

REPORT TO:	Scrutiny and Overview Committee 7th September 2021
SUBJECT:	Financial Performance Report – Month 3 June 2021
LEAD OFFICER:	Richard Ennis, Interim Director of Finance, Investment and Risk (S151 Officer)
PUBLIC/EXEMPT:	Public

ORIGIN OF ITEM:	This report provides the Overview and Scrutiny Committee with details of the last monthly monitoring information provided to Cabinet and noted by them on 16 th August for consideration by this committee.
BRIEF FOR THE COMMITTEE:	The Scrutiny and Overview Committee is asked to:- <ol style="list-style-type: none"> 1. Note the contents of the Cabinet report considering the Period 3 financial monitoring position and forecasts as set out in the appendices to this report. 2. Considered whether there are any areas of in need of further scrutiny that should be scheduled for later in the year by either the Committee or one of its Sub-Committees.

1. FINANCE PERFORMANCE REPORT – MONTH 3: JUNE 2021

- 1.1. The Scrutiny and Overview Committee is provided with a copy of the Month 3 Finance Performance report considered by the Cabinet at its most recent meeting on 16 August 2021. This report has been include on the agenda to ensure the Committee has an overview of the current financial performance in regards to the delivery of the 2021-22 budget.
- 1.2. The report is also provided as a tool for the Scrutiny & Overview Committee to identify whether there are any areas of concern within the report that should be scheduled for further scrutiny later in the year by either the Committee or one of its Sub-Committee.

2. FINANCIAL IMPACT

- 2.1. Monitoring and reporting to Cabinet has been embedded as a monthly process and thus is reported as Period 3 whereas in previous years would have been reported as Quarter 1, the emphasis and importance of managing our budgets and spend on a more regular basis is thus highlighted.
- 2.2. Whilst the overall forecast of a £20k overspend is an improvement of £563k on the month 2 forecast, this is after taking into account the corporate release of £3.451m of covid contingency reserves. Service departments have been issued clear instructions to mitigate all emerging pressures by identifying alternative

mitigations and we expect services to continue to identify future opportunities to improve the current forecast position.

- 2.3. Further risks to the forecast are being monitored and actions identified to mitigate these. Should all risks relating to existing agreed savings as well as newly emergent risks materialise this would increase the potential overspend reported above. However, in addition to potential risks are a number of opportunities which are available to be exploited which may be crystalised to offset the potential level of those risks.
- 2.4. The Housing Revenue Account [*HRA*] is forecasting an overspend of £0.802m – a reduction of £0.793k on the previous Period 2 forecast and would be met from HRA balances brought forward.
- 2.5. Details of capital expenditure for both the General Fund and HRA are also set out in the attached copy of the monitoring report considered by Cabinet and forecast an underspend of £23m and £81m against the respective programmes.

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APPENDICES:

Appendix A – Cabinet Report – Financial Performance Report – Month 3

Appendix 1 - Service Budgets and Forecasts

Appendix 2 - Capital Budget and Spend

BACKGROUND DOCUMENTS: None