

4th Quarter Budget Monitoring 2018/19

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| Final Decision-Maker | Communities, Housing and Environment Committee |
| Lead Head of Service/Lead Director | Mark Green, Director of Finance & Business Improvement |
| Lead Officer and Report Author | Chris Hartgrove, Interim Head of Finance |
| Classification | Public |
| Wards affected | All |

Executive Summary

This report sets out the financial position for the Communities, Housing and Environment Committee at the end of Quarter 4 2018/19 against the revenue and capital budgets.

For this committee, there is an underspend against the revenue budget of £402,000, including £340,000 of grants to be carried forward, leaving a net underspend of £62,000.

Capital expenditure totalling £9.196m has been incurred during 2018/19 for the projects which sat within this Committee's remit. This represents slippage of £2.994m.

This report makes the following recommendations to this Committee:

1. That the Committee notes the financial performance for 2018/19.
2. That the Committee notes the slippage within the capital programme in 2018/19.

Timetable

| Meeting | Date |
|--|--------------|
| Communities, Housing and Environment Committee | 18 June 2019 |

4th Quarter Budget Monitoring 2018/19

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 2018/19 financial year.
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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 2018/19 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.
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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 fourth quarter budget monitoring reports are being considered by the relevant Service Committees in June including a full report to Policy & Resources Committee on 26 June 2019.

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 | Director of Finance & Business Improvement |

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| | monitored. Any issues in relation to employee costs will be raised in this and future monitoring reports. | |
| 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. | Team Leader (Corporate Governance), MKLS |
| Privacy and Data Protection | No specific issues arise. | Director of Finance & Business Improvement |
| Equalities | There are no equalities implications as a result of this update report. | Equalities and Corporate Policy Officer |
| 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 2018/19 Revenue and Capital Monitoring – Communities, Housing and Environment

9. BACKGROUND PAPERS

None