

PERTH & KINROSS COUNCIL
FINANCE & RESOURCES COMMITTEE

26 APRIL 2023

Revenue Budget 2022/23 – Update No.4

Report by Head of Finance
(Report No. 23/120)

1. PURPOSE

- 1.1 This report provides an update on progress with the 2022/23 General Fund Revenue Budget based upon the January 2023 ledger, updated for any subsequent known material movements, and the projected financial position of the Housing Revenue Account.
- 1.2 The total net projected under spend on the 2022/23 General Fund Management Budget is **£860,000** (see **Appendix 1**).
- 1.3 This report also provides an updated on the 2023/24 General Fund Management Budget (see **Appendix 7**)

2. RECOMMENDATIONS

The Committee is requested to:

- A. note the contents of the report.
- B. note the projected outturn for General Fund Services set out in Section 5 and **Appendix 1 and 2**.
- C. note the projected outturn for Corporate Budgets set out in Section 6.
- D. note the Health & Social Care projected outturn, which is summarised in Section 6 and **Appendix 3**.
- E. note the projected outturn for the Housing Revenue Account which is summarised in Section 7 and **Appendix 4**.
- F. approve the adjustments to the 2022/23 Management Revenue Budget detailed in **Appendices 1, 2, 4, 5 and 6** and Section 8, 9, and 10.
- G. approve the adjustments to the 2023/24 Management Revenue Budget detailed in Section 11 and **Appendix 7**.

3. STRUCTURE

- Section 4 Background
- Section 5 Revenue Monitoring – Service Budgets

Section 6	Revenue Monitoring – Corporate Budgets
Section 7	Revenue Monitoring – Other Revenue Budgets
Section 8	2022/23 Additional Funding
Section 9	2022/23 Virements
Section 10	2022/23 Movements in Reserves
Section 11	Adjustments to 2023/24 Revenue Budget

4. BACKGROUND

- 4.1 This report updates the Committee on progress with the 2022/23 Revenue Budget. **Appendix 1** to this report summarises the current projected year end (outturn) position for each Service based upon the January 2023 ledger, updated for any subsequent known material movements.
- 4.2 The budget total reflected in Column 1 of **Appendix 1** to this report is that approved by the Council in setting the 2022/23 Final Revenue Budget on 23 February 2022 (Report No. 22/35 refers). In addition, adjustments approved by Council on 25 May, 17 August and 28 September 2022 (Report No. 22/252 refers), by the Strategic Policy & Resources Committee on 20 April (Report No. 22/87), by the Finance & Resources Committee on 7 September & 30 November 2022 and 1 February 2023 (Report Nos. 22/208, 22/294 and 23/30 refer) and the Executive Sub-Committee of the Finance & Resources Committee on 22 March 2023 (Report No. 23/98 refers) are reflected in **Appendix 1** (Column 2).
- 4.3 On 22 June 2022, the Council approved the Financial Strategy which set out a number of principles that will assist Medium Term Financial Planning and development of Revenue and Capital Budgets (Report No. 22/141 refers).

5. REVENUE MONITORING – SERVICE BUDGETS

- 5.1 Details of variances against Service budgets are shown in **Appendix 2** to this report with the most significant variances summarised below. The total net projected under spend on Service budgets, as set out in **Appendix 1** to this report, is **£1.291 million** which represents **0.4%** of total net Service expenditure.
- 5.2 The management of Service over and under spends are considered throughout the financial year and may also form part of the Revenue Budget strategy for future years.
- 5.3 There remains a risk that the Council continues to experience increases in costs over the short to medium term that are higher than budgeted inflation levels. This is already being seen in the cost of the materials required by property and housing maintenance teams. Going forward, this may have an impact on projected outturns and future years' budgets.

Education & Children's Services

- 5.1 The projected outturn for Education & Children's Services excluding Devolved School Management (DSM) and the Pupil Equity Fund (PEF) is currently

anticipated to be **£813,000** less than budget – a movement of **£335,000** from the position last reported to Committee. The movements are summarised as follows.

