

REPORT TO:		Cabinet	
DATE:		05 December 2018	
PORTFOLIO:		Cllr Joyce Plummer - Resources	
REPORT AUTHOR:		Joe McIntyre Deputy Chief Executive	
TITLE OF REPORT:		Financial Position October 2018 Report for the Year Ending 31 st March 2019	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	Options	Not applicable	
KEY DECISION:	Options	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 October 2018 and the financial forecast outturn position for the Accounting Year 2018/19.

2. Recommendations

- 2.1. Cabinet notes the report and asks that the Corporate Management Team continues to reduce costs and increase income over the remainder of the year to help improve the overall financial position of the Council.

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 7 months of the financial year to the end of October 2018 is £6,206,244 compared to a Budget of £6,223,269 giving a small positive variance of £17,000 over the first seven months of the year.

- 3.3.** The current forecast spend to the end of the financial year in March 2019 is £11,107,000 compared to a Budget of £11,174,000. This forecast produces a positive variance of £67,000. Environmental Services are predicting a positive variance for the year. Culture & Leisure Services are predicting a small adverse variance. There are more significant adverse variances on Planning & Transportation and Regeneration & Property Services along with Policy & Corporate Governance.

Detail

Environmental Services

- 3.4.** Food Safety is predicting that net expenditure will be £38,000 less than budget by the year end. This is due to salary savings of £22,000 and additional extra income of £16,000.
- 3.5.** Waste Services are predicting a small positive variance for the financial year of £12,000. This is due to salary savings of £44,000, additional predicted income of £18,000 less £50,000 of additional miscellaneous costs.
- 3.6.** The Parks & Cemeteries Service is forecasting a negative variance of £17,000. This is due to a predicted shortfall in income on the Parks Budget of £44,000, stemming from £22,000 of lost income on football pitch hire over the year, £4,000 of reduced income from Lancashire County Council and £10,000 less income from tree work, along with £8,000 of additional miscellaneous costs. Our Cemetery Service is predicting a net increase of income this year of £12,000 and £15,000 of savings on miscellaneous costs.

Culture & Leisure Services

- 3.7.** Culture and Leisure Services are predicting an adverse variance of £13,000 due to the costs associated with the continuing ownership of Clayton Civic Hall of £19,000 per year less £7,000 of miscellaneous savings on leisure budgets and savings on salaries at the Haworth Art Gallery of £5,000 offset by £2,000 of increased cost and income from weddings predicted to be £4,000 lower than budget.

Planning & Transportation

- 3.8.** Planning & Transportation are predicting an adverse variance for the year of £39,000. This is due to a predicted shortfall in income compared to budget on Building Control of £50,000, additional staff cost in this area of £15,000 and £5,000 of additional miscellaneous cost. Elsewhere on the Budget there are £34,000 of staff saving and £21,000 of additional income less £24,000 of miscellaneous additional expenditure.

Regeneration & Property Services

- 3.9. Regeneration & Property Services are predicting an adverse variance for the year of £69,000. This is due to the income forecast against budget for the Market Hall indicating an adverse variance of £109,000. Increased income in other areas is forecast to be £189,000 up compared to Budget offset by £58,000 of additional salary costs and other additional expenditure of £91,000.

Policy & Corporate Governance

- 3.10. Policy & Corporate Governance are predicting an adverse variance of £110,000 for the year. This is due to a predicted increase in costs associated with Housing Benefit Payments to customers of £200,000 and a predicted decline in income from the recovery of overpayments of £90,000. 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 1% variance from budget. Elsewhere on the Budget there are savings on salary costs of £148,000 less the Corporate Vacancy Savings Target of £107,000, there is £179,000 of additional income forecast by the end of the year, £52,000 of savings on our pension costs less £92,000 of miscellaneous additional costs.

Non Service Items

- 3.11. The current estimate for the year is a positive variance of £266,000.

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 <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	Not applicable
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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 7 Summary - GF Revenue

Description	Y-T-D Period 7			Month 7			Year		
	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £	Budget £	Actual £	Variance £
Environmental Services									
Food Safety	226,137	169,540	56,597	36,499	23,039	13,460	436,029	397,593	38,436
Waste Services	1,728,239	1,712,828	15,411	318,421	314,401	4,020	3,525,064	3,513,098	11,966
Parks & Cemeteries	619,853	654,135	-34,282	92,202	79,521	12,681	1,017,601	1,035,396	-17,795
Sub-Total Environmental Services	2,574,229	2,536,503	37,726	447,122	416,961	30,161	4,978,694	4,946,087	32,607
Culture & Leisure	552,603	552,886	-283	67,011	65,520	1,491	887,665	901,048	-13,383
Planning & Transportation	468,334	499,125	-30,791	66,905	79,619	-12,714	802,858	842,103	-39,245
Regeneration & Property Services	1,107,983	1,199,575	-91,592	158,283	191,774	-33,491	1,899,400	1,968,930	-69,530
Policy & Corporate Governance	1,871,977	1,924,413	-52,436	534,851	581,099	-46,248	3,209,103	3,318,873	-109,770
TOTAL General Fund Services	6,575,126	6,712,502	-137,376	1,274,172	1,334,973	-60,801	11,777,720	11,977,041	-199,321
Non Service Items	-351,857	-506,258	154,401	-50,265	-83,556	33,291	-603,183	-869,521	266,338
TOTAL Net Expenditure	6,223,269	6,206,244	17,025	1,223,907	1,251,417	-27,510	11,174,537	11,107,520	67,017
Contribution (from) / to GF Reserves							-100,000	-32,983	
TOTAL Net Requirement							11,074,537	11,074,537	