

#### **EX44. Projected Financial Position 2019/20**

The Executive considered a report by the Director of Corporate and Housing Services presenting an initial update on the financial position of the Council for 2019/20 including the position with Reserves. Net expenditure at 31 March 2020 was forecast to be £343.0m which was £0.503 (0.1%) below the resources available. The overall deviations from budget were:-

Children's Services – (over budget by £2.502m; 1.3%)

(i) Education (over budget by £0.887m)

(ii) Social Work – Children & Families (over budget by £1.615m)

(iii) Justice Service (on budget)

Development Services (on budget)

Corporate & Housing Services (under budget by £0.372m; 1.4%)

(i) General Fund Housing (under budget by £0.172m)

(ii) Central Support Services (under budget by £0.124m)

(iii) Miscellaneous Services (under budget £0.076m)

The Reserves showed a projected balance of £10.895m at March 2020. The report advised that the evolving position on historic child abuse may well result in future calls on the Council's reserve. Another call on the reserve would be the impact of voluntary severance payments required, beyond the £2.3m earmarked within the Spend to Save fund to implement the transformation detailed in the five year Business Plan.

Spending within the Housing Revenue Account of £65.49m was in line with budget. The reserve balance brought forward at 1 April 2019 was £5.093m with no application of reserves planned for 2019/20.

#### **Decision**

##### **The Executive:-**

- (1) noted the Council's projected year-end financial position for 2019/20;**
- (2) noted the position with respect to Reserves;**
- (1) noted the progress on the achievement of the 2019/20 agreed savings, and**
- (4) instructed Service Directors to take appropriate actions to maintain their costs within the approved budget.**