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## **BUDGET MONITORING REPORT 2015/16**

To: **Cabinet – 30 July 2015**

Main Portfolio Area: **Financial Services and Estates**

By: **Cllr John Townend, Portfolio Holder for Financial Services and Estates**

Classification: **Unrestricted**

Ward: **All**

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**Summary:** **To inform Cabinet of the latest budget monitoring position against the General Fund, Housing Revenue Account and capital programme for 2015/16.**

### **For Decision**

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#### **1.0 Introduction**

1.1 This report enables Cabinet to take an informed view of the likely financial out-turn for the General Fund, as well as the likely outturn on the Housing Revenue Account and Capital Programme for 2015/16. The report summarises the key issues, with the detail being provided in the annexes.

#### **2.0 Summary Outturn Position for the General Fund 2015/16**

2.1 Monitoring has now been undertaken for the first quarter to 30 June of the financial year 2015/16 and a breakeven position is anticipated. However, in achieving a breakeven position emerging pressures such as the on-going delivery of savings factored in as part of the 2015/16 Budget Build and the restructuring of Front Line Services have been assumed to be containable within existing resources. A more detailed budget monitoring report will be brought to Cabinet for Qtr. 2 in November covering the period to the end of September 2015.

2.2 As indicated above savings factored in as part of the 2015/16 Budget Build will need to be carefully monitored in order to ensure that they are delivered as expected. With only three months monitoring data it is too early to know with certainty the outturn position, however the current position will be carefully monitored over the coming months and corrective action will be taken if necessary to bring it back to a balanced budget position.

#### **3.0 General Fund Detail By Directorate:**

##### **Chief Executive**

3.1 There are no major variances to report at this time.

## Operational Services

3.2 There are no major variances to report at this time, however:

- Within Maritime, the Manager of this Service is accommodating reduced Windfarm activity and the on-going impact of not having a Ferry Operation in place whilst looking to deliver within budget by year end, any variance here will be covered from the Maritime Reserve.
- There remains pressures to deliver the new look Frontline Service and work continues to ensure that this remains within budget.

