

# Report to Overview and Scrutiny Committee

Date of meeting 21 Sept 2020

By Director of Corporate Resources

## INFORMATION REPORT

Not exempt



### REPORT ON THE COUNCIL'S FINANCE AND PERFORMANCE IN 2020/21

#### 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 first quarter include:

Green agenda – good progress is being made on all four Corporate Plan priority activities: A carbon audit has been undertaken to understand the Council's current carbon footprint and work is progressing on an action plan and target to the Council becoming a carbon neutral organisation. A project brief is being drawn up to understand pathways for the District to become carbon neutral. Working with Sussex Wildlife on the Wilder Horsham project, a Landowner Advisor post and part-time Community Support Officer post have been appointed, meaning that meaningful engagement with landowners, groups and Parish Councils can commence.

Local Plan – following the Reg 18 consultation, an initial report is available on the website, and work is now progressing towards the November Reg 19 publication date. The Planning White Paper's implications for HDC are being considered.

Highwood Community Centre – A community asset study is due to commence and a further option is also being considered.

Warnham Discovery Hub – the Discovery Hub building is due to be completed at the end September, landscaping works will be carried out subject to bird nesting season.

Oakhurst Business Park Units -this expected to complete end Sept 20. On completion the properties will be let and an income return of c8% is forecast.

The financial performance is forecast at Month 4 of the 2020/21 financial year. Officers currently forecast a year-end revenue deficit of £5.6m.

Income remains significantly affected by the impact of Covid-19, with parking being particularly affected. This together with the contractual expenditure obligations in leisure services make up around three quarters of the forecast overspend. Officers across the Council are working through general service actions to limit expenditure to improve the position before the year-end, including revisiting all expenditure and income items within the budget and forecast. Work has also commenced on the restructure of some services to bring forward longer term efficiencies, most notably at the Capitol and Museum.

Capital expenditure at Month 4 was £1.3m (16%) of the £8.5m capital programme, which was reduced in size in July 2020 to focus on essential projects and those with a financial return. By comparison, spend on capital was £3.65m (17%) of the £21.2m programme at same period in 2019/20. An outturn of £7.9m or 93% is forecast by officers. Officers are generally over-optimistic on delivery of the capital programme during the year. The impact of Covid-19 continues to subdue some capital expenditure.

An analysis of performance indicators shows 62% within target and 9.5% close to target, and 28.5% below target. The impact of Covid 19 can be seen in a number of those KPIs where targets have not been met, especially those related to Leisure and Culture and Parking.

## **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, Corporate Director of Resources. 01403 215302

## **Background Papers:**

[Appendix A: Key Performance Indicators Q1](#)

