

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

8 September 2020

Title:

FINANCE MONITORING 20/21

Portfolio Holder: Cllr Mark Merryweather, Portfolio Holder for Finance, Assets & Commercial Services

Head of Service: Peter Vickers, Head of Finance and Property

Key decision: Yes

Access: Public

1. Purpose and summary

1.1 Council approval of the contingency budget in August included a commitment regularly to report progress. This report considers the forecast outturn based upon information to the end of August.

1.2 The report also includes other financial matters such as an update on the government's Sales, Fees and Charges Covid impact compensation scheme, and a note on the delegated budget carry forward approvals by the Chief Finance Officer.

2. Recommendation

That the Executive notes the detail contained within this report in relation to budget carry forward.

3. Reason for the recommendation

The Financial Regulations require the Chief Finance Officer to report budget carry forward decisions to the Executive.

4. Background

2020/21 Contingency Budget – Monitoring of main income and expenditure items

4.1 As at the end of August, the General Fund performance against the contingency budget shows that overall the contingency budget assumptions are holding up:

- General fund staff savings are forecast to overachieve the vacancy target by £79k.
- Car parking income is currently forecast to underachieve budget by £84k.
- Development Management income is forecast to overachieve budget by £25k.

- 4.2 Negotiations on the leisure centre closure and reopening costs have progressed, and whilst not concluded, they are significantly lower than assumed in the contingency budget. This will enable some degree of reserve replenishment as planned.

Additional Income-related government Covid-support grant - update

- 4.3 The final Sales, Fees and Charges (SFC) income scheme has been shared in draft pending publication at the end of the month. This provides the comprehensive guidance and the associated data collection form required to collate the council's income claim. There will be three data collection dates, September, December and April covering the respective periods with corresponding cash payments. Work will begin immediately to complete the first claim.

Financial Regulations – reporting of budget carry forwards from 2019/20

- 4.4 Financial performance is monitored in the quarterly performance reporting with the final outturn against budget for 2019/20 included within the Value for Money Overview and Scrutiny Quarter 4 report. The General Fund revenue outturn for 2019/20 was a surplus of £205,901 after carry forward approvals listed below. The Financial Statements for 2019/20 will be presented to the 14 September Audit Committee.
- 4.5 Where project or specific expenditure is not completed by the end of the financial year a budget carry forward is provided after a robust challenge by the finance team and approval of the Chief Finance Officer under delegation of Financial Regulation 4.30 and reported to Executive under 4.31. These carry forwards are accounted for in the outturn and do not have resource implications on the following years budgets.
- 4.6 For the 2019/20 financial year the following carry forwards were approved under delegation: General Fund budget £118,790, General Fund Capital budget, £1,695,259, Housing Revenue Account (HRA) revenue £9,805, HRA Core Capital £69,000 and HRA New Homes capital budget £2,148,252. These are itemised in Annexe 1 (General Fund) and Annexe 2 (HRA.)

5. Relationship to the Corporate Strategy and Service Plan(s)

- 5.1 This report has content directly relating to the delivery of the Corporate Strategy.

6. Implications of decision(s)

6.1 Resource (Finance, procurement, staffing, IT)

All decisions made with regard to the budget will impact on Waverley's resources.

6.2 Risk management – covered above

6.4 Equality, diversity and inclusion

There are no direct equality, diversity or inclusion implications in this report.

6. Implications of decision(s)

6.5 Climate emergency declaration

There are no direct implications arising from this report but reference is made to the need for the main budget proposals to address the resource requirement for the emerging climate change action plan. The current proposals retain in full the budget for delivering the action plan.

7. Consultation and engagement

7.1 The relevant Portfolio Holders and wider stakeholders have been consulted with regard to the content of this report.

8. Other options considered

8.1 No other options were considered with regard to the content of this report.

9. Governance journey

9.1 This report is for the Executive to note.

Background Papers

There are no background papers, as defined by Section 100D (5) of the Local Government Act 1972).

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