

REPORT OF THE FINANCE TASK GROUP

Executive Summary

The Finance Task Group met on 29 September 2021. Set out below is the report from the Chairman of the Task Group.

It was noted that an update to the Victoria Square financial model (particularly in light of the recently announced delay), arrangements with Moyallen and details of loans to external organisations would be tabled at the next meeting in November.

Statement of Accounts

The Task Group discussed the latest status regarding the audit of the 2019/20 accounts and noted that some progress was being made with a further update to be given to the November Standards & Audit Committee.

The 2020/21 accounts were discussed in some detail and the major movements from the previous year were noted, in particular the adjustment to the fair value of the commercial properties of £43m loss and significantly higher pension liabilities. The accounts also included the direct impacts from the pandemic such as the lower car parking income and lower commercial rent albeit mitigated to some extent by government funding.

Investment Programme

A verbal update was given on this item as this year's report is still in progress but a draft version will be circulated to the Task Group once available. No significant changes are expected to the list of suspended projects at this stage.

Budget Progress, Financial Forecast and Medium Term Financial Strategy (MTFS)

A draft version of the Executive report on the MTFS was discussed by the Task Group. The report noted the progress made on the Fit for the Future programme and an outline of the updated savings targets over the next 3 years. An improved brought forward reserves position as of March 2021 was noted but there is still a gap between income and expenditure expected requiring the use of reserves although £10m less than previously forecast over the next 3 years. More details of the savings proposals is expected in the next iteration of reports in November.

The August Green Book was reviewed. Key items discussed were the latest budget outturn, the latest situation regarding long term and short term borrowings and the use of the cash balances of the Council.

Recommendations

The Committee is requested to:

RESOLVE That the report be noted.

The Committee has the authority to determine the recommendation set out above.

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Background Papers: None.

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