- 5.2 Within **non devolved Education Services** there is an increase in the projected under spend of **£164,000**. These movements are made up of additional staff slippage due to continued proactive workforce management (£126,000) and other net under spends (£38,000).
- 5.3 The updated financial consequences of the strikes that took place in January, February and March 2023 amounted to an estimated **£1.289 million** in unpaid salaries. Consistent with the position agreed by the Committee on 1 February 2023, there is a proposal later in this report to transfer this amount to Reserves. The 2023/24 Revenue Budget, approved by Council on 1 March applies this funding, in its entirety, to supporting the educational needs of children and young people.
- 5.4 In **Services for Children, Young People & Families** there is a reduction in the projected over spend of **£78,000**. The main factor contributing to this movement is an increase in the projected level of staff slippage (£76,000) and other net under spends (£2,000).
- 5.5 In **Business & Resource Services** there is an increase in the projected under spend of **£107,000** due to increased staff slippage and reduced travel costs.
- 5.6 In **Catering Services** there is a reduction in the projected under spend of **£14,000** due to updated meal projections.
- 5.7 There is a planned under spend of **£807,000** on **Devolved School Management** budgets (DSM) due primarily to staff slippage and recharges, which represents **0.7%** of the overall DSM budget. It is anticipated that in line with the approved DSM scheme, the eventual over and under spends will be carried forward into 2023/24. The budgets for the Devolved School Management scheme are allocated by financial year (April – March), whereas expenditure is incurred by academic year (August – June).
- 5.8 At this stage of the academic year, expenditure met from the **Pupil Equity Fund** (PEF) is projected to be **£300,000** less than the allocation from the Scottish Government of £1.874 million. Schools are being instructed to use this year's PEF by 31 March 2023. It is anticipated that the projected under spend on teacher and support costs will be carried forward to 2023/24 to meet commitments. The budgets for the Pupil Equity Fund scheme are allocated by financial year, whereas expenditure is incurred by academic year.

Communities

- 5.9 The projected outturn for Communities is currently anticipated to be **£1.248 million** less than budget – an increase of **£985,000** from the previously reported position. The movements are summarised as follows.

- 5.10 In **Environment & Consumer Services** there is a net reduction in the projected over spend of **£650,000**. The projected over spend on fuel has reduced (£100,000), there are projected savings on waste disposal contracts (£150,000), additional income from Bereavement Services (£80,000) and savings on loan charges (£20,000). In addition, the projected over spend on winter maintenance has reduced (£450,000). These are partially offset by an increase in the projected over spend on vehicle materials and repairs (£150,000).
- 5.11 In **Planning & Development** there is a net increase in the projected under spend of **£405,000**. The main reason for this movement relates to additional income from planning and building warrant fees (£350,000). In addition, there are further net under spends across the remainder of the division (£55,000).
- 5.12 Within **Business & Resources** there is a net reduction in the projected under spend of **£60,000** in IT licensing and support costs.
- 5.13 In **Housing** there is an increase in the net projected over spend of **£10,000** due to updated security costs.

Corporate & Democratic Services

- 5.14 The projected outturn for Corporate & Democratic Services is currently anticipated to be **£850,000** more than budget – a reduction of **£59,000** from the previously reported projected over spend. The main movements are summarised as follows.
- 5.15 In **Property** the projected over spend on energy has reduced by **£162,000** based on the latest data which is partially offset by an increase of in maintenance costs of **£60,000**.
- 5.16 Across the remainder of the Service there is an increase in the net projected under spend of **£43,000**.

Chief Executive Service

- 5.17 The projected outturn for the Chief Executive's Service is currently anticipated to be **£80,000** less than budget due to staff slippage and additional income.

