

FINANCIAL PERFORMANCE MONITORING SUITE

May 2015

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Headlines – Financial Performance

The 2015/16 financial performance of the Council, based on May 2015 actuals, is as follows:

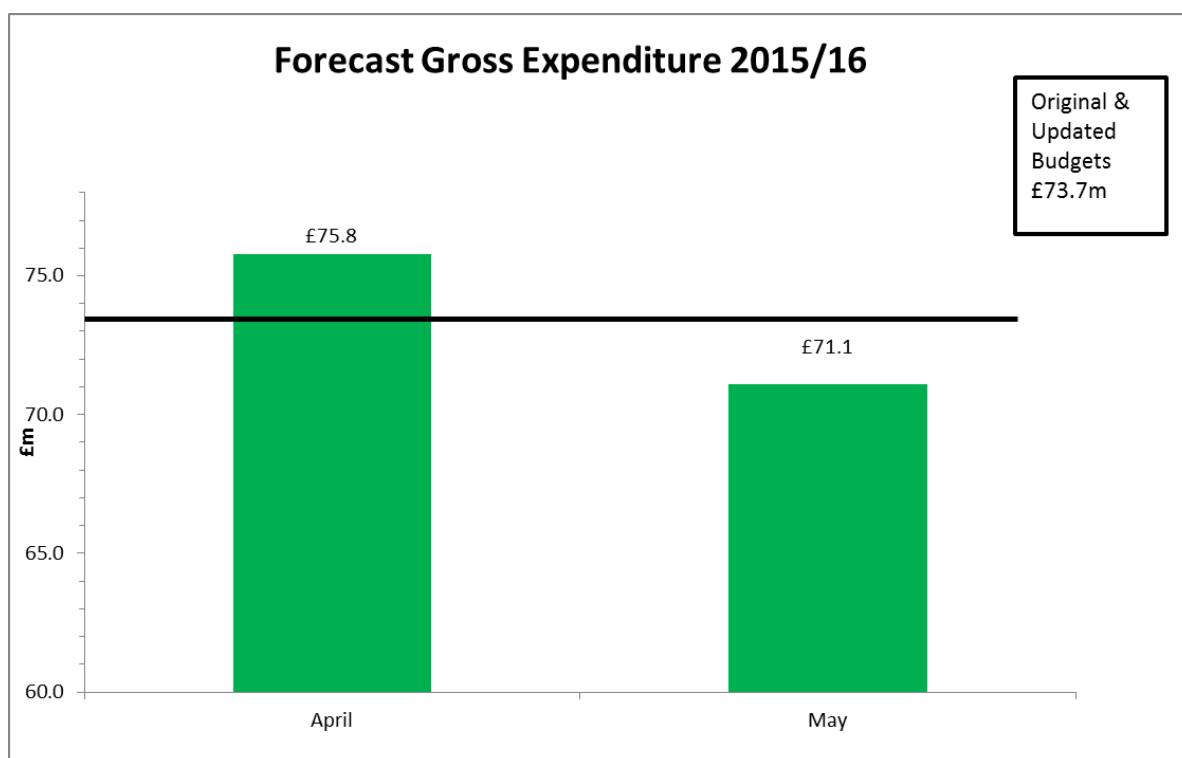
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- Forecast net spending is £18.462m, which is £0.681m lower than planned.
 - Forecast contribution to reserves has increased to £1.216m; taking into account the carry forward adjustments of £0.262m and additional forecast revenue surplus of £0.681m.

May 2015 Revenue Outturn Forecast	Original Budget	Updated Budget	Forecast	Forecast Variation Compared to :-			
	£'000	£'000	£'000	Original Budget	Updated Budget	Original Budget	Updated Budget
				£'000	%	£'000	%
Net Revenue Expenditure	18,881	19,143	18,462	(419)	-2.2	(681)	-3.6
Use of Reserves	797	535	1,216	419	52.6	681	127.3
Budget Requirement	19,678	19,678	19,678				
Financing:-							
NDR & Council Tax surplus	4,242	4,242	4,242				
Government Grant (Non-specific)	7,668	7,668	7,668				
Council Tax for Huntingdonshire DC	7,768	7,768	7,768				
General Fund Reserve							
Balance as at 1st April 2015	8,537	8,537	9,287 (A)	750	8.8	750	8.8
Contribution to Service Expenditure	797	535	1,216				
Outturn forecast as at 31 March 2016	9,334	9,072	10,503	1,169	12.5	1,431	15.8

