

GREATER MANCHESTER COMBINED AUTHORITY

Date: 9 February 2024

Subject: GMCA Revenue Update Quarter 3 - 2023/24

Report of: Councillor David Molyneux, Portfolio Leader for Resources & Investment and Steve Wilson, Treasurer to GMCA

PURPOSE OF REPORT

To present the 2023/24 financial position at the end of December 2023 (quarter 3) and the forecast revenue outturn position for the 2023/24 financial year.

RECOMMENDATIONS:

The GMCA is requested to consider the recommendations below:

1. Note the 2023/24 forecast outturn position for the GMCA budgets at the end of December 2023 (quarter 3).
2. Approve the return of the forecast in year underspend of £10m from the Waste & resources budget.

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Equalities Impact, Carbon and Sustainability Assessment:

N/A

Risk Management

An assessment of major budget risks faced by the authority are carried out quarterly as part of the reporting process – the risks are identified within the report.

Legal Considerations

There are no specific legal implications with regards to the 2023/24 budget update.

Financial Consequences – Revenue

Revenue – The report sets out the forecast outturn position for 2023/24.

Financial Consequences – Capital

There are no specific capital considerations contained within the report.

Number of attachments to the report: n/a

Comments/recommendations from Overview & Scrutiny Committee

N/A

Background Papers

Reports to Greater Manchester Combined Authority:

GMCA Budget Reports – 10th February 2023

GMCA Revenue Update Quarter 1 - 2023/24 – 28th July 2023

GMCA Revenue Update Quarter 2 – 2023/24 – 27th October 2023

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution?

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

N/A

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. INTRODUCTION

- 1.1 The report details the full GMCA position to 31st December 2023 and forecast revenue outturn position for 2023/24, covering Mayoral General Budget, Mayoral GM Fire and Rescue Budget (GMFRS), GMCA General Budget and GM Waste and Transport including Transport for Greater Manchester (TfGM). It provides an analysis of the significant forecast variances in year compared to approved budget and seeks approval for revisions to the budget.
- 1.2 The position at Quarter 3 is summarised in the table below with further detail on the variances provided in each section of the report.

Summary 2023/24 Quarter 3	Revised Budget			Forecast Outturn Q3			Variance from Budget		
	Exp	Income	Total	Exp	Income	Total	Exp	Income	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
GMCA General	270,110	-270,110	0	276,149	-276,149	0	6,039	-6,039	0
Mayoral	140,238	-140,238	0	140,738	-140,738	0	500	-500	0
GMFRS	130,308	-130,308	0	129,539	-130,151	-612	-769	157	-612
Waste	169,023	-169,023	0	169,874	-169,023	851	851	0	851
Transport (exc TfGM)	79,221	-79,221	0	79,221	-79,221	0	0	0	0
TfGM	318,569	-311,069	7,500	325,630	-325,630	0	7,061	-14,561	-7,500

2. GMCA GENERAL BUDGET

- 2.1 The original GMCA General budget for 2023/24 approved in February 2023 was £245.584m. This was revised at quarter 1 to £259.862m and quarter 2 to £270.110m relating to additional funding for various projects and reported to GMCA for approval in July and October.
- 2.2 At quarter 3, there is a further increase in external funding of £6.039m to £276.149m. The increase in expenditure relates to additional funding for various projects as noted within the report. There is a forecast breakeven position for the GMCA General budget by year end.
- 2.3 The table below shows the expenditure and income for the original budget approved in February 2023, the revised budget at quarter 2 and the forecast outturn and variance against revised budget at quarter 3.

GMCA General Revenue Outturn 2023/24 - Quarter 3	Original Budget	Revised Budget at Qu2	Forecast Outturn at Qu3	Forecast Variance at Qu3
Expenditure	£000	£000	£000	£000
GMCA Corporate	25,782	28,727	28,741	14
Core Investment Team	1,744	1,676	1,603	-73
Digital	353	5,529	5,529	0
Economy	9,746	13,264	16,440	3,176
Environment	1,509	6,916	7,538	622
Place	23,446	29,304	27,433	-1,871
Public Service Reform	41,884	44,429	45,310	881
Education, Work and Skills	141,120	140,265	143,554	3,289
Total Expenditure	245,584	270,110	276,149	6,039
Government Grants	-188,865	-194,636	-189,172	5,464
District Contributions	-8,603	-8,603	-8,603	0
Internal Recharges	-22,905	-23,910	-24,937	-1,027
Retained Business Rates	-8,014	-17,956	-21,453	-3,497
Earmarked Reserves - Other	-5,543	-4,418	-11,362	-6,944
Other Income	-11,654	-20,587	-20,621	-34
Total Resources	-245,584	-270,110	-276,149	-6,039
Net Expenditure	0	0	0	0

