

Central Bedfordshire Council

EXECUTIVE - 10 February 2015

December 2014 Q3 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 Non Key Decision

Purpose of this report:

1. The report sets out the financial position for 2014/15 as at the end of December 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 £0.5m; 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 December 2014 is an overspend of £0.5M.
3. The Year to Date (YTD) spend is £1.2M below budget.
4. Risks and opportunities indicate a net risk of £0.21M.
5. December non current debt (i.e. debt that is more than 14 days from date of invoice) excluding House sales and Grants is £7.4M (£7.8M November). All debt is under active management.

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

Directorate	Year to Date - December P9			Full Year		
	Budget £m	Actual £m	Variance £m	Budget £m	Forecast Outturn £m	Variance £m
SCHH	47.2	48.3	1.1	62.9	64.6	1.7
Childrens Services	32.8	32.8	0.0	44.7	44.6	(0.1)
Community Services	27.3	27.3	0.0	36.7	36.9	0.2
Regeneration	3.2	2.4	(0.8)	5.1	4.5	(0.6)
Public Health	0.0	(0.3)	(0.3)	0.0	0.0	0.0
Improvement & Corporate Services	16.0	16.0	(0.1)	21.5	21.4	(0.2)
Corporate Resources	3.5	3.1	(0.3)	5.0	4.8	(0.3)
Corporate Costs	6.2	5.4	(0.9)	10.0	9.7	(0.3)
Total Excl Landlord Business	136.2	135.0	(1.2)	186.0	186.5	0.5
Schools	0.0	0.5	0.5	0.0	0.0	0.0
Landlord Business	0.0	0.0	0.0	0.0	0.0	0.0
Total	136.2	135.5	(0.7)	186.0	186.5	0.5

(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 £4.7M EMR (used to offset expenditure), proposed transfer to EMR of £0.8M (£0.1M budgeted, the creation of a new proposed Business Rates Retention reserve for £0.4M due to technical accounting changes and £0.3M Public Health which is ringfenced) and a release of £0.1M (no longer required). This results in a forecast closing position of £20.7M. 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 & opportunities indicate a risk to the outturn of £0.21M.

10. The main risks identified greater than £0.05M are:

- £0.15M Possible impact of winter maintenance.
- £0.07M Possible claw back of European Skills Funding.
- £0.14M Withdrawal of Health funding for 65+ day centre.
- £0.20M Possible increase in the Insurance Reserve following Actuarial review.

Total £0.56M

11. The main opportunities identified greater than £0.05M are:

- £0.20M Higher Housing Benefit recovery
- £0.15M Increased Income in ICS

Total £0.35M

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