

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 26 July 2023

4th Quarter Financial Update and Performance Monitoring Report

Issue for Decision

This report sets out the 2022/23 financial and performance position for the services reporting as at 31st March 2023 (Quarter 4). The primary focus is on:

- The 2022/23 Revenue and Capital budgets; and
- The 2022/23 Key Performance Indicators (KPIs) that relate to the delivery of the Strategic Plan 2019-2045;
- Corporate Risk Register

Decision Made

That the:

1. Revenue position as at the end of Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. Capital position at the end of Quarter 4 for 2022/23 be noted;
3. Performance position as at Quarter 4 for 2022/23, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted;
4. Proposed new KPIs for 2023/24 be approved;
5. Risk Update, attached at Appendix 3 to the report be noted;
6. Recovery & Renewal Update, attached at Appendix 4 to the report be noted;
7. UK Shared Prosperity Fund update, attached at Appendix 5 to the report be noted; and
8. Uncollectable Business Rates (NNDR) listed at Appendix 6 to the report be approved for write-off.

Reasons for Decision

The Medium-Term Financial Strategy for 2022/23 to 2026/27 - including the budget for 2022/23 - was approved by full Council on 23 February 2022. This report updates the Cabinet on how its services have performed over the last quarter with regard to revenue and capital expenditure against approved

budgets.

This report also includes an update to the Cabinet on progress against its Key Performance Indicators (KPIs), and an updated covering corporate risks.

Budget Monitoring

At the Quarter 4 stage the Council has incurred net expenditure of £23.019m against the approved profiled budget of £23.231m, representing an underspend of £0.212m. Overall net expenditure at the end of Quarter 4 for the services is £10.270m, compared to the approved profiled budget of £10.894m, representing an underspend of £0.624m.

At the Quarter 4 stage, the Council has incurred overall expenditure of £16.335m against a budget allocation within the Capital Programme of £32.631m. Capital expenditure at the end of Quarter 4 was £2.440m against a total budget of £9.535m.

Performance Monitoring

A number of targets were missed due to current issues with the economy and the continuing after-effects of Covid-19, although there were improvements in a number of other areas.

Corporate Risk Update

Appendix 3 of the report outlines all the Council's corporate risks. Of note are changes to the elections and contractor failure risks to re-frame these, and a change to the cost-of living risk which has been re-framed and has increased. The other corporate risks have been reviewed and updated with some changes to risk descriptions and/or controls or actions. The report also includes the operational risk profile of the Council and the most significant (black) operational risk.

Recovery & Renewal Update

A number of actions across the three areas of focus in the Recovery and Renewal Action have now been completed. This is shown in the update at Appendix 4 of the report.

UK Shared Prosperity Fund Update

An update on progress made against schemes using this funding is shown at Appendix 5 of the report.

Consideration by Policy Advisory Committees

The KPIs update ("Performance Monitoring") are reported to the Policy Advisory Committees (PAC) quarterly: Communities, Leisure & Arts PAC, Housing, Health & Environment PAC and Planning, Infrastructure & Economic Development PAC. Each committee also receives a report on the relevant priority action areas. The report was also presented to the Corporate Services PAC reporting on the priority areas of "A Thriving Place", "Safe, Clean and Green", "Homes and Communities" and "Embracing Growth and Enabling Infrastructure".

Each Policy Advisory Committee supported the recommendations as they related to their areas. The Communities Leisure and Arts Policy Advisory Committee requested that there was an additional KPI added for the performance of the market at Lockmeadow.

Alternatives considered and why rejected

Option two: Not approve the

- new Key Performance Indicators.
- write off of the uncollectable Business Rates.

These options were not taken as the new KPIs are reasonable and it is prudent to write off the uncollectable Business Rates with the PACs considering and agreeing with the recommendations.

Option three: Comment on the remaining parts of the report.

Comments were provided during consideration of the report.

Background Papers

None

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____

Councillor David Burton, Leader of the Council

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm 4 August 2023**