

# The Highland Council

Agenda Item	<b>6.a</b>
Report No	<b>RES/01/24</b>

**Committee:** Corporate Resources

**Date:** 7 March 2024

**Report Title:** Corporate Revenue Monitoring Report Quarter 3 of 2023/24

**Report By:** Interim Head of Corporate Finance

## 1. Purpose/Executive Summary

- 1.1 This report provides a summary of the budget monitoring position for the 3<sup>rd</sup> quarter of financial year 2023/24, and a forecast year-end position.
- 1.2 Net spend on General Fund services in the third quarter of financial year 2023/24 totalled £456.236m.
- 1.3 Based on present expenditure trends a year end overspend of £4.373m against budget is forecast. This is a decrease from £6.613m as forecast at Quarter 2, with the main improvements in corporate budget lines. The overall overspend against service budgets remains similar to Quarter 2. Budgetary overspends, unless addressed or improved over the remainder of the financial year, will lead to a year end deficit position, and reduce the Council's level of General Fund reserves. Ongoing action to therefore attempt to improve the position by year end is important.
- 1.4 The main factors in the projected overspend are described within the report, and relate to overspends in Infrastructure, Environment and Economy (including the Corran Ferry), Communities and Place, and the Property and Housing services as described below in section 6.
- 1.5 It is important to note that the risks and uncertainties relating to this report, and the risk of cost pressures carrying into forecasts for the next and subsequent financial years. Members will be sighted on the report to Council on 29 February and note recommendations therein to address a range of cost pressures in 2024/25, a number of which reflect some of the issues reflected in current year monitoring.
- 1.6 After taking account of a forecast improvement in council tax income of £0.664m, a net deficit against budget of £3.709m is estimated, which will require to be funded from the Council's general fund non earmarked reserve. This is in addition to the agreed planned use of reserves for the 2023/24 financial year of £23.270m and other reserves use and adjustments. Based on this Quarter 3 report, and the forecast overspend, this reserve is forecast to sit at £47.356m by year-end. This is a forecast position and the final out-turn and reserves position will only be known at financial year end and following closure

of the Council's Annual Accounts including final spend for the year including year-end adjustments.

- 1.7 The report also provides a summary of the delivery of approved budget savings required to deliver a balanced budget in 2023/24 along with an explanation of the forecast position of the Council's key reserves at the year end.
- 1.8 The forecast position for the Housing Revenue Account, is a net overspend of £1.005m at year-end. This would result in a reduction in projected HRA reserves to £2.904m by year end. This is a significant financial risk, with HRA reserves already significantly reduced from an overspend in 2022/23. Bearing in mind there remains ongoing risk and pressure from inflation, interest rates and other cost factors, there are significant ongoing risks relating to the HRA budget financial sustainability. Members have previously noted in reports to Council of actions to be taken in terms of budget review, long-term planning and also lobbying regarding HRA debt write-off, as a range of measures to address the financial challenges faced by the HRA.

## 2. Recommendations

2.1 Members are asked to:

- i. **Consider** the financial position of the General Fund and HRA revenue budgets as at 31st December 2023 and note the estimated year end forecast;
- ii. **Note** the status of budgeted savings in the year.

## 3. Implications

3.1 Resource:

Implications are as noted in this report. If an overspend position is reported at year end this will need to be funded from the Council's reserves. Section 8 of this report provides more information on the Council's reserves position.

3.2 Legal:

The contents of this report aim to satisfy the requirement of Sections 6 and 7 of the CIPFA Financial Management Code- 'Monitoring financial performance' and 'External financial reporting'.

3.3 Risk:

There is still a risk that unforeseen events occur which carry an additional cost burden. Services that are demand-led, such as social care or winter maintenance may see significant moves in cost forecast over the year from that currently forecast. Other risks relating to unexpected items, such as adverse weather, may emerge during the remaining months for which no specific contingencies are held. Based on the adverse weather and flooding during the last few months, Scottish Government (SG) activated the national 'Bellwin Scheme' which allows Councils to claim for costs which meet scheme criteria and where costs exceed the threshold (Highland threshold is £1.288m). The Council is currently collating cost information with the intent to claim against the scheme if the threshold is met. The scheme and threshold, now activated, apply to the year and not the single weather event which triggered the scheme. Any further cost events will therefore be monitored also.

