

Public Document Pack



COTSWOLD
District Council

Wednesday, 26 March 2025

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CABINET

A meeting of the Cabinet will be held in the Council Chamber - Council Offices, Trinity Road, Cirencester, GL7 1PX on **Thursday, 3 April 2025 at 6.00 pm.**

Rob Weaver
Chief Executive

To: Members of the Cabinet

(Councillors Joe Harris, Mike Evemy, Claire Bloomer, Paul Hodgkinson, Juliet Layton, Mike McKeown and Tristan Wilkinson)

Recording of Proceedings – The law allows the public proceedings of Council, Cabinet, and Committee Meetings to be recorded, which includes filming as well as audio-recording. Photography is also permitted.

As a matter of courtesy, if you intend to record any part of the proceedings please let the Committee Administrator know prior to the date of the meeting.

Cotswold District Council, Trinity Road, Cirencester, Gloucestershire, GL7 1PX
Tel: 01285 623000 www.cotswold.gov.uk

AGENDA

1. **Apologies**

To receive any apologies for absence. The quorum for Cabinet is 3 members.

2. **Declarations of Interest**

To receive any declarations of interest from Members and Officers, relating to items to be considered at the meeting.

3. **Minutes** (Pages 5 - 14)

To approve the minutes of the previous meeting of Cabinet held 10 March 2025.

4. **Leader's Announcements**

To receive any announcements from the Leader of the Council.

5. **Public Questions**

To deal with questions from the public within the open forum question and answer session of fifteen minutes in total. Questions from each member of the public should be no longer than one minute each and relate to issues under the Cabinet's remit. At any one meeting no person may submit more than two questions and no more than two such questions may be asked on behalf of one organisation.

The Leader will ask whether any members of the public present at the meeting wish to ask a question and will decide on the order of questioners.

The response may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

6. **Member Questions**

No Member Questions have been submitted prior to the publication of the agenda.

A Member of the Council may ask the Leader or a Cabinet Member a question on any matter in relation to which the Council has powers or duties or which affects the Cotswold District. A maximum period of fifteen minutes shall be allowed at any such meeting for Member questions.

A Member may only ask a question if:

- a) the question has been delivered in writing or by electronic mail to the Chief Executive no later than 5.00 p.m. on the working day before the day of the meeting; or
- b) the question relates to an urgent matter, they have the consent of the Leader to whom the question is to be put and the content of the question is given to the Chief Executive by 9.30 a.m. on the day of the meeting.

An answer may take the form of:

- a) a direct oral answer;
- b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

7. **Schedule of Decisions taken by the Leader of the Council and/or Individual Cabinet Members** (Pages 15 - 18)

To note the decisions taken by the Leader and/or Individual Cabinet Members since the agenda for Cabinet 10 March 2025 was published. The following non-key decisions have been taken by individual Cabinet Members under delegated authority:

1. Deputy Leader and Cabinet Member for Finance and Transformation
Decision meeting 3 March 2025 – Funding decisions Bourton-on-the-Water Tourism Levy 2024/2025.
Non-key decision taken by the Deputy Leader and Cabinet Member for Finance and Transformation on 3 March 2025

Date decision effective: 13 March 2025
Decision notice attached as Appendix 1

2. Cabinet Member for Health, Culture and Visitor Experience
Decision Meeting 14 March 2025 – Variations approval to the Council's Off-Street parking Order for The Chippings car park
Non-key decision taken by the Cabinet Member for Health, Culture and Visitor Experience.

Date decision effective: 27 March 2025
Decision notice attached as Appendix 2

8. **Issue(s) Arising from Overview and Scrutiny and/or Audit and Governance**

To receive any recommendations from the Overview and Scrutiny Committee and to consider any matters raised by the Audit and Governance Committee.

9. **Financial Performance Report 2024-25 Quarter Three** (Pages 19 - 60)

Purpose

This report sets out the third budget monitoring position for the 2024/25 financial year.

Recommendations

That Cabinet resolves to:

1. Review and notes the financial position set out in this report.
2. Approve the transfer of the improved surplus (£0.435m) to the Financial Resilience Reserves, as set out in Paragraph 4.7 of the report.
3. Approve the revised Capital Programme of £7.550m including additional expenditure of £0.238m on Disabled Facilities following the allocation of additional Disabled Facilities Grant funding provided by Gloucestershire County Council. (para 2.10).

(END)

Cabinet
10/March2025



COTSWOLD
District Council

Minutes of a meeting of Cabinet held on Monday, 10 March 2025

Members present:

| | |
|---------------|-------------------|
| Mike Evely | Mike McKeown |
| Juliet Layton | Tristan Wilkinson |

Officers present:

| | |
|--|---|
| Alison Borrett, Senior Performance Analyst | Nickie Mackenzie-Daste, Senior Democratic Services Officer |
| Michelle Burge, Chief Accountant | Gemma Moreing, Business Information Lead |
| Angela Claridge, Director of Governance and Development (Monitoring Officer) | Cheryl Sloan, Business Manager - Business Continuity, Governance and Risk |
| Paul James, Economic Development Lead | Robert Weaver, Chief Executive |

Observers:

Beth Boughton

68 Apologies

Apologies were received from:

Councillor Harris, Councillor Bloomer, Councillor Hodgkinson.

69 Declarations of Interest

There were no declarations of interest from Members.

70 Minutes

The minutes of the meeting held on 6 February 2025 were considered. There were no amendments to the minutes.

Proposed by Councillor Mike Evely
Seconded by Councillor Juliet Layton

RESOLVED that the minutes of the meeting of Cabinet held on 6 February 2025 be approved as a correct record.

Voting record:

2 For, 0 Against, 2 Abstain.

| RESOLVED that the minutes of the meeting of Cabinet held on 6 February 2025 were approved as a correct record. (Resolution) | | |
|--|------------------------------------|---|
| For | Mike Every and Juliet Layton | 2 |
| Against | None | 0 |
| Conflict Of Interests | None | 0 |
| Abstain | Mike McKeown and Tristan Wilkinson | 2 |
| Carried | | |

71 Leader's Announcements

The Leader had made apologies. The Deputy Leader, and Chair for the meeting had no announcements.

72 Public Questions

There were no public questions.

73 Member Questions

There were no member questions.

74 Schedule of Decisions taken by the Leader of the Council and/or Individual Cabinet Members

There were two Cabinet Member decisions to report to Cabinet since Cabinet last met on 6 February 2025.

Cabinet Member Delegated Decision 1.

The Cabinet Member for Housing and Planning participated in a decision meeting on 13 February 2025 regarding the progression of the Cirencester Neighbourhood Plan to public consultation.

The Cabinet Member considered the recommendations within the report and resolved to AGREE that the submitted documents met the requirements of Regulation 15 of the Neighbourhood Planning Regulations 2012 and RESOLVED that the Council should launch the statutory 'Regulation 16' consultation period for the standard six-week period.

This decision was effective on 24 February 2025.

Cabinet member Delegated Decision 2.

The Cabinet Member for Health, Culture and Visitor Experience Decision participated in a decision meeting on 25 February 2025 regarding the de-accession of artefacts from Corinium Museum.

The Cabinet Member considered the recommendations within the report and RESOLVED to DISPOSE of the three items through deaccession:

- LB528 Swathe-Turner
- LO X093 Eastbury Christening Gowns
- Sly Collection – comprising a number of hats

This decision was effective on 6 March 2025.

RESOLVED that the Cabinet NOTED the two decisions taken.

75 Decision taken under the Chief Executive's urgency powers

The purpose of the report was for Cabinet to note a decision taken by the Chief Executive Officer under urgency powers.

The Chief Executive introduced the item and explained that urgency powers were used due to tight deadlines that prevented the Local Development Scheme from being presented to Cabinet.

The decision was deemed necessary to submit the Local Development Scheme to the Ministry of Housing, Communities and Local Government (MHCLG) by the 6 March deadline. The submission outlined the planning reports and policies that Cotswold District Council intended to develop and implement over the coming years and would serve as a timetable for key policy documents.

The urgency powers were used to meet this deadline, and the decision was cleared by the Vice Chair of the Overview and Scrutiny Committee, the Leader of the Opposition, and the Leader of the Council.

Following questions about the timing of the submission and the availability of grant funding, the Chief Executive confirmed that the timescales set out were achievable with existing resources and promised to provide further clarification on the submission timing.

Councillors praised the progress made, highlighting the importance of engagement and supplementary planning documents. They emphasised the need for more retail premises in Cirencester Town Centre due to decreasing vacancy rates and noted the town's thriving economy. It was also suggested that encouraging business diversity would strengthen the town's resilience.

The Chief Executive noted that a public consultation was scheduled for the summer.

RESOLVED:

That Cabinet noted the decision taken by the Chief Executive under his urgency powers as set out in Annex A.

76 Issue(s) Arising from Overview and Scrutiny and/or Audit and Governance

The recommendations made by the Overview and Scrutiny Committee of 03 March 2025 were specifically related to two items on the agenda:

Recommendations regarding the Publica Transition Plan – Phase 2

1. That consideration be given to what Phase 3 of the Publica Transition may look like in view of local government reorganisation.
2. That the Council undertakes an annual review of the Publica Transition.
3. That consideration is given to wider communications about the Publica Transition to the public and town and parish councils following the pre-election period for the County Council elections.

Recommendations regarding the Q3 Service Performance Report

1. That a review is undertaken of the performance indicators used to measure the waste collection service with a view to supplying the Overview and Scrutiny Committee with additional data (already collected/measured by Ubico) that gives a more accurate picture of collection performance.

The Deputy Leader asked Cabinet to note that it was intended to raise these recommendations when the respective items were discussed later in the agenda. Cabinet agreed to note the recommendations and consider them during the discussion of the relevant items.

No issues were raised by the Audit and Governance Committee for consideration.

77 Ubico Business Plan 2025/2026

The purpose of the report was to consider the draft Ubico Business Plan 2025-2026, produced by Ubico in consultation with the Directors and Shareholders, and to recommend that the Leader, as shareholder representative, approve the plan.

Beth Boughton, Managing Director of Ubico presented the Ubico Business Plan for 2025–26 to Cabinet. The plan required approval from the majority of shareholders, including Cotswold District Council.

The plan had previously been considered by Cabinet Members in December 2024 and again at an all-member briefing in February.

Once all partner councils had completed their review processes, a written resolution would be issued for shareholder sign-off.

The complexity of the current environment, citing financial uncertainty, fleet replacement needs, and past service disruptions due to staff sickness was acknowledged. The Cabinet Member for Economy and Environment expressed confidence in the plan, describing it as a stable foundation for Ubico's future. Clarity was sought as to the expected timeline for sign-off across councils. Officers confirmed that the process was on track for completion by late April, or early May 2025.

Financial concerns were raised regarding the £8.9 million of expenditure on waste and recycling services and the Council's financial challenges. Progress on the £300,000 savings target in street services was requested, with assurance sought on efficiency improvements. It was confirmed that a review was underway, and data collection would guide potential service changes.

The discussion covered the 'customer journey project,' with concerns about reporting delays and missed bin collections. While Publica handled customer interactions, Ubico was working on digitising processes to improve communication. Councillors suggested a Saturday overtime shift to address missed Friday collections.

It was confirmed that a standalone trade waste service had been considered but not pursued due to market saturation and logistical challenges. Ubico was commended for its emergency response efforts in local communities.

Fleet decarbonisation was discussed as key to reducing the Council's carbon footprint and financial costs. A costed plan for a smooth transition, especially with local government reorganisation, was emphasised. The Managing Director confirmed Ubico's work with Gloucestershire's climate leadership group on infrastructure needs and the trial of electric HGVs since August, with operational data to guide future fleet decisions.

