



FINANCIAL PERFORMANCE MONITORING SUITE

December 2014

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Headlines – Financial Performance

The 2014/15 financial performance of the Council, based on December 2014 actual income and expenditure, is as follows:

- | | |
|------------------|---|
| Page 3 | <ul style="list-style-type: none">• The forecast net spending is estimated to be £20.012m against the original budget of £20.870m an underspending of some £0.858m.• The proposed use of reserves now stands at £0.147m which is an improvement on the original budget of £0.858m. |
| Page 4 | <ul style="list-style-type: none">• If the year-end adjustments from 2013-14 had not proceeded the forecast budget would be £20.593 and the use of reserves would be £0.393m. |
| Page 5 to page 6 | <ul style="list-style-type: none">• Details of One Leisure St Ives income is lower than anticipated after the redevelopment programme• Savings continue to be identified across the Council services. |

Huntingdonshire District Council

- Forecast against Original & Updated Budget
- Impact on General Fund Balance

	December 2014						
	Original Budget £000	Updated Budget £000	Forecast £000	Forecast Variation Compared to			
				Original Budget £000 %		Updated Budget £000 %	
Forecast Outturn							
Budget Total (Net Expenditure)	20,870	21,097	20,012	(858)	(4.1)	(1,085)	(5.1)
Use of Reserves	(1,005)	(1,232)	(147)	858	(85.4)	1,085	(88.1)
Budget Requirement	19,865	19,865	19,865				
Financing:							
- Collection Fund	(21)	(21)	(21)				
- Government Grant (Non-Specific)	(12,206)	(12,206)	(12,206)				
Council Tax for Huntingdonshire DC	7,638	7,638	7,638				
Impact on Reserves							
General Fund Reserves							
- 31st March 2014	9,027	9,027	8,684 (A)	(343)	(3.8)	(343)	(3.8)
Use of Reserves	(1,005)	(1,232)	(147)				
Outturn General Fund Reserve - 31st March 2015	8,022	7,795	8,537	515	6.4	742	9.5

Definitions

- Original Budget As approved by Council, February 2014.
- Updated Budget The Original Budget, updated for brought forward projects from 2013/14.
- (A) Actual General Fund Balance as at 31 March 2014.

Memorandum Item - to show impact on the General Fund Balance if currently approved 2013/14 Carried Forward expenditure was not carried forward to 2014/15

	December 2014					
	Original Budget	Updated Budget	Forecast	Forecast Variation Compared to Original Budget		
Forecast Outturn	£000	£000	£000	£000	%	
Budget Total (Net Expenditure)	20,870	21,097	20,012			
Expenditure that has been carried-forward		246	246 (B)			
Budget Total if Expenditure not c/f	20,870	21,343	20,258	(612)	(2.9)	
Use of Reserves	(1,005)	(1,478)	(393)	612	(60.9)	
Budget Requirement	19,865	19,865	19,865			
Financing:						
- Collection Fund	(21)	(21)	(21)			
- Government Grant (Non-Specific)	(12,206)	(12,206)	(12,206)			
Council Tax for Huntingdonshire DC	7,638	7,638	7,638			

Impact on Reserves					
- 31st March 2014	9,027		8,684 (A)		
Use of Reserves	(1,005)		(393)		
Adjusted Outturn General Fund Balance - 31st March 2015	8,022		8,291	269	3.4

Definitions

- Original Budget As approved by Council, February 2014.
- Updated Budget The Original Budget, updated for brought forward projects from 2013/14.
- (A) Actual General Fund Balance as at 31 March 2014.
- (B) Carried Forward Expenditure to 2014/15

