

2022/23 GENERAL FUND REVENUE BUDGET - MONTH 6 MONITORING REPORT

The Council Executive considered a report (copies of which had been circulated) by the Head of Finance and Property Services providing an update on the outcome of the General Fund revenue budget monitoring exercise at month 6, including an update on material budget pressures, progress being made with the delivery of approved budget savings for 2022/23 and projected expenditure against one-off budgets in 2022/23 and 2023/24.

It was recommended that the Council Executive:

1. Note the outcome of the month 6 monitoring exercise, which was a forecast overspend position of £4.446 million which would be funded by one-off resources. This included an overspend on net service expenditure of £696,000 and further costs of £3.750 million in relation to the pay award package after taking account of funding from Scottish Government to help councils manage the additional costs;
2. Note the overall month 6 forecast position was in line with the position reported to Council Executive at month 4, albeit there were movements in forecast between services;
3. Note the overspend of £4.446 million forecast at month 6 would be funded, as agreed at month 4, from retained one-off balances of £81,000 and the net saving in the committed General Fund balance of £3.850 million and savings from one-off resources in 2022/23 of £515,000;
4. Agree that Heads of Service take all management action necessary to curtail spend and preserve any in-year underspends to minimise the projected in-year overspend;
5. Note the material recurring pressures of £6.363 million and the updates from relevant Heads of Service on progress being made against the agreed actions to mitigate these pressures;
6. Note Heads of Service had been instructed to take all action necessary to mitigate as far as possible the recurring pressures by 31 March 2023 including a focus on what was being done to manage and reduce the pressure by implementing specific actions;
7. Agree Heads of Service take all action necessary to deliver the approved savings for 2022/23, categorised as Amber, by 31 March 2023 given the magnitude of the financial challenges facing the council; and
8. Agree Heads of Service review the exit strategies proposed for one-off projects in advance of 2023/24, in particular the necessary measures to ensure spend and income generation was realigned to the recurring budget once the one-off investment ended.

Decision

To approve the terms of the report.