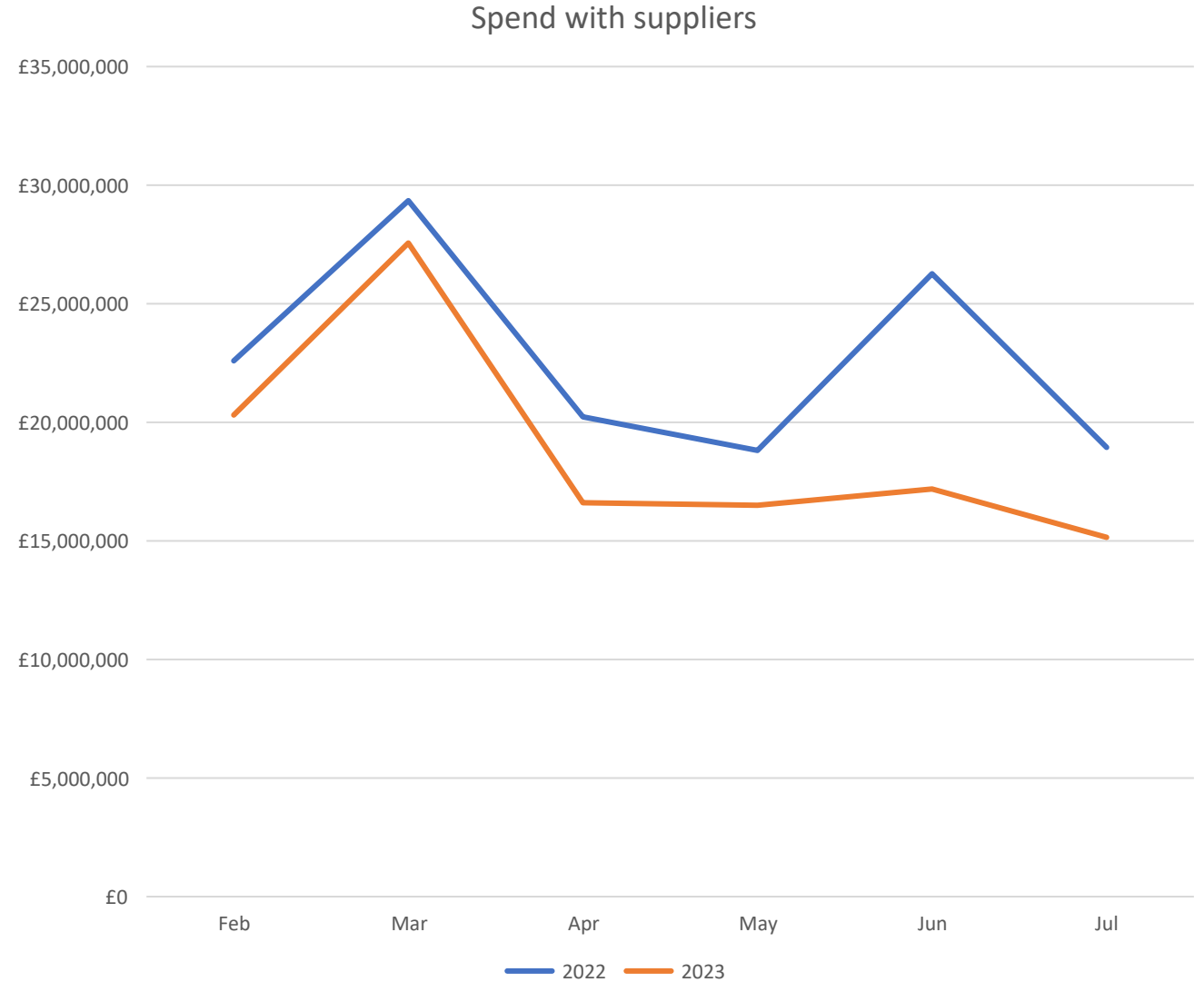


Reasons for rejection (Jul-23 panels)
Check legally obliged to delivery this service
Governance query
More background information required
Potential duplication with exisiting contract
Query how performance will be measured
VFM query. More detail on benefits of the system required
Query if there is already a framework contract
The price split is 60/40, moving away from price focus?
How does this fit in to wider ICT work
Legal query
Query if 3 quotes were sought
Why such increase in estimated cost?
What is the justification for 50/50 price/quality
Is this cost neutral (covered by income generation)
Need to see the initial outcomes of their first piece of work before this is approved
Can this be delivered within exisiting contracts
How does this sit within overarching proposals at SLT?
Process question and cost recovery
Explore alternative options

Items that are rejected may return to subsequent panels once the query has been resolved or changes made to the request

Year on year spend comparison

- This chart relates solely to **supplier spend** across the different invoice sources such as Oracle, Northgate and Controcc.
- There is a 17% reduction in spend between the two time periods. It can be assumed that expenditure control alongside a review of the capital programme have directly impacted spending activity.
- Note. this includes all funding streams (general fund, HRA, grants, capital etc.) and is not a direct correlation to the in-year budget position



Next Steps...



