

## BCP Council

### Council Meeting 20 February 2024

**Item:** Agenda Item 11:  
Budget 2024/25 and Medium-Term Financial Plan

#### Conservative Group – Amendment (2) to the 2024/24 Budget

##### Funding Source:

**To only be implemented if** the specific one-off contingency set aside to manage the risk of delivery or delay in the £41.2m in savings, efficiencies and additional resources is not needed.

£1.537m      Use of funds from the one-off contingency budget if not required  
**£1.537m      Total**

Application of these **one-off** resources set out as follows.

| Amount<br>£000s | Service Area                     | Description   |
|-----------------|----------------------------------|---|
| 684             | Commissioning & Procurement      | Defer savings from the review of day services proposals for one-year.<br>( <i>budgeted saving</i> ) |
| 396             | Children's Services              | Defer Education Revised delivery models for one-year.<br>( <i>budgeted saving</i> )                 |
| 57              | Children's Services              | Defer Early Years Workforce for one-year.<br>( <i>budgeted saving</i> )                             |
| 300             | Children's Services              | Create one-off Mental Health support in schools fund  |
| 100             | Children's Services              | Create a one-off Youth Centre Fund  |
| <b>1,537</b>    | <b>Total – One Off Resources</b> |   |

##### s25 Report of the Chief Finance Officer

The below comments should be considered as additional to those summarised in the report in paragraphs 95 to 101 and Appendix 10 the s25 report of the Director of Finance. I have reviewed this proposed amendment and can confirm that it complies with the Council's Financial Regulations in that it enables a balanced budget for 2024/25 still to be delivered. However annual budgets proposals in the past and present have not and do not need to set out what would happen to any contingencies not needed as set out within the budget plan.

This amendment is therefore setting out proposals for a set of circumstances that may or may not materialise. Normal custom and practice is that any use of budgeted contingencies is reflected upon in the formal quarterly budget monitoring reports (Quarter1 September –

Quarter2 November – Quarter3 February – Quarter4 June) with the latest position in turn feeding into the following years budget proposals.

If all the £41.2m of savings are delivered in full from 1 April 2024 and without any delay, then the Administration would need to consider how such resources would be applied recognising the position at that time of all the financial risks, challenges and pressures faced by the Council.

The proposal also includes the paradox that it includes reference to budgeted savings which need to be delivered to demonstrate the contingency is not required and would then propose those savings are not implemented. This is the case regarding the deferment of the savings from the review of day services proposals, the implementation of the education revised delivery model, and the early years workforce changes.

As the Director of Finance in my substantive s25 report I have advised Council to continually look at all opportunities to enhance the level of unearmarked reserves and improve the councils overall financial sustainability. This is based on the overall assessment of the numerous risks faced by the council which includes the delivery of the £41.2m of savings, efficiencies, and additional resources in 2024/25 of which only £15.9m (39%) are where services are 100% confident of delivery. In respect of the remaining amount services where only reasonably confident in respect of 38% (£15.7m) and less confident in respect of 23% (£9.6m).

To fund the proposals in amendment (1) and amendment (2) the total amount of the £5.654m one-off contingency not used in mitigation of either delay or non-delivery of the £41.2m savings will need to amount to £2.714m (£1.177m + £1.537m).