

**POLICY & RESOURCES COMMITTEE****Wednesday, 7<sup>th</sup> September 2022**

<b>REPORT TITLE:</b>	<b>2022-23 REVENUE &amp; CAPITAL BUDGET MONITORING FOR QUARTER ONE (1 APR – 30 JUN) FOR RESOURCES, LAW AND GOVERNANCE AND CORPORATE OFFICE</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF RESOURCES</b>

**REPORT SUMMARY**

This report sets out the financial monitoring information for the Policy & Resources Committee as it's function as a Policy and Services Committee for the Resources Directorate, the Law and Governance Directorate and the Corporate Office at quarter 1 (1 Apr – 30 Jun) of 2022-23. The report provides Members with an overview of revenue and capital budget performance, including progress on the delivery of the 2022-23 saving programme and a summary of reserves to enable the Committee to take ownership of the budgets and provide robust challenge and scrutiny to Officers on the performance of those budgets.

Managing a budget requires difficult decisions to ensure that a balanced position can be presented. Regular Member engagement, which this report forms part of, is considered essential in delivering effective governance and financial oversight.

At the end of Quarter 1, there is a forecast adverse position of £0.657m on the Committees net revenue budget, of £52.615m. This position is based on activity to date, projected trends in income and expenditure and potential mitigation to offset areas of adverse variance.

This matter affects all Wards within the Borough and is not a key decision.

The report contributes to the Wirral Plan 2021-2026 in supporting the organisation in meeting all Council priorities.

**RECOMMENDATION/S**

The Policy and Resources committee is recommended to:

1. Note the forecast adverse revenue position of £0.657m presented at Quarter 1.
2. Note the progress on delivery of the 2022-23 savings programme at Quarter 1.

3. Note the forecast level of reserves at Quarter 1.
4. Note the forecast capital position presented at Quarter 1.

## **SUPPORTING INFORMATION**

### **1.0 REASONS FOR RECOMMENDATIONS**

- 1.1 It is vitally important that the Council has robust processes in place to manage and monitor the in-year financial position, to ensure it delivers a balanced position at the end of the year
- 1.2 Regular monitoring and reporting of the revenue budgets and savings achievements enables decisions to be taken in a timely manner, which may produce revenue benefits and will improve financial control of Wirral Council.
- 1.3 This report presents timely information on the Quarter 1 financial position for 2022-23.

### **2.0 OTHER OPTIONS CONSIDERED**

- 2.1 The Policy & Resources Committee has previously determined the budget monitoring process to follow and this report details the agreed course of action.
- 2.2 In striving to manage budgets, available options have been evaluated to maintain a balance between service delivery and a balanced budget.

### **3.0 BACKGROUND INFORMATION**

- 3.1 As at the end of June 22 (Quarter 1), the financial forecast year end position for the services that report to the Policy and Resources Committee within their function as a Policy and Service Committee, is an adverse position of £0.657m on the Committees net revenue budget, of £52.615m. This position is currently being mitigated as part of the overall forecast adverse variance across the Council to bring the whole Council budget to a balanced position.

**TABLE 1: 2022-23 Policy & Resources Committee – Service Budget & Forecast Outturn**

	Budget	Forecast Outturn	Variance		Adverse/ Favourable
	£000	£000	(+ Fav / - Adv) £000	%	
Chief Executive Office	160	210	-50	-31%	Adverse
Comms & Marketing	963	963	0	0%	
PAs/Exec. Support	663	663	0	0%	
<b>Corporate Office</b>	<b>1,786</b>	<b>1,836</b>	<b>-50</b>	<b>-3%</b>	Adverse
Law & Governance (Corporate)	319	319	0	0%	
Legal Services	3,214	3,168	46	1%	Favourable
Democratic & Member Services	1,436	1,386	50	3%	Favourable
Coroner Services	730	757	-27	-4%	Adverse
Electoral Services	440	469	-29	-7%	Adverse
Registrar Services	-186	-201	15	-8%	Favourable
Licensing	-132	-114	-18	14%	Adverse
<b>Law &amp; Governance</b>	<b>5,821</b>	<b>5,784</b>	<b>37</b>	<b>1%</b>	Favourable
Finance & Investment	23,147	23,200	-53	0%	Adverse
HR & OD and Payroll	3,788	3,793	-5	0%	Adverse
Digital & Improvement	7,565	8,148	-583	-8%	Adverse
Revenues & Benefits	2,297	2,300	-3	0%	Adverse
Audit, Risk & Business Continuity	537	537	0	0%	
Strategic Change	7,674	7,674	0	0%	
<b>Resources</b>	<b>45,008</b>	<b>45,652</b>	<b>-644</b>	<b>-1%</b>	Adverse
<b>Directorate Surplus / (Deficit)</b>	<b>52,615</b>	<b>53,272</b>	<b>-657</b>	<b>-1%</b>	<b>Adverse</b>

