

REPORT TO	ON
CABINET	13 November 2019



TITLE	PORTFOLIO	REPORT OF
Budget Monitoring 2019/20 - Month 6 (Sept)	Cabinet Member (Finance, Property and Assets)	Interim Section 151 Officer

Is this report a KEY DECISION (i.e. more than £100,000 or impacting on more than 2 Borough wards?)	No
Is this report on the Statutory Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	No
Is this report confidential?	No

PURPOSE OF THE REPORT

1. This report provides an update on the Council's overall financial position as at the end of September 2019, which is quarter 2 of the financial year 2019-20. The report provides a forecast of the projected outturn to 31st March 2020 compared to the current approved budget and explains what the differences are and what impact they will have.

PORTFOLIO RECOMMENDATIONS

2. Cabinet notes, reviews and comments on the contents of this report.

REASONS FOR THE DECISION

3. Robust financial monitoring, including scrutiny and challenging information, is a crucial aspect of running a successful and effective organisation.

EXECUTIVE SUMMARY

4. The overall revenue outturn forecast for 2019/20 is a net budget saving of £515,000 which represents a variance of 3.5% of the total net budget requirement. This is based on actuals to-date and assumptions about spending and anticipated levels of income for the remainder of the financial year.
5. Certain income sources can be assessed with more certainty; for example with Garden Waste and Trade Waste charges the majority of the income is received early in the financial year. Other income is more volatile and therefore the forecasts are more likely to need revising as the year progresses.

6. In the staffing cost forecasts, assumptions have been made in relation to the timing of recruitment to posts which are currently vacant.
7. The forecast variance of £515,000 surplus comprises the following main items:
 - Forecast savings in staffing costs £219,000
 - Increase in income forecast including Garden Waste £158,000 and Investment interest £100,000
 - New income generated from vehicle maintenance contract offset by additional staff costs; net increase in income £73,000
 - Increase in business rates compensatory grant funding (S31 grant) £280,000
 - Offset by: a net cost of £108,000 in relation to the waste contract
 - New budgets approved: Music Festival £75,000; Leisure professional fees £50,000
8. The current capital budgets have been reviewed to establish the forecast outturn expenditure and any re-phasing of schemes into future years. The total capital budget forecast for 2019/20 is £9,398,000, with £5,541,000 potential slippage identified at this stage in the year. Further details are provided in the body of the report and Appendix A (attached).

CORPORATE OUTCOMES

9. The report relates to the following corporate priorities: (tick all those applicable):

Excellence, Investment and Financial Sustainability	✓
Health, Wellbeing and Safety	
Place, Homes and Environment	

Projects relating to People in the Corporate Plan:

Our People and Communities	
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BACKGROUND TO THE REPORT

10. The 2019/20 budget and Medium term Financial Strategy (MTFS) 2019/20 to 2022/23 was approved by full Council on 27th February 2019.
11. The net cost of services revenue budget was £14,484,000. An increase of 1.99% in Council Tax was approved, with a budget income figure of £153,000. After applying other sources of funding as well, there was an overall surplus of £716,000 that was budgeted to be transferred back into the capital funding reserve to help fund the sizeable capital programme.
12. The capital programme totalled £41,383,000 over the next 4 financial years, with a total budget of £12,908,000 in 2019/20.

DETAILS

Revenue Summary

13. In the Quarter 1 budget monitoring report to Cabinet in September, a forecast budget surplus of £680,000 was reported. Cabinet approved the creation of a new budget of £75,000 for hosting a music event in the Borough in summer 2020, to be funded from this forecasted underspend to cash flow the initial phase of the festival preparations. Cabinet also approved the virement of the £150,000 turnover savings target budget to reflect staffing savings achieved in the first period to the end of July 2019. A report on the council's Leisure facilities was presented to Council in September. Council authorised officers to consider future management options for the Leisure centres and an additional budget of £50,000 for professional support fees was approved.
14. Table 1 summarises by directorate the revenue budget variations that are expected to impact on the outturn position at 31st March 2020. The overall forecast is a surplus, compared to the budget, of £515,000. If this surplus was transferred to reserves at the end of the year, which would be the default action if no further spending plans were approved, then the total contribution to reserves would increase from £495,000 to £1,010,000. The 'Current Budget' below includes approved budget changes, virements between budgets and release of budgets brought forward from reserves.

