

## **REPORT TO EXECUTIVE**

Date of Meeting: 9 April 2024

## **REPORT TO COUNCIL**

Date of Meeting: 23 April 2024

Report of: Director Finance

Title: Overview of General Fund Revenue Budget 2023/24 – Quarter 3

### **Is this a Key Decision?**

No

### **Is this an Executive or Council Function?**

Council

#### **1. What is the report about?**

1.1 To advise Members of the overall financial position of the General Fund Revenue Budgets for the 2023/24 financial year after nine months.

#### **2. Recommendations:**

2.1 It is recommended that Members of the Executive note the report and Council notes and approves (where applicable):

- (1) The General Fund forecast financial position for the 2023 financial year;
- (2) The supplementary budgets as detailed in paragraph 8.12 and Appendix 3;
- (3) The outstanding Sundry Debt position as at December 2023;
- (4) The creditors payments performance; and
- (5) The One Exeter programme update

#### **3. Reasons for the recommendation:**

3.1 To formally note the Council's projected financial position and to approve additional expenditure required during the financial year.

#### **4. What are the resource implications including non financial resources?**

4.1 The impact on the General Fund working balance is set out in section 8.10.

The General Fund Working Balance is projected to stand at £5.866 million at year end.

#### **5. Section 151 Officer comments:**

5.1 Whilst the Council has some significant pressures, namely the pay award, and lower car park and trade waste income, these have been offset by significant underspends on key projects and the VAT decision around Leisure. Members should be aware that many of these underspent budgets will be requested for a roll forward into 2024-25 and whilst

the General Fund Balance is projected to be high at year end, the Section 151 expects the ongoing position to be more in line with the medium-term financial plan projections.

## 6. What are the legal aspects?

6.1 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Council to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such action as it considers necessary to deal with the situation. This might include, for example, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves.

The Local Government Finance Act 1992 places a legal requirement on Council to approve not only the budget but also any changes to the budget proposed during the year. Council has a legal duty to ensure that the budget is balanced and that any changes to the budget are fully funded.

## 7. Monitoring Officer's comments:

7.1 The content of this report raises no issues for the Monitoring officer.

## 8. Report details:

### Overview of General Fund Revenue Budget 2023/24 – Quarter 3

#### 8.1 Financial Summary

FUND	Planned Transfer To/ (From) Working Balance £	Budget Variance Over/(Under) £	Outturn Transfer 2023/24 £
General Fund	(3,225,320)	2,940,502	(284,818)

#### 8.2 General Fund (Appendix 1 & Appendix 2)

The current forecasts show an overall projected underspend of £2,886,552 against a revised budget of £21,867,380. This includes supplementary budgets of £7,540,660 already agreed by Council. Variances of more than +/- £30,000 are detailed below:

#### 8.3 Chief Executive

Budget Heading	Over / (Underspend)
Affordable Housing Development	£363,860

#### 8.4

##### Responsible Officer: Chief Executive

Now that Exeter City Living is being scaled back, there will be no further recharges made to them from ECC. The overspend reflects the impact this will have on the general fund.

##### Transformation

Budget Heading	Over / (Underspend)
<b>IT Services</b>	<b>(£45,300)</b>
<p><b>Responsible Officer: Director, IT &amp; Transformation</b></p> <p>This figure represents ECC's share of Strata's overall savings apportioned across the three Councils. After a review, from 2024/25 the contract will be for costs only and will not include any savings; this is to more accurately reflect Strata's working relationship with its member Councils.</p>	
<b>Organisational Change Programme</b>	<b>(£200,000)</b>
<p><b>Responsible Officer: Organisational Transformation Programme Lead</b></p> <p>The budget is funded from an earmarked reserve and has been re-profiled to reflect the on-going future programme, any underspend will be requested as a supplementary budget in 2024/25.</p>	