3.2 As at the end of June 2022 (Quarter 1), the forecast outturn position for Corporate Office is an adverse variance of £0.050m against a budget of £1.786m.

- **Chief Executive Office:** An adverse variance of £0.050m is forecast for 2022-23. There are risks relating to part of the saving associated with the Directorate which equate to £0.050m. This is due to delays in achieving the saving related to this area. Work is currently being undertaken to identify mitigations corporately through utilising remaining COVID-19 funding for employees within Comms and Marketing who continue to work on the COVID-19 response.
- **Comms & Marketing:** A balanced position is reported for Quarter 1. The advertising and publicity budget has been reduced to contribute towards the overall savings for this Directorate. Advertising income was impacted by COVID-19 last financial year, and although the current year position is forecast as balanced there is a risk that the cost-of-living pressures will impact income generation in this area during the year as

local businesses who typically use this service limit expenditure to essential items as costs rise.

- **PAs/ Exec. Support:** A balanced position is reported for Quarter 1. One vacant post has been deleted to contribute towards the overall savings for this Directorate.

3.3 As at the end of June 2022 (Quarter 1), the forecast outturn position for Law and Governance is a small favourable variance of £0.037m against a budget of £5.821m.

- **Law & Governance (Corporate):** A breakeven position is forecast for 2022-23. The forecast does not include any additional replacement costs (over current salary budget) of the outgoing Director of Law & Governance which is currently out to advert until they are known.
- **Legal Services:** A small favourable variance of £0.046m is forecast 2022-23. This forecast assumes the same level of court costs as last year and is based on current staffing levels.
- **Democratic & Member Services:** A small favourable variance of £0.050m is forecast for 2022/23. This is due to some minor variances to budget across the service.
- **Coroner Services:** A small adverse variance of £0.027m is forecast for 2022-23. Indications from Liverpool City Council is to expect invoices to be at the same level as last year. However, the Q1 invoice is slightly higher than previous years and will be monitored during the year.
- **Electoral Services:** A small adverse variance of £0.029m is forecast for 2022-23. This is due to minor variances to budget.
- **Registrars Services:** A small favourable variance of £0.015m is forecast for 2022-23. Income is forecast to exceed budget and the forecast will be adjusted each quarter to reflect any changes.
- **Licensing:** A small adverse variance of £0.018m is forecast for 2022-23. Variances in this area are driven by income and closely monitored during the year.

3.4 As at the end of June 2022 (Quarter 1), the forecast year end position for Resources is an adverse variance of £0.644m against a budget of £45.008m.

- **Finance & Investment:** An adverse forecast variance of £0.053m is reported for 2022-23. External Audit fees are expected to be higher than budget this year together with other minor variances. The new Public Sector Audit Appointments Ltd Contract will be awarded later this year for external audit fees which will set the fees for the next 5 years from 2023-24 to 2027-28.
- **HR & OD:** minor adverse forecast variance of £0.005m is reported for 2022-23. This is due to minor variances to budget.
- **Digital & Improvement:** An adverse forecast variance of £0.583m is reported for 2022-23. This is due to a number of contracts with schools that they have not

renewed, resulting in a loss of income. Printing Services continue to lose revenue as the Council moves towards more Digital ways of working. A programme of work has commenced to review the schools traded service and the printing service, both of which are not financially sustainable. This will be reported to the Committee in 2022-23 with options to remove the deficit and mitigate any future years' pressure.

As part of the Strategic Change Programme, a service review of Digital and Improvement has commenced which will determine whether the service is as lean as it can be by undertaking a zero-based budget exercise and an assessment of the current establishment. All ICT expenditure has been centralised in 22-23 and the evaluation of this may create savings from economies of scale. The digital transformation reserve will also provide invest to save opportunities.

