

<b>REPORT TO:</b>		Cabinet	
<b>DATE:</b>		03 February 2016	
<b>PORTFOLIO</b>		Cllr Gareth Molineux	
<b>REPORT AUTHOR:</b>		Joe McIntyre, Deputy Chief Executive Resources	
<b>TITLE OF REPORT:</b>		Financial Position 2015/16 Report to end of December 2015	
<b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b>	<b>No</b>	Not applicable	
<b>KEY DECISION:</b>	<b>No</b>	If yes, date of publication:	

## 1. **Purpose of Report**

- 1.1 The Report informs Cabinet of the financial spending of the Council at the end of December 2015 and the prediction of the outturn position to the end of the financial year in March 2016.

## 2. **Recommendations**

- 2.1 Cabinet notes the report and asks the Corporate Management Team to continue to identify savings and generate a surplus on the 2015/16 Budget to assist with future potential financial pressures on the Council.

## 3. **Reasons for Recommendations and Background**

### 3.1 **Summary**

The financial detail of the report is shown as a table at the end of this document.

The spend against Budget in the 8 months of the year is £8,252,089 against a Budget of £8,577,032 leaving a positive variance of just over £324,000.

The forecast spend for the year to 31<sup>st</sup> March 2016 is £11,249,000 against a budget of £11,489,000. This indicates a forecast surplus of almost £240,000 by the end of the financial year. This is a budget surplus of slightly more than 2.0% on the overall activities of the Council for the financial year 2015/16.

There is a small overspend on Parks & Cemeteries. Regeneration & Property Services is predicting a large adverse variance of £162,000. However savings across other Budget areas outstrip these negative variances and the current prediction is for an overall surplus of £240,000 by the end of the financial year.

## **3.2 Detail**

### **Community Services**

Environmental Health is predicting a positive variance of just over £9,000. This is due to £5,000 of extra income and £9,000 of miscellaneous savings less £5,000 of extra salary expenditure.

Waste Services are predicting a surplus of £62,000 due to predicted savings of staff costs of £43,000, savings of £17,000 on fuel costs and savings of £67,000 on vehicle costs. However there are £20,000 of other miscellaneous costs predicted to the end of the year which offset these savings. In addition Waste Services are predicting a decrease in income of £45,000 as a result of the declining price on the sale of recycling materials.

Parks & Cemeteries are predicting an adverse variance for the year of £24,000. This is due to the loss of £20,000 of income less £11,000 of net additional savings on the Parks Budget. The Cemetery Budget is predicting an adverse spend of £15,000 due to £7,000 of extra costs to provide maternity cover at the Cemetery and £12,000 of other additional costs less of £2,000 of additional income and £2,000 saved on fuel costs.

### **Culture & Leisure Services**

Culture & Leisure Services are predicting a positive variance of just over £12,000. This is due to £8,000 of extra income at the Haworth Art Gallery from weddings, a £4,000 saving on staff costs and £7,000 saved elsewhere on budgets. The Leisure Budget has an adverse variance of £7,000 overall comprising £14,000 of extra costs linked to continuing to operate Clayton Civic Hall this year and £2,000 of lost income, offset by £9,000 of savings elsewhere on the Budget.

## **Planning & Transportation**

Planning & Transportation is predicting a positive variance of £52,000. There are £79,000 of staff cost savings and income is predicted to be up by £82,000 by the end of the year. However there are £91,000 of additional external costs for the Budget to meet this year, in relation to the production of the Local Plan, £15,000 of extra costs required to construct additional drainage on a pathway near Norden Playing Fields and £3,000 of extra costs from defending the planning decision at Foxwood.

## **Regeneration & Property Services**

Regeneration & Property Services are predicting an overspend of £162,000 by the end of the year. This is due to the loss of £15,000 in grant support to a number of community centres from Lancashire County Council, a predicted shortfall in income of £126,000 on core activities and £70,000 of lost income on empty commercial properties accompanied by £42,000 of rates bills for these empty properties as well as £12,000 of additional miscellaneous costs. These overspends are offset by £103,000 of salary savings predicted for the year.

## **Policy and Corporate Governance**

Policy and Corporate Governance anticipate a positive variance of £188,000. This is due to £159,000 of salary savings expected to be achieved during the year, along with £48,000 of additional income, £15,000 saved on Members Expenses, £12,000 of savings on Audit Fees and other Treasury Management costs, £12,000 saved on historic Pension contributions, less £59,000 of other net additional miscellaneous costs.

## **Non Service Items**

At this point in the year we are predicting a saving of £136,000 on the Budget.

## **Treasury Management**

A Treasury Management Report was provided with the half year report at the Cabinet meeting in October and a further update will be given at the year-end.

### **4. Alternative Options considered and Reasons for Rejection**

4.1 Not applicable

5. **Consultations**

5.1 Not applicable

6. **Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	As outlined in this report
<b>Legal and human rights implications</b>	None
<b>Assessment of risk</b>	None
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	None

7. **Local Government (Access to Information) Act 1985: List of Background Papers**

*Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*

Council Meeting 26<sup>th</sup> February 2015  
General Revenue Budget 2015/16

The report can be found by clicking on this link

[Council Meeting 26th February 2015 General Revenue Budget 2015/16](#)

**And downloading the relevant PDF from that page.**

8. **Freedom of Information**

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.

**Budget Monitoring 2015/16**

**Period 9 Summary - GF Revenue**

Description	Y-T-D Period 9			Month 9			Year		
	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £	Budget £	Forecast £	Variance £
<b>Community Services</b>									
Environmental Health	415,391	407,189	8,202	54,452	50,180	4,272	595,294	586,306	8,988
Waste Services	2,281,768	2,223,760	58,008	325,580	318,100	7,480	3,014,579	2,952,638	61,941
Parks & Cemeteries	870,180	880,872	-10,692	96,687	65,896	30,791	1,160,241	1,183,953	-23,712
Sub-Total Community Services	3,567,339	3,511,821	55,518	476,719	434,176	42,543	4,770,114	4,722,897	47,217
<b>Culture &amp; Leisure</b>	1,030,830	1,023,048	7,782	114,072	112,768	1,304	1,413,735	1,401,460	12,275
<b>Planning &amp; Transportation</b>	627,625	588,456	39,169	69,736	66,659	3,077	836,833	784,402	52,431
<b>Regeneration &amp; Property Services</b>	1,253,185	1,374,388	-121,203	139,243	130,816	8,427	1,670,915	1,833,184	-162,269
<b>Policy &amp; Corporate Governance</b>	2,687,089	2,419,547	267,542	298,566	231,841	66,725	3,582,785	3,395,574	187,211
<b>TOTAL General Fund Services</b>	9,166,068	8,917,260	248,808	1,098,336	976,260	122,076	12,274,382	12,137,517	136,865
<b>Non Service Items</b>	-589,036	-665,171	76,135	-65,448	-75,967	10,519	-785,382	-888,432	103,050
<b>TOTAL Net Expenditure</b>	8,577,032	8,252,089	324,943	1,032,888	900,293	132,595	11,489,000	11,249,085	239,915
Contribution (from) / to GF Reserves							0	239,915	
<b>TOTAL Net Requirement</b>							11,489,000	11,489,000	0