

PORTFOLIO HOLDER FOR FINANCE AND GOVERNANCE

26 NOVEMBER 2024

REPORT OF DIRECTOR FINANCE & IT

A.1 CONSIDERATION / APPROVAL OF CARRY FORWARDS FROM 2023/24 (Items Originally Unapproved Pending Review)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To report the outcome of the review of carry forwards from 2023/24 that were originally not approved when the wider outturn position was considered by the Portfolio Holder for Finance and Governance earlier in the year.

EXECUTIVE SUMMARY

- In accordance with an earlier recommendation of the Portfolio Holder for Finance and Governance, a review of a number of carry forwards that remained unapproved at the end of 2023/24 has now been completed with the outcome set out within **Appendix A**.
- Applying the associated carry forward criteria, carry forwards totalling **£0.042m** are proposed to be approved.
- The remaining items totalling **£2.690m** remain unapproved and in accordance with an earlier decision by Cabinet, this sum will be transferred to the Corporate Investment Fund
- It is accepted that there may be still advantages to funding some of the unapproved items, but this can be managed and coordinated via the wider cost pressure process going forward as necessary.

RECOMMENDATION(S)

It is recommended that:

- (a) the originally unapproved Carry Forwards from 2023/24 totalling £41,850 as set out in Appendix A be approved; and**
- (b) notes that the funding for items that remain unapproved totalling £2.690m will be transferred to the Corporate Investment Fund.**

REASON(S) FOR THE RECOMMENDATION(S)

To finalise the budget amounts requested to be carried forward at the end of 2023/24 as part of the wider financial outturn process.

ALTERNATIVE OPTIONS CONSIDERED

The consideration of carry forward amounts form part of the wider financial outturn process and so a final determination is required.

PART 2 – IMPLICATIONS OF THE DECISION**DELIVERING PRIORITIES**

A revised Corporate Plan and Vision was approved by Full Council at its meeting on 28 November 2023. One of the 6 included themes is Financial Sustainability and Openness, with a commitment to continue to deliver effective services and get things done whilst looking after the public purse; that means carefully planning what we do, managing capacity and prioritising what we focus our time, money and assets on. Tough decisions will not be shied away from, but will be taken transparently, be well-informed, and based upon engagement with our residents.

The forecasting and budget setting / management processes will have direct implications for the Council's ability to deliver on its objectives and priorities. Effective budgetary control is therefore an important tool in ensuring the financial stability of the authority by identifying and responding to issues as timely as possible. The outturn position and the wider review of carry forwards reflects the above and supports the Council's successful financial planning processes.

OUTCOME OF CONSULTATION AND ENGAGEMENT

Not applicable, however the review of the carry forwards was undertaken in consultation with Departments.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	No	If Yes, indicate which by which criteria it is a Key Decision	<input type="checkbox"/> Significant effect on two or more wards <input type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	The more general item that this report relates to (Outturn Report 2023/24) was a key decision reflected in the forward plan, with the associated delegation set out in that report.

The specific delegation to the Finance and Governance Portfolio Holder in respect of the Council's financial outturn position and carry forwards is set out in Part 3.41 of the Constitution, which states:

4.3 ADDITIONAL SPECIFIC DELEGATIONS TO INDIVIDUAL PORTFOLIO HOLDERS

Corporate Finance and Governance

3. In consultation with the Chief Financial Officer, to agree the outturn position/report each year (including carry forwards) to provide the necessary flexibility to comply with the new statutory timetable for publishing the Council's Statement of Accounts.

However any further decisions that may be required following the outturn process, such as allocating any General Fund net variance will be reported to Cabinet. Via the report to Cabinet on 26 July 2024 highlighted elsewhere in this report, Cabinet have agreed to transfer the money associated with any unapproved carry forwards to the Corporate Investment Fund.

Yes	The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:
------------	--

There are no additional comments over and above those set out elsewhere in this report.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Please see comments set out elsewhere in this report.

Yes	The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:
------------	---

The S151 Officer is the author of this report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	The associated review undertaken has enabled an additional amount to be added to the Corporate Investment Fund for further consideration as part of developing the forecast / budget later in the year.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

Once approved, the associated approved carry forwards will be available to Departments to continue to deliver projects and activities in 2024/25.

Further spending decisions against the Corporate Investment Fund will be considered as necessary later in the year.