Table 1: Revenue Budget Summary – Quarter 2 forecasts

	Full Year Budget £'000	Current Budget £'000	Forecast Outturn £'000	Forecast Variances £'000
Chief Executive	864	868	931	63
Neighbourhoods & Development	6,484	6,430	6,375	(55)
Planning and Property	488	499	418	(81)
Finance and Assurance	1,405	1,378	1,468	90
Legal, HR & Democratic Services	1,746	1,741	1,690	(51)
Customer Experience & Operations	2,098	2,098	1,923	(175)
Pension Deficit Contributions	414	414	496	82
Staff Turnover Savings	(150)	0	0	0
Net Cost of Services	13,349	13,428	13,301	(127)
Interest payable / receivable	(89)	(89)	(217)	(128)
Parish Precepts	397	397	397	0
Provision for repayment of debt	835	835	831	(4)
Funding Requirement	14,492	14,571	14,312	(259)
<u>Funding:</u>				
New Homes Bonus – City Deal	(879)	(879)	(879)	0
New Homes Bonus – SRBC	(135)	(135)	(135)	0

Retained Business Rates	(3,950)	(3,950)	(3,939)	11
Business Rates Section 31 grant	(1,750)	(1,750)	(2,041)	(291)
Council Tax	(8,328)	(8,328)	(8,328)	0
Contribution to / (from) reserves	550	471	495	24
Total Funding	(14,492)	(14,571)	(14,827)	(256)
Net (Surplus) / Deficit	0	0	(515)	(515)

Table 2 below lists the main variances within particular service areas that affect the forecast.

Table 2: Projected Revenue Outturn Variations

Detail	Budget pressure / (saving) £'000	Forecast Variances at Quarter 2 £'000
Chief Executive		
Staffing Variances	22	
Purchase of fuel tank for depot (Brexit funded)	18	
Brexit funding	(35)	63
Virement to Website refresh project	(20)	
Music Festival project allocation	75	
Other	3	
Neighbourhoods & Development		
Staffing Variances	(5)	
Leisure management review - professional fees	50	
Garden Waste income - exceeded budget	(158)	
Trade Waste income - reduction in take up on renewal	29	
Waste Contract – inflation and cost recovery adjustments	108	(55)
Vehicle hire additional costs – RCV undergoing repairs	18	
Moss Side depot – Vehicle maintenance contract net additional income	(73)	
Moss Side depot – metered water	10	
Civic Centre rental and room hire income	(34)	
Planning and Property		
Staffing Variances	(136)	
Investment Property rental income	26	(81)
Planning Pre-application fees reduction	32	
Other	(3)	
Finance and Assurance		
Staffing Variances/agency costs	53	
Audit fees	10	90
Insurance	23	
Other	4	
Legal, HR & Democratic Services		
Staffing Variances	(102)	
Legal fees	25	(51)
Forecast reduction in Land Charges income	10	
Forecast reduction in Licensing income	8	
Other	8	

Customer Experience & Operations		
Staffing Variances	(132)	
New Burdens funding received	(72)	
ICT services cost increase	34	(175)
Website refresh project (virement)	20	
Personal budgeting support underspend	(30)	
Other	5	
Net Cost of Services	(209)	(209)
Interest receivable/capital financing	(132)	(132)
Staffing Variations - Pensions contributions	81	81
Reduced contributions from reserves	25	25
Additional Contribution to / (from) reserves compared to budget - Retained Business Rates and s31 grant funding	(280)	(280)
TOTAL FORECAST UNDERSPEND	(515)	(515)

Staffing Costs

15. The total forecast saving in staffing costs is £219,000. The main reason for the underspend is posts being vacant, some earlier in the year that have now been filled and others that are currently vacant. The number of vacancies is lower than at the start of the year and at the date of the previous budget monitoring report (month 4, end of July). Also, other posts continue to be vacant and are generating larger underspends the longer they remain unfilled, however there are interim arrangements in some areas, such as Legal, Finance and Assurance which are being funded from these underspends.
16. The posts that are currently vacant, are listed below.