Corporate Services

2.4 GMCA Corporate Services provide support for the whole of GMCA including Fire and Rescue Service, Police and Crime Commissioner, Waste and Resources and Transport. The Corporate functions include services such as Strategy, Research, ICT, Human Resources, Organisational Development, Finance, Internal Audit and Risk, Commercial Services, Legal and Governance. Funding of GMCA corporate functions is predominantly from recharges within the GMCA and to grants, external funding and GM local authority (district) contributions.

2.5 The original approved budget for 2023/24 was £25.8m and the forecast at quarter 2 was revised to £28.7m and this is unchanged at quarter 3.

Digital

2.6 The GM Digital team is committed to delivering on the GM Digital Strategy through a three year approach set out in the GM Digital Blueprint. GM Digital collaborates across the GM digital system which includes industry, universities, health, Voluntary, Community and Social Enterprise (VCSE) sector to create opportunities, maximise outcomes and generate inward investment.

2.7 The 2023/24 original budget for Digital was £0.3m, which included the key programmes of GM Connect and Smart Residents Data Exchange Platform. At quarter 2, £5.5m forecast was reported. The current forecast position shows no change to the previous period.

Economy

2.8 The Economy portfolio leads key groups including the Growth Board, Local Industrial Strategy Programme Delivery Executive, GM Economic Resilience Group and GM Local Enterprise Partnership (LEP).

2.9 The 2023/24 approved budget for Economy was £9.7m and at quarter 2, the forecast outturn was £13.3m. The current forecast is £16.4m which reflects the additional or confirmation of and additional £3.1m of funding for the following schemes:

- GM Productivity Programme (Phase 2) forecast has been increased by £3.9m in respect of the core business support offer provided to drive business productivity for GM. This has been revised and reprofiled against the allocation of funds of £6.1m from retained business rates.
- GM Local Industrial Strategy forecast has seen a decrease with £0.8m reprofiled to the next financial year. This is primarily in respect of Foundational Economy and Small and Medium Enterprise (SME) Leadership and Management.
- Cricket Strategy spend of £0.2m was previously expected to be within the current year but awaiting confirmation of a new location for the centre, therefore, spend is likely to occur in 2024/25.
- Economy Programmes includes an uplift in expected spend by £0.2m in relation to Net Zero and Be Net Zero which aim to support the GM ambition to be carbon neutral by 2038.

Environment

2.10 Environment is the lead for the implementation of the GM Five Year Environment Plan and delivering housing and public retrofit programmes as part of green economic recovery and progressing the environment plan to continue to reduce carbon emissions and create an improved, more resilient natural environment for socially distanced recreation.

- 2.11 The 2023/24 original approved budget for Environment was £1.5m with forecast expenditure at quarter 2 of £6.9m. The forecast at quarter 3 is £7.5m, the increase of £0.6m relates to new funding available offset by reduction in funding requirements for the following:
- Green Spaces Fund forecast expenditure has increased by £0.8m since the last period which will be funded by earmarked reserves. This reflects the full year expectations now confirmed against the full reserve allocation.
 - Local Energy Advice Demonstrator forecast has been reduced by £200k due to the activities commencing on confirmation of the funding which was provided later in the financial year than expected, therefore, some activities will continue into the next financial year.

