



## Report to Policy Committee

**Author/Lead Officer of Report:** Philip Gregory,  
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**Report of:** *Philip Gregory, Director of Finance & Commercial Services*

**Report to:** *Strategy & Resources Policy Committee*

**Date of Decision:** *13<sup>th</sup> December 2023*

**Subject:** *2023-24 Q2 Budget Monitoring Report & 2024/25 S&R Budget Update*

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<b>Part B</b> is not for publication because it contains exempt information under Paragraph 3 of Schedule 12A of the Local Government Act 1972 (as amended)				

### Purpose of Report:

*This report brings the Committee up to date with the Council's revenue outturn position for 2023/24 as at Quarter 2. The report also sets out new financial pressures facing the Strategy and Resources Committee in 2024/25, and budget options including savings, fees, grant and other income available to the Council to offset these pressures.*

### Recommendations:

#### The Committee is recommended to:

1. Note the updated information and management actions provided on the 2023/24 Revenue Budget Outturn as described in this report.

2. Note the budget proposals presented to the Policy Committee.
3. Note this Committees initial response for budget proposals set out in this report, including savings set out in Part B of this report.

## Background Papers:

### [2023/24 Revenue Budget](#)

### [MTFA & Committee Budget Savings Targets](#)

Lead Officer to complete: -	
1	<p>I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.</p> <p>Finance: Philip Gregory, <i>Director of Finance and Commercial Services</i></p> <p>Legal: Sarah Bennett, <i>Assistant Director, Legal and Governance</i>, Nadine Wynter, <i>Service Manager, Legal Services</i></p> <p>Equalities &amp; Consultation: Adele Robinson, <i>Equalities and Engagement Manager, Policy, and Performance.</i></p> <p>Climate: n/a</p>
<p><i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i></p>	
2	<p><b>SLB member who approved submission:</b></p> <p><i>Philip Gregory, Director of Finance and Commercial Services</i></p>
3	<p><b>Committee Chair consulted:</b></p> <p><i>Cllr Tom Hunt, Chair of the Strategy &amp; Resources Committee</i>  <i>Cllr Zahira Naz, Chair of the Finance Committee</i></p>
4	<p>I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.</p>
	<p><b>Lead Officer Name:</b>  <i>Philip Gregory</i>  <i>Jane Wilby</i></p> <p><b>Job Title:</b>  <i>Director of Finance and Commercial Services</i>  <i>Head of Accounting</i></p>
	<p><b>Date:</b> 30<sup>th</sup> November 2023</p>

## 1. PROPOSAL

- 1.1. This report provides an update on the current outturn position for Sheffield City Council's revenue budget for 2023/24 from sections 1.2 – 1.7.

Section 1.8 of the report sets out the budget pressures for 2024/25 and mitigation plans for the Strategy & Resources Committee.

### 2023-24 Q2 Financial Position by Directorate

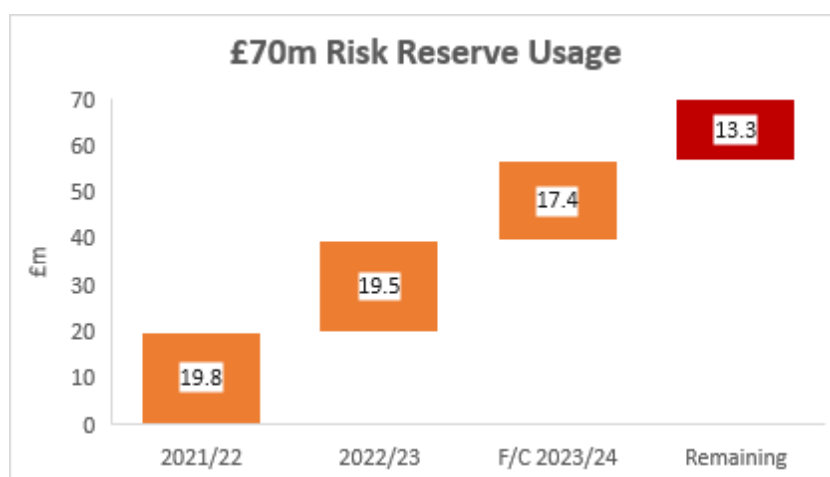
- 1.2. At the end of the second quarter of 2023-24, the Council's revenue budget shows a forecast overspend of £17.4m. This was a movement of £200k from the previous quarter's outturn position.