Directorate	Post
Chief Executive	Deputy Chief Executive (Regeneration and Growth)
	Deputy Chief Executive (Resources & Transformation)
Neighbourhoods and Development	Grounds Maintenance Operative
	Grounds Maintenance Operative
Planning and Property	Planning Assistant
	Planning Assistant
	Planning Enforcement Officer
Finance and Assurance	Planning Technical Support Supervisor
	Shared Director of Finance
	Shared Assistant Director of Finance
Legal, HR & Democratic Services	Shared Director of Legal HR & Democratic Services
	Shared Assistant Director of Legal HR & Democratic Services
	Borough Solicitor
Customer Experience & Operations	Head of Legal HR & Democratic Services
	Gateway Officer
	IT Support Analyst

17. A review was recently undertaken by the Leadership team to identify resource gaps. The outcome was the establishment of 3 new permanent posts: Environmental Health Officer

(Climate Change), Communications Officer and Graduate Engineer. The forecasted additional costs of these posts in a full year is £89,300 and will be funded from reductions in the casual staff budgets, savings in staff costs due to reduced hours and any shortfall will be funded from shared services savings. These posts will be recruited to as soon as possible but have not been included in the list above.

18. The turnover target of £150,000 has been allocated, as approved by Cabinet in the previous budget monitoring report. It was allocated to the two areas with the largest underspends – the additional posts added to the Neighbourhoods services and the Planning service.

19. The main variances across the directorates are summarised below:

- Chief Executive – There are additional costs for the Interim Chief Executive and this is partly offset by an underspend in the Policy and Performance team due to a post not being filled until recently, at being at a lower grade than budgeted.
- Neighbourhoods and Development – The budget across the Neighbourhoods services was increased by £160,000 in the 2019/20 budget setting process, to allow for 8 additional posts. 6 of these have been filled in August and September and two are expected to be filled in November. The delays in filling these posts created a large underspend and most of it (£74,000) has been allocated against the £150,000 turnover target. The remaining forecasted variance for the directorate is quite small – a £5,000 underspend.
- Planning and Property – The two areas with underspends are Apprentices and Planning. The corporate apprenticeship posts, which sit in this directorate, have been recruited to during the year but there is a part-year saving of £55,000 in relation to while they were vacant. The Planning team has undergone a restructure and the internal recruitment has assigned staff to roles. There are 3 vacancies remaining and a recruitment process is in progress for 2 of the posts. The other vacancy is being kept unfilled to establish whether the role is needed on an ongoing basis or could be taken as a saving. There is another vacancy in the Planning Technical Support team that has not yet been recruited to. A proportion of the underspend across the Planning teams was allocated against the turnover target (£76,000) but there is still an additional forecasted underspend of £44,000 due to posts remaining vacant.
- Finance & Assurance – There are large underspends against the vacant shared senior management posts. However, these have been outweighed by additional costs for the Interim Head of Shared Assurance and other temporary arrangements in that team.
- Legal, HR & Democratic Services – There are large underspends against the vacant shared senior management posts. There have been some offsetting additional costs for additional HR support but there is still a large overall underspend.
- Customer Experience & Operations – There is an underspend of £58,000 in the Gateway team due to several posts being vacant at the start of the year. All but one is now filled and the remaining post is in the process of being recruited to. Similarly there is an underspend of £46,000 in ICT due to delays in filling vacancies. Two posts have been filled recently and there is one vacancy remaining, which is being recruited to.