Place

- 2.12 Place Directorate focuses on the development of individual places and all the elements that support prosperous and vibrant places in which GM residents can grow up, live and grow old. This has brought together Housing and Planning, Land and Property, Culture, Delivery and Infrastructure teams, each of which has a vital role to play in place development.
- 2.13 The 2023/24 original approved budget for Place was £23.4m with forecast expenditure at quarter 2 of £29.3m. The forecast at quarter 3 is £27.4m, a decrease of £1.9m since the last report which includes:
- Delivery of the Housing Strategy increase of £300k is due to the forecast acceleration of delivery within the year, funded via earmarked reserves.
 - VCSE forecast spend has increased by £200k which reflects the additional external funding confirmed for this work.
 - UK Shared Prosperity Fund forecast has decreased by £4.1m due to change requests from delivery partners as agreed with DLUHC. Of the total forecast, £2.2m has been identified for funding against the capital element of the scheme.
 - Good Landlord scheme expenditure of £0.5m has been identified which is funded by a combination of earmarked reserves and the retained business rates allocation.
 - Growth Locations which represent opportunities for the whole city-region to bring forward development at a scale which can drive the transformational

change ambition across the conurbation has an expenditure forecast of £1m in the current year, funded by earmarked reserves.

- Flood Risk has been included at a forecast of £200k which is to be utilised to highlight the key strategic flood risks, including cross boundary issues within and outside the city region.

Public Service Reform

2.14 Public Service Reform (PSR) supports reform, innovation and social policy development across GM with the overarching objective of addressing inequality and improving outcomes for all residents across the city-region. It is made up of a number of thematic strands with lead responsibilities that include Early Years, Children and Young People, Troubled Families, Homelessness and Rough Sleeping, Asylum and Refugees, Armed Forces and Veterans, Gambling Harm Reduction and the GM Ageing Hub. The service performs a cross-cutting role across GM in collaboration with localities, other public service organisations and the voluntary, community and social enterprise (VCSE) sector to drive the implementation of unified public services for the people of Greater Manchester.

2.15 The 2023/24 original approved budget for PSR was £41.9m with forecast expenditure of £44.4m at quarter 2. At quarter 3, forecast expenditure is £45.3m, the majority of the £0.9m increase relates to:

- Ageing Better programme, for which reserves will fund the Ageing well programme of £300k plus utilisation of a new £100k grant awarded in respect of Falls Prevention which aims to set up and develop a strength and balance training programme for patients to attend following a fractured neck or femur. A further aim is to prevent re-admissions as a result of a fall with improved psychological aspects associated with a fear of falling.
- A Bed Every Night forecast expenditure has been increased by £0.5m to reflect the launch of the winter provision within the financial year.

Education, Work and Skills

2.16 Education, Skills and Work works in partnership with local authorities, partners and businesses to deliver and performance manage programmes that support people to enter, progress and remain in work.

- 2.17 The original 2023/24 budget was £141.1m with forecast expenditure of £140.3m at quarter 2. The current forecast of £143.6m is an increase in expected expenditure of £3.3m. The increases are to be funded from earmarked reserves or existing grant arrangements which are paid in arrears based on activity:
- Work and Skills has increased by a total of £4m comprising of UKSPF mobilisation programmes, £2.3m in relation to Not in Employment, Education or Training (NEET) and £1.7m for Support to Succeed, both of which are to be funded via reserves.
 - European Social Fund (ESF) NEET has increased in forecast expenditure by £300k due to provider performance being higher than anticipated which will be claimed via the existing grant arrangements.
 - Work and Health Programme is also over-performing resulting in an increase to forecast expenditure of £300k which is funded via grant.
 - ESF Skills for Growth forecast has been reduced by £0.7m which matches the revised programme outturn following review of delivery over the past quarter.
 - Department for Education (DfE) Skills Bootcamp has a reduced forecast by £2.3m based on provider performance and milestone revisions factored into the expected expenditure values.
 - Adult Education Budget (AEB) – National Skills Fund Level 3 Adult Offer expenditure forecast has been revised by £1.8m in line with the increased delivery in this area, funded by DfE grant.

3. MAYORAL GENERAL BUDGET

- 3.1 The Mayoral General budget (excluding Fire and Rescue) funds the Mayor's Office and Mayoral functions, the majority of which relates to Transport functions. The budget approved by in February 2023 was £139.738m funded from Precept income, Transport Statutory Charge, reserves, grants and external income.
- 3.2 It was reported to GMCA in quarter 1 that the Mayor has agreed to make a contribution of £500k towards the cost of additional extended rough sleeper provision provided through Manchester City Council to be funded from Mayoral reserves. This increased the revised budget to £140.238m.
- 3.3 Since the last report the Mayor has agreed a further £500k of mayoral funding to support GM local authorities to stand up additional, temporary winter provision following a rapid increase in rough sleeping, driven in part by the acceleration of refugees onto the streets as a result of attempts to clear the backlog of legacy

asylum decisions. This has increased the Mayoral budget to £140.738m with the additional £500k provision being funded from reserves.

