

**TITLE: BUDGET MONITORING REPORT**

Committee: Commercial Services Committee

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**1. ISSUE**

- 1.1 This report updates Members on this Committee's financial position for 2014/15, based on current projections for both revenue and capital expenditure.

**2. RECOMMENDATION (S)**

- 2.1 Members are requested to note that this Committee has a projected underspend of £5,124 compared to its approved revenue budget of £2,185,297.
- 2.2 Members are also requested to note that this Committee has a projected overspend of £133,000 compared to its approved capital budget of £164,000. This overspend is funded from the 2013/14 slippage budget.

**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.
- 3.2 Appendix 1 summarises the variances reported in the tables below. 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. The inflation budget, which was held centrally when the budget was approved by Full Council in February 2014, has now been allocated out across the relevant services. This leaves only the controllable expenditure and income budgets. The purpose of this report is to review and report to Members any variances in the controllable budgets.
- 3.3 The revenue budgets for each of the Committee's services have been reviewed and the following variances have been identified:

**3.4**

Service	Variance £	Explanation
Asset Management	4,113	The 2014/15 Service Level Agreement paid to Ely Outdoor Sports Association from this budget in 2013/14 has now been

		reimbursed from the Sports & Recreation budget listed below
Contract Grasscutting	1,795	The inflationary increase on the grasscutting contract has been covered from Reserves
Depot Services	1,217	The cost of one of the grasscutter gardeners has been covered from the S106 Reserve
General Gang	1,217	The cost of one of the grasscutter gardeners has been covered from the S106 Reserve
Community Projects & Grants	(2,032)	A forecast underspend on Sporting/Village Halls grants is anticipated.
Marketing & Grants	(3,900)	A net ongoing saving has been achieved from the Food & Drink Festival
Marketing & Grants	(500)	A one-off saving has been made for renting out Jubilee Gardens and Palace Green
Ely Markets	(1,000)	An ongoing saving has been identified due to increased income from the farmers markets
Oliver Cromwell House	(600)	There is an ongoing saving as a result of the reduced cost of the DMS/Website integration
Parks & Gardens Team	21,903	The cost of one of the grasscutter gardeners has been covered from the S106 Reserve
Paradise Pool	620	There is a cost as a result of increased compensation for rate relief
Parking of Vehicles	(1,844)	A recurring saving has been identified as a result of the termination of the lease of the car park at Hempfield Road, Littleport
Parking of Vehicles	(10,000)	A one-off saving is due from the rent of part of Newnham Street car park by the Post Office
Parking of Vehicles	(12,000)	An ongoing saving has been achieved through the increase in income at Angel Drove car park
Sport & Recreation Admin	(4,113)	The 2014/15 Service Level Agreement paid to Ely Outdoor Sports Association in 2013/14 has now been reimbursed to Asset Management listed above
<b>Variances for this</b>	<b>(5,124)</b>	

<b>period</b>		
Funded to/(from) Reserves	(26,132)	
<b>Total projected underspend</b>	<b>(31,256)</b>	

- 3.5 The Committee's capital projects have been reviewed and the following variances have been identified.

3.6

Service	Variance £	Explanation
Ely Country Park	133,000	Slippage (unused budget from 2013/14) is required to complete the project in this year
<b>Total</b>	<b>133,000</b>	<b>Increase</b>

#### 4. ARGUMENTS/CONCLUSIONS

- 4.1 After taking into account the allocation of inflation of £19,380 and the savings as above, the projected net revenue expenditure for this Committee has increased to £2,609,553, of which £78,558 is funded from reserves.
- 4.2 The projected gross capital expenditure for this Committee has increased to £297,000.

#### 5. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 5.1 There is an underspend of £5,124 compared to this Committee's approved budget.
- 5.2 The increased capital expenditure of £133,000 was approved for implementation in 2013/14 and the unused budget (slippage) will fund the completion of these projects.
- 5.3 Equality Impact Assessment (INRA) not required.

#### 6. APPENDICES

- 6.1 Appendix 1 – Commercial Services Committee Budget Projections 2014/15.

