

WEST NORTHAMPTONSHIRE COUNCIL

18th July 2024

CABINET MEMBER WITH RESPONSIBILITY FOR FINANCE: COUNCILLOR MALCOLM LONGLEY

Report Title **Revenue Monitoring
Provisional Outturn 2023-24**

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List of Approvers

Monitoring Officer	Catherine Whitehead	09/07/2024
Chief Finance Officer (S.151)	Martin Henry	09/07/2024
Communications Lead/Head of Communications	Craig Forsyth	09/07/2024

List of Appendices

2023-24 Revenue Monitoring Provisional Outturn Report

1. Purpose of Report

1.1. The purpose of this report is to ensure that following Cabinet review of the Council's 2023-24 Provisional Outturn reported at June Cabinet, recommendations requiring further approval are presented to Full Council for consideration.

2. Executive Summary

1.2. The Council's Provisional Outturn position for 2023-24 is a small underspend of £0.2m as set out in Table One below;

Table One - Provisional Outturn 2023-24 by Directorate

Directorate	Net Budget £'000	Provisional Outturn Net Spend £'000	Provisional Outturn Variance £'000	P9 Outturn Forecast Variance £'000	Movement Since P9 £'000	Forecast Variance against budget %
Corporate Services	19,485	17,688	(1,797)	(396)	(1,401)	-9.8%
Chief Executive Office	2,879	2,771	(108)	0	(108)	-3.7%
Education Services	5,162	5,842	680	465	215	13.1%
Children's Trust	81,790	99,263	17,473	16,405	1,068	21.4%
Communities & Opportunities	14,456	14,459	3	1,476	(1,473)	0.0%
Adult Social Care	130,028	138,210	8,182	4,127	4,055	6.3%
Place and Economy	92,605	87,818	(4,787)	(937)	(3,851)	-5.2%
Finance Directorate	11,480	10,462	(1,018)	(500)	(518)	-8.8%
Cost of services	357,885	376,513	18,628	20,641	(2,013)	5.2%
Technical / Centrally Controlled Budgets	25,632	10,949	(14,683)	(14,507)	(176)	-56.1%
Total budgeted expenditure	383,517	387,462	3,945	6,134	(2,188)	1.0%
Less funding	(383,517)	(387,682)	(4,165)	(2,641)	(1,524)	1.1%
Net Position 2023-24	0	(220)	(220)	3,493	(3,712)	-0.1%

1.3. The figures above have also transferred eligible costs that were charged into revenue to Capital in order to protect revenue reserves. In total this capitalisation of costs previously funded through the revenue account amounted to £5.6m.

1.4. The detailed 2023-24 Revenue Provisional Outturn report presented to Cabinet on 11 June 2024 is included as an Appendix to this report.

3. Recommendations

3.1 It is recommended that Council approve;

- a) amendments to the General Fund capital programme of £5.6m for additional capitalisation identified in 2023-24.
- b) additions to the 2023-24 Flexible Use of receipts strategy detailed in section 8 of the 2023-24 provisional outturn Cabinet report appended to this report.

4. Reason for Recommendations

4.1 To ensure compliance with both the Council's Constitution and financial regulations.

4.2 To comply with both legislative and regulatory requirements in ensuring Council receives an update on the Flexible Use of Capital Receipts Strategy including changes requiring approval.

4.3 To recommend to Council the capitalisation of costs previously charged to the revenue account which officers believe can be transferred to Capital in order to protect revenue resources.

5. Report Background

5.1 Within the Council's 2023-24 provisional outturn report a review of capital projects has been undertaken which has identified balances found to be of a capital nature, resulting in a reduction in revenue spend and increased retention of one-off funding, protecting both general fund and earmarked reserves balances.

5.2 The specific schemes are listed below. The Capital Finance team have worked with services and auditors to ensure that all costs are true capital costs.

