

Cherwell District Council

Executive

30 November 2015

Quarter 2 2015-16 – Revenue and Capital Budget Monitoring Report

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 six months of the financial year 2015-16 and projections for the full 2015/16 period.

1.0 Recommendations

The Executive is recommended:

- 1.1 To note the projected revenue and capital position at September 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 2 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 £359,000 at the year end. Analysis by directorate can be found in Appendix 1.

SUMMARY by SERVICE AREA

	Actual v Profile				Projected v Budget			
	Budget YTD £000's	Actual YTD £000's	Variance (Under) / Over £000's	Concern Key	Budget £000's	Projected £000's	Variance (Under) / Over £000's	Concern Key
Bicester Regeneration projects	(315)	(315)	0	G	(311)	(311)	0	G
BICESTER REGENERATION PROJECTS Total	(315)	(315)	0	G	(311)	(311)	0	G
Community Services	1,797	1,639	(158)	A	5,328	5,128	(200)	A
Environmental Services	2,261	2,489	228	R	4,672	5,030	358	R
COMMUNITY & ENVIRONMENT Total	4,058	4,128	70	A	10,000	10,158	158	R
Chief Executives	298	337	39	R	409	459	50	R
CHIEF EXECUTIVES Total	298	337	39	R	409	459	50	R
Strategic Planning & the Economy	679	674	(5)	G	553	523	(30)	A
Public Protection & Development Management	211	(196)	(407)	A	630	(326)	(956)	A
Regeneration & Housing	856	983	127	R	1,801	2,056	255	R
DEVELOPMENT Total	1,746	1,461	(285)	A	2,984	2,253	(731)	A
Transformation	614	545	(69)	A	1,098	1,000	(98)	A
Finance & Procurement	78	(42)	(120)	A	238	17	(221)	A
Law & Governance	586	563	(23)	A	910	871	(39)	A
ICT	677	706	29	R	1,300	1,352	52	R
RESOURCES Total	1,955	1,772	(183)	A	3,546	3,240	(306)	A
COST OF SERVICES	7,742	7,383	(359)	A	16,628	15,799	(829)	A

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

3.2 The most significant factors in the half year position are:

- Planning Fee income is significantly higher than was anticipated in the budget.
- Recycling income is lower than expected, both in terms of the price received for recycled waste and in terms of the quantity of recycling produced.
- There are salary savings in a number of services because of vacant posts.

3.3 **Projected Capital Outturn**

Directorate	BUDGET £000	BUDGET ADJTS £000	APPROVED BUDGET £000	ACTUAL YTD £000	PROJECTED OUTTURN £000	SLIPPAGE REQUEST ED £000	PROJECTED VARIANCE £000
Bicester Regeneration Projects Total	23,333	9,884	33,217	4,025	24,034	9,183	0
Community & Environment Total	1,845	2,177	4,022	384	1,271	2,738	(13)
Resources Total	324	517	841	164	74	644	(123)
Development Total	1,875	12,673	14,548	5,934	14,572	0	24
Total	27,377	25,251	52,628	10,507	39,951	12,565	(112)

The net Capital projection as at September 2015 is within budget tolerances. The slippage will be reviewed by the Budget Planning Committee as part of the budget process.

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.

The revenue and capital expenditure in Q2 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: George Hill, Corporate Finance Manager
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
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: Jo Pitman, Head of Transformation
Jo.pitman@cherwellandsouthnorthants.gov.uk

Equality and Diversity

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

Comments checked by: Jo Pitman, Head of Transformation
Jo.pitman@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	
Report Author	Paul Sutton, Head of Finance and Procurement
Contact Information	03000 030106 Paul.sutton@cherwellandsouthnorthants.gov.uk