

REPORT OF THE CABINET MEMBER FOR FINANCE

BUDGET MONITORING PROCESS & BUDGET FRAMEWORK

Purpose of the Report

1. This report is to provide an update to Overview Committee on the current budget monitoring process and the budget framework for 2023/24.

Budget monitoring

2. The Council approved the 2022/23 budget at its meeting on 24 February 2022. As with previous financial years, progress updates are closely monitored and reported to management, the Cabinet Member for Finance or Cabinet each month.
3. Cabinet receives budget monitoring reports on a quarterly basis, with the Cabinet Member for Finance and the Corporate Leadership Team receiving monthly monitoring information. A copy of the detailed timetable for the production of budget monitoring information is set out below:

Period	Period End	Data available	Input and approval	Approval complete	DLT reports to Corporate	CLT	Finance Member Briefing	Cabinet
		1st of the Month, or the First Working Day on the Month	Working Days	Close of Play	7 Working Days after "Approval Complete"	Tuesdays	(-10 Days)	Mon 14.00
1	30/04/2022	03/05/2022	7	11/05/2022	20/05/2022	31/05/2022	06/06/2022	
2	31/05/2022	01/06/2022	7	13/06/2022	21/06/2022	28/06/2022		14/07/2022
3	30/06/2022	01/07/2022	7	11/07/2022	19/07/2022	26/07/2022	01/08/2022	
4	31/07/2022	02/08/2022	7	09/08/2022	18/08/2022	30/08/2022	05/09/2022	
5	31/08/2022	01/09/2022	7	09/09/2022	20/09/2022	27/09/2022		13/10/2022
6	30/09/2022	03/10/2022	7	11/10/2022	20/10/2022	01/11/2022	07/11/2022	
7	31/10/2022	01/11/2022	7	09/11/2022	18/11/2022	29/11/2022	05/12/2022	
8	30/11/2022	01/12/2022	7	09/12/2022	20/12/2022	27/12/2022		26/01/2023
9	31/12/2022	03/01/2023	7	11/01/2023	20/01/2023	31/01/2023	06/02/2023	
10	31/01/2023	01/02/2023	7	09/02/2023	20/02/2023	28/02/2023	06/03/2023	
11	28/02/2023	01/03/2023	7	09/03/2023	20/03/2023	28/03/2023		20/04/2023
12	31/03/2023	01/04/2023	7	OUTTURN REPORTING				

4. The budget monitoring report sets out the financial position for the revenue budget, the capital programme and treasury management activity. Also included will be the explanation of major variances, the action that management is taking to control any committee overspend, together with any virements or capital programme amendments and requests from contingency.
5. The latest budget monitoring report for Period 3 is attached as Appendix 1 to this report.

Budget Framework

6. On 31 March 2022 the Council approved the change to the Council's governance arrangements from a committee system of governance to the executive system (Leader and Cabinet model) to be implemented with effect from the Council's annual meeting on 12 May 2022. As a consequence, a new budget and policy framework procedure rules were adopted (Appendix 5 of the report to Full council on 31 March 2022).
7. The Full Council is responsible for the approval of the Annual Budget. The Council's Cabinet is responsible for its implementation by discharging executive functions in accordance with it.
8. In accordance with the Budget and Policy Framework Procedure Rules, Cabinet will recommend to Full Council the proposed revenue and capital budget for the forthcoming financial year, inclusive of council tax to be levied.
9. The Full Council will be responsible for approving the annual budget.
10. In approving the annual budget, the Council will also specify the extent of virement (the limits for the transfer of budget provision from one budget head to another) within the budget and degree of in-year changes to the Annual Budget.
11. The annual budget must be approved by the end of February each year.
12. This new framework set out the process for Cabinet in establishing the annual budget, including the consultation process, where and when Overview Committee is able to consider Cabinet's initial budget proposals. It also indicated the initial deadline of the 8 February in any financial year for Cabinet to submit to Council for its consideration in relation to the following financial year. This effectively brings forward the date for Full Council to approve the annual budget and allows time for any further revision of the budget if Full Council so wishes.
13. The Council's Section 151 Officer is required to sign off the annual accounts by dates as determined by The Accounts and Audit Regulations 2015. The draft accounts will be presented to Full Council. Once the accounts are externally audited the final accounts will also be presented to Full Council in accordance with the Statutory deadlines.
14. The timetable for the setting of the budget for 2022/23 is shown at Appendix 2.

Other Options Considered

15. This report sets out the process for monitoring the annual budget and the new budget framework under the new governance arrangements only.

Reasons for Recommendation/s

16. To provide information to Overview Committee on the Council's approach to budget monitoring and the budget setting process for 2022/23.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

18. There are no direct financial implications arising from this report.

Data Protection and Information Governance

19. A full Data Processing Impact Assessment has been done and the contract contains all the relevant clauses

RECOMMENDATION

That Overview Committee notes the established processes for monitoring the budget and notes the Budget Framework for establishing the budget for 2022/23.

Councillor Richard Jackson
Cabinet Member for Finance

For any enquiries about this report please contact:

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Constitutional Comments (GR 24/08/2022)

20. Pursuant to the Nottinghamshire County Council Constitution the Overview Committee has the delegated authority to receive this report and consider the recommendations contained within it.

Financial Comments (NS 22/08/2022)

21. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All