- **Revenues & Benefits:** A small adverse forecast variance of £0.003m is reported for 2022-23. There is a £3.0m annual shortfall in receipts of subsidy received from central government in respect of housing benefit payments. This is a countrywide issue and not a Wirral specific issue. This mainly relates to the following areas Supported and Specified Accommodation, Homelessness accommodation provision and Housing Benefits Overpayments. We can mitigate significantly against this shortfall with collections of Housing Benefits overpayments and investigations are ongoing in examining further mitigations from other connected income sources from within the council. The shortfall is created when the cost of the provision is over the eligible amount that can be claimed under housing benefit.

In addition to the day-to-day business of collecting debt owed to the council and making payments of Housing Benefit and Council Support, the service has suffered severe workload pressures due to the implementation of short notice measures from Central Government to assist with the cost-of-living crisis. Namely Administration and distribution of £3m Household Support Fund and payment of potentially an additional 130,000 £150 fuel rebate payments. The latter has had a significant impact upon the services ability to respond to customer enquiries and promptly as it would hope. This is a position experience by all authorities across England.

- **Audit, Risk and Business Continuity:** A breakeven forecast position is reported for 2022/23.
- **Strategic Change:** A breakeven forecast position is reported for 2022-23.

**TABLE 2 2022-23 Policy and Committee – Subjective Budget & Forecast Outturn**

	Budget	Forecast Outturn	Variance		Adverse/ Favourable
			(+ Fav / - Adv)		
	£000	£000	£000	%	
Income	-99,793	-97,981	-1,812	2%	Adverse
<b>Expenditure</b>					
Employee	33,244	33,607	-363	-1%	Adverse
Non-Pay	119,164	117,646	1,518	1%	Favourable
<b>Total Expenditure</b>	<b>152,408</b>	<b>151,253</b>	<b>1,155</b>	<b>1%</b>	<b>Favourable</b>
<b>Directorate Surplus / (Deficit)</b>	<b>52,615</b>	<b>53,272</b>	<b>-657</b>	<b>-1%</b>	<b>Adverse</b>

**Budget Virements**

3.5 There have been no budget virement in quarter 1

**Progress on delivery of the 2022-23 savings programme.**

3.6 In terms of savings, £4.057m of the £4.107m savings targets are either delivered or on track to be delivered. Representing 99% of the total savings target with a further 1% or £0.050m anticipated to be delivered. The table below summarises this progress by Directorate:

**TABLE 2: SUMMARY OF PROGRESS ON DELIVERY OF 2022-23 SAVINGS**

Directorate	Approved Saving	Green	Amber	Red	Mitigation	Actual Savings Delivered to Date
Chief Executive Office	£0.110m	£0.060m	£0.050m	£0.000m	£0.050m	£0.060m
Law & Governance	£0.659m	£0.659m	£0.000m	£0.000m	£0.000m	£0.434m
Resources	£3.338m	£3.338m	£0.000m	£0.000m	£0.000m	£2.707m
<b>TOTAL</b>	<b>£4.107m</b>	<b>£4.057m</b>	<b>£0.050m</b>	<b>£0.000m</b>	<b>£0.050m</b>	<b>£3.201m</b>

3.7 For savings rated as Amber, an equal amount of temporary in-year mitigation has been identified to cover any shortfalls which may occur.

3.8 Full details on the progress on specific savings can be found in **Appendix 1**.

**Earmarked Reserves**

3.9 Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. The use of earmarked reserves is only permitted with the approval of the Section 151 officer.

**TABLE 3: SUMMARY OF EARMARKED RESERVES**

Directorate	Opening Balance £000	Forecast Use of Reserve £000	Forecast Contribution to Reserve £000	Closing Balance £000
Law & Governance	355	-20	72	407
Resources	5,460	-512	4	4,952
Corporate	12,252	-1,454	0	10,798
<b>Total</b>	<b>18,067</b>	<b>-1,986</b>	<b>76</b>	<b>16,157</b>

3.10 **Appendix 2** provides the full list of all earmarked reserves.

### Capital Monitoring

3.11 Table 4 below sets out the planned spend against the capital programme for Policy & Resources Committee during 2022-23.

