

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Finance Performance Report 2022/23 Outturn – Provisional

Meeting/Date: Corporate Governance Committee – 30 May 2023

Executive Portfolio: Executive Councillor for Finance & Resources

Report by: Director of Finance & Corporate Resources

Ward(s) affected: All

Executive Summary:

This report sets out the provisional financial outturn for financial year 2022/23 for revenue.

The outturn is an underspend of £476k, after contributions to and from earmarked reserves, when compared to the approved budget and an improvement to the Q3 forecast outturn of £642k.

Recommendation:

The Committee is

RECOMMENDED

- to consider and comment on the financial performance for the financial year 2022/23, as detailed in Appendix 1 and summarised in paragraph 3.2.

1. PURPOSE OF THE REPORT

1.1 To present details of the Council's projected financial performance for 2022/23.

- Revenue outturn underspend of £476k when compared to the approved budget.

2. BACKGROUND

2.1 The budget and MTFs for 2022/23 approved in February 2022, assumed a net expenditure budget of £21,514k.

2.2 The detailed analysis of the 2022/23 outturn as at 31 March 2023 is attached at Appendix 1.

3. FINANCIAL PERFORMANCE

3.1 Financial Performance Headlines

The outturn position for the current financial year, and the impact of variations on future years, will be incorporated within the MTFs.

Revenue The approved Budget of £21,514k plus authorised carry forwards of £110k gave a revised current budget of £21,404k. The outturn was £20,928k which was an underspend of £476k.

MTFS The MTFs was updated as part of the 2023/24 Budget setting process. and will be revisited as part of the 2024/25 Budget setting process. The revision of the MTFs will include 2022/23 outturn variations and others occurring or foreseen in 2023/24 that have an impact on future years.

3.2 Summary Revenue Variances by Service

The table below shows the total variances for each Service and the main reasons where variances are greater than £50,000.

Head of Service	Current Budget £'000s	Outturn £'000s	Over/ (Under) spend £000	Comments
Chief Operating Officer	5,140	5,272	132	Savings within the Communities Service (Business Team, Community Team, Licensing), Customer Services & Printing, offset by increased temporary accommodation costs not met by DWP contribution to Housing Benefit payments. There was also a timing adjustment, linked to the 2021/22 accounts close, which negatively impacted the year's results.
Chief Planning Officer	402	346	(56)	Additional priority income plus staff savings
Corporate Leadership	1,201	1,356	155	Costs associated with Place Strategy plus recruitment costs

Head of Service	Current Budget £'000s	Outturn £'000s	Over/ (Under) spend £000	Comments
Director of Finance & Resources	6,860	5,882	(978)	More interest receivable and lower interest payable, and savings from vacant posts plus increased income from Land Charges
Economic Development	198	188	(10)	
Housing Manager	187	189	2	
Head of ICT	2,604	2,812	208	Digital Team funding partnership change
Head of Leisure & Health	(25)	450	475	Reduced income at Impressions, classes, Training Shed and indoor sports. Increased expenditure on employees and utilities. Income better than expected for swimming, ten pin bowling and at the Burgess Hall.
Head of Operations	4,917	4,374	(543)	CCTV reduced income offset by vacant posts in Street Cleansing and new income streams in Waste.
Programme Delivery	73	41	(32)	
Strategic Insight & Delivery	(153)	18	171	Lower income from on-street charging due to changes made by Cambridgeshire County Council, Market income reduced as they recover from COVID and have had reduced offer. Savings due to vacant posts.
Total	21,404	20,928	(476)	

Further analysis of the revenue variance and service commentary is in Appendix 1. This provides the variances by service and where the variances are greater than +/- £10,000 comments have been provided by the budget managers/Head of Services.

3.4 Finance Dashboard

The Outturn for 2022/23 also looks at the collection rates for Council Tax and NDR, together with the working ages caseload for Council Tax Support Scheme. In the financial year the Council exceeded its performance targets for collection rates, a significant achievement given the recovery from the Covid pandemic and the ongoing impacts of the wider economy. The details are shown in Appendix 1.

In summary, the Council Tax and NDR collection rates are holding in line with 2021/22 rates.

4. UPDATE ON THE COMMERCIAL INVESTMENT STRATEGY

4.1 The Commercial Investment Strategy (CIS) was approved by Cabinet in September 2015 and the CIS Business Plan in December 2015. The implementation of the CIS is seen as a key means by which the Council can generate income to assist it in meeting the forecast gap in the revenue budget.

4.2 The outturn for 2022/23 before movements to earmarked reserves for the CIS is:

CIS Investments	Budget £000	Outturn £000	Over/ (Under) Spend £000
Cash Investments			
CCLA Property Fund	(162)	(159)	3
Total Cash Investments	(162)	(159)	3
Property Rental Income	(4,696)	(5,363)	(667)
MRP	581	583	2
Net Direct Property Income	(4,115)	(4,780)	(665)
Management Charge	100	0	(100)
Total Property Investments	(4,015)	(4,780)	(765)
TOTAL	(4,177)	(4,939)	(762)

5. LIST OF APPENDICES INCLUDED

Appendix 1 – HDC Financial Performance Suite FY 2022-23 Outturn

CONTACT OFFICER

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