Full Year £m	Q2		Q1	Move- ment	
	Outturn	Budget			Variance
Neighbourhood Services	149.2	145.9	3.3	3.2	0.1
Adults	146.8	143.4	3.4	3.5	(0.1)
Children's	138.9	130.1	8.8	8.7	0.0
City Futures	49.1	48.2	1.0	0.6	0.3
Public Health & Integrated Commissioning	14.2	12.4	1.8	(0.2)	2.0
Strategic Support	14.1	9.7	4.4	4.7	(0.3)
Corporate	(494.9)	(489.7)	(5.2)	(3.0)	(2.2)
<b>Total</b>	<b>17.4</b>	<b>(0.0)</b>	<b>17.4</b>	<b>17.6</b>	<b>(0.2)</b>

- 1.3. This overspend is due to a combination of factors. Agreed Budget Improvement Plans ("BIPs") are not forecast to fully deliver within the year. There are underlying cost and demand pressures faced by services that are partially offset by one-off items. These "one-offs" consist of grant income, draws from specific reserves or provisions and income from central government or external sources.

Full Year Variance £m	One-off	BIPs	Trend	Total Variance
Neighbourhood Services	(4.0)	2.5	4.8	3.3
Adults	(9.9)	2.7	10.7	3.4
Children's	(3.9)	4.0	8.8	8.8
City Futures	0.5	0.4	0.0	1.0
Public Health & Integrated Commissioning	0.0	0.0	1.8	1.8
Strategic Support	(0.2)	0.0	4.6	4.4
Corporate	0.0	0.0	(5.2)	(5.2)
<b>Total</b>	<b>(17.5)</b>	<b>9.6</b>	<b>25.4</b>	<b>17.4</b>

- 1.4. In 2021/22, the Council set aside £70m of reserves to manage the financial risks associated with delivering a balanced budget position. Overspends against budgets in 2021/22 and 2022/23 have meant we have drawn almost £40m from this reserve already leaving just over £30m to manage any future budget deficits. If we overspent by £17.4m as this current forecast outturn position suggests, just £13m would be left to mitigate future budget pressures.



## 1.5. 2023-24 Q2 Financial Position by Committee

1.5.1. The major budget risk areas are in Childrens & Adults Social Care and in Homelessness services:

Full Year £m	Q2 Outturn	Budget	Q2 Variance	Q1 Variance	Move- ment
Adult Health & Social Care	155.4	152.3	3.1	3.2	(0.1)
Communities Parks and Leisure	47.4	46.6	0.8	0.3	0.5
Economic Development & Skills	10.9	10.9	(0.0)	0.1	(0.1)
Education, Children & Families	142.9	132.1	10.9	8.9	2.0
Housing	11.2	8.1	3.2	3.2	(0.0)
Strategy & Resources	(459.4)	(460.0)	0.6	3.1	(2.5)
Transport, Regeneration & Climate	43.1	43.1	(0.0)	(0.4)	0.4
Waste & Street Scene	65.8	66.9	(1.1)	(0.8)	(0.3)
<b>Total</b>	<b>17.4</b>	<b>(0.0)</b>	<b>17.4</b>	<b>17.6</b>	<b>(0.2)</b>

1.5.2. In 22/23, the Council's overspend improved by over £14m from the first quarter's forecasts to final outturn. This was mainly due to additional income received rather than underlying improvements in budgets and cost reductions. A big contributor to this was the Government's £500m discharge fund announced in November 2022.

Many underlying budget issues in social care services still remain and this is reflected in the current forecast position.

1.5.3. Most of the overspend is due to underlying cost and demand pressures in services. We estimate that £26m is embedded in the baseline costs but is somewhat mitigated by one-off income:

Full Year Variance £m	One- off	BIPs	Trend	Total Variance
Adult Health & Social Care	(9.9)	2.7	10.3	3.1
Communities Parks & Leisure	0.0	0.2	0.6	0.8
Economic Dev & Skills	0.0	0.0	(0.0)	(0.0)
Education, Children & Families	(3.9)	4.0	10.9	10.9
Housing	(1.7)	0.2	4.7	3.2
Strategy & Resources	(2.0)	2.2	0.4	0.6
Transport, Regen & Climate	0.0	0.1	(0.2)	(0.0)
Waste & Street Scene	(0.5)	0.3	(0.9)	(1.1)
<b>Total</b>	<b>(18.0)</b>	<b>9.6</b>	<b>25.9</b>	<b>17.4</b>

