

# Bolton Council

<b>Report to:</b>	Executive Cabinet Member – Leader			<b>Consultation with other officers</b>		
<b>Date of meeting:</b>	16 <sup>th</sup> August 2022					
<b>Report of:</b>	Deputy Chief Executive	<b>Report number:</b>	32080	Finance	Yes	Sue Johnson
<b>Contact officer:</b>	Janet Pollard, Head of Finance, Corporate Resources and Place.	<b>Telephone number</b>	01204 336710	Legal	No	
<b>Report title:</b>	Directorate of Corporate Resources – Finance Report 2022/23 – Quarter One			HR	No	
<b>Not confidential</b>						
This report does not contain information which warrants its consideration in the absence of the press or members of the public.						
<b>Purpose:</b>	This report provides the Executive Cabinet Member with information relating to the financial quarter one projected outturn position of the Directorate of Corporate Resources.			Equality Impact Assessment required?	No	
<b>Recommendations:</b>	The Executive Cabinet Member is recommended to: <ul style="list-style-type: none"> <li>Note the financial position at quarter one.</li> </ul>			<b>(a) Pre-consultation reports</b>	No	No
<b>Decision:</b>						
<b>Background documents:</b>						
<b>Signed:</b>	Leader/Executive Cabinet Member	Monitoring Officer				
<b>Date:</b>						
				Is there a need to consult on the proposals?		
				<b>(b) Post consultation reports</b>		
				Please confirm that the		

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consultation response has been taken into consideration in making the recommendations.		
<b>Vision outcomes</b>  Please identify the appropriate Vision outcomes(s) that this report relates or contributes to by putting a cross in the relevant box.	1. Start Well	
	2. Live Well	
	3. Age Well	
	4. Prosperous	X
	5. Clean and Green	
	6. Strong and Distinctive	

**Summary:**

This report outlines the financial 2022-23 quarter one position, in respect of the Corporate Resources Directorate.

**Key Issues****Revenue Expenditure:**

Revenue expenditure for the Directorate is projected to overspend by £31,000 after planned reserve movements.

**Capital Expenditure:**

Directorate of Corporate Resources has no current capital programme.

**Reserves:**

The Directorate of Corporate Resources has a projected balance of £8,226,414 earmarked reserves for the end of the year.

**Savings targets:**

Budgeted savings for 2021/23 for the Directorate of Corporate Resources are £7.431m.

## 1 Introduction

This report provides the Executive Cabinet Member with the 2022-23 quarter one financial position relating to their portfolio.

The information is divided into five elements.

- Revenue expenditure
- Reserve movements
- Efficiency targets
- Areas of financial risk
- Capital expenditure

## 2 Revenue expenditure

### 2.1 Revenue budget

The approved revenue budget for the Directorate totals £18.924m

**Table One: Directorate of Corporate Resources – Approved revenue budget Q1 2022/23**

	£'000
<b>Original Approved Budget 2022/23</b>	<b>18,152</b>
Less Recharges 2022/23	10,326
<b>Original Manager's Controllable Budget 2022/23</b>	<b>28,478</b>
Q1- Corporate financing budget transfer	735
Q1- Leadership Support post	37
Total adjustments	772
<b>Adjusted Manager's Controllable Budget as at Quarter 1</b>	<b>29,250</b>
Revised Recharges 2022/23	10,326
<b>Adjusted Budget as at Quarter 1</b>	<b>18,924</b>

Executive Portfolio	Adjusted 2022/23 Quarter 1 Budget
	£'000
Leader's	16,633
Stronger Communities	2,291
<b>Total</b>	<b>18,924</b>

### 2.2 In year budget adjustments

There have been two budget adjustments made during quarter one:

- Transfer of corporate budget from substitute savings found as approved in 2022/23 Corporate Resources Budget Report.
- Transfer of Leadership Support post.

## 2.3 Financial position

Table Two below outlines the 2022/23 financial position of the Directorate of Corporate Resources, after movements to reserves, as of 30<sup>th</sup> June 2022.

**Table Two–Directorate of Corporate Resources Financial Position – 2022/23 Quarter 1**

Portfolio	Latest Budget 22-23 £'000	Net Recharges £'000	Controllable Budget £'000	Projected Expenditure £'000	Net Variance £'000
<b><u>Executive Cabinet Member -Leader's Portfolio</u></b>					
Chief Executives DLT	367	(683)	1,051	1,045	(6)
Financial Management	2,018	(3,149)	5,167	5,144	(23)
Revenue, Benefits and Customer Services	5,278	578	4,701	4,635	(66)
Legal & Democratic	4,843	(144)	4,987	5,020	33
HR and OD	(306)	(1,993)	1,687	1,763	76
Transformation	3,281	(4,728)	8,009	8,009	0
Policy, Performance & Communications	1,152	(441)	1,593	1,601	8
	<b>16,633</b>	<b>(10,560)</b>	<b>27,195</b>	<b>27,217</b>	<b>22</b>
<b><u>Executive Cabinet Member -Stronger Communities</u></b>					
Voluntary and Community Strategy (Including Notional Rents)	782	0	782	782	0
Community Safety and Area Working	1,209	0	0	9	9
Community Safety Grants	0	0	0	0	0
Area Working Programme	300	0	300	300	0
	<b>2,291</b>	<b>0</b>	<b>1,082</b>	<b>1,091</b>	<b>9</b>
<b>Directorate of Corporate Resources Total</b>	<b>18,924</b>	<b>(10,560)</b>	<b>28,277</b>	<b>28,308</b>	<b>31</b>

## 2.4 Variance analysis

The overall financial position for the Directorate at quarter one is a projected overspend of £31,000. This comprises of a £22k projected overspend on the Leader's portfolio and £9k projected overspend on the Stronger Communities portfolio.