20. In calculating the current budget forecasts, assumptions have been made in relation to the recruitment to vacant posts and the likely timing of new appointments. For example, the extension of shared services is moving forward and it is difficult to forecast accurately at this stage in the year for the appointment to the shared senior management posts.

Other Cost variations

21. The net cost of £108,000 in relation to the waste contract is a result of increases in relation to pay inflation £147,000, offset by the recovery of replacement bin costs £39,000. These costs include backdated adjustments for previous years. The pay adjustments reflect the impact of the NJC pay awards on individual pay points, which for the FCC employees works out higher than the average pay increase previously applied. The waste contract includes an annual provision for the cost of bin replacements. As the actual cost of bin replacements has been less than this provision, the overpayment has been recovered from FCC.
22. In September, Council were provided with a brief summary of the current management operation of South Ribble's Leisure Centres and authorised officers to explore a number of potential options as to the future management arrangements and for a budget of £50,000 to be created to fund the necessary, legal, financial, HR and Leisure advice and support.

Business Rates

23. The business rates budget forecasts for 2019/20 have been reviewed based on the latest available data. Some elements of the business rates budget are fixed and therefore can be forecast with certainty; while other elements (such as Government S31 grants) are variable and can produce in-year variations. The purpose of the Business Rates Retention Reserve is to mitigate the impact of any in-year fluctuations.
24. The current forecast is unchanged overall from that reported in September, which showed a net increase of £280,000 compared to the original budget for the year. This was driven by a higher than originally expected entitlement to Section 31 Grants and the latest figures indicate that this level of income will be achieved. A small reduction is shown in the income forecast to be collected in respect of the Lancashire Enterprise Zone at Samlesbury, but this is wholly payable to the Lancashire Enterprise Partnership and so there is no impact on the overall net amount for the year.

Table 3: Business Rates budget forecast summary

Business Rates Retention Budget	Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Expenditure			
Tariff paid to Pool	15,150	15,150	0
Payment re Enterprise Zone (19/20)	174	167	(7)
Payments to Lancs Wide Fund	286	244	(42)
Payment to Resilience Fund	57	49	(8)
Income			
Local share of business rates	(19,220)	(19,095)	125
Share of surplus/deficit	(185)	(185)	0
Designated Area – Enterprise Zone	(174)	(167)	7
Renewable energy rates income	(39)	(102)	(63)
Sub-Total	(3,951)	(3,939)	12
Government S31 Grants	(1,750)	(2,042)	(292)
Total	(5,701)	(5,981)	(280)

Income from services

25. Table 4 shows the budgets and forecasts of the main types of income that are generated by services. (Note: this is different to general funding that isn't attributable to particular services such as non-specific government grants, council tax and business rates.)

Table 4: Income from services

Service Area	Last Year Income £'000	Budget £'000	Forecast £'000	Forecast (Surplus) / Deficit £'000
Neighbourhoods & Development				
Car Parking charges and fines	(135)	(137)	(137)	-
Civic Centre banqueting suite income	(21)	(18)	(31)	(13)
Community Sports Coaching	(235)	(203)	(266)	(63)
Dog impounding, littering and dog fouling	(6)	(18)	(6)	12
Environmental Permits	(24)	(19)	(21)	(2)
Football pitches, fairs, etc.	(26)	(15)	(23)	(8)
Grounds Maintenance	(172)	(164)	(154)	10
Licensing - Piercings & Tattoos and Animals	(12)	(7)	(9)	(2)
Licensing - Street Traders	(28)	(25)	(27)	(2)
Pest Control	(44)	(39)	(39)	-
Property rental - Civic Centre	(71)	(50)	(71)	(21)
Property rental - Market	(139)	(142)	(142)	-
Property rental - Moss Side Depot	(13)	(43)	(45)	(2)
Property rental - Worden Craft Centre	(13)	(15)	(13)	2
Refuse Collection - Garden waste	(789)	(650)	(809)	(158)
Refuse Collection - New bins	(46)	(65)	(65)	-
Refuse Collection - Special collections	(41)	(40)	(40)	-
Refuse Collection - Trade Waste	(460)	(477)	(448)	29
Vehicle Maintenance contract	0	(13)	(86)	(73)
Planning & Property				
Building Control	(221)	(191)	(201)	(10)
Planning application fees	(456)	(512)	(512)	-
Planning pre-application fees	(21)	(72)	(40)	32
Investment property rental	(1,076)	(1,095)	(1,069)	26
Legal HR & Democratic Services				
Land Charges	(95)	(100)	(90)	10
Legal fees recovered	(13)	(15)	(12)	4
Licensing - Alcohol	(72)	(76)	(68)	8
Licensing - Gambling	(13)	(12)	(12)	-
Licensing - Taxis	(81)	(94)	(94)	-
Customer Experience & Operations				
Court summons costs recovered	(213)	(228)	(228)	-
Budgets Not In Directorates				
Interest on investments	(303)	(220)	(320)	(100)
	(4,839)	(4,755)	(5,078)	(321)