#### 8.5 City Development

Budget Heading	Over / (Underspend)
<b>Planning</b>	<b>(£336,040)</b>
<p><b>Responsible Officer: Service Lead, City Development</b></p> <p>The financial impact of the pay offer of £1,925 across all grades has caused an overspend on the salary budgets.</p> <p>Consultant's fees have been higher than expected due to an appeal.</p> <p>An underspend of £416,000 is forecast for the Exeter Plan. This is as a result of a revised timetable in terms of evidence production. Significant evidence is currently being commissioned to underpin the key elements of the Exeter Plan regarding brownfield development. This expenditure will show during 2024/25 when the plan runs towards publication and submission.</p>	
<b>Liveable Exeter Garden City</b>	<b>(£400,000)</b>
<p><b>Responsible Officer: Director</b></p> <p>Grant funding has been provided from DLUCH to progress Liveable Exeter; the money can be spent in any given financial year so the flexibility remains to apportion the money as projects are developed. Therefore, any unspent grant money at the end of the financial year will be transferred into an earmarked reserve and a supplementary budget requested in 2024/25.</p>	

#### 8.6 Communications, Culture and Leisure Facilities

Budget Heading	Over / (Underspend)
<b>Culture</b>	<b>(£111,930)</b>
<p><b>Responsible Officer: Service Lead – Communications, Tourism &amp; Culture</b></p> <p>Only a small amount of the £100,000 supplementary budget for the Rugby World Cup has been used this year therefore most of this has been recorded as a saving and will be requested as a new supplementary budget in 2024/25.</p>	
<b>Markets &amp; Halls</b>	<b>(£231,220)</b>
<p><b>Responsible Officer: Facilities &amp; Markets Manager</b></p> <p>As at quarter two, income forecasts have continued to remain positive, especially at The Matford Centre. Kivell's are anticipating another successful year which has resulted in a projection of £86,000 above the income target, and the car parks are forecast to make £20,000 above budget. The projection for utility savings at both the Matford Centre and the Corn Exchange has increased and is now in the region of £110,000. Several properties have been re-evaluated by the Valuation Office, resulting in a small saving and the personal liability insurance premiums have also come in under budget.</p>	
<b>Museum Services</b>	<b>(£252,500)</b>
<p><b>Responsible Officer: Service Co-Leadership Team</b></p> <p>The forecast saving is reported at £252,500. However, this includes £71,000 of redundancy costs - which will be covered by reserves – therefore the total saving is £323,500. The main reason for the under-spend continues to be utility savings and this, along with smaller savings elsewhere, offsets the forecast shortfall in the revenue received from the shop. Despite the economic climate, shop revenue has been increasing year-on-year; however, achieving the budgeted income target is proving to be the biggest challenge facing the service.</p>	
<b>Leisure &amp; Sport</b>	<b>(£687,650)</b>
<p><b>Responsible Officer: Director - Communications, Culture &amp; Leisure</b></p> <p>This underspend to budget is due to higher than budgeted revenue; this surplus is off setting increased costs, partly due to maintenance expenditure being recognised within the centres while the budget is in the Corporate Property Assets cost centre (a saving of £200,000 is being reported in that cost centre). Utilities across all the centres (apart from SSP) also continue to show an underspend which is contributing to this favourable variance.</p> <p>The saving against budget has been forecast at about £160k higher than is being reported at this time. Work is about to start on making necessary VAT adjustments on received income to ensure that the correct treatment is being applied to the different revenue streams; however, there is no clear picture of how this will impact the final out-turn position. Therefore, a prudent approach has been adopted and the same out-turn position as quarter two has been reported.</p>	
<b>St Sidwells Point</b>	<b>(£59,850)</b>

