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# Financial Performance Report 2015-16

## Quarter Three – Summary Report

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**Committee considering report:** Executive on 11 February 2016

**Portfolio Member:** Councillor Roger Croft

**Date Portfolio Member agreed report:** 23 January 2016

**Forward Plan Ref:** EX3021

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### 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 £0.6m. 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:** None

3.3 **Personnel:** None

3.4 **Legal:** None

3.5 **Risk Management:** None

3.6 **Property:** None

3.7 **Other:** None

### 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 Three of the 2015/16 financial year. At Quarter Three, the forecast revenue position is an overspend of £0.6m, which is an increase of £0.1m from Quarter Two.
- 5.2 The Communities Directorate is forecasting an overspend of £0.9m at Quarter Three, which is a similar position to that at Quarter Two. The overspend is primarily the result of a £1.3m pressure within Children's and Family Services, forecast overspends within Education of £0.4m and Prevention & Developing Community Resilience £0.1m, offset by savings within Adult Social Care and Care Commissioning, Housing & Safeguarding of £0.9m split approximately equally. The Directorate is looking to mitigate this forecast overspend position further and is reviewing all spending plans to see what can be delivered in the remainder of the financial year.
- 5.3 The Environment Directorate is forecasting an underspend of £305k compared to a £373k underspend at Quarter Two. This is primarily due to additional income from parking and development control and a saving in winter service costs with the reduction being mainly the slippage of the planning application for the Sandleford Development and the associated fee
- 5.4 The Resources Directorate is forecasting an overspend of £13k, compared to a £50k overspend at Quarter Two. There are a number of forecast changes by Service, mainly reductions in Customer Service and ICT offsetting increases within HR and Legal.

## 6. Conclusion

- 6.1 The Quarter Three position is showing a forecast overspend of £0.6m. 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 Q3 2015-16: Executive Report
- 7.2 Appendix A (2) – Financial Performance Q3 2015-16: Summary Revenue Forecast
- 7.3 Appendix A (3) – Financial Performance Q3 2015-16: Summary Capital Forecast
- 7.4 Appendix A (4) – Financial Performance Q3 2015-16: Summary Budget Movements
- 7.5 Appendix A (5) – Financial Performance Q3 2015-16: Directorate Summaries:
- (i) Communities Directorate
  - (ii) Environment Directorate
  - (iii) Resources Directorate
- 7.6 Appendix B – Equalities Impact Assessment