

**Finance Monitoring Quarter 3 2015/16**

<b>Relevant Portfolio Holder</b>	Councillor John Fisher, Portfolio Holder for Corporate Management.
<b>Relevant Head of Service</b>	Jayne Pickering
<b>Wards Affected</b>	All Wards
<b>Ward Councillor Consulted</b>	N/A
<b>Non Key Decision</b>	

**1. SUMMARY OF PROPOSALS**

This report details the Council's final financial position for both General Fund Revenue for the period April – December 2015 (Quarter 3 2015/16)

**2. RECOMMENDATIONS**

The Executive Committee is asked to:

- 1) RECOMMEND that the HRA capital budget for 2016/17 is increased by £60k to £160k for a Demand Case Management IT system, funded by HRA reserves, and
- 2) RESOLVE that the current financial position on Revenue and Capital as detailed in the report be noted.

**3. KEY ISSUES**

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members can make informed and considered judgement of the overall position of the Council. The report reflects the financial position across the Strategic Purposes to enable Members to be aware of the level of funding attributed to these areas. This following summary shows the financial position for revenue funding for the period April – December 2015.

**EXECUTIVE COMMITTEE**

8<sup>th</sup> March 2016

<p><b>Revenue Budget Summary – Overall Council Financial Year 2015/16</b></p>
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3.3 Internal recharges have not been included in these figures to allow comparison for each service area. However Support costs have been included.

Strategic Purpose	Annual budget £'000	Budget to date £'000	Actuals to date £'000	Variance to date £'000	Projection £'000	Projected Variance £'000
Keep my place safe and looking good	4,216	4,012	3,912	-100	4,055	-161
Help me run a successful business	-82	-188	-197	-8	-88	-6
Help me be financially independent	377	402	368	-35	326	-50
Help me to live my life independently	411	195	226	31	442	31
Help me find somewhere to live in my locality	1,379	1,009	960	-49	1,299	-80
Provide Good things for me to see, do and visit	2,217	1,710	1,779	70	2,275	58
Enable others to work/do what they need to do (to meet their purpose)	6,824	5,588	5,486	-102	6,730	-95
<b>Totals</b>	<b>15,343</b>	<b>12,728</b>	<b>12,534</b>	<b>-193</b>	<b>15,039</b>	<b>-303</b>
<b>Minimum Revenue Provision ( Borrowing Costs)</b>	<b>1,057</b>	<b>1,057</b>	<b>933</b>	<b>-124</b>	<b>933</b>	<b>-124</b>

**Financial Commentary:**

For the period April to December 2015 there is an overall underspend showing which is then forecast to a significant saving by the end of the financial year. This relates partly due to essential spend only across the council following the financial settlement announcement, together with vacancies and additional income generated in a number of services. In addition to the overall general underspend of £303k it is anticipated there will be a saving on our borrowing costs of £124k due to slippage on the capital programme.

**EXECUTIVE COMMITTEE**

8<sup>th</sup> March 2016

<p><b>Capital Budget Summary – Overall Council Financial Year 2015/16</b></p>
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3.3 Internal recharges have not been included in these figures to allow comparison for each service area. However Support costs have been included.

Strategic Purpose	Annual budget £'000	Budget to date £'000	Actuals to date £'000	Variance to date £'000	Projection £'000	Projected Variance £'000
Keep my place safe and looking good	4,713	3,535	3,339	-196	3,885	-828
Help me run a successful business	12	9	8	-1	10	-2
Help me be financially independent	0	0	0	0	0	0
Help me to live my life independently	887	665	508	-157	632	-255
Help me find somewhere to live in my locality	9,611	7,333	6,575	-759	9,611	0
Provide Good things for me to see, do and visit	133	100	17	-83	137	4
Enable others to work/do what they need to do (to meet their purpose)	230	190	140	-50	230	0
<b>Totals</b>	<b>15,586</b>	<b>11,832</b>	<b>10,587</b>	<b>-1,246</b>	<b>14,505</b>	<b>-1,081</b>

**Financial Commentary:**

The capital expenditure in the third quarter of the financial year 2015/16 shows that most projects are currently work in progress.  
There will be requests made to carry budgets to next financial year within the strategic purpose 'keep my place safe and looking good' on the Crematorium Enhancements and the town landscape scheme due to due to works not being able to take place in the winter months.

# **EXECUTIVE COMMITTEE**

8<sup>th</sup> March 2016

## **Treasury Management**

- 3.4 The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally treasury management practices are followed on a day to day basis.

## **Credit Risk**

- 3.5 Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers. Credit risk is minimised by use of a specified list of investment counterparty criteria and by limiting the amount invested with each institution. The Council receives credit rating details from its Treasury Management Advisers on a daily basis and any counterparty falling below the criteria is removed from the list.
- 3.6 At 31<sup>st</sup> December 2015 short term investments held comprised:

	<b>31<sup>st</sup> Dec 2015 £'000</b>
Deposits	5,000
<b>Total</b>	<b>5,000</b>

## **Income from investments**

- 3.7 An investment income target of £25k has been set for 2015/16 using a projected rate of return of 0.25 %.

## **General Fund Balances**

- 3.8 The General Fund Balance as at the 31<sup>th</sup> March 2015 was £2.005m. Should the projected savings be made in the financial year as forecast the revised balance will be £2.432m

## **Legal Implications**

- 3.9 No legal implications have been identified.

## **Service/Operational Implications**

- 3.10 Budget holders manage their financial position on a monthly basis to ensure that services are delivered within the financial budget allocated to each area.

# **EXECUTIVE COMMITTEE**

8<sup>th</sup> March 2016

## **Customer / Equalities and Diversity Implications**

- 3.11 In delivering a robust financial framework the Council can deliver services to all members of its community..

## **4. RISK MANAGEMENT**

The robust and accurate financial monitoring is a key area within the Council that is managed to ensure any risks are mitigated.

## **5. APPENDICES**

Appendix 1 – Strategic purposes financial position April – December 2015

## **6. BACKGROUND PAPERS**

None.

## **AUTHOR OF REPORT**

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