6. REVENUE MONITORING – CORPORATE BUDGETS

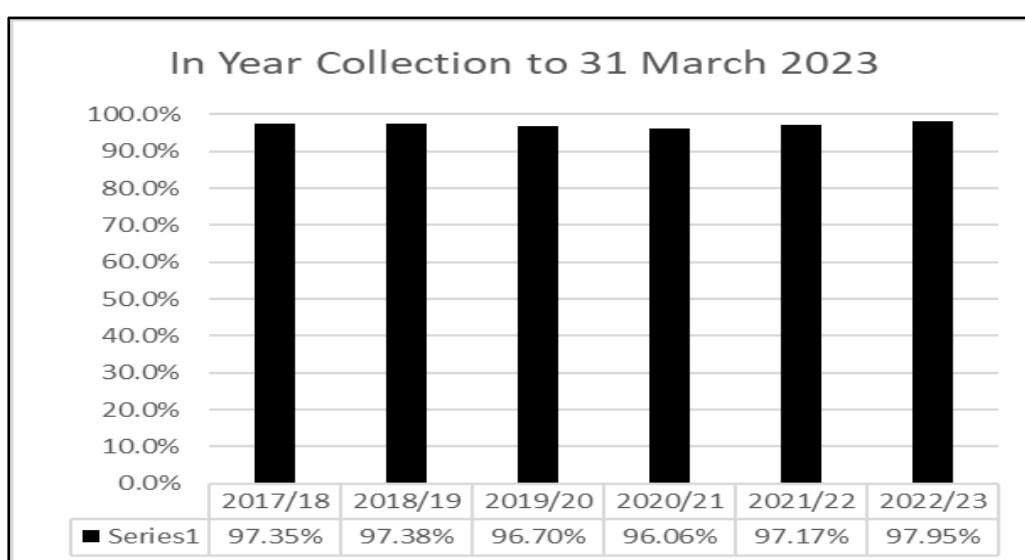
Health & Social care

- 6.1 Across the Perth and Kinross Health & Social Care Partnership there is a projected under spend of **£2.723 million** which is set out in **Appendix 3**. This projected under spend was considered in detail at the meeting of the Perth & Kinross Integration Joint Board Audit & Performance Committee on 13 March 2023. Within the overall projected under spend, **£3.1 million** relates to social care.

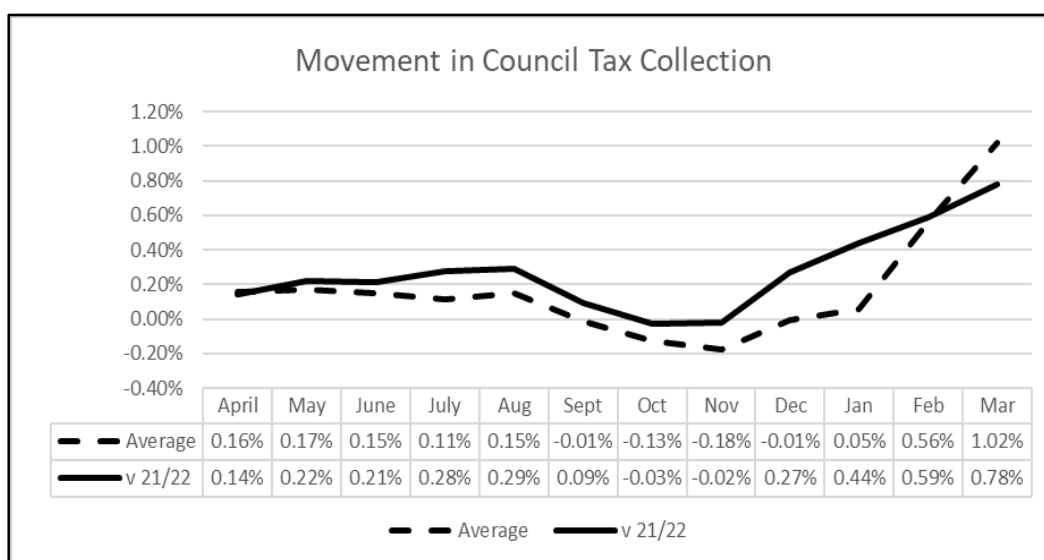
- 6.2 In relation to non-devolved functions there is currently a projected under spend of **£299,000** which is reflected in **Appendix 1**. This is made up of staff slippage as well as a rephasing of two approved transformation projects – see paragraph 10.12.