Areas of risk were considered when identifying budget pressures and setting a target level for reserves in March 2023 as part of the budget process. In relation to any of these risks it is important to note that whilst there may be a financial impact in the current

financial year which would need to be managed, there could also be an ongoing impact on the baseline budget into future years which would need mitigated to avoid impact on the budget gap forecast. The high inflationary environment is also likely to present challenges into 2024/25 and beyond. Recommendations to Council on 29 February include proposals to address or mitigate financial risks and pressures in 2024/25.

- 3.4 There are no specific Community (Equality, Poverty, Rural and Island); Climate Change / Carbon Clever; Health and Safety (risks arising from changes to plant, equipment, process or people); or Gaelic implications arising as a direct result of this report.

#### 4. Overall Position 2023/24

- 4.1 The table below provides a summary of the figures in **Appendix 1** to give an overall forecast position for the 2023/24 year-end outturn. This is reflective of the under-lying Service Quarter 3 forecasts considered by Strategic Committees.

	Annual Budget £m	Year-end forecast £m	Year-end variance £m
<b>Expenditure</b>			
Service budgets (Appendix 1, Table A- top half)	644.044	650.720	6.676
Other budgets (Appendix 1, Table A- bottom half)	74.650	72.347	-2.303
Contribution to investment funds and other reserves (Appendix 1, Table C)	0.659	0.659	0
<b>Total (X)</b>	<b>719.353</b>	<b>723.726</b>	<b>4.373</b>
<b>Income (Table D- top part)</b>			
Government income	554.171	554.171	0
Budgeted Council tax income	143.563	144.227	0.664
Confirmed use of earmarked reserves	2.171	2.171	0
<b>Total (Y)</b>	<b>699.905</b>	<b>700.569</b>	<b>0.664</b>
<b>Difference between expenditure and income to be funded from non-earmarked reserves- 'Budget (surplus)/deficit' (=X-Y)</b>	<b>19.448</b>	<b>23.157</b>	<b>3.709</b>

- 4.2 The bottom line of the table above shows that the current forecast for the overall year end position is for a deficit (or net overspend) of £3.709m which will need to be funded from the Council's non-earmarked reserve. That deficit of £3.709m being in addition to the agreed use of balances to support the budget for the year, i.e. in total the use of General Fund non-earmarked reserves would be £23.157m as above. The paragraphs below, and subsequent sections of this report, will provide an explanation of the elements making up that deficit.

- 4.3 As shown in the top row of the table at 5.1, net service expenditure is forecast to be overspent by £6.676m with variances across a number of service areas. Section 6 of this report provides more details of the forecast service budget variances.

- 4.4 The second row of the table comprises a number of other budget lines and shows a variance of £2.303m.
- 4.5 The third row of the table shows contributions to investment funds and other reserves. A break-even position has been forecast.
- 4.6 The first row in the income section of the table at 4.1 reflects the funding the Council receives from government. The budget for this row reflects the confirmed level of funding that the Council will receive from the Scottish Government for financial year 2023/24. In any year this may change as the year progresses, with additional or revised allocations of funding being confirmed.
- 4.7 An over-achievement of council tax income against budget is being forecast as can be seen in the second row of the income section.
- 4.8 The third row of the income section of the table shows the draw-down of Earmarked balances to support in-year expenditure. **Appendix 7** to the report shows the detail of the movements in the Council's earmarked reserves in the year to date and illustrates other earmarked reserves where funding has been drawn down for its intended purpose.
- 4.9 Overall, the combined impact of the net service overspend plus other budget pressures less excess corporate income gives a forecast £3.709m overspend for the year. This overspend will need to be funded from the Council's non-earmarked general fund reserve. **Appendix 5** and section 8 of this report provide more detail on the Council's reserves position.

## 5. Service Budget Variances

- 5.1 **Appendix 1** provides the usual monitoring statement format with **Table A** providing variance detail by service and other significant budget heads. Details of individual service positions are reported to the respective strategic committees. Overall the Council is reporting a net overspend of £6.676m against service budgets.
- 5.2 At Quarter 3 no variance is being shown against the Loan Charge budget line. Further forecasting of loan charge costs is being undertaken, to take account of latest treasury management and capital spend forecast information. It will be financial year end and the conclusion of the Annual Accounts closure process before the final loans fund and loans charges position is known. With interest rates remaining high, and supply and demand factors continuing to impact on short-term market interest rates, there remains the risk of pressure on this budget.
- 5.3 **Appendix 2** provides a summary of forecast variances by service and expenditure and income type. Forecast overspends mainly relate to non-staffing expenditure and income shortfalls.
- 5.4 The Communities and Place budget is forecasting an overspend of £1.050m, an increase of £0.116m from quarter 2. An overspend of £0.573m is forecasted for the Administration heading. This is attributable savings targets held within this budget heading but relating to activity across the Service. The current forecast outturn also includes overspends in Kerbside Refuse collections, Public Conveniences, and Fleet & Plant. These are partially offset by underspends in the other sections in the Service including Waste disposal, Street Cleaning, Grounds Maintenance & Customer Contact.