HEAD OF SERVICE SUMMARY

December 2014

Service	Original Budget	Updated Budget	Forecast	Variation Forecast to Updated Budget	Summary Comments (the following are "consolidated" comments for each service)	Saving or Overspend Attributable to				
						2014/15			2015/16	
	£000	£000	£000	£000		Delayed spend	Savings	Over spend	Targeted Savings	Other
	£000	£000	£000	£000		£000	£000	£000	£000	
Leisure & Health	(28)	236	398	162	Overspend One Leisure income down but off-set by savings on employees and supplies and services.	0	(6)	168	0	0
Community	2,798	2,919	2,807	(112)	Savings Voluntary redundancy and vacant posts Licensing increased fees & reduced costs Overspend Wireless camera saving deferred pending technical review and CCTV shared service set up costs	0	(287)	175	0	0
Development	1,785	1,863	1,547	(316)	Savings Staff vacancies Use of revenue reserve to fund capital expenditure at Mobile Home Park	0	(331)	15	0	0
Operations	5,455	5,353	5,155	(198)	Savings Transport maintenance and running costs Pathfinder House business rates saving and refund Cash collection from car parks Staff vacancies Overspend Pensions costs Hinchingbrooke Cafe income shortfall	0	(294)	96	0	0

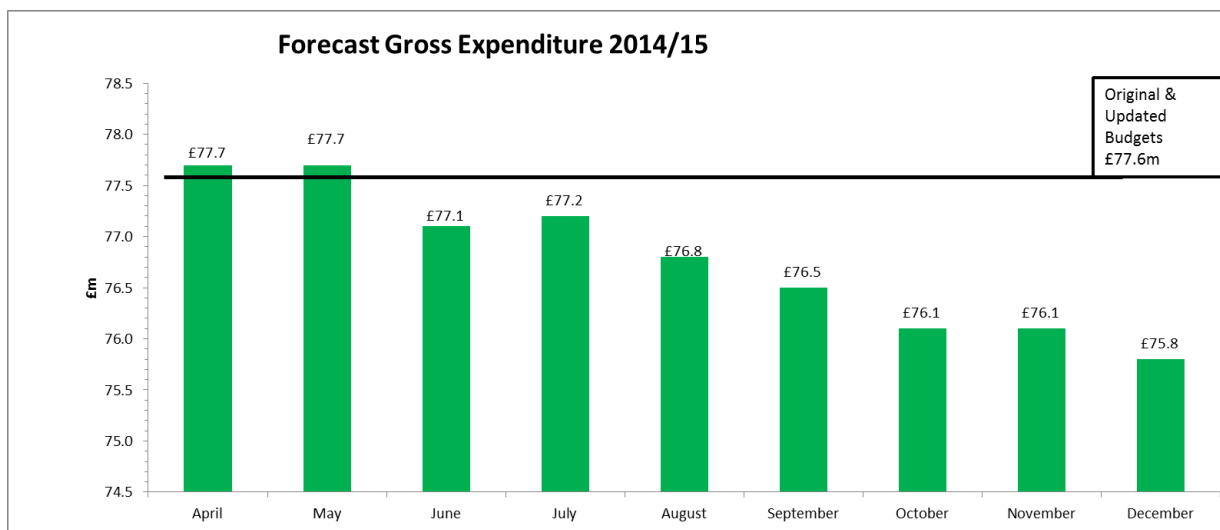
December 2014

Service	Original Budget	Updated Budget	Forecast	Variation Forecast to Updated Budget	Summary Comments (the following are "consolidated" comments for each service)	Saving or Overspend Attributable to				
						2014/15			2015/16	
	£000	£000	£000	£000		Delayed spend	Savings	Over spend	Targeted Savings	Other
	£000	£000	£000	£000		£000	£000	£000	£000	
Customer Services	4,935	5,093	4,850	(243)	Saving Agency staff funded form additional grant (see Resources) Staff savings Lower Homelessness costs Overspend Lower Government grant (Council Tax) ICT Shared service savings delayed	(59)	(309)	125	0	0
Resources	4,279	3,042	2,785	(257)	Saving Additional grants (partially offset by expenditure see Customer Services) Training and overtime underspend Overspend Interest receipts/payments Estates income down and expenditure slightly higher	0	(420)	163	0	0
Corporate Team	2,258	3,203	3,054	(149)	Savings Reduced payment for historic pension increases Member expenses for travel and phones under budget Increased volume of Land Charges fees Overspend Land charges litigation settlement	0	(182)	33	0	0
Service Total	21,482	21,709	20,596	(1,113)		(59)	(1,829)	775	0	0
Technical adjustments	(612)	(612)	(584)	28	Revenue expenditure charged to capital and recharges to Controllable Expenditure					
Budget Net Expen	20,870	21,097	20,012	(1,085)						