There are no significant variances.

## 2.5 COVID-19

All COVID restrictions have now been withdrawn and no further government funding is anticipated to be received to offset residual costs and loss of income that may remain in some services. Services in some areas are still clearing backlogs of work which arose during COVID restrictions incurring costs for additional resources required. Any ongoing impact will be monitored alongside other structural changes in costs or demand as a result of the current economic situation.

## 3 Saving and efficiency 2021/23 reductions

In setting the Strategic Budget for the year, the Directorate of Corporate Resources was required to implement £7.431m of saving and efficiency reductions over the 2021/23 financial years. Action is being taken to implement the reductions and ongoing monitoring of expenditure against specific options has been incorporated into the financial monitoring.

Appendix A provides details of the full Directorate Savings Programme.

## 4 Reserve movements

### Table Three – Directorate of Corporate Resources Reserves -2022/23 Quarter 1

Outlined below are the anticipated movements in the Directorate's reserves for 2022/23.

#### Leader's Portfolio:

	Opening Balance 22/23	Anticipated movements in Year	Closing Balance 22/23
	£	£	£
Elections	-100,000	100,000	0
Marketing	-787,246	81,900	-705,346
Policy and Projects Reserve	-201,956	149,200	-52,756
Personnel Reserve	-352,313	0	-352,313
Transformation	0	-362,700	-362,700
Financial Services	-39,237	0	-39,237
Anti Poverty (inc Local Welfare Provision)	-451,016	186,000	-265,016
Departmental Reserve General	-2,915,854	183,703	-2,732,151
<b>Total</b>	<b>-4,847,622</b>	<b>338,103</b>	<b>-4,509,519</b>

### Stronger Communities Portfolio:

	Opening Balance 22/23	Anticipated movements in Year	Closing Balance 22/23
Voluntary Community and Social Enterprise Strategy Funding	-2,513,595	0	-2,513,595
Perpetrator Programme	-30,371	0	-30,371
Greater Manchester PCC	-96,022	0	-96,022
Hate Crime Awareness	-10,500	0	-10,500
Controlling Migration Fund 19/20	-23,377	0	-23,377
Community Safety	-249,554	90,800	-158,754
Area Working Programme	-930,511	120,791	-809,720
Halliwel N mgmnt	-31,600	0	-31,600
Farnworth Neighbourhood Mgmnt cont	-7,956	0	-7,956
Domestic Abuse		-35,000	-35,000
<b>Total</b>	<b>-3,893,485</b>	<b>176,591</b>	<b>-3,716,894</b>

The quarter one reserves balance for the Directorate is projected £4,509k under the Leader's Portfolio and £3,716k under the Stronger Communities Portfolio.

## 5. Risk

There are a few financial risks that have been identified. These risks have been reviewed and mitigations identified:

### 5.1 Loss of Income

There are income lines built into the budget for the Directorate. Should these income levels become unachievable it will put pressure on the rest of the department.

Regular financial monitoring takes place particularly focusing on income.

### 5.2 Increased Demand

There is an increased demand for the services that fall under the Directorate of Corporate Resource's. In some case's this demand has resulted in a financial pressure for the Directorate. This is being monitored closely.

### 5.3 COVID-19

There are a few temporary posts in services that are being funded using COVID monies. Whilst this can be sustained in the short-term using COVID monies, a long-term strategy for recovery is being developed.

## **6 Capital Programme**

Corporate Resources Directorate currently has no capital programme.

## **7 Conclusions and Recommendations**

This report has provided information relating to the projected outturn as at quarter one for the Leader's portfolio, within the Directorate of Corporate Resources.

It is recommended that the Executive Cabinet Member:

- Note the financial position at quarter one.



## 2021/23 Savings Programme

Option	Target Savings	Delivered	Approval sought in other report	No report yet	Comments
	£'000	£'000	£'000	£'000	
Review of model of financial support services across the council, maximising the benefits of new Oracle IT system	345	345			Approval in 21, Q1 report.
Review of Exchequer Services	101	77		24	Savings Report July 2022.
Align Council Tax hardship budget to expected demand	100	100			Budget Report
Council Tax support scheme increased top slice	900	900			ECM Report
LWP Budget focus on fuel poverty support to residents	100	100			Budget Report
Review of Legal and Democratic Services	200	200			Approval Q1 21/22 report, & Dec 21 report. Budget 22/23.
Review School Appeals processes and provision	36	36			Q1 21/22 Finance Report

New model for One Stop Shop/Contact Centre leveraging benefits of new systems	234	234			Savings Report and Q1 21/22 finance report
Merge Overpayment Recovery with Accounts Receivable	23	23			Savings Report
Review of model of HR support across the council, maximising the benefits of new Oracle IT system	396		396		Outturn Report 22/23
Merge Support Services with Publishing Services	128	128			Savings Report
Review of MEC	1,129	1,129			Savings Report
Review of Community Safety and Neighbourhood Management	275	275			Savings Report
MRP re-profiling	1,953	1,953			Budget Report
Levy and corporate benefits budgets	691	691			Budget Report
Pay modelling balance	820	820			Budget Report
<b>Total Savings Options for Directorate of Corporate Resources</b>	<b>7,431</b>	<b>7,011</b>	<b>396</b>	<b>24</b>	