

Cherwell District Council
Budget Planning Committee

30 August 2017

Quarter 1 2017-18 – 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, Capital and Reserves position as at the end of Quarter One of the financial year 2017-18 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 2017 and make any comments to Executive.
- 1.2 To review the current position on reserves at June 2017.

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. This report will go to the Executive on 4 September 2017.
- 2.2 Revenue and capital expenditure in quarter 1 and the position on reserves have been subject to a detailed review by Officers.

3.0 Report Details

Projected Revenue Outturn 2017-18

- 3.1 At quarter one the Council is projecting an underspend of £38k at the year end. Analysis by directorate can be found in Appendix 1.

CHERWELL DISTRICT COUNCIL
MANAGEMENT ACCOUNTS AS AT 30 JUNE 2017

SUMMARY BY SERVICE AREA

	Actual v Profile							Projected v Budget					
	Budget YTD £000's	Use of Reseves 2017/18 £000's	Revised Budget £000's	Actual YTD £000's	Commitment £000's	Variance (Under) / Over £000's	Concern Key	Budget £000's	Use of Reseves 2017/18 £000's	Revised Budget £000's	Projected £000's	Variance (Under) / Over £000's	Concern Key
Chief Executive	47	0	47	42	6	1	G	187	0	187	195	8	G
CHIEF EXECUTIVE TOTAL	47	0	47	42	6	1	G	187	0	187	195	8	G
Finance	583	0	583	471	112	0	G	1,104	0	1,104	1,104	0	G
Revenues & Benefits	244	61	305	246	69	10	G	190	297	487	487	0	G
Procurement	30	0	30	8	22	0	G	104	0	104	104	0	G
Assets and facilities Management	(165)	88	(77)	(248)	185	14	G	165	247	412	428	16	G
Commercial Dev't and innovation	778	81	859	589	260	(10)	G	2,302	60	2,362	2,316	(46)	G
Business Support Unit	24	0	24	24	0	0	G	89	0	89	89	0	G
Housing and Regeneration	41	0	41	(3)	59	15	G	85	0	85	100	15	G
CHIEF FINANCE OFFICER TOTAL	1,535	230	1,765	1,087	707	29	A	4,039	604	4,643	4,628	(15)	G
Strategic Planning Economy	290	39	329	74	256	1	G	1,161	122	1,283	1,283	0	G
Development Management	138	0	138	46	86	(6)	G	552	0	552	493	(59)	A
Communications and Corporate P	79	0	79	74	16	11	G	317	0	317	317	0	G
Performance	73	20	93	64	21	(8)	G	333	20	353	353	0	G
Strategy and Commissioning	30	0	30	30	0	0	G	109	0	109	109	0	G
Governance	126	0	126	111	16	1	G	819	0	819	830	11	G
Law	65	0	65	56	7	(2)	G	240	0	240	240	0	G
Bicester Regeneration Projects	496	138	634	323	312	1	G	1,190	160	1,350	1,350	0	G
STRATEGY AND COMMISSIONING TOTAL	1,297	197	1,494	778	714	(2)	G	4,721	302	5,023	4,975	(48)	G
Community Services	1,809	0	1,809	733	1,074	(2)	G	7,226	19	7,245	7,252	7	G
Environmental Services	1,366	0	1,366	1,236	134	4	G	5,454	0	5,454	5,464	10	G
OPERATIONS AND DELIVERY TOTAL	3,175	0	3,175	1,969	1,208	2	G	12,680	19	12,699	12,716	17	G
TOTAL DIRECTORATES	6,054	427	6,481	3,876	2,635	30	G	21,627	925	22,552	22,514	(38)	G

Concern Key

Overspent more than £20k and 2.5% of budget	R
Underspent more than £20k and 2.5% of budget	A
Overspent by £20k and between 1.5% and 2.5% of budget	A
Anything else	G

- 3.2 The only significant variance for the year to date relates to Assets and Facilities Management costs where there are still downward pressures on income relating to commercial and investment property, these continue to be monitored closely.
- 3.3 The year end projection shows only one significant variance with the Development Management budget being underspent by £59k due to the expectation that planning income will be higher than budget based on performance to date.

Projected Capital Outturn 2017-18

Directorate	BUDGET £000	ACTUAL £000	COMMITMENT £000	PROJECTION £000	SLIPPAGE £000	VARIANCE £000
Chief Finance Officer	29,948	1,633	7,894	20,734	0	313
Operations & Delivery	7,742	1,185	2,111	3,769	520	(157)
Total	37,690	2,818	10,005	24,503	520	156

- 3.4 The net Capital projection as at June 2017 is within budget tolerances (projected variance is less than 1% of the Approved Budget). The projected slippage relates largely to spend on Disabled Facilities Grants where the allocation from Oxfordshire County Council has increased this year. It expected that the slipped funds will be utilised in future years where funding could be reduced. A detailed breakdown by capital scheme is presented at Appendix 2.

Reserves 2017-18

- 3.3 The Committee is asked to review the Council's draft reserves position for the 2016/17 year-end as set out at Appendix 3. (Figures shaded yellow are planned use of reserves, amber shading indicates additional in-year use of reserves, green shading indicates planned transfers into reserves and blue shading indicates additional in-year transfers to reserves).

4.0 Conclusion and Reasons for Recommendations

- 4.1 It is recommended that:

- the contents of this report are reviewed.

5.0 Consultation

Cllr Tony Ilott – Lead member for Financial Management

Cllr Ilott 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:

Option 1: This report illustrates the Council's performance against the 2017-18 Financial Targets for Revenue and Capital and sets out the Council's position on Reserves. 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:

Sanjay Sharma, Interim Head of Finance, 01295 221564

sanjay.sharma@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, Interim Legal Services Manager. 01295 221687

nigel.bell@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:

Louise Tustian, Team Leader – Strategic Intelligence and Insight, 01295 221

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Equality and Diversity

- 7.4 Impact assessments were carried out in advance of setting the 2017-18 budget.

Comments checked by:

Caroline French, Corporate Policy Officer, 01295 221586

caroline.french@cherwellandsouthnorthants.gov.uk

8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Tony Ilott – Lead Member for Financial Management

Document Information

Appendix No	Title
1	Directorate Analysis Revenue Expenditure 2017-18
2	Directorate Analysis Capital Expenditure 2017-18
3	Reserves 2017-18

Background Papers	
None	
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