## Director of Community Services

3.3 There are no major variances to report at this time:

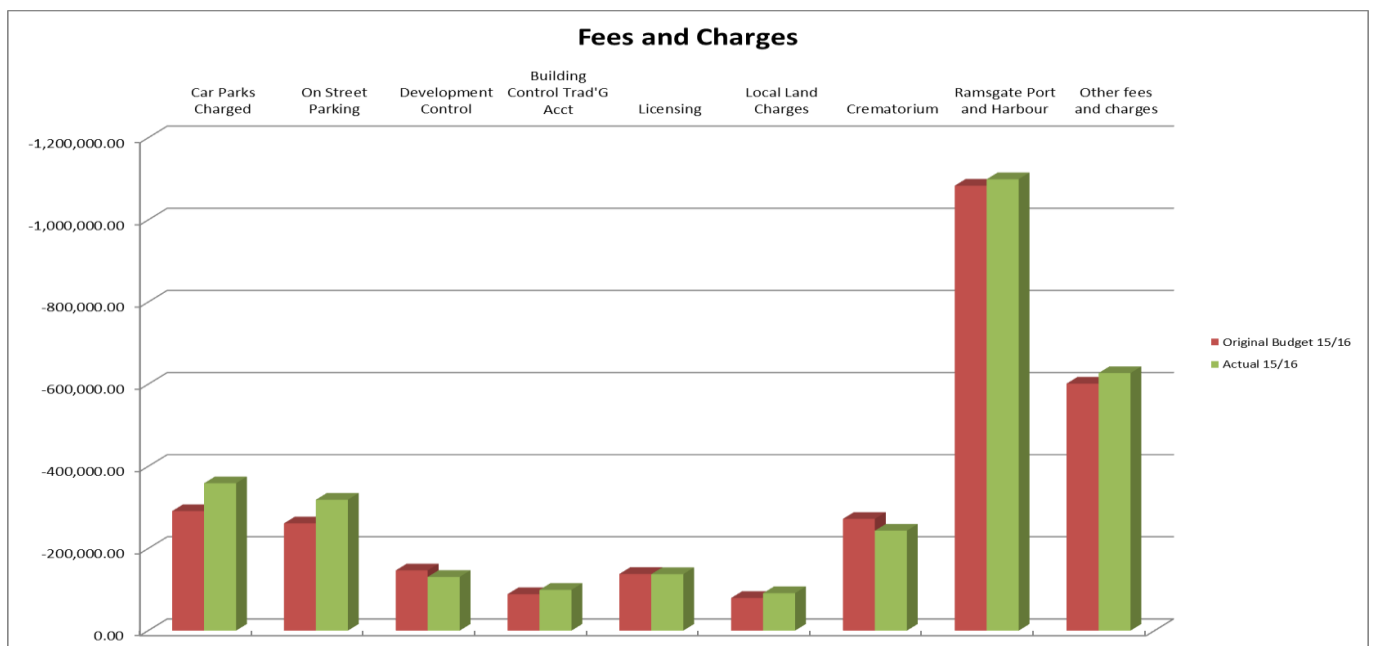
## Director of Corporate Resource

3.4 There are no major variances to report at this time:

## General

3.5 Between now and September, Financial Services will work with Managers to ensure that they are on target to deliver balanced budgets and that the impact if any, is monitored managed and reported. This will include supporting the on-going change programme within Frontline Services to deliver the new look Recycling and Waste Service.

## 4.0 Fees and charges trends up to end of June 2015



4.1 Currently Fees and Charges appear on target for the year based on Quarter 1, these will continue to be monitored over the balance of the year and any variance will be reported accordingly.

