

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? ☐ Yes ☒ No

Ref EK/KS

Date 28/02/24

Review of 2023/24 to 2025/26 Budget Savings

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Executive Summary

This report provides the Finance and Resources Committee with an update on the achievement of the three-year financial savings total of £15.143m approved as part of the 2023/24 budget setting process (£7.486m 2023/24, £4.047m 2024/25 and £3.610m 2025/26).

It is projected that £7.418m of the 2023/24 savings (99%) will be delivered within the financial year, with replacement savings identified to fully address the shortfall of £0.068m.

In addition, it is currently anticipated that there will be no recurring savings gap arising from the 2023/24 to 2025/26 approved savings.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contents of this report.

The Plan for North Lanarkshire

Priority	All priorities
Ambition statement	(25) Ensure intelligent use of data and information to support fully evidence based decision making and future planning
Programme of Work	Programme of Work Statutory / corporate / service requirement

1. Background

- 1.1. At its meeting of 23 February 2023, the Council approved a General Fund Revenue Budget of £978.624m which included spend offset by ring fenced grants of £50.586m and capital grant funding in lieu of pay award funding of £7.726m. Additional funding has since been confirmed as part of the Scottish Government budget setting, including additional directed funding for pay awards, resulting in an overall total budget of £942.485m.
- 1.2. Net savings totalling £7.951m were agreed at the budget set on 23 February 2023, with £0.976m incorporated into the 2023/24 budget and the balance £6.975 over 2024/25 and 2025/26. The budget also includes £7.192m of base budget adjustments over the three-year period, £6.510m of which will be realised in 2023/24.
- 1.3. Services are required to monitor the delivery of their target savings to ensure they remain within approved budgets and provide periodic progress updates within individual Service revenue monitoring reports, identifying alternative solutions to any in-year shortfall envisaged. In addition, Services are required to monitor whether the original approved saving has been implemented and if not, provide an explanation along with alternative action required to ensure the recurring financial saving will be achieved going forward.
- 1.4. This report summarises the progress in achieving the three-year approved savings for 2023/24 to 2025/26.

2. Report

Update on Approved 2023/24 to 2025/26 Savings

- 2.1 A summary of the three-year approved savings is provided at appendix 1 along with the current forecast of savings achievable for each of the years.
 - 2.2 It is currently anticipated that £7.418m (99%) of approved 2023/24 savings of £7.486m will be achieved in the current financial year, leaving an in-year savings gap of £0.068m. Replacement savings had been identified to fully address the shortfall, which includes management action such as control of vacancies and curtailment of expenditure. More information on the savings unachievable within 2023/24 are detailed at appendix 2. It should be noted that there is no anticipated recurring budget impact as a result of the in-year savings gap. This position is unchanged from the position previously reported.
 - 2.3 At this stage there is no anticipated delay or shortfall expected in relation to future year savings, however these will continue to be monitored with updates reported to Committee as appropriate.
 - 2.4 However, as previously advise, in order to support the transition to the new Early Years operating model (total approved savings of £3.000m across 2024/25 and 2025/26), the Service have recruited temporary staff on short term contracts during 2023/24. The recruitment of these temporary staff will ensure there will be no diminution of statutory staff: pupil ratios during the vacancy gap that will occur as a result of existing staff who have elected to take VRS departing the Service, and new permanent employees being appointed. This action ensures nursery provision will continue on a business as usual basis for pupils and parents. The cost of the temporary staff will be met from the Early Years earmarked reserve.
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3. Measures of success

3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

Appendix 1 Approved 3 Year Savings Summary

Appendix 2 Budget Savings by Exception 2023/24



Elaine Kemp
Chief Officer (Finance)

