

Item No	Referred from:	CABINET
6B	Date:	27 JUNE 2023
	Title of item:	REVENUE BUDGET OUTTURN 2022/23
To be considered alongside agenda item:		Referral Only

The report considered by Cabinet at the meeting held on 27 June 2023 can be viewed here: [Agenda for Cabinet on Tuesday, 27th June, 2023, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](https://www.north-herts.gov.uk)

RECOMMENDED TO COUNCIL:

- (1) That Council approves the net transfer from earmarked reserves, as identified in table 9, of £5.274million.

REASON FOR DECISIONS:

- (1) Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.
- (2) Changes to the Council's balances are monitored and approved.

Audio recording – 1:43:48

Councillor Sean Nolan, Chair of the Finance, Audit and Risk Committee presented the referral and advised:

- The considerations around this item looked at a number of areas, but overall the report was seen positively as less was being spent.
- The Committee had questions surrounding items such as parking charge write-downs, which had a negative impact on the balance.
- There were questions over the way items were looked at previously and budgeted in.
- For example, the Management Fee for the Leisure Facilities was not quite back at pre-Covid Levels. This was due to the income from gyms and pools being down due to the pandemic, but the income is likely to return close to pre-Covid levels.
- The Committee discussed any future items and how the finance team could look at things going forward. As the Covid-19 pandemic would not have as much of an effect on items, how that would affect the ability to budget in future.
- There were questions around ensuring reality was reflected in smaller variance going forward.

Councillor Ian Albert presented the report and advised:

- The report set out the position on Revenue Budget across the final quarter and the year overall.
- Appendix A summarised the budget movements across the year.

- The final budget had moved from £18.2million to a final spend of £16.7million. Some provisions set aside for Covid-19 were not required and the increase in investment interest income affected the final net spend.
- There would be additional investment income and inflation impacts on budgets going forward.
- The 23/24 budget provision for Covid-19 impacts had been decreased in the budget setting process and it was expected to be confirmed in the Q1 investment returns would be significantly above budget. In the longer term it was assumed that interest rates and inflation would decrease.
- Table 4 detailed spend movement in the last quarter, and Table 7 set out the expected year end general fund position, subject to audit.

Councillor Steve Jarvis commented that the income from Churchgate was significantly higher than budgeted.

In response to the question from Councillor Steve Jarvis, Councillor Elizabeth Dennis advised that the £10k carried over for the Boundary Review was a hold to cover objections or call-ins of the Boundary Review by Members of Parliament. This would be released as the deadline for call-in had passed.

Councillor Ian Albert proposed and Councillor Alistair Willoughby seconded, and following a vote, it was:

RESOLVED:

- (1) That Cabinet noted this report.
- (2) That Cabinet approved a decrease of £920k in the 2022/23 net General Fund expenditure, as identified in table 4 and paragraph 8.1, to a total of £15.818million.
- (3) That Cabinet approved the changes to the 2023/24 General Fund budget, as identified in table 3 and paragraph 8.3, a total £47k decrease in net expenditure.

RECOMMENDED TO COUNCIL:

- (4) That Council approves the net transfer from earmarked reserves, as identified in table 9, of £5.274million.

REASONS FOR DECISIONS:

- (1) Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.
- (2) Changes to the Council's balances are monitored and approved.