The discussion concluded with a request for better coordination between Ubico and Publica to improve reporting accuracy on waste collection, especially for green bins.

RESOLVED that Cabinet:

1. Noted the draft Ubico Business Plan 2025-2026, and
2. Noted that the Leader of the Council, as shareholder representative, would sign the written resolution to approve the draft Ubico Business Plan 2025-2026 in due course and before the deadline of 28 April 2025.

78 Publica Transition Plan Phase 2

The purpose of the report was to consider the Publica Transition Plan Phase 2 Transition Plan, to note its content, and to approve the recommendations therein.

It was noted that the Plan had already been presented to Overview and Scrutiny and that a final decision was to be made at Council on 19 March 2025.

The Chief Executive Officer highlighted the key differences in Phase 2, particularly the reduced number of services being transitioned due to local government reorganisation and financial priorities. Waste, leisure, project management, and property and assets were identified as key areas for transition. It was confirmed that staff communication had been ongoing, and lessons learned from Phase 1, particularly regarding communications, had been applied. The complexity of Phase 2 was noted due to fragmented (i.e. shared) roles across multiple councils.

The Deputy Leader emphasised the rationale for the transition, citing improved focus on Council priorities, clearer performance measurement, and greater agility in service delivery. Financial implications were acknowledged but the transition seen as important for future efficiency and savings.

Cabinet Members highlighted improved staff morale and the benefits of direct Council management following Phase 1 implementation. Optimism about a potential Phase 3 was expressed.

Cabinet reviewed and noted three recommendations put forward by the Overview and Scrutiny Committee. The recommendations included linking Phase 3 considerations to local government reorganisation, conducting an annual review, and giving consideration to wider communications about the Publica Transition to the public and town and parish councils. Cabinet approved the responses to the recommendations that had been circulated at the meeting.

Proposed by: Councillor Mike Every

Seconded by: Councillor Juliet Layton

RESOLVED that Cabinet recommended to Full Council to:

1. Approve the implementation of Phase 2 of the Publica Transition based on the Phase 2 Transition Plan;
2. Delegate to the Chief Executive in consultation with the Leader of the Council the decision to deal with any final detail matters arising from the Phase 2 Transition Plan;
3. Delegate authority to the Director of Governance in liaison with the Leader to update the constitution by making any consequential changes required as a result of Phase 2 of the Publica Transition.
4. Carry out a budget re-basing for the 2026/7 financial year so that the funding provided to Publica is proportionate to the services received.

Voting Record:

4 For, 0 Against, 0 Abstain

RESOLVED that Cabinet recommend to Full Council to

- 1. Approve the implementation of Phase 2 of the Publica Transition based on the Phase 2 Transition Plan;**
 - 2. Delegate to the Chief Executive in consultation with the Leader of the Council the decision to deal with any final detail matters arising from the Phase 2 Transition Plan;**
 - 3. Delegate authority to the Director of Governance in liaison with the Leader to update the constitution by making any consequential changes required as a result of Phase 2 of the Publica Transition.**
 - 4. Carry out a budget re-basing for the 2026/7 financial year so that the funding provided to Publica is proportionate to the services received.**
- (Resolution)**

| | | |
|-----------------------|---|---|
| For | Mike Evemy, Juliet Layton, Mike McKeown and Tristan Wilkinson | 4 |
| Against | None | 0 |
| Conflict Of Interests | None | 0 |
| Abstain | None | 0 |
| Carried | | |

79 Green Economic Growth Strategy outcome of consultation

The purpose of the report, introduced By Councillor Tristan Wilkinson, Cabinet Member for Economy and Environment, was to update Cabinet on the results of the consultation on the refreshed Green Economic Growth Strategy and to propose adoption of the strategy following minor amendments.

It was noted that the new strategy supported the Council's core agenda and built on the success of the 2020-2024 strategy. The importance of having a specific forward plan to bring vibrancy, diversity, and collaboration among organisations was emphasised. Local businesses showed strong passion, and the Council aimed to support them in reaching their full potential. A recent consultation received limited responses, but those that did mentioned the Together Gloucestershire Initiative, which encouraged local spending. The Council supported a bid by Together Gloucestershire to the strategic economic development fund, approved by the City Regional Board. Acknowledging the difficult time for local businesses, a discussion on resilience highlighted the need for stability and continuity. Positive aspects of local businesses were discussed, with Cirencester's occupancy rates among the best in the country. Optimism about the long-term prospects for the Cotswolds and Gloucestershire was expressed, with the Missing Link A417 and the Royal Agricultural University (RAU)'s Innovation Village proposal being noted. Ongoing discussions with the RAU about their vision were encouraged.

Councillor Wilkinson publicly praised the Economic Development Lead for representing the Council excellently to local businesses, showcasing trustworthiness, passion, and

authority. His role in securing external funding for community benefit was also commended. The recent Drive and Thrive event, focused on sustainable growth, was highlighted as a successful initiative involving local businesses and partners. The importance of Cotswold Lakes for tourism and leisure was noted. The need for good bus services to support local businesses and infrastructure as part of a green growth strategy was highlighted.

The Deputy Leader commended Councillor Wilkinson, Councillor Tony Dale and the Economic Development Lead and for their work. The strategy was brought to Cabinet for agreement.

Proposed by Councillor Tristan Wilkinson
Seconded by Councillor Mike McKeown

RESOLVED that Cabinet

1. Noted the results of the consultation on the Green Economic Growth Strategy 2025-29.
2. Agreed to adopt the strategy subject to the changes set out in Section 4 of the report.
3. Delegated authority to the Chief Executive, in consultation with the Cabinet Member for the Economy and Environment, to make final amendments to the strategy before publication.

Voting Record:

4 For, 0 Against, 0 Abstain.

RESOLVED that Cabinet:

- 1. Noted the results of the consultation on the Green Economic Growth Strategy 2025-29.**
- 2. Agreed to adopt the strategy subject to the changes set out in Section 4 of the report.**
- 3. Delegated authority to the Chief Executive, in consultation with the Cabinet Member for the Economy and Environment, to make final amendments to the strategy before publication. (Resolution)**

| | | |
|-----------------------|---|---|
| For | Mike Evemy, Juliet Layton, Mike McKeown and Tristan Wilkinson | 4 |
| Against | None | 0 |
| Conflict Of Interests | None | 0 |
| Abstain | None | 0 |
| Carried | | |

80 Service Performance Plan 2024/25 Quarter 3

The purpose of the report was to provide an update on progress on the Council's priorities and service performance.

The Chief Executive introduced the Service Performance Plan, which had been pre-reviewed by the Overview and Scrutiny Committee on 3 March. The Committee had recommended a review of the performance indicators used to measure the waste collection service, with a view to providing additional data to give a more accurate picture of collection performance.

The Business Information and Performance team were thanked for their hard work in collating the information and provided an overview of the highlights and lowlights from the report.

Highlights included:

- the successful transition of employees during Phase 1 of the Publica transition,
- the launch of a retrofit support service,
- the second round of the Unsung Heroes Awards, and
- the first campaign associated with the Low-Income Family Tracker (LIFT) software.
- high customer satisfaction,
- planning applications determined within agreed timescales, and
- an increase in gym memberships and visits to the Leisure Centre.

However, some areas had not met targets, such as

- the number of affordable homes delivered during Q3, which was affected by bad weather and project rephrasing.
- the number of missed bin collections exceeded the target in Q3, although there was a notable reduction compared to Q2. It was noted that the adjusted scheduling during the Christmas period had contributed to a rise in missed collections in December.

Suggestions were made to monitor additional data, including planning enforcement. The Chief Executive agreed to discuss this with the team.

Officers involved in the electric vehicle charge point roll-out were thanked. Progress on planning and affordable housing was noted, and the importance of enforcement and infrastructure improvements was emphasised.

A slight decline in business rates payments was noted, along with a decrease in the percentage of household waste recycled, which was part of a national trend.

A discrepancy in the residual waste per household figures was pointed out and further investigation was requested.

The response (circulated at the meeting) to the Overview and Scrutiny Committee's recommendation for a review of performance indicators used to measure waste collection, with the aim of providing additional data for a more accurate picture of performance, was agreed.

Cabinet also requested that officers continue to explore route-level real-time reporting to highlight repeated challenges in the waste service.

Cabinet
10/March2025

Cabinet RESOLVED to

1. Note overall progress on the Council priorities and service performance for 2024-2025 Q3.

The Meeting commenced at 6.00 pm and closed at 7.25 pm



Cabinet – 03 April 2025

Appendix 1:

SCHEDULE OF DECISION(S) TAKEN BY THE LEADER OF THE COUNCIL AND/OR INDIVIDUAL CABINET MEMBERS

Note:

- Any decision that is still subject to call-in by the Overview and Scrutiny Committee is marked with the expiry date of call-in at the standard close of business time of 5pm.
- Further information on the decision taken and the webcast link can be found within the hyperlink for each 'subject'.

| Cabinet Member | Meeting date | Subject | Decision(s) |
|---|------------------|---|--|
| Deputy Leader and Cabinet Member for Finance and Transformation – Councillor Mike Evemy | 03 March 2025 | Cabinet Member Decision Meeting 3 March 2025. | <p>The Deputy Leader and Cabinet Member for Finance and Transformation considered the recommendations within the report and resolved to APPROVE the recommendations therein to fund</p> <ol style="list-style-type: none">the replacement of the George Moore Bridge railings andthe first responder kit. <p>The details, numbers, and quotes listed in paragraph 4.1 of the report, with the total cost estimated at just under £5,300 were noted.</p> <p>It was emphasized that this expenditure would be covered by the estimated £12,000 remaining from the budgeted income for the financial year.</p> <p>Additionally, the Deputy Leader and Cabinet Member for Finance and Transformation agreed to delegate the authority for any additional expenditure to David Stanley, the Deputy Chief Executive, in consultation with himself, as mentioned in paragraph 4.2 of the report. This delegation accounted for potential fluctuations in project costs, avoiding the need for further decision meetings.</p> <p>*Subject to Overview and Scrutiny call-in. Closing Date for Call-in: 12 March 2025. Action embargoed until: 13 March 2025.</p> |

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Notification of Draft
Decisions Friday, 14 March 2025

**Notice of Draft
Decisions of Cabinet Member for Health, Culture and Visitor Experience
Decision Meeting -
Friday, 14 March 2025**

1. Cabinet Member Introductions

2. Declarations of Interest

There were no declarations of interest from the Cabinet Member.

3. Officer Overview of the Report

The Parking Projects and Contracts Officer introduced the report. Approval was being sought to agree a variation to the Council's Off-Street Parking Order for the Chippings car park situated in Tetbury.

It was clarified that Cotswold District Council manages The Chippings Car Park, Tetbury on behalf of a local charity, the Feoffees of Tetbury, who had instructed the Council to increase parking charges from April 1, 2025, to sustain funding for local groups. The charges had remained unchanged for years and if approved the decision would be added to other Parking Order variations already agreed.

4. Confirmation of Comments

Councillor Hodgkinson asked the Parking Projects and Contracts Officer to clarify the relationship between Cotswold District Council and the Feoffees. It was confirmed that the Feoffees, a Tetbury-based charity, own the car park, while Cotswold District Council manages it. The Feoffees use funds from the car park's pay-and-display machines to support local projects, including schools, charities, and sports clubs. They had not raised charges for years but felt the cost-of-living crisis justified an increase. It was also clarified that the fee increase was separate from the Council's own car park charges.

5. Public Questions

There were no public questions.



