

REPORT TO:		Cabinet	
DATE:		05 June 2019	
PORTFOLIO:		Cllr Joyce Plummer - Resources	
REPORT AUTHOR:		Joe McIntyre Deputy Chief Executive	
TITLE OF REPORT:		Financial Position February 2019 Report for the Year Ending 31 st March 2019	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1. The report informs Cabinet of the financial spending of the Council up to the end of February 2019 and the financial forecast outturn position for the Accounting Year 2018/19.

2. Recommendations

- 2.1. Cabinet notes the report.

3. Reasons for Recommendations and Background

Summary

- 3.1. The financial detail of the report is shown as a table at the end of this document.
- 3.2. The spend for the first 11 months of the financial year to the end of February 2019 is £9,900,378 compared to a Budget of £10,190,518 giving a positive variance of £290,000 over the first 11 months of the year.
- 3.3. The current forecast spend to the end of the financial year in March 2019 is £10,852,000 compared to a Budget of £11,174,000. This forecast produces a

positive variance of £322,000. Parks & Cemeteries and Planning & Transportation are predicting small adverse variances. Town Centre & Markets and Regeneration & Property Services are forecasting larger adverse variances. All other Budget Areas are indicating a surplus position compared to their Budget by the year-end.

Detail

Environmental Services

- 3.4. Food Safety is predicting that net expenditure will be £58,000 less than Budget by the year end. This is due to salary savings of £27,000, £10,000 of miscellaneous cost savings and additional extra income of £21,000.
- 3.5. Waste Services are predicting a positive variance for the financial year of £90,000. This is due to salary savings of £46,000, income up compared to Budget by £14,000 and miscellaneous savings of £30,000.
- 3.6. The Parks & Cemeteries Service is forecasting an adverse variance of £19,000. This is due to a predicted shortfall on the Parks Budget of £49,000, stemming from £6,000 of increased staff costs, as well as £22,000 of lost income on football pitch hire over the year, £6,000 of reduced contribution to Highway Grass Cutting and £4,000 of reduced income from Lancashire County Council as well as £10,000 less income from tree work, along with £3,000 of additional miscellaneous costs. Our Cemetery Service is predicting a net increase of income this year of £25,000 and £15,000 of savings on miscellaneous costs, less £10,000 of increased salary costs.
- 3.7. The Town Centre & Market Budget shows an overall adverse variance of almost £175,000. This is attributable to the continuing economic pressures limiting the generation of funds from the Market Hall in Accrington by £179,000 compared to Budget and other income down £7,000, offset by £9,000 of salary savings and £2,000 of miscellaneous additional costs.

Culture & Leisure Services

- 3.8. Culture and Leisure Services are indicating a positive variance of £40,000, with £41,000 of savings from operational budgets less £1,000 of increased costs at Haworth Art Gallery.

Planning & Transportation

- 3.9. Planning & Transportation are predicting an adverse variance for the year of £13,000. This is due to a predicted shortfall in income compared to budget on Building Control of £59,000, additional staff cost in this area of £17,000 and £3,000 of additional miscellaneous cost. Elsewhere on the Budget there are £38,000 of staff saving and £44,000 of additional income less £16,000 of miscellaneous additional expenditure.

Regeneration & Property Services

- 3.10. Regeneration & Property Services are predicting a negative variance position for the year of £73,000, with income up by £198,000, offset by an extra £16,000 of salary costs and £160,000 of miscellaneous costs, plus £95,000 of additional emergency repairs and maintenance expenditure.

Policy & Corporate Governance

- 3.11. Policy & Corporate Governance are predicting a positive variance of £127,000. This is due to £232,000 of salary savings predicted for the year, less £107,000 of corporate savings, increased income above budget of £253,000, savings on pension expenditure of £138,000, less £155,000 of additional Housing Benefit spend¹ and £234,000 of increased miscellaneous expenditure.

Non Service Items

- 3.12. The current estimate for the year is a positive variance of £288,000.

4. Alternative Options considered and Reasons for Rejection

- 4.1. Not applicable. This report is for information purposes.

5. Consultations

- 5.1. Not applicable

6. Implications

Financial implications (including any future financial commitments for the Council)	As outlined in the report.
Legal and human rights implications	Not applicable
Assessment of risk	Not applicable
Equality and diversity implications	Not applicable

¹ The overall expenditure in this area is around £25m per year and therefore small predicted variances can have a large impact on our overall budget position –this adverse variance is a less than 2% variance from budget.

<p>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</p>	
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7. Local Government (Access to Information) Act 1985: List of Background Papers

Council Meeting 22nd February 2018

General Revenue Budget 2018/19

The report can be found by clicking on this link

[Budget 2018/19](#)

And downloading the relevant PDF from that page.

Budget Monitoring 2018/19

Period 11 Summary - GF Revenue

Description	Y-T-D Period 11			Month 11			Year		
	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £
Environmental Services									
Food Safety	382,649	322,165	60,484	39,178	35,914	3,264	436,084	378,450	57,634
Waste Services	3,133,434	2,944,686	188,748	415,622	261,244	154,378	3,525,009	3,434,968	90,041
Parks & Cemeteries	937,481	960,399	-22,918	80,712	75,441	5,271	1,017,601	1,037,221	-19,620
Town Centre & Markets	180,098	340,384	-160,286	16,373	29,182	-12,809	196,471	371,327	-174,856
Sub-Total Environmental Services	4,633,662	4,567,634	66,028	551,885	401,781	150,104	5,175,165	5,221,966	-46,801
Culture & Leisure	820,652	792,164	28,488	67,013	37,775	29,238	887,665	848,162	39,503
Planning & Transportation	735,953	750,094	-14,141	66,905	49,807	17,098	802,858	816,329	-13,471
Regeneration & Property Services	1,561,018	1,630,653	-69,635	141,911	141,911	0	1,702,929	1,776,089	-73,160
Policy & Corporate Governance	2,992,150	2,957,225	34,925	317,897	317,598	299	3,209,103	3,081,397	127,706
TOTAL General Fund Services	10,743,435	10,697,770	45,665	1,145,611	948,872	196,739	11,777,720	11,743,943	33,777
Non Service Items	-552,917	-797,392	244,475	-50,265	-60,126	9,861	-603,183	-891,521	288,338
TOTAL Net Expenditure	10,190,518	9,900,378	290,140	1,095,346	888,746	206,600	11,174,537	10,852,422	322,115
Contribution (from) / to GF Reserves							-100,000	222,115	
TOTAL Net Requirement							11,074,537	11,074,537	0