

North Lanarkshire Council Report

Finance and Resources Committee

Does this report require to be approved? Yes No

Ref EK/KS/FC

Date 11/09/24

2023/24 Annual Outturn

From Elaine Kemp, Chief Officer (Finance)

E-mail KempE@northlan.gov.uk

Telephone 07939 280 601

Executive Summary

The purpose of this report is to inform Committee that the annual statutory accounts of the Council for the year ended 31 March 2024 were reported to the Audit and Scrutiny Panel at its meeting of 27 June and subsequently submitted to the Council's External Auditors, Audit Scotland, by the statutory date of 30 June before being published on the Council's website.

This report also updates Committee on the overall position for the General Fund Account and explains any major variations against the Council's annual budget for the year 2023/24.

An overall summary on the Housing Revenue Account is also provided.

Recommendations

It is recommended that the Finance and Resources Committee:

- (1) Acknowledge the contents of the 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 Statutory / corporate / service requirement

1. Background

- 1.1. The Annual Accounts demonstrate the Council's stewardship of the public funds with which it is entrusted. The Annual Accounts are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom. The Local Authority Accounts (Scotland) Regulations, require the Council to submit a set of unaudited accounts to its external auditors, Audit Scotland, by 30 June following the end of the financial year.

- 1.2. In addition, the Council's approved Financial Regulations require Council Services to remain within the approved budgetary provision, and to report all significant deviations within their budget monitoring reports.

2. Report

- 2.1 The 2023/24 Unaudited Accounts were presented to Audit and Scrutiny Panel on 27 June 2024. Following the meeting the accounts were submitted formally to Audit Scotland and subsequently published on the Council's website for public inspection.
- 2.2 The General Fund outturned with a surplus of £34.021m which has been added to the surplus of £249.872m brought forward from 2022/23, resulting in an overall surplus to be carried forward into 2023/24 of £283.893m.
- 2.3 The carried forward General Fund Surplus is represented by £19.358m held in the Change Management Fund in order to provide for the anticipated one-off costs of approved savings, £226.331m of earmarked funds held for specific future service commitments and a balance of £8.000m maintained as the approved contingency fund. This leaves an unallocated balance of £30.204m.

2024/25 Earmarked Funds	£m	£m
Change Management Fund		19.358
Schools Future Contractual Obligations	60.968	
Strategic Capital Investment Programme	44.800	
Loans Charges – One-off Mitigation	17.905	
Strategic Workforce Planning	17.902	
Refugee Resettlement Programmes	8.324	
2024/25 – 2026/27 Budget One-off Use of Balances	8.119	
Temporary Accommodation	8.038	
Early Years & Childcare Expansion	5.213	
One Workforce Grading Pressures	5.000	
Whole Family Wellbeing	4.417	
Unmanaged burdens within Education, Children & Families	4.234	
Balances held by Schools under Devolved School Management	2.655	
Mobilisation of Strategic Contracts	2.179	
Pupil Equity Fund	2.153	
Shared Prosperity Grants	1.753	
Business Gateway and Business Recovery	1.697	
Economic Recovery	1.519	
Winter Reserve	1.500	
Teacher Induction Scheme Support	1.302	
Digital NL	1.222	
Temporary Teachers	0.823	
Other Earmarked Funds	24.608	226.331
Contingency Reserve		8.000
Unallocated Balance		30.204
General Fund Surplus as at 31 March 2024		283.893

- 2.4 The last reported position for the year to the Business Management Team indicated a General Fund forecast surplus of £17.658m. When compared with a final outturn surplus of £34.021m there has been a movement of £16.363m. This is largely

represented by the use of 2023/24 earmarked reserves of £68.737m which includes the £17.675m use of balances approved as part of the 2023/24 budget setting process. This is offset by approved earmarked reserves for use in future years of £43.221m. Further to this, the movement includes an increased surplus due to a change in accounting treatment in relation to Service Concession arrangements of £44.800m. This leaves a further movement from the provisional outturn position of £2.921m which relates to a number of smaller movements across all services.

- 2.5 In addition, the Housing Revenue Account (HRA) reported a £4.423m deficit position at provisional outturn. This position differs from the final outturn of £9.498m deficit which recognises the use of earmarked reserves in year of £5.075m. The in-year deficit has reduced the balance brought forward resulting in a cumulative surplus of £16.820m. Of this surplus, £11.675m has already been approved for specific purposes including £3.702m for Additional Loan Charges and £1.306m for Council Ambition. Adjusting for the £1.742m contingency fund, leaves an unallocated balance of £3.403m.

3. Measures of success

- 3.1 The Council continues to operate within approved budgeted resources.

4. Supporting documentation

None.



Elaine Kemp
Chief Officer (Finance)

5. Impacts

<p>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?</p> <p>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"/></p>
<p>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?</p>
<p>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?</p>
<p>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?</p>
<p>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"/></p>

<p>5.6</p>	<p>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?</p> <p>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"/></p>
<p>5.7</p>	<p>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?</p>
<p>5.8</p>	<p>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?</p>
<p>5.9</p>	<p>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?</p>
<p>5.10</p>	<p>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.</p>
<p>5.11</p>	<p>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).</p> <p>If Yes, has a Children's Rights and Wellbeing Impact Assessment (CRWIA) been carried out? Yes <input type="checkbox"/> No <input type="checkbox"/></p>