As highlighted elsewhere in this report, Services will be asked to submit any unapproved items for consideration within the wider cost pressure process where they feel it necessary to do so.

ASSOCIATED RISKS AND MITIGATION	
There are no direct risks, although such issues will need to be considered as part of any associated reports / decisions needed to deliver schemes and projects that the carry forwards support.	
EQUALITY IMPLICATIONS	
There are no direct implications, although such issues will need to be considered as part of any associated reports / decisions needed to deliver schemes and projects that the carry forwards support.	
SOCIAL VALUE CONSIDERATIONS	
There are no direct implications, although such issues will need to be considered as part of any associated reports / decisions needed to deliver schemes and projects that the carry forwards support.	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
There are no direct implications, although such issues will need to be considered as part of any associated reports / decisions needed to deliver schemes and projects that the carry forwards support.	
OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	Please see comments above
Health Inequalities	
Area or Ward affected	

PART 3 – SUPPORTING INFORMATION

BACKGROUND AND OUTCOME OF REVIEW OF CARRYFORWARDS FROM 2023/24 THAT WERE ORIGINALLY UNAPPROVED
<p>On 17 July 2024, the Portfolio Holder for Finance and Governance considered a detailed outturn report for 2023/24, which included a number of budgets requested to be carried forward from 2023/24 into 2024/25. As part of that report, the Portfolio Holder agreed the following recommendations:</p> <p><i>(d) approves the General Fund revenue carry forward items totalling £9.879m (as set out in column 4 of Appendix K), with budgets for the remaining items totalling £2.732m (as set out in column 5 of Appendix K) being transferred to the relevant earmarked commitments reserve pending further consideration;</i></p> <p><i>(e) that subject to (d) above requests Officers to provide additional information relating to the unapproved General Fund revenue carry forwards totalling £2.732m to enable them to be considered further and that these will be subject to separate / further decisions later in the year as necessary;</i></p> <p>In respect of (e) above and the £2.732m of carry forwards that remained unapproved pending review, the same report proposed that subject to the outcome of the associated review, any amounts not subsequently approved would be added to the overall outturn</p>

variance for the year that can then be considered alongside the development of the forecast / financial performance reports during the year.

In following on from the above, Cabinet considered an associated outturn report at its meeting on 26 July 2024 where the proposed review of unapproved carry forwards totalling **£2.732m** was acknowledged. Cabinet also agreed the following:

(k) that after the further review of Carry Forwards from 2023/24 that any items subsequently not approved then the associated amount be transferred to the Corporate Investment Fund.

The proposed review of the requested carry forwards totalling **£2.732m** has now been completed with the outcome set out within **Appendix A**.

As highlighted within **Appendix A**, it is proposed to approve two items that total **£0.042m**. In terms of the items remaining unapproved, following discussions with relevant Officers, a number of items were either withdrawn or it was acknowledged that they did not qualify as carry forwards when applying the criteria set out in the Portfolio Holder Report mentioned earlier, which is summarised as follows:

- There is a 'contractual commitment';
- There is a related long term project which is expected to span a number of financial years;
- There is non-recurring item for which no budget provision exists in the following year;

However, it is accepted that there may be still advantages to funding some of the unapproved items, but this should be managed and coordinated via the cost pressure process and therefore 'compete' against other similar items going forward. With this in mind, Services will therefore be asked to submit such items for further consideration where they feel it necessary to do so.

The remaining unapproved carry forwards total **£2.690m**, and in accordance with the recommendation of Cabinet highlighted above, this will be transferred to the Corporate Investment Fund.

PREVIOUS RELEVANT DECISIONS

Financial Outturn 2023/24 Report – Agreed by the Portfolio for Finance and Governance 17 July 2024 (LINK: [Decision - Financial Outturn 2023/24 \(tendringdc.gov.uk\)](https://tendringdc.gov.uk))

Financial Outturn 2023/24 - Item A.9 Cabinet 26 July 2024.

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL

None

APPENDICES

Appendix A – General Fund Revenue Carry Forward Requests 2023/24 - Outcome from Review

REPORT CONTACT OFFICER(S)

Name	Richard Barrett
Job Title	Assistant Director Finance and IT
Email/Telephone	rbarrett@tendringdc.gov.uk 686521