

FOR PUBLICATION

DEPUTY LEADER & CABINET MEMBER FOR PLANNING ACCOUNTS 2015/16

MEETING: (1) CABINET
(2) DEPUTY LEADER & CABINET
MEMBER FOR PLANNING

DATE: (1) 14 JUNE 2016
(2) 6 JUNE 2016

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMMUNITY FORUM: ALL

KEY DECISION
REFERENCE 631

FOR PUBLICATION

BACKGROUND PAPERS: NONE

1.0 PURPOSE OF REPORT

1.1 To report on the Revenue Outturn for 2015/16 and to provide explanations for significant variations from the Revised Estimates approved by Cabinet on 23rd February 2016.

2.0 RECOMMENDATIONS

2.1 That the report be noted.

2.2 That the funding for the Council's Local Plan be carried forward (para 4.1).

3.0 REVENUE OUTTURN

3.1 The revenue outturn for 2015/16 is as follows:

	<u>£ 000</u>	
Original Budget	765	
Revised Budget	330	
Outturn	2,073	See para 3.4

3.2 The main variations from the Original to the Revised budget of (£435k) included:

Table 1 - Significant Variances Original to Revised 2015/16

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
General Employee Savings	(47)
Energy, NNDR & Water	(20)
Approved c/fwd – professional services	14
LDF contribution to reserve suspended	(35)
THI net revenue contribution – funding from reserves	(71)
Contracted services	23
Mentor Licences	23
BCN Consortium – contribution to GF	(14)
External Audit Fee	(20)
Industrial Units & Workshops – rents & service charges	(69)
Innovation Centres – rents & service charges	(19)
Planning Application Income	(244)
Environmental Agency - contribution	(15)
Changes to controllable budgets	(494)
Change in support service recharges	38
Changes to Asset Charges	168
Changes in capital charges	(147)
Overall decrease	(435)

3.3 The Revenue Outturn of (£2,073,238) represents:

- An increase of £1,308k or 170.9% against the Original Budget; and
- An increase of £1,743k or 527.3% against the Revised Budget.

3.4 The table below sets out the main variations between revised budget and actual outturn separating capital charges and support service recharges, items which are not controllable. This highlights an under spend of £526k on controllable expenditure.

	Original Estimate £'000	Revised Estimate £'000	Actual Outturn £'000	Variance £'000
Capital Charges	439	292	2,099	1,807
Support Services	(1,221)	(1,183)	(721)	462
Non Controllable Expd	(782)	(891)	1,378	2,269
Controllable Expd	1,547	1,221	695	(526)
Portfolio Total	765	330	2,073	1,743

A more detailed analysis of controllable and non-controllable expenditure by Programme Area is shown at **Annexe 1B**.

- 3.5 A detailed analysis of the variances from the revised budget to the outturn is shown in **Annexe 4** but the most significant variances are summarised below:-

Significant Variances Revised to Outturn 2015/16	
<u>Description</u>	Overspend / (Underspend) £'000
Employee Savings	(22)
Redundancy Costs - Accountancy Service	37
Professional & Contracted Services	(33)
Contribution to Linacre Site – funding from reserves	21
Innovation Centre – rents & investments	(9)
BCN Consortium – reduction to GF contribution	(5)
Drain Clearing Income	(18)
Energy, NNDR, Postage & Communications	(54)
Industrial Units & Workshop Rents & Service Charges	38
Planning Fees & Charges	(100)
MMI Insurance Provision	77
Pensions & IAS19 – total adjustment on portfolios	(455)
Net of all other variances	(3)
Changes to controllable budgets	(526)
Change in support service recharges	462
Change in other capital charges (see para 3.6 below)	1,807
Overall Increase	1,743

- 3.6 The major variance on capital charges is due to the revaluation for Balance Sheet purposes of Town Centre properties. This change in value must also be reflected in revenue account of the service concerned in the year in which it occurs. The charge to the service revenue account is, however, reversed out with an equal and opposite entry made to the Income & Expenditure Statement; the 'bottom line' is therefore unaffected.
- 3.7 Recurring variances – Budget Officers have identified no recurring variances.
- 3.8 The following information is attached.

Annexe 1 Summary by Programme Area

Annexe 2 Detailed by Programme Area and Cost Centre

Annexe 3 Subjective Analysis

Annexe 4 Variations– Revised Budget 2015-16 to Actual 2015-16

Annexe 5 Carry Forward Requests

4.0 CARRY FORWARDS

- 4.1 That the funding for the Council's Local Plan (£15,590) be carried forward in respect of external professional advice relating to viability or sustainability appraisals.

5.0 RECOMMENDATIONS

- 5.1 That the report be noted.
- 5.2 That the funding for the Council's Local Plan be carried forward (para 4.1).

6.0 REASONS FOR RECOMMENDATION

- 6.1 To enable the portfolio's Revenue Outturn to be included in the Council's overall Statement of Accounts.

**BARRY DAWSON
CHIEF FINANCE OFFICER**

Officer recommendation supported.

J. F. Kelly

Signed:
Cabinet Member

Date: 6 June 2016

Author & Contact Name: Linda Coupe (Ext. 2008)