

# **North Somerset Council**

## **REPORT TO THE COMMUNITY AND CORPORATE ORGANISATION POLICY AND SCRUTINY PANEL**

**DATE OF MEETING: 5 NOVEMBER 2019**

**SUBJECT OF REPORT: MONTH 5 MONITOR**

**TOWN OR PARISH: ALL**

**OFFICER/MEMBER PRESENTING: INTERIM DIRECTOR OF FINANCE**

**KEY DECISION: NO**

### **REASON:**

For information only

### **RECOMMENDATIONS**

To note the Month 5 report that was presented at Executive on 23 October 2019 highlighting the current financial year position of the Council.

### **1. SUMMARY OF REPORT**

This report provides a summary of the council's financial performance after the first five months of the 2019/20 financial year in respect of both its revenue and capital budgets and it highlights the key financial variances and movements which have taken, or will take, place during the year. The report also advises on the impact that forecasted financial variances could have on the level of general reserves.

### **2. POLICY**

The council's budget monitoring is an integral feature of its overall financial processes, ensuring that resources are planned, aligned and managed effectively to achieve successful delivery of its aims and objectives. The 2019/20 revenue and capital budgets have been set within the context of the council's medium term financial planning process, which support the adopted Corporate Plan 2015 to 2019.

### **3. DETAILS**

See attached Report submitted to Executive 23 October 2019.

### **4. CONSULTATION**

The report has been developed through consultation with the council's corporate management team and also with each of the departmental management teams.

### **5. FINANCIAL IMPLICATIONS**

Financial implications are contained throughout the report.

## **6. LEGAL POWERS AND IMPLICATIONS**

The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs, although further details and requirements are contained within related legislation. The setting of the 11 council's budget for the forthcoming year, and the ongoing arrangements for monitoring all aspects of this, is an integral part of the financial administration process.

## **7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS**

The council faces a wide variety of climate change and environmental impacts whilst delivering its many services to residents, some of which have a direct or indirect financial impact or consequence. There are referenced or noted, where appropriate, throughout the report and associated appendices.

## **8. RISK MANAGEMENT**

The council faces a wide variety of risks whilst delivering its many services to residents, some of which may have a financial consequence or impact. The most significant financial risks for the 2019/20 revenue budget are contained within the Medium Term Financial Plan approved by the Executive in February 2019 and regularly reviewed by the corporate management team and the S151 Officer.

## **9. EQUALITY IMPLICATIONS**

The 2019/20 revenue budget incorporates savings approved by Members in February 2019, all of which are supported by an equality impact assessment (EIA). These EIAs have been subject to consultation and discussion with a wide range of stakeholder groups to ensure all risks have been identified and understood.

## **10. CORPORATE IMPLICATIONS**

There are currently no specific corporate implications within the report. The relationship between the budget process and its continued ongoing monitoring arrangements have to be fully integrated if the council is to achieve the required financial outcomes it requires. Members will be aware that robust financial management and strong internal controls will play a key part in delivering successful service outcomes as well reducing financial risk.

## **11. OPTIONS CONSIDERED**

N/A

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## **APPENDICES**

Appendix 1: Month 5 monitor presented to Council on 23 October 2019.

## **BACKGROUND PAPERS**