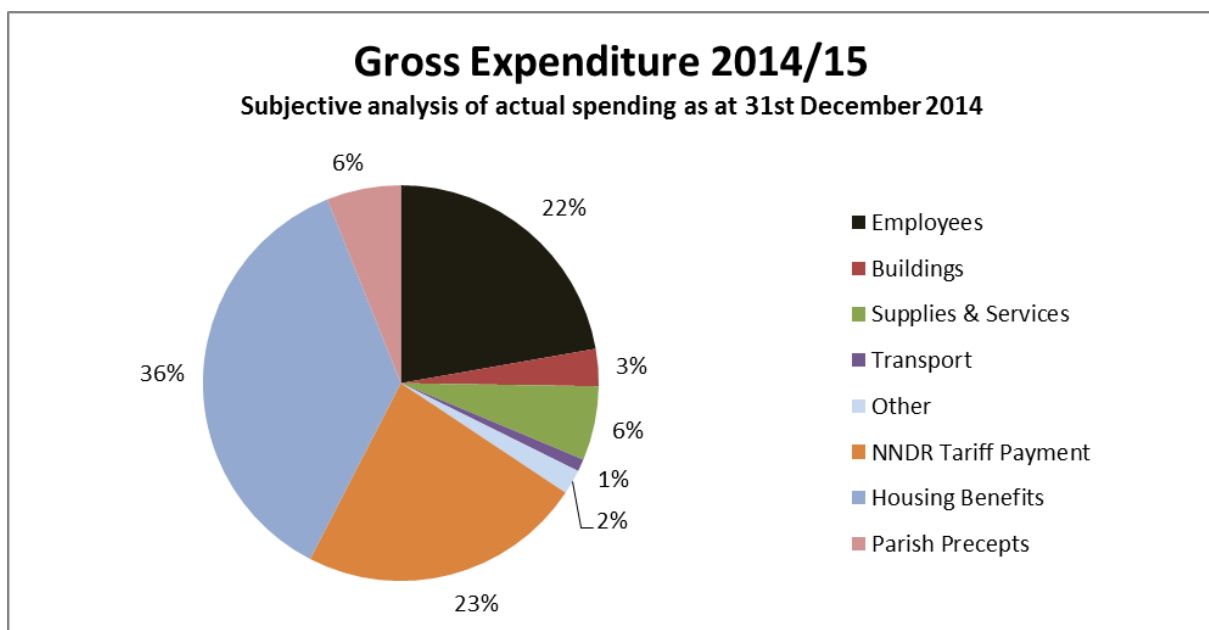


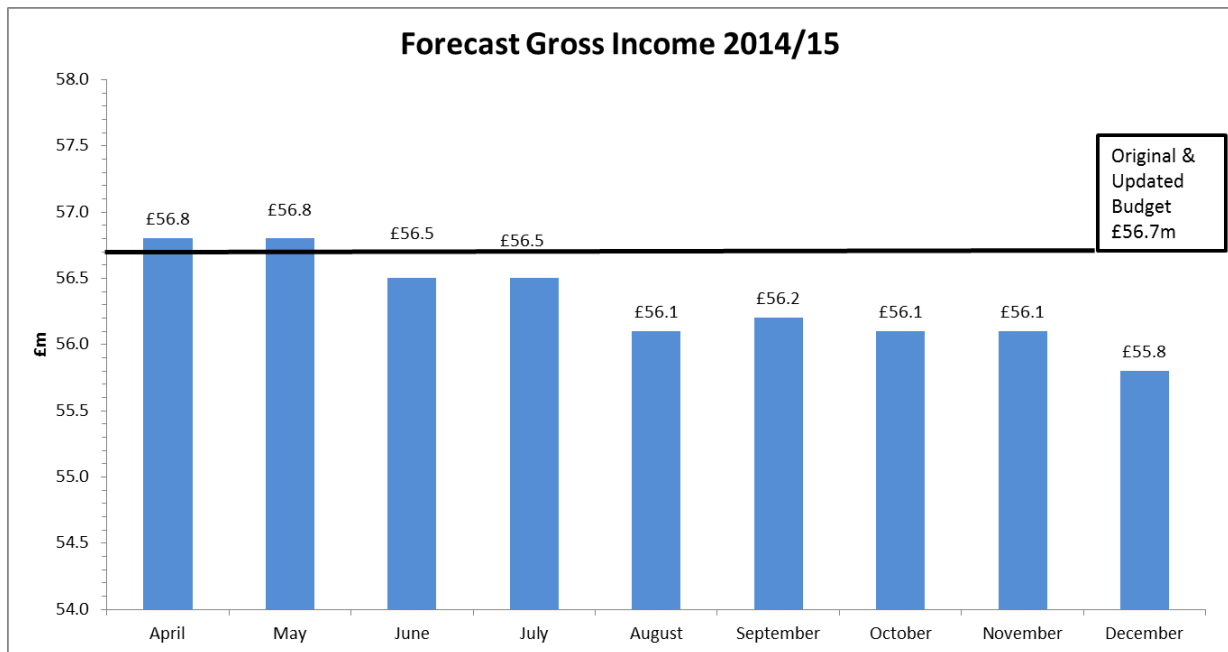
Financial Dashboard (December 2014)

