



Subject:	Financial Reporting – Quarter 1 2017/18
Date:	18 August 2017
Reporting Officer:	Ronan Cregan; Director of Finance and Resources
Contact Officer:	Mark McBride, Head of Finance and Performance

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	This report presents the Quarter 1 financial position for the Council including a forecast of the year end outturn. It includes a reporting pack which contains a summary of the financial indicators and an executive summary (Appendix 1). It also provides a more detailed explanation of each of the relevant indicators and the forecast outturn for the year.
1.2	The Departmental year end forecast is a net year end under spend of £1.15m which represents a variance of 0.8% of the annual net expenditure budget. The District Rate forecast by the Land and Property Service (LPS) is a favourable outturn of £893k. It should be noted that this forecast is provided at a very early stage in the financial year and Council Officers will be working with LPS to scrutinise the rate forecast before an updated position is presented to

	Committee at Quarter 2.
2.0	Recommendations
2.1	<p>The Committee is asked to;</p> <ul style="list-style-type: none"> Note the report and, given that the forecast outturn is based at an early stage in the financial year, agree that no in year budget reallocations should be considered until the Quarter 2 position is presented to the Committee in November 2017.
3.0	Main report
	Current and Forecast Financial Position 2017/18
3.1	The financial position for Quarter 1 is a net departmental under-spend of £1.23m (3.4%). The forecast year-end departmental position is an under-spend of £1.15m (0.8%), which is well within the acceptable variance limit of 3%.
3.2	The departmental underspend arises mainly from below budget employee and supplies expenditure due to staff vacancies, staff turnover and additional income. This has helped offset budgetary pressures within Waste Management and Facilities Management.
	Rates Finalisation
3.3	The Quarter 1 forecast from LPS is a favourable overall outturn of £893k. As noted above this is an early stage forecast and officers will be meeting with LPS to review the income and losses and to scrutinise the drivers to the year-end forecast prior to the Quarter 2 reporting period.
	Capital Projects
3.4	Planned capital expenditure for 2017/18 approved as part of the capital programme is £36.5m with forecast expenditure for the year of £36.81m.
3.5	The Summary Dashboard on Page 2 of the attached performance report summarises forecast expenditure on other capital programme including Non-Recurring Projects (£730k), Feasibility Fund (£34k) and projects in the new boundary areas (£685k).
3.6	Committed expenditure approved by the Committee on Belfast Investment Fund projects is £17.02m, with a further £4.96m committed on LIF 1 projects and £3.90m on LIF 2 projects.
	Capital Financing
3.7	The summary dashboard has also been updated to provide analysis of the annual capital financing budget. Actual capital financing expenditure is forecast to be on budget by the year end.
	Forecast Reserves Position
3.8	The balance of general reserves is forecast to increase from £13.35m to £15.39m at the year end. This increase is based on the forecast departmental underspend and the favourable

	settlement forecast from LPS. An updated position will be brought to Committee in Quarter 2.
3.9	The planned expenditure from specified reserves is forecast to reduce the specified reserve balances to £1.35m at the year end.
3.10	<p><u>Finance and Resource Implications</u></p> <p>The Departmental position at Quarter 1 together with the forecast year end Council position is detailed within the report. It is recommended that no budget reallocations are considered until Quarter 2 given that the current forecast is based at an early stage in the financial year.</p>
3.11	<p><u>Equality or Good Relations Implications</u></p> <p>None.</p>
4.0	Appendices – Documents Attached
	Appendix 1 - Quarter 1 Performance Report