<b>Responsible Officer: Director - Communications, Culture &amp; Leisure</b>	
This supplementary budget has not been utilised this year. It will be requested again in 2024/25, if needed.	
<b>Communications</b>	<b>(£70,800)</b>
<b>Responsible Officer: Service Lead – Communications, Tourism &amp; Culture</b>	
Advertising income remains healthy in quarter three, with a forecast surplus to budget of £89,000, including a £19,000 contribution from Clear Channel advertising. There is also a saving of £12,700 in staff costs, due to vacancies and insurance premiums coming in under budget. These favourable figures have been offset by the annual subscription to Panacea - which was not budgeted for – and a reduction in recharge income to Exeter City Living.	
<b>Active &amp; Healthy People</b>	<b>(£327,660)</b>
<b>Responsible Officer: Active &amp; Healthy People Programme Lead</b>	
The Wonford Health & Wellbeing Hub project has been delayed during 2023/24 particularly whilst awaiting the appointment of the new Trustees. This has moved the remaining design works and planning submission matters into 2024/25.	

#### 8.7 Net Zero Exeter and City Management

<b>Budget Heading</b>	<b>Over / (Underspend)</b>
<b>Environmental Protection</b>	<b>(£375,160)</b>
<b>Responsible Officer: Service Lead – Environmental Health &amp; Community Safety</b>	
Vacancies within the Neighbourhood and Environmental Quality Teams have more than compensated for the extra cost of the pay offer across the service unit (£78,000). The increased funding for Disabled Facilities Grants has also increased the income from the administrative burden rechargeable to the grant allocation above expectation (£60,000). One-off funds, allocated from Homes4Ukraine income, to support the work of these teams will not be spent in year due to current staffing shortages in this area (£94,000). An Air Quality grant from DEFRA provides funding through to February 2025 with the £150,000 unspent balance to be rolled forward to 2024/25.	
<b>Licensing, Food, Health &amp; Safety</b>	<b>£245,220</b>
<b>Responsible Officer: Service Lead – Environmental Health &amp; Community Safety</b>	
The CCTV Control Room & Home Call Alarm Service budgets were set on 21/22 pay scales rather than those of 22/23 which only came to light after this year's pay settlement was actioned in November – the impact of this is an overspend at year end of £37,000. Home Call income continues to fall short of the income target (£140,000), despite the marketing campaigns that have taken place since March, which have already succeeded in generating some new customers. Additional sources of income, in particular making use of the Council's expertise in the field of CCTV monitoring, are being developed to help offset this issue with contracts due on stream during the year. Containing Outbreak Management costs are expected to be around £40,000. There is a small reserve available to cover £9,300 of this cost.	

<b>Parking Services</b>	<b>£820,530</b>
<p><b>Responsible Officer: Service Lead – Net Zero and Business</b></p> <p>The introduction in mid-May of car park re-zoning was expected to generate additional income, but it is still not anticipated that Car Park charges will reach budgeted levels. The Q3 position was unable to match the skew of budgets into the period and with a comparatively weak January it is now anticipated that charges will end the year some £600,000 below budget. Quarter 3 performance at 94.7% of cumulative budget is a slight dip on Q2 at 96.6%, but broadly in line with the 95.0% achieved in Q1. The switchover from cash to cashless payment has impacted on costs with the fees charged by 3<sup>rd</sup> parties now forecast to be some £90,000 higher than budget.</p> <p>Season ticket income continues to be affected by changes in demand, as a result of commuters working from home. Changes to the discounts offered are anticipated to reduce the adverse outturn variance, but not sufficiently to bring back into balance in the current year. Quarter 3 performance has fallen back to 51.6% of budget level from the just in excess of 52.3% of budget at Q2 (Q1 51.8%). With no history of a steep rise in sales for the remainder of the year, it is prudent to forecast under-achievement at the same rate giving a shortfall of £320,000. Parking permits will be reviewed next financial year to address new trends. The £700,000 income budget realignment will help to bring this Management Unit back into balance in 2024/25.</p>	
<b>Waterways</b>	<b>(£39,660)</b>
<p><b>Responsible Officer: Service Lead – Harbour Master</b></p> <p>The application for a Harbour Revision Order, a potential 2-year process was funded on a one-off basis at £150,000. The contingent element of £80,000 has not been required this year whilst the legal and other fees are likely to carry forward some £28,000 into 2024/25. The Exeter Port Authority operates a mooring repairs service, purchased by the Council a number of years ago. The intention was for this to be self-financing, but costs have increased significantly whilst workload and income has not. The current forecast has improved slightly, for a forecast overspend of £41,000 against a budgeted surplus of £23,000.</p> <p>There has been no change on Canal licences, which represent the other area of concern – despite the significant uplift in rates charged. The forecast is that income will still be some £58,000 below budgeted level (£55,000 at Q2).</p>	
<b>Engineering Services</b>	<b>(£265,840)</b>
<p><b>Responsible Officer: Service Lead – Public and Green Space</b></p> <p>One-off funding for a Waterways Engineer post was agreed in 2022/23 and will provide support for this to operate for at least three more years, with the available funding rolled forward but reducing each year unless funds from other vacancies are able to be used to sustain it. Funding relating to the proposed demolition of an over-bridge is hoped not to be required in-year giving rise to the forecast underspend at year end.</p>	