- Highways Works £4,324k
- Assistive Technology £370k
- ANPR Cameras £230k
- Shared Programme Resource (DTI scheme) £279k
- Digital Technology £423k

5.3 The Revenue Outturn Monitoring report includes a recommendation to Full Council to approve additions to the 2023-24 general fund capital programme to cover these costs.

5.4 The Council's Flexible Use of Capital Receipts Strategy is approved by Full Council as part of the 2023-24 budget and medium-term plan. In line with government guidance changes including in year additions require Council review. The provisional outturn report includes an update on the Council's flexible use of capital receipts strategy which is detailed in section 8 of the 2023-24 provisional outturn report and set out below in Table Two.

Table Two

	Spend Estimate 2023-24 £000	Provisional Outturn £000	Provisional Outturn Saving £000
Transformation Team	2,151	2,558	
Time limited project costs to enable savings delivery	1,625	1,027	
Statutory redundancy costs from reorganisation and reform	500	1,284	
Transformation Savings as per the 2023-24 Budget and MTFP			10,417
Total	4,276	4,870	10,417

5.5 Within the 2023-24 provisional outturn position the Council has incurred transformation programme resource related expenditure of £4.9m against a budget of £4.3m. These costs will

be funded through the use of capital receipts which will ensure that the council maintains maximum flexibility in the employment of its finances.

- 5.6 Time limited projects includes £0.4m for Strategy and Architecture transformation within DTI and £0.2m to support transformational work with Northamptonshire Children's Trust.

6. Implications (including financial implications)

Resources and Financial

- 6.1 The resource and financial implications for West Northamptonshire Council are set out in the body of, and appendices to, this report.

Legal

- 6.2 There are no legal implications arising from the proposals.

Risk

- 6.3 A full risk analysis for the 2023-24 provisional outturn report is detailed in section 11 of the provisional outturn report included as an Appendix to this report .

Consultation and Communications

- 6.4 The Council carries out public consultation and communications on its annual budget proposals. These activities took place in the months prior to the budgets being approved by Full Council in February 2023 for the 2023-24 budget.
- 6.5 Any management interventions that require a policy change will be subject to a consultation before any decision is taken.
- 6.6 Where consultation is necessary, full details will be presented to Cabinet separately. Cabinet can only make a decision after taking careful account of the results of such consultation in order to reach an informed decision.

Consideration by Overview and Scrutiny

- 6.7 All 2023-24 budget proposals were consulted on prior to the budget being approved by Full Council in February 2023. Any management interventions that require a policy change will be subject to a consultation before any decision is taken. Where consultation is necessary, full details will be presented to Cabinet separately. Corporate Overview and Scrutiny carried out a full budget scrutiny programme of work which fed into the final budget proposals and also consider the regular budget monitoring reports throughout the year.

Climate Impact

- 6.8 All management interventions and mitigations identified within this report will be reviewed on an individual basis for any environmental impact.

Community and Poverty Impact

- 6.9 This report will have a positive impact on the community by providing scrutiny on how public funds are being used to fund services for local residents in 2023-24.

7. Background Papers

- 7.1 The following documents disclose important facts on which the report is based and have been relied upon in preparing the report:

Final Budget Report and Medium-Term Financial Plan, meeting of Council, 22 February 2023
<https://westnorthants.moderngov.co.uk/documents/s10478/2023-24%20Final%20Budget%20Report%20-%20Full%20Council.pdf>

Revenue Monitoring report Period 4
<https://westnorthants.moderngov.co.uk/documents/s13437/Item%2008%20-%20WNC-%20Revenue%20Monitoring%20Report%20-%202023-24%20-Period%204.pdf>

Revenue Monitoring report Period 7
<https://westnorthants.moderngov.co.uk/documents/s14591/Revenue%20Monitoring%20Period%207%20-%20Financial%20Year%202023-24.pdf>

Revenue Monitoring report Period 9
<https://westnorthants.moderngov.co.uk/documents/s16439/Revenue%20Monitoring%20Period%209%20-%20Financial%20Year%202023-24.pdf>