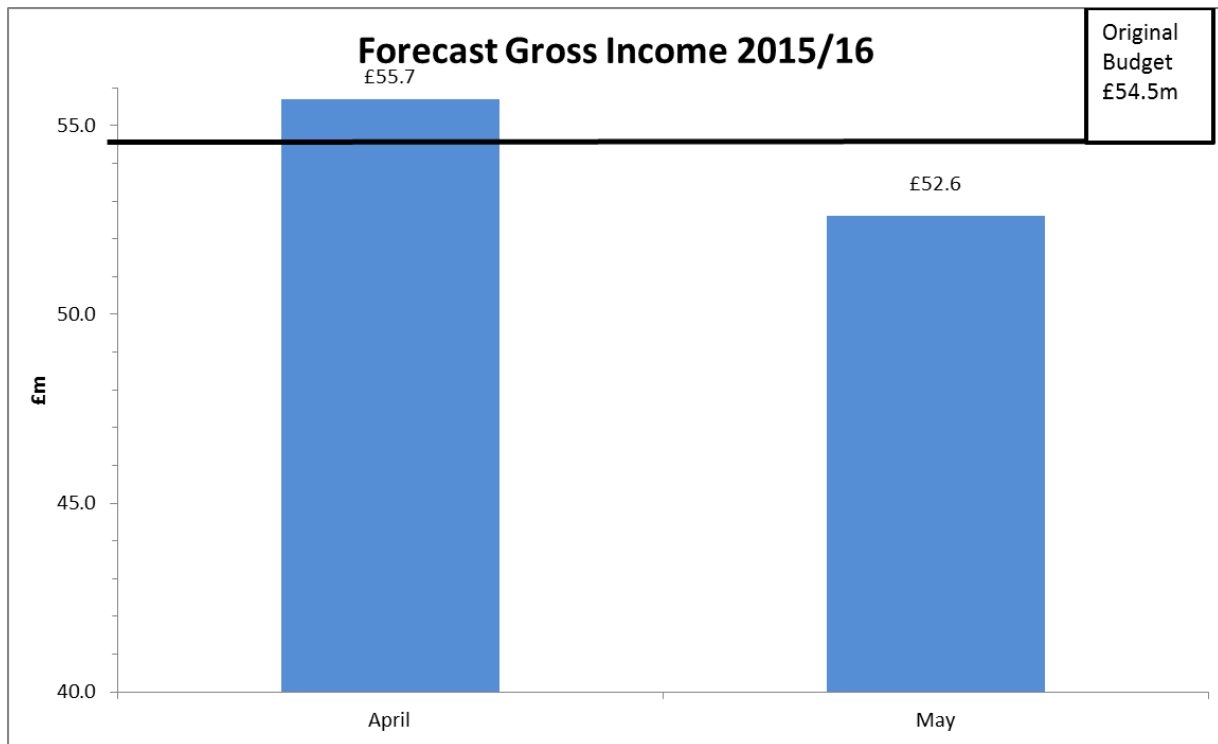
May 2015 Net Revenue Variance Analysis by Service	Budget	Forecast Outturn
	£'000	£'000
Approved Net Revenue Budget 2015/16	18,881	18,881
Approved Carryforwards from 2014/15	262	262
Updated Net Revenue Budget 2015/16	19,143	19,143
Variations		
Employee Costs - Council wide vacancies and cost of living not paid.		(333)
Car parks - ZBB budget adjustments not implemented		(86)
Other - minor variations		(81)
		(500)
Technical Adjustment		
Business Rates profile adjustment		(181)
HDC Net Expenditure	19,143	18,462

Financial Dashboard (May 2015)