26. The main income variations are as follows:

- Community Sports Coaching – the funding in respect of the Bikeability scheme has been confirmed but was uncertain and therefore not included in the original budgets. This income is ring-fenced and will be spent on providing the service and therefore is not expected to impact on the final outturn position.
- Civic Centre rentals – the forecast has been updated to reflect the final agreements with DWP in respect of the lease and related service charges.
- Garden Waste Charges – the revised forecast reflects that the subscriptions in 2019/20 is higher than the last financial year.
- Pre-Planning advice income – this was a new charge which has been introduced during 2018/19 but take-up is lower than originally forecast.
- Investment Property rental – there is a forecast shortfall against the budget due to vacancies in year (£17,000) and write-offs in relation to previous years (£9,000).
- Vehicle Maintenance Contract – this is a new income stream as a result of the council securing the maintenance work for the Chorley Council waste contractor vehicles.

Interest on Cash Investments

27. The forecast for Short-term investment income has been revised to £320,000 to reflect increased balances and in line with interest earned in 2018/19 which out-turned at £302,500. This is an increase of £100,000 in the current estimate of £220,000.

28. Return on investments and comparisons to the previous reporting period are set out below:

Table 5: Return on Short-Term Investments

Year	Average Balance Periods 1 - 6	Average Rate Periods 1- 6	No. of days	Interest Earned
2019/20	£39,857,072	0.911%	183/365	£182,031
2018/19	£37,291,001	0.657%	183/365	£122,893

29. The average return of 0.91% achieved over the first six months of the financial year represents a significant increase on the 0.66% achieved in the corresponding period in 2018/19. This reflects the same trend as was seen in the previously reported results for the full year in 2018/19, where the average rate achieved was 0.76%, compared to 0.49% in 2017/18. The key element in producing the increased returns is that the Bank of England Base Rate was increased from 0.50% to 0.75% in August 2018 and has remained at this level since. This position is consistent to date with the forecasts made in the Council's approved Treasury Management Strategy for 2019/20. Those forecasts did envisage a further rise in the Base Rate, to 1.00%, in the second half of the year. The likelihood of this rise has been affected by the impact of continuing domestic political and economic uncertainty.

Reserves

30. The total balance on reserves at the beginning of the financial year was £19.519m, which was £1.190m higher than the forecast in the budget report in February 2019. The main reasons for this were:

- Budget savings of £93,000 against the 2018/19 revised budget which increased the forecast general reserve balance from £4.587m to £4.680m at outturn
- Reduction in funding of capital projects from reserves due to the re-phasing of capital expenditure (£331,000)
- Slippage of expenditure committed at the end of 2018/19 but undertaken in 2019/20 (£189,000)
- Grants received and set aside to be used in future years (£386,000). This includes external funding for Central Lancs Local Plan and New Burdens grant.
- Business Rates surplus set aside in Earmarked reserve (£196,000)

