

Financial Position Quarter One 2019/20

1. General Fund Revenue Budget

- 1.1 The Council approved a General Fund Revenue Budget of £13,050,020 on 20 February 2019. The actual position compared to this budget is continuously monitored by managers, EMT and Portfolio Holders in order to detect any significant variances of expenditure or income from the approved amounts contained in the budget.

2. Capital Programme

- 2.1 A Capital Programme totalling £5,606,298 was approved for 2019/20. Of this total £3,606,298 relates to the total cost of new schemes for 2019/20 together with £1,000,000 for schemes funded by external sources (Disabled Facilities Grants), £1,000,000 contingency. In addition £1,326,573 was brought forward from the 2018/19 Capital Programme, resulting in a total Capital Programme of £6,947,871 for 2019/20.

3. Revenue Budget Position

- 3.1 At this point in the financial year, we would have expected to have spent approximately £5,456,920; we have actually spent £5,570,217. Therefore, as at the end of the first quarter, the general fund budget shows an adverse variance of £113,297.
- 3.2 The main reasons for the overall adverse variance to date are:
- a. Jubilee 2 is operating at a net overspend. This is predominately in relation to high levels of staff sickness which are required to be covered for and a shortfall in income received by the centre.
 - b. Income from car parking is below the budgeted amount, this is due to a drop in the sale of parking permits and reduced income due to the “£1.00 after 3pm” parking initiative.
 - c. Income from planning application fees is below the budgeted amount, this is due to the number of major planning applications received during the first quarter – this may fluctuate during future periods.

4. Capital Programme Position

- 4.1 The Capital Programme approved by Council in February 2019 has been updated to take account of amounts brought forward from 2018/19 where planned expenditure did not occur. This has been added to the budget for 2019/20 (apart from cases where costs have been reduced or expenditure will no longer be incurred). The revised budget for capital projects in 2019/20 totals £6,947,871.
- 4.2 £492,450 of the revised budget was expected to be spent by 30 June; the actual amount spent was £516,193 resulting in an adverse variance at the end of the first quarter of £23,743.

5. Borough Growth Fund

As part of the 2019/20 budget a 'Borough Growth' fund of £304,000 was established to enable investment in the Council's priorities via initiatives that are forecast to generate on-going revenue savings through reducing the costs of service delivery or through the generation of additional income. Progress on the utilisation of the 'Borough Growth' fund is as follows:

Project	Description	Funding Committed
		2019/20
A Town Centre For All		
Car Parking Strategy	Replacement/upgrade of parking machines in town centre	£30,000
CCTV	Contribution towards costs of upgrading CCTV cameras and monitoring in Newcastle and Kidsgrove town centres	£30,000
Town Centre Development	Contribution towards costs of employing a Town Centre Development Manager to take forward the town centre for all action plan	£12,500
Market	Funding for market improvements including relocation/enhancement of trading locations, purchase of gazebos for hire and the provision of electricity to the stalls.	£20,000
Town Centre Data Set	Institute of Place Management Vitality & Viability programme - town centre Data Set study.	£4,000
Total Committed To Date		£96,500
Balance of Funding Available		£7,500
Total Funding Allocation		£104,000
Council Transformation		
Digital Delivery	Part funding for 3 digital apprentices to support the digital delivery and ICT development programmes	£10,000
	Part funding for a Digital Business Manager post to drive forward the digital strategy post September 2019	£30,000

	Third party integration costs to deliver seamless end to end digital solution for customers	£15,000
Project Management	Additional project management capacity to accelerate delivery of major regeneration projects and enhanced capital programme	£45,000
Total Committed To Date		£100,000
Balance of Funding Available		£0
Funding Allocation		£100,000
Building For The Future		
Commercial strategy	Appointment of commercial property investment advisers to provide specialist expertise to inform and support the development of the Council's commercial strategy	£50,000
Total Committed To Date		£50,000
Balance of Funding Available		£50,000
Total Funding Allocation		£100,000