- 5.5 An underspend of £0.322m is forecast for the Depute Chief Executive service which covers the Council's ICT and Transformation functions. The variance relates to staff vacancies.
- 5.6 The Education and Learning service is showing a £0.708m forecast underspend, an increase of £0.192m. The main areas of underspend are in relation to staff turnover within Highland Council ELC settings (£0.504m), staff vacancies within Schools General (£0.117m), partly offset with an overspend due to an unbudgeted uplift in insurance (£0.102m).
- 5.7 The Health and Social Care budget is forecasting an underspend of £0.229m at the end of quarter 3. This is due to the position in relation to staff vacancies, offset by savings targets within the Service of £3.138m. The service is confident that a balanced budget will be delivered because of the level of vacancies that persist, although it must be noted that these vacancies do not represent a recurrent saving but ultimately do contribute to the delivery of a balanced budget in year. The Service is seeing a positive trend in relation to reduced secure care and out of area residential placements. If this trend continues and can be sustained, this should reflect positively within financial forecasts over the remainder of the year and into the following years. The NHS Adult Social Care provision is an area of pressure and risk, but is showing a Nil variance based on the agreed quantum of funding and agreed use of earmarked reserves held for NHS.
- 5.8 The Infrastructure, Environment and Economy service is forecasting an overspend of £5.935m at the end of Quarter 3. The largest element of this overspend is in relation to the Corran Ferry (£3.408m) which relates to an increase in repairs costs, loss of income and costs of mitigation. Which are non-recurrent budget pressures. School Transport forecasts an overspend of £1.506m due to a number of factors including saving target not achieved, some new service requirements, notably Drummond School and higher ASN children requiring school transport services. Integrated Transport services forecasts an overspend of £0.434m mainly due to staffing and set up costs associated with in-house pilot bus operations project. Road Maintenance forecasts an overspend of £0.869m due to additional hired plant, vehicle and contractor costs. Infrastructure - Project Design Unit (PDU) forecasts an under recovery of income of £0.736m, due to existing vacancies. Car Parks are forecasting an overspend of £0.154m due to a combination of increased costs and less income than budgeted.
- 5.9 The Performance and Governance service is forecasting an underspend of £0.218m, this is primarily due to staff vacancies.
- 5.10 The Property and Housing service is forecasting a £1.200m overspend, the largest elements of which are attributable to fee earning staff vacancies which has a negative impact on the service achieving its annual income targets, and ongoing pressures in utility consumption and costs.
- 5.11 The Resources and Finance service is forecasting a year end underspend of £0.405m, primarily in relation to staffing vacancies and over recovery of income compared to target.
- 5.12 The Welfare budget is forecasting an overspend of £0.373m. Given the rising cost of living it is expected that this service will continue to face increasing demands over the remainder of the year.
- 5.13 There is an overspend anticipated for Non Domestic Rates Reliefs. No variance is being forecast against the Loans charges or Valuation Joint Board budgets.

5.14 The unallocated budget line is showing an underspend of £2.907m. This budget consists of a number of elements which are held centrally pending allocation out to Services as a result of certain matters being clarified. Of particular note since the Quarter 2 report is that agreement of the SJC staff pay award has resulted in previously centrally held funding being allocated to Service budgets for the Quarter 3 reporting. Corporate budget provision for energy cost pressures was also allocated out to Services for Quarter 3. As a result the budget still held corporately is substantially reduced from Quarter 2. Further detail regarding the Scottish Government funding for that pay award has also allowed the Council to review its assumptions and there is a net residual budget shown as an underspend at Quarter 3. The main elements contributing to the underspend at this time include:-

SJC staff pay award £1.7m – The funding set aside by the Council in March 2023 was held centrally pending ongoing discussions nationally regarding pay, this has now been allocated to services with the remainder reported as an underspend.