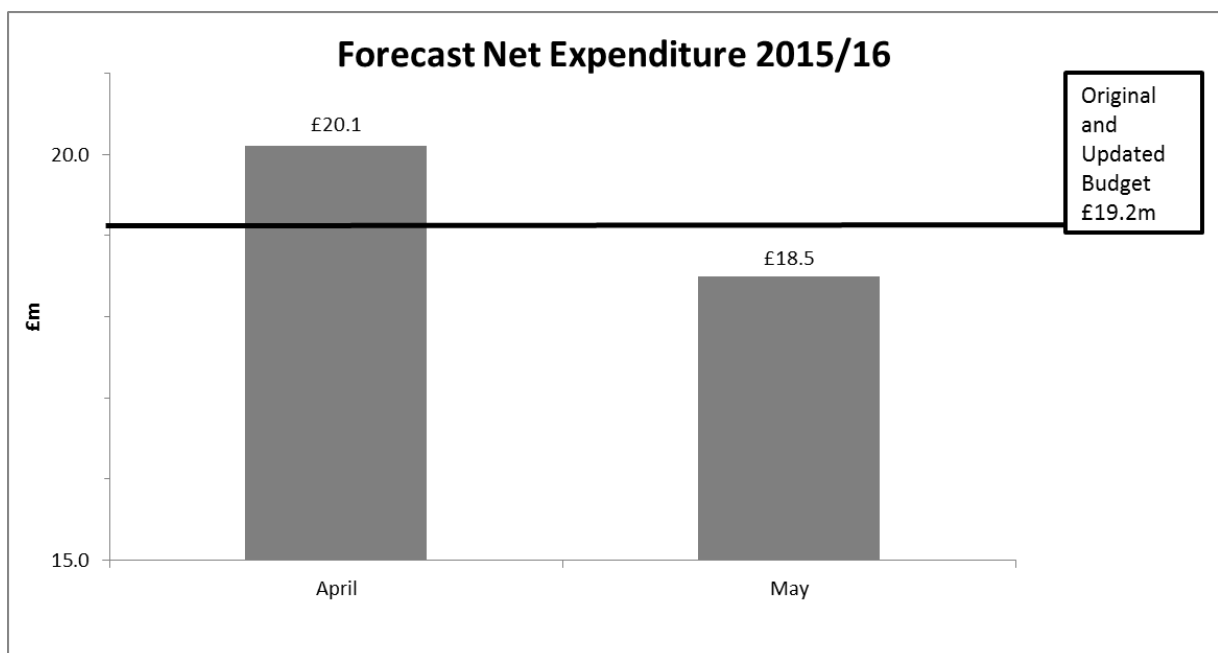
Revenue Income & Expenditure



The 2015/16 original gross revenue expenditure budget of £73.7m is combined with the approved carry forwards from 2014/15 to give an updated budget of £74.0m. Many of the carry forwards items relate to projects that received external funding which would have to be repaid if the budgets were not carried forward to 2015/16. Detailed budget monitoring for the 2015/16 budget is due to commence in July.



The gross revenue income budget as approved in February 2015 has not been affected by the approved carry forward budgets from 2014/15.



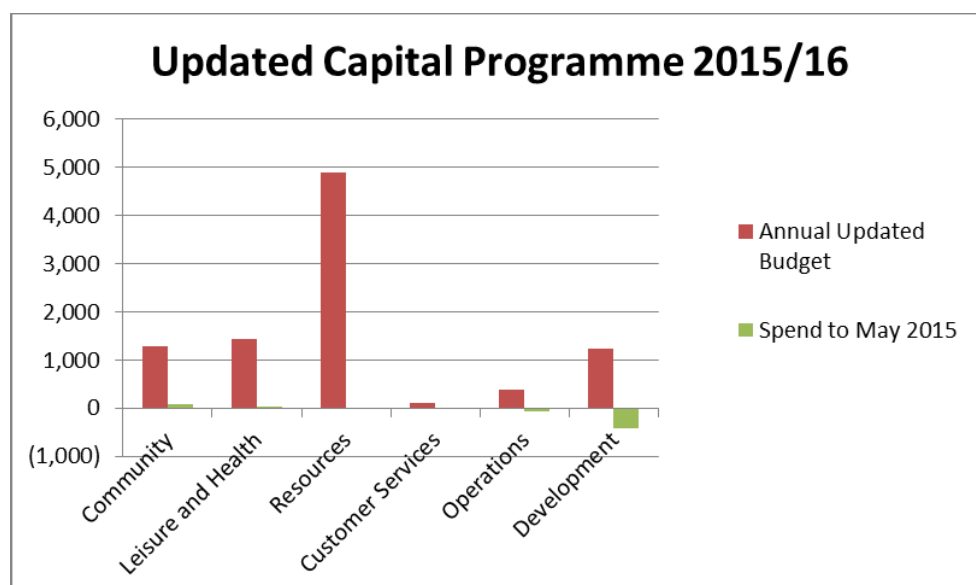
At the end of May 2015, net revenue expenditure is just below the original budget of £19.2m, a variance of £0.681m. At this point in the year, there has been limited budget monitoring due to the preparation of the statutory accounts.