<b>Domestic Waste Collection</b>	<b>(£336,130)</b>
<p><b>Responsible Officer: Service Lead – Waste, Recycling &amp; Fleet</b></p> <p>The service has suffered continuing operational difficulties as it struggles to recruit. There also may be some costs attributed to the Recycling Management area caused by a new system for agency staff that is in the process of being reviewed. In addition, there is a delay to further roll out of the doorstep food waste programme until the construction of the food waste bay, so there will be savings in the year due to vacancies and vehicles not yet being leased. These savings will more than offset being unable to claim from DCC's Share Scheme saving fund, to which we have no eligibility until the scheme achieves 100% coverage.</p>	
<b>Waste Chargeable Services</b>	<b>£692,730</b>
<p><b>Responsible Officer: Service Lead – Waste, Recycling &amp; Fleet</b></p> <p>As reported in previous years there is a shortfall in the trade waste income budget which, whilst new contracts have come online, will not meet the income target set for the service. The £400,000 realignment of this income budget in 2024/25 will help to make significant progress on achieving financial balance in this Management Unit next year. Trade Waste is close to generating an operating surplus against the costs associated with delivery, with performance from last quarter having deteriorated following payment of the 2023/24 flat rate £1,925 pay award before oncosts (£21,000 forecast deficit). Other income aspects of the service have recovered well since the pandemic and are recovering the costs associated with operational delivery of the Unit as a whole (£107,000 forecast surplus).</p>	
<b>Waste and Fleet Overheads</b>	<b>£160,520</b>
<p><b>Responsible Officer: Service Lead – Waste, Recycling &amp; Fleet</b></p> <p>A steep increase in Property Insurance Premium charges has created an overspend in year (£77,000). This has added to the previously reported Clothing, Laundry, and Uniform issues – specifically Gloves, where an overspend of £48,000 is forecast.</p>	
<b>Recycling</b>	<b>£233,480</b>
<p><b>Responsible Officer: Service Lead – Waste, Recycling &amp; Fleet</b></p> <p>Use of secondary Materials Reclamation Facilities (MRF) and the transportation costs associated therewith have pushed forecast costs up by some £325,000. Further pressures within staffing have caused an increase in expected spend (£182,000), both the payment of the 2023/24 flat rate pay award, referred to against other areas earlier and Agency spend, still under review. Recyclates materials did see market fluctuations during Quarter 2 reducing income; this has continued through Q3, but there is still a forecast £220,000 benefit from sales to partially offset the costs recorded above.</p>	
<b>Net Zero and Business</b>	<b>(£133,450)</b>
<p><b>Responsible Officer: Service Lead – Net Zero and Business</b></p> <p>The coming on stream of Water Lane Solar Farm has generated significant income in year that had not been anticipated at the time of the budget (£84,000). This is augmented by no further spend having taken place against the one-off funding for Exeter Net Zero Project work (£49,000) in year, which will roll forward to 2024/25.</p>	

