

# The Highland Council

Agenda Item	<b>4.a</b>
Report No	<b>RES/35/23</b>

**Committee:** Corporate Resources

**Date:** 7 December 2023

**Report Title:** Corporate Revenue Monitoring report Quarter 2 of 2023/24

**Report By:** Head of Corporate Finance

## **1. Purpose/Executive Summary**

- 1.1 This report provides a summary of the budget monitoring position for the 2<sup>nd</sup> quarter of financial year 2023/24, and a forecast year-end position.
- 1.2 Net spend on General Fund services in the second quarter of financial year 2023/24 totalled £272.176m.
- 1.3 Based on present expenditure trends a year end overspend of £6.613m against budget is forecast. This is an increase from £3.055m as forecast at Quarter 1. Budgetary overspends, unless addressed 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. It is therefore essential that the Council continues to take steps to address and mitigate the forecast overspend position.
- 1.4 The main factors in the projected overspend are described within the report, and relate to overspends in Infrastructure, Environment and Economy, Communities and Place, Property and Housing, and the Performance and Governance services as described below in section 6.
- 1.5 It is important to note that the risks and uncertainties relating to these cost pressures carry a risk into forecasts for the next and subsequent financial years, particularly those pressures related to inflation/interest rates and expectations these rates persist at high levels for some time yet.
- 1.6 After taking account of a forecast improvement in council tax income of £0.896m, a net deficit against budget of £5.717m 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 2 report, and the forecast overspend, this reserve is forecast to sit at £45.348m by year-end, a net reduction of £2.817m compared to the Quarter 1 forecast.

- 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 £0.296m at year-end. This would result in a reduction in projected HRA reserves to £3.613m by year end. Members will have noted from past reports the significant reduction in HRA reserves in 2022/23, and the HRA position will require careful monitoring and management going forward to ensure a sufficient level of reserves is held.

## 2. Recommendations

### 2.1 Members are asked to:

- i. **Consider** the financial position of the General Fund and HRA revenue budgets as at 30<sup>th</sup> September 2023 and note the estimated year end forecast;
- ii. **Note** the status of budgeted savings in the year.

## 3. Implications

- 3.1 Resource – 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 Risk – At this stage in the year there is 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 year for which no specific contingencies are held. Based on the adverse weather and flooding during October of this year, 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.

There remain risks relating to the SJC pay award settlement, which is still pending union ballot outcomes, and further details to come forward via Scottish Government and Cosla regarding how the national funding package to support the pay offer will be implemented, and allocated to individual Councils. Inflation, while it has reduced in year, still remains higher than Government targets and continues to represent a pressure on many aspects of the Council's expenditures. Managing of budgets, avoiding additional overspend areas, and addressing existing budgetary overspends, are key matters.

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.

- 3.3 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’.
- 3.4 There are no specific Health and Safety (risks arising from changes to plant, equipment, process, or people); Community (Equality, Poverty, Rural and Island); Climate Change / Carbon Clever; 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 2 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)	620.782	627.360	6.578
Other budgets (Appendix 1, Table A- bottom half)	93.853	93.888	0.035
Contribution to investment funds and other reserves (Appendix 1, Table C)	0.659	0.659	0
<b>Total (X)</b>	<b>715.294</b>	<b>721.907</b>	<b>6.613</b>
<b>Income (Table D- top part)</b>			
Government income	550.592	550.592	0
Budgeted Council tax income	143.563	144.459	0.896
Confirmed use of earmarked reserves	1.691	1.691	0
<b>Total (Y)</b>	<b>695.846</b>	<b>696.742</b>	<b>0.896</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>25.165</b>	<b>5.717</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 £5.717m which will need to be funded from the Council’s non-earmarked reserve. That deficit of £5.717m 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 £25.165m 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 £6.613m 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 small variance of £0.035m variance.
- 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 5.1 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. As noted at paragraph 3.2 further revisions to Scottish Government funding related to the SJC pay award offer are expected, and pending further details via Cosla and Scottish Government.
- 4.7 An over-achievement of council tax income against budget is being forecast.
- 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 £5.717m 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 £6.578m against service budgets.
- 5.2 At Quarter 2 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. With interest rates remaining high, 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 £0.934m. An overspend of £0.569m is forecasted for the Administration heading. This is attributable to efficiency savings yet to be allocated to other budget headings in 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. Mitigation will continue to be taken to manage budgets as tightly as possible as the year progresses.