Various other smaller underspends have been forecast including some centrally held Scottish Government funding streams and pressure funding.

## **6. Housing Revenue Account**

6.1 As shown in **Appendix 3** the Housing Revenue Account (HRA) is forecast to deliver a net overspend of £1.005m. Overspends are currently projected on housing repairs, and other rent void loss. Action is being taken to reduce the net overspend and return a balanced budget by year end.

## **7. Reserves and Balances**

7.1 **Appendix 5** summarises the movements on the Council's earmarked and non-earmarked balances during the course of the year and the impact of the forecast revenue budget outturn position on reserves. The level of overspend forecast will further reduce reserves from earlier estimates.

7.2 The Council's non-earmarked general fund reserve is expected to sit at £47.356m at 2023/24 year end if the Q3 forecast of overspend continues. This is above the 3% minimum target level agreed by the Council in its Reserves Strategy.

7.3 The Reserves position as forecast in this report has also been used as part of forecasting into next year, and the content of the budget report to be considered by members on 29 February.

7.4 Earmarked reserves, which are reserves held for specific and agreed purposes, sit at £59.778m as at Q3. A further net amount of £14.952m is forecast for to be drawn down by financial year end to match expenditure incurred in the year across a number of areas, principally Adult Social Care, Phases 1, 2, 3 and 4 investment and delivering change and other investment. Which would lead to a year end estimate of £44.826m, subject to any further drawdowns not as yet forecast, and before any change arising from recommendations to be considered by Council on 29 February.

## 8. Budget Savings

- 8.1 A summary of the agreed budget savings for the current year can be seen at **Appendix 6**. This annex reflecting the status of savings as reported through Strategic Committees. Savings ranked as Blue are complete in relation to implementation and delivery of savings. Green are expected to be delivered in full. Those as Amber have some challenges to the timescale for full delivery of the saving, most of which are expected to be timing related. There has been a reduction in the level of amber savings since the Quarter 2 report. There are no savings shown as Red (Red reflecting savings with substantial challenges and where saving would not be expected to be fully delivered).

Designation: Interim Head of Corporate Finance

Date: 23 February 2024

Authors: Brian Porter, Interim Head of Corporate Finance  
Carolyn Maxwell, Service Finance Manager

Background Papers:

### 2023/24 Quarter 3

Appendix 1 – 2023/24 General Fund service summary

Appendix 2 – 2023/24 General Fund subjective (spend type) summary

Appendix 3 – 2023/24 HRA summary

Appendix 4 – 2023/24 General Fund budget movements/reconciliation

Appendix 5 – 2023/24 General Fund balances summary

Appendix 6 – 2023/24 Saving status RAG summary

Appendix 7 – 2023/24 Earmarked Balances position

[Housing and Property - HRA and Non HRA](#)

[Housing and Property - Property & FM Services](#)

[Health, Social Care and Wellbeing](#)

[Education and Learning](#)

[Economy and Infrastructure](#)

Communities and Place

<b>Revenue Expenditure Monitoring Report - General Fund Summary</b>
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<b>1 April to 31 December 2023</b>
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	Actual Year to Date £000	Annual Budget £000	Year End Estimate £000	Year End Variance £000
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**Table A: By Service**

Communities & Place	38,855	43,920	44,970	1,050
Depute Chief Executive	10,797	12,878	12,556	(322)
Education & Learning	170,729	249,842	249,134	(708)
Health, Wellbeing & Social Care	125,797	186,104	185,875	(229)
Infrastructure & Environment and Economy	30,558	43,783	49,718	5,935
Performance & Governance	2,221	6,339	6,121	(218)
Property & Housing	56,148	79,662	80,862	1,200
Resources & Finance	12,455	14,454	14,049	(405)
Welfare Services	8,676	7,062	7,435	373
<b>Service Total</b>	<b>456,236</b>	<b>644,044</b>	<b>650,720</b>	<b>6,676</b>
Valuation Joint Board	2,404	3,140	3,140	0
Non Domestic Rates reliefs	2,650	2,624	2,765	141
Loan Charges	0	60,176	60,176	0
Unallocated Budget	0	10,041	7,134	(2,907)
Unallocated Corporate Savings	0	(1,331)	(868)	463
<b>Total General Fund Budget</b>	<b>461,290</b>	<b>718,694</b>	<b>723,067</b>	<b>4,373</b>

