

## **ANNUAL PERFORMANCE & PROVISIONAL BUDGET OUTTURN REPORT 2017/18**

### **1. INTRODUCTION**

- 1.1 'Our corporate plan' is supported by a corporate framework which provides further context around the main issues the plan aims to address, and key strategies which will contribute to the delivery of the plan. This report provides an overview of the Council's performance and achievements over the last 12 months and sets out provisional details of the 2017/18 projected financial outturn positions for the General Fund, Capital Programme and Housing Revenue Account. In recognition of some of the challenges moving forward it also sets out key strategies for implementation during 2018/19.
- 1.2 The Council's statutory Statement of Accounts will be completed and signed by the Responsible Financial (S151) Officer by 31 May and will be presented to Audit Committee in July following external audit. Should there be any significant variations from the figures presented in this report, they will be highlighted at that Committee. The Outturn now presented is in management format.

### **2. BACKGROUND**

- 2.1 Much of the focus for 2017/18 has been on the achievement of the service reviews and key activities contained within the delivery plan including the generation of additional income, whilst maintaining frontline service delivery in support of the visions and priorities of the corporate plan.
- 2.2 The Council's financial planning process further supports the delivery of the corporate objectives and the annual budget, and its performance, is an element of the overall corporate plan.
- 2.3 The provisional outturn for 2017/18 as reported to cabinet in April resulted in revised General Fund, Capital Programme and Housing Revenue Account budgets as follows;

	<b>Original Budget £'m</b>	<b>Latest Budget April Cabinet £'m</b>	<b>Reported Variations £'m</b>
<b>General Fund</b>	16.587	15.346	-1.241
<b>Capital Programme</b>	21.266	24.418	3.152
<b>Housing Revenue Account (Income)</b>	-27.919	-27.990	-0.071
<b>Housing Revenue Account (Expend.)</b>	27.919	26.681	-1.238

### 3. PERFORMANCE

- 3.1 Performance continues to be maintained despite ongoing funding reductions. Appendix 1 illustrates some of the Council's achievements and key data for 2017/18, whilst also providing a current picture of the Council's organisational structure.
- 3.2 The level of central government funding reduced by £1.757m from 2016/17 to 2017/18, with further reductions forecast in future years. Appendix 2 (Corporate Framework) introduces the key strategies in development for 2018/19 which will contribute to delivering a level of service that the local population expect, despite these significant reductions.

### 4. BUDGET OUTTURN

- 4.1 The Annual Budget is an important element of the delivery of the Council's financial strategy which supports the delivery of core services and provides value for money to local taxpayers. Financial Monitoring Reports and Medium Term Financial Plan updates to Cabinet throughout the year provide up to date information on both current performance, and the budget outlook over a medium term period.
- 4.2 The updated General Fund revenue outturn position confirms a spend of £14.558m. This is a favourable yearend variation of £788,000, and results in a total favourable variation for the year as against the original budget of £2.029m. The Financial Monitoring reports presented through Cabinet during the year confirm the reasoning for the significant variations other than the outturn variation of £788,000, which are summarised within Appendix 3. As stated within the April Cabinet Financial Monitoring report, a review of the variations against the original budget will be undertaken to determine which are on-going and not yet reflected in the 2018/19 budget or forward looking MTFP.
- 4.3 The updated Capital Programme outturn position confirms a spend for the year of £24.918m. This is a yearend variation of +£500,000, and results in a total variation for the year of +£3.652m.
- 4.4 The updated Housing Revenue Account position confirms income for the year of £27.965m and a spend for the year of £26.153m. This results in a favourable yearend variation of £502,000, and results in an overall favourable variation for the year of £1.812m, with £64,000 being transferred to the ICT reserve.
- 4.5 The following table summarises the positions as explained above (although all stated positions are still subject to change, up until 31-05-18);