3.4 The table below shows the original budget and breakeven forecast outturn at quarter 3:

Mayoral Budget 2023/24 Quarter 3	Original Budget	Revised Budget Quarter 2	Forecast Outturn Quarter 3	Change Qu3 -v- Qu 2
	£000	£000	£000	£000
Expenditure:				
Mayors Office	526	526	526	0
Corporate Recharge	826	826	826	0
Mayoral Priorities	3,050	3,550	4,050	500
Mayoral Transport	135,336	135,336	135,336	0
Gross Expenditure	139,738	140,238	140,738	500
Funded by:				
Mayoral Precept	-25,193	-25,193	-25,193	0
Collection Fund Surplus /-Deficit	-1,059	-1,059	-1,059	0
BSOG grant	-13,150	-13,150	-13,150	0
Mayoral Capacity grant	-1,000	-1,000	-1,000	0
Statutory charge	-86,700	-86,700	-86,700	0
Use of Reserves	-11,786	-12,286	-12,786	-500
External Income	-850	-850	-850	0
Total Funding	-139,738	-140,238	-140,738	-500
Net expenditure	0	0	0	0

4. MAYORAL GENERAL – GM FIRE AND RESCUE SERVICE

4.1 The 2023/24 budget for GM Fire and Rescue Service (GMFRS) in February 2023 was approved at £130.308m. The forecast revenue outturn position at quarter 3 is an underspend of £0.612m.

4.2 The table below provides a summary of the position:

GM Fire & Rescue Service Budget 2023/24 Quarter 3	Original Budget	Revised Budget	Forecast Outturn at Qu3	Forecast Variance at Qu3
	£000	£000	£000	£000
Expenditure:				
Employees	99,972	98,811	98,237	-574
Indirect Employees	2,149	1,887	1,940	53
Premises	6,719	6,645	7,425	780
Transport	2,467	2,470	2,411	-60
Supplies & Services	9,986	10,563	10,304	-259
Support Services	8,272	8,272	8,272	0
Government Grants	-1,169	-1,169	-1,404	-235
Tfr to/from Provision	0		0	0
Other Grants & Contributions	-365	-365	-210	155
Customer & Client Receipts	-2,595	-1,730	-2,035	-304
Capital Financing Costs	2,082	2,082	1,356	-726
Tfr to Earmarked Reserve	2,637	2,841	3,243	402
Total Expenditure	130,156	130,308	129,539	-769
Funded by:				
Localised Business Rates	-10,650	-10,743	-10,743	0
Baseline Funding	-43,275	-43,275	-43,275	0
SFA - Services Grant	-1,244	-1,296	-1,296	0
Section 31 - Business Rates	-7,567	-7,707	-7,707	0
Section 31 - Pension Related	-5,605	-5,605	-5,605	0
Precept Income	-60,463	-60,433	-60,433	0
Collection Fund Deficit	-531	-479	-479	0
Trf from Earmarked Reserve	-822	-770	-613	157
Total Funding	-130,156	-130,308	-130,151	157
Net Expenditure	0	0	-612	-612

Employee Related

- 4.3 Employees pay and pensions is an underspend of £0.574m based on assumed costs including expected appointments to current vacancies. The forecast includes assumptions in respect of on-going Bear Scotland v Fulton costs and estimates in respect of pre-arranged overtime and detachments which is utilised to provide flexibility for training and maintaining ridership plus new starters based on the firefighter recruitment strategy.

- 4.4 Indirect employee costs is broadly in line with budget with a minor variance mainly in relation to forecast detached duty mileage payments. These costs are closely monitored and links to ensuring training can be accessed whilst maintaining fire cover.
- 4.5 Premises related expenditure is an overspend of £780k predominantly in the area of repairs and maintenance based on spend to date as an indication. The information supporting this area of spend is being utilised to understand the needs against the estates strategy capital programme. This has seen an increase in forecast since the last period due to identified costs originally charged to capital which are revenue in nature.
- 4.6 Supplies, services and other expenditure is forecast at an underspend of £259k. Included in the budget is an expected increase in costs for contract renewals that occur throughout the year. Updates will be provided in future reports as they arise.
- 4.7 Following the 2022/23 capital outturn position, the attributable capital financing costs have been re-calculated resulting in an underspend of £726k.
- 4.8 Income is forecast to be overachieved by £0.384m mainly due to a forecast overspend in expenditure in relation to additional training delivery which attracts increased apprenticeship levy income due to the Service. Work has been completed to revise the structure of the budget within the area of training to reflect the activities. Partnership working within Prevention has also provided further income.

