

RESOURCES AND SERVICES OVERVIEW AND SCRUTINY COMMITTEE

16 DECEMBER 2019

REPORT OF THE DEPUTY CHIEF EXECUTIVE

A.2 FINANCIAL PERFORMANCE REPORT – IN-YEAR PERFORMANCE AGAINST THE BUDGET AT END OF THE SECOND QUARTER 2019/20 AND LONG TERM FINANCIAL FORECAST UPDATE

(Report prepared by Ian Ford)

PURPOSE OF THE REPORT

To provide an overview of the Council's financial position against the budget as at the end of September 2019 and to present an updated forecast on an on-going basis as part of developing the budget for 2020/21 and beyond.

BACKGROUND / CURRENT POSITION

On 8 November 2019 Cabinet considered a Financial Performance Report and Appendices which are attached as **Appendices A and B**.

At the above meeting, Cabinet resolved that:

(a) *in respect of the financial performance against the budget at the end of September 2019:*

(1) *the current position be noted;*

(2) *the proposed in-year adjustments to the budget, as set out in Appendix H to item A.7 of the Report of the Corporate Finance and Governance Portfolio Holder, be agreed;*

(3) *in respect of the Council's Treasury Management Practices, the aggregate amount of money that can be placed overnight with the Council's bankers be increased temporarily from £1.000million to £1.500million for each day the Council's offices are closed over the Christmas break; and*

(4) *the Council continues to be a member of the Essex Business Rates Pool in 2020/21 if it remains financially advantageous to do so.*

(b) *in respect of the Updated Long Term Forecast, the updated forecast be agreed and the Resources and Services Overview and Scrutiny Committee be consulted on the latest position.*

In addition to the above and as requested by the Committee at its last meeting, the Council's current reserves position is attached as **Appendix C**.

RECOMMENDATION
That the Committee: <ul style="list-style-type: none">a) considers the in-year financial position as at the end of September 2019 and determines whether it has any comments or recommendations it wishes to make or put forward to the relevant Portfolio Holder or Cabinet; andb) considers the updated long term financial forecast update and determines whether it has any comments or recommendations it wishes to make to Cabinet as part of the financial strategy consultation process.