Capital Programme (Property, Plant & Equipment)

The Council approved the 2015/16 capital programme of £11.065m in February 2015. This was following the February 2015 Cabinet that approved the Finance Governance Board's (FGB) recommendations that the capital programme be reduced by £1.428m. Together with the approved carry forwards of £0.274m the updated capital budget for 2015/16 is £9.363m as detailed in the table below.

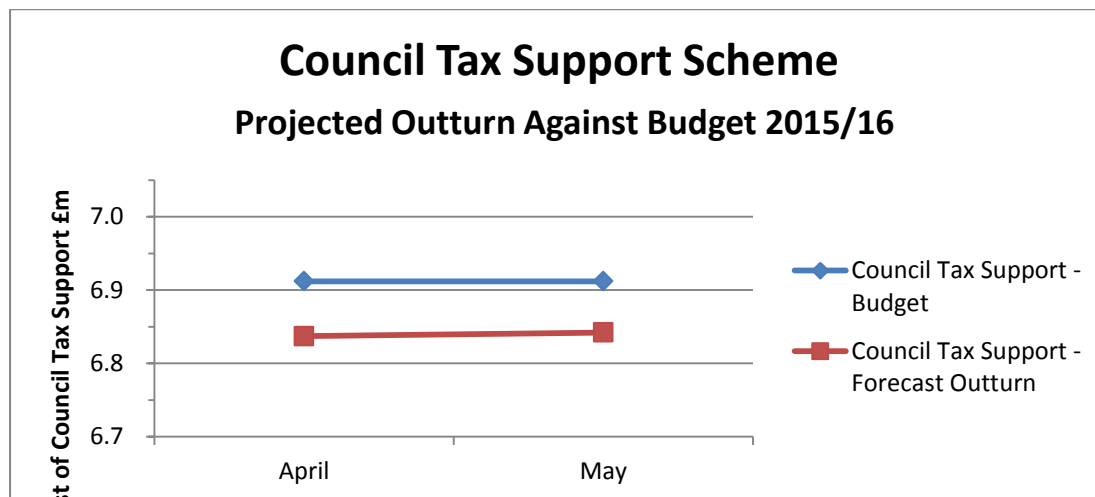
Summary	£'000
Original Approved Budget	11,065
Approved reductions by FGB	1,428
Approved carry forwards from 2014/15	274
Updated Capital Programme	<u>9,363</u>

As at the end of May 2015, the capital programme showed a net income of £0.401m due to the receipt of Disabled Facilities grant and the majority of the planned projects not yet starting.



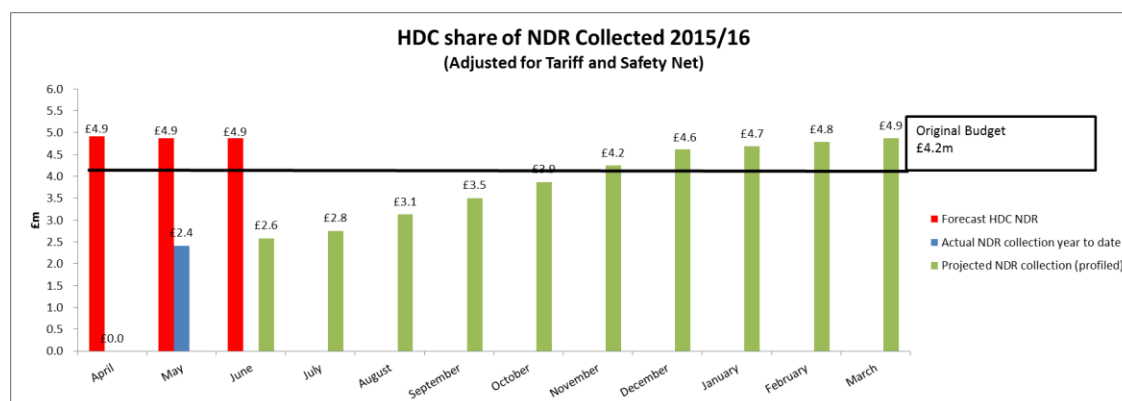
Council Tax Support Scheme

Reflecting improvements in local employment, take-up of the Support Scheme is lower than originally planned. Any 2015/16 saving due to the Support Scheme will impact in 2016/17.



The benefit to HDC will be proportionate to all Council Tax precepts (13.8% for HDC including parishes).

