

North Tyneside Council

Report to Cabinet

23 January 2023

Title: 2022/23 Financial Management Report to 30 November 2022

Portfolios: Elected Mayor Finance and Resources	Cabinet Member: Norma Redfearn Councillor Martin Rankin
Report from: Finance	
Responsible Officer: Jon Ritchie, Director of Resources	Tel: 643 5701
Wards affected: All	

PART 1

1.1 Executive Summary:

- 1.1.1 This report is the fourth monitoring report to Cabinet on the 2022/23 financial position. The intention of the report is to explain the current financial position in the context of the policy priorities in the Our North Tyneside Plan. It provides the fourth indication of the potential revenue and capital position of the Authority at 31 March 2023. The report explains where the Authority continues to face financial pressures and the plans to address these.
- 1.1.2 The 2021/22 financial year was highly complex for the Authority due to the operational response to the pandemic and, like all local authorities, North Tyneside Council is continuing to feel the legacy impact of the Covid-19 pandemic. As such, this report sets out the potential financial impact the pandemic will have on the Authority in 2022/23. The Authority continues to see areas of pressure across Adults' and Children's Social Care, but there are also significant impacts on income particularly across Sport and Leisure Services, Home to School Transport and Catering Services.
- 1.1.3 In addition to pressures seen in previous financial years, a number of global issues have emerged in more recent months including the war in Ukraine, leading to more supply chain issues and adding to rising inflation, especially in utility costs. The impact of these factors is leading to a 'cost of living crisis', further increasing demand on the Authority's services, which is adding significant financial strain to the Authority's budgets.

- 1.1.4 The Authority's finances are complex in any year given the range of services that are delivered; the picture this financial year is even more volatile given these national and global economic challenges. At a Service level, before the application of planned contingencies and central funding, the gross pressure would be £23.511m.
- 1.1.5 However, when the Authority set the balanced budget for the year at Council in February 2022, this included contingencies of £6.752m and other central funding of £1.006m (both shown within the Central Items figure in Table 1). As a result, the total forecast year-end pressure for the General Fund, shown in Table 1 reduces to £15.753m.
- 1.1.6 Table 1 includes mitigations from the revised approach to the Minimum Revenue Provision (MRP) calculations of £4.927m, which are included in Central Items. Cabinet will be aware that a change was made towards the end of the previous financial year, with the External Auditors having recently confirmed that there are no issues with this revised methodology, so these can now be factored into in-year budget monitoring.
- 1.1.7 When the Budget was set, the potential impact of some of these additional pressures were foreseen by Cabinet. A number of mitigations through the use of grants and reserves, totalling £6.700m, were set aside in the 2022-2026 Medium-Term Financial Plan to support the 2022/23 financial position. The latest forecast has been updated for a further release of provisions of £0.428m, taking the total amount of mitigations shown in Table 2 to £7.128m, which reduces the overall forecast in-year pressure to £8.625m. This is an improvement of £0.175m from the last report to Cabinet.
- 1.1.8 Finance officers are continuing to work with Cabinet, the Senior Leadership Team and other senior officers across the Authority to challenge the projected risks facing the Authority whilst continuing to deliver planned efficiencies. The potential savings from MRP, noted above, are available if required but it is expected that future actions to review activity and performance across the organisation, reducing non-essential spend and controlled vacancy management, should see the pressure reduce in the coming months.
- 1.1.9 The Mayor and Cabinet will be aware of recent increases in the Bank of England base rate, with an expectation that interest rates will continue to rise into 2023. The Authority drew down £10m of PWLB borrowing in August 2022 whilst rates were at the lower end of the interest rate curve and prior to the more recent financial markets volatility seen since September 2022. Whilst there is no immediate need to borrow, future borrowing costs may now be higher than originally forecast. This may lead to additional Capital and Treasury financing pressures in future years. As Cabinet would expect, interest rates continue to be proactively monitored and cash flow management undertaken to secure the maximum return/minimum cost for the Authority in line with the Prudential Code.
- 1.1.10 In terms of the Housing Revenue Account, a small underspend of £0.090m is forecast. This position is likely to be impacted by the "cost of living crisis", especially on rent collection levels, and will be closely monitored during the year.

