
BUDGET MONITORING REPORT

Committee: Corporate Governance and Finance Committee

Date: 28th September 2015

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[Q79]

1. **ISSUE**

- 1.1 This report provides Members on the Council with their first up-date on the financial position for 2015/16, based on current projections for both revenue and capital expenditure.

2. **RECOMMENDATION (S)**

- 2.1 Members are requested to note that there is currently a projected revenue underspend of £315,868 identified across the Council's services compared to its approved budget of £8,481,178.

3. **BACKGROUND / OPTIONS**

- 3.1 Under Financial Regulations each policy committee is required to consider projections of financial performance against budget on a quarterly basis, with this Committee considering the overall Council position. This report therefore includes summary details for the Regulatory & Support Services Committee and the Commercial Services Committee, as well as a more detailed analysis of the budgets under the stewardship of this Committee.
- 3.2 Appendix 1 details the overall position. The approved budgets have been adjusted by removing internal service charges, depreciation and those expenditure budgets which will be funded from monies already set aside in earmarked reserves. This leaves only the controllable expenditure and income budgets. The purpose of this report is to review and report to Members any variances on these controllable budgets.
- 3.3 The inflation budget, which was held centrally when the budget was approved by Full Council in February 2015, has now been allocated out across the relevant services.
- 3.4 The revenue budgets for each of the Committee's services have been reviewed and the following variances have been identified:

3.5

Service	Variance £	Explanation
Corporate Provisions	(136,054)	£37,949 use of HPDG Reserve to fund expenditure. This is possible because there is still a balance of this grant which was not expected at the time the original budget was produced. £40,000 CLT from reserve to fund expenditure. £34,355 from Land Charge reserve to part fund litigation payment of £69,276. £10,000 Invest to Save for Planning Consultants. £13,750 from Change Management Reserve to fund Training for Redundancy staff
Emergency Planning	5,000	Overspend due to contribution to Local Resilience Forum.
Community Land Trusts	40,000	Payments to CLT funded from reserve as above
Strategic Housing	(30,000)	Saving on the cost of Housing Conditions Survey.
Corporate Management	(167)	Saving on the LGA fee.
Total this Committee	(121,221)	Underspend
Commercial Services	(64,479)	See separate report, as appendix 3
Regulatory & Support Services	34,832	See separate report, as appendix 2
Salary Savings	(165,000)	
Total all Committees	(315,868)	Underspend

3.6 Salaries are monitored corporately against the salary savings target detailed in the budget book. However, savings identified this year are already greater than the target and so this additional saving has been included in this report.

3.7 Spend on Capital projects has also been reviewed and the variances identified detailed in Appendix 4.

3.8

Committee	Variance £	Explanation
Commercial Services	(831,000)	See individual report
Regulatory & Support Services	0	See individual report
Total variances	(831,000)	

- 3.9 The main projected underspend at this time relates to the Commuter Car Park, where the full cost of the project remains unclear as further design options are considered to minimise costs.

4 ARGUMENTS / CONCLUSIONS

- 4.1 The projected net revenue expenditure for the Council is forecast to be £8,165,310 in 2015-16. This is an underspend of £315,868 compared to the Council's approved budget.
- 4.2 In the Council's Medium Term Financial Plan the projection was for a balanced budget in 2016-17, with then £1,971,375 of savings needing to be found in 2017-18. The forecast underspend being reported in this report will be transferred to the "Surplus Savings Reserve" at yearend, and will then be available to fund some of the required savings in 2017-18. Where these savings are permanent, they will compound up, to reduce the savings target further.

5 FINANCIAL IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

- 5.1 This whole report relates to the financial position of the Council.
- 5.2 Equality Impact Assessment (INRA) not required.

6 APPENDICES

- 6.1 Appendix 1 – Summary Budget Projections 2015/16.
Appendix 2 – Regulatory & Support Services Budget Projections 2015/16.
Appendix 3 – Commercial Services Budget Projections 2015/16.
Appendix 4 – Summary Capital Programme 2015/16.

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
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