Collection of NDR and Council Tax

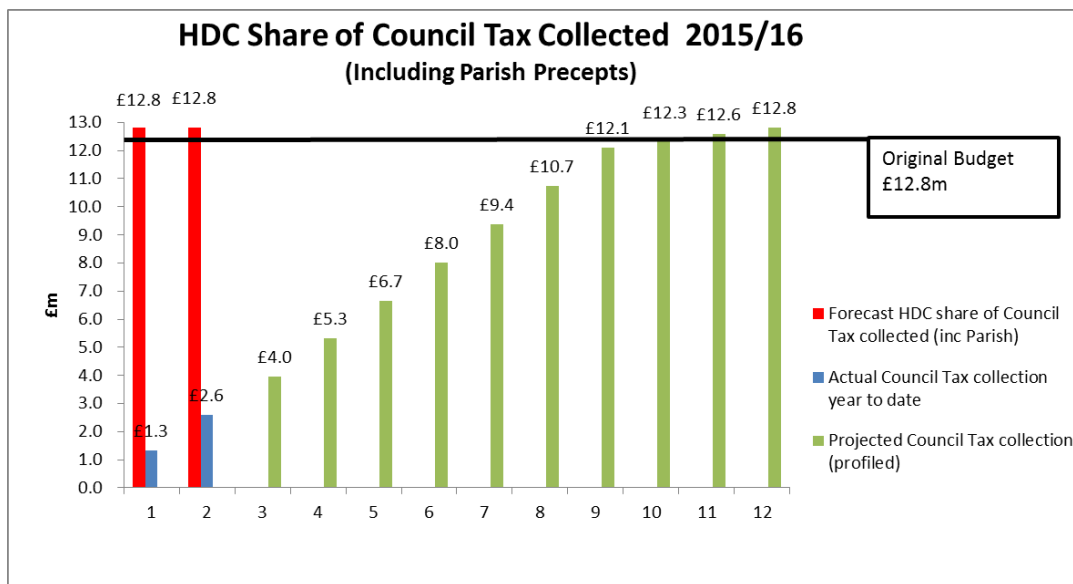


Forecast variation to the original budget is £0.7m. This additional funding comes from the new burdens identified during the completion of the NNDR1 submission to DCLG.

It should be noted that:

- the localisation of NDR has made the modelling of collectable NDR problematic; this is due to the fact that the position in respect of appeals is extremely volatile and further appeals could result in a reduced forecast. In May 2015 an appeal of £1.3m was upheld and the Councils share will be £0.520m (40%).

- the uncertainty as to when new premises will come into valuation further increases this volatility,