**Table B: By Subjective**

Staff Costs	330,031	420,613	418,815	(1,798)
Other Costs	303,504	518,885	531,449	12,564
<b>Gross Expenditure</b>	<b>633,535</b>	<b>939,498</b>	<b>950,264</b>	<b>10,766</b>
Grant Income	(84,610)	(92,576)	(95,820)	(3,244)
Other Income	(87,635)	(128,228)	(131,377)	(3,149)
<b>Total Income</b>	<b>(172,245)</b>	<b>(220,804)</b>	<b>(227,197)</b>	<b>(6,393)</b>
<b>Total Revenue Expenditure</b>	<b>461,290</b>	<b>718,694</b>	<b>723,067</b>	<b>4,373</b>

**Table C: Appropriations to Reserves**

Contribution to earmarked balances	0	640	640	0
Contribution to non-earmarked balances	0	0	0	0
Affordable housing contribution from 2nd homes council tax	0	0	0	0
Contribution to Other reserves	0	19	19	0
<b>Total Contributions to Balances</b>	<b>0</b>	<b>659</b>	<b>659</b>	<b>0</b>

**Table D: Financed By**

Aggregate External Finance as notified	297,255	529,105	529,105	0
Additional resources	0	19,641	19,641	0
Additional resources - GCG - Pay award	0	5,425	5,425	0
Council Tax	164,035	143,563	144,227	664
Use of earmarked balances	0	2,171	2,171	0
Use of non earmarked balances	0	19,448	23,157	3,709
Use of other reserves	0	0	0	0
<b>Total General Fund Budget</b>	<b>461,290</b>	<b>719,353</b>	<b>723,726</b>	<b>4,373</b>



<b>Revenue Expenditure Monitoring Report - General Fund Summary</b>
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<b>1 April to 31 December 2023</b>
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Staff Costs	Other Costs	Grant Income	Other Income	Total
Variance	Variance	Variance	Variance	Variance
£000	£000	£000	£000	£000

**Table A: By Service**

Communities & Place	(1,346)	2,030	(344)	710	1,050
Depute Chief Executive	(972)	1,949	(1,221)	(78)	(322)
Education & Learning	(1,251)	493	1	49	(708)
Health & Social Care	320	(552)	0	3	(229)
Infrastructure, Environment & Economy	1,162	9,013	(236)	(4,004)	5,935
Performance & Governance	187	206	(22)	(589)	(218)
Property & Housing	(462)	823	56	783	1,200
Resources & Finance	564	(848)	(98)	(23)	(405)
Welfare	0	1,753	(1,380)	0	373
Valuation Joint Board	0	0	0	0	0
Hi Trans	0	0	0	0	0
Non Domestic Rates reliefs	0	141	0	0	141
Loan Charges	0	0	0	0	0
Unallocated Budget	0	(2,907)	0	0	(2,907)
Unallocated Corporate Savings	0	463	0	0	463
<b>Total General Fund Budget</b>	<b>(1,798)</b>	<b>12,564</b>	<b>(3,244)</b>	<b>(3,149)</b>	<b>4,373</b>

<b>Revenue Expenditure Monitoring Report - Housing Revenue Account Summary</b>
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<b>1 April to 31 December 2023</b>
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	Actual Year to Date £000	Annual Budget £000	Year End Estimate £000	Year End Variance £000
Staff Costs	10,368	15,004	13,680	(1,324)
Other Costs	17,332	21,694	23,967	2,273
Loan charges and interest	0	26,291	26,291	0
<b>Gross Expenditure</b>	<b>27,700</b>	<b>62,989</b>	<b>63,938</b>	<b>949</b>
House Rents	(44,456)	(59,333)	(59,393)	(60)
Other rents	(2,183)	(3,235)	(2,967)	268
Other income	(499)	(360)	(512)	(152)
Interest on Revenue Balances	0	(61)	(61)	0
<b>Gross Income</b>	<b>(47,138)</b>	<b>(62,989)</b>	<b>(62,933)</b>	<b>56</b>
<b>Total HRA</b>	<b>(19,438)</b>	<b>0</b>	<b>1,005</b>	<b>1,005</b>

