



<b>Subject:</b>	Financial Reporting – Quarter 3 2016/17
<b>Date:</b>	7 March 2017
<b>Reporting Officer:</b>	Nigel Grimshaw, Director City & Neighbourhood Services Department
<b>Contact Officer:</b>	Jacqueline Wilson, Business Manager, City & Neighbourhood Services Department

<b>Is this report restricted?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
<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 3 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.
1.2	The Departmental year end forecast is a net year end positive balance of £888k which represents a variance of 1.2% of the annual net expenditure budget which is well within the acceptable target limits.
<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 and the update on the corporate position and the decisions made by SP&amp;R Committee outlined in paragraph 3.6 below.</li></ul>
<b>3.0</b>	<b>Main report</b>
3.1	The Quarter 3 position for the Committee is an under-spend of £1,387k or 2.4% of the budget with the forecast year end position being an under-spend of £888k (1.2%) which is well within the acceptable variance limit of 3%.

3.2	The main reasons for the Committee under-spend relates to vacant posts across a number of services, the receipt of additional income from grants and growth.
3.3	Members will recall that the Strategic Policy and Resources (SP&R) Committee decided at its meeting on the 18 November 2017 to cap in year departmental cash limits at the Quarter 2 forecast levels to offset the rates clawback advised by the Land and Property Service (LPS).
	<b>Corporate Position</b>
3.4	The corporate departmental forecast position at Quarter 3 is an under-spend of £2,152k (1.6%). The LPS rates clawback forecast is £2,024k leaving a balance £128k which the SP&R Committee agreed to apply to general reserves.
3.5	The capital financing budget is forecast to be below budget by £657k due to slippage in the capital programme expenditure.
3.6	<p>SP&amp;R Committee agree that the forecast capital financing underspend be re-allocated to specified reserves for the following purposes:</p> <ul style="list-style-type: none"> <li>• £294k for the Community Grants shortfall for 2017/18</li> <li>• £100k for the City Wide Tribunal Service for 2017/18. That the payment of the £100k to the group would be subject to a further report to the Committee on the receipt and assessment of an application for funding which would detail the achievements to be delivered as well as the plans in place to attract levered funding.</li> <li>• Balance of £263k for a potential European Capital of Culture Bid.</li> </ul>
3.7	<p><u>Finance and Resource Implications</u></p> <p>The report sets out the 2016/17 quarter 3 position.</p>
3.8	<p><u>Equality and Good Relations</u></p> <p>There are no equality implications with this report.</p>
<b>4.0</b>	<b>Appendices – Documents Attached</b>
	Appendix 1 - Quarter 3 Performance Report