Council Tax Income

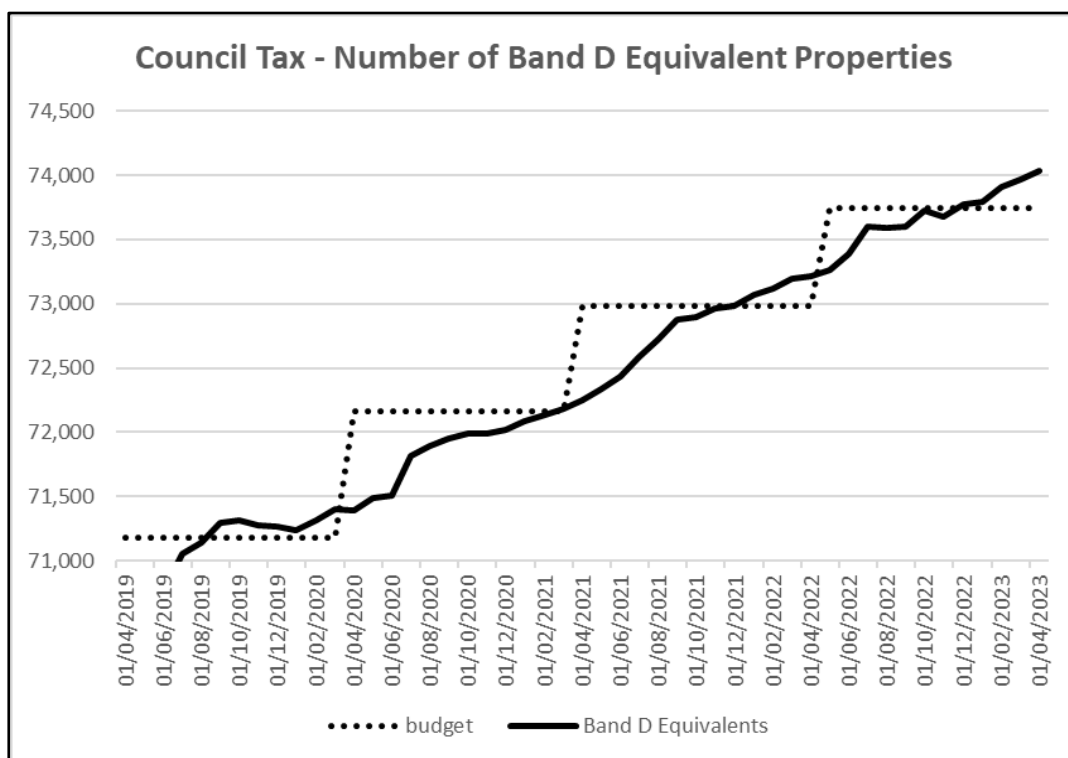
- 6.3 The amount of income the Council will generate from Council Tax is dependent on two main factors, firstly the collection levels and secondly, the number of Band D properties on the Valuation Roll.
- 6.4 Monitoring of Council Tax collection levels is carried out monthly. The following graph sets out collection performance to 31 March 2023 together with prior year comparative figures for the previous five financial years.



- 6.5 Between 2017/18 and 2021/22, the average collection figure to 31 March was 96.93%. The actual collection figure to 31 March 2023 was **97.95%** which is an increase of **1.02%** compared to the historical average and a **0.78%** increase on the comparable position in 2022.



- 6.6 Secondly, in setting the Council's Revenue Budget, assumptions are made on increases in the number of Band D equivalent properties. The graph set out below suggests that actual growth levels are in line with budget assumptions.



- 6.7 Given the 2022/23 collection rate that is set out at paragraph 6.5 above, as well as collection of historic debt, the latest projected outturn indicates that Council Tax income will be **£200,000** more than budget in the current year.

Council Tax Reduction Scheme

- 6.8 Council Tax Reduction is a statutory function and encouraging take up is a key responsibility for the Council, particularly when households are facing significant pressures on the cost of living.
- 6.9 The Council is currently supporting approximately 8,300 households across Perth and Kinross with the Council Tax Reduction Scheme with an average award of £16 per week. This results in a projected over spend on the Council Tax Reduction Scheme of approximately **£680,000**.

Non-Domestic Rates

- 6.10 The actual collection rate to 31 March 2023 was **97.91%**, compared to 94.29% for the same period in 2021/22.

Tayside Contracts

- 6.11 On 1 February 2023, the Finance & Resources Committee were updated on the financial challenges facing Tayside Contracts in 2022/23 (Report No. 23/30 refers). This update also advised that, should additional financial support be required, an Executive Sub-Committee of the Finance &

Resources Committee would be called to authorise funding to provide additional support.

- 6.12 The Executive Sub-Committee of the Finance & Resources Committee met on 22 March 2023 to receive the latest update on Tayside Contracts (Report No. 23/98 refers). As part of this update, approval was granted to apply up to **£1.1 million** of unearmarked Reserves to meet the Council's share (34%) of the projected losses of Tayside Contract's Facilities Division. This is now reflected in **Appendix 1** to this revenue monitoring report.

7. REVENUE MONITORING – OTHER REVENUE BUDGETS

Housing Revenue Account

- 7.1 The Housing Revenue Account is currently projected to **break even** in the current financial year. The main movements from the last update are summarised below and set out in **Appendix 4**.
- 7.2 Across the Housing Revenue Account, the projected outturn has increased by a net **£358,000**. The main movements arise from a reduction in staff slippage due to the back dated pay award and additional costs due to burst pipes which is partially offset by additional income.
- 7.3 As a result of the variances identified above Capital from Current Revenue will be reduced by **£358,000**.