Revenue Income & Expenditure

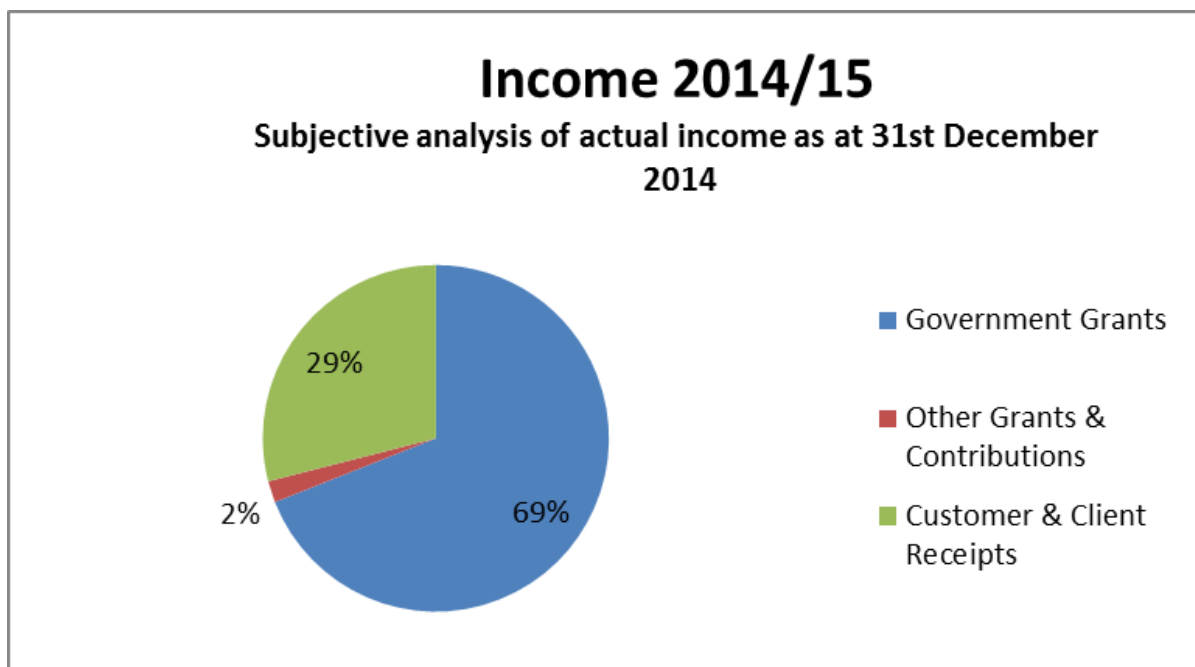


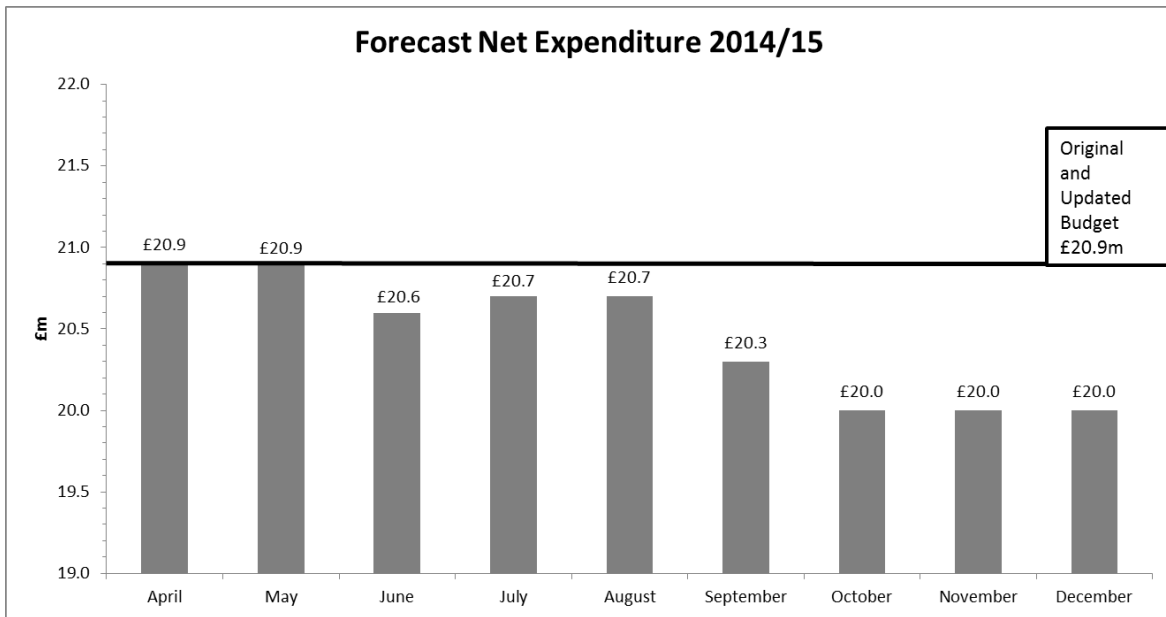
Since November the main reduction in expenditure has been on One Leisure staff and supplies & services costs identified during the ZBB process. There have also been minor reductions in the homelessness costs, these have been marginally offset by the increase in HDC's share of the CCTV additional set up costs.