Notification of Draft
Decisions Friday, 14 March 2025

6. Cabinet Member Questions

No Cabinet Member questions were received.

7. Decision

The Cabinet member for Health, Culture and Visitor Experience considered the recommendations and RESOLVED to approve the variation to the Parking Order for the Chippings Car Park.

Reason for the Decision of the Cabinet Member for Health, Culture and Visitor Experience

The Cabinet Member noted that the approval requests had followed due process and that non-approval or deferral of the recommendation would result in the charity limiting its options to support the local community.

ACTIONS BY:

Fiona Woodhouse, Parking and Contracts Manager

Email: Fiona.woodhouse@publicagroup.uk

Date of Publication: 17 March 2025

Closing date for Call-In: 25 March 2025

Action Embargoed Until: 27 March 2025



| | |
|----------------------------|---|
| Council name | COTSWOLD DISTRICT COUNCIL |
| Name and date of Committee | CABINET – 03 APRIL 2025 |
| Subject | FINANCIAL PERFORMANCE REPORT – Q3 2024/25 |
| Wards affected | All |
| Accountable member | Cllr Mike Every, Deputy Leader and Cabinet Member for Finance and Transformation Email: mike.every@cotswold.gov.uk |
| Accountable officer | David Stanley, Deputy Chief Executive and Section 151 Officer Email: david.stanley@cotswold.gov.uk |
| Report author | David Stanley, Deputy Chief Executive and Section 151 Officer Email: david.stanley@cotswold.gov.uk |
| Summary/Purpose | This report sets out the third budget monitoring position for the 2024/25 financial year. |
| Annexes | Annex A – Capital Programme Outturn Forecast Annex B – Non-Treasury Management Prudential Indicators |
| Recommendation(s) | That Cabinet resolves to: <ol style="list-style-type: none"> 1. Review and notes the financial position set out in this report. 2. Approve the principle to transfer of the improved surplus (£0.435m) to the Financial Resilience Reserves, as set out in Paragraph 4.7 of the report. 3. Approve the revised Capital Programme of £7.550m including additional expenditure of £0.238m on Disabled Facilities following the allocation of additional Disabled Facilities Grant funding provided by Gloucestershire County Council. (Paragraph 2.10) |
| Corporate priorities | <ul style="list-style-type: none"> • Delivering Good Services |
| Key Decision | YES |



COTSWOLD
District Council

| | |
|-----------------------------|------|
| Exempt | NO |
| Consultees/ Consultation | None |



1. BACKGROUND

- 1.1** This report provides members with the third outturn forecast and monitoring position statement for the 2024/25 financial year.
- 1.2** The purpose of this report is to notify members of any significant variations to budgets identified in the second quarterly budget monitor exercise, highlight any key financial issues, and to inform members of options and further action to be taken.
- 1.3** In common with the almost all local authorities, the council faces several external budget pressures that are impacting on its finances over the medium-term. Whilst inflation has fallen back over the course of the calendar year, there remains uncertainty around interest rates and inflationary pressures in the current financial year which exert an influence over the Council's budget both directly and indirectly.

2. EXECUTIVE SUMMARY

- 2.1** This report sets out the outturn forecast for the financial year informed by Q3 budget monitoring.
- 2.2** Based on the budget monitoring exercise undertaken for Q3 and an assessment of the risks and uncertainties facing the Council, the outturn forecast is an adverse variation of £0.081m. This is a marked improvement on the Q2 forecast (adverse variation of £0.297m) which will provide the opportunity additional financial sustainability over the MTFS-period.



Table ES1 – Revenue Budget Outturn Forecast (Q3)

| | 2024/25 Latest Net Budget (£'000) | 2024/25 Actuals to Q3 (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|--|--|-------------------------------------|---|---|
| Revenue Budget | | | | |
| Subtotal Services | 18,140 | 12,049 | 18,591 | 451 |
| Less: Reversal of accounting adjustments | (1,778) | | (1,778) | 0 |
| Revised Subtotal Services | 16,362 | 12,049 | 16,813 | 451 |
| Corporate Income & Expenditure | (1,301) | (1,442) | (1,671) | (370) |
| Provisions and Risk Items | 0 | 0 | 0 | 0 |
| Net Budget Requirement | 15,061 | 10,607 | 15,142 | 81 |
| Funded by: | | | | |
| Council Tax | (6,597) | | (6,597) | 0 |
| Retained Business Rates | (5,014) | | (5,014) | 0 |
| Government Funding - Grants | (3,206) | | (3,206) | 0 |
| Government Funding - NHB | (287) | | (287) | 0 |
| Collection Fund (surplus) / Deficit | (473) | | (473) | 0 |
| TOTAL Funding | (15,577) | 0 | (15,577) | 0 |
| Budget shortfall/(surplus) | (516) | | (435) | 81 |



Table ES2 – Revenue Budget – Reconciliation of variations (Q3)

| Variations at a glance | Positive variation (£'000) | Adverse Variation (£'000) | Q2 Outturn Variance (£'000) | Movement from Q2 (£'000) |
|--|----------------------------|---------------------------|-----------------------------|--------------------------|
| Service Variations | | | | |
| Fees & Charges | (85) | 120 | 73 | (38) |
| Car Parks (Fines and Permits) | | 87 | 95 | (8) |
| Car Park (EVCP income) | (14) | | 0 | (14) |
| Car Park Expenditure | (71) | 36 | 0 | (35) |
| Commercial Property - Rental income shortfall | | 176 | 100 | 76 |
| Elections | | 88 | 72 | 16 |
| Development Management | | | | 0 |
| Development Management Fees | (47) | | (120) | 73 |
| Development Management Appeals | (20) | | (14) | -6 |
| Forward Planning Consultancy | | 25 | | 25 |
| Trinity Road, service charges and utilities | (87) | 22 | (37) | (28) |
| Ubico Forecast | | 71 | 56 | 15 |
| Mobilisation costs - rezoning of Waste and Recycling | | 50 | 50 | (0) |
| Recycling Income - Scrap | | 18 | | 18 |
| Recycling - Minor Contracts | (38) | | | (38) |
| Garden Waste - Printing | | 16 | | 16 |
| South Cerney Depot - Repairs | | 12 | | 12 |
| Cotswold Crowdfund | (30) | | | (30) |
| Public Conveniences (Cleaning Contract) | | 18 | | 18 |
| Housing Strategy Role (not shared) | | 41 | | 41 |
| Communications - Cotswold News | (15) | | | (15) |
| Legal | (24) | | | (24) |
| ICT | (60) | | | (60) |
| Corporate Finance Subscriptions | | 18 | 0 | 18 |
| External Audit (Accounts and Housing Benefit) | | 38 | 0 | 38 |
| Discretionary Pension Payments | | 8 | 0 | 8 |
| Other service variations | | 54 | 40 | 14 |
| Subtotal | (491) | 897 | 315 | 91 |
| | | 406 | | |



| | Positive variation (£'000) | Adverse Variation (£'000) | Q2 Outturn Variance (£'000) | Movement from Q2 (£'000) |
|--|----------------------------------|---------------------------------|--------------------------------------|--------------------------------|
| Variations at a glance | | | | |
| <u>Non-Service/Corporate Variations</u> | | | | |
| Publica underspend (net of savings target) | (182) | 0 | (82) | (100) |
| Contingency | (200) | 0 | (200) | 0 |
| Pay Award below budget | 0 | 0 | (400) | 400 |
| Street Service savings (included in Service) | 0 | 150 | 75 | 75 |
| Treasury Management income | (402) | | (367) | (35) |
| Publica Review - Phase 1 - provision | 0 | 182 | 182 | 0 |
| Less: Vacancy Management Saving | (50) | 0 | (50) | 0 |
| Less: Other Vacancy Savings (net of Agency) | (160) | 0 | 0 | (160) |
| Add: Planning Agency Costs (net of vacancy) | 0 | 102 | 128 | (26) |
| Add: Recruitment Costs | 0 | 78 | 100 | (22) |
| Add: Communications Services | 0 | 12 | 31 | (19) |
| Add: Rebranding | 0 | 20 | 40 | (20) |
| Transfer to Reserves (TM, FRR) | 0 | 125 | 525 | (400) |
| Subtotal | (1,485) | 1,566 | | |
| Net Outturn Variation | | 81 | 297 | (216) |

2.3 Members should note that whilst the outturn forecast has improved, there remain concerns around financial performance in certain service areas – particularly services where the Council’s net revenue budget is dependent on income from fees and charges.

2.4 Given the timing of the report, there is little additional mitigation measures available to improve financial performance. Income and expenditure budgets will continue to be monitored closely in the last month of the financial year. In some instances, income budgets for 2025/26 have been adjusted downward to reflect historic underachievement of income. However, this should not be seen as a desirable outcome – more that it recognises in setting the budget for the forthcoming financial year the estimates need to be robust in the context of current financial performance. During 2025/26 the Business and Intelligence unit will support the quarterly finance



reporting process and will work with service leads to identify potential mitigations and resolutions to improve performance.

- 2.5** As set out in the CIPFA Financial Management Code, performance reporting is important for the Council to remain financially sustainable. Members must receive timely information on its financial and operational performance so that corporate priorities are delivered within budget. Early information about emerging risks to financial sustainability are key to ensuring the Council can take effective decisions and carefully consider an effective response.
- 2.6** Heads of Service should take steps to identify management action(s) that will address underperformance and discuss these with the finance team and the relevant Director. Financial Performance Reports for 2025/26 will include options and recommendations for corrective action where underperformance against the budget has been identified, and options for improving financial performance even if the service is achieving income and expenditure targets.
- 2.7** A key aspect of this will be to explain financial performance in the context of service performance and outcomes. There is a risk with the current performance framework that aspects of service performance may be reported as on or above target, with little or no reference to financial performance. During 2025/2026 the Finance team will work with the Business and Intelligence unit to consider how best to review and report finance and service performance.
- 2.8** The material forecast variations are listed below with further details in Section 4 of this report.
- **Forecast income variations** – underachievement: Public Conveniences (£30k) Land Charges (£25k), Cemeteries (£30k), Building Control (£35k). Additional Income: Bulky Waste (£25k), Green Waste (£45k), Licensing (£15k)
 - **Car Parks** income – underachievement of fines and permit income (£87k)
 - **Commercial Property** rental income and vacant property costs (£149k adverse variation)



- **Elections** – Overspend of £88k forecast due to expenditure with Civica on the trial of tablets that cannot be claimed through the parliamentary expenses scheme and higher than budgeted postage and canvassers fees. Increased overspend since Q2 due to Chesterton by-election.
- **Trinity Road Offices** – higher than budgeted income from service charges to tenants and lower than forecast business rates and energy costs (£65k)
- £71k of overspend in respect of premises and insurance costs as part of the **Ubico Waste and Recycling contract**.
- £50k additional expenditure for communications and customer service support associated with the rollout of the **Waste and Recycling rezoning** in July 2024.
- **Miscellaneous Waste and Recycling** related variances – under achievement of income sale of scrap materials (£18k), expenditure associated with landlord obligations for South Cerney depot (£12k), reduced cost of recycling material contract (£38k).
- Net underspend on the **Publica contract sum** (net of savings target) of £182k.
- **Contingency** Budget is forecast to remain unutilised (£200k underspend) which mitigates costs associated with the Waste and Recycling rezoning and overspend on Ubico contract.
- Cost reduction associated with the **Street Services** are shown in Table 5 of the report (net underspend of £0.073m) and to avoid double counting the savings target is shown as an adverse variation of £0.150m.
- **Treasury Management** and interest receivable performance (£0.402m positive variation) with £0.125m to be transferred to the Treasury Management Reserve.
- **Publica Review** impact (part-year) of £0.182m included as a provision.
- Less: **Vacancy Management** underspend (Director of Communities and Place) £50k
- Additional costs of **Communications** service (net of vacancy managements underspend of £41k) – £12k net adverse variation
- Additional **recruitment costs** of £78k for Phase 1 posts (Director of Communities and Place and senior Development Management roles.)
- Expenditure associated with the rollout of the **refreshed corporate branding** estimated to be £20k.