- 1.1.11 The report includes details of the additional grants received by the Authority since the Budget was set. The report also advises Cabinet of the position so far on the 2022/23 Schools' budgets and Schools' funding.
- 1.1.12 In terms of the Investment Plan, initial work has been undertaken to consider the impacts of supply chain issues and inflation pressures. The focus has been to manage within the current financial envelope across the plan which may lead to a delay in delivery of some planned activity. Any such implications will be considered at the Investment Programme Board and brought to the Mayor and Cabinet for consideration as part of the normal financial management process.

1.2 Recommendations:

1.2.1 It is recommended that Cabinet:

- (a) notes the forecast budget monitoring position for the General Fund, Schools' Finance and Housing Revenue Account (HRA) and as at 30 November 2022 (Annex sections 1, 2 and 3);
- (b) approves the receipt of (£1.134m) new revenue grants (as outlined in section 1.5.4 of this report);
- (c) notes the Authority's Investment Plan spend of £40.858m to 30 November 2022 and the financing of the Plan to the end of the year (Annex Section 4);
- (d) approves variations of £0.152m and reprogramming of (£10.942m) for 2022/23 within the 2022-2027 Investment Plan (Annex Section 4);
- (e) Notes the information on the Collection Fund (Annex section 6); and
- (f) Approves the write-offs of business rates identified in Table 29 of the Annex (Section 6 paragraph 6.5.1)

1.3 Forward Plan:

1.3.1 Twenty-eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 17 June 2022.

1.4 Authority Plan and Policy Framework:

1.4.1 The budget is a key strand of the Authority's Budget and Policy Framework.

1.5 Information:

1.5.1 Financial Position

1.5.1.1 This report is the fourth monitoring report presented to Members on the Authority's 2022/23 financial position. It provides an indication of the expected revenue and capital financial position of the Authority on 31 March 2023. The view in this report is expected to change over the coming months as the recovery to a pre-Covid-19 position continues, the impact of market conditions becomes clearer, further inflationary factors become apparent and management actions start to take effect.

1.5.1.2 The report covers:

- The forecast outturn of the Authority's General Fund and HRA revenue budget including management mitigations where issues have been identified;
- The delivery of 2022/23 approved budget savings plans; and
- An update on the Capital Investment Plan, including details of variations and reprogramming, that is recommended for approval.

1.5.2 General Fund Revenue Account

- 1.5.2.1 The Budget for 2022/23 was approved by full Council at its meeting on the 17 February 2022. The net General Fund revenue budget was set at £163.512m, which included £7.257m of savings to be achieved in year.
- 1.5.2.2 The Authority's finances are complex in any year given the range of services that are delivered; the picture this financial year is even more volatile given the national and global economic challenges. At a Service level, before the application of planned contingencies and central funding, the gross pressure would be £23.511m. However, the budget for the year included contingencies of £6.752m and other central funding of £1.006m (both shown within the Central Items figure in Table 1). As a result, the total forecast year-end pressure for the General Fund, shown in Table 1 reduces to £15.753m. Table 1 below sets out the initial variation summary across the General Fund, with a detailed commentary of variances included in Annex 1.
- 1.5.2.3 Included within the position for Central Items is £6.752m of contingencies. Whilst held in Central Items, its use is identified as: £3.116m to offset the pressures in Children's Social Care; £1.301m is supporting the under achievement of savings targets; and £2.325m to support the inflationary pressures being faced by the Authority. In September's report, a £0.316m saving was included reflecting the part year reversal of the national insurance increase along with a £4.927m of Minimum Revenue Provision (MRP) savings following the conclusion of External Audit work into the methodology change; these items remain in the forecasts. In 2021/22 these savings were set aside in a new MRP reserve, which remains on the balance sheet, but it is likely that the in-year saving will be required to support the bottom-line position in 2022/23, so is currently included in the forecast position. This gives a total underspend for Central Items of £13.002m.
- 1.5.2.4 Table 2 adds further detail to the information in Table 1. The top half of table 2 breaks down the forecast £15.753m pressure into the main factors of covid legacy, utility, other inflation and other pressures. The covid pressures of £8.021m arise primarily from fees and charges income not yet returning to pre-pandemic levels and additional fixed term staff employed to cover increased demand or to enable front-line service provision to continue.
- 1.5.2.5 The lower half of Table 2 includes details of funding set aside to support known pressures. As part of the 2022-2026 Medium-Term Financial Plan (MTFP) agreed by full Council in February, £2.200m was set aside from the Change Reserve to support additional pressures in Home to School Transport (£0.400m), Special Educational Needs (£0.400m), additional children's social care provision (£1.200m) and for the development of the Customer Relationship Management programme (£0.200m). The £0.400m relating to Home to School Transport has now been allocated to Commissioning & Asset Management and is reflected in the services projected position, with the remaining £1.800m supporting the overall corporate pressure, in Table 2.