<b>Revenue Expenditure Monitoring Report - General Fund Budget</b>
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<b>1 April to 31 December 2023</b>
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	£m	£m
2032/24 Budget as Agreed by Highland Council on 2 March 2023		735.780
Less : Contributions to Reserves included in Agreed Budget		
Contribution to earmarked balances (Elections Fund)	(0.085)	
Contribution to earmarked balances (SALIX)	(0.555)	
Contribution to other reserves	<u>(0.019)</u>	(0.659)
Less : Ring-fenced Grants (Gaelic, Criminal Justice, PEF Attainment Funding, Early Years, Support for Ferries)		(32.423)
Less : Effect of Loans Fund Principal Accelerated Write Down in 2022/23 (HC 29/06/23 item 9, App 2)		(3.822)
<b>Grant Funding Redeterminations</b>		
Net funding increase in Finance Circular 3/2023	0.014	
Allocation of funding for 2022/23 & 2023/24 teaching pay award	6.755	
Provisional allocation of funding for 2023/24 non-teaching pay award	6.973	
Summer 2023 Funding	0.177	
Ukraine Resettlement Teams	0.149	
Ukraine Resettlement Pay Award	2.087	
	<u>17.647</u>	
Adjust : Ring-fenced Grant Changes		<u>17.647</u>
<b>Use of Non-earmarked Balances</b>		
		<u>0.000</u>
<b>Use of Earmarked Balances</b>		
Counselling in Schools	0.704	
Ward PBI & COVID Discretionary	0.772	
Period Products	0.109	
World Heritage	0.025	
Car Parking Skye - Old Man of Storr Retail Unit	0.060	
Public Toilets VMP (Glenmore, Glencoe & Wick)	0.109	
Developer Contributions	<u>0.392</u>	2.171
<b>Use of Other Reserves</b>		
		<u>0.000</u>
<b>Contribution to Non earmarked Balances</b>		
		<u>0.000</u>
<b>Contribution to Earmarked Balances</b>		
		<u>0.000</u>
<b>Contribution to Other Reserves</b>		
		<u>0.000</u>
<b>Presentational Adjustments</b>		
		<u>0.000</u>
<b>Total General Fund Budget at 31 December 2023</b>		<u><u>718.694</u></u>

<b>Revenue Expenditure Monitoring Report - General Fund Budget</b>
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<b>1 April to 31 December 2023</b>
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**General Fund Balance**

	Earmarked balances £m	Non- earmarked balances £m	Total £m
General Fund Balance at 1 April 2023	61.309	70.513	131.822
(Use of)/contribution to balances included in budget as agreed by Highland Council on 2 March 2023	0.640	(23.270)	(22.630)
Effect of Loans Fund principal accelerated write down in 2022/23	0.000	3.822	3.822
Use of balances per Appendix 4	(2.171)	0.000	(2.171)
Contribution to balances per Appendix 4	0.000	0.000	0.000
Removal of earmarking	0.000	0.000	0.000
Budget movement in balance per Appendix 2	(1.531)	(19.448)	(20.979)
Net service underspend/(overspend) per Appendix 2	0.000	(4.373)	(4.373)
Appropriations to other reserves	0.000	0.000	0.000
Additional resources	0.000	0.000	0.000
Council tax	0.000	0.664	0.664
Rounding			0.000
General Fund Balance at 31 December 2023	59.778	47.356	107.134
Forecast further net movement in balances to 31 March 2024	(14.952)	0.000	(14.952)
PPP accounting flexibility (subject to Council decision on 29 February 2024)	67.951	0.000	67.951
Affordable housing contribution from 2nd homes council tax	tbc	tbc	tbc
Forecast General Fund Balance at 31 March 2024	112.777	47.356	160.133

Delivery of Agreed Savings 2023/24 - RAG analysis

Appendix 6

Service	Total Approved Savings 2023/24 £m
Communities & Place	1.455
Depute Chief Executive	0.307
Education & Learning	9.559
Health & Social Care	3.138
Infrastructure, Environment & Economy	2.377
Performance & Governance	0.363
Property & Housing	3.430
Resources & Finance (including Welfare)	1.304
<b>Service Savings Total</b>	<b>21.933</b>
Add : Corporate Savings	0.250
<b>Total</b>	<b>22.183</b>