5. Impacts

5.1 Public Sector Equality Duty and Fairer Scotland Duty Does the report contain information that has an impact as a result of the Public Sector Equality Duty and/or Fairer Scotland Duty? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, please provide a brief summary of the impact? If Yes, has an assessment been carried out and published on the council's website? https://www.northlanarkshire.gov.uk/your-community/equalities/equality-and-fairer-scotland-duty-impact-assessments Yes <input type="checkbox"/> No <input type="checkbox"/>
5.2 Financial impact Does the report contain any financial impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant financial impacts been discussed and agreed with Finance? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.3 HR policy impact Does the report contain any HR policy or procedure impacts? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant HR impacts been discussed and agreed with People Resources? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.4 Legal impact Does the report contain any legal impacts (such as general legal matters, statutory considerations (including employment law considerations), or new legislation)? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, have all relevant legal impacts been discussed and agreed with Legal and Democratic? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, please provide a brief summary of the impact?
5.5 Data protection impact Does the report / project / practice contain or involve the processing of personal data? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If Yes, is the processing of this personal data likely to result in a high risk to the data subject? Yes <input type="checkbox"/> No <input type="checkbox"/> If Yes, has a Data Protection Impact Assessment (DPIA) been carried out and e-mailed to dataprotection@northlan.gov.uk Yes <input type="checkbox"/> No <input type="checkbox"/>

5.6	Technology / Digital impact
Does the report contain information that has an impact on either technology, digital transformation, service redesign / business change processes, data management, or connectivity / broadband / Wi-Fi?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
Where the impact identifies a requirement for significant technology change, has an assessment been carried out (or is scheduled to be carried out) by the Enterprise Architecture Governance Group (EAGG)?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	
5.7	Environmental / Carbon impact
Does the report / project / practice contain information that has an impact on any environmental or carbon matters?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.8	Communications impact
Does the report contain any information that has an impact on the council's communications activities?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact?	
5.9	Risk impact
Is there a risk impact?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the key risks and potential impacts, highlighting where the risk(s) are assessed and recorded (e.g. Corporate or Service or Project Risk Registers), and how they are managed?	
5.10	Armed Forces Covenant Duty
Does the report require to take due regard of the Armed Forces Covenant Duty (i.e. does it relate to healthcare, housing, or education services for in-Service or ex-Service personnel, or their families, or widow(er)s)?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the provision which has been made to ensure there has been appropriate consideration of the particular needs of the Armed Forces community to make sure that they do not face disadvantage compared to other citizens in the provision of public services.	
5.11	Children's rights and wellbeing impact
Does the report contain any information regarding any council activity, service delivery, policy, or plan that has an impact on children and young people up to the age of 18, or on a specific group of these?	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
If Yes, please provide a brief summary of the impact and the provision that has been made to ensure there has been appropriate consideration of the relevant Articles from the United Nations Convention on the Rights of the Child (UNCRC).	
If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out?	
Yes <input type="checkbox"/> No <input type="checkbox"/>	

Appendix 1
North Lanarkshire Council
Approved 3 Year Savings Summary
Service Savings Monitoring

Service	2023/24				2024/25				2025/26				TOTAL			
	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m	Approved Saving £m	Projected Savings £m	In-year Savings Gap £m	Recurring Gap £m
Chief Executive's	0.127	0.127	0.000	0.000	0.125	0.125	0.000	0.000	0.000	0.000	0.000	0.000	0.252	0.252	0.000	0.000
Enterprise & Communities	2.133	2.065	0.068	0.000	0.230	0.230	0.000	0.000	0.210	0.210	0.000	0.000	2.573	2.505	0.068	0.000
Education & Families	1.226	1.226	0.000	0.000	3.692	3.692	0.000	0.000	3.400	3.400	0.000	0.000	8.318	8.318	0.000	0.000
Other Corporate	4.000	4.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4.000	4.000	0.000	0.000
Total Service Savings	7.486	7.418	0.068	0.000	4.047	4.047	0.000	0.000	3.610	3.610	0.000	0.000	15.143	15.075	0.068	0.000

Appendix 2
North Lanarkshire Council
Review of Budget Savings by Exception 2023/24

Service	Division	Saving Detail	2023/24			
			Approved Saving £m	Projected Savings £m	In Year Savings Gap £m	Recurring Gap £m
E&C	Community Operations	Countryside Rangers - Income Generation	0.022	0.000	0.022	0.000
E&C	Community Operations	Greenspace Income - Increased charging for services	0.031	0.026	0.005	0.000
E&C	Community Operations	Protective - Reduction in Environmental Health resources	0.041	0.000	0.041	0.000
		Total Savings	0.094	0.026	0.068	0.000