

FINANCE MONITORING REPORT 2015/16

Relevant Portfolio Holder	Councillor Geoff Denaro, Portfolio Holder for Finance and Enabling Services
Relevant Head of Service	Jayne Pickering, Executive Director Finance and Corporate Resources
Non-Key Decision	

1. SUMMARY OF PROPOSALS

To report to Cabinet on the Council's financial position for Revenue and Capital for the period April – June 2015 (Quarter 1 – 2015/16)

2. RECOMMENDATIONS

- 2.1 That Cabinet note the current financial position on Revenue and Capital as detailed in the report.
- 2.2 The 2015/16 Capital Programme is increased by £40k to include a Section 106 funded project for financial support towards the South Bromsgrove High School 3G Astro Turf pitch.

3. KEY ISSUES

- 3.1 This report provides details of the financial information across the Council. The aim is to ensure officers and members can make informed and considered judgement of the overall position of the Council. The report reflects the financial position across the Strategic Purposes to enable Members to be aware of the level of funding attributed to these areas.
- 3.2 This report includes both a summary for revenue and capital expenditure with a summary for the Council followed by the departmental analysis of expenditure detailed appendices showing the areas that link to the Strategic Purposes. A projected outturn will be reported within the April – September report.

<p>Revenue Budget summary Financial Year 2015/16 – Overall Council</p>

3.3 Internal recharges have not been included in these figures to allow comparison for each service area. However Support costs have been included

Strategic Purpose	Annual budget £'000	Budget to date £'000	Actuals to date £'000	Variance to date £'000
Keep my place safe and looking good	4,858	451	554	103
Help me run a successful business	-511	-116	-121	-5
Help me be financially independent	68	410	406	-4
Help me to live my life independently	651	34	10	-24
Help me find somewhere to live in my locality	1,148	256	239	-17
Provide Good things for me to see, do and visit	1,439	231	226	-5
Enable others to work/do what they need to do (to meet their purpose)	6,587	1,593	1,600	7
Totals	14,241	2,859	2,913	54

Financial Commentary:

There are little variances shown within the first quarter. However within 'Keep my place safe and looking good' it is showing a high variance due to development controls income not being achieved and additional resources needed within the Planning Service to process complex applications.

<p>Capital Budget summary Financial Year 2015/16 – Overall Council</p>

Strategic Purpose	Annual budget £'000	Budget to date £'000	Actuals to date £'000	Variance to date £'000
Keep my place safe and looking good	3,387	491	485	-5
Help me run a successful business	10	2	1	-1
Help me be financially independent	17	4	0	-4
Help me to live my life independently	770	140	140	0
Help me find somewhere to live in my locality	293	73	78	5
Provide Good things for me to see, do and visit	7,792	1,983	1,987	4
Enable others to work/do what they need to do (to meet their purpose)	110	27	13	-14
Totals	12,379	2,721	2,705	-16

Financial Commentary:

There is a recommendation for the capital programme to be increased by £40k to enable use of funding from the Oakhalls Grange development to provide funding towards the South Bromsgrove High School 3G Astro Turf pitch. An agreement will be put in place to enable community use of the facility.

All other capital projects are currently in progress.

4. TREASURY MANAGEMENT

- 4.1 The Council's Treasury Management Strategy has been developed in accordance with the Prudential Code for Capital Finance prudential indicators and is used to manage risks arising from financial instruments. Additionally treasury management practices are followed on a day to day basis.
- 4.2 The Council receives credit rating details from its Treasury Management advisers on a daily basis and any counterparty falling below the criteria is removed from the list of approved institutions.
- 4.3 Due to market conditions the Council has reduced its credit risk for all new investments by only investing in the highest rated instruments and has shortened the allowable length of investments in order to reduce risk.
- 4.4 At 30th June 2015 short term investments comprised:

	31st March 2015 £'000	30th June 2015 £'000
Deposits	6,400	3,600
Total	6,400	3,600

Income from investments and other interest

- 4.5 An investment income target of £36k has been set for 2015/16 using a projected return rate of 0.5%. During the past financial year bank base rates have remained 0.5% and current indications are projecting minimal upward movement for the short term.
- 4.6 In the year to 30th June 2015 the Council received income from investments of £8k.

5. REVENUE BALANCES

5.1 Revenue Balances

The revenue balances brought forward at 1 April 2015 were £4.083m

Legal Implications

None.

Service/Operational Implications

All included in financial implications.

Customer / Equalities and Diversity Implications

None as a direct result of this report

7. RISK MANAGEMENT

7.1 Risk considerations covered in the report. There are no Health & Safety considerations

8. APPENDICES

Appendix 1 – Strategic Purposes

9. BACKGROUND PAPERS

Available from Financial Services

AUTHORS OF REPORT

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