2.9 The outturn forecast is a net overspend/adverse variance of £0.081m. This is an improved position compared to Q2. Although the outturn variation reduces the level of budgeted surplus in-year (i.e. it would reduce the planned transfer to the Financial Resilience reserve at year end from £0.516m to £0.435m), this is considered positive in the context of the financial challenge facing the Council over the MTFS-period. The Q2 outturn forecast indicated the impact of the 2024/25 Pay Award being settled at a level lower than budgeted for was in the region of £0.400m. For the Q3 report, this is reflected in the net forecast outturn position across all services and is therefore not identified separately.

2.10 A summary of the Capital Programme outturn forecast is shown in the table below.

Table ES3 – Capital Programme Outturn Forecast

| Capital Programme | 2024/25 OB (£'000) | 2024/25 LAB (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|--|-------------------------------|--------------------------------|---|---|
| Leisure & Communities | 1,310 | 1,491 | 1,503 | 12 |
| Housing/Planning and Strategic Housing | 2,289 | 2,643 | 2,577 | (66) |
| Environment | 1,857 | 1,606 | 1,521 | (85) |
| Retained & Corporate | 0 | 0 | 0 | 0 |
| ICT, Change and Customer Services | 350 | 150 | 150 | 0 |
| UK Rural Prosperity Fund | 573 | 752 | 752 | 0 |
| UK Shared Prosperity Fund Projects | 134 | 134 | 134 | 0 |
| Land, Legal and Property | 300 | 517 | 596 | 79 |
| Transformation and Investment | 0 | 257 | 212 | (45) |
| TOTAL Capital Programme | 6,813 | 7,550 | 7,445 | (105) |

2.11 The table above includes a revised budget in respect of Disabled Facility Adaptions (DFG) (£0.238m) to fund increased demand from DFG applications. This will be funded from additional grant provided via the County Council pooling arrangement. The inclusion of this budget is subject to approval by Cabinet as set out in recommendation 2.



2.12 The capital programme is a forecast underspend of £0.105m. Further details are provided in Section 6 of this report.

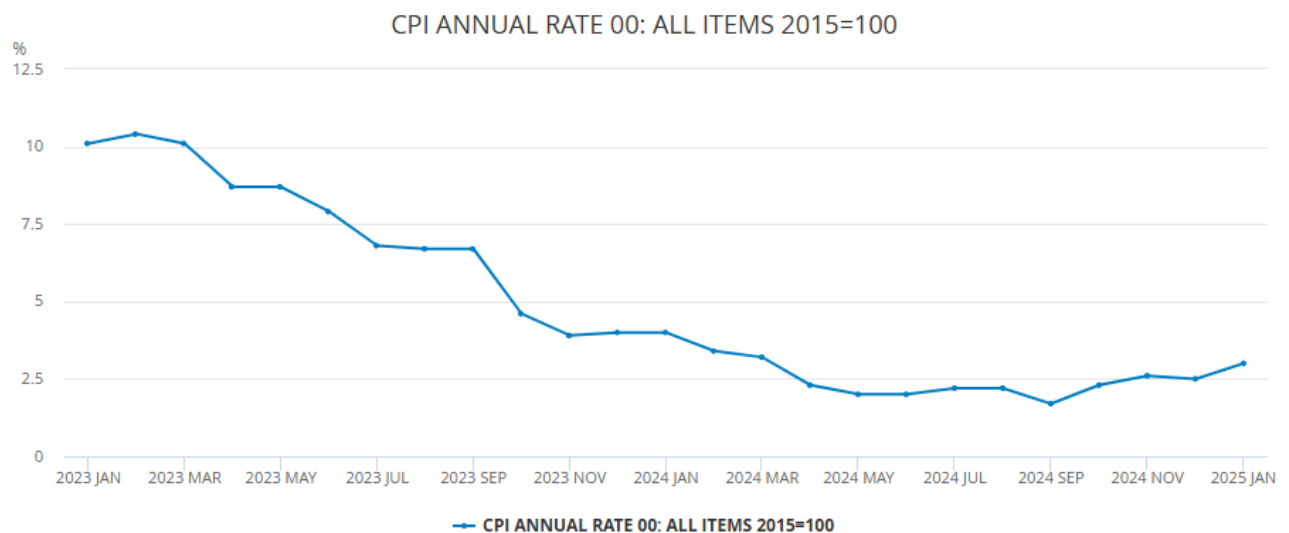
2.13 The outturn position will be finalised for the July 2025 Cabinet meeting.

3. EXTERNAL ECONOMIC ENVIRONMENT

Inflationary Pressures

3.1 The level of inflation, as measured by the Consumer Prices Index, for January 2025 is 3.0% (up from 2.5% in December 2024). Although it is not the Government's preferred measure of inflation, the Retail Prices Index is 3.6% (3.5% in September 2024). Core inflation (as defined by the Office for National Statistics as the CPI Rate excluding energy, food, alcohol, and tobacco) rose to 3.7% (3.2% in December 2024).

Graph A – CPI Inflation



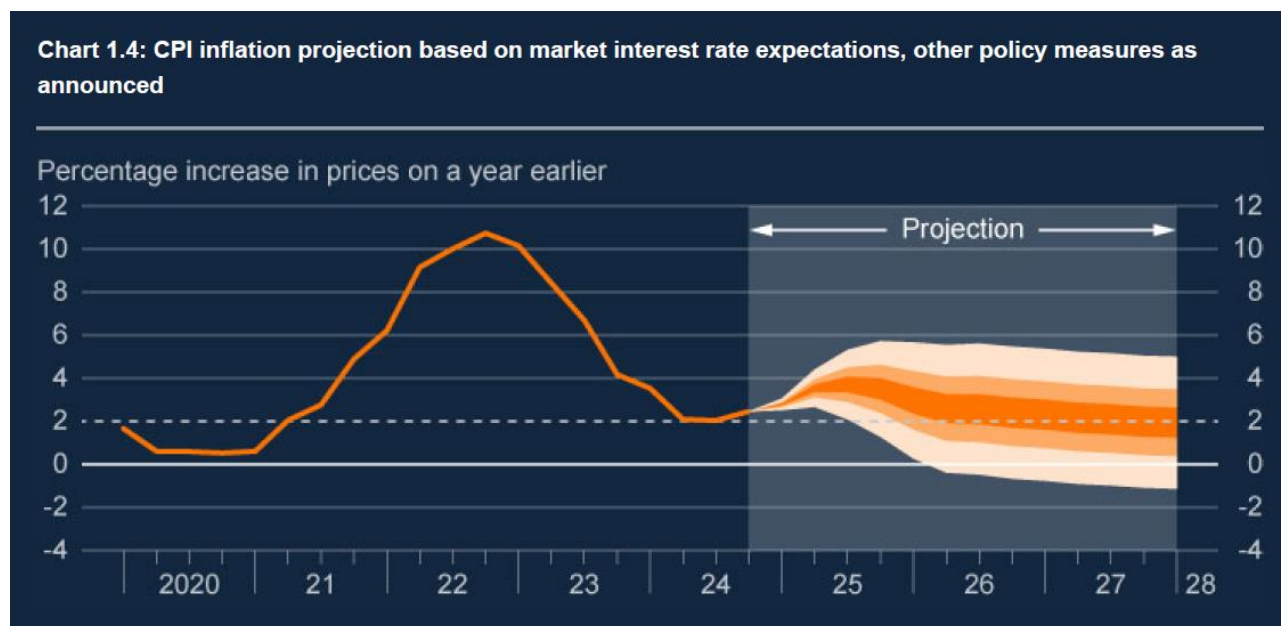
3.2 Although general inflation has reduced since the start of the calendar year, the Council is subject to specific inflationary pressures on its services (e.g., fuel costs on waste and recycling service) which have tended to track higher than CPI and RPI.

3.3 In the February 2025 Monetary Policy Report, the Bank of England indicated the rate is likely to remain above the 2% target during 2025 (peaking at 3.7%) as the impact



from energy prices and second round inflation comes through (Second-round effects occur when agents pass on the inflationary impact of the direct and indirect effects to wage and price setting). The graph below shows the different CPI forecasts that are published in the quarterly Bank of England Monetary Policy Committee report (February 2025).

Graph B – Bank of England Fan Chart - Inflation

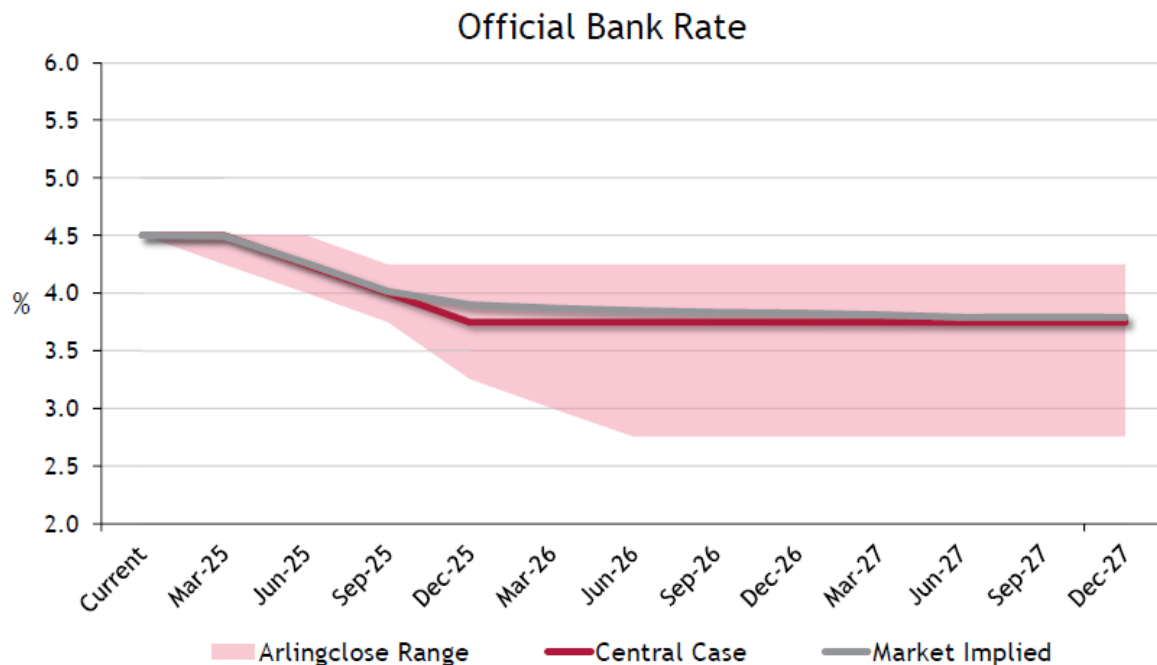


Interest Rates

- 3.4** The Bank of England reduced the Base rate in February 2025 by a further 0.25% in response to the easing of inflationary pressures taking the base rate to 4.50% with the March meeting voting to maintain the rate. The council's treasury management advisors have forecast that the rate will continue to reduce, but more slowly and by less. The next MPC meeting is scheduled for 08 May 2025.
- 3.5** The expectation is for further rate reductions during 2025 (aligned to the publication of the Monetary Policy Report each quarter) to a low of 3.75%.