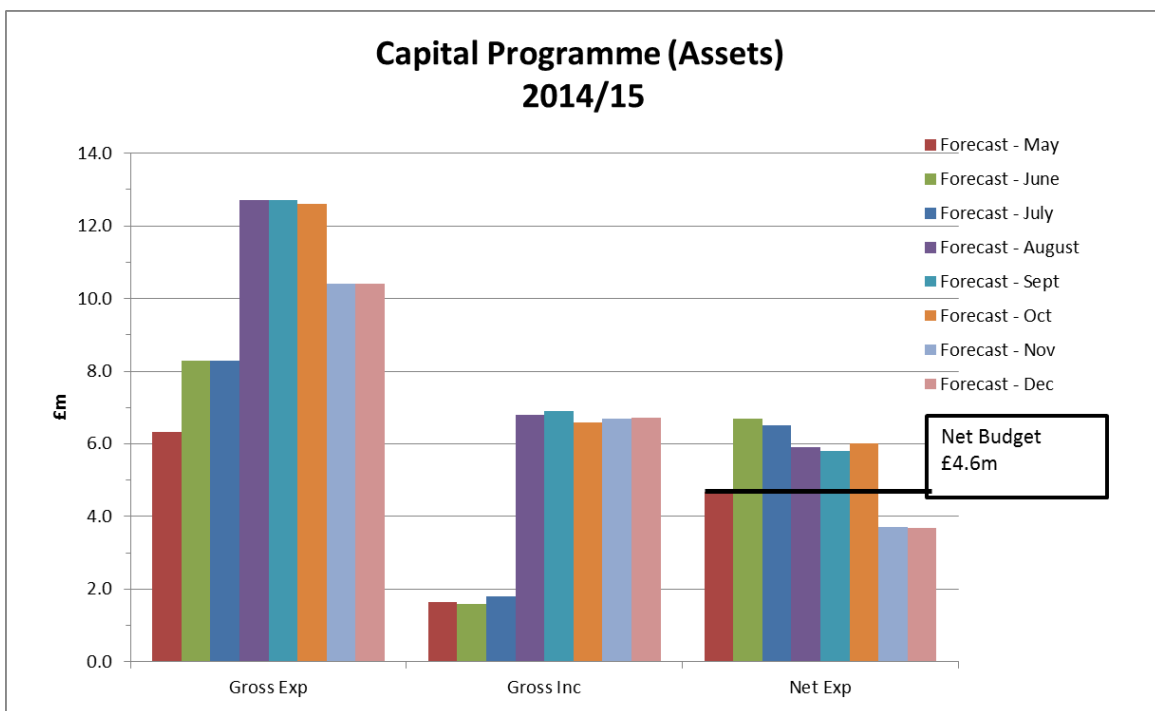


The One Leisure income forecast has been reduced (as well as the expenditure) during the ZBB process. The CCTV shared service income from Cambridge City has now been included.





Capital Programme (Property, Plant & Equipment)



The increase in August reflects the receipt of £5m funding from DCLG for Alconbury Weald that will then be “passported” by way of Capital Grant to the Enterprise Zone.

Highlights Of Budget Changes From Last Month	
	£000
Gross Budget November	10,416
Remove Capital Inflation	0
Changes in Forecast Expenditure	0
Slippage to Next Year	0
Slippage From Next Year	0
Revenue to capital transfers (revenue benefit)	0
New Scheme Funded From Contributions	0
Gross Budget - December	10,416
Contributions and Grants - November	(6,723)
Slippage	0
Slippage From Next Year	0
New Scheme Funding/Extra Contribution	0
Contributions and Grants - December	(6,723)
Net Capital Programme	3,693

The table below shows that the biggest single item that will be used to finance the 2014/15 capital expenditure continues to be working capital (a mix of loans, investments, debtors, creditors and cash).

