

Cherwell District Council
Budget Planning Committee

6 November 2018

Finance Monitoring Report – August 2018
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Report of the Assistant Director – Finance and Procurement

This report is public

Purpose of report

This report summarises the Finance monitoring position as at the end of each month.

1.0 Recommendations

1.1 To note the contents of the report.

2.0 Introduction

2.1 The Council is committed to financial monitoring reviews on a monthly basis. This demonstrates an improvement from previous years where reporting has been quarterly.

2.2 Regular reporting is extremely important and we are committed to improving this during 2018/19. The committee will be able to provide input into the way the reporting develops further during the year.

3.0 Report Details

3.1 The frequency of information is being improved during 2018/19. We have introduced monthly monitoring and reporting across the organisation. This improvement in reporting regularity will provide budget managers, senior leadership and members with more up to date information regarding the financial position and outlook for the Council.

3.2 The finance team has aligned itself with the business areas to provide better support, consistency and continuity of advice moving forward across both revenue and capital budgets in addition to monitoring any over funding levels.

3.3 The organisation is developing its monitoring and forecasting process and working closely with managers across the Council. The Council is currently forecasting a revenue overspend of £481k.

This relates to: -

- Environmental Services overspend of £102k is made up of a number of variances across the service which the team are working to balance through careful management and delivery of service.
- Finance and Procurement overspend of £120k relates to additional interim staff and resource required to support the production of the Statement of Accounts and support financial management improvements within Finance and Procurement.
- Property Investment and Contract Management overspend of £258k relates to the income due for Crown House that will not be realised in 2018/19 due to the delay in the project completion date.
- Planning Policy and Development overspend of £279k comprises of the under recovery of planning income of £170k, due to the volatility of the expected number of planning applications, there is an earmarked reserve to assist with managing this risk, additionally the cost of the Interim Executive Director of Place and Growth costs overspend of £34k, Building Control overspend of £75k due to continuous reliance on agency staff.
- The housing underspend of (£91k) relates to additional income, due to a change in legislation for this area.
- The Executive Matter Underspend of (£17k) relates to a reduction in pension costs.

3.4 The Council Capital Programme is currently forecasting an underspend of (£185k), this reduction is due to the Microsoft licensing agreement budget no longer being required (£110k) and (£104k) underspend relating to works completed on community buildings for less than the original bids. An overspend of £29k relating to the additional cost for a second fire exit route to Antelope Garage in Banbury.

3.5 The Council will continue to challenge its forecasts and highlight risk areas as soon as possible. We will monitor and review existing costs and income to identify any further savings and efficiencies which would support the Council in managing its current position.

4.0 Conclusions and Reasons for Recommendations

4.1 It is recommended that the contents of the report are noted.

5.0 Consultation

5.1 The report sets out performance, risk and financial information from the previous month and as such no formal consultation on the content or recommendation is required.

6.0 Alternative Options and Reasons for Rejection

6.1 This report sets out the performance against the 2018/19 plan. 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 There are no direct financial implications arising directly from the production of this report.

Comments checked by:

Kelly Watson, Assistant Director – Finance and Procurement

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Legal Implications

- 7.2 There are no legal implications arising from this report.

Comments checked by:

James Doble, Assistant Director – Law and Governance

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Risk Management

- 7.3 There are no risk management implications arising from this report.

Comments checked by: Hedd VaughanEvans

Hedd Vaughan-Evans, Assistant Director, Performance and Transformation

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8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

All

Lead Councillor

Councillor Tony Ilott, Portfolio Holder for Finance and Governance

Document Information

Appendix No	Title
Annex 1	Executive Report, Monthly Performance, Risk and Finance Monitoring Report August 2018
Appendix 1	Business Plan on a page – Final
Appendix 2	Monthly Performance Report August
Appendix 3	Leadership Risk Register
Appendix 4	Aug-18 CDC Capital
Appendix 5	Summer Activity 18
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