

<b>DECISION-MAKER:</b>	CABINET		
<b>SUBJECT:</b>	BUDGET MATTERS – AUGUST 2021: FINANCIAL MONITORING FOR THE PERIOD TO THE END OF JUNE 2021		
<b>DATE OF DECISION:</b>	16 AUGUST 2021		
<b>REPORT OF:</b>	CABINET MEMBER FOR FINANCE & CAPITAL ASSETS		
<b><u>CONTACT DETAILS</u></b>			
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<b>STATEMENT OF CONFIDENTIALITY</b>			
N/A			
<b>BRIEF SUMMARY</b>			
<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 June 2021 and informs Cabinet of any major changes in the overall General Fund and HRA capital programme for the period 2021/22 to 2025/26. It also provides an update on the impact of COVID-19 on the Council's financial position.</p>			

**RECOMMENDATIONS:**

	<b><u>General Revenue Fund</u></b>	
	It is recommended that Cabinet:	
i)	Notes the forecast outturn position for business as usual activities is a £2.69M deficit, as outlined in paragraph 4 and in paragraph 1 of appendix 1.	
ii)	Notes the financial position arising from COVID-19 is a surplus of £0.04M, as outlined in paragraph 5 and in paragraph 1 of appendix 1.	
iii)	Notes the performance of treasury management, and financial outlook in paragraphs 7 to 11 of appendix 1.	
iv)	Notes the forecast year end position for reserves and balances as detailed in paragraphs 12 and 13 of appendix 1.	
v)	Notes the Key Financial Risk Register as detailed in paragraph 14 of appendix 1.	
vi)	Notes the performance against the financial health indicators detailed in paragraphs 18 and 19 of appendix 1.	
vii)	Notes the forecast outturn position outlined in the Collection Fund Statement detailed in paragraphs 22 to 26 of appendix 1.	

	<b><u>Housing Revenue Account</u></b> It is recommended that Cabinet:
viii)	Notes the forecast outturn position on business as usual activities is a surplus of £1.11M as outlined in paragraph 6 and paragraph 20 of appendix 1.
ix)	Notes that a favourable variance of £0.57M is forecast arising from COVID-19, as outlined in paragraph 6 and paragraph 20 of Appendix 1.
	<b><u>Capital Programme</u></b> It is recommended that Cabinet:
x)	Notes the revised General Fund Capital Programme, which totals £437.08M as detailed in paragraph 1 of appendix 2.
xi)	Notes the HRA Capital Programme is £340.81M as detailed in paragraph 1 of appendix 2.
xii)	Notes that the overall forecast position for 2021/22 at quarter 1 is £209.09M, resulting in a potential surplus of £7.90M, as detailed in paragraphs 4 and 5 of appendix 2.
xiii)	Notes that the capital programme remains fully funded up to 2025/26 based on the latest forecast of available resources although the forecast can be subject to change; most notably regarding the value and timing of anticipated capital receipts and the use of prudent assumptions of future government grants to be received.
xiv)	Notes that £25.69M has been added to the programme with relevant approvals. These changes are detailed in annex 2.1 to appendix 2.
xv)	Notes forecast slippage and rephasing as detailed in paragraph 4 and 5 of appendix 2. Noting that the movement has zero net movement over the 5-year programme.
xvi)	Notes that no variances are forecast arising from COVID-19 as detailed in paragraph 8 of appendix 2.
<b>REASONS FOR REPORT RECOMMENDATIONS</b>	
1.	To ensure that Cabinet fulfils its responsibilities for the overall financial management of the Council's resources.
<b>ALTERNATIVE OPTIONS CONSIDERED AND REJECTED</b>	
2.	Not Applicable.
<b>DETAIL (including consultation carried out)</b>	
	<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 June 2021 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 £173.85M is projected to be a £2.69M deficit.

5.	The forecast General Fund variance relating to COVID-19 pandemic budgets as at the end of June 2021 is a surplus of £0.04M.
6.	The forecast position for the HRA on business as usual activities is a surplus of £1.11M against an expenditure budget of £75.87M. There is a forecast surplus of £0.57M relating to the COVID-19 pandemic 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 2021/22 to 2025/26, highlighting the changes in the programme since the last reported position in July 2021. The report also notes the major forecast variances against the approved estimates.
8.	The current forecast position for 2021/22 at quarter 1 is £209.09M, resulting in a potential surplus of £7.90M, as detailed in paragraphs 4 and 5 of appendix 2.
<b>RESOURCE IMPLICATIONS</b>	
<b><u>Capital/Revenue</u></b>	
9.	The revenue and capital implications are contained in the report.
<b><u>Property/Other</u></b>	
10.	There are no specific property implications arising from this report other than the schemes already referred to within appendix 2 of the report.
<b>LEGAL IMPLICATIONS</b>	
<b><u>Statutory power to undertake proposals in the report:</u></b>	
11.	Financial reporting is consistent with the Section 151 Officer's duty to ensure good financial administration within the Council.
<b><u>Other Legal Implications:</u></b>	
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	
<b>Equality Impact Assessment</b>		
Do the implications/subject of the report require an Equality Impact Assessment (EIA) to be carried out?		No
<b>Privacy Impact Assessment</b>		
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out?		No
<b>Other Background Documents</b>		
<b>Equality Impact Assessment and Other Background documents available for inspection at:</b>		
Title of Background Paper(s)		Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	The Revenue Budget 2021/22, Medium Term Financial Forecast 2021/22 to 2024/25 and Capital Programme 2020/21 to 2025/26 (Council 24 February 2021)	