- 1.5.2.6 In addition £2.000m was also set aside to create a Covid-19 Reserve as part of the 2022-2026 MTFP, this included £0.650m to support additional caseloads within Children's Services, £0.350m to support Home to School Transport and £1.000m to support reduced fees and charges income following the pandemic. The £0.350m relating to Home to School Transport has now been allocated to Commissioning & Asset Management and is reflected in the services projected position, leaving £1.650m to support the overall corporate pressure in Table 2.
- 1.5.2.7 Within the 2022-2026 MTFP, £0.150m was identified as planned use of the Insurance Reserve to support additional Repairs and Maintenance costs. The use of this funding has been included in Table 2.
- 1.5.2.8 Table 2 includes a further £1.300m of contingencies that has not been applied to specific service areas/central items, so can support the overall corporate position.
- 1.5.2.9 Following the on-going review of provisions, the Authority has been able to release a provision of £0.300m relating to Special Guardianship Order costs, reported previously, along with a further £0.428m included in this report, giving an underspend of £0.728 in total.
- 1.5.2.10 £1.925m of funding previously reported in July has now been allocated to help cover the cost of the Pay Award, which is now approved at £1,925 for every full-time equivalent employee. Despite this additional allocation, the cost of the pay award is higher than the funding set aside and is reflected in the overall forecast for the year, which is reflected in individual service areas in the top part of Table 2.
- 1.5.2.11 The Authority carried forward £2.962m of Covid-19 related central Government grants from 2021/22. Of this £1.462m has been committed and is reflected in the £15.753m position reported in Table 1. The remaining balance of £1.500m is available to support on-going Covid-19 legacy pressures and is reflected in the revised position shown in Table 2.
- 1.5.2.12 Taking all of the above into account, the result is a forecast year-end pressure of £8.625m, which is an improvement of £0.175m since the previous Cabinet report.
- 1.5.2.13 The main service areas facing forecast overspends are those most exposed to the new, emerging pressures, which are impacting on top of the residual covid-impacts. Environment, which includes Sports and Leisure activities, is experiencing income shortfalls from fees and charges, which continue to be at lower than pre-pandemic levels. That Directorate is significantly affected by energy costs, given it includes streetlighting, leisure centres and customer first centres which are all energy intensive activities. In addition, higher inflation rates are significantly impacting on the waste management contract.
- 1.5.2.14 Children's and Adults' Services are forecasting significant pressures, as the impact of Covid-19 has seen the need to increase staffing levels to manage increases in both the complexity and volume of demand for services. This is also resulting in increased payments to external providers. This is not unique to North Tyneside and is being seen across the region and nationally.
- 1.5.2.15 Commissioning & Asset Management is forecasting overspends in catering supplies and the cost of Home to School Transport, with the cost of supplies and fuel rising rapidly in this period of high inflation.

