

## BRECKLAND DISTRICT COUNCIL

**Report of:** Ellen Jolly, Executive Member for Finance

**To:** Strategy Board, 18 May 2015  
Cabinet, 9 June 2015

**(Author:** Julie Kennealy, Executive Director Place)

**Subject:** Full Year Financial Performance 2014-15

**Purpose:** This report provides information on the actual full year financial position of the Council as at 31 March 2015

### **Recommendation(s):**

- 1) That the report and appendix be noted
- 2) Recommend to Full Council that the actual out-turn of £248,000 is contributed to the Organisational Development Reserve, funding the transformation programme

### **1.0 BACKGROUND**

1.1 Throughout the year quarterly monitoring reports have been completed forecasting the expected year end out-turn against the budgets. This report provides information on the actual full year financial performance for 3 separate areas; revenue, capital and treasury.

1.2 The actual year end out-turn may vary slightly from that reported, as changes may be made to the accounts any time up to formal sign off (start of June). The final out-turn will be reported to Audit Committee as part of the Statement of Accounts in July.

### **1.3 Revenue**

The main revenue variance areas to highlight from appendix 1 are:

- The revenue budgets are showing a below budget spend of £29k against net expenditure of £12.7m, the main variance reasons are shown in the appendix.
- The council tax base is higher than budgeted, thus generating a surplus on the council tax collection fund of which Breckland's share is £280k. This surplus is accounted for in future years due to the accounting rules.
- The retained business rates scheme has an overall deficit of £708k at the end of the year (Breckland's share being £283k). This deficit is partly due to additional appeals made in the last quarter and a refund relating to the NPDO which is offset in the revenue budgets. This deficit is accounted for in future years due to the accounting rules. The cost of the levy payable on the 14-15 growth is £598k and will be paid into the Norfolk NNDR pool (and is included in the retained NNDR variance in the appendix).
- The overall out-turn position after taking into account net cost of services, Government grants, business rates & council tax income is a £248k saving against total budget.

In quarter 3 approval was given to analyse the forecast year end savings and set these aside to provide initial start up finance for the transformation programme. This has been actioned and £799k contributed to reserves for this purpose. During May these year end variances will be further analysed and recurring savings will be removed from service based budgets whilst forecasting methods will be reviewed in order to establish any changes required to processes to allow earlier identification in future years.

## **1.4 Capital**

The actual outturn is showing a 55% spend against the budget, some projects have requested carry forward to future years and these will be considered as part of the Full Council capital out-turn report in May. For completeness, Appendix 1 details these projects and the reasons for the variances.

## **1.5 Treasury**

Investments continue to be made as short term only due to the counter party credit ratings, however rates have increased marginally and the re-profiling of the capital budgets has enabled us to maximise on the available highest interest rates, resulting in an increased amount of interest receivable compared to the initial budget set (this budget was increased in the quarter 2 report).

## **2.0 OPTIONS**

2.1 To note the report and appendix and to recommend to Full Council that the actual out-turn of £248,000 is contributed to the Organisational Development Reserve, funding the transformation programme

2.2 To note the report and appendix but not contribute £248,000 to the Organisational Development Reserve (leaving it in the General Fund instead).

## **3.0 REASONS FOR RECOMMENDATION(S)**

3.1 To provide timely information to Members on the overall finances of the Council and to make the best use of resources available, anticipating future year's expenditure whilst maintaining the General Fund balance at the appropriate level.

## **4.0 EXPECTED BENEFITS**

4.1 To ensure that Members are updated regularly on the overall Council financial position and to act on any budget amendments required to reflect the out-turn for the year.

## **5.0 IMPLICATIONS**

### **5.1 Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.

### **5.2 Constitution & Legal**

5.2.1 It is the opinion of the Report Author that there are no implications.

### **5.3 Contracts**

5.3.1 It is the opinion of the Report Author that there are no implications.

### **5.4 Corporate Priorities**

5.5.1 It is the opinion of the Report Author that there are no implications.

### **5.5 Crime and Disorder**

5.5.2 It is the opinion of the Report Author that there are no implications.

### **5.6 Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the Report Author that there are no implications.

## 5.7 Financial

5.7.1 The report is of a financial nature and the financial implications are included in the report & appendix.

## 5.8 Health & Wellbeing

5.8.1 It is the opinion of the Report Author that there are no implications.

## 5.9 Risk Management

5.9.1 Risks are highlighted within the appendix

## 5.10 Staffing

5.10.1 It is the opinion of the Report Author that there are no implications.

## 5.11 Stakeholders / Consultation / Timescales

5.11.1 Budget holders have been consulted on their out-turn against budgets and the reasons behind any major variances.

## 5.12 Other

5.12.1 N/A

## 6.0 WARDS/COMMUNITIES AFFECTED

6.1 N/A

## 7.0 ACRONYMS

7.1 ARP – Anglia Revenues Partnership  
MRF – Materials Recycling Facility  
MTFP – Medium Term Financial Plan  
NNDR - National Non-Domestic Rates  
NPDO – Non Profit Distributing Organisation  
S31 – Section 31 of the Local Government Act 2003  
SHDC – South Holland District Council

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Background papers:- [See The Committee Report Guide](#)

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### Lead Contact Officer

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<b>Key Decision:</b>	No
<b>Exempt Decision:</b>	No

### This report refers to Mandatory & Discretionary Services

#### Appendices attached to this report:

Appendix 1 - Quarter 4 financial performance report 2014-15