	<b>Original Budget</b>	<b>Outturn Position</b>	<b>Total Variation</b>
	<b>£'m</b>	<b>£'m</b>	<b>£'m</b>
<b>General Fund</b>	16.587	14.558	-2.029
<b>Capital Programme</b>	21.266	24.918	3.652
<b>Housing Revenue Account (Income)</b>	-27.919	-27.965	-0.05
<b>Housing Revenue Account (Expend.)</b>	27.919	26.153	-1.77

## **5. ENVIRONMENTAL, CRIME AND DISORDER AND EQUALITY IMPLICATIONS**

5.1 There are no environmental, crime and disorder or equality implications arising directly from this report.

## **6. LEADER'S COMMENTS**

6.1 To follow.

## **7. RECOMMENDATIONS**

7.1 It is recommended that EMT:

- (a) Note the performance and achievements as set out in Appendix 1
- (b) Note the key delivery actions for 2018/19 set out in Appendix 2
- (c) Note the provisional General Fund outturn position
- (d) Note the provisional outturn position of the Capital Programme

### **Further Information:**

Alan Bethune  
Head of Finance  
Tel: 023 8028 5588  
Email: [Alan.bethune@nfdc.gov.uk](mailto:Alan.bethune@nfdc.gov.uk)

Sheryl Parry  
Business Improvement Project Manager  
Tel: 023 8028 5588  
Email: [Sheryl.Parry@nfdc.gov.uk](mailto:Sheryl.Parry@nfdc.gov.uk)

### **Background Papers:**

Our corporate plan –  
Cabinet 3 February 2016

Financial Monitoring  
Report – Cabinet 4 April  
2018

**BUDGET OUTTURN POSITION**

**SUMMARY GENERAL FUND OUTTURN INFORMATION 2017/18 (£'000)**

Original Budget		16,587		
<b>Financial Monitoring</b>	<b>Savings/Income</b>	<b>Requirements</b>	<b>NET TOTAL</b>	
August	-499	417	<b>-82</b>	
November	-392	25	<b>-367</b>	
April	-1,093	301	<b>-792</b>	
	<b>-1,984</b>	<b>743</b>	<b>-1,241</b>	
Outturn	-1,259	471	<b>-788</b>	
	<b>-3,243</b>	<b>1,214</b>	<b>-2,029</b>	
<b>Outturn Position</b>			<b>14,558</b>	
<b>Rephasings *</b>	<b>Into 17/18</b>	<b>Out of 17/18</b>	<b>NET TOTAL</b>	
August	1,146		<b>1,146</b>	
November		-416	<b>-416</b>	
April		-438	<b>-438</b>	
	<b>1,146</b>	<b>-854</b>	<b>292</b>	
Outturn		-133	<b>-133</b>	
	<b>1,146</b>	<b>-987</b>	<b>159</b>	

  

Portfolio/Committee Level Outturn Analysis	
Leader & Corporate Affairs	4
Environment and Reg. Services (1)*	-222
Community Affairs	18
Planning & Infrastructure (2)*	-165
Local Econ. Dev., Property & Innovation	-5
Leisure & Wellbeing (3)*	-225
Housing Services	22
Finance, Corp. Servs. & Improvement (4)*	-92
Asset Maintenance & Replacement	-123
	<b>-788</b>

  

ICT	150
Other	-17
	<b>133</b>

(\*transfers from / (to) reserves)

\* Service Variations >-£25,000

(1) - Keyhaven River	-42
(1) - Coast Protection	-37
(1) - Street Scene	-43
(1) - Refuse & Recycling	-32
(1) - Environmental Health	-36
(2) - Parking	28
(2) - Highways Agency	-27
(2) - Transportation	-33
(3) - Health & Leisure Centres	-168
(3) - Sports & Comm. Develop.	-50
(4) - Subsidy Reduction	109
(4) - Office Accomodation	-83