- 1.5.2.16 The Resources Directorate is experiencing overspends in Legal Services, associated with the level of locum solicitors dealing with a combination of increased demand and job vacancies, as well as the impact of the recovery of benefit overpayments in the Revenues and Benefits Service.
- 1.5.2.17 Finance officers are continuing to work with Cabinet, the Senior Leadership Team and other senior officers across the Authority to review Business as Usual activity as well as challenging and reviewing the current projected risks the authority is facing in a number of key areas:
- Children's Services – demand and cost assumptions;
 - High needs/SEND pressures;
 - Adults Social Care – demand and cost assumptions;
 - Unachieved savings targets;
 - Commissioning & Asset Management – Impact of schools' service level agreement reductions;
 - Law & Governance Structure – use of locums; and
 - Revenues & Benefits position – review of the level of benefits overpayments and subsequent recovery.
- 1.5.2.18 The aim of this work will be to ensure actions are in place to bring the outturn forecast for normal activities in on balance and it is anticipated the position will improve over the course of the financial year as planned remedial actions begin to impact on both expenditure and income. Should any balance remain at year-end then this would need to be supported from the Strategic Reserve, significantly reducing the level of un-ringfenced reserves the Authority has available.

1.5.2.19 Table: 1 2022/23 General Fund Revenue Forecast Outturn as at 30 November 2022

Services	Budget	Forecast Nov	Variance Nov	Variance Sept	Change since Sept
	£m	£m	£m	£m	£m
Adults Services	56.120	61.353	5.233	5.588	(0.355)
Children's Services	21.363	34.840	13.477	13.154	0.323
Public Health	2.198	2.198	0.000	0.000	0.000
Commissioning & Asset Management	6.666	12.467	5.801	5.100	0.701
Environment	37.197	38.751	1.554	1.667	(0.113)
Regeneration & Economic Development	10.791	11.073	0.282	0.378	(0.096)
Corporate Strategy	0.691	1.191	0.500	0.462	0.038
Chief Executive Office	(0.076)	(0.103)	(0.027)	0.000	(0.027)
Resources	3.365	4.950	1.585	1.785	(0.200)
General Fund Housing	1.360	1.710	0.350	0.350	0.000
Central Items	3.656	(9.346)	(13.002)	(12.984)	(0.018)
Support Services	20.181	20.181	0.000	0.000	0.000
Total Authority	163.512	179.265	15.753	15.500	0.253

1.5.2.20 Table: 2 2022/23 Adjusted General Fund Revenue Forecast Outturn Position as at 30 November 2022

	Covid Legacy £m	Utility Inflation Pressures £m	Other Inflation Pressures £m	Other Pressures £m	Total £m	Sept £m	Change £m
Adults Services	4.300	0.279	2.324	(1.670)	5.233	5.588	(0.355)
Children's Services	2.361	0.328	1.086	9.702	13.477	13.154	0.323
Public Health	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Commissioning and Asset Management	0.824	0.444	2.899	1.634	5.801	5.100	0.701
Environment	0.536	2.643	0.116	(1.741)	1.554	1.667	(0.113)
Regeneration and Economic Development	0.000	0.013	0.000	0.269	0.282	0.378	(0.096)
Corporate Strategy	0.000	0.000	0.011	0.489	0.500	0.462	0.038
Resources and Chief Executive	0.000	0.000	0.000	1.558	1.558	1.785	(0.227)
General Fund Housing	0.000	0.000	0.039	0.311	0.350	0.350	0.000
Central Items	0.000	(1.480)	(4.927)	(6.595)	(13.002)	(12.984)	(0.018)
Grand Total	8.021	2.227	1.548	3.957	15.753	15.500	0.253
Planned use of Change Reserve	0.000	(0.477)	(1.323)	0.000	(1.800)	(1.800)	0.000
Planned use of Covid-19 Reserve	(1.650)	0.000	0.000	0.000	(1.650)	(1.650)	0.000
Planned use of Insurance Reserve	0.000	(0.150)	0.000	0.000	(0.150)	(0.150)	0.000
Planned use of Contingencies	0.000	(1.300)	0.000	0.000	(1.300)	(1.300)	0.000
Planned release of Provision	0.000	(0.300)	(0.225)	(0.203)	(0.728)	(0.300)	(0.428)
Planned use of Covid-19 Grants	(1.500)	0.000	0.000	0.000	(1.500)	(1.500)	(0.000)
Total	(3.150)	(2.227)	(1.548)	(0.203)	(7.128)	(6.700)	(0.428)
Revised Pressure	4.871	0.000	0.000	3.754	8.625	8.800	(0.175)

1.5.3 Delivery of Budget Savings Proposals

1.5.3.1 New savings of £4.720m were agreed as part of the Budget approved by full Council in February 2022 taking the total savings the Authority has had to find in the eleven years following the 2010 Comprehensive Spending Review (CSR) to £134.268m.

