

<b>DECISION-MAKER:</b>	CABINET		
<b>SUBJECT:</b>	FINANCIAL MONITORING FOR THE PERIOD TO THE END OF SEPTEMBER 2020		
<b>DATE OF DECISION:</b>	17 NOVEMBER 2020		
<b>REPORT OF:</b>	CABINET MEMBER FOR FINANCE & INCOME GENERATION		
<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>
N/A
<b>BRIEF SUMMARY</b>
<p>The Council meeting on 16<sup>th</sup> September 2020 approved Cabinets proposals on current year budget monitoring and in particular the impact of COVID 19.</p> <p>This report is a combined financial monitoring report for revenue and capital and updates the latest position for 2020/21.</p> <p>Cabinet continue to proactively manage the impact of COVID 19 and are delivering against the overall resource limits. The position has improved as a result of the risk the council was carrying on the lack of government Covid 19 funding, which has now reduced by £6M following the latest tranche of funding announced. This reduces the risk to around £4M. This does not improve on the impact of Covid on the budget which still requires the council to utilise around £10m of its own resources with £1.5M in-year savings in addition.</p> <p>The report summarises the General Revenue Fund, Housing Revenue Account (HRA) and Collection Fund financial position for the Council as at the end of September 2020, and informs Cabinet of any major changes in the overall General Fund and HRA capital programme for the period 2020/21 to 2024/25. It also provides an update on the impact of COVID-19 on the Council's financial position and how the budget pressures are being addressed.</p>

**RECOMMENDATIONS:**

	<b><u>General Revenue Fund</u></b>
	It is recommended that Cabinet:
i)	Note the forecast outturn position for business as usual activities is a £3.12M underspend after applying corporate funds, as outlined in paragraph 4 and in paragraph 1 of appendix 1.

	ii)	Note the performance of treasury management, and financial outlook in paragraphs 10 to 14 of appendix 1.
	iii)	Note the Key Financial Risk Register as detailed in paragraph 17 of appendix 1.
	iv)	Note the performance against the financial health indicators detailed in paragraphs 21 and 22 of appendix 1.
	v)	Note the performance outlined in the Collection Fund Statement detailed in paragraphs 26 to 30 of appendix 1.
	vi)	Notes the financial position arising from COVID-19, as outlined in paragraphs 4 to 8 of Appendix 1.
	<b><u>Housing Revenue Account</u></b>	
	It is recommended that Cabinet:	
	vii)	Note the forecast outturn position on business as usual activities is an overspend of £0.27M as outlined in paragraph 5 and paragraphs 23 and 24 of appendix 1.
	viii)	Notes the financial position arising from COVID-19, as outlined in paragraph 25 of Appendix 1.
	<b><u>Capital Programme</u></b>	
	It is recommended that Cabinet:	
	ix)	Notes the revised General Fund Capital Programme, which totals £657.05M as detailed in paragraph 1 of appendix 2.
	x)	Notes the HRA Capital Programme remains at £210.98M as detailed in paragraph 1 of appendix 2.
	xi)	Notes that the overall forecast position for 2020/21 at quarter 2 is £180.79M, resulting in a potential underspend of £7.37M, as detailed in paragraphs 5 and 6 of appendix 2.
	xii)	Notes that the capital programme remains fully funded up to 2024/25 based on the latest forecast of available resources although the forecast can be subject to change; most notably with regard to the value and timing of anticipated capital receipts and the use of prudent assumptions of future government grants to be received.
	xiii)	Notes that £1.42M has been added to the programme with relevant approvals. These changes are detailed in annex 2.1 to appendix 2.
	xiv)	Approves slippage and rephasing as detailed in paragraph 3 and 4 of appendix 2. Noting that the movement has zero net movement over the 5 year programme.
	xv)	Approves the addition and spend of £0.80M in 2020/21 to the Customer & Organisation programme. As detailed in annex 2.6 to appendix 2.
	xvi)	Approves the addition and spend of £0.53M in 2020/21 to the Green City & Place programme. As detailed in annex 2.6 to appendix 2.
	xvii)	Approves the addition and spend of £0.94M in 2021/22 to the Stronger Communities programme. As detailed in annex 2.6 to appendix 2.
	xviii)	Approves the reduction of £1.60M in 2020/21 to the Children & Learning programme. As detailed in annex 2.6 to appendix 2.

	xix) Notes changes to the capital programme arising from COVID-19 as detailed in paragraphs 7 and 8 of appendix 2.
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**REASONS FOR REPORT RECOMMENDATIONS**

1.	To ensure that Cabinet fulfils its responsibilities for the overall financial management of the Council's resources.
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**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

2.	Not Applicable.
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**DETAIL (including consultation carried out)**

	<b><u>Revenue</u></b>
3.	The financial position for the General Revenue Fund, Housing Revenue Account (HRA) and Collection Fund for the Council as at the end of September 2020 and key issues are summarised in appendix 1.
4.	The current forecast spending on business as usual activities against the council's net General Fund revenue budget for the year of £190.82M is projected to be a £3.12M underspend after applying corporate funds.
5.	The forecast General Fund shortfall relating to pressures from COVID-19 as at the end of September 2020 is £4.04M, after receiving an allocation of £6.05M for tranche 4 of Government Grant funding.
6.	The forecast position for the HRA on business as usual activities is an overspend of £0.27M against an expenditure budget of £75.60M. There is no change to the forecast £1.29M COVID-19 pressures for the HRA.
	<b><u>Capital</u></b>
7.	Appendix 2 sets out any major changes in the overall General Fund and Housing Revenue Account (HRA) capital programme for the period 2020/21 to 2024/25, highlighting the changes in the programme since the last reported position in July 2020. The report also notes the major forecast variances against the approved estimates.
8.	The current forecast position for 2020/21 at quarter 2 is £180.79M, resulting in a potential underspend of £7.37M, as detailed in paragraphs 4 and 5 of appendix 2.

**RESOURCE IMPLICATIONS**

**Capital/Revenue**

9.	The revenue and capital implications are contained in the report.
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**Property/Other**

10.	There are no specific property implications arising from this report other than the schemes already referred to within appendix 2 of the report.
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**LEGAL IMPLICATIONS**

**Statutory power to undertake proposals in the report:**

11.	Financial reporting is consistent with the Section 151 Officer's duty to ensure good financial administration within the Council.
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**Other Legal Implications:**

12.	None.
<b>RISK MANAGEMENT IMPLICATIONS</b>	
13.	See comments within report.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
14.	The update of the Capital Programme forms part of the overall Budget Strategy of the Council.

**KEY DECISION?** No

<b>WARDS/COMMUNITIES AFFECTED:</b>	All
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### SUPPORTING DOCUMENTATION

#### Appendices

1.	Revenue Financial Monitoring
2.	Capital Financial Monitoring

#### Documents In Members' Rooms

1.	None
2.	

#### Equality Impact Assessment

Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out?	No
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#### Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out?	No
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#### Other Background Documents

**Equality Impact Assessment and Other Background documents available for inspection at:**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	Council Tax Setting and Related Matters (Council 20 February 2020)	
2.	Financial Monitoring for the Period to the end of July 2020 and COVID-19 Budget	

	Matters (Council 16 September 2020)	
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