



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	26 NOVEMBER 2015
REPORT OF THE:	FINANCE MANAGER (s151) PETER JOHNSON
TITLE OF REPORT:	REVENUE BUDGET MONITORING
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 To present to members a revenue budget monitoring report for 2015/16.

2.0 RECOMMENDATION

2.1 It is recommended that members note the content of the report.

3.0 REASON FOR RECOMMENDATION

3.1 To ensure members are kept informed of the Council's financial position (in year).

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks in receiving this report.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 This report is in line with existing policies. No further consultation has taken place on the content of this report.

REPORT

6.0 REPORT DETAILS

6.1 Members regularly receive in year monitoring of the Council's financial position. This is important as part of the budget monitoring process and also allows members to be aware of potential issues in setting subsequent budgets. This report provides an in year position as at the 30 September 2015.

6.2 Attached at Annex A is a summary of the significant variances within the Council's

revenue accounts in the current year, 2015/16. This report is predominately derived from the information contained within the Financial Management Information (FMI) reports plus additional significant budgets within the Authority. FMI reports are considered at each Resources Working Party meeting and are also available to view through Covalent.

- 6.3 Members will see that there is a projected deficit for the Revenue Budget of £68k for the full year. The adverse variance is due to a number of key factors which are shown in detail in Annex A and referred to in para.6.4. The overall impact on the closing balances of the Council's Reserves is shown in Annex A lines 22 to 26.
- 6.4 The following are additional comments on the Annex:
- (i) Expenditure on salaries is forecast to outturn below budgeted levels, largely as a result of vacant posts and the voluntary redundancy process;
 - (ii) The cost of the current round of Voluntary redundancies is estimated to be £190k, this will be funded from the Restructure Reserve.
 - (iii) Planning consultancy and associated legal costs is forecast to significantly exceed budget largely as a result of an increase in appeals and a Judicial Review;
 - (iv) Overall, actual income levels are performing well against target, however income from Dry Recyclates has reduced significantly as a result of a fall in market prices.
- 6.5 Retained Business Rates income is likely to be below target as a result of successful in year appeals. In line with regulations, the estimated deficit in business rates in 2015/16 will be a charge against the 2016/17 budget. The impact of these regulations will be dealt with through reserves.
- 6.6 The Council is in the process of negotiating a final award of costs in respect of a recent Judicial Review decision. A payment on account of £50k has been made, the award of costs will be met from the Improvement, Contingency and Emergency Fund.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
There are no financial implications arising out of this report.
 - b) Legal
There are no new legal issues arising out of this report.
 - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
There are no significant issues arising out of this report.

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Background Papers:None.