- 1.5.4. Balancing the General Fund 2023/24 budget was only possible because the Council identified £47.7m of savings:

**General Fund Budget Improvement Plans (in £m)**

Committee	Total Savings	Financial Savings Deliverable in Year	In Year Gap	Financial Savings Deliverable Next Year (Slippage)	Undeliverable Savings
Adult Health & Social Care	31.6	28.9	2.7	3.3	0.6
Comm, Parks & Leisure	2.0	1.9	0.2		0.2
Economic Dev & Skills	0.5	0.5	0.0		0.0
Ed, Children & Families	6.9	2.9	4.0	0.3	3.6
Housing	0.6	0.5	0.2		0.2
Strategy & Resources	4.1	1.9	2.2	2.1	0.2
Transport, Regen & Climate	0.8	0.7	0.1		0.1
Waste & Street Scene	1.1	0.8	0.3		0.3
<b>Grand Total</b>	<b>47.7</b>	<b>38.1</b>	<b>9.6</b>	<b>5.7</b>	<b>3.9</b>

The current forecasts show £9.6m savings plans are undeliverable this year. This represents a delivery rate of 80% against target. In 22/23, less than 65% of savings targets were delivered. Whilst we are improving upon overall delivery performance, we are still falling short of targets meaning further draws could be required from our reserves to meet these overspends if they are not managed and mitigated. Delivering in year budgets must be a key focus for all services for the Council to retain financial sustainability.

- 1.5.5. Inflation is continuing to fall; from April 2023 CPI at 7.8% to 6.3% in September (month 6). This fall in inflation does not mean that our cost base will now reduce, higher costs are now embedded in baseline expenditure. There is an increased demand for services alongside cost pressures in social care, home to school transport and homelessness services.

**1.6. Key Committee Overspends:**

- 1.6.1. **Adult Health and Social Care are forecast to overspend by £3.1m** The high cost of packages of care put in place during covid increased our baseline costs and this carries into 23/24. A huge amount of work has been done as part of an investment plan to tackle the underlying issues. One off funding has mitigated the position this year leaving a £0.5m overspend in the purchasing budgets. Work continues on the package reviews to reduce the baseline costs for the future. Recovery work is underway including establishment of Task & Finish groups and the development of business cases around invest to saves including focus on enablement, day services, reviewing high cost 1 to 1 support and maximising income.

The main area of overspend in the service now sits in staffing budgets. Service improvements in the Short -Term Intervention Team (STIT) are underway to deliver a stable position.

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- 1.6.2. **Education, Children and Families are forecast to overspend by £10.9m** The key overspends in the service relate to placements with external residential placements a particular issue which are forecast to exceed the previous year's costs by £6.6m. The average placement cost is £5,400 per week but due to a limited number of places in the city, placements for the most complex children can cost a much more. Actions are being taken to ensure that the right costs for placements are being met by all elements including education and where possible health. High-cost placements are also being reviewed.
- The savings proposal for £1.6m to increase fostering placements this year is forecast to not be delivered. Marketing is taking place, but our number of foster carers remains static. Nationally this has been an issue since the pandemic as older foster carers decided to exit the market and there has not been the like for like recruitment to new foster carers.
- Further demand in home to school transport costs are forecast to create a £3m overspend against budgets this year. Whilst not included in the month 6 position, the new school year has increased this overspend with a further 89 children now requiring transportation to school. Sheffield City Council are now supporting over 2,360 children with transportation to school, this has increased by almost 1,000 children in 4 years. An overarching review of this area will commence in 2024.
- Integrated Commissioning budgets are forecast to overspend by £2m in recognition of the unachieved saving from 2022/23 relating to leveraging additional funding from Health partners.

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- 1.6.3. **Homelessness support in temporary and exempt accommodation is forecast to cost the Council £8.4m** The Government does not fully subsidise all housing benefit payments made by the Council even though it sets the rules that determine the amount the Council has to pay. In 2022/23, the Council incurred a loss of £5.9m as a result of the legislation relating to temporary homelessness and supported accommodation. The Council is essentially bridging the gap between the amount the accommodation costs to procure and the amount we are able to recover via housing benefits.
- In 2023-24, this is forecast to cost the Council £4.9m for temporary accommodation and £3.5m for supported accommodation. The shortfalls are split between the Housing General Fund and Strategy and Resources budgets respectively.