Graph C – Interest Rate Forecast



- 3.6** The Council has limited and reducing internal resources to support the capital programme (capital receipts, earmarked reserves). Unless further capital receipts are received as a result of asset disposals, the Council will need to undertake prudential borrowing.

4. 2024/25 REVENUE BUDGET FORECAST

- 4.1** The Revenue Budget was approved by Council at their meeting on 21 February 2024 with no adjustments made during the financial year to date.

Table 1 – Revenue Budget reconciliation

| Budget Item | (£'000) |
|---|---------------|
| Original Budget (Council, 21 February 2024) | 15,061 |
| Adj: | |
| Adj: | |
| Adj: | |
| Adj: | |
| Latest Budget | 15,061 |



- 4.2** The revenue budget has been in a state of flux during the financial year as budgets are amended to reflect the transfer of services from Publica to the Council in Phase 1 of the Publica Transition. Whilst the net budget position (£15.061m) has not changed, the composition of the budget (i.e. subjective split between Pay and Non-Pay budgets) and net service budgets has been amended.
- 4.3** With Phase 1 services and direct budgetary responsibility transferring from Publica to the Council in November 2024, members should expect to see material adjustments to service budgets in the financial performance reports during 2024/25 and 2025/26. Phase 2 service changes are expected to be completed by July 2025.
- 4.4** As of 31 December 2024 (Q3) the Council's net expenditure (excluding Funding and Parish Precepts) was £10.607m against the profiled budget of £11.080m.
- 4.5** The outturn forecast for 2024/25 of £15.577m results in a forecast variance of £0.081m. Table 2 provides members with an overview of the material outturn variations that have been forecast across services with Tables 3 providing detail on the non-service revenue expenditure and income budgets.



Table 2 – Revenue Budget Outturn Forecast Summary

| | 2024/25 Latest Net Budget (£'000) | 2024/25 Actuals to Q3 (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|--|--|-------------------------------------|---|---|
| Revenue Budget | | | | |
| Subtotal Services | 18,140 | 12,049 | 18,591 | 451 |
| Less: Reversal of accounting adjustments | (1,778) | | (1,778) | 0 |
| Revised Subtotal Services | 16,362 | 12,049 | 16,813 | 451 |
| Corporate Income & Expenditure | (1,301) | (1,442) | (1,671) | (370) |
| Provisions and Risk Items | 0 | 0 | 0 | 0 |
| Net Budget Requirement | 15,061 | 10,607 | 15,142 | 81 |
| Funded by: | | | | |
| Council Tax | (6,597) | | (6,597) | 0 |
| Retained Business Rates | (5,014) | | (5,014) | 0 |
| Government Funding - Grants | (3,206) | | (3,206) | 0 |
| Government Funding - NHB | (287) | | (287) | 0 |
| Collection Fund (surplus) / Deficit | (473) | | (473) | 0 |
| TOTAL Funding | (15,577) | 0 | (15,577) | 0 |
| Budget shortfall/(surplus) | (516) | | (435) | 81 |

Table 3 – Corporate Income and Expenditure

| | 2024/25 Revised Budget (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|--|---|---|---|
| Corporate Income and Expenditure | | | |
| Contingency, other non-service income and expenditure | 420 | 364 | (56) |
| Savings & Transformation Items | (709) | (746) | (37) |
| Treasury Management - Interest Payable | 9 | 9 | 0 |
| Treasury Management - Interest Receivable | (1,333) | (1,735) | (402) |
| Minimum Revenue Provision (MRP) | 12 | 12 | 0 |
| Transfer to/(from) Earmarked Reserves | 301 | 426 | 125 |
| | (1,301) | (1,671) | (370) |



Key Variations

- 4.6** As outlined in paragraph 4.6, the forecast outturn position is a net overspend/adverse variance of £0.081m which reduces the level of budgeted surplus in-year.
- 4.7** Whilst the forecast surplus on the revenue budget has reduced to £0.435m this will be transferred to the Financial Resilience reserve in accordance with the 20224/25 budget, subject to review and confirmation of the final outturn position. The Q2 outturn forecast indicated the impact of the 2024/25 Pay Award being settled at a level lower than budgeted for was in the region of £0.400m. For the Q3 report, this is reflected in the net forecast outturn position across all services and is therefore not identified separately.
- 4.8** This assumes that there are no additional expenditure commitments that would require support from the FRR. For the avoidance of doubt, the working assumption in the outturn forecast is:
- there is no material deterioration in the outturn forecast in Q4.
 - additional expenditure in any particular service area is offset by a corresponding decrease in expenditure in other service areas.
- 4.9** Whilst the outturn forecast allows for the planned transfer to the FRR reserves, members should take into consideration the financial performance of certain service areas (i.e. services which are more reliant on income from fees and charges as outlined in Section 2 and Section 9 of the report). The net outturn forecast for these services is a cause for concern and represents a weaker financial position than would otherwise have occurred. This is not a desirable outcome and management action must be taken by the Council, Publica and Ubico to mitigate the forecast outturn position.
- 4.10** The material items which have had an impact on the Council's revenue budget are summarised below with narrative explaining the reasons(s) for the variation in the paragraphs that follow.



- 4.11** Following changes to **Waste and Recycling** rounds in July 2024, Ubico have confirmed through financial reporting that the part-year efficiency saving of £0.375m has been achieved.
- 4.12** The Q2 forecast indicated a risk that the cost reduction of £0.150m included in the 2024/25 revenue budget for the **Street Cleaning** service may not be achieved in full this financial year. Initial scoping work has identified cost reductions and service efficiencies which is shown as a net underspend in Table 5 of the report. A wider review of service options is being undertaken to ensure service standards are clearly defined with corresponding cost reductions. It is clear that the full budgeted saving will not be achieved in the current financial year (£0.077m). Further analysis will be undertaken on the scope and delivery of cost reductions for consideration by Cabinet in early 2025/26.
- 4.13** Where income shortfalls have been forecast, it is expected that Business Managers and Assistant Directors evaluate options for corrective action. It is now highly unlikely income will recover in the current financial year and may have a detrimental impact on the Council's finances over the medium-term. The evaluation must include an assessment of the service cost and income, market positioning, and unit cost and benchmarking data analysis. Options should outline, if possible, how the service can be financially sustainable.
- 4.14** Income from **Land Charges** is below budget with net income received forecast to be £25k below budget at the end of the financial year due (based on the current profiled position). The income budget was reduced for the year by £19k (from £0.208m to £0.189m) recognising the downward trend on income in 2023/24 in part to the rise in free unofficial Personal Searches (through Personal Search Agents).

Building Control – Market share is averaging 65% in Q3 with 120 applications processed. There has been a 13 per cent increase in market share since Q1 and a 10 per cent increase compared to the same period last year. Forecast expenditure is on budget but an income shortfall of £35k is currently forecast. The team have invested



in software and handheld devices for site use which is expected to make officers time on site and the service more efficient. Considering the budget shortfall, the building regulation fees have been increased for the 2025-26 financial year to better reflect the costs of running the service. The service has also identified an opportunity to increase market share.

4.15 Public Conveniences – income shortfall due to reduced footfall, forecast net income shortfall of £30k. The service is also reporting an overspend (£18k) in its cleaning costs following a contract renewal because of inflationary pressures. The service was subject to a review by Overview and Scrutiny Committee (Public Conveniences Review Group) and the review and recommendations were reported to Cabinet in January 2024. This report made a series of recommendations and recognised the financial pressures of the service needed to be reduced but that a fully cost recoverable service was not achievable. A reduction in facilities where there were multiple facilities in towns or villages was agreed and toilets have now been closed in both Cirencester and Stow-on-the-Wold as a means of mitigating cost pressures.

4.16 Further options will need to be considered during 2025/26 to ensure the net subsidy required to operate the Public Conveniences can be minimised or reduced entirely.

4.17 Cemetery fees – forecast shortfall in income of £30k due to lower service provision.

4.18 Green Waste and Bulky Waste fees are forecast to achieve £70k more income than budgeted by the end of the financial year.

4.19 The Council will not receive the budgeted level of commercial rental income from **Investment Properties** given the challenging economic conditions across retail and office sectors and downward pressure on rents. A combined income shortfall and empty property costs of £149k is forecast.

4.20 An overspend of £88k is forecast on **Elections**. This is due to expenditure with CIVICA on the trial of Tablets at the Police and Crime Commissioner election in May 2024 and



the General Election in July 2024. These costs cannot be claimed through the national election expenses scheme. Trials have been undertaken to assess whether the use of Tablets and software would streamline the election process by reducing the opportunity for polling station errors and streamlining the count process with ballot paper accounts reconciled through the Tablet and software. Other overspent election costs including postage and canvassers fees were reviewed and increased for the 2025/26 budget. Whilst the use of tablets can be seen as contributing to delivering a safe and efficient election process, it is too soon to quantify the value of any cost reduction of efficiency in the wider count process.

4.21 Income from the Council's **Car Parks** remained positive in Q3 and the first half of Q4. Income from Car park permits, and Penalty Charge Notices (PCNs) is below target for the first half of the financial year and is forecast to be underachieved by £87k in 2024/25. Income budgets for 2025/26 were reduced to reflect current financial performance and ensure the budget estimates approved by Council in February 2025 were robust. However, the service will need to develop an action plan setting out options to address the financial performance including a review the car park strategy and approach to enforcement .

4.22 Recruitment Costs - £78k of additional spend not covered through vacancy management. These costs will cover the cost of recruitment for the Director of Communities and Place, three senior planning roles and four other planning roles. The recruitment and appointment of the above roles will reduce reliance on expensive interim(agency) staff.

4.23 Rebranding – costs of £20k associated with the corporate refresh of branding which is funded from cost savings/additional service charge income at Trinity Road.

4.24 Communications service is forecast to overspend by £12k. Following the transfer of services in Phase 1, the Communications service has been reviewed with additional interim support provided by an external communications agency (Conteur). Whilst



there is a projected underspend on staff costs (£41k) the total cost of external support is forecast to be £53k.

4.25 ICT – Forecast to be £60k underspent during 2024/25 predominantly because of lower than budgeted IT licence and equipment costs following careful management and negotiation of licence renewals.

4.26 Ubico Contract – the Council's Environmental (grounds maintenance, street cleaning, domestic waste collection, recycling collections etc) are provided by Ubico Ltd. The contract with Ubico for 2024/25 of £8.738m is forecast to cost £8.434m – a net underspend of £0.304m This is predominantly due to the savings achieved of £0.375m from the rezoning but is offset by additional costs of £71k due to higher than estimated vehicle hire, premises insurance and property lease costs.

4.27 The Council also incurred additional expenditure of £50k for communications and customer service support in relation to the **mobilisation of the Waste and Recycling rezoning** which will be funded from the £92k contingency balance held in relation to Ubico cost.

4.28 The table below provides members with an overview of the financial performance of the Ubico Contract (table 5). The net variation on the contract excluding the rezoning saving is an overspend of £71k.



