

BRECKLAND DISTRICT COUNCIL

Report of: Councillor Phillip Cowen, Executive Member for Finance Revenues and Benefits

To: Cabinet, 20 September 2021

Author: Alison Chubbock, Assistant Director Finance

Subject: Quarter 1 Financial Performance Report 2021-22

Purpose: This report provides information on the forecast full year financial position of the Council as at 30 June 2021

Recommendation(s):

- 1) That the report and appendix be noted.

1.0 BACKGROUND

1.1 Throughout the year quarterly monitoring reports are completed forecasting the expected year end out-turn against the budgets. This report provides information on the forecast full year financial performance for revenue, capital and treasury, with the detail being included in the attached appendix.

1.2 Revenue

The full year out-turn based on current projections at this early stage of the year is an above budget spend within services of £388k, which increases to £531k when the efficiencies are included. These forecasts are based on information held at quarter one and are therefore subject to change as the year progresses. Full details of variances are shown in appendix A.

Progress against achieving our efficiencies has been strong in the first quarter, with £285k (49%) achieved to date. Some of the remaining target will not be achieved until next financial year, but where this is the case alternative efficiencies will be sought to offset. Work is continuing to realise the remaining target before the end of the year.

1.3 When the budget was set, we allocated £500k of the general Government Covid grant to services, leaving £231k to offset general additional costs across the Council. These cost pressures were not known at the time as the impacts of the Covid pandemic cannot easily be forecast.

1.4 We are in discussions with colleagues at Norfolk County Council to utilise COMF (Control Outbreak Management Fund) budget for our new cost pressures in this area and the outcome of this will be included in the quarter 2 report.

1.5 Capital

The forecast out-turn shows spend of £16,205k (65%) against the budget and appendix A details the main variances. Below budget spend of £9,076k is requested to be carried forward as the projects will run into future years, these carry forward requests will be included in the budget setting report to Council in February 2022 and £7,100k of this relates to grant funded projects.

1.6 **Treasury**

The investment interest budget is forecasting below budget income of £142k as detailed in the appendix to this report. This partly relates to external loans to a 3rd party which are still expected to be made, but the timing is later than when budgeted. Alongside the reduced interest rate environment we are currently operating in.

2.0 **OPTIONS**

2.1 That the report and appendix be noted .

2.2 Do nothing.

3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 To provide timely information to Members on the overall financial position of the Council, enabling resource re-allocation to priorities where necessary and protecting the General fund balance.

3.2 To enable approved capital projects to continue to deliver in the new financial year.

4.0 **EXPECTED BENEFITS**

4.1 To ensure Members are updated regularly and in a timely fashion on the overall Council financial position.

4.2 To make the best use of the funding available to the Council and to protect the General fund minimum balance.

5.0 **IMPLICATIONS**

In preparing this report, the report author has considered the likely implications of the decision - particularly in terms of Carbon Footprint / Environmental Issues; Constitutional & Legal; Contracts; Corporate Priorities; Crime & Disorder; Data Protection; Equality & Diversity/Human Rights; Financial; Health & Wellbeing; Reputation; Risk Management; Safeguarding; Staffing; Stakeholders/Consultation/Timescales; Transformation Programme; Other. Where the report author considers that there may be implications under one or more of these headings, these are identified below.

5.2 **Corporate Priorities**

5.1.1 The Council's budget and associated spend supports the Council's priorities.

5.3 **Financial**

5.2.1 The report and appendix are financial in nature and include the financial implications.

5.8 **Risk Management**

5.3.1 Financial risks are included within the report.

5.9 **Stakeholders / Consultation / Timescales**

5.4.1 Budget holders have been consulted on their variances and the reasons for those variances.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 N/A

7.0 ACRONYMS

- 7.1 DFG – Disabled Facilities Grant
- 7.2 LIBID - London Inter-Bank Bid Rate.
- 7.3 NNDR – National Non-Domestic Rates
- 7.4 COMF – Control Outbreak Management Funding

Background papers:- [See The Committee Report Guide for guidance on how to complete this section](#)

Lead Contact Officer

Name and Post: Alison Chubbock, Assistant Director Finance
Telephone Number: 07967 325037
Email: alison.chubbock@breckland.gov.uk

Key Decision: No

Exempt Decision: No

This report refers to Mandatory Service and Discretionary Services

Appendices attached to this report:

Appendix A Forecast financial report for 2021-22 full year.