

TITLE: BUDGET MONITORING REPORT

Committee: Community Services Committee

Date: 12th September 2018

Author: Finance Manager

[T90]

1. ISSUE

1.1 This report provides Members with details of the financial position for services under the Community Services Committee.

2. RECOMMENDATION(S)

2.1 Members are requested to note that this Committee is currently projected to end the year with a balanced budget, with net spend of £1,623,211.

2.2 Members are further requested to note that the Committee has a projected capital programme outturn of £3,109,562, this being an overspend on the revised budget of £402,595.

3. BACKGROUND/OPTIONS

3.1 Under Financial Regulations each policy committee is required to consider projections of financial performance against both its revenue and capital budget on a quarterly basis.

3.2 This is the first quarter report for the 2018-19 financial year and details actual expenditure incurred as at 30th June 2018 and current projections as to the year-end position.

3.3 The revenue budget for each service that falls under the stewardship of this Committee has been reviewed with appendix 1 detailing the current variance and forecast outturn for each service line.

3.4 The significant variances of actual spend compared to profiled budgeted spend at the end of June are listed below:

Service	Variance £	Explanation
Local Plans	-89,112	Timing issue with the profile, this will be addressed in July 2018.

Depot Services	30,921	Staff within these services remain employees of the Council, and are then seconded to ECTC. Invoices for these staff costs are raised quarterly in arrears and so had not been raised at the time this report was produced.
LATC & Ely Markets	28,844	
Parks & Gardens Team	242,505	
Community Transport	-13,500	Accrual at the end of 2017-18 remains unpaid
Parking of Vehicles	14,735	Awaiting settlement of 2017-18 final account for Littleport Station car park

3.5 The projected net revenue outturn expenditure for this Committee is forecast to be £1,293,211.

3.6 The revised capital budget for this Committee stands at £2,706,967; including £1,482,977 of slippage brought forward from 2017-18.

3.7 The current forecast is that capital spending will be £3,109,562 at yearend. This is an overspend of £402,595 compared to the revised budget as it is now forecast that the Leisure Centre will cost an extra 346,807 mainly as a consequence of delays with a third party getting utilities onto the site. Members will be aware that early on in the build project we had issues with the ground works, which meant that the contingency built in for the project was spent before the major part of the build started. This was therefore a risk. We are currently attempting to recover the additional costs caused by the utility delay from the third party

3.8 Members should note that this overspend will be funded by the use of additional CIL contributions, so it will put no additional burden on the Council's budget. When preparing the original business case for the Leisure Centre, only guaranteed CIL contributions were included, but it was always intended to support the budget with any additional contributions that were achieved during the build stage.

3.9 The overspend on the equipment fit out will be recovered from the operator as part of the management fee, so again will not impact on the Council's budget position

4. FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 The current forecast is for the Committee's revenue expenditure to come in-line with its budget.

4.2 There is a capital overspend of £402,595 compared to this Committee's revised budget.

4.3 Equality Impact Assessment (INRA) not required.

5. APPENDICES

5.1 Appendix 1 – Community Services Committee Budget Monitoring Report – 30th June 2018.

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Budget Monitoring Report Preparation Documents	Room 104 The Grange Ely	Ian Smith Finance Manager Tel: (01353) 616470 E-mail: ian.smith@eastcambs.gov.uk