8.8 Finance

Budget Heading	Over / (Underspend)
<b>Major Projects</b>	<b>(£1,777,000)</b>
<p><b>Responsible Officer: City Surveyor</b></p> <p>The underspend is due to supplementary budgets not being fully utilised in-year. The impact of the wind-down of ECL is still being worked through; however, it is unlikely there will be a material spend by the end of 2023/24. Work on the Bus Station Demolition has started in this quarter – it has been estimated that the total cost will be £300,000, which will be largely realised next year so the majority of the £897,000 budget has been reported as an underspend, with a small amount left in to cover existing costs and any others that may arise before year-end. A supplementary budget will be requested in 2024/25.</p>	
<b>Corporate Property – Estates</b>	<b>£200,890</b>
<p><b>Responsible Officer: City Surveyor</b></p> <p>Savings in the Estate Services team, from both vacancies and against supplies &amp; services, has led to a forecast underspend of £220,830, with an additional underspend of £110,000 due to supplementary budgets not being utilised in-year (these budgets will be requested again in 2024/25). However, these have been offset by adverse variances in rental income; this is hard to forecast as bad debt provisions are added and reversed throughout the year. There will also be a final year-end adjustment for bad debt which could materially affect this out-turn figure. An overspend of £112,000 is forecast against the property maintenance line.</p>	
<b>Corporate Property – Assets</b>	<b>(£223,260)</b>
<p><b>Responsible Officer: City Surveyor</b></p> <p>An underspend of £200,000 continues to be reported within Property Maintenance; this represents the budget for the Leisure &amp; Sport estate, which the Assets team cannot utilise yet due to the on-going restructure (these maintenance costs are recognised within the Leisure management unit). The remainder is an overall saving within the Assets Team, due to vacancies and against supplies &amp; services.</p>	
<b>Revenues, Benefits &amp; Customer Access</b>	<b>£255,860</b>
<p><b>Responsible Officer: Service Revenues, Benefits &amp; Customer Access</b></p> <p>The financial impact of the proposed pay offer of £1,925 across all grades has led to overspends on the salary budgets.</p> <p>Based on current expenditure we are predicting a £160k overspend due to an even bigger decrease in the recovery of housing benefit overpayments and the increased costs of temporary accommodation which we don't receive full subsidy for.</p>	



<b>Corporate</b>	<b>£85,430</b>
<p><b>Responsible Officer: Chief Financial Officer</b></p> <p>This overspend is predominantly due to increases in audit fees and central bank charges. A portion of these increased charges will be recharged to the HRA. Additional costs have also been received in relation to the wind-down of ECL.</p>	
<b>Unapportionable Overheads</b>	<b>(£68,680)</b>
<p><b>Responsible Officer: Chief Financial Officer</b></p> <p>Similar to last quarter, the under-spend is due to a reduction in additional pension allowance payments to Devon County Council. There may be pension strain payments by the end of the financial year; these will be covered by reserves.</p>	

