

## **RECOMMENDATIONS TO CABINET 14 JANUARY 2014 FROM THE MEETING OF THE RESOURCES AND PERFORMANCE PANEL 7 JANUARY 2014**

### **RP91: CABINET REPORT: BUDGET MONITORING 2013/2014**

The Chief Financial Officer presented the report which updated the 2013/2014 revenue estimates and the projections for 2014 to 2016. The figures would form the base on which the new Financial Plan 2013/2017 would be formulated for council tax setting purposes in February 2014.

The Panel's attention was drawn to the following sections of the report:

- The Revenue Estimates 2013/2014.
- Projections 2014 to 2016.
- Cost Reduction Programme.
- General Fund Balance and Reserves.

Councillor Langwade referred to the table at section 1.5 of the report – Additional Second Homes Council Tax Income received as a result of council tax technical changes – transferred to corporate projects reserve £192,790 and asked how this had been triggered. In response, the Chief Financial Officer explained that during the 2013 budget process the same level had been set for second homes money. However, with the technical changes relating to council tax, more second homes money had been generated and therefore allocated to the Borough Council. £192,790 had been transferred to the Corporate Projects Reserve and had been identified for capital schemes such as the improvements to the Queen Elizabeth Roundabout and associated works.

In response to questions from Councillor Gourlay on the Community and Democracy and the movement between Portfolios as set out in the table at section 1.2, the Chief Financial Officer explained that the Council was currently undertaking work relating to the Leisure Trust and outlined the reasons why the figures were being presented in a different format.

Councillor J Collop asked for clarification on the rents of town centre shops and the projections for 2013/2014. The Chief Financial Officer explained that when the estimates were prepared, the rent levels were considered and where rent reviews were undertaken a level was negotiated. The Deputy Chief Executive added that currently there were few empty shop units but the anticipated level of income from retail units had not been reached. The Deputy Chief Executive further added that as at December 2013 there were 7 vacant industrial units out of a total of approximately 130 and 3 empty retail units.

In response to questions from Councillor Humphrey on computer software maintenance costs, the Deputy Chief Executive explained that as contracts came up for renewal negotiations were held to reduce future costs. He gave a recent example of the IDOX system which had been negotiated and a £50,000 saving per annum had been achieved over a 5 year period.

Following comments from Councillor J Collop on the size of retail and industrial units, the Deputy Chief Executive explained that there was one large industrial unit which could be developed as a similar scheme to that at St Johns Business Park in Downham Market.

The Chairman, Councillor Beal thanked the Chief Financial Officer for presenting the report.

**RESOLVED:** That the Panel support the recommendation to Cabinet as follows:

The changes, transfers to/from reserves and revised revenue estimates for 2013/2014 as detailed in section 1 of the report.