

## **Cabinet Lead for Finance – Councillor Neil Bowdell – Sept 2023**

### **Finance & Treasury Treasury Management:**

Havant's treasury investment portfolio remains in an increasingly strong position. With our minimal borrow, but high levels of investment, the increase in interest rate rises has positively impacted HBC treasury investments.

The council has £38.6M out in active investment loans. We are currently locked in to generate £1.85M in interest, whilst new investments being offered at 5.75-6%. This is an increase of £450k since the last report. If we continued to invest at the same level for the remainder of the 2023/24 financial year, we could see an additional return of ~£200k. It is important to note that this could be offset against any borrowing in year to fund housing and/or regeneration projects.

### **2021/22 Financial Statements:**

Central Government, in conjunction with the PSAA approved auditors, have set clear deadlines to finalise historic audits and clear the national backlog. Some councils have audits not yet signed dating back to 2015/16. HBC's oldest unsigned audit is from 2021/22 and this will now be completed no later than 31<sup>st</sup> March 2024. There could be a risk that the audit opinion is limited if not enough testing has taking place, but considering how much work has gone into HBC's audit, this is highly unlikely.

### **2022/23 Financial Statements:**

The draft 2022/23 financial statements should have been made public by the time is this meeting. There is a 30 day "inspection" period where the statements will be available to the public in the Plaza (in draft format).

### **2023/24 Budget monitoring:**

The current year budget is monitored throughout the year and report on to cabinet each quarter. The quarter one report is due at the cabinet meeting on 6<sup>th</sup> September 2023 with the current financial forecast for the year presented.

### **2024/25 Budget:**

The budget setting process for the 2024/25 financial year has just been launched. There are several key steps to ensure appropriate engagement with both senior officers and elected members before a full and balanced budget can be presented to full council in February 2024. This includes planning for the revenue budget, updating the MTFP (a 5-year rolling financial plan) and setting the capital programme for 2024/25. The initial phase is around understanding the financial climate, establishing what our cost pressures are and identifying any up-front savings or efficiencies to be explored. This will then form the next, more strategic, stage in mid-autumn where members will be engaged in formulating options and helping to establish how we best use our finite financial resources.

## **Corporate Governance**

The team continued to work on our governance procedures over the summer period to ensure that they remain up to date and in accordance with best practice. An initial review of the constitution has been completed and a consultation shall be undertaken shortly.

## **Mayoralty**

The team continue to support the office of the Mayor, both with official engagements, and with matters relating to national or civic events.

We held the Mayor's Civic Service at Hart Plain Church, Waterlooville on 3rd September. It was well attended by visiting Mayors and Chairman from across Hampshire and residents, some who were attending the service prior to the Mayor's event, and who stayed to support the Church and the Mayor.

We are currently working with Councillors and officers, following the agreement of motion at the Full Council Meeting in July, to agree a Terms of Reference and Criteria for a Havant Honorary Citizen Award. This is to promote and Honour residents of the Borough who have given eminent service to their community, around wellbeing, sporting achievements, bravery or other acts that support the community as a whole. The team will also be working to set up a cross party Civic Board to consider recommendations for any nominations. It is hoped that the first award will come forward to the Annual Council Meeting in May 2024.