

TITLE OF REPORT: Budget Review Annual Report

REPORT OF: Darren Collins, Strategic Director, Resources and Digital

SUMMARY

This report provides the Committee with a review of budget 2022/23 and an update on the achievement of 2023/24 budget savings to date.

Background

1. Up to and including 2023/24 the Council has delivered £191m of budget cuts.
2. On 25 February 2022 Cabinet and Council agreed a revenue budget of £254.3m which was balanced through planned use of £5.8m of reserves. This approach was in line with the agreed approach for planned use of reserves to allow time to identify cuts and efficiencies required over three-year planning.
3. Council agreed the revenue budget for 2023/24 on 21 February 2023. This was set at £289.9m and included £13m of savings.
4. At the first quarter Cabinet agreed an amendment to the net revenue budget for 2023/24 from £289.9m to £281.9m.
5. As part of the Council's budget and policy framework Cabinet receives quarterly reports on performance against the agreed revenue budget which includes savings delivery. The Corporate Management Team also receive regular updates on budget savings delivery in order to monitor progress and hold lead officers to account.
6. Corporate Resources Scrutiny Committee is being asked to consider this report and review progress of delivery of savings.

Budget Review 2022/23

7. The revenue budget set was delivered. There were no savings delivery to report on in 2022/23.
 8. The overall 2022/23 revenue outturn position for the Council including non-service budgets and financing this resulted in a net revenue positive balance of £3.4m. This position is after the application of agreed reserves funding to support financing of the budget and resulted in a net addition to the Council's general fund reserve.
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9. Active budget management and additional scrutiny took place during the year in order to help achieve this outturn.
10. Although the overall outturn was positive, the position masks overspends in some services and includes a number of year-end transactions that have impacted on the final position. The positive outturn remains a significant achievement given the financial pressures faced by the services and enables the Council's sound financial position to be maintained within an extremely challenging economic and financial context.

Budget Review 2023/24 – Six month position

11. The projected revenue outturn for 2023/24 at the second quarter following management intervention is £2.7m over budget. (First quarter was £1.1m over). The position per Group and Service was reported to Cabinet 21 November 2023.
12. The most significant budget challenge is in relation to children's social care placements and home to school transport.
13. It is the intention to deliver within the overall revised budget by the financial year end and progress will be reported at quarter three.

Savings Review 2023/24

14. Cabinet agreed £13m of savings in the 2023/24 revenue budget which will be challenging. Financial control and monitoring of budgets is crucial. Progress is being closely monitored and those requiring further consultation and engagement will be the subject of future reports to Cabinet. Appendix 1 shows an overview of the in year savings showing 95% have been achieved in full.
15. Work will continue to action plan remaining areas. The Council's MTFS assumes all budgets are delivered going into the next financial year.

Workforce Implications

16. Any HR implications arising from the proposals will be managed in accordance with the Council's HR framework.

Recommendation

17. Corporate Resources Overview and Scrutiny Committee will be asked to consider and provide views on the following:
 - The progress made to date on budget savings

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Appendix 1 – 2023/24 Savings Delivery

2023 Budget Savings	Total Agreed £000	Red	Amber	Green
Integrated Adults' and Social Care Services	3,811	-	-	3,811
Children's Social Care and Lifelong Learning	1,111	-	111	1,000
Health and Wellbeing (including Public Health)	-			
Office of the Chief Executive	42			42
Housing, Environment and Healthy Communities	1,123		70	1,053
Economy, Innovation and Growth	1,710	311	10	1,389
Corporate Services and Governance	73			73
Resources and Digital	594	140	48	406
Other: Corporate Services	3,320			3,320
Total Agreed Savings and Income	11,784	451	239	11,094
Pension Saving removed from base budgets	1,300			
	13,084	3%	2%	95%

RED

Portfolio/ Service	Name of Proposal	Proposal TOTAL £000's	Value Achieved £000	R/A/G
Economy, Innovation and Growth	Solar PV Park - Increase Income	593	442	151
Economy, Innovation and Growth	Group Review for Economy , Innovation & Growth	160	0	160
Resources and Digital (IT)	Telephony Services	140	0	140