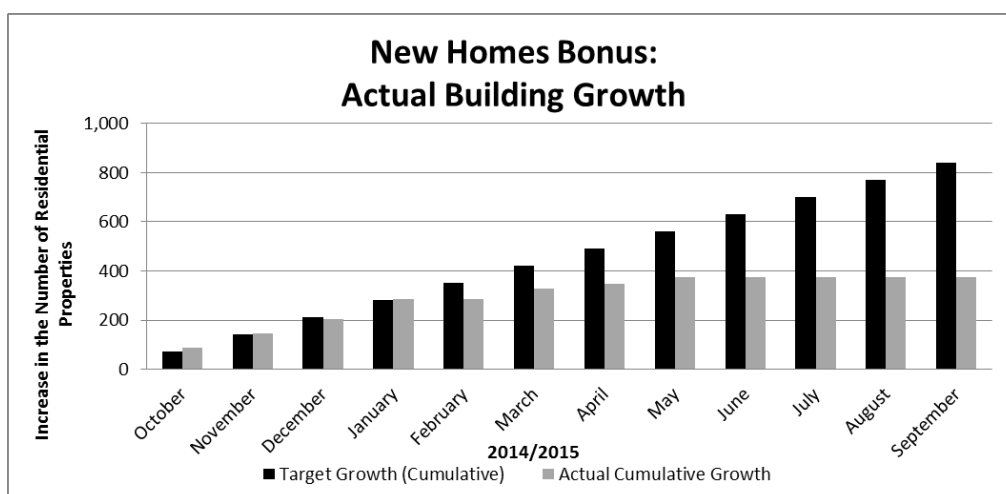


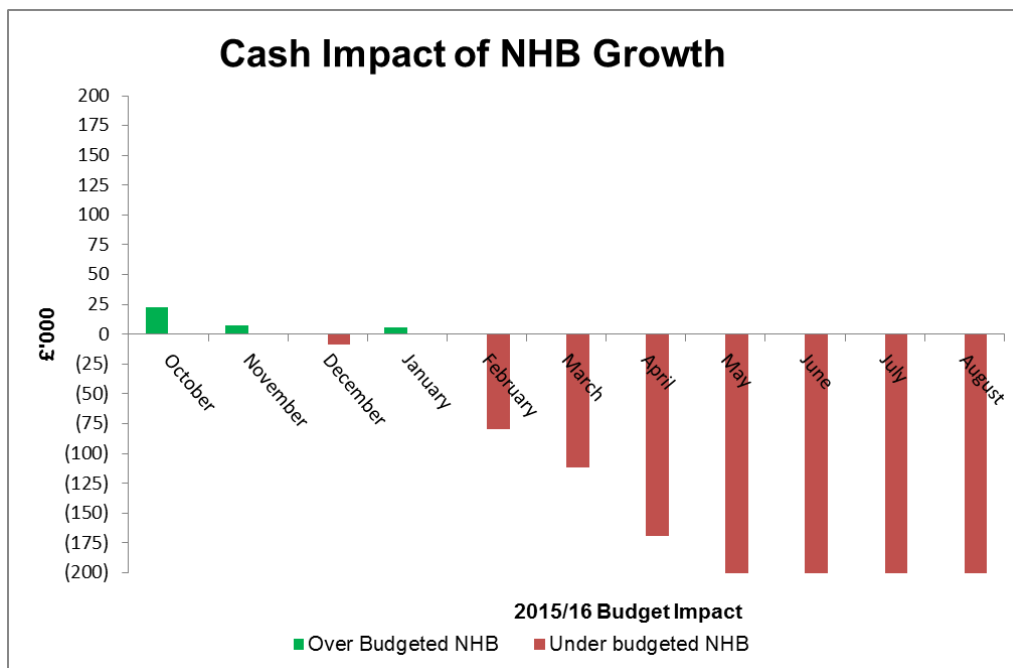
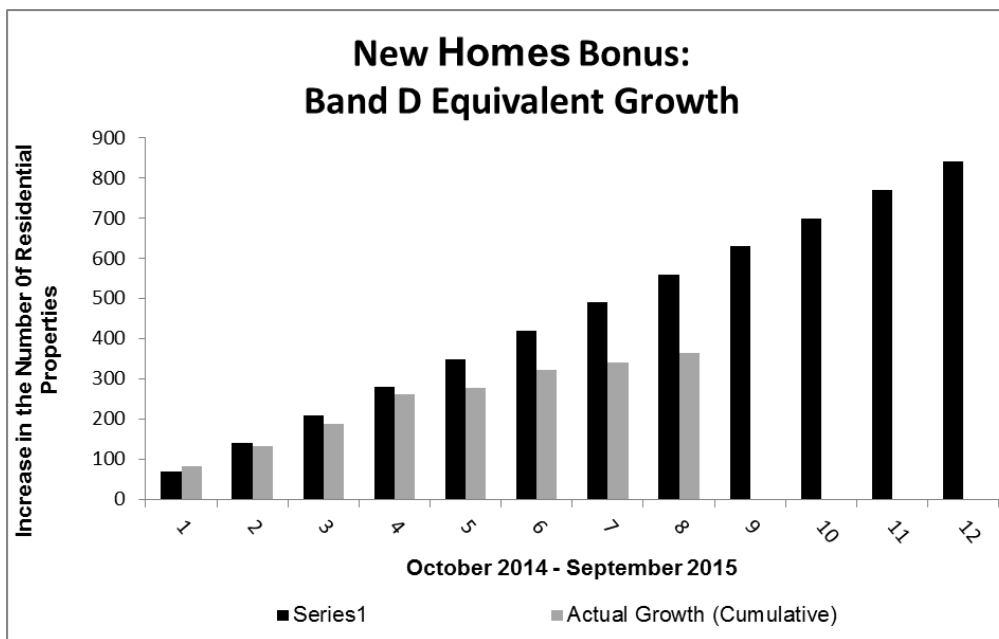
The forecast reflects the actual liability for tax at the time of annual billing compared to the assumptions made at the time the tax base was set. The projection assumes 1% of tax due for 2015/16 will be collected during 2016/17.

New Homes Bonus

The New Homes Bonus reporting cycle is October to September; consequently any income will be attributable to 2015/16. The following forecasts exclude adjustments for long-term empty properties and affordable homes.

To the end of May 2015, there were 374 new homes, down 186 on the target of 560 for the same period.





Pending confirmation from the Government the NHB per property has been estimated at last years rate plus 2% inflation.