## 8.9 Corporate Services

<b>Budget Heading</b>	<b>Over / (Underspend)</b>
<b>Human Resources</b>	<b>(£43,270)</b>
<p><b>Responsible Officer: Service Lead – Human Resources</b></p> <p>This underspend is primarily due to the under-utilisation of the staff training budget. At quarter two, it was hoped there would be an increased uptake in training; however, this has not materialised, therefore a saving of £50,000 has been forecast. An underspend due to vacancies in the HR team is offsetting an overspend in the Payroll team and against the apprenticeship levy. However, there could be an adjustment in the forecast figure for the levy; this is currently being investigated and if necessary, the adjustment will be made in quarter four.</p>	
<b>Elections &amp; Electoral Registration</b>	<b>£55,880</b>
<p><b>Responsible Officer: Director, Corporate Services</b></p> <p>There are two factors which contribute to the over-spend in Elections. Maternity leave caused an overspend of approx. £19,000 in Electoral Registration; this has now finished so no further overspend is expected. The remainder is due to the budget reduction that was included in the 2023/24 estimates. These reductions, which will continue in future years, will be smoothed in the MTFP</p>	
<b>Corporate Support</b>	<b>£123,470</b>
<p><b>Responsible Officer: Director, Corporate Services</b></p> <p>The shortfall in rental income at the Civic Centre continues to be the predominant reason for this overspend, although some back charges have now been invoiced, which has improved the position. A £125,000 underspend in utilities continues to be forecast at this point although this may change, as the invoices for the first months of 2024 have not yet been received.</p>	

## 8.10 Other Financial Variations

Budget Heading	Over / (Underspend)
<b>Net interest</b>	<b>(£588,751)</b>
<p>Borrowing expected to be taken out early in 2023/24 has been postponed until later in the year/early next financial year due to current prohibitively high interest rates, and this is likely to result in savings in interest payable of £714k. Interest receivable is expected to be more than budgeted due to increased rates on temporary investments and money market funds, although interest will not be received from ECL on the repayments of loans.</p>	

## 8.11 General Fund Balance

In 2023/24 it is projected that there will be an overall net contribution from the General Fund Balance of £284,818. The minimum requirement for the General Fund working balance which was approved by Council in February 2023 at £3 million.

Movement	2023/24
Opening Balance, as at 01/04/23	<b>£6,151,294</b>
Net	(£284,818)
<b>Projected Balance at Year End</b>	<b>£5,866,476</b>

## 8.12 Supplementary Budgets

It is proposed that the supplementary budgets identified in Appendix 3 are approved and added to the 2023/24 budget. The requests are all self-financing or funded by an earmarked reserve and will have no impact on the projected General Fund working balance.

## 8.13 Outstanding Sundry Debt

An aged debt analysis of the Council's sundry debts is shown in the table below:

Age of Debt	March 2022	March 2023	December 2023 *
Up to 29 days (current)	£1,154,547	£1,436,904	£1,385,141
30 days – 1 Year	£2,129,058	£1,697,735	£2,407,007
1 – 2 years	£387,330	£1,645,793	£320,287
2 – 3 years	£623,164	£199,426	£191,875
3 – 4 years	£280,899	£539,002	£111,556
4 – 5 years	£180,759	£254,721	£270,493
5 + years	£1,136,701	£1,186,130	£335,609
<b>Total</b>	<b>£5,892,458</b>	<b>£6,959,711</b>	<b>£5,021,968</b>

In November 2023 aged debt totalling £1.7m in respect of overpaid Housing Benefits was transferred from the ASH Sundry Debtors system to the IMAN system, a new system specifically to manage the recovery of overpaid Housing Benefits. The aged debt analysis in the above table therefore reflects outstanding sundry debtors.

#### 8.14 Debt Write-Offs

The following amounts have been written-off during 2023/24:

	2022/23 Total	2023/24 (Qtr 3)
• Council Tax	£160,603	£183,223
• Business Rates *	£487,464	£0
• Sundry Debt	£2,320	£2,238
• Housing Rents	£70,467	£41,683
• Non-HRA Rents	£76,325	£41,125
• HB Overpayments	£54,507	£162,375

\* Business Rate write offs dealt with annually

#### 8.15 Creditor Payments Performance

Creditors' payments continue to be monitored in spite of the withdrawal of statutory performance indicator BVPI8. The percentage paid within 30 days was 95.37% for the first nine months of 2023/24 compared with 97.08% after the first nine months of 2022/23.

### 9. One Exeter Update

9.1 As Members will be aware, One Exeter is the Council's transformation programme and is a critical priority for the council.