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### **The Budget Implementation Group**

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- 1.6.4. **A working group has been set up to drive improvements in budget delivery** A senior officer working group has been established to help drive delivery of the budget. The purpose of the Budget Improvement Group (BIG) is to improve the delivery of the Council's annual Revenue Budget (both General Fund and Housing Revenue Account) and in particular the delivery of the Budget Improvement Plans (BIPs). It will look to facilitate Council wide learning. The group is jointly chaired by the Director of Finance and Commercial Services and the Chief Operating Officer. The group has a nominated core member

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from each Directorate: Adults, Children’s, City Futures, Neighbourhoods and Strategic Support Services.

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### **Transformation Funding**

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- 1.6.5. **The Council identified £4m to support transformation activity** As part of 2023-24 budget setting, the Council identified a £4m fund that would be used to support programmes of change in the organisation, expedite the delivery of savings plans or support where delivery of savings has become “stuck”. The “BIG” group has provided advice, challenge, and recommendations for allocation of the transformation funding to the Council’s Performance and Delivery Board.

In August 2023, the Performance & Delivery board approved bids to support delivery of programmes in Adult Social Care, Housing, Children’s services, ICT, HR, and Organisational Strategy to build upon the Future Sheffield programme. These key projects will help stabilise the organisation and bring budgets back to a steady footing for the future. Each programme of work will be monitored, and progress reported to the Council’s Performance & Delivery board to ensure activity remains on track. Overall performance will be reported to S&R committee and finance committee as part of in-year budget monitoring, with relevant policy committees overseeing progress on programmes in their areas.

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### **Medium Term Financial Analysis (MTFA)**

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- 1.6.6. **The MTFA presented to S&R Committee on 7<sup>th</sup> September detailed committee budget savings targets** The Council is facing a challenging financial position. The Strategy and Resources Committee on 5<sup>th</sup> September received the Councils Medium-Term Financial analysis, highlighted the financial pressures facing the Council over the coming 4 years and the potential gap of £61.2m in resources.
- Each Committee was set a target to ensure a balanced budget for 2024/25, which requires them to find mitigations for any service pressures over above the additional resources allocated to them. The purpose of this is to allow the Council to achieve a balanced position for 2024/25 by the time the Strategy and Resources meets on 21st December 2023.

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### **Timetable to 2024/25 Budget Setting**

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- 1.6.7. • Services have been developing solutions to bridge the budget gap for 2024/25 and brought forward proposals recent policy committee meetings.
- All Policy Committees will make their final decisions in December.
  - Consultation on the existing proposals and overall budget will need to take place.
  - Further budget balancing options will need to be developed.
  - The impact of the Local Government Financial Settlement to be assessed and reported.
  - On December 21<sup>st</sup> 2023, Strategy and Resources will be asked to make a recommendation on savings to date to Council.
  - On February the 21<sup>st</sup> 2024, Strategy and Resources will be asked to recommend the full Budget Report to Council
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This current forecast in-year overspend must be urgently managed and mitigated to avoid the risk that the Council has to look to our available Budget Contingency Reserve (£30m) to balance at year end. Maintenance of a prudent level of contingency reserves is critical to ensure stability and sustainability for 2024/25 onwards.

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## 23-24 Q2 Committee Budget Outturn Position

### 1.7. Strategy and Resources - £0.6m overspend

1.7.1.	The Strategy and Resources Committee budget is forecast to overspend by £0.6m	Full Year £m	Outturn	Budget	Variance
		Housing Benefit	3.7	0.2	3.5
		Regeneration And Development (Property)	(3.5)	(4.6)	1.1
		Organisational Strategy P & D	5.0	4.8	0.2
		People & Culture	6.4	5.9	0.5
		General Counsel	3.4	2.7	0.7
		Operational Services (Customer Services; Facilities Management; Transport)	22.2	21.9	0.3
		Policy & Democratic Engagement	7.7	7.5	0.2
		Digital Innovation & Ict	15.0	15.1	(0.1)
		Finance & Commercial Services	21.9	21.8	0.0
		Central Costs	(47.9)	(47.6)	(0.3)
		Public Health (Public Health Dph)	(0.1)	(0.1)	0.0
		Corporate Transactions	(517.7)	(517.7)	(0.0)
		Community Services (Local Area Committees)	2.8	2.9	(0.0)
		Resources Management& Planning	(0.0)	0.0	(0.0)
		Contract Rebates & Discounts	(1.0)	(0.7)	(0.3)
		Consolidated Loans Fund	22.8	28.1	(5.2)
		<b>Total</b>	<b>(459)</b>	<b>(460)</b>	<b>0.6</b>