Impact on Arm's Length External Organisations (ALEOs)

- 7.4 The Council continues to work closely with its three Arm's Length External Organisations (ALEOs) – Live Active Leisure (LAL), Horsecross Arts (Hx Arts) and Culture Perth & Kinross (CPK) who make an important contribution to the wellbeing of both citizens and visitors to Perth and Kinross.
- 7.5 As sole member and core funder of all three ALEOs, the Council has managed financial risk by maintaining normal monthly service level agreement payments to all three organisations to mitigate the impact of Covid-19. In addition, officers continue to work closely with all three ALEOs to understand the impact of Covid-19 more fully on service delivery.
- 7.6 To date, no significant financial issues have been identified relating to Culture Perth and Kinross or Horsecross Arts Ltd.
- 7.7 Live Active Leisure is currently projecting a deficit for 2022/23 but this will be funded from its own Reserves and therefore has no financial impact on the Council.
- 7.8 The long-term impact of Covid-19 on the Council's ALEOs across future financial years will be kept under review with updates provided to future meetings of the Finance & Resources Committee.

8. 2022/23 ADDITIONAL FUNDING

- 8.1 Since the 2022/23 Revenue Budget was updated on 1 February 2023 (Report No. 23/30 refers), the Council has been advised of additional funding for the current financial year from several sources. To ensure that the 2022/23 Management Budget continues to reflect the operational requirements of the Council, several adjustments are required, which are summarised below and included in **Appendix 1** and **Appendix 5**.

Scottish Government – Revenue Support Grant:

- Teachers Pay Award: £866,000 (Education & Children's Services)
 - Scottish Child Payment Bridging Payments: £71,000 (Corporate & Democratic Services (CDS))
 - Self-Isolation Assistance Service - £19,000 (CDS)
 - Project Unicorn: £5,000 (Communities)
- 8.2 The Scottish Government has advised that the increase in Revenue Support Grant identified above of **£961,000** will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust budgets for Education & Children's Services, Communities, Corporate & Democratic Services and Revenue Support Grant.
- 8.3 **ACTION:** The Council is asked to approve the adjustments set out at paragraph 8.2 which is reflected in **Appendix 1** (Column 3) to this report.

Other Funding

- 8.4 Other funding amounting to **£1.883 million** will be paid outside the Revenue Support Grant mechanism as Other Grant income and is, therefore, cost neutral in terms of the budget summary. Details of this funding is set out in **Appendix 5**.
- 8.5 **ACTION:** The Committee is asked to note the receipt of **£1.883 million** of additional resources, with this funding being reflected within Communities and Corporate & Democratic Services as additional grant income. The current projected outturn assumes that all these additional resources will be fully expended in 2022/23 or will be carried forward under the terms of the grant award.

9. 2022/23 VIREMENTS

Contribution to/from Capital Fund

- 9.1 In line with the strategy for managing the Council's Capital Programme over the medium term, it is recommended that the eventual over or under spend on Capital Financing Costs and Interest on Revenue Balances be transferred from or to the Capital Fund.
- 9.2 The latest monitoring indicates a reduction in the projected outturn for capital financing costs (loan charges) of **£15,000** based on the latest treasury

management activity and a reduction of **£79,000** in income from interest on revenue balances. This will result in a reduced Contribution to the Capital Fund of **£64,000** in the current financial year.

- 9.3 **ACTION:** The Committee is requested to approve the virement of **£15,000** from the Capital Financing Costs (Loan Charges) Budget and **£79,000** from Interest on Revenue Balances with a corresponding reduction in the projected Contribution to the Capital Fund. These adjustments have been reflected in **Appendix 1** (Column 4) to this report.

Service Virements

- 9.4 To ensure that the 2022/23 Management Revenue Budget continues to reflect current Service needs and operational requirements there are several virements that are reflected in **Appendix 1** (column 4) that have been processed in line with the Scheme of Administration.
- Communities to Capital Grant - **£30,000** – to reflect a rephasing of expenditure on Tactran capital projects - this funding will be reinstated in 2023/24.
 - Contribution to 2022/23 Pay Award to Education & Children's Services - **£3.056 million** – to reflect the additional cost of the pay award to teachers that was accepted in early March 2023.

