

Revenue Budget Monitoring Provisional Outturn March 2018 (Subject to audit)

Report of Cllr Richard Wenham, Deputy Leader and Executive Member for Corporate Resources (richard.wenham@centralbedfordshire.gov.uk)

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This report relates to a Non Key Decision

Purpose of this report

The report sets out the provisional outturn financial position for 2017/18 as at the end of March 2018 (subject to Audit). It sets out spend against the approved budget and it excludes the Housing Revenue Account which is subject to a separate report. Explanations for the variances are set out below in Appendix A.

This report enables the Executive to consider the overall financial position of the Council.

The outturn position was agreed by the Leader, Deputy Leader, Chief Executive and Director of Resources, under delegated authority from the Executive and this report bring the result into the public domain.

RECOMMENDATIONS

Executive is asked to:

- 1. note the current provisional revenue outturn position for 2017/18 (subject to audit) which is an underspend of £0.078M;**
- 2. note that the provisional outturn position and new proposed earmarked reserves were approved by the Leader, Deputy Leader and Chief Executive and Director of Resources under a delegated approval granted by the Executive at its April 2018 meeting; and**
- 3. note the proposed new earmarked reserves at Table 2.**

Issues

1. The outturn position as at March 2018 is £0.078M below budget after use of existing, and creation of new, earmarked reserves.

2. SCHH were overspent by £0.443M. The Social Care element of the Directorate was underspent by £0.222M but this was offset by overspends in Procurement and Customer Services due to less than expected Comensura rebate (less usage of agency staff across the Council) and an unachieved efficiency in Customer Services. General Fund Housing also overspent by £0.285M due to the costs of increases in homelessness cases.
3. It should be noted that positive action within Housing has kept this overspend to a reasonable level when compared with neighbouring local authorities.
4. Community Services were over by £0.993M. The main reason was due to educational transport.
5. Resources are over by £0.912M. This is due to a combination of increased charges from LGSS (£0.533M) relating to an increase in use by Children's Services and more legal spend being channelled through LGSS rather than other legal providers and an overspend on Housing Benefit Subsidy (£0.785M). These were partly offset by underspends elsewhere within the Directorate.
6. Children's Services, Regeneration and Business Support and the CEO were all underspent.
7. Table 1 below details the full year variances by directorate:

Table 1

Directorate	Provisional Outturn		
	Budget £m	Actual £m	Variance £m
SCHH	72.850	73.293	0.443
Childrens Services	36.361	36.080	(0.281)
Community Services	49.892	50.885	0.993
Regeneration	5.494	5.128	(0.366)
Public Health	0.060	0.060	0.000
Chief Executive's	1.345	1.273	(0.072)
Resources	11.533	12.445	0.912
Corporate Costs	12.048	10.341	(1.707)
Total Excl Landlord Business	189.583	189.505	(0.078)

Reserves Position

8. Table 2 below highlights the New Earmarked Reserves created in 2017/18. These were created under the delegated authority approved by the Executive on the 3rd April 2018 in order to close the accounts.

Table 2

	£K
Available to be Allocated	(4,600)
LGSS Process Improvement	250
Digitisation and Service Delivery Transformation	2,614
Street Scene /Pot Holes	1,000
Gypsy & Traveller Site Support	236
Waste Transformation	500
Allocated	4,600
Balance	0

Net Movement in Earmarked Reserves

9. Table 3 below shows the net movement in earmarked reserves during 2017/18

Table 3

	£M	£M
Opening 2017/18		41.8
Use of Reserves		(10.5)
Receipts in Advance & Technical Adjustments		
New Homes Bonus	4.0	
S31 Grant to offset NNDR Discounts	3.3	
ASC Support Grant	0.9	
ASC Council Tax Precept carried forward	1.3	
iBCF	1.2	
ASC Transformation	1.7	
Increase to Insurance and Redundancy	1.7	
Other	1.0	
		15.1
Reserves Created at Outturn		4.6
Closing Balance 2017/18		51.0

NNDR & Council Tax

10. The total full year NNDR charge for 2017-18 was £89.5M. The collection rate was 98.53%, below the target of 99.04%
11. The total full year Council Tax charge for 2017-18 was £189.5M as at the end of September, after all discounts/exemptions but including Police, Fire and town and parish precepts, is £178.3M. The collection rate was 97.94% very slightly below the target of 98%.

General Reserves

12. The opening position for 2017/18 is £15.6M. There will be a further contribution of £0.078M as a result of the net underspend.

Council Priorities

13. Sound financial management contributes to the Council's Value for Money and enables the Council to successfully deliver its priorities. The recommendations will contribute indirectly to all 6 Council priorities.

Corporate Implications

Legal Implications

14. None

Financial Implications

15. The financial implications are set out in the report.

Equalities Implications

16. Equality Impact Assessments were undertaken prior to the allocation of the 2017/18 budgets and Members were advised of significant equality implications relating to the budget proposals when setting the Council's Budget in February 2017.

Appendices

- Appendix A – Detailed Directorate Commentary
- Appendix B - Debt Management
- Appendix C – Treasury Management