1.7.2. **An increase in demand for Supported Accomodation & Housing Benefit Regulations have created a budget problem for the Council**

Exempt accommodation is defined in the Housing Benefit regulations as being accommodation provided by a Council, a Housing Association, a registered Charity, or a voluntary organisation where care or support or supervision is provided by the landlord or is provided on behalf of the landlord.

Where exempt accommodation is provided by a *Housing Association*, the subsidy rules mean that the Council receives 100% in subsidy in respect of the awards of Housing Benefit that are paid. Where exempt accommodation is provided by a *voluntary organisation or a registered charity* (but not by a Housing Association), the subsidy rules mean that the Council does not receive 100% in subsidy in respect of the awards of Housing Benefit that are paid.

The Housing Independence Service completed an exercise a few years ago with short term service providers who were not registered social landlords to encourage them to register themselves or partnered them with existing social landlords to act as the official landlord for the service they were providing. Completing a similar exercise with long-term providers and Adult Care and Housing commissioners will help relieve future pressures on Council budgets.

The subsidy shortfall cost the Council £3m for this type of accommodation in 22/23 and is forecast to cost in the region of £3.5m for 23/24 unless immediate action is taken to limit our exposure to the issue.

1.7.3. **Shortfalls in income from commercial** There is a shortfall against budgeted income for Electric Works of £305k due to low occupancy rate. The property lost key

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**property are forecast to create a £1.1m budget gap**

tenants in 2022/23 and more have left in this financial year leaving occupancy at 57% where the budget is for 85% occupancy to meet income targets.

The property team are falling short of their fee targets by £219k on property disposals and £128k on acquisitions. There is also a further £200k shortfall in other commercial estate income and vacant property management costs.

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1.7.4. **Shortfalls in 2022/23 BIP delivery have left legacy issues for 2023/24**

Savings plans in 2022/23 required significant budget savings relating to operating model changes in the Council's Strategic Support Services directorate. Some of the savings plans were not delivered in 22/23 and have slipped into this financial year. Affected services include Organisational Strategy Performance and Delivery (formally Business Change), Human Resources, General Council (Legal Services), Finance & Commercial Services, Policy, and Democratic Engagement.

The Future Sheffield programme will look to re-base budgets in some of these services over the coming months to ensure resourcing is financially sustainable in the directorate. Allocations from the transformation fund have been made to support this programme of work to right size services to ensure operational and financial resilience for the future.

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1.7.5. **Interest income from cash balances continues to remain strong**

High interest rates have had a positive impact for the Council for 2022/23 and further gains above budget have been made into 2023/24. At the Bank of England's last Monetary Policy Committee meeting in November 2023, the interest rate was held at 5.25%, the market implied path is that the bank rate will remain at this level until Q3 of 2024.

The Council has strong cash balances and agile treasury management activity has enabled us to benefit from these favourable market investment rates. Slippage in the capital programme has also reduced the need to externalise borrowing. A forecast £5m improvement against expectations has been reflected in the Q2 forecast and goes some way towards mitigating some of the challenges faced in Strategy and Resources committee budgets.

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1.8. **2024/25 Budget Position November 2023 – Strategy and Resources Committee**

1.8.1. **In addition to the overall position, this Committee has its own budget to balance** This Committee responsibilities include:

- Strategic Support Services Directorate
- Facilities Management
- Property
- Local Area Committees
- Cross cutting central costs such as borrowing costs

1.8.2. **The S&R Committee pressures consist both Corporate and Specific Committee Pressures.** The pressures can be split into 5 key areas detailed in the table below. The biggest element being the need to set aside reserves for the risk Government continues to provide insufficient Housing Benefit funding to cover the Council's costs in relation to its supported and short stay accommodation duties.

**The Corporate Pressures have been balanced...**

In addition, the Heart of the City project is going to require short-term support as the scheme development comes to its conclusion. Cost in future years will reduce as blocks are sold or let in line if the strategy.

