

6a. REFERRAL FROM FINANCE, AUDIT AND RISK COMMITTEE: FIRST QUARTER REVENUE MONITORING REPORT 2021-22

RECOMMENDED TO CABINET:

- (1) That this report be noted by Cabinet;
- (2) That Cabinet approve the changes to the 2021/22 General Fund budget, as identified in table 3 and paragraph 8.2, a £560k increase in net expenditure;
- (3) That Cabinet note the changes to the 2022/23 General Fund budget, as identified in table 3 and paragraph 8.2, a total £226k increase in net expenditure. These will be incorporated in the draft revenue budget for 2022/23;
- (4) That Cabinet delegates to the Service Director: Resources (in consultation with the Executive Member for Finance and IT) authority to enter in to a Business Rate Pooling arrangement (if available) if it is estimated that it will be in the financial interests of the Council.

REASONS FOR DECISIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.

The Service Director – Resources presented the report entitled First Quarter Revenue Monitoring Report 2021-22 and advised:

- Table 3 highlighted the various variances in finances, mainly due to impact of Covid-19, carried forward requests and the waste contract inflation.
- This table only highlighted the Q1 impact.
- Table 5 included 4 year forecast for some of the areas, such as parking and income from Hitchin Town Hall.
- Table 6 offered an overall general fund summary.
- The predictions for car parking income performance in Q1 are prudent but should get a clearer idea of actual performance in Q2.
- Q2 should offer a clearer picture of the leisure recovery. There was £2million additional costs included in the budget last year to cover the recovery of leisure. Performance in Q1 was overall good, but there was a dip over the summer holiday period.
- Business Rate Pooling had been confirmed as an option by Hertfordshire County Council. Applications must be submitted by 8 October 2020, which is why the request for a delegated decision had been made.
- Being part of a pool would be beneficial but questioned whether North Herts would be in the optimum pool for the whole County.

Following a vote, it was:

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REASON FOR RECOMMENDATIONS: Members are able to monitor, make adjustments within the overall budgetary framework and request appropriate action of Services who do not meet the budget targets set as part of the Corporate Business Planning process.