1.5.3.2 The governance structure of the Efficiency Savings Programme includes a monthly review of progress by the Senior Leadership Team (SLT). In addition, in-year budget and performance progress meetings are held between officers and Cabinet Members to consider progress and actions being taken to deliver savings. The variations in relation to the savings are outlined in the sections below, with more detail included in the regular reports on this topic to Overview Scrutiny and Policy Development Committee.

1.5.3.3 The new savings of £4.720m are combined with £2.537m of brought forward targets that still required a permanent solution from previous years, meaning the overall target to achieve in 2022/23 is £7.257m. These savings are factored into Tables 1 and 2 above, but are shown separately in this section for transparency.

1.5.3.4 **Table 3 – Efficiency Savings Programme 2022/23**

Service	B/F Balances	2022/23 Business Cases	2022/23 Target	Projected Delivery	In Year Actions	Yet to be achieved
	£m	£m	£m	£m	£m	£m
Adults	0.000	0.950	0.950	0.950	0.000	0.000
Children's	2.373	0.850	3.223	0.025	0.398	2.800
Environment	0.000	0.520	0.520	0.520	0.000	0.000
C&AM	0.164	0.582	0.746	0.068	0.176	0.502
Resources	0.000	1.563	1.563	1.563	0.000	0.000
Central	0.000	0.255	0.255	0.255	0.000	0.000
TOTAL	2.537	4.720	7.257	3.381	0.574	3.302

1.5.3.5 Adults Services are projecting to achieve the full £0.950m target. Within the CYPL pressure of £13.477m reported earlier, £2.800m relates to the non-achievement of savings targets. In the previous financial year these savings have been significantly impacted by Covid-19 and as such, achievement has been supported by Central Government Covid-19 grants. With these grants not available in 2022/23 and on-going demand-led pressures already impacting the service, current projections are for these CYPL savings to remain unachieved in 2022/23.

1.5.3.6 Within Commissioning & Asset Management, £0.400m of cross-cutting 2022/23 savings are held with £0.036m projected to be achieved and £0.026m of the Procurement saving projected to be achieved to date by in year actions, with work on-going across the Authority to achieve the balance by the year end. The unachieved savings are included in the forecast pressure in Table 1.

1.5.3.7 All savings in the other service areas are forecasted to be achieved.

1.5.4 New Revenue Grants

1.5.4.1 The following revenue grants have been received during October and November 2022.

1.5.4.2 Table 4 – Revenue Grants Received October and November 2022/23

Service	Grant Provider	Grant	Purpose	2022/23 value £m
Resources	Department for Work and Pensions	LA Data Sharing Programme: Payment for IT costs - NEC Las	To share more data across the public sector to improve opportunities for disadvantaged people, reduce crime and prevent fraud, reduce burdens on business and implement more effective and targeted policy.	0.003
Environment	Northumbria Police & Crime Commissioner	Wintertime Violence Reduction	To support local organisations in communities across Northumbria who provide locally-designed support for vulnerable people, diversionary activities or who seek to turn things around and improve their local neighbourhood through directly reducing and combatting the impact of crime and Anti Social Behaviour	0.02
Commissioning and Asset Management	European Social Fund (via DWP)	Building Steps for Young People to a Brighter Future	To support residents aged 18 - 29 and over along a journey into employment / self-employment.	0.075
Commissioning and Asset Management	European Social Fund (via DWP)	Step to Employment	To support residents aged 29 and over along a journey into employment / self-employment.	0.094
Children's	Ministry of Justice	Turnaround Programme Grant	This Grant is for the Turnaround Programme which is a voluntary youth early intervention programme led by the Authority. The Programme is a three-year programme which aims to improve outcomes and prevent offending for children who are on the cusp of the youth justice system and who do not meet the threshold for statutory support.	0.047
Children's	National Development Team for Inclusion	Supported Internships Grant	This grant is to support all Local Authorities to access, establish and/or develop SEND employment forums to improve the provision of Supported Internships across the country.	0.01