**TABLE 4: 2022-23 Policy & Resources Committee – Capital Budget & Forecast**

Capital Scheme	Original Budget	2022-23 Q1 Forecast	Variance	2023-24 Budget	2024-25 Budget	2025-26 Budget
	£000	£000		£000	£000	£000
<b>Resources</b>						
Creative & Digital Team - specialist software & hardware	15	15	0	0	0	0
Customer Experience Improvements Project	1,304	732	-572	0	0	0
Digital Corporate Storage - upgrade & refresh technologies	1	1	0	0	0	0
Enterprise Resource Planning	5,664	3,664	-2,000	4,500	0	0
Legal Case Management System	60	60	0	0	0	0
Local Digital Cyber Fund	175	175	0	0	0	0
Replacement of IT Service Management System	392	392	0	0	0	0
Upgrade of WIFI Network	202	202	0	0	0	0
<b>Corporate Schemes</b>						
Capitalisation of Legal salaries	200	200	0	0	0	0
Transformation Capitalisation	5,704	3,580	-2,124	0	0	0
<b>Total Capital</b>	<b>13,717</b>	<b>9,021</b>	<b>-4,696</b>	<b>4,500</b>	<b>0</b>	<b>0</b>



3.12 Enterprise Resource Planning (ERP) – The project implementation is undergoing a review with a new timetable and plan to be agreed. System testing indicated that the new system was not meeting the standards required to ensure a safe transition. In line with good practice, activity was paused to review the issues and develop a revised project plan. Work on this continues, through project team engagement with the Council's implementation partner and key business leads, with project replanning currently taking place to develop a deliverable go-live date which is now likely to be April 2023. £2m is reprofiled to support the implementation of the HR and Payroll modules in 23-24.

3.13 **Customer Experience Improvements Project** - The 'Customer Access Solution' (CAS) is a project to replace the council's end of life CRM system with a modern customer engagement platform that will modernise service delivery and improve the customer experience. Project was scheduled to finish 30<sup>th</sup> June 2022, approximately two thirds of the processes have been migrated from Oracle CRM to the new platform. Due to the complexity of the solution and evolving strategic direction of services the project has overrun. A review is currently underway to agree the approach needed to complete the remaining migration. An exception report will be compiled with anticipated costs and an updated plan once the review is completed.

The objective of the CAS project is to migrate services on the Oracle One Business system to the Granicus platform introducing lean processes where possible. During 20-21 there was limited progress on the project as resources were diverted to urgent development for the Covid Response.

As the project moved forward it became apparent that more complex solutions were required due to:-

- Manual work arounds that had been introduced to the Oracle system over the years.
- Processes were not documented in services and often users didn't have a consistent approach to delivery.
- Processes were built on inefficient service delivery models.
- Processes that have been delivered to-date have included complex third-party integration including Capita V9, Biffa Springboard and Continental Attak. Although good relationships have been established with the 3rd parties it has taken longer than anticipated to deliver.

In addition to this, the Neighbourhoods Service has introduced Symology and more complex integration is required to maximise the potential of this system to improve the customer journey and support the strategic ambition of the service. To deliver this the project team has worked with stakeholders to design solutions that reduce duplication and improves the customer journey, but this relies on additional service resource specifically Symology expertise.

The Project Initiation Document has been revised in accordance and extensive work has begun to review of all neighbourhood CRM services to establish if they are a potential good fit with Symology (or not)-services will need functionality requirements mapping which will then be used to approve an implementation plan for the remaining services.

Support is also being provided by Organisational Design to maximise transformation opportunities and embed change in the organisation, utilising lessons learnt from the project to-date to improve the outputs.

It was agreed with the PMO that once the implementation plan was agreed resources required for delivery would be reviewed and agreed and an exception report will be submitted. The team are currently working on a number of services that are due to go-live over the next few weeks whilst also supporting the investigation into the strategic requirements.

#### 3.14 Transformational Capitalisation

DLUHC announced the continuation of the capital receipts flexibility programme for a further 3 years, to give local authorities the continued freedom to use capital receipts from the sale of their own assets (excluding Right to Buy receipts) to help fund the revenue costs of transformation projects and release savings.