- 5.5 An underspend of £0.008m is forecast for the Depute Chief Executive service which covers the Council's ICT and Strategic Improvement and Redesign functions. The variance relates to staff vacancies.
- 5.6 The Education and Learning Service is showing a £0.516m forecast underspend. The main areas of underspend are in relation to staff turnover within Highland Council ELC settings (£0.289m), staff vacancies within Schools General (£0.167m), staff turnover within the ASN staffing standard (£0.197m). This is partly offset with an overspend due to an unbudgeted uplift in insurance (£0.109m).
- 5.7 The Health and Social Care budget is forecasting an underspend of £0.098 at the end of quarter 2. This is contributed to by the position in relation to staff vacancies, offset by unallocated 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. It must however be noted that it is the position of the Service that these vacancies do not represent a recurrent saving but ultimately do contribute to the delivery of a balanced budget in year. Although at this stage in the year, it is difficult to predict out-turns with a high degree of certainty on some budget headings, 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. 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 £5.740m at the end of Quarter 2. The largest element of this overspend is in relation to the Corran Ferry (£3.339m) which relates to an increase in repairs costs, loss of income and costs of mitigation. School Transport forecasts an overspend of £0.802m due to a number of factors including saving target not achieved, some new service requirements, notably Drummond School and a higher number of ASN children requiring school transport services. Road Maintenance forecasts an overspend of £0.790m due to additional hired plant, vehicle and contractor costs. Infrastructure - Project Design Unit (PDU) forecasts an under recovery of income of £0.608m, 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 overspend of £0.246m, this is primarily due to under recovery of income due to vacancies within the Energy Team.
- 5.10 The Property and Housing Service is forecasting a £0.498m 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 £0.218m, primarily in relation to staffing vacancies and over recovery of income compared to target.
- 5.12 The Welfare budget is forecasting a breakeven position. 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 At this point of the year 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 £0.106m. 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. The main elements held unallocated at this time include:-

SJC staff pay award – the funding set aside by the Council in March 2023 was held centrally pending ongoing discussions nationally regarding pay. The pay offer at the time of writing this report is pending a ballot by unions. Further clarity on the national funding package and specific funding for individual Councils is awaited. It is anticipated that these matters will have progressed and allow allocation of budget to services by end of Quarter 3.

Energy costs - a £8.9m unallocated budget provision for energy cost increases was made in the March budget, and this will be allocated during quarter 3 when a clearer estimate of service needs will be available.

High Life Highland (HLH) - £2.4m was agreed by the Council to support HLH with their financial forecasts. This is being held centrally at this time.

Various other smaller budget pressures have been allowed for in the unallocated total figure of £29.8m, these will be reviewed and allocated as we progress through the year.

- 5.15 The unallocated savings line shows a nil variance. In due course savings from within this heading will be allocated against service budgets as savings are confirmed/realised.

## **6. Housing Revenue Account**

- 6.1 As shown in **Appendix 3** the Housing Revenue Account (HRA) is forecast to deliver a net overspend of £0.296m. 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 £45.348m at 2023/24 year end if the Q2 forecast of overspend continues.
- 7.3 Members will be aware from past briefings and reports of the risk that Council reserves, could be depleted in relatively short order over the next couple of years, if the current use of reserves to support the budget in future years continued. Budget strategy and planning for 2024/25 and beyond will need give careful consideration to the reserves position.
- 7.4 Earmarked reserves, which are reserves held for specific and agreed purposes, currently sit at £60.258m. A significant element of that sum may be drawn down at financial year end to match expenditure incurred in the year across a number of areas, principally Phases 1, 2, 3 and 4 investment, Covid business grants and other Covid response funding, and delivering change and other investment. The remainder of that earmarked

sum will be used to meet existing expenditure commitments that extend into 2024/25 and beyond. Given the challenging financial outlook the Council may, where possible, need to reprioritise some of the individual reserve items.