**Corporate Pressures**

Housing Benefits Subsidy Shortfall Reserve	£7.9m
Support for Heart of the City	£5.0m
Direct Schools Grant contribution	£1.0m
Local Area Committees support	£0.7m
Increase Council Tax Hardship Fund	£0.2m

**Total** **£14.8m**

**Offset by:**

MTFS Assumptions – Capital Financing Savings	<b>£14.8m</b>
Council Tax, Govt grant etc	

1.8.3. **...but there remains a small gap on the Specific Committee pressures of £0.2m**

**Specific Committee Pressures**

Pay Award	£2.7m
Members Allowances Uplift	£0.3m
ICT Applications Contract Indexation	£0.2m
Reduced Communications Income	£0.2m
HR Contract Uplift	£0.1m
Reduced Local Land Charges income	£0.1m
Cyber Crime Prevention	£0.1m
Property Insurance Premiums increase	£0.1m
Additional Staffing Pressures	£0.1m
Reduced property income due to disposals	£0.3m
Blue Badge Capacity and Medical Assessments	£0.1m

**Total** **£4.3m**

**Offset by (more detail in confidential appendix):**

Share of Corporate funding including Pay Awards	£3.6m
Portfolio savings proposals	£0.5m

**Total** **£4.1m**

Further work is required to identify the remaining £0.2m of savings required to balance.

## **2. HOW DOES THIS DECISION CONTRIBUTE?**

- 2.1 The recommendations in this report are that each Policy Committee notes their 2023/24 budget forecast position and takes action on overspends.

The proposals in this report will deliver a significant saving in order to achieve a balanced budget for the Council for 2024/25.

## **3. HAS THERE BEEN ANY CONSULTATION?**

- 3.1 There has been no consultation on this report, however, it is anticipated that the budget process itself will involve significant consultation as the Policy Committees develop their budget proposals

## **4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION**

### **4.1 Equality Implications**

- 4.1.1 There are no direct equality implications arising from this report. It is expected that individual Committees will use equality impact analyses as a basis for the development of their budget proposals in due course.

### **4.2 Financial and Commercial Implications**

- 4.2.1 The purpose of this report is to provide Members with information on the City Council's revenue budget monitoring position for 2023/24 and provide an update of the budget setting proposals for 204/25.

Each Committee including S&R is required to deliver savings against Committee pressures for 2024/25. The purpose of this is to allow the Council to achieve a balanced position for 2024/25 by the time this committee meets on the 21<sup>st</sup> December 2023.

The proposals to address the S&R budget savings target are set out in Part B of this report. Currently this Committee has not met all financial pressures aligned to S&R in 2024/25.

### **4.3 Legal Implications**

- 4.3.1 Under section 25 of the Local Government Act 2003, the Chief Finance Officer of an authority is required to report on the following matters:
- the robustness of the estimates made for the purposes of determining its budget requirement for the forthcoming year; and
  - the adequacy of the proposed financial reserves.
- 4.3.2 There is also a requirement for the authority to have regard to the report of the Chief Finance Officer when making decisions on its budget requirement and level of financial reserves.

4.3.3 By the law, the Council must set and deliver a balanced budget, which is a financial plan based on sound assumptions which shows how income will equal spend over the short- and medium-term. This can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves. However, a budget will not be balanced where it reduces reserves to unacceptably low levels and regard must be had to any report of the Chief Finance Officer on the required level of reserves under section 25 of the Local Government Act 2003, which sets obligations of adequacy on controlled reserves.

4.3.4 Any new legal implications will be addressed in the report to Committee on 21<sup>st</sup> December 2023.

#### 4.4 Climate Implications

4.4.1 Sheffield has adopted a Net Zero 2030 City target. As such, climate impacts are considered as part of decision making. Working with Service Managers and the Sustainability Team, assessments have been given to the proposals. The proposals within this report are deemed to have a neutral impact on the climate.

#### 4.4 Other Implications

4.4.1 We will initiate consultation with union representatives on the outlined proposals that are agreed as part of the budget setting process and will continue to work with them as detail develops.

### 5. **ALTERNATIVE OPTIONS CONSIDERED**

5.1 The Council is required to both set a balance budget and to ensure that in-year income and expenditure are balanced. No other alternatives were considered.

### 6. **REASONS FOR RECOMMENDATIONS**

6.1 To record formally changes to the Revenue Budget

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