The use of capital receipts to fund transformational costs (up to the value of those capital receipts), rather than applying revenue resources / reserves that would have been previously necessary, allows for these revenue resources to be directed to service areas to facilitate further service re-development and mitigates the financial pressures of the Authority for the current and ensuing year.

The original Capital programme for 2022-23 set a Transformational Capitalisation budget of £3.58 million. During the closedown of 2021-22 the underspend for this scheme was carried over into 2022-23, meaning a revised budget of £5.70 million. The carry forward from 2021-22 will be earmarked to repay the capitalisation directive in 2023-24.

### 4.0 FINANCIAL IMPLICATIONS

- 4.1 This is the Quarter 1 budget monitoring report that provides information on the revenue and capital forecast outturn for the Council for 2022-23. The Council has robust methods for reporting and forecasting budgets in place and alongside formal Quarterly reporting to Policy & Resources and Service Committees, the financial position is routinely reported at Directorate Management Team meetings and corporately at the Strategic Leadership Team (SLT). In the event of any early warning highlighting pressures and potential overspends, the SLT take collective responsibility to identify solutions to resolve these to ensure a balanced budget can be reported at the end of the year. The Policy and Resources Committee has a responsibility to ensure that budget envelopes are adhered to and can scrutinise

officers' departmental variances so alternative mitigations and savings can be sought.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility of the Council. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget. These provisions require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 5.2 The provisions of section 25, Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 5.3 It is essential, as a matter of prudence that the financial position continues to be closely monitored. In particular, Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 At this time, there are no additional resource implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there will be resource implications, and these will be addressed within the relevant business cases presented to the Committee.

## **7.0 RELEVANT RISKS**

- 7.1 The Council's ability to maintain a balanced budget for 2022-23 is dependent on a static financial position. This is an impossible scenario due to estimated figures being provided in the calculation for the 2022-23 budget, albeit the best estimates that were available at the time, plus any amount of internal and external factors that could impact on the budget position in year. Examples of which are the significant emerging inflationary and cost of living pressures, new legislation, increased demand, loss of income, increased funding, decreased funding, inability to recruit to posts, ongoing impact of the pandemic etc
- 7.2 A robust monitoring and management process for the 2022-23 budget is in place. If at any time during the year an adverse position is forecast, remedial action must be

agreed and implemented immediately to ensure the budget can be brought back to balanced position.

- 7.3 The risk of this not being able to be achieved could mean that the Council does not have enough funding to offset its expenditure commitments for the year and therefore not be able report a balanced budget at the end of the year. This could result in the Section 151 Officer issuing a Section 114 notice.
- 7.4 A key risk to the Council's financial plans is that funding and demand assumptions in particular can change as more information becomes available. Significant inflation and cost of living pressures have already impacted the quarter 1 forecast position. and the impact of these pressures will be reviewed and considered in the MTFP as part of routine financial management.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 Consultation has been carried out with the Senior Leadership Team (SLT) in arriving at the governance process for the 2022-23 budget monitoring process and the 2022-23 budget setting process. This report will also be shared and reviewed by the Independent Panel.
- 8.2 Since the budget was agreed at Full Council on 28 February, some proposals may have been the subject of further consultation with Members, Customer and Residents. The details of these are included within the individual business cases or are the subject of separate reports to the Committee

## **9.0 EQUALITY IMPLICATIONS**

- 9.1 Wirral Council has a legal requirement to make sure its policies, and the way it carries out its work, do not discriminate against anyone. An Equality Impact Assessment is a tool to help council services identify steps they can take to ensure equality for anyone who might be affected by a particular policy, decision or activity.
- 9.2 At this time, there are no further equality implications as these have already been identified for the proposals agreed and submitted. However, where the budget is unbalanced and further proposals are required, then there may be equality implications associated with these, and these will be addressed within the relevant business cases presented to the Committee.

## **10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS**

- 10.1 This report has no direct environmental implications; however due regard is given as appropriate in respect of procurement and expenditure decision-making processes that contribute to the outturn position.

