

Financial Health Monitoring 2022/23 – October (Month 7)

Date: 11 January 2023

Report of: Head of Democratic Services

Report to: Scrutiny Board (Environment, Housing & Communities)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

The Scrutiny Board (Environment, Housing & Communities) is asked to consider the Financial Health Monitoring report in the context of wider discussions about the initial budget proposals and performance against strategic priorities that fall within the remit of the Board.

In December 2022 the Executive Board received an update from the Chief Officer Financial Services about the financial health of the Authority both in respect of the General Fund revenue budget and the Housing Revenue Account.

The appended Executive Board report provides an update on financial performance against the 2022/23 budget, which targeted resources towards priorities set out in the Best City Ambition.

It also sets out some of the specific risks facing the Council as a result of the current financial climate.

At the end of month 7 it is anticipated the Housing Revenue Account will be a balanced budget.

Recommendations

- a) Members are asked to consider the relevant information within the attached Executive Board report and provides comment in relation to those service areas that fall within its remit.

What is this report about?

- 1 The Chief Officer Financial Services provides a regular budget report to the Executive Board throughout the year. The latest paper set out the position at the end of October (month 7) and was considered by Executive Board on 14 December 2022.
- 2 Twice a year – in June and January – the five scrutiny boards are also asked to consider the latest information on financial health monitoring alongside a report that provides detail of service performance in relation to strategic priorities that fall within the respective remits of the Boards.
- 3 At this meeting the Scrutiny Board is also asked to consider the Financial Health Monitoring report in the context of its wider discussions about the initial budget proposals, which appear elsewhere on the agenda.

What impact will this proposal have?

- 4 This report is for information and members are asked to provide comment in the context of the wider discussions about performance and the initial budget proposals.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing Inclusive Growth Zero Carbon

- 5 Delivery of the priorities identified in the Best City Ambition relies upon the organisation's long-term financial sustainability, with decision makers required to effectively balance the resource implications of the Council's policies against financial constraints. This is the primary purpose of the Medium-Term Financial Strategy, which provides the framework for the determination of the Council's annual revenue budget.
- 6 The appended report is a factual report, which needs to be seen in context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23 so that resources can continue to be targeted at the Council's priorities.

What consultation and engagement has taken place?

- 7 Public consultation on the 2022/23 Revenue Budget was carried out between December 2021 and January 2022.
- 8 Relevant Executive Members and senior officers have been invited to attend today's meeting to discuss the appended report and to address any questions raised by the Scrutiny Board.

What are the resource implications?

- 9 The appended revenue report details all resource implications.

What are the key risks and how are they being managed?

- 10 The reported budget position is considered in the context of risk to both the in-year financial position and the potential impact on the Council's Medium Term Financial Strategy. These risks are included on the Council's corporate risk register. Further information surrounding other associated risks is set out in the appended report.
- 11 The appended report is a factual report which needs to be seen in context of the requirement for the Council to be financially sustainable and deliver a balanced budget position in 2022/23.

What are the legal implications?

- 12 There are no legal implications arising from the attached Executive Board report

Appendices

- Appendix A – Report of the Chief Officer Financial Services to Executive Board (14 December 2022) on Financial Health Monitoring 2022/23 – October (Month 7).

Background papers

- None