



Finance and Resources

Overview and Scrutiny Committee

Report for:	Finance and Resources Overview and Scrutiny Committee
Title of report:	Finance & Resources Performance Report Quarter 1 2022/23
Date:	6 th September 2022
Report on behalf of:	Cllr Graeme Elliot, Portfolio Holder for Corporate Services
Part:	I
If Part II, reason:	N/A
Appendices:	Appendix A Financial Services Performance report Q1 2022/23 Appendix B Revenues , Benefits and Fraud Performance report Q1 2022/23 Appendix C Finance and Resources Operational Risk report Q1 2022/23
Background papers:	None.
Glossary of acronyms and any other abbreviations used in this report:	GF – General Fund HRA – Housing Revenue Account

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Corporate Priorities	The provision of effective financial services and the allocation of resources such as assets and facilities support all five of the Council’s corporate objectives, with particular reference to <i>Ensuring efficient, effective and modern service delivery</i> and, through Revenues, Benefits and Fraud division, <i>Building Strong and Vibrant Communities</i> .
Wards affected	All

Purpose of the report:	To provide Committee with analysis of quarterly performance within Finance & Resources for the 1 st Quarter of 2022/23.
Recommendation (s) to the decision maker (s):	That Committee notes the contents of the report and the performance of Finance & Resources for Quarter 1, 2022/23.
Period for post policy/project review:	Service performance is reported to committee on an ongoing, quarterly basis.

1 Introduction

- 1.1 Performance reports are presented to Overview and Scrutiny Committees on a quarterly basis. They provide Members with an opportunity to scrutinise performance against a range of key indicators.
- 1.2 Members will find enclosed in Appendices A and B, the In-phase performance report for Finance & Resources for Quarter 1 of 2022/23 (April - June) and Appendix C the Quarter 1 Finance and Resources Operational Risk Register.

2 Finance and Resources Performance Q1 2022/23

- 2.1 The Performance Reports, attached at Appendices A and B, highlight that there are 2 amber KPI's and 6 green, where performance is good.
- 2.2 There are also one indicator reported as red:
- **FIN02a Time taken for debtors to pay** – This indicator continues to be adversely impacted by the impact of the pandemic. Debtors taking longer to pay and with a higher proportion choosing to pay via instalments. Government policy has meant debt recovery processes are still not back to what the industry would call “normal”. As restrictions on recovery ease, performance later in 22/23 is expected to improve. The cost of living crisis represents a further risk to performance against this indicator.

3 Finance and Resources Operational Risk Q1 2022/23

- 3.1 The Q1 Operational risk register is attached in Appendix C. There were several change to the risk score and the rationale for those changes from quarter 4 2021/22 to quarter 1 2022/23.
- 3.2 A key reason for changes in scores from the end of one financial year to the start of the next, is that at the beginning of the financial year there is more uncertainty over what may happen over the next 12 months and more risk of new barriers to performance.
- 3.3 The collection on council tax and business rates risk score has increased from an 8 to a 9.
- The 21/22 collection was impacted by Covid and by year end it was clear that in year budgeted collection rates would not be achieved so a higher likelihood of risk (4), but it was also clear that the impact (2) would be negligible as collection of council tax arrears has offset this shortfall.
 - The 2022/23 collection rates at the start of the financial year are on track with expectations so the likelihood of a risk is scored lower at 3, but the impact that could occur of lower collection rates is more likely at the start of the year than the end of the year and hence a higher impact score of 3 is projected.

There is great uncertainties about council tax collection rates in 2022/23 and the potential for the impact of the cost of living crisis on household's ability to pay their bills is very real, but to date there is no evidence base to support this position.

3.4 The risk of delays to the Capital Programme and Revenue budget pressures have increased. The capital programme and the revenue impact are both significantly impacted by the continuing inflationary growth putting pressures on these budgets, and the revenue monitoring report will discuss this in more detail.

4 Equalities, Community Impact and Human Rights

4.1 There are no equalities or community impact implications arising directly from this report.

4.2 There are no Human Rights Implications arising from this report.

5 Sustainability implications

5.1 There are no specific sustainability implications arising from this report.

6 Council infrastructure

6.1 The content of this report include performance information relating to the Council's use of its financial resources for 2022/23.