

Item 6 (d) - Financial Results 2016/17 - to the end of September 2016

Recommendation to Council: That a supplementary estimate of £210,000 be approved in respect of timing issues arising from the Council's Property Investment Strategy.

The attached report was considered by the Cabinet, relevant minute extract below:

Cabinet - 1 December 2016 (Minute 54)

The Portfolio Holder for Finance presented the report which on the Council's financial results 2016/17 to the end of September 2016, which showed the year end position forecast was currently an adverse variance of £284,000. The report provided information on the budget monitoring position as at end of September 2016.

The Head of Finance further reported that at the end of September there was an unfavourable year end forecast variance of £284,000 and that within that variance there were several items where additional revenue expenditure would be incurred (or income lost) in the financial year as a consequence of longer term capital projects expected to generate income in later years.

She reported that the net income in 2016/17 from acquisitions would be £110,000 less than originally budgeted due to refurbishment works and a rent free period awarded at the start of a new ten year lease. She reported that this would result in additional income over the 10-year budget period that would more than compensate for the deficit. Finance Advisory Committee had therefore recommended a supplementary estimate of £210k in respect of those items.

She advised that the results for end of October were available and had been emailed to Cabinet Members. She reported that subject to approval of the supplementary estimate, the latest forecast was an unfavourable variance of £17,000

The Finance Advisory Committee had considered the same report and had agreed to recommend it to Cabinet to approve a supplementary estimate to cover the revenue consequences arising from the Investment Strategy.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That

- a) the report be noted ; and
- b) a supplementary estimate of £210,000 be approved in respect of timing issues arising from the Council's Property Investment Strategy.