

**Finance Monitoring Quarter 1 16/17**

<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, Capital and Housing Revenue Account (HRA) for the period April – June 2016 (Quarter 1 2016/17).

**2. RECOMMENDATIONS**

**The Executive Committee is asked to RESOLVE**

- 2.1 That Executive Committee note the current financial positions for the quarter April – June 2016 as detailed in the report.

**3. KEY ISSUES**

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members have relevant information to consider the overall financial position of the Council. The report reflects the finances across the Strategic Purposes to enable Members to be aware of the level of funding attributed to these areas and how this compares to budget. The summary at 3.3 shows the financial position for revenue funding for the period April – June 2016. A projected position to the end of the financial year 2016/17 will be reported as part of the quarter 2, April – September report.
- 3.2 The information at Appendix 1 shows the breakdown of the Strategic Purposes to detail the services that have been included in each Purpose. The aim is to demonstrate the individual services that link to the overall strategic funding position.

<p><b>Revenue Budget Summary – Overall Council Financial Year 2016/17</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
Keep my place safe and looking good	5,471	1,370	1,301	-69
Help me run a successful business	-116	-9	17	27
Help me be financially independent	558	-156	-187	-31
Help me to live my life independently	410	-125	-139	-14
Help me find somewhere to live in my locality	1,202	301	260	-40
Provide Good things for me to see, do and visit	1,466	519	571	52
Enable others to work/do what they need to do (to meet their purpose)	7,843	1,826	1,841	15
<b>Totals</b>	<b>16,834</b>	<b>3,725</b>	<b>3,665</b>	<b>-61</b>

**Financial Commentary:**

There are a number of variances within the first quarter on the financial year 2016/17 which currently result in a £61k saving to budget. These include additional income received for services provided and managed vacant posts. These savings are partially offset by shortfalls in income on the Leisure centres and golf course together with efficiency targets that are due to be delivered later in the financial year.

**EXECUTIVE COMMITTEE**

13<sup>th</sup> September 2016

<p><b>Capital Budget Summary – Overall Council Financial Year 2016/17</b></p>
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3.4 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
Keep my place safe and looking good	4,166	1,042	967	-74
Help me to live my life independently	987	247	216	-31
Help me find somewhere to live in my locality	9,807	2,452	2,347	-105
Provide Good things for me to see, do and visit	505	126	126	0
Enable others to work/do what they need to do (to meet their purpose)	100	25	0	-25
<b>Totals</b>	<b>15,565</b>	<b>3,891</b>	<b>3,657</b>	<b>-234</b>

**Financial Commentary:**

There are a number of small underspends in the first quarter due to timing of projects commencing. It is anticipated that the capital expenditure will be on target to budget for the financial year.

**3.5 Housing Revenue Account**

Appendix 2 details the financial position for the Housing Revenue Account (HRA) for the period April – June 2016. The income shows a shortfall of £58k due to the increase in the number of Right to Buy sales. However this is offset partially by the £17k increase in non-dwelling rent income is due to higher than expected garage lettings.

The overall shortfall in income of approximately £31k is offset entirely by the management of vacant posts together with a reduction in materials costs for repairs and maintenance.

## **EXECUTIVE COMMITTEE**

13<sup>th</sup> September 2016

### **Treasury Management**

- 3.6 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**

- 3.7 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.
- 3.8 At 30<sup>th</sup> June 2016 there were no short-term investments held by the Council.

### **Income from investments**

- 3.9 An investment income target of £4k has been set for 2016/17 using a projected rate of return of 0.25 %.

### **General Fund Balances**

- 3.10 The General Fund Balance as at the 31<sup>th</sup> March 2016 is £2.024m subject to audit. A balanced budget was approved in February 2016 to include identified savings which have been built into individual budget allocations. This also included a planned use of balances for 2016/17 of £477k.

### **Legal Implications**

- 3.11 No Legal implications have been identified.

### **Service/Operational Implications**

- 3.12 Managers meet with finance officers on a monthly basis to consider the current financial position and to ensure actions are in place to mitigate any overspends.

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

- 3.13 No direct implications as a result of this report.

## **4. RISK MANAGEMENT**

The financial monitoring is included in the corporate risk register for the authority.

**EXECUTIVE COMMITTEE**

13<sup>th</sup> September 2016

5. **APPENDICES**

Appendix 1 – Strategic purposes financial position April – June 2016/17  
Appendix 2 – HRA Monitoring April – June 2016/17

6. **BACKGROUND PAPERS**

None.

**AUTHOR OF REPORT**

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