

EX106. FINANCIAL POSITION 2014/15

The Executive considered a report by the Chief Finance Officer presenting the Council's projected year end financial position.

An overspend of £3.471m was projected in the General Fund. This is a decrease of £0.236m from the position reported on 11 November 2014 (ref. EX76). The report summarised the main deviations from budget.

The Executive was reminded that the current reserves policy was agreed on 4 September 2012 (ref. PR32). A review of the strategy concluded that the policy of retaining 2% of annual revenue expenditure in reserve as a contingency against unforeseen events and emergencies remained fit for purpose.

In regard to the Council's spend to save projects it was proposed that the £1m allocated for the provision of a new health and fitness suite at Stenhousemuir is returned to the fund and replaced by prudential borrowing.

The projected year end positions in regard to the Trading Account, Housing Revenue Account and General Fund Reserves were also provided, together with details of movements on the Repairs and Renewals Fund.

Decision

The Executive agreed:-

- (1) to note the Council's projected year-end financial position for 2014/15;**
- (2) that the reserves strategy will retain an uncommitted General Fund Balance of 2% of annual revenue expenditure;**
- (3) to note the transfers to the Repairs and Renewals Fund and Earmarked Reserves as outlined at appendix 3 to the report;**
- (4) that the new health and fitness suite at Stenhousemuir is financed by prudential borrowing;**
- (5) to note the position on the General Fund Reserve set out in paragraph 5.4 of the report; and**
- (6) to instruct Chief Officers to take action to bring expenditure more into line with the approved budget in the current financial year.**