



**Hinckley & Bosworth
Borough Council**

FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING

FINANCE & PERFORMANCE SCRUTINY

19 August 2019

WARDS AFFECTED: ALL WARDS

FINANCIAL OUTTURN JUNE 2019

Report of Head of Finance

1. **PURPOSE OF REPORT**

1.1 Present the financial outturn position as at June 2019.

2. **RECOMMENDATION**

2.1 The report is noted.

3. **BACKGROUND TO THE REPORT**

3.1 The financial reports attached to this report are based on the Original budget taken to Council in February 2019 and take into account budget movements for the first three months.


3.2 Attached to this report are the monthly outturn reports including the following information for the period ending June 2019:

- General Fund budget monitoring summary
- General Fund detailed variance analysis
- Capital Programme outturn by scheme

General Fund

3.3 When the budget was approved by Council in February 2019 it was anticipated that £155,528 would be transferred to General Fund balances and a net £74,481 transferred to earmarked reserves. Since that date, the budget has been increased by £33,169 representing supplementary budgets that have been approved in line with financial procedures rules. As at the end of June 2019, the forecast is for the General

Fund cost to increase by an additional £71,000. This means an estimated £51,359 will be transferred from balances compared against the budgeted position of £155,528. The position as at June 2019 compared to the original budget is summarised below:

	Budgeted	Forecast	Movement	Direction
Contribution to General Fund Balances	£155,528	51,359	£104,169	

3.4 The table below shows summarise the movements between Original Budget and the estimated outturn position as at the end of June 2019.

	Outturn variances £000	Explanation
Additional budgets	(33)	To take into account latest contractual commitments
Forecast Outturn Movement	(86)	Estimated forecast variance from services (see general fund attachments)
External Interest	15	Reduction in borrowing costs and additional investment income
Change in Outturn	(104)	Additional amount to be taken from General Fund balances

3.5 Explanations for variances against both profiled budget and estimated outturn have been detailed in the monthly outturn reports appended. The major service variations in excess of £50,000 have be summarised as follows:

	Outturn variances £000	Explanation
Development Control	(100)	Reduction in planning income due to fewer number of large applications

Capital

3.6 £904,745 has been spent on capital schemes to the end of June 2019 against a budget for that period of £2,467,633. The current budget for the year is £17,574,084. The forecast expenditure is £17,389,084 which represents an underspend of £185,000. The major service variations in excess of £50,000 have been summarised as follows:

Scheme	£000's Under spend/ (Overspend)	Explanation
Disabled Facilities Grants	70	Demand Led. Based on latest commitment it is estimated that there will be an underspend.
Parish & Community Initiative Fund	90	Lower than budgeted level of bids

Housing Revenue Account

- 3.7 As at June 2019 it is anticipated that the HRA outturn will be a surplus of £162,510 compared against a forecast deficit of £19,490. Major variances are explained below:-

		Outturn variances £000	Explanation
Rents		65	Additional income due to lower than anticipated dwelling sales and additional hostel rents...
Employee savings	Costs	101	Estimated savings in severance budget and savings on vacant posts.

- 3.8 The Housing Repairs Account is currently forecasted to spend £2,335 which is an underspend of £20,000. This is due an estimated underspend in the responsive repairs budget.

4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES

- 4.1 Report taken in open session.

5. FINANCIAL IMPLICATIONS [IB]

- 5.1 Contained in the body of the report

6. LEGAL IMPLICATIONS [FA]

- 6.1 None

7. CORPORATE PLAN IMPLICATIONS

- 7.1 The Budget and outturn contributes to the achievement of all Corporate Plan Priorities.

8. CONSULTATION

- 8.1 No direct consultation

9. RISK IMPLICATIONS

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget strategy is produced to ensure that the objectives of the budget exercise are known throughout the organisation. The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance. Sufficient levels of reserves and balances are maintained to ensure financial resilience	Julie Kenny

10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 There are no direct implications arising from this report

11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Procurement implications
- Human Resources implications
- Planning implications
- Data Protection implications
- Voluntary Sector

Background papers: Civica reports

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Executive Member: Cllr K Lynch