

Item 10 – Financial Monitoring 2023/24 – to the end of November 2023

The attached report was considered by the Finance & Investment Advisory Committee on 11 January 2024. The relevant Minute extract is below.

Finance & Investment Advisory Committee (11 January 2024, Minute 45)

The Head of Finance presented the report, which set out the Council's financial position to November 2023, and the forecast position until March 2024. The forecast was for an unfavourable variance of £334,000, which represented a significant reduction from the unfavourable variance of £1.489m reported in July 2023.

The officer highlighted some of the variances. The 2023/24 pay award was for £1,925 per person up to a certain pay grade, and had been included in the forecast variance. Measures had been implemented to reduce the variance in Direct Services. Interest receipts had a favourable variance, as interest rates were high. Vacancies in positions that were not being filled were used to offset some other areas. £1.3m of the £1.8m budget for the interim leisure centre contract was forecast to arise this year, with the remainder to be accounted for in 2024/25, but this would have nil effect on the bottom line as the cost was being funded initially from the Budget Stabilisation Reserve.

The capital programme was forecast to be underspent by £22.4 million against a budget of £33m, mainly due to delays following the refusal of planning permission for the development at Bevan Place.

Members discussed the forecast unfavourable variance associated with Direct Services overall, which was around £1m. The officer explained the factors behind this. The pay award had a significant impact, as had increased agency costs. The volume of household waste collected remained increased, whilst the volume of trade waste collected was down.

To address the unfavourable variance, several actions had been put in place. Any spend of over £5,000 would require approval from the relevant Chief Officer. Some posts would not be recruited to and would remain open. Furthermore, all teams were expected to propose 3 savings suggestions for discussion.

Resolved: That the report be noted.