10. 2022/23 MOVEMENTS IN RESERVES

Updated Financial Implications of Strike Action

- 10.1 The updated financial implications of the strikes that took place in January and February 2023 is currently estimated at **£1.289 million**. As advised at paragraph 5.6, the 2023/24 Revenue Budget that was approved on 1 March 2023 applied all these resources towards supporting the educational needs of children and young people in future years.
- 10.2 **ACTION:** The Committee is asked to approve the transfer of **£1.289 million** from Education & Children's Services to the earmarked Reserve for Children and Young People's Residential Care. This adjustment is reflected in **Appendix 1** (Column 5) to this report.

Works Maintenance

- 10.3 The Council has previously earmarked Reserves for maintenance works around the River Ercht. Approval is sought to transfer **£200,000** from the projected under spend in Communities in 2022/23 to carry out further remedial works.
- 10.4 **ACTION:** The Committee is asked to approve the transfer of **£200,000** from Communities to the Works Maintenance earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to this report.

Council Approved Expenditure

- 10.5 In setting the 2022/23 Revenue Budget in February 2022, the Council approved expenditure to fund several initiatives. For a variety of reasons including consultation and capacity issues, there has been slippage in the delivery of these projects that may result in the expenditure not being incurred in the current financial year. Projects totalling **£60,000** are set out at **Appendix 6**.
- 10.6 Should the Committee confirm that that the projects remain a priority for the Council then the balances set out in **Appendix 6** will be transferred to an earmarked Reserve to ensure that the funding is in place to ensure delivery. The final outturn for individual projects may change before the end of the financial year. Therefore, by agreeing the projects within **Appendix 6**, the Committee is confirming that the initiative remains a priority and that the final under spend will be earmarked within Reserves.
- 10.7 Should any of the projects no longer be a priority, the projected underspend would be available to support the financial management of the Council in both current and future financial years.
- 10.8 **ACTION:** the Committee is asked to confirm that the projects listed in **Appendix 6** remain a priority and that the final under spends, currently projected at **£60,000** are transferred to an earmarked Reserve to ensure delivery.

Property Maintenance

- 10.9 The Council's unearmarked Reserves includes provision for Property Maintenance works on cemeteries. Approval is sought to draw down **£34,000** to fund activity in 2022/23.
- 10.10 **ACTION:** the Committee is asked to transfer **£34,000** from the Property Maintenance earmarked Reserve to Corporate & Democratic Services to fund works on cemeteries. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Transformation Projects

- 10.11 Due to a rephasing of expenditure there is a requirement to adjust budgets for the following approved projects as follows:
- Perth and Kinross Offer - **£60,000** from the Chief Executive's Service
 - Modernising Performance - **£15,000** from the Chief Executive's Service
 - Low Carbon Initiatives - **£49,000** from Communities
 - Care at Home Mobile Technology - **£46,000** from Health & Social Care
 - Mental Health Officer Training - **£83,000** from Health & Social Care
- 10.12 **ACTION:** The Committee is asked to approve the transfers to the Transformation and Workforce Management earmarked Reserve set out at

paragraph 10.11 above. These adjustments are reflected in **Appendix 1** (Column 5) to the report.

Financial Insecurity / Tackling Poverty

- 10.13 In approving the earmarked Reserves on 1 March 2023, the Council was advised of a projected under spend on financial insecurity projects of **£650,000** (Report No 23/72 refers). Furthermore, there is now a projected under spend of **£30,000** on the funding approved by Council on 28 September 2022 in relation to Tackling Poverty and the Cost of Living (Report No. 22/252 refers). Approval is sought to transfer these under spends to the Financial Insecurity earmarked Reserve to be utilised in 2023/24.
- 10.14 **ACTION:** The Committee is asked to approve the transfer of **£680,000** from Corporate & Democratic Services and the Chief Executive's Service to the Financial Insecurity earmarked Reserve. These adjustments are reflected in **Appendix 1** (Column 5) to the report.

Culture

- 10.15 Approval is sought to draw down **£23,000** from the earmarked Reserve to support Culture to meet the costs of the Review of Libraries
- 10.16 **ACTION:** The Committee is asked to approve the transfer of **£23,000** from the earmarked reserve for Culture to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Revenue Grants

- 10.17 The Council received **£50,000** to support trauma informed practice in 2022/23. Approval is sought to transfer this to the Health & Social Care Partnership to take this forward.
- 10.18 **ACTION:** The Committee is asked to approve the transfer of **£50,000** from the earmarked reserve for Revenue Grants to Health & Social Care. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Council Tax Second Homes

- 10.19 Approval is sought to apply **£104,000** from the Council Tax Second Homes earmarked Reserve to fund activity in 2022/23.
- 10.20 **ACTION:** The Committee is asked to approve the transfer of **£104,000** from the Council Tax Second Homes earmarked reserve to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Community Investment Fund

- 10.21 On 1 February 2023, the Finance & Resources Committee were advised of the outcome of commitments made by individual ward panel areas (Report No. 23/35 refers). This resulted in a projected under spend of **£51,000** in

2022/23. Approval is sought to transfer this under spend to the Community Investment Fund earmarked Reserve for use in 2023/24.

