

CABINET

19 JUNE 2018

***PART 1 – PUBLIC DOCUMENT**

AGENDA ITEM No.

6B

TITLE OF REPORT: ITEM REFERRED FROM FINANCE, AUDIT AND RISK COMMITTEE: 18 JUNE 2018 – REVENUE BUDGET OUTTURN 2017/18

13. REVENUE BUDGET OUTTURN 2017/18

The Accountancy Manager presented the report of the Service Director - Resources in respect of the Revenue Budget Outturn 2017/18, and advised that the report was before this Committee for consideration prior to presentation to Cabinet on 19 June 2018.

The Accountancy Manager advised that, at year end, there had been an underspend against the working budget of £422,000. Part of that was due to projects which had not completed by the end of the year, and hence £261,000 was requested to be carried forward to fund these projects in 2018/19. There was a further forecast impact on the 2018/19 budget of an increase of £85,000.

The Accountancy Manager referred to Table 2 in the report, which summarised the significant variances. As detailed in Paragraph 8.3, the Council had overachieved on its efficiencies target for 2017/18 of £929,000 by £286,000, primarily due to increased planning income. Table 3 in the report set out the unspent Carry forward Budgets in 2017/18, which showed that a total of £473,000 of the budget carried forward had not been spent.

In respect of the Council's Corporate Financial Health Indicators, the Accountancy Manager commented that the Planning Application Fees and Parking Penalty Charge Notices were at green status, but the Land Charges income and Car Parking fees were at red status, as set out in Table 4 in the report.

The Accountancy Manager explained that, at the end of 2017/18, there was a surplus on the NHDC share of the Council Tax Collection fund of £257,000 and a deficit on the Business Rates Collection Fund of £624,000. The deficit would be funded from the grants that the Council received for Business Rate reliefs

The Committee was informed that the notional amount calculated at the start of the year for known risks was £795,000, and at the end of the year a total of £451,000 had come to fruition.

The Accountancy Manager drew attention to Table 7 in the report, regarding Earmarked Reserves, the balance of which was recommended to increase from £4.609million at the beginning of the year to £5.679million at the end.

In respect of Table 3 in the report, which outlined the unspent Carry Forward budgets in 2017/18, the Committee noted that a number of these had been

further recommended for carry forward to 2018/19. The Committee therefore agreed that Cabinet be requested to ensure that each item in the list was challenged robustly if further carry forward was requested, with each item being accompanied by an acceptable justification as to why it should be carried forward, in the realistic expectation that the budget would be spent.

RECOMMENDED TO CABINET: That, in respect of Table 3 in the report, which outlined the unspent Carry Forward budgets in 2017/18, it be ensured that each item in the list is challenged robustly if further carry forward is requested, with each item being accompanied by an acceptable justification as to why it should be carried forward, in the realistic expectation that the budget would be spent.

REASON FOR DECISION: To provide an opportunity for the Committee to comment as appropriate on the Revenue Budget Outturn 2017/18.

[Note: the item to which this referral relates is Item 8 on this agenda.]