## **8. Budget savings**

- 8.1 In order to deliver a balanced budget for the year approved savings of £22.183m need to be delivered. A summary of the delivery of those savings can be seen at **Appendix 6**. 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 full delivery of the saving, most of which are expected to be timing related. Any shown as Red (none at Quarter 2) would have substantial challenges and would not be expected to be fully delivered.

Designation: Head of Corporate Finance

Date: 24 November 2023

Author: Brian Porter, Head of Corporate Finance; Carolyn Maxwell, Service Finance Manager

Background Papers:

### 2023/24 Quarter 2

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

[Communities and Place Qtr 2 Monitoring Report](#)

[Economy and Infrastructure Qtr 2 Monitoring Report](#)

[Education Qtr 2 Monitoring Report](#)

[Health, Social Care and Wellbeing Qtr 2 Monitoring Report](#)

[Housing and Property \(HRA and Non-HRA\) Qtr 2 Monitoring Report](#)

[Housing and Property \(Property & Facilities Management Services\) Qtr 2 Monitoring Report](#)

<b>Revenue Expenditure Monitoring Report - General Fund Summary</b>
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<b>1 April to 30 September 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	25,772	41,431	42,365	934
Depute Chief Executive	8,388	12,469	12,461	(8)
Education & Learning	97,106	242,012	241,496	(516)
Health, Wellbeing & Social Care	76,842	183,935	183,837	(98)
Infrastructure & Environment and Economy	17,619	40,411	46,151	5,740
Performance & Governance	(2,030)	5,809	6,055	246
Property & Housing	35,448	74,249	74,747	498
Resources & Finance	7,101	13,404	13,186	(218)
Welfare Services	5,930	7,062	7,062	0
<b>Service Total</b>	<b>272,176</b>	<b>620,782</b>	<b>627,360</b>	<b>6,578</b>
Valuation Joint Board	1,603	3,140	3,140	0
Non Domestic Rates reliefs	2,607	2,624	2,765	141
Loan Charges	0	60,212	60,212	0
Unallocated Budget	0	29,820	29,714	(106)
Unallocated Corporate Savings	0	(1,943)	(1,943)	0
<b>Total General Fund Budget</b>	<b>276,386</b>	<b>714,635</b>	<b>721,248</b>	<b>6,613</b>

**Table B: By Subjective**

Staff Costs	215,601	408,802	404,680	(4,122)
Other Costs	180,984	526,734	540,512	13,778
<b>Gross Expenditure</b>	<b>396,585</b>	<b>935,536</b>	<b>945,192</b>	<b>9,656</b>
Grant Income	(63,795)	(92,940)	(93,155)	(215)
Other Income	(56,404)	(127,961)	(130,789)	(2,828)
<b>Total Income</b>	<b>(120,199)</b>	<b>(220,901)</b>	<b>(223,944)</b>	<b>(3,043)</b>
<b>Total Revenue Expenditure</b>	<b>276,386</b>	<b>714,635</b>	<b>721,248</b>	<b>6,613</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	162,362	529,105	529,105	0
Additional resources	0	16,062	16,062	0
Additional resources - GCG - Pay award	0	5,425	5,425	0
Council Tax	114,024	143,563	144,459	896
Use of earmarked balances	0	1,691	1,691	0
Use of non earmarked balances	0	19,448	25,165	5,717
Use of other reserves	0	0	0	0
<b>Total General Fund Budget</b>	<b>276,386</b>	<b>715,294</b>	<b>721,907</b>	<b>6,613</b>