Service	Grant Provider	Grant	Purpose	2022/23 value £m
Adults'	Department for Health & Social Care	ASC Discharge Funding	The Fund can be used flexibly on the interventions that best enable the discharge of patients from hospital to the most appropriate location for their ongoing care. Funding can also be used to boost general adult social care workforce capacity, through staff recruitment and retention, where that will contribute to reducing delayed discharges.	0.859
Regeneration and Economic Development	North of Tyne Combined Authority	Northern Powerhouse Key Account Management	To deliver the Key Account Management Programme.	0.026
Total				1.134

1.5.5 School Funding

- 1.5.5.1 Schools are required to submit their rolling three-year budget plan by 31 May each year and as reported previously the total planned in-year deficit for 2022/23 is £5.533m. Cabinet will be aware that the Authority has been working with schools for a number of years with regard to the long-term strategic issue of surplus secondary places and the associated financial pressures, which continue to be compounded by rising employment costs.
- 1.5.5.2 Finance officers are working with schools to produce an update on 2022/23 school finances position which will be presented to Cabinet in the next finance report.
- 1.5.5.3 Cabinet will recall that the High Needs Block ended 2021/22 with a pressure of £13.511m. The forecast of the Budget position for 2022/23 indicates an anticipated in-year pressure of £4.416m reflecting continued demand for special school places, producing a cumulative deficit balance of £17.927m.

1.5.6 Housing Revenue Account (HRA)

- 1.5.6.1 The HRA is forecast to have year-end balances at 31 March 2023 of £0.281m. These balances are £0.090m lower than budget which was set at £0.371m.
- 1.5.6.2 Universal Credit was fully implemented across North Tyneside on 2 May 2018. As of the end of November 2022, 4,049 North Tyneside Homes tenants have moved on to Universal Credit and a team is working proactively with tenants to minimise arrears. This position will be closely monitored as the year progresses to identify any adverse impacts on the Budget position.

1.5.7 Investment Plan

- 1.5.7.1 The approved 2022-2027 Investment Plan totals £331.281m (£103.523m in 2022/23) and is detailed in table 20 of the Annex. The Annex to this report also sets out in Section 4 delivery progress to date, planned delivery for 2022/23, reprogramming and other variations identified through the Investment Programme Governance process.

1.5.7.2 An officer led review of the Investment Plan has resulted in proposals for variations of £0.152m and reprogramming of (£10.942m) of which more details are set out in Section 4 of the Annex to this report. The revised Investment Plan stands at £92.733m for 2022/23 and to the end of November 2022 spend of £40.858m had been incurred which represents 44.06% of the revised plan.

1.5.7.3 The Investment Plan continues to face significant inflationary pressure and Senior Officers within the Authority have undertaken a review of the expected financial impact on approved schemes with the relevant project managers. The review has confirmed that for the majority of schemes there has been an ability to re-profile planned works to future years given supply issues and rising costs. However, in some cases it is proposed to utilise the Authority's contingency allocation within the Investment Plan in order to maintain delivery plans. The use of the contingency is managed as part of the Investment Programme Board governance arrangements. The corporate risk register includes risks for such inflationary pressures to the investment plan and the position is monitored on an ongoing basis.

1.5.8 Performance against Council Plan

1.5.8.1 The 2021-2025 Our North Tyneside Plan (Council Plan) sets out the overall vision and policy context within which the Medium-Term Financial Plan and Budget are set. The Council Plan, "Building A Better North Tyneside", has five key themes as set out below;

- A caring North Tyneside;
- A thriving North Tyneside;
- A secure North Tyneside;
- A family-friendly North Tyneside; and,
- A green North Tyneside.

