

**Appendix D –  
Comments from Chief Finance Officer  
2023/24 Outturn**



## Comments of the Chief Financial Officer

The Council has had a challenging financial year, as have most Councils, given the pressures it faced from both inflation and demand and has managed these pressures effectively during the year. Early quantification of the challenges and continual political and managerial oversight have allowed the position to be managed at around a £5m overspend for the duration of the year. Continuous reporting to Cabinet has been a fundamental part of that process.

Within the reported position there remain some on-going challenges:

- Demand levels in some areas (Children's Social Care, Home to School Transport and Waste in particular) remain high for the Council and ongoing plans will be needed to mitigate these pressures where possible.
- Within the reported out-turn position there is a reliance on income from the NHS and work is continuing to resolve the ongoing apportionment of some costs between both organisations.
- The Council has an historically successful Treasury Management Strategy. With interest rates at their current position the strategy has returned less income than in previous years and missed its budgeted target. A reserve exists for these circumstances and has sufficient funding to cover any shortfall at current levels until 2025/26.

The level of reserves remains robust which gives the Council financial security. However, the level of savings required to achieve the balanced medium term financial position are potentially increasing with the service pressures identified in the report. The level of reserves enables the Council to approach savings in a balanced manner but does not reduce the urgency to deliver the targets set on a permanent basis. Work is on-going on reviewing the medium-term challenges and the budget gap. Alongside a process of service review and challenge is underway to identify savings and service changes that will help the Council to deliver a balanced budget

As always, the Councils continues to manage its finances in a robust manner and plans are being developed to ensure both effective management of the current financial year (2024/25), including delivery of planned savings, and to develop sustainable budget plans for 2025/26 onwards recognising the pressure set out in this report.

