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Tuesday, 18 July 2023

Notice of Reports Received following Publication of Agenda.

Cabinet

Wednesday, 26th July, 2023 at 5.00 pm,
Steve Greenslade Room, County Hall, Usk

Attached are reports that the committee will consider as part of the original agenda but were submitted to democratic services following publication of the agenda.

Item No	Item	Pages
6.	<p>2023/24 REVENUE BUDGET PROGRESS - EARLY UPDATE</p> <p><u>Division/Wards Affected:</u> All</p> <p><u>Purpose:</u> To provide Cabinet with an early update of the progress of the Councils revenue budget for the 2023/24 financial year.</p> <p><u>Author:</u> Jonathan Davies, Head of Finance (Deputy S151 officer)</p> <p><u>Contact Details:</u> jonathandavies2@monmouthshire.gov.uk</p>	1 - 2

Paul Matthews
Chief Executive

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Agenda Item 6

Feedback to the Cabinet, 27/7/23, from the Chair of the Performance and Overview Committee, Cllr Neill.

The following points were noted from the Revenue Budget Early Update for '23/24:

- **£2.6 mill of revenue budget pressures**
- **Planned application of £2.5 mill of useable reserves to finance pressures.**
- **Strategic Leadership Team required to engage in immediate mitigating action.**
- **Officers required to develop structured approach to tackling pressures.**

It was also noted that in Table 1 of the report there are £6.1 mill of actual underlying indicative early pressures – not just the £2.6 mill above.

These pressures include:

Children and Young People – £687,000

Social Care and Health - £3,001,000

Communities and Place - £1,513,000

Corporate, Treasury and Finance - £710,000

.... with further major pressures arising in Waste; Care Providers; Homelessness (of which additional security measures at £75,000).

Specific important questions arose from the P&OSC members relating to:

waste services cost management, bank holiday cover, food standards and costs in Free School Meals, staff resources being stretched and causing stress for those in service, staff reductions in our community hubs, staff flexibility in roles.

Questions were raised around the approach being taken by the cabinet towards balancing sound financial management with service demands – given that if control over finances is lost, it would create a very serious situation for all services. It was noted that the cabinet moved £3.5 mill from reserves at the end of the '22/23 year, and now it plans to move a further £2.5 mill from reserves to cover new pressures. This rate of reserves' depletion is not sustainable. It is very important that the council addresses the service overspends – recognizing that these are indeed challenging times. Therefore, the most effective way of focusing minds would be to NOT transfer a further £2.5 mill from reserves, as this repeated approach creates the clear impression that pressure is off officers to redesign services capable of being delivered within service budgets. The result is seriously depleted reserves – and services will still require redesign within their respective budgets. Reserves should therefore be used to enable redesign and transformation – not to plug financial holes in budget delivery.

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