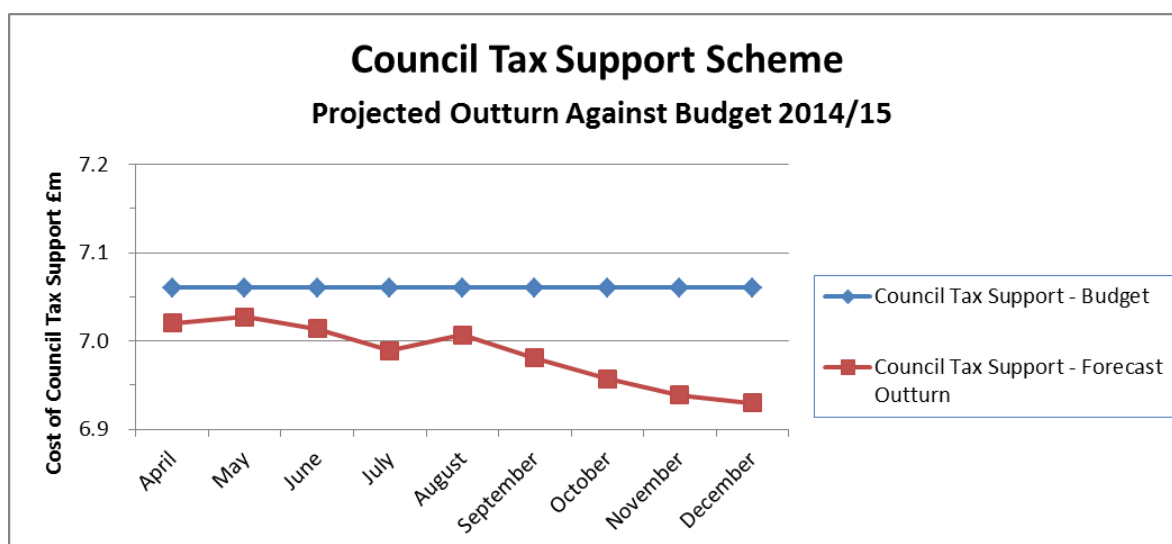
How the 2014/15 Forecast Capital Programme is expected to be financed	
	£000
Gross Expenditure	10,416
Capital Programme: Source of Finance	
- Grants and Contributions	(6,723)
Net Capital Programme	3,693
Other Sources of Finance	
Capital Receipts (Right To Buy Clawback)	(600)
Capital Receipts Land Sales	(200)
Minimum Revenue Provision	(1,331)
Capital Grants Unapplied Reserve	0
Borrowing (Working Capital) - December	1,562

Movement in Capital Financing	
	£000
Borrowing (Working Capital) - November	1,562
Capital Receipts	0
Revenue to Capital	0
MRP Change	0
Slippage from next year	0
Slippage to next year	0
Changes in forecast expenditure	0
Borrowing (Working Capital) - December	1,562

What Has Changed from Net Budget to Net Forecast		£000