5. GM WASTE AND RESOURCES

- 5.1 The budget for 2023/24 was set by the GMCA at £170m with a contribution from reserves of £1m in February 2023. The forecast outturn position for 2023/24 is shown below.

Waste and Resources 2023/24 Quarter 3	Original Budget	Forecast Outturn Qu1	Forecast Outturn Qu2	Forecast Outturn Qu3	Forecast Variance at Qu3
	£000	£000	£000	£000	£000
Operational Costs	108,555	107,714	103,326	101,617	-6,938
Operational Financing	53,731	52,553	52,553	52,459	-1,272
Office Costs	7,212	7,212	6,561	4,696	-2,516
Non-Operational Financing	525	599	599	599	74
Total Budget	170,023	168,078	163,039	159,371	-10,652
Levy Adjustment	0	366	472	503	503
Return to local authorities	0	27,000	27,000	37,000	37,000
Transfer (from)/to reserves	-1,000	-28,000	-28,000	-27,000	-26,000
Levy	169,023	167,444	162,511	169,874	851

- 5.2 The forecast underspend in Operational Costs is largely driven by savings on residual waste treatment due to lower than forecast tonnages of waste at HWRCs (£4.8m) and forecast income from paper/card and commingled waste being above budget (£2m). Forecast share of third-party income is currently below budget and is being offset by small savings on other contract costs.
- 5.3 The forecast underspend on operational financing arises from a slight reduction in the Minimum Revenue Provision charge for the year and the interest paid on the short term borrowed debt.
- 5.4 The forecast underspend on office costs is largely a result of lower than expected consultancy fees. Spend associated with waste compositional analysis has been reprofiled into 2024/25 along with the transfer from reserve. Underspends have also been generated by staff vacancies and reduced premises expenditure.
- 5.5 At the February 2023 GMCA meeting it was agreed that a one-off return of reserves of £27m would be returned to GM local authorities. Approval is now being requested to return the forecast in year underspend of £10m in 2023/24.

6. TRANSPORT REVENUE BUDGET

- 6.1 The Transport revenue budget was approved by GMCA in February 2023 and includes funding from the Transport Levy and Statutory Charge, Mayoral precept, grants and reserves.
- 6.2 As previously reported, since the budget was set, additional grant funding has been awarded and use of reserves has increased. A total of £318.7m is budgeted to be paid

to Transport for Greater Manchester (TfGM) and £79.2m is retained by GMCA for capital financing costs relating to Metrolink and other programmes.

6.3 The original Transport revenue budget for 2023/24 included a £60m deficit, for which a Financial Sustainability Plan (FSP) was prepared which enabled a balanced budget for the year, including through the use of £7.5m of Bus Service Improvement Plan (BSIP) grant funding which has been repurposed to support investment in franchised and non-franchised bus services.

6.4 The table below summarises the original approved budget for TfGM for 2023/24 and the forecast outturn as at the end of quarter 3. A summary of the key variances is provided in the table and commentary below.

TfGM Revenue Budget 2023/24	Original Budget	Revised Budget at Qu2	Forecast Outturn at Qu3	Change Qu2 v Qu3
	£000	£000	£000	£000
Resources				
Funding from GMCA	-232,677	-296,333	-318,694	-22,361
Metrolink financing costs	-12,836	-12,836	-5,036	7,800
DfT Rail grant	-1,900	-1,900	-1,900	0
Total Resources	-247,413	-311,069	-325,630	-14,561
Expenditure				
Concessionary Support	76,254	76,254	76,254	0
Bus Supported Services	63,000	67,000	67,073	73
Capped Fares Scheme	13,000	32,000	34,000	2,000
Payment of Devolved BSOG	11,750	11,750	11,750	0
Accessible Transport	3,700	3,700	3,700	0
Operational Costs	45,697	37,997	45,445	7,448
Traffic signal Costs	3,822	3,822	3,822	0
Clean Air Plan Costs	9,349	9,200	9,200	0
Scheme pipeline development Costs	19,800	18,800	17,913	-887
Bus Franchising costs	15,895	23,400	23,400	0
Metrolink net revenue loss	38,836	28,336	26,763	-1,573
Financing	6,310	6,310	6,310	0
Total Expenditure	307,413	318,569	325,630	7,061
Net deficit/-surplus after FSP	60,000	7,500	0	-7,500