Continue to challenge spending decisions across the authority in line with current processes



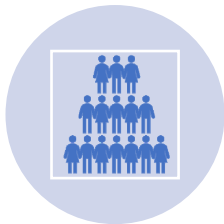
Review feedback following Commissioner review of the process, respond as necessary



Include an assessment of the process on the in-year budgetary position for Quarter 2 reporting (focus on supplies & services and third party spend position)



Continue to develop dashboard reporting through 4Me



Provide FRB with separate progress update for Resourcing/Recruitment Panel (October 2023)

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Appendix 8 - 2023/24 Funding to be removed from the Capital Programme

Summary

	2023/24
	£m
Adults & Childrens	0.000
Place	(19.241)
Public Realm	(1.794)
Corporate	(1.806)
HRA	(2.323)
Total	(25.164)

Funding

	2023/24
	£m
Borrowing	21.564
Other Grants	3.600
Total	25.164

Public Realm	Project	2023/24
		£m
Q1 Monitoring	Bridge Repair and Strengthening (E2828)	(0.002)
Q1 Monitoring	Target Hardening of Various Sites (N0278)	0.000
Q1 Monitoring	Flats Recycling	(0.200)
Q1 Monitoring	Deployment of overt 4G CCTV camera systems	(0.056)
Q1 Monitoring	Trading Standards Facility at London Gateway (DPW)	(0.004)
Q1 Monitoring	Grover Walk Street Lighting Refurbishment	(0.003)
Q1 Monitoring	Surface Renewal Oliver Close Depot	(0.006)
Stage 1 Review	Vehicle & Plant Replacement Programme (N0256)	(0.278)
Stage 2 Review	Replacement of Wheeled Containers	(0.100)
Stage 2 Review	Environmental Enhancements at Play Sites (N0277)	0.000
Stage 2 Review	Orchard Foorbridge Renewal	(0.550)

Stage 2 Review	Grays Riverside Park - Replace Splash Pool & Water Features (N0274)	(0.030)
Stage 2 Review	Upgrades to the Drainage System; Gully Frames and Lids (E2882)	(0.014)
Stage 2 Review	Footway Slab Replacement Programme (2020- 2025)	(0.001)
Stage 2 Review	Flats Recycling	(0.031)
Stage 2 Review	A1014 The Manorway - Footway Protection	(0.050)
Stage 2 Review	1934 Fort Road Tilbury - Bridge repairs	(0.100)
Stage 2 Review	Carriageway Concrete Slab Replacement	(0.031)
Stage 2 Review	Carriageway Summer Damage Treatments	(0.165)
Stage 2 Review	Highways Lit signage replacement programme	(0.050)
Stage 2 Review	Application of Capital Receipt	(0.123)
	Total Public Realm	(1.794)

Funding

	2023/24
	£m
Borrowing	1.794
Total Public Realm	1.794

Place	Project	2023/24
		£m
Q1 Monitoring	New River Development	(0.084)
Q1 Monitoring	Property Demolitions	(0.001)
Stage 1 Review	Purfleet Land Assembly Development Agreement (R0501)	(1.558)
Stage 1 Review	Purfleet SELEP Land Acquisition (R0502)	(0.106)
Stage 1 Review	Grays South and Rail Station Regeneration (R0670)	0.000
Stage 1 Review	Purfleet Centre Fees Budget (R0500)	(0.147)
Stage 1 Review	Purfleet Thurrock School Contribution (R0503)	(0.010)
Stage 1 Review	Stanford Le Hope Interchange (E2920)	(10.555)

Stage 2 Review	Improvements to Village Halls (D0010)	(0.183)
Stage 2 Review	Replacement of Bus Passenger Shelters (E1839)	(0.396)
Stage 2 Review	Investment Portfolio Compliance	(1.116)
Stage 2 Review	Investment Portfolio Spend to Save	(1.216)
Stage 2 Review	Corporate Landlord Compliance	(1.566)
Stage 2 Review	Corporate Landlord Spend to Save	(1.580)
Stage 2 Review	Implementation of Corporate Property Database (T0702)	(0.007)
Stage 2 Review	Kerb It - Highways (E1870)	(0.038)
Stage 2 Review	Transformational Capital Funds To Support The Ongoing 3Rs Review	(0.678)
	Total Place	(19.241)

Funding

	2023/24
	£m
Borrowing	15.641
Other Grants	3.600

Total Place	19.241

Corporate	Project	2023/24
		£m
Q1 Monitoring	Strategic Wi-Fi - non Civic Offices	(0.040)
Q1 Monitoring	Customer Contact Centre	(0.126)
Q1 Monitoring	Thurrock Adult Community College Tech Refresh	(0.002)
Q1 Monitoring	Teams Enabled Meeting Rooms	0.000
Q1 Monitoring	Thurrock WAN Upgrade	(0.179)
Q1 Monitoring	SEND Synergy Upgrade/Improvement	(0.010)
Stage 1 Review	CO1 Infrastructure Decommissioning	(0.212)
Stage 2 Review	Thurrock On-Line Phase 2 (T1001)	(0.589)
Stage 2 Review	Softphone capability	(0.030)
Stage 2 Review	ICT Operating Software System Upgrades (T0506)	(0.190)
Stage 2 Review	Microsoft 365 Design, Build and Delivery (Phase 2)	(0.428)

