

Cherwell District Council
Budget Planning Committee

24 February 2016

Quarter 3 2015-16 – Revenue and Capital Budget Monitoring Report

Report of the Head of Finance and Procurement

This report is public

Purpose of report

This report summarises the Council's Revenue and Capital position as at the end of the third quarter of the financial year 2015-16 and projections for the full 2015-16 period.

1.0 Recommendations

Budget Planning Committee is recommended:

- 1.1 To note the projected revenue and capital position at December 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 formally to the Budget Planning Committee on a quarterly basis. The report will go to the Executive on 7 March 2016.
- 2.2 The revenue and capital expenditure up to quarter three has been subject to a detailed review by Officers.

3.0 Report Details

Projected Revenue Outturn

- 3.1 At quarter three the Council is projecting an underspend of £816,000 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	(483)	(483)	0	G	(311)	(311)	0	G
BICESTER REGENERATION PROJECTS Total	(483)	(483)	0	G	(311)	(311)	0	G
Community Services	2,882	2,469	(413)	A	2,943	2,419	(524)	A
Environmental Services	3,310	3,640	330	R	3,915	4,308	393	R
COMMUNITY & ENVIRONMENT Total	6,192	6,109	(83)	G	6,857	6,726	(131)	G
Chief Executives	298	337	39	R	409	458	49	R
CHIEF EXECUTIVES Total	298	337	39	R	409	458	49	R
Strategic Planning & the Economy	498	505	7	G	553	555	2	G
Public Protection & Development Management	352	(190)	(542)	A	484	(84)	(568)	A
Regeneration & Housing	1,583	1,634	51	R	1,339	1,577	238	R
DEVELOPMENT Total	2,433	1,949	(484)	A	2,376	2,048	(328)	A
Transformation	746	688	(58)	A	1,098	964	(134)	A
Finance & Procurement	1,169	964	(205)	A	1,472	1,209	(263)	A
Law & Governance	756	679	(77)	A	910	827	(83)	A
ICT	834	848	14	A	974	1,048	74	R
RESOURCES Total	3,505	3,179	(326)	A	4,454	4,048	(406)	A
COST OF SERVICES	11,945	11,091	(854)	A	13,785	12,969	(816)	A

3.2 The most significant factors in the year to date are:

- There has been additional grant income for Safer Communities and Public Environmental Health. Also, additional car park income, recreational course fees and sports income.
- Environmental Services income is reduced because of a drop in price for glass sold for recycling, together with a reduction in waste and recycling refuse sales and income. In addition there has been a reduction in pest treatment and street cleansing work, resulting in less income.
- Planning Fee income is still higher than was anticipated in the budget, but was much lower in quarter three, and this lower level of income is likely to continue in the final quarter.
- There are salary savings in a number of services because of vacant posts
- Investment income is currently higher than expected and this trend is expected to continue; however, any income will be transferred to reserves.

3.3 Projected Capital Outturn

Directorate	BUDGET £000	SLIPPAGE £000	ADJUSTMENTS £000	APPROVED BUDGET £000	ACTUAL £000	PROJECTION £000	SLIPPAGE £000	VARIANCE £000
Bicester Regeneration Projects Total	23,333	0	9,884	33,217	6,916	33,217	0	0
Community & Environment Total	1,845	906	1,271	4,022	667	1,155	2,845	(22)
Resources Total	324	389	(155)	558	167	336	219	(3)
Development Total	1,875	4,331	19,805	26,011	8,942	13,440	12,589	18
Total	27,377	5,626	30,805	63,808	16,692	48,148	15,653	(7)

The net Capital projection as at December 2015 is within budget tolerances. Full detail by project, including anticipated completion dates are shown in appendix 2.

3.4 Reserves

The reserves held by the Council were reviewed as part of the budget process. It was agreed at that time that an updated position on reserves would be included in the quarterly reporting process. There has been no movement since the budget was recommended by this Committee on 19 January, but a list of Reserves is attached as appendix 3 for information.

4.0 Conclusion and Reasons for Recommendations

4.1 It is recommended that:

- the contents of this report are noted.

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 Services Manager
01295 221781 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: Caroline French, Corporate Policy Officer
01295 221586 caroline.french@cherwellandsouthnorthants.gov.uk

Equality and Diversity

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

Comments checked by: Caroline French, Corporate Policy Officer
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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
Appendix 1	Directorate Analysis
Appendix 2	Capital Spend and Projected Slippage
Appendix 3	Reserves
Background Papers	
None	
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