1.5.8.2 For each theme there is a set of policy outcomes which the Authority is seeking to deliver; these are detailed in the Council Plan. The Authority has plans in place to deliver all elements of the Plan and performance against delivery is carefully monitored.

1.5.8.3 An update report on the progress of delivering the 2021-2025 Our North Tyneside Plan was taken to Cabinet in September 2022.

1.6 **Decision Options:**

1.6.1 The following decision options are available for consideration by Cabinet:

1.6.2 Option 1

Cabinet may approve the recommendations at paragraph 1.2 of this report.

1.6.3 Options 2

Cabinet may decide not to approve to recommendations at paragraph 1.2 of this report.

1.7 Reasons for Recommended Option:

1.7.1 Option 1 is recommended for the following reasons:

1.7.2 Cabinet is recommended to agree the proposals set out in section 1.2 of this report as it is important that Cabinet continues to monitor performance against the Budget, especially given the current level of financial pressures faced by the public sector.

1.8 Appendices:

Annex : Financial Management Report to 30 November 2022
Appendix 1: Investment Plan Summary

1.9 Contact Officers:

Jon Ritchie – Corporate Finance matters – Tel. (0191) 643 5701
Claire Emmerson – Corporate Finance and Schools matters – Tel. (0191) 643 8109
David Dunford – Corporate Finance and General Fund matters – Tel. (0191) 643 7027
Jane Cross – Corporate Finance and General Fund matters
David Mason – Investment Plan matters - Tel. (0191) 643 5747
Darrell Campbell – Housing Revenue Account matters – Tel. (0191) 643 7052

1.10 Background Information:

1.10.1 The following background papers and research reports have been used in the compilation of this report and are available at the offices of the author:

(a) Revenue budget 2022/23

https://my.northtyneside.gov.uk/sites/default/files/web-page-related-files/NTC%20Revenue%20Budget%202022_23.pdf

(b) Investment Plan 2022-27

<https://democracy.northtyneside.gov.uk/documents/s7911/Appendix%20D%20i%20-%202022-2027%20Investment%20plan%20-%20FINAL.pdf> (Agenda reports pack 17th February 2022 - Appendix D(i))

(c) Reserves and Balances Policy

<https://democracy.northtyneside.gov.uk/documents/s7919/Appendix%20G%20-%202022-23%20Reserves%20and%20Balances%20Policy.pdf> (Agenda reports pack 17th February 2022- Appendix G)

(d) Overview, Scrutiny and Policy Development Performance Report

<https://democracy.northtyneside.gov.uk/documents/s7921/Appendix%20I%20-%202022-23%20Report%20of%20the%20Overview%20Scrutiny%20and%20Policy%20Development%20Committee%20Jan%202022.pdf> (Agenda reports pack 17th February 2022 – Appendix I)

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and Other Resources

2.1.1 As this is a financial report, implications are covered in the body of the report. This report will also be presented to the Authority's Finance Sub-Committee at its meeting on 7 February 2023.

2.2 Legal

2.2.1 The Authority has a duty to ensure it can deliver a balanced budget. The Local Government Act 2003 imposes a duty on an authority to monitor its budgets during the year and consider what action to take if a potential deterioration is identified.

2.3 Consultation/Community Engagement

2.3.1 Internal Consultation

Internal consultation has taken place with the Cabinet Member for Finance and Resources, the Elected Mayor, Cabinet Members, the Senior Leadership Team and Senior Finance Officers.

2.3.2 External Consultation / Engagement

The 2022/23 budget was completed after widespread consultation and community engagement in line with the Authority's approved Budget Engagement Strategy.

2.4 Human Rights

2.4.1 The proposals within this report do not have direct implications in respect of the Human Rights Act 1998.

2.5 Equalities and Diversity

2.5.1 There are no direct equalities and diversity implications arising from this report.

2.6 Risk Management

2.6.1 Potential future financial pressures against the Authority are covered in this report and registered through the Authority's risk management process.

2.7 Crime and Disorder

2.7.1 There are no crime and disorder implications directly arising from this report.

2.8 Environment and Sustainability

2.8.1 There are no direct environmental and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive X
- Director of Service X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Assistant Chief Executive X