

Central Bedfordshire Council

EXECUTIVE - 9 December 2014

September 2014 Q2 Revenue Budget Monitoring

Report of Cllr Maurice Jones, Deputy Leader and Executive Member for Corporate Resources (maurice.jones@centralbedfordshire.gov.uk)

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This report relates to a Key Decision

Purpose of this report:

1. The report sets out the financial position for 2014/15 as at the end of September 2014. It sets out spend to date against the profiled budget and the forecast financial outturn. It excludes the Housing Revenue Account which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. **consider the Revenue forecast position which is currently to overspend budget by £1.1m; and**
2. **request officers to continue with their efforts to achieve a minimum balanced outturn or an underspend.**

Issues

2. The forecast outturn position as at September 2014 is an overspend of £1.1M.
3. The Year to Date (YTD) spend is £0.5M below budget.
4. Risks and opportunities indicate a risk to forecast outturn of £0.9M.
5. September non current debt (i.e. debt that is more than 14 days from date of invoice) excluding House sales and Grants is £7.3M (£8.7M in August). All debt is under active management.

6. The table below details the YTD and Full Year variances by directorate:

Directorate	Year to Date - September P6			Full Year			Rest of Year Variance £m
	Budget	Actual	Variance	Budget	Outturn	Variance	
	£m	£m	£m	£m	£m	£m	
SCHH	31.5	32.7	1.2	62.9	65.2	2.3	1.1
Childrens Services	22.2	22.0	(0.3)	44.8	45.3	0.4	0.7
Community Services	18.4	18.3	(0.2)	36.7	36.8	0.1	0.3
Regeneration	1.8	1.1	(0.7)	5.1	4.7	(0.4)	0.3
Public Health	0.0	(0.1)	(0.1)	0.0	0.0	0.0	0.1
Improvement & Corporate Services	10.6	10.6	(0.0)	21.5	21.3	(0.2)	(0.2)
Corporate Resources	2.3	2.2	(0.1)	5.0	5.0	(0.1)	0.0
Corporate Costs	4.1	3.9	(0.2)	9.9	8.8	(1.1)	(0.8)
Total Exc HRA	91.0	90.6	(0.5)	186.0	187.1	1.1	1.5
Schools	0.0	(0.0)	(0.0)	0.0	0.0	0.0	0.0
HRA	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	91.0	90.6	(0.5)	186.0	187.1	1.1	1.6

(Note – Any minor rounding differences are due to linking to detailed appendices)

Earmarked Reserves (Appendix B)

7. The opening balance of General Fund Earmarked Reserves (EMR) is £24.7M (Excluding HRA and Schools). The current position proposes the planned use of £4.4M EMR (used to offset expenditure) and proposed transfer to EMR of £0.14M (budgeted), and the creation of a new proposed Business Rates Retention reserve for £0.4M due to technical accounting changes. This results in a forecast closing position of £20.8M. See Appendix B for details of which EMR have been used.

General Reserves

8. The opening position for 2014/15 is £15.1M. There are no further uses or contributions planned for 2014/15.

Risks and Opportunities

9. Directorate risks and opportunities indicate a risk to the outturn of £0.93M.

10. The main risks identified are:

- £0.1M Unachievable IT staffing efficiency (action to mitigate underway).
- £0.14M Customer Services staffing pressures.
- £0.1M HR staffing pressure.
- £0.12M Pressures in Legal Services.
- £0.15M Possible impact of winter maintenance.
- £0.1M Possible claw back of European Skills Funding.
- £0.14M Withdrawal of Health funding for 65+ day centre.
- £0.04M Assets – YS2 related.
- £0.21M Special Guardianships.
- £0.09M Family, Intake and Support.

Total £1.2M

11. Opportunities:

- £0.1M Procurement – higher than budgeted
- £0.15M IT Anticipated refund from our telecomms supplier following audit of charges.

Total £0.25M

Council Priorities

12. 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 5 Council priorities.

Corporate Implications

Legal Implications

13. None

Financial Implications

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

Equalities Implications

15. Equality Impact Assessments were undertaken prior to the allocation of the 2014/15 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Conclusion and next Steps

16. The recommended actions are to facilitate effective financial management and planning.

Appendices

Appendix A – Detailed Directorate Commentary

Appendix B – Earmarked Reserves

Appendix C – Debt Management

Appendix D – Treasury Management

Background Papers

None.