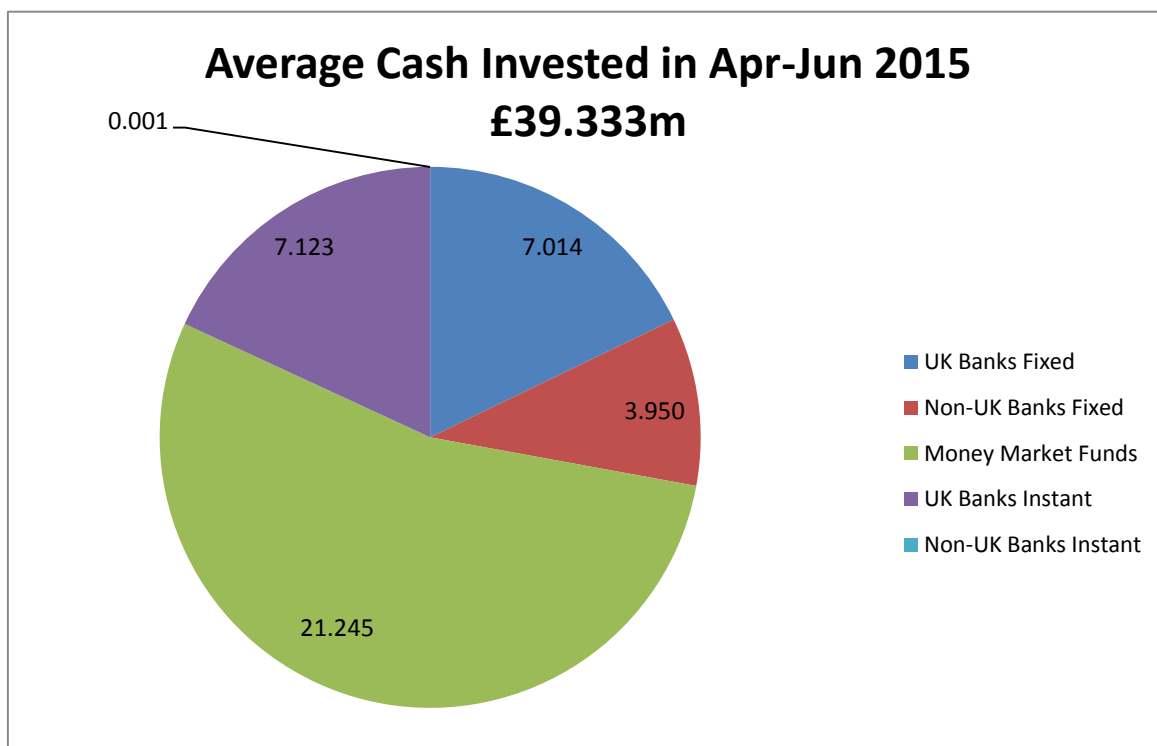
## 5.0 Reserve Movements

5.1 To deal with unforeseen current and future costs of the various phases of Dreamland's regeneration, £240k underspend in relation to the minimum revenue provision and £161.5k from the un-ring fenced grants reserve require reallocation to the Dreamland Reserve.

## 6.0 Treasury Management for Quarter 1 (June 2015)

### 6.1 Key Highlights

- The average Apr-Jun cash balance invested was £39.333m (Q4 2014/15: £38.228), ranging from £33.400m to £48.099m. The cash balance invested at the end of Jun was £35.879m.
- Investment interest income for the three months to the end of Jun was £0.048m, at an average rate of 0.49%.



## 7.0 Housing Revenue Account

7.1 There are no major variances within the HRA Revenue Account to report.

## 8.0 Capital Programme

8.1 Reports on the General Fund and HRA capital programme are detailed in **Annex 1 and Annex 2**.

8.2 General Fund property receipts to the end of June 2015 are as detailed below and have already nearly achieved the set budget for the year.

<b>Property</b>	<b>Amount £</b>
30 Ozengell Place	13,302
1 Ozengell Place	25,823
The Pavilion & Garden on the Sands	460,000
York Gate House	620,000
Land between College Road & Tivoli Road	39,000
Land Covell's Row	33,000
Land adj 84 Margate Road	36,000
4c York Street	84,000
Land Booth Place	83,000
Princes Road Store	34,000
Ramsgate Harbour Slipways Lease	50,000
Less disposal costs	(16,470)
Capital receipts balance	1,461,655

### 8.3 General Capital Investment

The general capital investment programme includes the following major works:

- Dreamland Heritage Park
- Disabled Facilities Grants
- North Thanet Coast Line Capital Sea Wall Construction Scheme

**9.0** Members are asked to agree the budget virements detailed as per **Annex 1** for the General Fund capital programme and **Annex 2** for the HRA capital programme.

### **10.0 Corporate Implications**

#### **10.1 Financial**

10.1.1 The financial implications have been reflected within the body of the report.

#### **10.2 Legal**

10.2.1 Section 151 of the 1972 Local Government Act requires a suitably qualified named officer to keep control of the Council's finances. For this Council, it is the Director of Corporate Resources, Tim Willis, and this report is helping to carry out that function.

### 10.3 Corporate

10.3.1 Corporate priorities can only be delivered with robust finances and this report gives Members the opportunity to review the Council's current position.

### 10.4 Equity and Equalities

10.4.1 There are no equity or equalities issues arising from this report.

### 11.0 Recommendations

11.1 That Cabinet notes the projected outturn position for 2015/16 for the General Fund;

11.2 That Cabinet agrees the reserve movements detailed in 5.1 of this report;

11.3 That Cabinet notes the current Housing Revenue Account position;

11.4 That Cabinet notes the General Fund and Housing Revenue Account Capital Programmes and agree the budget virements detailed as per **Annex 1** and **Annex 2** for the General Fund capital and HRA.

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Reporting to:	Tim Willis, Director of Corporate Resources & S151 Officer

### Annex List

Annex 1	General Fund Capital Programme
Annex 2	HRA Capital Programme

### Background Papers

Title	Where to Access Document
None	N/A

### Corporate Consultation Undertaken

Finance	Matthew Sanham – Corporate Finance Manager Tel. (01843) 577227
Legal	Tim Howes, Interim Head of Legal & Democratic Services and Monitoring Officer
Communications	Hannah Thorpe – Interim Head of Communications