

**Cherwell District Council**  
**Budget Planning Committee**

**1 November 2016**

<b>Quarter 2 2016-17 – Revenue and Capital Budget Monitoring Report</b>
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**Report of the 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 six 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 the end of September 2016 and make any comments to Executive.
- 1.2 To review the current position on reserves at the end of September 2016, and note the use of reserves.
- 1.3 To review the current position on Capital at the end of September 2016.

**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 December 2016.
- 2.2 The revenue and capital expenditure up to the end of quarter 2 has been subject to a detailed review by Officers.

### 3.0 Report Details

#### Projected Revenue Outturn 2016-17

3.1 At quarter two the Council has an overspend of £147,000. Analysis by directorate can be found in Appendix 1.

SUMMARY BY SERVICE AREA 2016/17						
	Actual v Profile - April to September					
	Budget YTD £000's	Use of Reserves 2016/17 £000's	Revised Budget £000's	Actual YTD £000's	Variance (Under) / Over £000's	Concern Key
Chief Executive	103	25	128	128	0	G
<b>CHIEF EXECUTIVE TOTAL</b>	<b>103</b>	<b>25</b>	<b>128</b>	<b>128</b>	<b>0</b>	<b>G</b>
Bicester Regeneration projects	491	0	491	385	(106)	A
Regeneration and Housing	675	0	675	931	256	R
Human Resources	258	47	305	305	0	G
Information Services	808	61	869	869	0	G
Business Transformation	178	149	327	327	0	G
<b>COMMERCIAL DEVELOPMENT TOTAL</b>	<b>2,410</b>	<b>257</b>	<b>2,667</b>	<b>2,817</b>	<b>150</b>	<b>R</b>
Corporate Finance	1,550	0	1,550	1,575	25	A
Revenues	(92)	0	(92)	(92)	0	G
Benefits	80	30	110	110	0	G
Procurement	52	0	52	52	0	G
<b>CHIEF FINANCE OFFICER TOTAL</b>	<b>1,590</b>	<b>30</b>	<b>1,620</b>	<b>1,645</b>	<b>25</b>	<b>A</b>
Strategic Planning Economy	591	462	1,053	1,053	0	G
Development Management	151	245	396	396	0	G
Communications	143	0	143	143	0	G
Business Support Unit	64	0	64	64	0	G
Performance	97	0	97	97	0	G
Law and Governance	552	0	552	552	0	G
<b>STRATEGY AND COMMISSIONING TOTAL</b>	<b>1,598</b>	<b>707</b>	<b>2,305</b>	<b>2,305</b>	<b>0</b>	<b>G</b>
Community Services	1,556	30	1,586	1,516	(70)	A
Environmental Services	2,122	0	2,122	2,164	42	A
<b>OPERATIONS AND DELIVERY TOTAL</b>	<b>3,678</b>	<b>30</b>	<b>3,708</b>	<b>3,680</b>	<b>(28)</b>	<b>G</b>
<b>TOTAL DIRECTORATES</b>	<b>9,379</b>	<b>1,049</b>	<b>10,428</b>	<b>10,575</b>	<b>147</b>	<b>A</b>

3.2 The projected position for the year end shows an overspend of £200,000.

SUMMARY BY SERVICE AREA 2016/17						
	Projected v Budget - Full Year					
	Budget £000's	Use of Reserves 2016/17 £000's	Revised Budget £000's	Projected £000's	Variance (Under) / Over £000's	Concern Key
Chief Executive	175	50	225	225	0	G
<b>CHIEF EXECUTIVE TOTAL</b>	<b>175</b>	<b>50</b>	<b>225</b>	<b>225</b>	<b>0</b>	<b>G</b>
Bicester Regeneration projects	1,163	0	1,163	866	(297)	A
Regeneration and Housing	1,648	0	1,648	2,197	549	R
Human Resources	518	47	565	565	0	G
Information Services	1,497	61	1,558	1,558	0	G
Business Transformation	229	149	378	378	0	G
<b>COMMERCIAL DEVELOPMENT TOTAL</b>	<b>5,055</b>	<b>257</b>	<b>5,312</b>	<b>5,564</b>	<b>252</b>	<b>R</b>
Corporate Finance	2,908	0	2,908	2,908	0	G
Revenues	(182)	0	(182)	(182)	0	G
Benefits	161	73	234	234	0	G
Procurement	105	0	105	105	0	G
<b>CHIEF FINANCE OFFICER TOTAL</b>	<b>2,992</b>	<b>73</b>	<b>3,065</b>	<b>3,065</b>	<b>0</b>	<b>G</b>
Strategic Planning Economy	1,169	462	1,631	1,631	0	G
Development Management	304	245	549	549	0	G
Communications	295	0	295	295	0	G
Business Support Unit	88	0	88	88	0	G
Performance	198	0	198	198	0	G
Law and Governance	1,089	0	1,089	1,089	0	G
<b>STRATEGY AND COMMISSIONING TOTAL</b>	<b>3,143</b>	<b>707</b>	<b>3,850</b>	<b>3,850</b>	<b>0</b>	<b>G</b>
Community Services	5,164	60	5,224	5,089	(135)	A
Environmental Services	4,886	0	4,886	4,969	83	A
<b>OPERATIONS AND DELIVERY TOTAL</b>	<b>10,050</b>	<b>60</b>	<b>10,110</b>	<b>10,058</b>	<b>(52)</b>	<b>G</b>
<b>TOTAL DIRECTORATES</b>	<b>21,415</b>	<b>1,147</b>	<b>22,562</b>	<b>22,762</b>	<b>200</b>	<b>G</b>

### Projected Capital Outturn 2016-17

Directorate	APPROVED BUDGET £000	ACTUAL £000	PROJECTION £000	SLIPPAGE £000	VARIANCE £000
Strategy & Commissioning	0	0	0	0	0
Chief Finance Officer	38	0	38	0	0
Commercial Development	65,926	5,415	58,012	2,550	51
Operations & Delivery	4,760	1,295	2,403	2,075	(80)
<b>Total</b>	<b>70,724</b>	<b>6,710</b>	<b>60,453</b>	<b>4,625</b>	<b>(29)</b>

3.2 The net Capital projection as at 30 September 2016 is within budget tolerances (projected variance is less than 0.1% 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.
  - Bicester Sports Village, where work has commenced but some of the expenditure will be in 2017/18.
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- 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, and note the use of reserves as shown.

## **4.0 Conclusion and Reasons for Recommendations**

4.1 It is recommended that:

- The contents of this report are reviewed.
- The use of reserves as shown in appendix 3

## **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:

George Hill, Corporate Finance Manager  
[george.hill@cherwellandsouthnorthants.gov.uk](mailto:george.hill@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  
[kevin.lane@cherwellandsouthnorthants.gov.uk](mailto:kevin.lane@cherwellandsouthnorthants.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:  
Ed Bailey, Corporate Performance Manager, 01295 221605  
[edward.bailey@cherwellandsouthnorthants.gov.uk](mailto:edward.bailey@cherwellandsouthnorthants.gov.uk)

### **Equality and Diversity**

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

Comments checked by:  
Caroline French, Corporate Policy Officer, 01295 221586  
[caroline.french@cherwellandsouthnorthants.gov.uk](mailto:caroline.french@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**

<b>Appendix No</b>	<b>Title</b>
Appendix 1	Directorate Analysis Revenue Expenditure 2016-17
Appendix 2	Capital Expenditure 2016-17

Appendix 3	Reserves 2016-17
<b>Background Papers</b>	
None	
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