## 11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 In year activity will have incorporated community wealth implications. Consideration would have taken account of related matters across headings such as the following:

- **Progressive Procurement and Social Value**  
How we commission and procure goods and services. Encouraging contractors to deliver more benefits for the local area, such as good jobs, apprenticeship, training & skills opportunities, real living wage, minimising their environmental impact, and greater wellbeing.
- **More local & community ownership of the economy**  
Supporting more cooperatives and community businesses.  
Enabling greater opportunities for local businesses.  
Building on the experience of partnership working with voluntary, community and faith groups during the pandemic to further develop this sector.
- **Decent and Fair Employment**  
Paying all employees a fair and reasonable wage.
- **Making wealth work for local places**

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### APPENDICES

APPENDIX 1 – Progress on the delivery of the 2022-23 Saving Programme

APPENDIX 2 – Earmarked Reserves

### BACKGROUND PAPERS

Bank of England – Monetary Policy Report – August 2022

DLUHC External Assurance Reports

CIPFA's Financial Management Code

### SUBJECT HISTORY (last 3 years)

<b>Council Meeting</b>	<b>Date</b>
<b>Policy and Resources Committee</b>	<b>13 July 2022</b>
<b>Council</b>	<b>28 February 2022</b>
<b>Policy and Resources Committee</b>	<b>15 February 2022</b>

**Appendix 2 - Progress on the delivery of the 2022-23 saving programme**

Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
<b>Chief Executive Office</b>							
Service Redesign	£0.110m	£0.060m	£0.050m	£0.000m	£0.050m	Savings have been identified through deletion of vacant post and reduction marketing budget. Mitigation to be achieved as some employees have been seconded to work on the COVID-19 response and funded through Contain Outbreak Management Fund (COMF)	£0.060m
<b>Total Chief Exec Office</b>	<b>£0.110m</b>	<b>£0.060m</b>	<b>£0.050m</b>	<b>£0.000m</b>	<b>£0.050m</b>		<b>£0.060m</b>

Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
<b>Law and Governance</b>							
Capitalisation of salaries	£0.200m	£0.200m	£0.000m	£0.000m	£0.000m	Ongoing monitoring of eligible costs for capitalisation indicates that from time recording, the saving will be fully met by capitalising salaries against projects. These are currently being assessed within the capitalisation guidelines with early indications that the saving will be met.	£0.000m
Removal of individual ward member budgets	£0.184m	£0.184m	£0.000m	£0.000m	£0.000m	Saving is fully achieved by reducing the individual ward member budgets..	£0.184m
Reduction in the Number of Committees	£0.150m	£0.150m	£0.000m	£0.000m	£0.000m	Saving is fully achieved as straight reduction in the budget and posts have been removed.	£0.125m
Whole Council Elections	£0.125m	£0.125m	£0.000m	£0.000m	£0.000m	Saving is fully achieved. Budget has been removed with a contribution to reserve each year to smooth the effective of the four yearly elections and any by-elections.	£0.125m
<b>Total Law &amp; Governance</b>	<b>£0.659m</b>	<b>£0.659m</b>	<b>£0.000m</b>	<b>£0.000m</b>	<b>£0.000m</b>		<b>£0.434m</b>

Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
<b>Resources</b>							
To reduce heating in occupied council buildings by 2 degrees	£0.113m	£0.113m	£0.000m	£0.000m	£0.000m	On target to be achieved. Progress on saving will be updated in Q3 and Q4 once we head into the winter months and more data is available on energy usage. However, rising energy prices may negate some of the saving if costs escalate over and above the estimated pressure included	£0.000m
One Stop Shop establishment review	£0.099m	£0.099m	£0.000m	£0.000m	£0.000m	Saving achieved. Service review completed and budget for vacancies removed.	£0.099m
Review of Treasury activity	£0.500m	£0.500m	£0.000m	£0.000m	£0.000m	Work is continuing on renegotiating a number of LOBO loans to reduce borrowing costs. Meetings have been held with advisers on progressing a number of investments which will generate higher returns. Market conditions will have to be considered in any decisions made. This saving will be reassessed once more is known in Q2 and Q3	£0.000m



