

# Report to Overview and Scrutiny Committee

Date of meeting 23 March 2020

By Director of Corporate Resources

## INFORMATION REPORT

Not exempt



### REPORT ON THE COUNCIL'S FINANCE AND PERFORMANCE IN 2019/20

#### Executive Summary

This report gives the Overview and Scrutiny Committee information to help it carry out its role of monitoring the internal and external delivery of services. The Council uses corporate performance indicators, financial reporting and review of progress against key corporate projects to show progress.

Projects the Council has completed or has made significant progress on over the second quarter include: the Horsham District Year of Culture; the Corporate Plan; Piries Place redevelopment; setting up Horsham District Homes, the affordable housing company, and the Digital Transformation Programme.

The financial performance is forecast at Month 10 of the 2019/20 financial year. Officers currently forecast a year-end revenue surplus of £46k.

Within the surplus, there are services spending more than their budget and others spending less or where the Council is collecting more money than budgeted. Officers are working through actions on overspends that can be taken to improve the position before the year-end, including revisiting expenditure and income items within the forecast.

For comparison purposes, a £195k surplus was forecast at Month 10 in 2018/19, which compared to an outturn surplus for 2018/19 of £828k.

Capital expenditure at Month 10 was £6.9m which was 32% of the approved £21.7m capital programme (£11.8m and 43% of £27.4m in same period in 2018/19). An outturn of £11.3m or 52% is forecast by officers (£14.8m and 54% at M9 in 2018/19, which had a final outturn of £14.5m and 52%). Officers are generally over-optimistic on delivery of the capital programme during the year.

For comparison purposes, a £178k surplus was forecast at Month 9 in 2018/19, which compared to an outturn surplus for 2018/19 of £828k.

Capital expenditure at Month 9 was £6.7m which was 31% of the approved £21.2m capital programme (£11.2m and 41% of £27.4m in same period in 2018/19). An outturn of £13.6m or 63% is forecast by officers (£15.6m and 57% at M9 in 2018/19, which had a final outturn of £14.5m and 52%). Officers are generally over-optimistic on delivery of the capital programme during the year.

An analysis of performance indicators shows 67% within target and 27% (4KPIs) close to target, and 1 KPI below target. In all areas where targets have not been met work is underway to make improvements.

#### Recommendations

It is recommended that Members note the contents of this report.

#### Reasons for Recommendations

To enable Overview and Scrutiny to carry out its Constitutional role of monitoring the delivery of internal and external services and scrutinise any part of the Council's work.

**Consultation:** Senior Leadership Team, Cabinet Members. Director of Corporate Resources

**Wards affected:** All

**Contact:** Jane Eaton, 01403 215302

**Background Papers:**

Appendix A: Key Performance Indicators Q3

*Appendix B: Budget Monitoring and Forecast Outturn summary April to December 2019*

*Appendix C: Capital Budget monitoring and forecast outturn at Q3*

*Appendix D: Revenue Budget monitoring and forecast outturn at Q3*