31. Table 4 below shows the forecasted movements on the reserves for 2019-20.

Table 6: Reserves Summary

Reserve Name	Opening Balance £'000	Transfers In £'000	Transfers Out £'000	Capital Financing £'000	Closing Balance £'000
Earmarked Reserves					
My Neighbourhoods	(54)	-	-	-	(54)
Borough Council Elections	(114)	(40)	154	-	-
Housing Needs Survey	(83)	(20)	-	-	(103)
Local Development Framework	(255)	-	153	-	(102)
Performance Reward Grant	(46)	-	46	-	-
Organisation Restructure Costs	(27)	-	-	-	(27)
Borough Investment Account	(4,594)	-	44	4,550	-
Business Rates Retention	(2,751)	-	65	-	(2,686)
City Deal Reserve	(1,711)	(340)	208	-	(1,843)
Capital Funding Reserve	(3,073)	(716)	-	1,897	(1,892)
Repairs and Maintenance Fund	(500)	-	-	-	(500)
Transformation Fund	(500)	-	-	200	(300)
Apprenticeship Reserve	(267)	-	3	-	(264)
Other Earmarked Reserves	(864)	-	196	67	(601)
Total	(14,839)	(1,116)	869	6,714	(8,372)
General Reserve	(4,680)	(515)	-	-	(5,195)
Total General Fund Reserves	(19,519)	(1,631)	869	6,714	(13,567)

Capital Programme

32. Appendix A lists all the capital schemes within the programme and the detail regarding budgets, spending and forecasts. The 'Allocations' column in the appendix shows where budgets have been moved between lines, mainly to allocate funding from a generic lines to a specific project. The 'Approval' column in the appendix shows where new budgets have been approved, for example via a waiver or a Cabinet report. The 'Green Links Capital Programme 2019/20' report, which was approved by Cabinet in June, accounts for the majority of these figures.
33. There are several schemes where the forecast is below budget and we expect slippage to next financial year. The overall forecast is £9.398m against a budget of £14.975m.
34. The schemes that had a forecasted underspend in the previous budget monitoring report to September Cabinet are:
- Other Parks and Open Spaces – Penwortham Holme Pavilion, Withy Grove Park and Withy Grove Toilets
 - Sports Pitch Hub
 - Affordable Housing unallocated
 - Masterplanning & Regeneration unallocated
 - Private Sector Home Improvement Grants
35. The other areas where there are forecasted variances are as follows:
- Green Links – The main two areas of underspend are on the Leyland Loop and Shruggs Wood. Although work is scheduled for Leyland Loop, the forecast is only £100,000 for this year. There were extensive works planned for Shruggs Wood in conjunction with the new leisure facility project but these have been postponed while the options regarding the facility are explored.
 - Worden Hall – Various repairs works have been put on hold pending the decision on the future of the building. In addition, the replacement oil tank has been quoted at a much lower figure than was originally expected.
 - Worden Park – Work on the overflow car park is scheduled to begin in February but is likely to run into April, meaning some of the costs will slip to next year.
 - Hurst Grange Coach House – Phase 1 will be completed this year but Phase 2 is unlikely to start until next year. Phase 2 is entirely dependent on lottery funding, which will be over £500,000. The bid is being submitted in November but the outcome will not be known until March. The Capital budget allocation represents the council's funding toward the project.
 - Leisure Facility – The scheme is on hold while options for how to progress are investigated. The additional costs in 19/20 on top of what has already been incurred should be relatively low because they would involve further planning and design rather than actual construction.
 - Lostock Hall Football Facility – Work is expected to start in February, and run into April. Therefore some of the costs will be incurred in 20/21.
 - Playgrounds – The playground at Worden Park is expected to be completed this financial year. Work on the other two playgrounds at Seven Stars and Leadale Green is expected to run into April, meaning some of the costs will slip to next year.

