



Finance Sub-Committee

Minutes of a meeting held on Wednesday 25 June 2014 at 7.30pm, Kasen Room, East Northamptonshire House, Thrapston

Present: Councillors:

Peter Baden
Roger Glithero JP
Glenvil Greenwood-Smith
Glenn Harwood MBE
Richard Lewis
Steven North

Officers: David Oliver (Chief Executive)
Glenn Hammons (Chief Finance Officer)
Katy Everitt (Head of Resources and Organisational Development)

1.0 APPOINTMENT OF CHAIRMAN

RESOLVED:

That Councillor Steven North be appointed Chairman of the Finance Sub-Committee for the year 2014-15.

2.0 APPOINTMENT OF VICE-CHAIRMAN

RESOLVED:

That Councillor Richard Lewis be appointed Vice-Chairman of the Finance Sub-Committee for the year 2014-15.

3.0 APOLOGIES FOR ABSENCE

3.1 No apologies for absence had been received.

4.0 MINUTES

4.1 The minutes of the meeting of the Finance Sub-Committee held on 7 May 2014 were approved and signed by the Chairman.

5.0 DECLARATIONS OF INTEREST

5.1 No declarations of interest were made.

6.0 QUESTIONS UNDER PROCEDURE RULE 10.3

6.1 There were no questions submitted under Procedure Rule 10.3.

7.0 BUDGET MONITORING – QUARTER 4 2013/14

7.1 The Chief Finance Officer presented a report providing an overview of the Council's expenditure against the approved budget for the financial year 2013/14, highlighting significant under-spending or over-spending against the budget.

7.2 Rounded to the nearest £1,000, the revised net budget was reported at £10,165,000, with service expenditure outturn for the year being an under-spend of £933,000. This represented an increased under-spend of £259,000 since quarter three, although £95,000 of this had been identified as being needed for expenditure to take place in 2014/15 and had therefore been recommended to be carried forward.

7.3 Capital expenditure for 2013/14 was £636,000 lower than forecast within the revised budget. This comprised £169,000 under-spend and £467,000 re-profiled to future years. A summary of the schemes accounting for the majority of the variance was given to the Sub-Committee.

7.4 The estimated Capital Reserves at 31 March 2014 was £912,000, although the Council was seeking to release additional capital resources by undertaking a review of technical accounting treatment. This would need to be agreed with the Council's external auditors and was not reflected in the estimated Capital Reserve figure.

RESOLVED:

That the revenue, capital and reserves positions for 2013/14 be noted.

(Reason – this is an information / monitoring report – no decision required)

RESOLVED TO RECOMMEND TO THE POLICY AND RESOURCES COMMITTEE:

That

i) the carry forward requests outlined in Appendix 1 be approved

(Reason – for formal approval into the revenue budget for 2014/15)

ii) the use of the 2013/14 underspend set out in Appendix 2 be approved.

(Reason – for formal approval to incur expenditure in 2013/14 and strengthen reserves)

iii) the reserves position set out in Appendix 3 be approved

(Reason – for approval of the strengthened reserves to mitigate some future financial risks)

8.0 TREASURY MANAGEMENT REPORT QUARTER 4 2013/14

- 8.1 The Chief Finance Officer presented a report outlining the latest Treasury Management position for 2013/14. It was noted that interest rates were likely to rise during the 2014/15 financial year and this was likely to increase the interest received on the Council's deposits.

RESOLVED:

that the Treasury Management performance for quarter 4 2013/14 be noted.

(Reason – in accordance with CIPFA guidance and best practice in Treasury Management)

9.0 EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That the public and press be excluded from the meeting during consideration of the following items of business because exempt information, as defined under paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972, may be disclosed.

10.0 ASSET MANAGEMENT – SALE OF LAND AND BUILDINGS PROGRESS UPDATE

- 10.1 The Head of Resources and Organisational Development provided the Sub-Committee with an update on progress made in relation to the sale of Council owned land and buildings and the proposed sale of three further sites.

RESOLVED: That

- (i) the report be noted

(Reason: to note the progress of the sale of assets)

- (ii) valuations be obtained for the sale of the following sites and, provided no issues are identified which would impact on the sale proceeding, the sites be marketed.

- a) Land at North Street, Rushden (Appendix A to the report)
- b) Single garage at Oundle (Appendix B to the report)
- c) Land at Station Road, Rushden (Appendix C to the report)

(Reason: to generate income)

Chairman

Appendix 1

Revenue Budget Carry Forward Requests 2013/14

Code	Budget Description	2013/14 Budget	Proposed Carry Forward	Reason
£		£	£	
CAV002/412 1	Public Health - Repair & maintenance of equipment	2,000	800	Calibration of noise equipment was due and sent to an external company. Unfortunately due to issues outside of ENC Control the work was unable to be completed in time. The units will be back in early April rather than March as intended. The units run on a rolling calibration system. The budget carry forward is required to protect the 14-15 budget for those due in that year and any damage that may occur
CKH005/461 6	Members Empowerment Fund	73,435	49,635	Budget remaining approved carry forward as minute 476 P&R Committee 11.4.11
AKL005/475 8	Planning Business Process Review	35,000	35,000	Project Delayed into 2014/15 due to Head of Service changes
CKS105/441 6	Irthlingborough master plan	3,420	3,420	Master plan budgets project ongoing
CKS110/441 6	Thrapston master plan	1,040	1,040	Master plan budgets project ongoing
CAD001/111 1	Crime & Disorder	35,510	2,052	Business Admin Apprentice vacancy budget
CKV002/431 3	Tourism	5,000	3,500	Tourism Work for Oundle Womens' Tour in May 14
Totals		155,405		95,447

Appendix 2

Utilisation of 2013/14 underspend	£000	£000
2013/14 Net cost of services underspend		(933)
Total		(933)
Proposed utilisation:		
BRR Reserve	350	
Future Contract Procurement	200	
Capital Financing	300	
Community Facilities Fund	83	933
Unutilised Resources		0

Appendix 3

DRAFT Reserves 2013/14

Reserve	Balance 1 April 2013	Transfer out	Transfer In	Net Movement	Balance 31 March 2014
£'000	£'000	£'000	£'000	£'000	
Council Improvement Reserve	2,174	0	134	134	2,308
Regeneration Reserve	480	0	0	0	480
BRR Reserve	0	0	350	350	350
Contract Procurement	0	0	200	200	200
Elections Reserve	120	0	0	0	120
Insurance Reserve	100	0	0	0	100
Empty Homes Reserve	24	0	0	0	24
Land Charges Reserve	200	0	0	0	200
Stock Condition Survey (HI 4 EM)Reserve	40	0	0	0	40
Planning Reserve	250	(120)	0	(120)	130
2012/13 Carry Forwards	104	(104)	0	(104)	0
2013/14 Carry Forwards	0	0	95	95	95
Leisure Facilities Reserve	885	(885)	0	0	885
Community Projects	199	(44)	448	404	603
Capital Financing Reserve	87	0	300	300	387
Total DRAFT Earmarked Reserves	4,662	(1,153)	1,527	374	5,036
Minimum Reserves	2000	0	0	0	2,000
Total DRAFT Revenue Reserves	6,662	(1,153)	1,527	374	7,036