

# Taunton Deane Borough Council

## Council Meeting – 10 April 2018

### Part I

To deal with written questions to, and receive recommendations to the Council from, the Executive.

## Councillor John Williams

### Financial Monitoring – 2017/2018 as at 31 December 2017

The Corporate Scrutiny Committee considered a report at its meeting on 22 March 2018 which provided an update on the projected outturn financial position of the Council for the financial year 2017/2018 (as at 31 December 2017).

Monitoring the budget is an important part of the Council's performance management framework.

The current revenue forecast outturn for the financial year 2017/2018 was reported as follows:-

- The General Fund (GF) Revenue Outturn was forecasting a gross underspend of £318,000 (2.14% of Net Revenue Budget) before proposed transfers of £30,000 for Tonedale Mill urgent repairs and £288,000 to the Transformation Reserve.
- The Housing Revenue Account (HRA) is forecasting an underspend of £334,000 before a proposed transfer of £144,000 to the Transformation Reserve.

The current capital forecast position for 2017/2018 is as follows:-

- The GF capital account is forecasting spend of £4,477,000 against a budget of £33,032,000 with £28,494,000 forecast to be spent in future years;
- The HRA capital account is forecasting spend of £12,658,000 against a budget of £20,029,000 with £7,371,000 forecast to be spent in future years.

The GF Reserves forecast balance as at 31 March 2018 is projected to be £2,278,000. The balance remains above the recommended minimum reserves level approved in the Council's Budget Strategy (£1,700,000).

The HRA Reserves forecast balance as at 31 March 2018 is £2,824,000, which is above the recommended minimum level (£1,800,000) set within the Council's Budget

Strategy and HRA Business Plan.

Following careful consideration, the Corporate Scrutiny Committee supported proposals to transfer parts of the GF Revenue and HRA underspends to the Transformation Reserve.

In the circumstances, it is **recommended** that:-

- (a) £288,000 of the General Fund underspend be transferred to the Transformation Reserve; and
- (b) £144,000 of the Housing Revenue Account underspend be also transferred to the Transformation Reserve.