Table 5 – Ubico Contract Monitoring

| Waste, Recycling, Street Cleaning and Grounds Maintenance Services | Ubico Contract Costs OB (£'000) | Ubico Contract Costs CS (£'000) | Outturn Forecast (£'000) | Outturn Variance (£'000) |
|---|--|--|---------------------------------|---------------------------------|
| WST004 Bulky Household Waste | | 0 | 0 | 0 |
| Car Parks GM [CTW668] | 77 | 77 | 71 | (7) |
| CCM001 Cemetery/Churchyards GM [CTW688] | 188 | 188 | 172 | (16) |
| RYC002 Garden Waste Collection [CTW634] | 1,423 | 1,423 | 1,319 | (104) |
| WST001 Household Waste [CTW611] | 1,722 | 1,722 | 1,756 | 34 |
| RYC001 Recycling [CTW633] | 3,089 | 3,089 | 2,929 | (160) |
| RYC003 Refuse/Recycling/Food Waste [CTW635] | 661 | 661 | 684 | 23 |
| STC001 Street Cleaning [CTW666] | 1,558 | 1,558 | 1,485 | (73) |
| Trinity Road Offices GM [CTW668] | 20 | 20 | 18 | (2) |
| Grand Total | 8,738 | 8,738 | 8,434 | (304) |
| Less: Rezoning savings | | | | 375 |
| Net variation on contract (excluding Rezoning) | | | | 71 |

Treasury Management

4.29 Dividends from the Council's longer-term investments (Pooled funds and Real Estate Investment Trusts) of £0.313m were received in the nine months to the 31 December 2024 year achieving a return of 4.75%. Interest from short term cash deposits including the Debt Management Office (DMO) was £0.508m due to interest rates remaining at a higher level than assumed in the budget and MTFS.

4.30 It should be noted that the budgeted level of net investment income for 2024/25 is £1.210m – an increase of £0.504m over the 2023/24 budgeted level and recognises the current interest rate position and improved returns. This is a prudent estimate for the year but is lower than the final 2023/24 level of investment income achieved of £1.674m given the forecast interest rate reductions over the financial year.

4.31 It is not expected that the current interest rate level will be maintained over the MTFS period, as set out in Section 3 of this report, with expectations of investment income in 2025/26 reducing to around £1.1m with a further reduction to £0.5m by 2027/28.



4.32 A prudent forecast of investment income has been included in the outturn forecast of £1.652m (net income received). This considers the expectation that the base rate will remain at 4.5% until the end of the financial year.

4.33 The level of investment income for the year will depend on the performance of both short-term investments (Money Market Funds, deposits with the DMO) and dividends from the long-term investment. The table below provides members with a high-level overview of the Council's Treasury Management investments on 31 December 2024.

Table 6 – Treasury Management Investments

| Investment type | Balance invested at 31/12/24 (£'000) | Investment Income received to 31/12/24 (£'000) | 2024/25 Forecast (£'000) |
|---|---|---|---|
| Bank of England DMDAF | 14,225 | 429 | 707 |
| Money Market Funds | | | |
| Federated Money Market Fund | 3,000 | 110 | 140 |
| DGLS Money Market Fund | 3,000 | 101 | 131 |
| Insight Liquidity Money Market Fund | 995 | 72 | 81 |
| Lloyds Instant Access | 1,000 | 27 | 38 |
| Royal Bank of Scotland Call Account | - | 2 | 2 |
| Other Short-term deposits | 2,000 | 79 | 79 |
| Real Estate Investment Trusts (REIT) | | | |
| Fundamentum Housing REIT | 690 | 15 | 30 |
| Cash Plus Fund | | | |
| Federated Cash Plus Fund | 1,198 | - | - |
| Pooled Funds | | | |
| CCLA Property Fund | 2,177 | 57 | 112 |
| Shroders Income Maximiser Fund | 849 | 38 | 57 |
| CCLA Cautious Multi Assets FUnd | 957 | 18 | 32 |
| M&G UK Income Fund | 1,794 | 68 | 100 |
| Ninety-One Investec Diversified Fund | 1,805 | 60 | 87 |
| Columbia Threadneedle Bond Fund | 1,933 | 56 | 75 |
| | 35,623 | 1,132 | 1,671 |



- 4.34** With the forecast of Treasury Management investment returns significantly above the budgeted level, £0.125m will be transferred to the Treasury Management Risk earmarked reserve to manage higher borrowing costs in the short-term and to mitigate changes to the accounting treatment of gains and losses on pooled funds from April 2025.
- 4.35** Council approved the Capital Strategy and the Treasury Management Strategy (including the Non-Treasury Management Investment Strategy) at their meeting on 21 February 2024. Audit and Governance Committee have responsibility for reviewing and monitoring treasury management arrangements in accordance with the CIPFA Treasury Management Code and receiving performance reports. The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.
- 4.36** The CIPFA Code was updated in 2021 and includes the new requirement, mandatory from 01 April 2023, of quarterly reporting of the treasury management prudential indicators. The non-treasury prudential indicators are expected to be included in the Council's usual revenue and capital monitoring reports. Section 6 and **Annex C** of this report provides members with an overview on the non-treasury position.

Corporate Income and Expenditure, Provisions, and Risk

- 4.37** As outlined in Tables 3 and 4 there are variations forecast across the Corporate Income and Expenditure budgets. These budgets support the General Fund Revenue budget and are typically the non-service items such as Treasury Management, financing, contingency budget, and provisions for risk.
- 4.38** A contingency budget is held centrally to mitigate any in-year cost pressures from inflation or other unforeseen events. This is forecast as uncommitted (£56k) to in-part offset the recruitment and Publica transition additional expenditure highlighted in the paragraphs below.



4.39 Savings and transformations are forecast to be overachieved by £37k because of a forecast underachievement of Street Cleaning savings (£150k) and underspend from Publica of £292k against target saving of £109k (-£182k).

4.40 As outlined earlier in this section, the performance of the Council's Treasury Management Investments is a result of higher than anticipated interest rates and surplus balances to invest. £0.125m will be transferred to the Treasury Management Risk earmarked reserve to manage higher borrowing costs in the short-term and to mitigate changes to the accounting treatment of gains and losses on pooled funds from April 2025.

4.41 As outlined in section 5 below, forecast additional expenditure of £0.182m (£436m for full year impact) for Phase 1 of the Publica transition is included as a risk provision in the Q3 outturn forecast. This provision should be considered against the following.

- Forecast underspend from the vacancy of the Director of Communities and Place (£50k).
- communications service costs including vacancy management underspend (£41k) and £53k overspend (£53k) for interim support (£12k net overspend)
- Planning Agency costs of £278k against vacancy savings of £176,000 (£102k net cost)
- Planned saving from other vacancies where roles transferred to the Council under Phase 1 of the Publica transition net of Agency expenditure (£159,765 forecast underspend).

4.42 The forecast actual net cost of Phase one of the Publica Transition in 2024/2025 is £86k, after adjusting for savings from vacant post expenditure, pay award, and agency costs.

4.43 Recruitment Costs - £78k of additional spend not covered through vacancy management. 3 x senior planning roles, Director, 4 x other planning roles and Head of Waste and Environment role. These can be partly offset against the forecast underspend of £50k as a result of the vacancy within the Director of Communities and



Place role. The recruitment and appointment of the above roles will reduce reliance on expensive interim(agency) staff.

5. PUBLICA REVIEW

- 5.1** Following reports from Human Engine (November 2023) and Local Partnerships (March 2024), Council approved the Detailed Transition Plan ("DTP") report at its meeting on 31 July 2024. This set out the process that would be followed to return the majority of services to the Council with an initial transfer of services taking place in November 2024.
- 5.2** The DTP and covering report provided members with an initial estimate of additional cost of Phase 1 (enduring impact) and the one-off costs (provision for redundancy).
- 5.3** These cost estimates have been monitored and reviewed, with members receiving updates in the November 2024 and December 2024 financial reports.
- 5.4** The table below provides members with a reconciliation between the financial implications set out in the July 2024 DTP and the current estimate (February 2025) included in this report.



Table 7 – Reconciliation of Phase 1 Cost Estimate

| Reconciliation of movement in additional cost | July 2024 DTP (£'000) | November 2024 update (£'000) | December 2024 update (£'000) | Change (£'000) |
|--|--------------------------|---------------------------------------|---------------------------------------|-------------------|
| Phase 1 Basline Cost | 3,674 | 3,616 | 3,701 | 27 |
| Sharing + Pension Impact | 326 | 318 | 321 | (5) |
| New Roles | 553 | 619 | 663 | 110 |
| New Model Total | 4,553 | 4,553 | 4,686 | 132 |
| Publica Savings (Direct) | (240) | (240) | (221) | 19 |
| Indirect Savings | (283) | (282) | (282) | 1 |
| Enduring Impact | 4,030 | 4,031 | 4,182 | 152 |
| Indicative Annual Increase / (Decrease) | 356 | 415 | 481 | 125 |

5.5 The main changes between July 2024 and the current estimate (February 2025) are:

- Additional Communications Team post, salary assumptions [+£84k].
- Increase in salary assumptions for Director of Communities and Place [+£11k]
- Increase in salary assumptions for senior planning roles [+£47k]
- Reduction in Development Management and Forward Planning estimate [-£7k]
- Reduction in estimate of Director and Executive Assistant roles [-£3k]
- Other minor changes in cost estimate [+£4k]

5.6 It should be noted that the table above only covers Phase 1. Phase 2 financial reporting will be provided during 2025/26.

5.7 It is important to note that the gross increase in cost of Phase 1 (£0.984m in a full year) was net of cost reductions of £0.503m associated with changes made to the Publica management structure (giving the net cost estimate of £0.481m – up from £0.436m). Elements of the new posts could be considered as one-off changes to the Council's structure and matched by comparable reductions in the Publica contract sum. The associated cost reductions have been front-loaded, and it is not anticipated that similar cost reductions would be realised in Phase 2.



- 5.8** The current estimate for the Council's share of redundancy and pension strain costs is £0.200m (previously reported at £0.237m) and within the amount set aside within the Financial Resilience reserve.
- 5.9** Members have received updates in the quarterly financial performance reports on the costs associated with the Transition Programme. The table in the Q2 Financial Performance report provided an update on costs incurred up to Q3 2024/25 (i.e. 31 December 2024) and a forecast for the remainder of the Phase 1 period (i.e. to 31 March 2025). The latest forecast to the end of the year indicates that £0.182m of the £0.500m set aside to support the transition programme will have been utilised on Phase 1 preparation and delivery. This is a reduction in the forecast (previously reported at £0.275m) and reflects the reduced support required to complete the Phase 1 transfer and facilitate Phase 2 of the Publica Transition.
- 5.10** The forecast for the Transition Programme includes 'soft' commitments (i.e. principal of expenditure has been agreed but timing and duration of spend not yet confirmed) for additional support for the areas below. The forecast includes estimates for 2025/26 expenditure:
- Finance Business Partnering
 - Project Management Support (Programme Manager)
 - HR Payroll Support
 - Strategic HR support (External oversight and critical friend review of TUPE)
- 5.11** The reduced level of expenditure expected on the Transition Programme provides additional headroom in the earmarked reserve. The Section 151 Officer will review the wider position on one-off costs as part of the 2024/25 outturn and determine appropriate financing option(s).



6. CAPITAL PROGRAMME

6.1 Council approved the revised Capital Programme for 2024/25 at their meeting on 24 February 2025. The Capital Programme has been updated to reflect adjustments as set out in Table 8 below.