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<b><u>Background Documents</u></b>	<b><u>Location</u></b>	<b><u>Contact Officer</u></b>
Budget Monitoring Report Preparation Documents	Room 206 The Grange Ely	Linda Grinnell Head of Finance (01353) 616470 E-mail: <a href="mailto:linda.grinnell@eastcambs.gov.uk">linda.grinnell@eastcambs.gov.uk</a>

## COMMERCIAL SERVICES COMMITTEE BUDGET PROJECTIONS:

## Appendix 1

Revenue	Ref	Published Budget	Inflation Allocation	Less Expenditure funded from Reserves	Less Capital & Internal Recharges	Controllable Budget	Projected Outturn	Variance Between Controllable Budget & Projected Outturn (Cost + / Saving -)
		£	£	£	£	£	£	£
<b>Commercial Services</b>								
Asset Management	PR002	348,128	2,441		117,717	232,852	236,965	4,113
Award Ditches	AW001	39,818	209		17,245	22,782	22,782	0
Contract Grasscutting	CG001	34,813	0	34,813	28,296	(28,296)	(26,501)	1,795
Community Safety	CS001	109,445	365		18,732	91,078	91,078	0
Closed Churchyards	CY001	77,129	229		53,086	24,272	24,272	0
Depot Services	DP001	40,319	-10,261		19,469	10,589	11,806	1,217
General Gang	GG001	118,362	9,601		25,310	102,653	103,870	1,217
Health & Safety (Work)	HE001	23,980	166		6,753	17,393	17,393	0
Community Projects & Grants	LT001	250,439	853		26,812	224,480	222,448	(2,032)
Marketing & Grants	MG001	101,162	368		42,329	59,201	54,801	(4,400)
Ely Markets	MK001	(33,065)	1,069		44,410	(76,406)	(77,406)	(1,000)
Maltings Public Hall	MP001	3,967	0		13,768	(9,801)	(9,801)	0
Museum - Old Gaol House	MU001	33,125	20		3,526	29,619	29,619	0
Oliver Cromwell House	OC001	134,259	1,552		79,084	56,727	56,127	(600)
Open Spaces	OS001	202,324	235		174,767	27,792	27,792	0
Parks & Gardens Team	PG001	249,069	2,996		47,000	205,065	226,968	21,903
Paradise Pool	PO001	257,764	1,944		71,387	188,321	188,941	620
Parking of Vehicles	PV001-3	130,484	4,073		98,538	36,019	12,175	(23,844)
Littleport Station Car Park	PV005	69	3		0	72	72	0
Sport & Recreation Admin	SR001	208,998	930		71,754	138,174	134,061	(4,113)
Town Centres	TC001	21,779	0	17,613	0	4,166	4,166	0
Public Conveniences	TO001	242,929	2,587		68,675	176,841	176,841	0
								0
<b>Revenue Subtotal</b>		<b>2,595,297</b>	<b>19,380</b>	<b>52,426</b>	<b>1,028,658</b>	<b>1,533,593</b>	<b>1,528,469</b>	<b>(5,124)</b>
Income Recharges		(410,000)	0	0	-410,000	0	0	0
<b>Revenue Total</b>		<b>2,185,297</b>	<b>19,380</b>	<b>52,426</b>	<b>618,658</b>	<b>1,533,593</b>	<b>1,528,469</b>	<b>-5,124</b>
Less variances funded from Reserves								26,132
<b>True variance against controllable budget</b>								<b>(31,256)</b>
Published Budget								2,595,297
Inflation								19,380
Current variances								(5,124)
Projected budget								2,609,553

Capital	Ref	Published Budget 14/15	Slippage from 13/14	Projected Outturn 14/15				Variance Between Published Budget & Projected Outturn (Cost + / Saving -)
		£	£	£				£
Ely Country Park	XP502	0	133,000	133,000				133,000
Vehicle Replacement Programme	XP093	29,000	0	29,000				0
Downham Road Site	New	70,000	0	70,000				0
Downham Road Drainage Site Infrastructure	New	65,000	0	65,000				0
<b>Total</b>		<b>164,000</b>	<b>133,000</b>	<b>297,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>133,000</b>