- 10.22 **ACTION:** The Committee is asked to approve the transfer of **£51,000** from Communities to the Community Investment Fund earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Local Action Partnerships

- 10.23 Approval is sought to drawdown **£17,000** from the Local Action Partnerships earmarked Reserve to fund activity in 2022/23.
- 10.24 **ACTION:** The Committee is asked to approve the transfer of **£17,000** from the Local Action Partnerships earmarked Reserve to Communities. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Climate Change

- 10.25 Due to slippage and a rephrasing of activity there is a projected under spend of **£140,000** on climate change related budgets. Consistent with the Councils commitment to climate change, approval is sought to create an earmarked Reserve for climate change to allow for the movement of resources between financial years and that the final under spend in 2022/23 (currently projected at £140,000) is transferred to this earmarked Reserve.
- 10.26 **ACTION:** The Committee is asked to approve the creation of an earmarked Reserve for Climate Change and that the final under spend in 2022/23 (currently projected at £140,000) is transferred to this earmarked Reserve. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

Ventilation Measures

- 10.27 The Council has previously allocated resources to enhance ventilation measures, particularly around the installation of CO2 monitors across the learning estate. Approval is sought to transfer **£90,000** of this funding to earmarked Reserves to allow the work to be completed in 2023/24.
- 10.28 **ACTION:** The Committee is asked to approve the transfer of **£90,000** from Corporate & Democratic Services to earmarked Reserves to complete the installation of CO2 monitors. This adjustment is reflected in **Appendix 1** (Column 5) to the report.

11. ADJUSTMENTS TO 2023/24 REVENUE BUDGET

2023/24 Additional Funding

- 11.1 Since the 2023/24 Revenue Budget was approved on 1 March 2023 (Report No. 23/72 refers), the Council has been advised of additional funding in 2023/24 from the Scottish Government as follows. To ensure that the 2023/24 Management Budgets continue to reflect the operational

requirements of the Council, several adjustments are required, which are summarised below and included in **Appendix 7**.

Revenue Support Grant

- Living Wage: £3.035 million (Health & Social Care - £2.905 million, Communities - £130,000)
- Discretionary Housing Payment: £822,000 (Corporate & Democratic Services)
- Reduction in Funding: £135,000

Ring-Fenced Grant

- Early Learning Centre Reduction: reduction of £4,000 (Education & Children's Services)

11.2 The Scottish Government has advised that the adjustment in funding identified at 11.1 will be made through a redetermination of the Council's Revenue Support Grant. It is therefore necessary to adjust the budgets for Education & Children's Services, Communities, Corporate & Democratic Services, Health & Social Care, Revenue Support Grant and Ring-Fenced Grant.

11.3 **ACTION:** The Committee is asked to approve the adjustments set out at paragraph 11.2 above. These adjustments are reflected in **Appendix 7** (Column 2) to this report.

2023/24 Service Virements

11.4 To ensure that the 2023/24 Management Revenue Budget continues to reflect current Service needs and operational requirements the following virements between budgets are required.

- Capital Grant to Communities (£30,000) to reflect a rephasing of expenditure on Tactran capital projects – this is brought forward from 2022/23

2023/24 Movements in Reserves

Transformation Projects

11.5 Due to the rephasing of expenditure identified in paragraph 10.11 above, approval is sought to draw down this funding to take forward the following approved projects in 2023/24:

- Perth and Kinross Offer - **£60,000** to the Chief Executive's Service
- Modernising Performance - **£15,000** to the Chief Executive's Service
- Low Carbon Initiatives - **£49,000** to Communities
- Care at Home Mobile Technology - **£46,000** to Health & Social Care
- Mental Health Officer Training - **£83,000** to Health & Social Care

- 11.6 **ACTION:** The Committee is asked to approve the transfers from the Transformation and Workforce Management earmarked Reserve listed in 11.7 above. These adjustments are reflected in **Appendix 6** (Column 4) to this report.

