

Cherwell District Council

Executive Committee

7 September 2015

<p>Quarter 1 2015-16 – Revenue and Capital Budget Monitoring Report</p>
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Report of Director of Resources

This report is public

Purpose of report

This report summarises the Council's Revenue and Capital position as at the end of the first three months of the financial year 2015-16 and projections for the full 2015/16 period.

1.0 Recommendations

The meeting is recommended:

- 1.1 To note the projected revenue and capital position at June 2015.

2.0 Introduction

- 2.1 In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is formulated in conjunction with the joint management team and reported formally to the Budget Planning Committee on a quarterly basis. The report is then considered by the Executive.
- 2.2 The revenue and capital expenditure in quarter 1 has been subject to a detailed review by Officers.

3.0 Report Details

Projected Revenue Outturn

- 3.1 At quarter one the Council is projecting an underspend of £94,000 at the year end. Analysis by directorate can be found in Appendix 1.

CHERWELL DISTRICT COUNCIL
MANAGEMENT ACCOUNTS AS AT JUNE 2015
SUMMARY by SERVICE AREA

	Actual v Profile				Projected v Budget			
	Budget YTD £000's	Actual YTD £000's	Variance (Under) / Over £000's	RAG	Budget £000's	Projected £000's	Variance (Under) / Over £000's	RAG
Bicester Regeneration projects	97	(198)	(295)	A	388	388	0	G
BICESTER REGENERATION PROJECTS Total	97	(198)	(295)	A	388	388	0	G
Community Services	1,116	924	(192)	A	5,385	5,390	5	G
Environmental Services	1,199	1,186	(13)	G	4,523	4,742	219	A
Community & Environment	82	96	14	R	234	234	0	G
COMMUNITY & ENVIRONMENT Total	2,397	2,206	(191)	A	10,142	10,366	224	G
Chief Executives	99	102	3	A	187	187	0	G
Business Transformation	0	36	36	A	0	0	0	G
CHIEF EXECUTIVES Total	99	138	39	A	187	187	0	G
Strategic Planning & the Economy	143	164	21	R	562	592	30	R
Public Protection & Development Management	134	(667)	(801)	A	514	492	(22)	A
Development	0	0	0	G	145	145	0	G
Regeneration & Housing	516	307	(209)	A	1,831	1,948	117	A
DEVELOPMENT Total	793	(196)	(989)	G	3,052	3,177	125	A
Executive Matters	1,745	4,372	2,627	R	(2,660)	(2,660)	0	G
EXECUTIVE MATTERS Total	1,745	4,372	2,627	R	(2,660)	(2,660)	0	G
Transformation	354	282	(72)	A	1,116	991	(125)	A
Finance & Procurement	(3,309)	92	3,401	R	841	640	(201)	A
Law & Governance	265	284	19	R	924	807	(117)	A
Resources	0	0	0	G	57	57	0	G
ICT	315	402	87	R	1,312	1,312	0	G
RESOURCES Total	(2,375)	1,060	3,435	R	4,250	3,807	(443)	A
COST OF SERVICES	2,756	7,382	4,626	R	15,359	15,265	(94)	G

RAG Key

Overspent more than 2.5% of budget	R
Underspent more than 2.5% of budget	A
Overspent between 1.5% and 2.5% of budget	A
Anything else	G

3.2 Investment income is currently higher than expected and this trend is expected to continue; however, any income will be transferred to reserves.

Income from Business Rates Growth/Pooling and Section 31 grants is expected to be higher than budgeted; however, any income above budget will be transferred to reserves.

3.3 Projected Capital Outturn

Directorate	BUDGET £000	BUDGET ADJTS £000	APPROVED BUDGET £000	ACTUAL YTD £000	PROJECTED OUTTURN £000	SLIPPAGE REQUESTED £000	PROJECTED VARIANCE £000
Bicester Regeneration Projects Total	0	2,886	2,886	842	2,886	0	0
Community & Environment Total	2,751	1,271	4,022	(135)	4,019	0	(3)
Resources Total	797	0	797	60	678	110	(9)
Development Total	3,406	3,843	7,249	2,157	7,188	0	(61)
Total	6,954	8,000	14,954	2,924	14,771	110	(73)

The net Capital projection as at July 2015 is within budget tolerances. The slippage relates to the Microsoft Licensing Agreement which has been renegotiated until 2019 when the council will then need the funds to buy out of the agreement.

The above budget of £15m includes £3.8m of profiled spend on the Build! programme. The total budget for this programme was increased by £9.5m to £22m by Council in May 2014 and is due to be completed by March 2016.

4.0 Conclusion and Reasons for Recommendations

- 4.1 In line with good practice budget monitoring is undertaken on a monthly basis within the Council. The revenue and capital position is reported monthly to the Joint Management Team and formally to the Budget Planning Committee on a quarterly basis.
- 4.2 The revenue and capital expenditure in Q1 has been subject to a detailed review by Officers and reported monthly to management as part of the corporate dashboard.

5.0 Consultation

Cllr Ken Atack – Lead member
for Financial Management

Cllr Atack is content with the report and
supportive of the recommendations contained
within it.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.
- 6.2 Option 1: This report illustrates the Council's performance against the 2015-16 Financial Targets for Revenue and Capital. As this is a monitoring report, no further options have been considered. However, members may wish to request that officers provide additional information.

7.0 Implications

Financial and Resource Implications

- 7.1 These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

Comments checked by: Kelly Wheeler, Service Accountant
01327 322230 Kelly.Wheeler@cherwellandsouthnorthants.gov.uk

Legal Implications

- 7.2 There are no legal implications. Presentation of this report is in line with the CIPFA Code of Practice.

Comments checked by: Kevin Lane, Head of Law and Governance
0300 0030107 kevin.lane@cherwellsouthnorthants.gov.uk

Risk management

- 7.3 The position to date highlights the relevance of maintaining a minimum level of reserves and budget contingency to absorb the financial impact of changes during the year. Any increase in risk will be escalated through the corporate risk register.

Comments checked by: Louise Tustian, Acting Corporate Performance Manager
01295 221786 louise.tustian2@cherwellandsouthnorthants.gov.uk

Equality and Diversity

- 7.4 Impact assessments were carried out in advance of setting the 2015-16 budget.

Comments checked by: Caroline French, Corporate Policy Officer
01295 221586 caroline.french@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: No

Community Impact Threshold Met: No

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Ken Atack – Lead Member for Financial Management

Document Information

Appendix No	Title
1	Directorate Analysis
Background Papers	
None	
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