

Appendices: 6



AUDIT COMMITTEE REPORT

Report Title	Financial Monitoring Report
---------------------	------------------------------------

AGENDA STATUS: PUBLIC

Audit Committee Meeting Date:	29 July 2013
Policy Document:	No
Directorate:	Resources
Accountable Cabinet Member:	Cllr Alan Bottwood

1. Purpose

- 1.1 To present Committee with the financial position to 31 May.
- 1.2 To update Committee on car parking income and usage to 31 May.
- 1.3 To update Committee on the position regarding the Council's outstanding debts as at 30 June.

2. Recommendations

- 2.1 To consider the contents of the following finance reports:
 - General Fund Revenue Monitoring (Appendix 1);
 - General Fund Capital Monitoring (Appendix 2);
 - HRA Revenue Monitoring (Appendix 3);
 - HRA Capital Monitoring (Appendix 4).
- 2.2 To note the position on car parking income and usage as at 31 May (Appendix 5).
- 2.3 To note the latest position in relation to the Council's outstanding debts as at 30 June (Appendix 6).

- 2.4 To consider whether Committee requires any additional information in order to fulfil its governance role.
- 2.5 To note that the financial position to 31 May here presented is prior to the transfer of support service functions to LGSS. Following the transfer of functions on 1 June, budgets have been realigned which will be reflected in future reports to Committee.

3. Issues and Choices

3.1 Report Background

- 3.1.1 A Finance and Performance report is presented to Cabinet quarterly (including the outturn report). Finance reports are published monthly on the intranet except at the beginning, and during the final months, of the financial year.
- 3.1.2 Committee has asked to receive these reports which are brought to the first available meeting following their production.
- 3.1.3 Committee has also asked for more detailed information regarding car parking income and usage, and debt recovery.

3.2 Issues

- 3.2.1 The Council's revenue and capital position as at 31 May 2013 (Period 2) is set out in Appendices 1-4.
- 3.2.2 Significant variances at this point in the year are as follows:
- 3.2.2.1 General Fund Revenue – £29k adverse

Note: for ease of understanding adverse variations (i.e. additional costs or reductions income) are shown without brackets, while favourable variations (increased income or cost savings) are shown within them.

- Car Parking £117k forecast shortfall in income, since daily ticket income is £33k less than estimated for the first two months of the year. This is within the level of an earmarked reserve for potential drawdown.
- Debt financing £100k overspend mainly due to a fall in available investment interest rates in recent months This shortfall can be met from the debt financing earmarked reserve, which was specifically set up to deal with the budgetary risks of fluctuations in interest rates.
- Asset Management (£23k) underspend mainly due to vacant posts
- Other Buildings and Land £53k shortfall in rental income due to vacant premises either waiting to be re-let or being marketed for disposal. This is within the level of an earmarked reserve for potential drawdown.
- Development Control £24k overspend on employees due to vacancy factor not being met.
- Legal (£26k) additional income forecast in respect of land charges.
- Community Centres £20k overspend on agency staff required to maintain the community centres that have yet to be transferred to a third party.

- 3.2.2.2 HRA Revenue – (£16k) favourable

- Vacancies within Repairs and Maintenance (£36k), partially offset by £15k increase in Council Tax on void properties due to changes in legislation.

3.2.2.3 Capital Programme - On Programme

- There are currently no variations to the capital programme forecast.

3.2.3 Appendix 5 shows the monthly levels of car parking usage and income to 31 May.

3.2.4 The managed debt analysis and commentary to 30 June are shown at Appendix 6.

3.3 Choices (Options)

3.3.1 None

4. Implications (including financial implications)

4.1 Policy

4.1.1 There are no specific policy implications arising from this report.

4.2 Resources and Risk

4.2.1 Ongoing monitoring of the Council's budget and capital programme enables early intervention and appropriate remedial action, thus mitigating risks to the Council's financial viability and to its reputation.

4.3 Legal

4.3.1 There are no specific legal implications arising from this report.

4.4 Equality

4.4.1 There are no specific equalities implications arising from this report.

4.5 Consultees (Internal and External)

4.5.1 None at this stage.

4.6 How the Proposals deliver Priority Outcomes

4.6.1 Regular reporting of the Council's financial position helps to ensure the proper stewardship of the Council's resources. Active financial management contributes to the delivery of value for money services, enabling public money to be used to maximum benefit.

4.7 Other Implications

4.7.1 Not applicable

5. Background Papers

None

Glenn Hammons
Section 151 Officer, Telephone 01604 366521