Blue £m	Green £m	Amber £m	Red £m
0.615	0.810	0.030	0.000
0.307	0.000	0.000	0.000
5.046	3.888	0.625	0.000
0.000	1.190	1.948	0.000
0.330	1.370	0.677	0.000
0.060	0.233	0.070	0.000
2.340	0.240	0.850	0.000
0.946	0.145	0.213	0.000
<b>9.644</b>	<b>7.876</b>	<b>4.413</b>	<b>0.000</b>
0.000	0.000	0.250	0.000
<b>9.644</b>	<b>7.876</b>	<b>4.663</b>	<b>0.000</b>

## Earmarked Balances

## Appendix 7

Description	Earmarked Balance in Accounts Note	Service	2023/24 Opening Balance £	2023/24 Earmarking - Qtrs 1-3 £	2023/24 Drawdowns - Qtrs 1-3 £	2023/24 Balance as at 30/09/23 £
Badaguish Outdoor Centre	Badaguish Outdoor Centre	E&L	459,692			459,692
Change Fund - General	Change Fund	DCE	1,296,022			1,296,022
HR/Payroll System	Change Fund	R&F	1,763,823			1,763,823
gov.uk e-mail addresses	Change Fund	R&F	80,000			80,000
PPP Handback	Change Fund	R&F	150,000			150,000
HLH Review	Change Fund	E&L	100,000			100,000
Welfare - Additional Free School Meals Easter (R-19)	Covid-19	Welfare	83,722			83,722
Welfare - Spring Hardship £100 payments - Admin (R-44b)	Covid-19	Welfare	13,000			13,000
Welfare - Flexible Fund to Support People Impacted by Restrictions (R-31)	Covid-19	C&P	211,587			211,587
LACER - Environmental Health & Trading Standards (R-81)	Covid-19	C&P	105,206			105,206
LACER - Support for Low Income Families - Cost of Living Support (R-81)	Covid-19	Welfare	71,870			71,870
LACER - Support for Low Income Families - Families Experiencing Distress and Trauma (R-81)	Covid-19	Welfare	74,358			74,358
Other Covid19 - Environmental Health Officers (R-22)	Covid-19	C&P	4,079			4,079
Other Covid19 - CO2 Monitors	Covid-19	P&H	140,000			140,000
Other Covid19 - Ward Discretionary Funds (Covid-19)	Covid-19	C&P	155,770		-155,770	0
Developers' Contributions	Developers' Contributions	Corporate	8,848,952		-391,715	8,457,237
DSM Balances	Devolved School Management	E&L	2,229,966			2,229,966
DSM Balances - General Reserve	Devolved School Management		217,122			217,122
DSM Balances - Counselling in Schools	Devolved School Management	E&L	703,766		-703,766	0
Education Transitional Funding	Education Transitional Funding	E&L	1,705,588			1,705,588
Elections	Elections	P&G	330,257	85,000		415,257
Learning & Teaching (1+2 Languages)	Grant & Match Funding	E&L	99,200			99,200
New Concerto Property Database System - Module Development Work	Grant & Match Funding	P&H	209,857			209,857
RRTP Homelessness	Grant & Match Funding	P&H	287,000			287,000
Whole Family Wellbeing	Grant & Match Funding	HW&SC	1,420,000			1,420,000
National Trauma Training	Grant & Match Funding	HW&SC	25,631			25,631
Mental Health Officers	Grant & Match Funding	HW&SC	139,000			139,000
Period Poverty	Grant & Match Funding	C&P	109,000		-109,000	0
FWES Employability	Grant & Match Funding	I&E&E	786,993			786,993
Regional Economic Partnership Fund (Western Isles)	Grant & Match Funding	I&E&E	107,000			107,000
Ukrainian Resettlement Fund	Grant & Match Funding	E&L	914,799			914,799
Local Heat & Energy Efficiency Strategies	Grant & Match Funding	P&G	82,939			82,939
Green Freeport	Green Freeport	I&E&E	300,000			300,000
Highlife Highland	Highlife Highland	E&L	792,000			792,000
IT Investment Fund	IT Investment Fund	DCE	1,248,505			1,248,505
Car Parking Income - Caithness	Local Car Parking Income	I&E&E	10,066			10,066
Car Parking Income - Inverness	Local Car Parking Income	I&E&E	5,820			5,820
Car Parking Income - Lochaber	Local Car Parking Income	I&E&E	7,566			7,566
Car Parking Income - Skye	Local Car Parking Income	I&E&E	196,150		-60,000	136,150
Car Parking Income - Sutherland	Local Car Parking Income	I&E&E	8,663			8,663
Car Parking Income - Wester Ross	Local Car Parking Income	I&E&E	19,256			19,256
NHS Highland - Covid Response Fund & Investment Fund	NHS Highland - Covid Response Fund & Investment Fund	HW&SC	10,795,406			10,795,406

