

1st Quarter Budget Monitoring 2018/19

Final Decision-Maker	Heritage, Culture & Leisure Committee
Lead Head of Service/Lead Director	Mark Green, Director of Finance & Business Improvement
Lead Officer and Report Author	Ellie Dunnet, Head of Finance
Classification	Public
Wards affected	All

Executive Summary

This report sets out the financial position for this Committee at the end of Quarter 1 2018/19 against the revenue and capital budgets.

For this Committee, there is an underspend against the revenue budget of £124,000, but this is expected to change to an overspend of £37,000 by the end of this financial year.

Capital expenditure totalling £848,000 has been incurred between 1 April and 30 June, for the projects which sit within this Committee's remit. This represents slippage of £3.679m.

This report makes the following recommendations to this Committee:

1. That the revenue position at the end of the first quarter and the actions being taken or proposed to improve the position, where significant variances have been identified, be noted.
2. That the capital position at the end of the first quarter is noted.

Timetable

Meeting	Date
Heritage, Culture and Leisure Committee	4 September 2018

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1. INTRODUCTION AND BACKGROUND

- 1.1 The Medium Term Financial Strategy for 2018/19 onwards was agreed by full Council on 7 March 2018. This report advises and updates the Committee on how each service has performed in regards to revenue and capital expenditure against the approved budgets within its remit.
 - 1.2 The Director of Finance & Business Improvement is the Responsible Financial Officer, and has overall responsibility for budgetary control and financial management. However in practice, day to day budgetary control is delegated to service managers, with assistance and advice from their director and the finance section.
 - 1.3 Attached at **Appendix 1** is a report detailing the position for the revenue and capital budgets at the end of the June 2018. This is a new format from that used in previous years, designed to bring together all the relevant information in a single report that can also be used as a stand-alone document. It includes all the information that Members have previously seen in budget monitoring reports.
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2. AVAILABLE OPTIONS

- 2.1 There are no matters for decision in this report. The Committee is asked to note the contents but may choose to take further action depending on the matters reported here.
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3. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 3.1 In considering the current position on the revenue budget and the capital programme at the end of June 2018 the committee can choose to note this information or it could choose to take further action.
 - 3.2 The committee is requested to note the content of the report and agree on any necessary action to be taken in relation to the budget position.
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4. RISK

- 4.1 This report is presented for information only and has no risk management implications.
- 4.2 The Council has produced a balanced budget for both capital and revenue expenditure and income for 2018/19. This budget is set against a backdrop of limited resources and a difficult economic climate. Regular and comprehensive monitoring of the type included in this report ensures early warning of significant issues that may place the Council at financial risk. This gives this committee the best opportunity to take actions to mitigate

such risks.

5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

5.1 No consultation has been undertaken in relation to this report.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 The first quarter budget monitoring reports are being considered by the relevant Service Committees throughout September, including a full report to Policy & Resources Committee on 19 September 2018.

6.2 Details of the discussions which take place at service committees regarding budget management will be reported to Policy and Resources Committee where appropriate.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	This report monitors actual activity against the revenue budget and other financial matters set by Council for the financial year. The budget is set in accordance with the Council's Medium Term Financial Strategy which is linked to the strategic plan and corporate priorities.	Director of Finance & Business Improvement
Risk Management	This has been addressed in section 4 of the report.	Director of Finance & Business Improvement
Financial	Financial implications are the focus of this report through high level budget monitoring. The process of budget monitoring ensures that services can react quickly to potential resource problems. The process ensures that the Council is not faced by corporate financial problems that may prejudice the delivery of strategic priorities.	Director of Finance & Business Improvement

Staffing	The budget for staffing represents a significant proportion of the direct spend of the council and is carefully monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports.	Director of Finance & Business Improvement
Legal	The Council has a statutory obligation to maintain a balanced budget and this monitoring process enables the committee to remain aware of issues and the process to be taken to maintain a balanced budget for the year.	Mid Kent Legal
Privacy and Data Protection	No specific issues arise.	Director of Finance & Business Improvement
Equalities	The budget ensures the focus of resources into areas of need as identified in the Council's strategic priorities. This monitoring report ensures that the budget is delivering services to meet those needs.	Director of Finance & Business Improvement
Crime and Disorder	No specific issues arise.	Director of Finance & Business Improvement
Procurement	No specific issues arise.	Director of Finance & Business Improvement

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Fourth Quarter 2017/18 Revenue and Capital Monitoring – Heritage, Culture & Leisure

9. BACKGROUND PAPERS

None