<b>Revenue Expenditure Monitoring Report - General Fund Summary</b>
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<b>1 April to 30 September 2023</b>
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	Staff Costs Variance £000	Other Costs Variance £000	Grant Income Variance £000	Other Income Variance £000	Total Variance £000
<b>Table A: By Service</b>					
Communities & Place	(1,332)	1,233	(233)	1,266	934
Depute Chief Executive	(462)	1,049	0	(595)	(8)
Education & Learning	(1,054)	475	11	52	(516)
Health & Social Care	(2,770)	2,669	0	3	(98)
Infrastructure, Environment & Economy	1,741	7,414	236	(3,651)	5,740
Performance & Governance	354	(516)	(46)	454	246
Property & Housing	(354)	999	(33)	(114)	498
Resources & Finance	(245)	303	(33)	(243)	(218)
Welfare	0	117	(117)	0	0
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	(106)	0	0	(106)
Unallocated Corporate Savings	0	0	0	0	0
<b>Total General Fund Budget</b>	<b>(4,122)</b>	<b>13,778</b>	<b>(215)</b>	<b>(2,828)</b>	<b>6,613</b>

<b>Revenue Expenditure Monitoring Report - Housing Revenue Account Summary</b>
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<b>1 April to 30 September 2023</b>
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	Actual Year to Date £000	Annual Budget £000	Year End Estimate £000	Year End Variance £000
Staff Costs	6,442	14,997	12,743	(2,254)
Other Costs	12,840	21,701	24,108	2,407
Loan charges and interest	0	26,291	26,291	0
<b>Gross Expenditure</b>	<b>19,282</b>	<b>62,989</b>	<b>63,142</b>	<b>153</b>
House Rents	(28,301)	(59,333)	(59,203)	130
Other rents	(1,457)	(3,235)	(3,065)	170
Other income	(285)	(360)	(517)	(157)
Interest on Revenue Balances	0	(61)	(61)	0
<b>Gross Income</b>	<b>(30,043)</b>	<b>(62,989)</b>	<b>(62,846)</b>	<b>143</b>
<b>Total HRA</b>	<b>(10,761)</b>	<b>0</b>	<b>296</b>	<b>296</b>

Revenue Expenditure Monitoring Report - General Fund Budget
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1 April to 30 September 2023
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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	
	<u>14.068</u>	
Adjust : Ring-fenced Grant Changes		<u>14.068</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	
Developer Contributions	<u>0.106</u>	1.691
<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 30 September 2023</b>		<u><u>714.635</u></u>

<b>Revenue Expenditure Monitoring Report - General Fund Budget</b>
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<b>1 April to 30 September 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 (unaudited)	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 5	(1.691)	0.000	(1.691)
Contribution to balances per Appendix 5	0.000	0.000	0.000
Removal of earmarking	0.000	0.000	0.000
Budget movement in balance per Appendix 2	(1.051)	(19.448)	(20.499)
Net service underspend/(overspend) per Appendix 2	0.000	(6.613)	(6.613)
Appropriations to other reserves	0.000	0.000	0.000
Additional resources	0.000	0.000	0.000
Council tax	0.000	0.896	0.896
Rounding			0.000
General Fund Balance estimated at 30 September 2023	60.258	45.348	105.606

## 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
0.470	0.955	0.030	0.000
0.307	0.000	0.000	0.000
0.685	8.249	0.625	0.000
0.000	0.190	2.948	0.000
0.330	1.430	0.617	0.000
0.060	0.233	0.070	0.000
0.000	2.640	0.790	0.000
0.946	0.145	0.213	0.000
<b>2.798</b>	<b>13.842</b>	<b>5.293</b>	<b>0.000</b>
0.000	0.000	0.250	0.000
<b>2.798</b>	<b>13.842</b>	<b>5.543</b>	<b>0.000</b>

## Earmarked Balances

## Appendix 7

Description	Earmarked Balance in Accounts Note	Service	(unaudited) 2023/24 Opening Balance £	2023/24 Earmarking - Qtrs 1-2 £	2023/24 Drawdowns - Qtrs 1-2 £	2023/24 Balance as at 30/06/23 £
Badaguish Outdoor Centre	Badaguish Outdoor Centre	E&L	459,692			459,692
Change Fund - General	Change Fund	Trans- formation	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		-106,345	8,742,607
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	Trans-formation	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			196,150
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
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			310,291
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 (£2.5m 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)	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 Recyling Fund	P&G	1,553,851	555,000		2,108,851
SALIX Recycling Fund - Management Fees	Salix Recyling 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			75,544
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>-1,691,313</b>	<b>60,257,817</b>