- Affordable Housing at Station Road, Bamber Bridge – The project has been delayed because the original contractor, Methodist Action, went bankrupt.
- New Longton Regeneration – The landscaping work can be delivered in 19/20 but some of the other work that needs to be delivered by LCC is unlikely to be carried out this year.
- St Mary's, Penwortham, churchyard wall repairs – design work undertaken but delays in obtaining burial records. Scheme requires specialised archaeological support and good weather to undertake the repair work and therefore has been rescheduled into 2020/21.
- Vehicle Replacement Programme – The programme includes procurement of 6 waste collection vehicles, for over £1m. Due to the procurement timescales and delivery waiting times, these vehicles will not be available until around May 2020. Going forward, approval for the procurement of vehicles will be sought much earlier – in January, for the scheduled purchases in 2020/21 – to allow sufficient time for the procurement and delivery processes so that the costs occur in the intended year.

36. Other issues to be aware of are:

- IT Unallocated Funding – There is a balance of £116,000 still to be allocated to specific projects. A schedule is being finalised which will ensure that the allocation is fully used.
- Corporate Buildings – A schedule has been prepared to allocate the remaining budgets on the lines labelled 'Civic Centre' and 'Other' to specific pieces of work on the Civic Centre itself. Approvals for these projects will be sought once the full details are confirmed.
- Investment Property – This line relates to the 'Borough Investment Reserve' which is £4,550,000 set aside should any suitable properties for investment be identified. No suitable schemes have been identified to date.

CONSULTATION CARRIED OUT AND OUTCOME OF CONSULTATION

37. Not applicable

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

38. Not applicable

FINANCIAL IMPLICATIONS

39. The financial implications are contained within the report.

LEGAL IMPLICATIONS

40. The report is primarily for information purposes. Overall it presents a positive picture. There are no concerns or issues to raise from a legal perspective.

AIR QUALITY IMPLICATIONS

41. There are no air quality implications that are specific to this report.

HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT IMPLICATIONS

42. There are no specific implications regarding this report. The main considerations are vacant posts, in particular within shared services senior management.

ICT / TECHNOLOGY IMPLICATIONS

43. The revenue budget for IT has a forecasted underspend due to vacancies, as detailed in the Staffing Costs section above. The capital programme includes a total budget of £200,000 for

IT projects. To date, £84,000 has been allocated to four schemes, leaving a balance of £116,000. There are also two other IT related schemes that have been funded from alternative sources.

PROPERTY AND ASSET MANAGEMENT IMPLICATIONS

44. The main consideration relating to property and assets is the 'Investment Property' line in the capital programme reflects the intended use of the 'Borough Investment Reserve', which has a balance of £4,550,000.

RISK MANAGEMENT

45. Where applicable, particular risks are mentioned in the previous sections of this report. The main overarching risk is that the assumptions made in compiling a forecast outturn are unreliable or inaccurate. Forecasts have been made using the best information available and drawing on the knowledge and expertise of officers within service areas and the finance team itself.

EQUALITY AND DIVERSITY IMPACT

46. This report is not considered to have any adverse impact on equality.

RELEVANT DIRECTOR'S RECOMMENDATIONS

47. None

COMMENTS OF THE STATUTORY FINANCE OFFICER

48. No further comments.

COMMENTS OF THE MONITORING OFFICER

49. Clearly it is important that a council should report openly and transparently with regard to the monitoring of the budget. Residents need to know how the council is performing. From a legal perspective there are no concerns to report.

BACKGROUND DOCUMENTS

Budget Report and Medium Term Financial Strategy – February 2019.

APPENDICES

Appendix A – Capital Programme 2019-20

Leadership Team Member's Name: Jane Blundell

Job Title: Interim s151 Officer

Report Authors:	Telephone:	Date:
James McNulty, Senior Management Accountant	01772 62 5289	24 th October 2019
Jane Blundell, Principal Management Accountant and Interim Section 151 Officer	01772 62 5245	