**SUMMARY CAPITAL PROGRAMME OUTTURN INFORMATION 2017/18 (£'000)**

	GENERAL FUND		HRA		TOTAL
<b>Original Budget</b>	4,873		16,393		<b>21,266</b>
<b>Financial Monitoring</b>	<b>Savings/Income</b>	<b>Requirements</b>	<b>Savings/Income</b>	<b>Requirements</b>	<b>NET TOTAL</b>
August	-214	208	-150		<b>-156</b>
November					<b>0</b>
April	-452	2,221	-570	1,350	<b>2,549</b>
	<b>-666</b>	<b>2,429</b>	<b>-720</b>	<b>1,350</b>	<b>2,393</b>
Outturn	-21	486	-120	631	<b>976</b>
	<b>-687</b>	<b>2,915</b>	<b>-840</b>	<b>1,981</b>	<b>3,369</b>
<b>Rephasings</b>	<b>Into 17/18</b>	<b>Out of 17/18</b>	<b>Into 17/18</b>	<b>Out of 17/18</b>	<b>NET TOTAL</b>
August	1,818		74		<b>1,892</b>
November					<b>0</b>
April		-534		-599	<b>-1,133</b>
	<b>1,818</b>	<b>-534</b>	<b>74</b>	<b>-599</b>	<b>759</b>
Outturn		338		-814	<b>-476</b>
	<b>1,818</b>	<b>-196</b>	<b>74</b>	<b>-1,413</b>	<b>283</b>
<b>Outturn Position</b>					<b>24,918</b>

  

Project Level Outturn Analysis	
Housing Acquisitions (HRA)	556
Older Persons Scheme Alterations	-56
Major Repairs	53
Open Space Projects	99
Public Conveniences from Revenue	324
	<b>976</b>

  

Compton & Sarum New Build	-221
S106 Acquisitions	-559
Eling Tide Mill	374
Other	-70
	<b>-476</b>

## HOUSING REVENUE ACCOUNT OUTTURN INFORMATION 2017/18 (£'000)

	Original Budget	Budget Variations via Financial Monitoring	Latest Budget	Outturn Actuals	Outturn Variation against Latest Budget
<b>INCOME</b>					
Dwelling Rents	-26,077	62	-26,015	-25,992	23
Non Dwelling Rents	-730	-18	-748	-770	-22
Charges for Services & Facilities	-753	11	-742	-741	1
Contributions towards Expenditure	-57	-90	-147	-118	29
Interest Receivable	-76	-36	-112	-102	9
Sales Administration Recharge	-33	0	-33	-42	-9
Shared Amenities Contribution	-194	0	-194	-199	-6
<b>TOTAL INCOME</b>	<b>-27,919</b>	<b>-71</b>	<b>-27,990</b>	<b>-27,965</b>	<b>26</b>
<b>EXPENDITURE</b>					
Repairs & Maintenance					
Cyclical Maintenance	1,472	-100	1,372	1,176	-196
Disabled Facilities	700	-700	0	0	0
Reactive Maintenance	2,789	-87	2,702	2,607	-95
Supervision & Management					
General Management	3,818	6	3,824	3,694	-130
Special Services	1,243	-2	1,240	1,145	-95
Homeless Assistance	62	0	62	59	-3
Rents, Rates, Taxes and Other Charges	11	13	25	34	9
Rent Rebates	0	0	0	0	0
Provision for Bad Debt	150	0	150	131	-19
Capital Financing Costs	8,584	0	8,584	8,584	0
RCCO	9,091	-369	8,722	8,722	0
<b>TOTAL EXPENDITURE</b>	<b>27,919</b>	<b>-1,238</b>	<b>26,681</b>	<b>26,153</b>	<b>-528</b>
<b>HRA OPERATING SURPLUS(-) / DEFICIT</b>	<b>0</b>	<b>-1,309</b>	<b>-1,309</b>	<b>-1,812</b>	<b>-502</b>
<b>HRA Total Annual Surplus(-) / Deficit</b>					<b>-1,812</b>
Transfer to ICT Reserve M410 HY001					<b>64</b>
<b>HRA TOTAL ANNUAL SURPLUS(-) / DEFICIT</b>					<b>-1,748</b>