

BRECKLAND DISTRICT COUNCIL

Report of: Ellen Jolly, Executive Member for Finance & Democratic Services

To: CMT, 20 July 2015
Strategy Board, 7 September 2015
Cabinet, 22 September 2015

(Author: Julie Kennealy, Executive Director Commercialisation)

Subject: Quarter 1 financial performance report 2015-16

Purpose: This report provides information on the forecast full year financial position of the Council as at 30 June 2015.

Recommendation(s):

- 1) That the report and appendix be noted
- 2) That the revenue virements in section 1 of the appendix be approved
- 3) That the capital virement in section 2 of the appendix be approved

1.0 BACKGROUND

1.1 This report and appendix to Cabinet provides information on the forecast full year financial performance for 3 separate areas; revenue, capital and treasury.

1.2 The figures included in this quarter 1 report provide information on costs and income to date and expected costs and income, informing a revised forecast of our budget requirements for the remaining year.

1.3 Revenue

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

- At this early stage in the year the revenue budgets are forecasting an above budget spend of £39k (0.3%), the main reasons for the variances are detailed in the appendix.
- The council tax base is higher than budgeted, thus generating a surplus on the council tax collection fund. A mid year forecast will be carried out after quarter 2 to give a better forecast of the full year effect.
- The retained business rates scheme is forecast to be as budget but this is subject to change as the year progresses. Additional renewable energy income is forecast for this year of £77k, however this is accounted for in future years due to the accounting rules

Recurring savings have been identified and if agreed by the Director and budget holder will be removed from service based budgets in all years. At the time of this report these budgets have not yet been removed, so future quarterly reports are likely to refer to these on-going savings as they are removed with options for utilising the savings.

1.4 Capital

At this early stage in the year, budget holders have forecast a full years spend, however this is unlikely to be the final position at the end of the year, particularly as there are still £2.3m of projects where funding is not yet released but some of these projects are currently being scoped. As the year moves on and projects progress the expected out-turn will be updated and reported to Members.

1.5 Treasury

Cash investments continue to be made short term and available cash will reduce this year as the capital programme spends. Additional interest is forecast at this stage in the year, although alternative investments are being explored with a view to carrying out alternatives to cash investments to generate additional yields.

2.0 OPTIONS

2.1 To approve recommendations 1 to 3 above.

2.2 To approve some or none of recommendations 1 to 3 above.

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.

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

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

5.5 Crime and Disorder

5.5.1 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
NNDR - National Non-Domestic Rates
SHDC – South Holland District Council

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

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Key Decision: No

Exempt Decision: No

This report refers to Mandatory & Discretionary Services

Appendices attached to this report:

Appendix Quarter 1 financial performance report 2015-16