A progress report was presented to Executive in February 2024. The report provided an annual summary of progress against the One Exeter Programme and set out a series of proposed outcomes for the following 12 months. Alongside this, work will start shortly on identifying cost reduction proposals for 2025/26.

Appendix 5 sets out how the Council is performing against the 2023/24 cost reductions. At the end of quarter 3, it is forecast that £479k of the £3.049m will not be achieved, of which £385k relates to car park income. Car park income will therefore be subject to close monitoring by officers as an area of budgetary risk.

Council approved the 2024/25 budgets on 20 February 2024, which achieved the requirement to maintain a minimum General Fund balance in excess of £3 million. The Council's medium term financial plan (MTFP) indicates that the General Fund balance will stand at £3.438m by the end of 2027/28 but is contingent upon further budget reductions of £5.630m in future years, of which proposals covering £1.480m have been identified. Next year in particular requires £3.8m of reductions to deliver a balanced budget. Officers are preparing to identify ways to address the further gaps in funding over the life of the MTFP.

Since the last update, the Digital Customer Strategy has been approved by Council. The strategy is an important milestone for the council and all services will be affected. The

strategy has been developed in recognition that digital technology has, and is, continuing to change the way people live, connect and work.

A Delivery Plan is being developed and work has already started on implementing the strategy. Housekeeping work is nearing completion on the migration to Microsoft 365 and most telephone numbers and email addresses have been removed from the website. Customers are now directed to the main switchboard or asked to complete a 'contact us' form.

Running alongside this has been work to ensure that customers who are digitally excluded can still access our services. Digital Inclusion is reflected as one of the ten key themes of the strategy and specific actions will be included in the Delivery Plan.

The review of the Senior Management Structure has also been undertaken by the Chief Executive, the LGA and the Leader. A draft proposed structure and indicative costs were agreed by Full Council in February 2024 as a draft for consultation. After the consultation has been completed, a further report will be taken to Council containing the outcome of the consultation and a final proposal for a revised Senior Leadership structure. The current intention is that the report will be ready in late March. The revised structure has been informed by the outcome of the Decision Making and Accountability review and the review of cross-cutting functions.

## **10. How does the decision contribute to the Council's Corporate Plan?**

10.1 This is a statement of the projected financial position to the end of the 2023/24.

## **11. What risks are there and how can they be reduced?**

11.1 The risks relate to overspending the Council budget and are mitigated by regular reporting to the Strategic Management Board and Members. Members have a legal responsibility to take action where balances are projected to reach an unsustainable level and the Strategic Management Board are working to address the current projected shortfall in reserves.

Areas of budgetary risk are highlighted in this report. The key areas of budgetary risks are attached as Appendix 4, for reference.

## **12. Equality Act 2010 (The Act)**

12.1 Under the Act's Public Sector Equalities Duty, decision makers are required to consider the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

12.2 In order to comply with the general duty authorities must assess the impact on equality of decisions, policies, and practices. These duties do not prevent the authority from reducing services where necessary, but they offer a way of developing proposals that consider the impacts on all members of the community.

12.3 In making decisions the authority must take into account the potential impact of that decision in relation to age, disability, race/ethnicity (includes Gypsies and Travellers), sex and gender, gender identity, religion and belief, sexual orientation, pregnant women and new and breastfeeding mothers, marriage, and civil partnership status in coming to a decision.

12.4 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act because there are no significant equality and diversity impacts associated with this decision.

### **13. Carbon Footprint (Environmental) Implications:**

13.1 There are no direct carbon/environmental impacts arising from the recommendations.

### **14. Are there any other options?**

14.1 Not applicable.

**Director Finance & S151 Officer, Dave Hodgson**

Authors: Nicola Morley, Bridget Kendrick and Mark Neville-Smith

### **Local Government (Access to Information) Act 1972 (as amended)**

Background papers used in compiling this report:  
None

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