

TO: Economic Development Cabinet Committee – 8 November 2012

BY: Mark Dance, Cabinet Member for Regeneration and Economic Development

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SUBJECT: **Regeneration and Economic Development Portfolio Financial Monitoring 2012/13**

Classification: Unrestricted

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**Summary:**

Members of the Cabinet Committee are asked to note that the first quarter's full budget monitoring report for 2012/13 was reported to Cabinet on 17 September 2012. Members of the Cabinet Committee are also asked to note the subsequent update to this position which was reported in the monitoring exception report to Cabinet on 15 October 2012.

**FOR INFORMATION**

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**1. Introduction:**

- 1.1 This is a regular report to this Committee on the forecast outturn for Economic Development Portfolio.

**2. Background:**

- 2.1 A detailed quarterly monitoring report is presented to Cabinet, usually in September, December and March and a draft final outturn report in either June or July. These reports outline the full financial position for each portfolio and will be reported to Cabinet Committees after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report. The first quarter's monitoring report for 2012/13 was reported to Cabinet Committees in September. An update to this position was reported in the monitoring exception report to Cabinet on 15 October. The relevant extracts from this exception report are included in the revenue and capital sections below.

**3. Regeneration and Economic Development Portfolio 2012/13 Financial Forecast - Revenue**

- 3.1 The forecast remains at a nil variance with no movements reported in the exception report following the quarter 1 report provided to Cabinet Committees in September.

#### 4. Regeneration and Economic Development Portfolio 2012/13 Financial Forecast - Capital

- 4.1 **Table 2** shows the movements reported in the exception report following the quarter 1 report provided to Cabinet Committees in September.

Portfolio	Forecast Variance  £m	Movement from Qtr 1 report £m
<b>Unfunded variance</b>		
Funded Variance	0	0
Variance to be funded from revenue	0	0
Project underspend	-0.284	-0.284
<b>Rephasing (to/from beyond 2012-15)</b>	<b>-11.310</b>	<b>-1.600</b>
Directorate Total	<b>-11.594</b>	<b>-1.884</b>

Within the forecast movement, the main projects subject to re-phasing and overall variances are detailed below:

#### 4.2 Movements in unfunded variance

There have been no movements in unfunded variance since the quarter 1 report.

#### 4.3 Movements in re-phasing (to/from beyond 2012-15)

Movements since the quarter 1 report are detailed below:

**Margate Housing:** -£1.600m re-phasing. The financial model for the project has been updated to reflect the acquisition and re-development/refurbishment strategy that has been recently developed. As a result the projected profile of spend within the capital programme has been re-phased in line with the financial model.

#### 4.4 Other movements

**Euro Kent** - forecast underspend of -£0.284m. This is due to a reduction in the forecast of compensation claims which are payable under the Land Compensation Act Part 1.

### 5. Recommendations

- 5.1 Members of the Economic Development Cabinet Committee are asked to note the revenue and capital forecast variances from budget for 2012/13 based on the first quarter's full monitoring to Cabinet and the subsequent exception report.

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*Background Documents:* None