



<b>Subject:</b>	Financial Reporting – Quarter 2 2019/20
<b>Date:</b>	3 December 2019
<b>Reporting Officer:</b>	Nigel Grimshaw, Director of City and Neighbourhood Services
<b>Contact Officer:</b>	Jacqueline Wilson, Business Manager, City & Neighbourhood Services Department

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

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

<b>1.0</b>	<b>Purpose of Report or Summary of main Issues</b>
1.1	This report presents the quarter 2 financial position for the People and Communities Committee including a forecast of the year end outturn. A reporting pack containing an executive summary, financial indicators and explanation of each of the relevant indicators and the forecast outturn has been included as Appendix 1.
<b>2.0</b>	<b>Recommendations</b>
2.1	The Committee is asked to <ul style="list-style-type: none"><li>• note the report and the associated financial reporting pack.</li></ul>

3.0	<b>Main report</b>
3.1	<p><b>Overall Council Financial Position</b></p> <p>The forecast year end position for the Council is an under spend of £154k which represents a variance of 0.1% of the annual net expenditure budget. The district rate forecast from Land and Property Services (LPS) is a clawback of £2.3m while the capital financing budget is forecast to be underspent by £1.9m at the year end. This was reported to the Strategic Policy and Resources Committee meeting of the 22nd November 2019 where Members agreed that, given the departmental and district rate forecasts, no further reallocations or cash flow payments will be considered until the Quarter 3 position is presented to the Committee in February 2020.</p>
3.2	<p><b>Committee Financial Position</b></p> <p>The Quarter 2 position for the Committee is an under spend of -£271,492 (-0.7%), with the forecast year end position being an over spend of £544k (0.7%) which is well within the acceptable variance limit of 3%.</p>
3.3	<p>The main reasons for the quarter 2 Committee under-spend relates to vacant posts across a number of services, the receipt of additional income and the timing of grants and programmes. However this position is forecast to change due to uncontrollable contract costs, vehicle/fuel costs and a reduction in income from commercial waste.</p>
3.4	<p>As reported to P&amp;C Committee in November the department will undertake corrective action to address this forecast spend such as:</p> <ul style="list-style-type: none"> <li>• Pulling back on any discretionary spend and on areas such as supplies and services</li> <li>• Reviewing any events/programmes that are not already committed to that may then need to be delayed</li> <li>• Delay any non-essential grounds maintenance activities to the new financial year</li> <li>• Challenge all overtime requests or temporary agency cover that's are not deemed essential</li> </ul>
3.3	<p><b><u>Finance and Resource Implications</u></b></p> <p>The report sets out the 2019/20 quarter 2 position.</p>

3.4	<b><u>Equality or Good Relations Implications/Rural Needs Assessment</u></b> There are no equality implications with this report.
4.0	<b>Appendices – Documents Attached</b>
	Appendix 1 - Quarter 2 Performance Report