

TITLE: BUDGET MONITORING REPORT

Committee: Commercial Services Committee

Date: 17th January 2017

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[R177]

1. ISSUE

1.1 This report provides Members with details of the financial position for services under the Commercial Services Committee.

2. RECOMMENDATION (S)

2.1 Members are requested to note that this Committee has a projected under spend of £41,500 compared to its revenue budget of £1,417,919.

2.2 Members are also requested to note that this Committee has a projected capital programme outturn of £5,476,383, this is a £2,945,705 underspend compared to its revised budget.

3. BACKGROUND / OPTIONS

3.1 This is the second report for the 2016-17 financial year and details actual expenditure incurred up to 31st December 2016 and current projections as to the yearend position.

3.2 Under Financial Regulations each Service Committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis.

3.3 The revenue budget for each of the Committee's services has been reviewed. At this point in the year, four outturn variances have been identified as detailed in the table below:

Service	Variance £	Explanation
General Gang	(10,000)	Projected Salary savings as a result of vacancies.
Oliver Cromwell House	(2,500)	Increase in room hire charge income.
Paradise Pool	(10,000)	For compensation costs included in the budget for when pool is closed for repairs etc; no such events are now anticipated in this year.

Sports & Recreation	(19,000)	Projected Salary savings as a result of vacancies £10,000 and a reduced need for sports coaches in year will result in a saving of £9,000
Total	(41,500)	

- 3.4 After taking into account the savings above, the projected net revenue outturn expenditure for this Committee is forecast to be £1,376,419.
- 3.5 The Capital budget for this Committee now stands at £8,422,088.
- 3.6 Spending on the capital projects has been reviewed and we are forecasting a yearend underspend on the Local Authority Trading Company of £465,294. This is not an underspend in the true sense of the word, but rather a revised profile of when the Company is expected to drawdown its loan from the Council. The expectation remains that the Company will drawdown the full £5,000,000 provided in the Council's budget as loan funding, over the medium term.
- 3.7 It is now anticipated that spending on Ely Country Park will be £16,000, an underspend of £48,000 when compared to the budget available.
- 3.8 Expenditure on the Leisure Centre has been re-profiled as the project moves from design to build; this has reduced the anticipated expenditure in 2016/17 by £2,432,411, with the projected outturn for 2016/17 now being £2,844,088. As with the Company Loan above, this is not a reduction in total cost of the project and the unused funding will need to be rolled forward into 2017-18 to complete the build.

4. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 4.1 There is a revenue underspend of £41,500 compared to this Committee's approved budget.
- 4.2 Equality Impact Assessment (INRA) not required.

5. APPENDICES

- 5.1 Appendix 1 – Commercial Services Committee Budget Monitoring Report – 31st December 2016.

Background Documents

Location

Contact Officer

Budget Monitoring Report
Preparation Documents

Room 206
The Grange
Ely

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