
March 2015 Provisional Outturn Revenue Budget Monitoring (subject to audit)

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

Advising Officers: Charles Warboys, Chief Finance Officer
(charles.warboys@centralbedfordshire.gov.uk)

This report relates to a Non Key Decision

Purpose of this report

1. The report sets out the provisional financial outturn position (subject to audit) for 2014/15 as at the end of March 2015. It excludes the Housing Revenue Account which is subject to a separate report.

RECOMMENDATIONS

The Executive is asked to:

1. **consider the provisional revenue outturn position which is an underspend against budget of £0.2m; and**
2. **Approve the creation of new proposed earmarked reserves as set out in paragraph 8 below and detailed in Appendix B.**

Issues

2. The full year provisional outturn position as at March 2015 is an underspend of £0.2M.
3. The provisional underspend includes a £2.1M release of contingency costs which were not called upon during the year. This has been offset by a proposal to create £2.7M of new Earmarked Reserves.
4. Total general CBC sales debtors for March amounted to £13.5M (£10.7M in February). Of this £4.7M (35%) is over 61 days (£3.8M, 36% February).
5. Of the Over 61 days - £1.3M is in respect of house Sales, £0.4M is being dealt with through legal channels, £0.1M have instalment arrangements in place. The balance of £2.9M is managed through the directorates or being actively chased by the Debt Recovery Team.

6. The table below details provisional outturn position directorate:

Directorate	Year - March P13		
	Budget £m	Actual £m	Variance £m
SCHH	62.9	64.4	1.5
Childrens Services	44.7	44.8	0.1
Community Services	36.7	36.8	0.0
Regeneration	5.1	4.2	(0.9)
Public Health	0.0	0.0	0.0
Improvement & Corporate Services	21.4	21.2	(0.1)
Corporate Resources	5.0	3.9	(1.1)
Corporate Costs	10.2	10.5	0.3
Total Excl Landlord Business	186.0	185.8	(0.2)
Schools	0.0	0.0	0.0
Landlord Business	0.0	0.0	0.0
Total	186.0	185.8	(0.2)

(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:
8. Planned use of £6.0M EMR (used to offset expenditure).
9. Proposed creation of new EMR £2.7M (see below). The sum of £0.350M is to fund the shortfall in Sandy Upper school's budget due to the exceptional circumstances created by the DFE withdrawal of an agreed academy sponsor part way through the acadamisisation process. The school is preparing a financial recovery plan and is being closely monitored by the local authority.

Proposed New EMR	£M
Sandy Upper School	0.350
Apprentices	0.200
Rationalisation of Accommodation	0.500
Cost Reduction including Capital	
Financing Costs	0.680
Community Resilience	0.500
Tackling Safety and Vulnerability	0.500
Total EMR	<u>2.730</u>

10. Technical accounting adjustments £5.6M of which £2.4M relates to retained business rates and £0.65M relates to an increase in the Insurance reserve. Within that are also grants received in advance of £1.5M (includes Public Health ringfence £0.6M).
11. This results in a forecast closing position of £27.0M. The total net movement in EMR is therefore an increase of £2.3M. See Appendix B for details.

General Reserves

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

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 5 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 2014/15 budgets and each Directorate was advised of significant equality implications relating to their budget proposals.

Appendices

Appendix A – Detailed Directorate Commentary

Appendix B – Earmarked Reserves

Appendix C – Debt Management

Appendix D – Treasury Management