

BRECKLAND DISTRICT COUNCIL

Report of: Councillor Phillip Cowen, Executive Member Finance

To: Cabinet, 28 November 2017

(Author: Christine Marshall, Executive Director Finance)

Subject: Quarter 2 Financial Performance Report 2017-18

Purpose: This report provides information on the forecast full year financial position of the Council as at 30 September 2017 and progress to date on the Moving Forward transformation programme

Recommendation(s):

- 1) That the report and appendix is 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 as at 30 September 2017 for revenue, transformation, capital and treasury, with the detail being included in the attached appendix.

1.2 Revenue

The overall forecast above budget spend is £215k.

The major variances identified are:

- Efficiencies within services not yet achieved £241k – a section on the moving forward programme is included in the appendix.
- Additional NNDR levy payable of £105k due to above budget NNDR income (which is credited in the next financial year).
- £95k below budget contribution from reserve from last financial year.
- Above budget grant income of £152k relating to housing benefit grants, new homes bonus returned funding and NNDR grants which offset mandatory reliefs.
- Below budget Housing Benefit Grant costs of £54k.

1.3 Moving Forward Transformation Programme

This programme has delivered savings of £945k (73%) against a target of £1,290k. The programme has been flexed in this year's budget to reflect the latest positions of project time frames and will continue to be adjusted throughout the programme as necessary. Overall the programme has achieved efficiencies of £1,067k by 2020-21 and these have already been included in the approved budgets. As time progresses, it becomes more important that these projects begin on time, to deliver the higher levels of savings required in subsequent years and this is monitored through the transformation boards.

1.4 Capital

The forecast out-turn shows spend of £6,496k (70%) against the budget at this early stage of the year. Of the £2,822k under spend, the majority is requested to be carried forward into next year and this will be addressed as part of budget setting.

1.5 **Treasury**
The interest income is forecast as £101k above budget for the year as a result of loans to 3rd parties being for a longer duration than initially budgeted.

2.0 **OPTIONS**

2.1 That the report and appendix be noted.

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.

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.

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; 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.

5.1 **Corporate Priorities**

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

5.2 **Financial**

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

5.3 **Risk Management**

5.3.1 Risks are included within the report.

5.4 **Stakeholders / Consultation / Timescales**

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

5.5 **Transformation Programme**

5.5.1 The transformation programme is intrinsically linked to the Council's budget and this report includes progress on the Moving Forward programme to date.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 N/A.

7.0 **ACRONYMS**

7.1 LIBID - London Inter-Bank Bid Rate.

7.2 NNDR – National Non-Domestic Rates

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

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Key Decision: No

Exempt Decision: No

This report refers to Mandatory and Discretionary Services

Appendices attached to this report:

Appendix A Forecast financial Report for 2017-18 full year