

Report to Performance Overview and Scrutiny Committee

Revenue Monitor and Capital Investment Programme 2022/23 Quarter 3 – December 2022

Portfolio Holder: Cllr Abdul Jabbar MBE, Deputy Leader and Cabinet Member for Finance and Low Carbon

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Purpose of Report

The report provides the Performance Overview and Scrutiny Committee with the opportunity to review the final budget monitoring report for the financial year 2022/23. It is therefore able to consider the key information relating to the forecast revenue budget position and the financial position of the capital programme at 31 December 2022 (Quarter 3), together with the revised capital programme, now covering the period 2022/23 to 2027/28. The report (Attachment 1) has been issued with the agenda papers for the meeting of Cabinet on 20 March 2023.

Executive Summary

The Performance Overview and Scrutiny Committee is presented with the report: Revenue Monitor and Capital Investment Programme 2022/23 Quarter 3 – December 2022 (Attachment 1), enabling the Select Committee to review the financial position of the Council. The report was also included within the agenda papers for the 20 March 2023 Cabinet meeting.

The report presents the current forecast revenue outturn position for 2022/23 at Quarter 3 together with the forecast outturn for the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Collection Fund. The report also outlines the most up to date capital spending forecasts for 2022/23 to 2027/28 for approved schemes.

During 2022/23 a high degree of estimation has been required with regard to the lasting impact of COVID-19 and also with the emerging cost pressures in relation to utilities and fuel, the impact of cost of living pressures on pay awards and also interest rates. The forecasting of the likely impact of all these factors on the Council's budget is based on both the actual expenditure and the income position recorded to date but also relies on a series of assumptions. These assumptions have been constantly updated in the light of national and indeed international influences. As this financial monitoring report reflects the financial position at Quarter 3, updated in some instances for more recent information, it can be regarded as a strong indication of the year end position. Every effort will be made to further reduce the forecast variance by the year end to mitigate any potential impact on the 2023/24 budget, together with the projected budget gap for the following year.

Recommendation

That the Performance Overview and Scrutiny Committee considers the financial position of the Council as presented in the attached report.