6.2 The revised capital programme for 2024/25 is £10.155m with a total net spend at £6.011m as at 31 December 2024.

Table 8 – Capital Programme budget reconciliation

| Capital Programme Reconciliation | (£'000) |
|--|----------------|
| Original Budget (Council, 21 February 2024) | 6,813 |
| ORCS Grant Scheme (Council, 15 May 2024) | 383 |
| Slippage from 2023/24 (Cabinet 25 July 2024) | 1,513 |
| Disabled Facilities Grant (Cabinet 7 November 2024) | 800 |
| CLC Decarbonisation Work Swimming Pool Support Fund (Cabinet 7 Dec 2024) | 208 |
| Revised Capital Programme (Council, 24 February 2025) | (2,405) |
| Disabled Facilities Grant (Proposed Cabinet 3 April 2024) | 238 |
| Latest Budget | 7,550 |



Table 9 – Capital Programme Outturn Forecast

| Capital Programme | 2024/25 OB (£'000) | 2024/25 LAB (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|--|-----------------------|------------------------|---|---|
| Leisure & Communities | 1,310 | 1,491 | 1,503 | 12 |
| Housing/Planning and Strategic Housing | 2,289 | 2,643 | 2,577 | (66) |
| Environment | 1,857 | 1,606 | 1,521 | (85) |
| Retained & Corporate | 0 | 0 | 0 | 0 |
| ICT, Change and Customer Services | 350 | 150 | 150 | 0 |
| UK Rural Prosperity Fund | 573 | 752 | 752 | 0 |
| UK Shared Prosperity Fund Projects | 134 | 134 | 134 | 0 |
| Land, Legal and Property | 300 | 517 | 596 | 79 |
| Transformation and Investment | 0 | 257 | 212 | (45) |
| TOTAL Capital Programme | 6,813 | 7,550 | 7,445 | (105) |

6.3 The outturn forecast for the current year is an underspend of £0.105m. **Annex A** sets out the detailed forecast outturn with commentary from budget holders and is summarised in table 9 above.

6.4 The Capital Programme was significantly revised in the budget papers considered by Council at their meeting on 24 February 2025. The significant variations forecast on the Capital Programme are:

- **Additional Electric Vehicle Charge points** are being installed through the Off-Street Residential Charge points Scheme (ORCS), forecast underspend of £0.055m due to installation at certain sites having specific constraints that cannot be addressed within the current deadline.
- **Trinity Road Agile Working** – forecast underspend of £0.045m due to timing of expenditure which will be carried forward to 2025/26.



- 6.5** At their meeting on 31 October 2023 Overview and Scrutiny Committee recommended that the Capital Programme should be kept under review to ensure the revenue impact of capital expenditure and financing decisions were fully considered.

Capital Receipts and Disposals

- 6.6** There have been no disposals during the first three quarters of the financial year. A small number of receipts from the scrap sale of Ubico vehicles with a total value of £25,000 have been received throughout the financial year. Members should be aware that the Council has sought to dispose of two assets with potential capital receipts likely in Q1 of 2025/2026 (former Visitor Information Centre Bourton on the Water, Old Station, and Memorial Cottages Cirencester).

Table 10 – Capital Financing Forecast

| | 2024/25 OB (£'000) | 2024/25 LAB (£'000) | 2024/25 Outturn Forecast (£'000) | 2024/25 Outturn Variance (£'000) |
|---|-----------------------|------------------------|---|---|
| Capital Financing Statement | | | | |
| Capital receipts | 5,006 | 3,628 | 3,552 | (76) |
| Capital Grants and Contributions | 1,732 | 3,507 | 3,393 | (114) |
| Earmarked Reserves | 0 | 0 | 85 | 85 |
| Revenue Contribution to Capital Outlay (RCCO) | 0 | 0 | 0 | 0 |
| Community Municipal Investments (CMI) | 75 | 415 | 415 | 0 |
| Prudential Borrowing | 0 | | 0 | 0 |
| | 6,813 | 7,550 | 7,445 | (105) |

- 6.7** The Capital Financing position set out in the table above will be reviewed by the s151 Officer as part of the financial year end closedown process as expenditure forecasts are updated to ensure a balanced use of capital resources and mitigation of current and future interest rates.

7. NON-TREASURY MANAGEMENT SUMMARY

- 7.1** The CIPFA Code was updated in 2021 and includes the new requirement, mandatory from 01 April 2023, of quarterly reporting of the treasury management prudential



indicators. The non-treasury prudential indicators are expected to be included in the Council's usual revenue and capital monitoring reports.

Prudential Indicators

- 7.2** The detailed Non-Treasury Management prudential indicators are included in **Annex B** with the commentary below providing members with a high-level summary.
- 7.3** Whilst there is no underlying need to borrow with the Capital Programme financed through internal resources and external grants and contributions, any additional capital expenditure proposed during the year will need to consider the availability and cost of capital financing. The outturn Treasury Management report to Audit and Governance Committee in July will set out the wider impact on the Capital Financing Requirement.

8. RISKS AND UNCERTAINTIES

- 8.1** The Q2 report outlined several risks and uncertainties around the wider economic environment and the Publica Review. To a significant extent, these risks have materialised to a lesser or greater extent – interest rates and inflation rates have remained 'sticky' costs associated with the transfer of staff as part of Phase 1 of Publica review have come through. The risk around DFG funding remains as the level of additional funding for Cotswold is dependent on the outturn forecast across the Gloucestershire Better Care Fund.

9. CONCLUSIONS

- 9.1** This monitoring report presents an update on the Council's financial position. As the report sets out, an overspend of £0.081m is forecast for the financial year which. Without mitigating or corrective action this would reduce the level of the budgeted surplus that would transfer to the Financial Resilience Reserve at year end which is not considered appropriate given the scale of the financial challenge over the MTFS period.



- 9.2** Members should note that whilst the outturn forecast has improved, there remain concerns around financial performance in certain service areas – particularly services where the Council’s net revenue budget is dependent on income from fees and charges. The report has provided reference to mitigation or actions that will be discussed with service leads to address and agree management actions.
- 9.3** Given the timing of the report, there is little additional mitigation measures available to improve financial performance. Income and expenditure budgets will continue to be monitored closely in the last month of the financial year. In some instances, income budgets for 2025/26 have been adjusted downward to reflect historic underachievement of income. However, this should not be seen as a desirable outcome – more that it recognises in setting the budget for the forthcoming financial year the estimates need to be robust in the context of current financial performance. During 2025/26 the Business and Intelligence unit will support the quarterly finance reporting process and will work with service leads to identify potential mitigations and resolutions to improve performance.
- 9.4** Heads of Service should take steps to identify management action(s) that will address underperformance and discuss these with the finance team and the relevant Director. Financial Performance Reports for 2025/26 will include options and recommendations for corrective action where underperformance against the budget has been identified, and options for improving financial performance even if the service is achieving income and expenditure targets.
- 9.5** A key aspect of this will be to explain financial performance in the context of service performance and outcomes. There is a risk with the current performance framework that aspects of service performance may be reported as on or above target, with little or no reference to financial performance. The Section 151 Officer will review the financial reporting and performance reporting with a view to integrating data from the Business and Intelligence Unit into the quarterly Financial Performance reports.



9.6 As set out in the CIPFA Financial Management Code, performance reporting is important for the Council to remain financially sustainable. Members must receive timely information on its financial and operational performance so that corporate priorities are delivered within budget. Early information about emerging risks to financial sustainability are key to ensuring the Council can take effective decisions and carefully consider an effective response.

10. FINANCIAL IMPLICATIONS

10.1 The detailed financial implications are set out in the report.

11. LEGAL IMPLICATIONS

11.1 Under Part 2 Local Government Act 2003, the Council must, from time to time during the year review the calculations it has used to set its budget. The Council's Chief Financial Officer is required to report to the Council on the robustness of estimates made for the purposes of calculating the annual budget, and on the adequacy of proposed financial reserves. Members must have regard to that report when making decisions about the calculations in connection with which it is made.

12. RISK ASSESSMENT

12.1 Section 8 of the report set out the material risks and uncertainties.

13. EQUALITIES IMPACT

13.1 None

14. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

14.1 None



COTSWOLD
District Council

15. BACKGROUND PAPERS

15.1 None

(END)

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Annex A - Capital Programme 2024/25 - Q.3

| Capital Programme by Service Area | 2024/25 Budget [Incl. 23/24 slippage] (£'000) | 2024/25 Schemes approved in-year (£'000) | Revised 2024/25 Budget Council (Feb 25') | 2024/25 Schemes seeking approval from Cabinet at 20/3/24 £'000 | 2024/25 Actuals to Q.3 (£'000) | 2024/25 Variance to Q.3 (£'000) | 2024/25 Committed Expenditure (£'000) | 2024/25 Forecast Out-Turn (£'000) | Commentary |
|---|---|--|--|---|---|--|--|--|--|
| Leisure and Communities | | | | | | | | | |
| Investment in Leisure Centres | 1,150 | 0 | 1,119 | | 1,153 | 34 | 0 | 34 | Capital spend in Q3 includes accessible gym equipment and spin bikes. Snagging is now complete. The final invoices are being prepared. The retention sum is still to be claimed. |
| CLC Pool Works | 110 | 0 | 80 | | 80 | 0 | 0 | 0 | Scheme to address flaking paint from the steel structural support in the Cirencester Leisure Centres pool area. Freedom Leisure (FL) agreed to incorporate these works into their capital scheme, using the same contractor(s). Work completed during Q2. Awaiting recharge from FL. |
| CLC Decarbonisation works [Solar PV and Triple Glazing] | 0 | 208 | 208 | | 66 | (142) | 140 | (2) | The triple glazing part of the scheme has been discounted as it wasn't financially viable. Costs of the Solar PV have increased to approx. £206k to maximise future energy savings. The Solar PV is 50% complete, there will be a mains electrical switch over expected on 20th March and remaining panel works will take place after that. Likely completion 1st week in April. |
| Spa Pool- Bourton | 0 | 0 | 34 | | | | | 0 | |
| Crowdfund Cotswold | 50 | 0 | 50 | | 30 | (20) | 0 | (20) | Two projects hit their targets from the autumn 2024 round. The Spring 2025 funding round is open for projects, launching with a workshop on 25 February, with over 20 attendees and a wide range of project ideas. |

| Capital Programme by Service Area | 2024/25 Budget [Incl. 23/24 slippage] (£'000) | 2024/25 Schemes approved in-year (£'000) | Revised 2024/25 Budget Council (Feb 25') | 2024/25 Schemes seeking approval from Cabinet at 20/3/24 £'000 | 2024/25 Actuals to Q.3 (£'000) | 2024/25 Variance to Q.3 (£'000) | 2024/25 Committed Expenditure (£'000) | 2024/25 Forecast Out-Turn (£'000) | Commentary |
|---|---|--|--|---|---|--|--|--|--|
| Housing/Planning and Strategic Housing | | | | | | | | | |
| Private Sector Housing Renewal Grant (DFG) | 700 | 800 | 1,700 | 238 | 1,322 | (616) | 550 | (66) | The decision by Gloucestershire County Council [GCC] to use external occupational therapy [OT] agency to clear the waiting list for adaptations has led to an influx of new referrals. Expenditure is expected to reach £1.9m this financial year. Additional funding has been drawn down from the centrally held Bettercare Fund at GCC. Due to the timing of additional funding being approved/received, this has resulted in Cotswold implementing a waiting list approach which has impacted waiting times for clients. Any underspend will be carried forward to 2025/26. |
| Affordable Housing - Davies Road MiM (S106) | 291 | 0 | 291 | | 291 | 0 | 0 | 0 | First 50% 'Start on Site' tranche grant was transferred to Cotsway Housing Association last year [2023/24]. The remaining 50% has now been transferred following notification of completion. |
| Cotsway Housing Association Loan | 840 | 0 | 414 | | 414 | 0 | 0 | 0 | Lower net amount borrow due to grant received by Cotsway Housing being used to repay loan. Loan balance of £2.110m to be converted to secured loan of £1.897m within Q1 of 2025/26. |
| Bromford Joint Venture Partnership | 720 | 0 | 0 | | 0 | 0 | 0 | 0 | Planning application has been submitted but there are issues around drainage being managed by Bromford, which is delaying the decision. Expenditure unlikely during 2024/25. |
| Environment | | | | | | | | | |
| Waste & Recycling receptacles | 80 | 0 | 80 | | 29 | (51) | 40 | (11) | Rolling budget for the purchase of waste receptacles due to growth in properties or replacements. An order has just been placed for containers to the value of approx. £40k. Delivery will be expected in 2025/26. Therefore budget to be carried forward. |
| Provision for financing of Ubico Vehicles | 1,660 | 0 | 1,169 | | 1,100 | (69) | 50 | (19) | This budget is to fund the Capital Fleet Replacement Programme for Ubico. One panel van and five garden waste collection vehicles delivered to date. There is one Street Cleansing vehicle due for delivery in Q.4, and a vehicle ramp for Packers Lease Depot workshop. We are currently awaiting an installation date for the vehicle ramp, this is likely to be in Q.1 2025/26. Any underspend will be carried forward to 2025/26. |
| Electric Vehicle Charging Points | 188 | 0 | 79 | | 79 | 0 | 0 | 0 | Installations at Rissington Road and Trinity Road are now complete. Costs reduced from original estimates due to changing supplier. The remaining budget is no longer required. |