6.5 As noted above, the forecast outturn has been updated to include the savings and additional income which are being delivered in 2023/24 as part of TfGM's FSP. Funding from GMCA has also been updated to reflect additional grant income being received from Department for Transport (DfT) and additional funding from GMCA reserves for Metrolink financing costs (£7.8m).

- 6.6 The costs of concessionary reimbursement are currently forecast to outturn in line with budget, after transfers to reserves. TfGM has, in line with previous DfT guidance, continued to reimburse bus operators for concessionary reimbursement in line with pre COVID-19 volumes, adjusted, in line with further DfT guidance, where operated mileage has been less than 100% of pre COVID-19 levels.
- 6.7 The costs of Bus Supported Services, including the net costs of franchised services, are currently forecast to outturn largely in line with the quarter 2 reforecast. There are ongoing pressures on this budget, however at this point it is forecast that these can be managed within budget.
- 6.8 In June 2023 GMCA approved the continuation of the 'Capped Fares' scheme, with the next review being in summer 2024, resulting in a forecast full year 2023/24 outturn cost of £34m. The costs of the scheme are being funded from BSIP funding.
- 6.9 Bus Service Operator Grant (BSOG) and Accessible Transport costs are currently forecast to outturn in line with budget.
- 6.10 £8m of targeted savings in Operating Costs was included in the FSP. This included savings in resource costs, including from a voluntary severance programme implemented in 2022/23; other cost efficiencies; and additional commercial income. These savings are on course to be delivered in the year. The variance of £7.448m relates to revenue costs relating to the ongoing delivery and management of Active Travel Schemes. These costs are fully funded from various Active Travel Revenue grants which are included in 'Funding from GMCA' in the table above.
- 6.11 Traffic signal operating costs are currently forecast to outturn in line with budget.
- 6.12 The Clean Air Plan costs in the outturn above include all revenue expenditure in the year including on further work to develop the business case; revenue support grants paid as part of the Financial Support Scheme; and the operational costs for the Clean Air scheme. Together these costs are forecast to outturn at £9.2m. All of these costs are funded by grants from the Government's Joint Air Quality Unit. An update on the Clean Air Plan is provided in the GMCA Capital Programme 2023/2024 – 2026/2027 report and the Revenue Budget report also on the agenda for this meeting.

- 6.13 The budget for 2023/24 included £19.8m of expenditure for the further development of GM's pipeline of future transport schemes. This is being part funded from the DfT through £4.25m from the Intra-City Transport Settlement revenue funding for financial year 2023/24, in addition to a further £15.55m of previously approved funding from GM's previous award of Transforming Cities funding (TCF2) and City Region Sustainable Transport Scheme (CRSTS) funding. TCF2 has now been amalgamated within GM's CRSTS award and this funding will be drawn down through a permitted switch of resources between revenue and capital. The current forecast outturn for these costs in 2023/24 is £17.913m, with the difference being due to timing differences.
- 6.14 The Mayoral General Budget included an estimated sum of £15.9m for the revenue costs for the implementation plans for the introduction of Bus Franchising. Due to a rephasing of expenditure from 2022/23, the forecast outturn for these costs in 2023/24 is now £23.4m with the overall outturn costs during the franchising transition period remaining within the previously approved overall budget.
- 6.15 The net operating loss on Metrolink is reduced from the budget and the outturn to reflect the inclusion of the FSP initiatives, which includes measures to deliver increases in farebox revenues and savings from operational efficiencies. These are planned to deliver £12.1m of additional net income in 2023/24 compared to the original budget which is reflected in the quarter 3 outturn.

7. RECOMMENDATIONS

- 7.1 The recommendations appear at the front of this report.