Description	Earmarked Balance in Accounts Note	Service	2023/24 Opening Balance £	2023/24 Earmarking - Qtrs 1-3 £	2023/24 Drawdowns - Qtrs 1-3 £	2023/24 Balance as at 30/09/23 £
Economic Prosperity Fund (£6m original, reduced by £0.933m HC 02/03/23)	Phase 1 Investment Fund	I&E&E/E&L	2,952,543			2,952,543
Levelling-up Funding (£0.125m)	Phase 1 Investment Fund	I&E&E	125,000			125,000
Place-Based Investment (£2.1m)	Phase 1 Investment Fund	C&P	599,932		-599,932	0
Visitor Management Strategy (Phase 1) (£1.5m)	Phase 1 Investment Fund	C&P/I&E&E	318,759			318,759
Ward Discretionary Funds (Phase 1 Investment) (£0.210m)	Phase 1 Investment Fund	C&P	16,500		-16,500	0
Corran Ferry (£1.6m)	Phase 2 Investment Fund	I&E&E	1,100,115			1,100,115
Environment/Climate Change - Renewables (£0.1m)	Phase 2 Investment Fund	P&G	100,000			100,000
Supporting Safe & Effective working (ICT) (£0.8m original, reduced by £0.2m HC 02/03/23)	Phase 2 Investment Fund	P&H	33,933			33,933
Green Energy Hub (£2.8m original, reduced by £2,019,872 HC 02/03/23)	Phase 3 Investment Fund	C&P	699,040			699,040
Visitor Management Strategy (Phase 3) (£1.5m original, reduced by £194,900 HC 02/03/23)	Phase 3 Investment Fund	C&P/I&E&E	310,291		-109,456	200,835
Community Loans Fund (£1m original, reduced by £0.5m HC 02/03/23)	Phase 3 Investment Fund	I&E&E	500,000			500,000
Roads - Maintenance (£2.500m original, reduced by £1m HC 02/03/23)	Phase 4 Investment Fund	I&E&E	1,543,610			1,543,610
Climate Action, Green Energy and Jobs (£2m)	Phase 4 Investment Fund	Corporate	1,028,993			1,028,993
Families First (£1m)	Phase 4 Investment Fund	HW&SC	965,421			965,421
Innovation in Education (£1m)	Phase 4 Investment Fund	E&L	510,271			510,271
Rural Transport (£0.5m)	Phase 4 Investment Fund	I&E&E	88,389			88,389
Property (Health & Safety Works) (HC 04/03/21 one-off budget uplift)	Property (Health & Safety Issues etc)	P&H	1,710,480			1,710,480
Recycling Improvement Fund	Recycling Improvement Fund	C&P	273,000			273,000
SALIX Recycling Fund	Salix Recycling Fund	P&G	1,553,851	555,000		2,108,851
SALIX Recycling Fund - Management Fees	Salix Recycling Fund	P&G	106,238			106,238
Scottish Crown Estate	Scottish Crown Estate	I&E&E	7,394,692			7,394,692
Website & Service Centre Enhancement	Staffing Conditions & Development Fund	C&P	26,255			26,255
Office Reviews	Staffing Conditions & Development Fund	P&H	784,576			784,576
Business Change & Improvement (Transformation Fund Reserve)	Staffing Conditions & Development Fund	Corporate	1,012,858			1,012,858
Consolidation of Living Wage	Staffing Conditions & Development Fund	Corporate	342,481			342,481
Legal Underspend	Staffing Conditions & Development Fund	P&G	60,000			60,000
Flexible Working/NWOW (HC 04/03/21 one-off budget uplift)	Staffing Conditions & Development Fund	P&H	425,220			425,220
Walks to Water	Walks to Water	I&E&E	75,544		-24,816	50,728
Match funding for ESF Poverty & Social Inclusion	Welfare Issues	C&P	128,169			128,169
Administration of Pandemic Entitlements	Welfare Issues	R&F	165,000			165,000
Cost of Living Support	Welfare Issues	Welfare	48,338			48,338
<b>TOTAL</b>			<b>61,309,130</b>	<b>640,000</b>	<b>-2,170,955</b>	<b>59,778,175</b>