

Cabinet Lead for Finance – Councillor Tony Denton

Mayoralty

The Mayor's Office continues to put plans in place for events, both official engagements for the Mayor to attend and those that are being arranged by the Mayor's Office directly, where there is a need to support national event(s). Currently, these include:

- Planning for the Remembrance Sunday Parades at Havant, Hayling Island and Emsworth on 13th November 2022: The Council have worked with relevant organisations to ensure that all Health and Safety measures are followed, that all processes set down by the Council and Police are complied with, and that the appropriate Risk Assessments are in place.
- Planning for the appointment of a new Honorary Alderman, subject to Full Council approval.
- Holocaust Service on 27th January 2023, working with Cllr Leah Turner who is the lead Cllr for the event. As a Council, we will also work with other organisations to promote and organise the event. In doing this we would always normally have a number of other LA's attending our event, as they do not organise one.

In addition to these events, the Facilities Manager works very closely with the Mayor, Mayor's Secretary and the Portfolio Holder to update and give the assurance that the budgets against the mayoralty for facilities support and other associated budget lines remain on track. There are no areas of concern that need to be raised at this time. Work is continuing regarding a review the mayoral provision, to ensure this vital function remains well supported.

Corporate governance

The draft Annual Governance Statement (AGS) has been published on our website alongside the draft Statement of Accounts. The finalised version will be brought forward once External Audit have completed their audit of both documents. The areas for improvement identified within the AGS are being closely monitored and include: the transition arrangements and exit from the JMTA, the refresh of the Medium-Term Financial Strategy and the changes required to governance as a result of the exit from shared management arrangements. A recent Internal Audit into the governance arrangements at the Council resulted in 'Substantial' assurance rating with no required management actions.

The annual summary of complaint statistics provided by the Local Government & Social Care Ombudsman (LGSO) was recently reviewed by the Audit & Finance

Committee. In 2021/22 there were 21 complaints cases decided by the Ombudsman, two of which were upheld, and fault found, the Council was fully compliant with the outcomes and remedies recommended by the Ombudsman in the two upheld complaints. Complaints reporting and responding is a particular focus at the moment with officers working to reduce the number of outstanding complaints at the Council.

Finance & Treasury

As presented to Council in February 2022, our financial position remains challenging. Although a balanced revenue budget was approved for 2022/23, our published 5- year Medium Term Financial Plan indicated a funding gap of £2.6m.

Over recent months we have re-aligned the 2022/23 revenue budget to match with the new organisational structure for Havant BC. In undertaking this work we have performed a detailed analysis against all service and staffing lines to ensure that the revised budget accurately reflects expenditure commitments under each Executive Head of Service. Known budget pressures, such as spend on housing people in temporary accommodation and waste services through Norse, have been addressed through bringing in savings and income elsewhere such as the reducing cost of the Capita contract and surplus income from Treasury Management.

The re-based 2022/23 revenue budget was recommended by Cabinet, and approved by Full Council, in September 2022. On 2nd November 2022, we presented to Cabinet the outcome from the work overseen by the Budget Working Group, which is the re-casting of our 5 year revenue expenditure and income forecasts, i.e. our Medium Term Financial Plan. Whereas this plan still shows some small annual deficits over the MTFP period, on the whole, the financial picture is much more stable and sustainable than the one approved by Council in February 2022. Clear and transparent assumptions have been stated to underpin the key figures and an accompanying budget risk register produced to better understand potential future volatility (both positive and negative)

A comprehensive Treasury Management update report was presented to the Audit Committee in October 2022 which detailed the progress that we have made since the introduction of our revised Treasury Management Strategy in April 2022. Under the guidance of our Section 151 Officer, linking closely with our new Treasury Advisors, ArlingClose, I am pleased to report that we are anticipating making revenue returns of circa £500k in 2022/23 through proactive investment of our cash balances. Forward 12 month deals at increased interest rates along with our long-term investment portfolio, (which was mobilised in September 2022), will result in these returns being significantly exceeded in the following, (2023/24), financial year which will further support our strengthening financial position.