	Total Corporate	(1.806)
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Funding

	2023/24
	£m
Borrowing	1.806
Total Corporate	1.806

HRA	Project	2023/24
		£m
Stage 2 Review	Capital Maintenance Programme	(2.323)
Stage 2 Review	Teviot Avenue	0.000
Stage 2 Review	Blackshots Regeneration	0.000
	Total HRA	(2.323)

Funding

	2023/24
	£m
Borrowing	2.323
Total HRA	2.323

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Appendix 9 - Previously approved capital bids but on hold and excluded from programme

Summary

	2023/24
	£m
Adults & Children's	6.166
Place	47.009
Public Realm	13.241
Corporate	5.132
HRA	0
Total	71.548

Funding

	2023/24
Borrowing	-52.717
Grants	-14.303
Capital Receipts	-4.528
Total	-71.548

Adults and Children's		2023/24
		£m
Borrowing	21st Century Care Home (S0220)	3.841
Borrowing	Community Hubs (T3100)	0.502
Borrowing	Libraries Services Technology Modernisation	0.112
Borrowing	Ship Lane Day Room	1.448
Borrowing	Travellers Site Refurbishment Works	0.248
Borrowing	Upgrade Day Centres	0.015
	Total Adults and Children	6.166

	2023/24
	£m
Borrowing	-6.166
Total Adults & Children	-6.166

Place		2023/24
		£m
Borrowing & Other Grants	Coastal Path - Coalhouse Fort to Shoeburyness	7.000
Borrowing & Capital Receipts	Grays South and Rail Station Regeneration (R0670)	19.235
Borrowing	Grays Underpass Land Acquisitions	6.600
Borrowing	Purfleet Thurrock School Contribution (R0503)	9.071

Borrowing & Other Grants	Tilbury Integrated Medical Centre (R0913)	5.103
	Total Place	47.009

	2023/24
	£m
Borrowing	-37.428
Other Grants	-5.053
Capital Receipts	-4.528
Total Place	-47.009

Public Realm		2023/24
		£m
Borrowing	A1014 Manorway - Pony and Trap racing measures	0.050
Borrowing & Government Grant	A13 Eastbound Slip Roads	11.482
Borrowing	Air Quality Modelling for Thurrock	0.060
Borrowing	Community Safety Hub / Integrated Centre for Crime & Enforcement (ICCE)	0.500
Borrowing	Principal Bridge Inspections and Remedial Works	1.128
Borrowing	Unattended Traffic Watch PTZ Cameras	0.021
	Total Public Realm	13.241

	2023/24
	£m

Borrowing	-3.991
Government Grant	-9.250
Total Public Realm	-13.241

Corporate		2023/24
		£m
Borrowing	Corporate Payments	0.388
Borrowing	DR SAN Replacement	0.275
Borrowing	Increased protection against cyber threats	0.118
Borrowing	IPAM Implementation	0.018
Borrowing	The Intelligent Notification System	0.120
Borrowing	Windows/SQL Server 2012 Upgrades	0.050
Borrowing	Digital Pot	2.012
Borrowing	Property Pot	0.769
Borrowing	Service Review Pot	1.382
	Total Corporate	5.132

	2023/24
	£m
Borrowing	-5.132
Total Corporate	-5.132

Work Programme

Committee: Corporate Overview and Scrutiny Committee

Year: 2023/24

Dates of Meetings: 11 July 2023, 5 October 2023, 7 December 2023, 1 February 2024

Topic	Lead Officer	Requested by Officer/Member
11 July 2023		
Provisional 2022-23 Financial Outturn Report	Jonathan Wilson / Jo Freeman	Officers
Terms of Reference	Democratic Services	Officers
Fees and Charges Review 2023/24	Jonathan Wilson	Officers
Work Programme	Democratic Services Officer	Standard Item
5 October 2023		
Finance Update – Quarter 1 2023/34 - tbc	Jonathan Wilson	Officers
Report of the Cabinet Member for Finance, HR and Payroll/ Financial Strategy Update	Jonathan Wilson/Cllr Graham Snell	Members
Work Programme	Democratic Services Officer	Standard Item
7 December 2023		
Financial Update – Quarter 2 2022/23 - tbc	Jonathan Wilson	Officers
Update from the Investment Advisory Panel – Verbal	Cllr Snell	Members
Work Programme	Democratic Services Officer	Standard Item

Work Programme

Topic	Lead Officer	Requested by Officer/Member
1 February 2024		
Draft General Fund Budget and Medium-Term Financial Strategy Update - tbc	Jonathan Wilson	Officers
Capital Programme 2024/25 - tbc	Jonathan Wilson	Officers
Portfolio Holder Annual Report: Transformational Change, Communications and Governance	Cllr Arnold	Officers
Capital Strategy 2024/25 - tbc	Jonathan Wilson	Officers
Work Programme	Democratic Services Officer	Standard Item

Updated: May 2023

Clerk: Jenny Shade