

Cherwell District Council
Budget Planning Committee

30 August 2016

Quarter 1 2016-17 – Revenue and Capital Budget Monitoring Report

Report of Chief Finance Officer

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 2016-17 and projections for the full year.

1.0 Recommendations

Budget Planning Committee is recommended:

- 1.1 To review the projected revenue and capital position at June 2016 and make any comments to Executive.
- 1.2 To review the current position on reserves at June 2016.
- 1.3 To endorse the updated Capital Outturn Position for 2015-16.

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 formally to the Budget Planning Committee on a quarterly basis. The report will go to the Executive on 5 September 2016.
- 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 2016-17

- 3.1 At quarter one the Council is projecting an overspend of £803,000 at the year end. Analysis by directorate can be found in Appendix 1.

CHERWELL DISTRICT COUNCIL
MANAGEMENT ACCOUNTS AS AT JUNE 2016

SUMMARY BY SERVICE AREA								
	Actual v Profile				Projected v Budget			
	Budget YTD £000	Actual YTD £000	Variance (Under) / Over £000	Concern Key	Budget £000	Projected £000	Variance (Under) / Over £000	Concern Key
Chief Executive	44	54	10	R	173	207	34	R
CHIEF EXECUTIVE Total	44	54	10	R	173	207	34	R
Bicester Regeneration Projects	291	204	(87)	A	1,163	963	(200)	A
Regeneration and Housing	695	927	232	R	1,642	2,152	510	R
Human Resources	130	220	90	R	524	528	4	G
Information Services	510	517	7	G	1,444	1,472	28	A
Business Transformation	57	321	264	R	229	394	165	R
COMMERCIAL DEVELOPMENT Total	1,683	2,189	506	R	5,002	5,509	507	R
Corporate Finance	334	385	51	R	1,380	1,516	136	R
Revenues	(46)	(24)	22	R	(182)	(182)	0	G
Benefits	189	189	0	G	92	92	0	G
Procurement	26	30	4	R	104	116	12	R
CHIEF FINANCE OFFICER Total	503	580	77	R	1,394	1,542	148	R
Strategic Planning & the Economy	305	322	17	R	1,219	1,161	(58)	A
Development Management	74	51	(23)	A	296	296	0	G
Communications	74	83	9	R	295	295	0	G
Improvement	0	0	0	G	0	0	0	G
Business Support Unit	22	19	(3)	A	87	87	0	G
Performance	49	59	10	R	197	179	(18)	A
Law and Governance	251	272	21	R	1,005	1,005	0	G
STRATEGY AND COMMISSIONING Total	775	806	31	R	3,099	3,023	(76)	G
Community Services	1,265	1,290	25	A	5,060	5,131	71	G
Environmental Services	1,260	1,375	115	R	5,039	5,158	119	A
OPERATIONS AND DELIVERY Total	2,525	2,665	140	R	10,099	10,289	190	A
TOTAL DIRECTORATES	5,530	6,294	764	R	19,767	20,570	803	R

Concern 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

Projected Capital Outturn 2016-17

Directorate	APPROVED BUDGET £000	YTD BUDGET £000	ACTUAL £000	PROJECTION £000	SLIPPAGE £000	VARIANCE £000
Strategy & Commissioning	0	0	0	0	0	0
Chief Finance Officer	38	0	(169)	38	0	0
Commercial Development	65,111	8,700	3,922	63,270	2,500	659
Operations & Delivery	6,046	770	1,113	6,046	0	0
Total	71,195	9,470	4,865	69,354	2,500	659

3.2 The net Capital projection as at June 2016 is within budget tolerances (projected variance is less than 1% of the Approved Budget). The projected slippage relates to the North West Bicester Eco Business Centre, the profile of spend for this project will become clearer once the procurement exercise is completed in September. A detailed breakdown by capital scheme is presented at Appendix 2.

Reserves 2016-17

3.3 The Committee is asked to review the Council's reserves position as set out at Appendix 3.

Capital Outturn 2015-16

3.4 Details of the Council's updated Capital Outturn for 2015-16 are presented at Appendix 4, the only change since this position was presented to committee is an additional slippage into 2016-17 of £90k relating to Bicester Cattle Market.

4.0 Conclusion and Reasons for Recommendations

4.1 It is recommended that:

- the contents of this report at 3.1, 3.2 and 3.2 are reviewed.
- The Council's updated Capital Outturn position for 2015-16 is endorsed for approval by Accounts, Audit and Risk Committee on 17th September 2016.

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 2016-17 Financial Targets for Revenue and Capital and presents the 2015-16 Capital Outturn position for endorsement. 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: Denise Taylor, Group Accountant
01295 221982 denise.taylor@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: Nigel Bell, Team Leader – Planning and Litigation
01295 221687 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, Senior Performance and Improvement Officer 01295 221786 louise.tustian2@cherwellandsouthnorthants.gov.uk

Equality and Diversity

- 7.4 Impact assessments were carried out in advance of setting the 2016-17 budget.

Comments checked by: Louise Tustian, Senior Performance and Improvement Officer 01295 221786 louise.tustian2@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

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 Revenue Expenditure 2016-17
2	Directorate Analysis Capital Expenditure 2016-17
3	Reserves 2016-17
4	Capital Outturn 2015-16
Background Papers	
None	
Report Author	Sanjay Sharma, Interim Group Accountant
Contact Information	01295 221564 sanjay.sharma@cherwellandsouthnorthants.gov.uk