| Capital Programme by Service Area | 2024/25 Budget [Incl. 23/24 slippage] (£'000) | 2024/25 Schemes approved in-year (£'000) | Revised 2024/25 Budget Council (Feb 25') | 2024/25 Schemes seeking approval from Cabinet at 20/3/24 £'000 | 2024/25 Actuals to Q.3 (£'000) | 2024/25 Variance to Q.3 (£'000) | 2024/25 Committed Expenditure (£'000) | 2024/25 Forecast Out-Turn (£'000) | Commentary |
|---|---|--|--|---|---|--|--|--|---|
| On Street Residential Chargepoint Scheme (ORCS) | 0 | 383 | 225 | | 0 | (225) | 170 | (55) | Installation of charging points due to commence in Q.4 in four car parks, West Street, Maugersbury, Old Market Way and Brewery Court, providing 24 electric vehicle charging points [EVCP]. Some Expenditure will fall into 2025/26, therefore budget will be carried forward. Total Cost anticipated to be around £170k with the cost for CDC being £85k. All charging points are expected to be connected and live by the second week of April. |
| In cab technology (Street Cleaning) | 60 | 0 | 0 | | 0 | 0 | 0 | 0 | Project slippage. Budget will be carried forward to 2025/26. |
| Public Toilets - Card Payment (bc) | 34 | 0 | 0 | | 0 | 0 | 0 | 0 | No works planned to date. Any future proposals will be subject to a cabinet report. |
| Changing Places Toilets | 53 | 0 | 53 | | 53 | 0 | 0 | 0 | All schemes now finished, other than minor works to complete at Cotswold Country Park & Beach to enable the facility to be registered. |
| Retained and Corporate: | | | | | | | | | |
| ICT, Change and Customer Services | | | | | | | | | |
| ICT Capital | 150 | 0 | 150 | | 129 | (21) | 0 | 0 | Expenditure on networking equipment and the ongoing laptop replacement programme. |
| Planning Documents and Scanning Solution | 200 | 0 | 0 | | 0 | 0 | 0 | 0 | This relates to the replacement or upgrade of the IDOX system used by Development Management and is likely to be subject to a detailed options appraisal following the transfer of the Development Management service to the Council as part of Phase 1. It is assumed that there will be no expenditure in the current financial year. |

| Capital Programme by Service Area | 2024/25 Budget [Incl. 23/24 slippage] (£'000) | 2024/25 Schemes approved in-year (£'000) | Revised 2024/25 Budget Council (Feb 25') | 2024/25 Schemes seeking approval from Cabinet at 20/3/24 £'000 | 2024/25 Actuals to Q.3 (£'000) | 2024/25 Variance to Q.3 (£'000) | 2024/25 Committed Expenditure (£'000) | 2024/25 Forecast Out-Turn (£'000) | Commentary |
|---|---|--|--|---|---|--|--|--|---|
| UK Prosperity schemes: | | | | | | | | | |
| UK Rural Prosperity Fund Projects | 752 | 0 | 752 | | 557 | (195) | 195 | 0 | All funding has now been allocated to the following grant schemes: Community Infrastructure Grants; Active Travel and Heritage and Cultural Buildings Grant; Business Grants. The majority of grants have been paid out during Q.3 & Q.4. The funding can not be rolled forward as the scheme is due to finish on 31st March 2025. |
| UK Shared Prosperity Fund Projects | 134 | 0 | 134 | | 111 | (23) | 23 | 0 | Funding has been split over 14 projects, the majority of the expenditure will be incurred during Q.3 & Q.4. The funding can not be rolled forward as the scheme is due to finish on 31 March 2025. Funding has also been allocated to finance expenditure associated with work at the Old Station site ahead of the sale of the building. Additional funding for 2025/26 was announced in the autumn budget, £266,745 has been allocated for Cotswold DC. |
| Land, Legal and Property | | | | | | | | | |
| Trinity Road Carbon Efficiency Works (Council March 2022) | 370 | 0 | 370 | | 177 | (193) | 193 | 0 | Solar PV installation complete. Awaiting final invoice from contractor. Further works will now be reviewed as part of a wider assessment of decarbonisation of the Councils Estate. |
| Asset Management Strategy | 497 | 0 | 147 | | 223 | 76 | 16 | 92 | Budget expenditure and commitment associated with work at Trinity Road (TR) roof. Roof works at Abberley House are planned for 2025/26. |

| Capital Programme by Service Area | 2024/25 Budget [Incl. 23/24 slippage] (£'000) | 2024/25 Schemes approved in-year (£'000) | Revised 2024/25 Budget Council (Feb 25') | 2024/25 Schemes seeking approval from Cabinet at 20/3/24 £'000 | 2024/25 Actuals to Q.3 (£'000) | 2024/25 Variance to Q.3 (£'000) | 2024/25 Committed Expenditure (£'000) | 2024/25 Forecast Out-Turn (£'000) | Commentary |
|---|---|--|--|---|---|--|--|--|---|
| Transformation and Investment | | | | | | | | | |
| Trinity Road Agile Working (Council March 2022) | 274 | 0 | 257 | | 212 | (45) | 0 | (45) | Contractor retention (final payment) has been released. Additional minor costs were incurred e.g. additional data cabling for tenants due to weak Wifi coverage in specific areas. There are no further capital costs anticipated for this project. |
| Trinity Road Roof Repairs | 13 | 0 | 0 | | 0 | (13) | 0 | (13) | Works complete, additional work of £100k funded from Asset Management Strategy budget line. |
| | 8,326 | 1,391 | 7,312 | 238 | 6,026 | (1,503) | 1,377 | (105) | |

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ANNEX B NON-TREASURY MANAGEMENT PRUDENTIAL INDICATORS

ANNEX B: Non-Treasury Prudential Indicators

1. BACKGROUND

- 1.1 The Council measures and manages its capital expenditure, borrowing and commercial and service investments with reference to the following indicators. It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis

2. CAPITAL EXPENDITURE

- 2.1 Cotswold District Council has undertaken and is planning capital expenditure as summarised below.

| | 2023/24 actual (£) | 2024/25 forecast (£) | 2025/26 budget (£) | 2026/27 budget (£) |
|----------------------------|-----------------------|-------------------------|-----------------------|-----------------------|
| Capital Expenditure | | | | |
| General Fund services | 5,654,676 | 7,444,500 | 4,027,000 | 7,744,000 |
| Capital investments | 328,000 | 0 | 0 | 0 |

- 2.2 The main General Fund capital projects to date have included investment in Cirencester Leisure Centre, expenditure in respect of Disabled Facilities Grants, purchase of Ubico Vehicles, Trinity Road Agile Working Project and Carbon Efficiency works.

3. CAPITAL FINANCING REQUIREMENT

- 3.1 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with Minimum Revenue Provision (MRP) and capital receipts used to replace debt.

| | 2023/24 actual (£) | 2024/25 forecast (£) | 2025/26 budget (£) | 2026/27 budget (£) |
|--|-----------------------|-------------------------|-----------------------|-----------------------|
| Capital Financing Requirement (CFR) | | | | |
| General Fund Services | 70,969 | 496,000 | 469,000 | 3,000,000 |
| Capital Investments | 0 | 0 | 0 | 0 |
| TOTAL CFR | 70,969 | 496,000 | 469,000 | 3,000,000 |

4. GROSS DEBT AND THE CAPITAL FINANCING REQUIREMENT

- 4.1 Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Council has complied and expects to continue to comply with this requirement in the medium term as is shown below.

| | 31/3/2024 actual (£) | 31/03/2025 forecast (£) | 31/03/2026 budget (£) | 31/03/2027 budget (£) | Debt at 31/12/24 |
|-------------------------------|-------------------------|----------------------------|--------------------------|--------------------------|---------------------|
| Gross Debt and CFR | | | | | |
| Debt (incl PFI and leases) | 357,255 | 260,000 | 16,000 | 5,000 | 308,955 |
| Capital Financing Requirement | 70,969 | 496,000 | 469,000 | 3,000,000 | |

ANNEX B

NON-TREASURY MANAGEMENT PRUDENTIAL INDICATORS

5. DEBT AND THE AUTHORISED LIMIT AND OPERATIONAL BOUNDARY

- 5.1** The council is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

| Debt, Authorised Limit and Operational Boundary | Maximum Debt Q3 2024/25 (£) | Debt as at 31/12/2024 (£) | 2024/25 Authorised Limit (£) | 2024/25 Operational Boundary (£) | Complied? Yes/No |
|---|-----------------------------|---------------------------|------------------------------|----------------------------------|------------------|
| Borrowing | 10,000,000 | 308,955 | 10,000,000 | 5,000,000 | Yes |
| PFI and Finance Leases | 0 | 0 | 0 | 0 | Yes |
| TOTAL Debt | 10,000,000 | 308,955 | 10,000,000 | 5,000,000 | |

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

6. NET INCOME FROM COMMERCIAL AND SERVICE INVESTMENTS TO NET REVENUE STREAM

- 6.1** The Council's income from commercial and service investments as a proportion of its net revenue stream has been and is expected to be as indicated below.

| | 2023/24 actual (£) | 2024/25 forecast (£) | 2025/26 budget (£) | 2026/27 budget (£) |
|--|--------------------|----------------------|--------------------|--------------------|
| Total net income from service and commercial investments | 491,778 | 205,000 | 380,000 | 390,000 |
| Proportion of net revenue stream | 3.46% | 1.28% | 2.60% | 2.80% |

- 6.2** The 2024/25 forecast is lower than the £380,000 budgeted due to additional costs in respect of vacant properties (vacated Wilkinson property and Bourton on the Water Visitor Information Centre) and in-year rental fluctuations.

7. PROPORTION OF FINANCING COST TO NET REVENUE STREAM

- 7.1** Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue.
- 7.2** The net annual charge is known as financing costs, this is compared to the net revenue stream i.e., the amount funded from Council Tax, Business Rate, and general government grants.

ANNEX B
NON-TREASURY MANAGEMENT PRUDENTIAL INDICATORS

| | 2023/24 actual (£) | 2024/25 forecast (£) | 2025/26 budget (£) | 2026/27 budget (£) |
|----------------------------------|-------------------------------|---------------------------------|-------------------------------|-------------------------------|
| Financing costs (£) | 14,000 | 19,000 | 40,000 | 53,000 |
| Proportion of net revenue stream | 0.10% | 0.14% | 0.27% | 0.48% |

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