

Budgetary and Financial Control Measures 2024/25

1. A corporate approach to delivering within the approved 2024/25 budget is essential and robust budget management and control practices must be complied with. This includes but is not limited to:
 - Expenditure and income will be managed within approved budgets and subject to virement rules in accordance with Financial Procedure rules and specifically [18.32 to 18.42](#).
 - For the avoidance of doubt, the overachievement of income against approved income budgets must not be used to offset overspending on an approved expenditure budget.
 - The over achievement of individual savings/income targets associated with approved budget proposals, should be 'banked' and reported in full through the Transformation Portfolio savings tracker and via corporate budget monitoring and forecasting reports and therefore not spent elsewhere
 - Individual budget surpluses generated through savings delivery and/or business as usual activity will be considered by Directors, LMT and the Executive as in relation to the securing the achievement controlling directorate net expenditure and the wider total general fund net expenditure for 2024/25 within the approved budget. Underspending against the approved budget of £143.910m will serve to mitigate the call upon £4.7m of EFS, thereby reducing the long term cost of financing this borrowing.
 - Any new or unplanned expenditure within approved council policies, will require Directors to reprioritise approved revenue or capital budgets in accordance with established virement rules and financial limits. Exceptional expenditure that could not be planned for, should be discussed with the s151 Officer for consideration of application of the Corporate Contingency Budget.
 - New or unplanned expenditure that is outside the approved budget and policy framework is reserved for a decision by Council in accordance with the [Constitution](#).
2. The successful delivery of approved savings within the Recover, Reset, Deliver Transformation Portfolio, is critical to delivering within the approved 2024/25 budget. The Transformation Portfolio is required to develop of a further pipeline of new projects that will deliver further income growth and/or expenditure reduction to balance the 2025/25 budget and MTFP to secure the longer term financial sustainability of the Council.
3. Further strengthening of budgetary control is required in 2024/25, including improvement of management information and financial processes and systems to enable increased use of data driven demand and cost modelling. Increased use of the Council's corporate financial management system is necessary by

budget holders, supported by the finance team to deliver 'one version of the financial truth' for use in budget management and reporting throughout the organisation. The work that will be undertaken during 2024/25 to contribute to achieving the required improvement includes:

- Integrating transformation portfolio savings tracking via the Corporate Transformation Board within corporate budget management and forecasting arrangements
 - Continuation of monthly budget management challenge via Departmental Management Teams (DMTs), Leadership Management Teams (LMT), s151 Officer and Quarterly Member led budget challenge sessions
 - Monthly member led budget challenge sessions will take place for Children's Services given the continued challenge to control expenditure within budget
 - Further development of demand and cost modelling with support from data analytics team in order to focus upon and develop activity based costing within service areas that are subject to significant financial pressures, i.e. adult and children's social care, SEND transport and waste disposal.
 - Improvements to management and financial information systems and processes to provide integrated operational and financial data to inform operational and strategic decision making.
 - Roll out of and training of budget managers in use of Power BI budget management dashboard to enable more user-friendly access to the Business World financial management system.
 - Further training in the use of Business World to process orders and invoices to improve data quality within the finance system.
 - Extended compliance monitoring in relation to all procurement activity and control of non-essential expenditure.
 - Review and strengthen capital programme governance, management and reporting arrangements in order to address programme slippage and improve the transparency of reporting.
4. These measures are incorporated into the updated Culture and Governance Improvement Programme and periodic performance reporting as appropriate