Council Approved Expenditure

- 11.7 Approval is sought to apply funding to the Council approved projects identified at paragraph 10.8 and **Appendix 6** to 2023/24 to ensure that they are delivered.
- 11.8 **ACTION:** The Committee is asked to approve the adjustments set out at paragraph 11.9 above and **Appendix 6** in 2023/24. These adjustments are reflected in **Appendix 7** (Column 4) to this report.

Revenue Grants

- 11.9 The Council received **£50,000** to support trauma informed practice in 2023/24. Approval is sought to transfer this to the Health & Social Care Partnership to take this forward.
- 11.10 **ACTION:** The Committee is asked to approve the transfer of **£50,000** from the earmarked reserve for Revenue Grants to Health & Social Care. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

Community Investment Fund

- 11.11 Approval is sought to apply the 2022/23 projected under spend of **£51,000** on the Community Investment Fund identified in paragraph 10.22 to 2023/24.
- 11.12 **ACTION:** The Committee is asked to approve the transfer of **£51,000** from the Community Investment Fund earmarked Reserve to Communities. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

Ventilation Measures

- 11.13 Approval is sought to apply **£90,000** from earmarked Reserves to complete the installation of CO2 monitors across the learning estate – see paragraph 10.29.
- 11.14 **ACTION:** The Committee is asked to approve the transfer of **£90,000** from Corporate & Democratic Services to earmarked Reserves to complete the installation of CO2 monitors. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

Additional Support for Young People

- 11.15 As advised earlier in this report, the updated financial implications of the strikes that took place in 2022/23 was £1.289 million. This was **£250,000** more than the amount used in setting the 2023/24 Revenue Budget on 1

March 2023. On the basis that the proposal at paragraph 10.6 is agreed, this funding will sit in earmarked Reserves on 31 March 2023.

- 11.16 Consistent with the position agreed by the Committee on 1 February 2023, it is proposed that this additional funding of **£250,000** is applied to supporting the educational needs of children and young people.
- 11.17 This investment will support the development of the workforce by providing professional learning and specialist qualifications for teaching and support staff in intensive support provisions. Specifically for teachers of children and young people with hearing and visual impairment across all sectors, for outreach teachers who support children with emotional and behavioural needs and additional support needs in our primary schools, and for principal teachers (support for learning) in secondary schools. It will all also assist with the provision of resources for children and young people with complex needs or a disability across the Council.
- 11.18 **ACTION:** The Committee is asked to approve the transfer of **£250,000** from earmarked Reserves to Education & Children's Services to provide additional support for young people. This adjustment is reflected in **Appendix 7** (Column 4) to the report.

12. CONCLUSION

- 12.1 Currently, a projected under spend of **£860,000** has been identified in the current financial year.
- 12.2 The financial position of the Council and its partners and ALEOs remains challenging and regular updates will be provided to the Council and the Finance & Resources Committee as the position develops.

Author(s)

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APPROVED

Name	Designation	Date
Stewart Mackenzie	Head of Finance	31 March 2023
Karen Donaldson	Chief Operating Officer	3 April 2023

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	Yes
Asset Management (land, property, IST)	Yes
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

Corporate Plan

- 1.1 The Council's Corporate Plan 2022 – 2027 lays out seven outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- Tackling poverty
- Tackling climate change and supporting sustainable places
- Growing a sustainable and inclusive local economy
- Enabling our children and young people to achieve their full potential
- Protecting and caring for our most vulnerable people
- Supporting and promoting physical and mental wellbeing
- Placing communities at the heart of how we work

- 1.2 This report relates to all these objectives.

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

Workforce

- 2.2 There are no direct workforce implications arising from this report other than those reported within the body of the main report.

Asset Management (land, property, IT)

- 2.3 There are no direct asset management implications arising from this report other than those reported within the body of the main report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council must discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

Internal

- 4.1 The Executive Leadership Team have been consulted in the preparation of this report.

2. BACKGROUND PAPERS

- 2.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

- Appendix 1 – 2022/23 Management Budget
- Appendix 2 – General Fund 2022/23 Projected Outturn – Service Analysis
- Appendix 3 – Perth & Kinross Integration Joint Board
- Appendix 4 – Housing Revenue Account 2022/23 Projected Outturn
- Appendix 5 – Revenue Grants
- Appendix 6 – Council Approved Projects
- Appendix 7 – 2023/24 Management Budget