Original Net Budget		4,691
Remove Capital Inflation		(68)
Slippage From 2013/14		1,945
Scheme Savings		(378)
Additional Scheme Costs		169
Revenue to Capital Transfers		(38)
Slippage to Future Years		(2,448)
Slippage from Future Years		(180)
Net Forecast		3,693

Council Tax Support Scheme

Currently the take up of the Council Tax Support Scheme is less than envisaged and continues to fluctuate at about £6.9m reflecting a more buoyant local economy. Any 2014/15 saving due to the Support Scheme will impact in 2015/16 as part of the Collection Fund year end surplus or deficit position.



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

NDR

Forecast variation to the original budget is an increase of £0.4m.

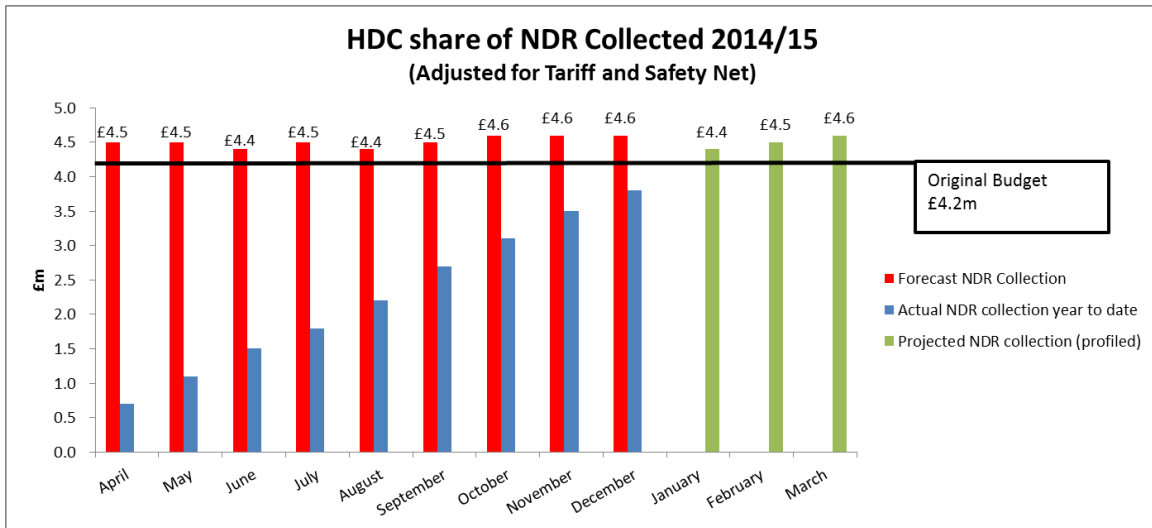
It should be noted that:

- any variance from the budget will impact in 2015/16 as part of the Collection Fund year end surplus or deficit position.
- the localisation of NDR has made the modelling of collectable NDR problematic; this is due to the fact that the Valuation Office has a backlog of appeals which

means the position is extremely volatile and further appeals will of necessity result in an amended forecast,

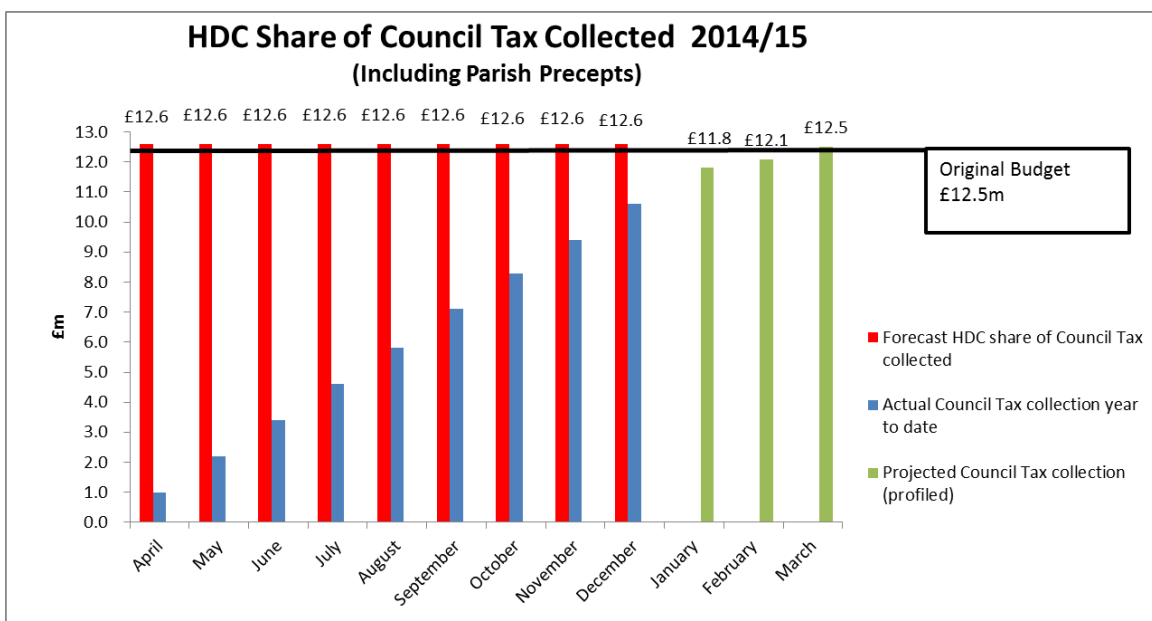
- the uncertainty as to when new premises will come into the valuation list further increases this volatility,

In addition to the forecast above, the Council will receive a grant estimated to be £0.660m for new burdens not allowed for in the central government’s assumptions for sharing NDR.



Council Tax

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 2014/15 will be collected during 2015/16.



New Homes Bonus

The New Homes Bonus reporting cycle is October to September and thus entered a new reporting period in October 2014, any income will be attributable to 2016/17. The following forecasts exclude adjustments for long-term empty properties and affordable homes.