Saving Proposal	Approved Saving	Green	Amber	Red	Mitigation	Comment	Actual Savings Delivered to Date
Revenues & Benefits Review and Restructure	£0.750m	£0.750m	£0.000m	£0.000m	£0.000m	Saving will be achieved. Additional demands have been placed on the service from Central Government for example Emergency Support Fund / Council Tax Fuel Rebate which require additional support staff and attract New Burdens Funding.	£0.750m
Strategic Change revenue budget reduction	£0.650m	£0.650m	£0.000m	£0.000m	£0.000m	This is saving is predicated on the achievement of the 2022-23 disposal of assets target. The current disposal list indicates that the target will be met but is dependent on Member approval for disposals. If after Q2 there is a risk that the disposals target will not be met, Strategic Change activity will be reduced to ensure the saving can still be made.	£0.650m
Restructure of Commercial Income Team	£0.230m	£0.230m	£0.000m	£0.000m	£0.000m	Savings achieved. Service review completed in 2021-22 surplus budget removed.	£0.230m

<b>Saving Proposal</b>	<b>Approved Saving</b>	<b>Green</b>	<b>Amber</b>	<b>Red</b>	<b>Mitigation</b>	<b>Comment</b>	<b>Actual Savings Delivered to Date</b>
Review of Finance Team Structure	£0.050m	£0.050m	£0.000m	£0.000m	£0.000m	Saving is fully achieved by removing a post and associated budget.	£0.050m
Cease Business Rates Contribution	£0.696m	£0.696m	£0.000m	£0.000m	£0.000m	Budget has been removed in 2022-23 and the saving is fully achieved.	£0.696m
Modernisation of Information & Communications Technology Service	£0.050m	£0.050m	£0.000m	£0.000m	£0.000m	Saving is fully achieved as straight reduction in the budget to reflect reduced requirements	£0.050m
Review of Business Support Unit	£0.020m	£0.020m	£0.000m	£0.000m	£0.000m	Saving achieved as the review is complete and budget and post removed.	£0.020m

<b>Saving Proposal</b>	<b>Approved Saving</b>	<b>Green</b>	<b>Amber</b>	<b>Red</b>	<b>Mitigation</b>	<b>Comment</b>	<b>Actual Savings Delivered to Date</b>
Review of Internal Audit Efficiencies and Income	£0.080m	£0.080m	£0.000m	£0.000m	£0.000m	£62k of savings have already be realised with staffing movements and sales of audit services. The service is confident that the full saving will be realised.	£0.062m
Reduction in Learning & Development Budget	£0.100m	£0.100m	£0.000m	£0.000m	£0.000m	Saving is fully achieved by removal of budget and reducing spend..	£0.100m
<b>Total Resources</b>	<b>£3.338m</b>	<b>£3.338m</b>	<b>£0.000m</b>	<b>£0.000m</b>	<b>£0.000m</b>		<b>£2.707m</b>

## Appendix 3 - Earmarked Reserves 2022-23

### Law and Governance

Reserve	Opening Balance £000	Use of Reserve £000	Contribution to Reserve £000	Closing Balance £000
Licensing Reserve	60	0	0	60
Taxi, Marriage & Scrap Metal Licences	145	-20	41	166
Electoral Reserve	150	0	31	181
<b>Total</b>	<b>355</b>	<b>-20</b>	<b>72</b>	<b>407</b>

### Resources

Reserve	Opening Balance £000	Use of Reserve £000	Contribution to Reserve £000	Closing Balance £000
Commercial Management	205	0	0	205
Discretionary Housing Payments	185	-95	0	90
HR/OD Talent Management	50	0	4	54
HR Reserve – Schools	41	-41	0	0
Transformation Challenge Award	4	-4	0	0
Asset Consolidation Staff Relocation Contingency	111	0	0	111
ICT Records Management	288	0	0	288
Financial Resilience Reserve	887	-366	0	521
Financial Instrument Equalisation Reserve	2,123	-6	0	2,117
Digital Transformation	1,566	0	0	1,566
<b>Total</b>	<b>5,460</b>	<b>-512</b>	<b>4</b>	<b>4,952</b>

### Corporate

Reserve	Opening Balance £000	Use of Reserve £000	Contribution to Reserve £000	Closing Balance £000
Business Rates Equalisation Reserve (100% rates retention pilot)	7,000	0	0	7,000
Enterprise Zone Contingency Fund	29	0	0	29
Year 2 of EVR/VS Termination Payments	1,883	-1,274	0	609
Social Care Fund	3,340	-180	0	3,160
<b>Total</b>	<b>12,252</b>	<b>-1,454</b>	<b>0</b>	<b>10,798</b>