

## Financial Health Monitoring 2023/24 – October (Month 7)

Date: 16<sup>th</sup> January 2024

Report of: Head of Democratic Services

Report to: Scrutiny Board (Adults, Health and Active Lifestyles)

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 (Adults, Health and Active Lifestyles) 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 2023 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 at Month 7 of the financial year.

The appended Executive Board report provides an update on financial performance against the 2024/25 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.

### Recommendations

- a) Members are asked to consider the relevant information within the attached Executive Board report and provide 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 13<sup>th</sup> December 2023.
- 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 Members are asked to consider the relevant information within the attached Executive Board report and provide comment in relation to those service areas that fall within its remit. Elements of the report relevant to the Board's remit can be found on **pages 65 to 69, 89 and 98 (Adults and Health) and pages 73 to 75, 92 and 100 (City Development – Active Leeds)**.
- 4 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?**

- 5 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

- 6 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.
- 7 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 2023/24 so that resources can continue to be targeted at the Council's priorities.

## **What consultation and engagement has taken place?**

- 8 Public consultation on the Revenue Budget forms part of the process of setting the budget for the authority each year, that process was followed for the 2023/24 budget.
- 9 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?**

- 10 The appended revenue report details all resource implications.

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

- 11 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.
- 12 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 2023/24.

## **What are the legal implications?**

13 Detail on the legal implications associated with the Executive Board report that is considered in the appendices to this report can be found under the legal implications section of those reports.

## **Appendices**

- Appendix 1 – Report of the Chief Officer Financial Services to Executive Board (13 December 2023) on Financial Health Monitoring 2023/24 – October (Month 7).

## **Background papers**

- None