
Financial Performance Report 2015-16 Quarter Two

Committee considering report:	Overview and Scrutiny Management Commission on 5 January 2016
Portfolio Member:	Councillor Roger Croft
Date Portfolio Member agreed report:	28 October 2015

1. Purpose of the Report

- 1.1 To inform members of the latest financial performance of the Council.

2. Recommendation

- 2.1 To ensure that Members are fully aware of the latest financial position of the Council.

3. Implications

- 3.1 **Financial:** If the forecast position occurs at the end of the financial year, there will be a corresponding impact on the Council's General Reserves, a reduction of £0.5m. This is additional to the £0.7m from reserves and already agreed by Council to fund the Ofsted Improvement Plan within Children's Services.
- 3.2 **Policy:** n/a
- 3.3 **Personnel:** n/a
- 3.4 **Legal:** n/a
- 3.5 **Risk Management:** n/a
- 3.6 **Property:** n/a
- 3.7 **Other:** n/a

4. Other options considered

- 4.1 N/a – factual report for information

5. Executive Summary

- 5.1 This report presents the financial performance for Quarter Two of the 2015/16 financial year. At Quarter Two, the forecast revenue position is an over spend of £0.5m, which is a decrease of £0.4m from Quarter One and mainly as a result of the amount directly from reserves to support the Ofsted Improvement Plan.
- 5.2 The Communities Directorate is forecasting an over spend of £0.9m at Quarter Two, which is a decrease of £0.1m from Quarter One. The overspend is primarily the result of a £0.7m pressure within Children's and Family Services and a forecast overspend within Education of £0.3m. The Directorate is looking to mitigate this forecast overspend position further and is reviewing all spending plans to see what can be delivered in year.
- 5.3 The Environment Directorate is forecasting an underspend of £373k compared to a £7k underspend at Quarter One. This is primarily due to additional income from parking and development control.
- 5.4 The Resources Directorate is forecasting an overspend of £49k, which is an increased overspend of £59k from the £10k underspend in Quarter One. The major change from Quarter One is the lower income forecast within Legal Services.

6. Conclusion

- 6.1 The Quarter Two position is showing a forecast over spend of £0.5m. The Council remains in a challenging financial environment, and is faced with delivering savings of just under £6m, as well as addressing significant in year pressures in the Communities Directorate. The Council is taking steps to maintain financial discipline and ensure that savings are deliverable.

7. Appendices

- 7.1 Appendix A (1) – Financial Performance Q2 2015-16: Executive Report
- 7.2 Appendix A (2) – Financial Performance Q2 2015-16: Summary Revenue Forecast
- 7.3 Appendix A (3) – Financial Performance Q2 2015-16: Summary Capital Forecast
- 7.4 Appendix A (4) – Financial Performance Q2 2015-16: Summary Budget Movements
- 7.5 Appendix A (5) – Financial Performance Q2 2015-16: Directorate Summaries:
- (i) Communities Directorate
 - (ii) Environment Directorate
 - (iii) Resources Directorate
- 7.6 Appendix B – Equalities Impact Assessment