
BUDGET OUTTURN REPORT

Committee: Corporate Governance and Finance Committee

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[R47]

1. ISSUE

- 1.1 This report provides Members of Committee with details of the final financial position of the Council for the 2015/16 financial year for both revenue and capital expenditure.

2. RECOMMENDATION (S)

- 2.1 Members are requested to note that:

- The final revenue underspend across all the Council's services for the year was £1,571,461, this compared to its approved budget of £8,481,178.
- In addition, additional funding of £95,418 was received, resulting in a total revenue surplus for the year of £1,666,879.
- Capital spending in the year was £1,051,231, an underspend of £1,190,769 compared to the revised budget.
- The Council had reserves of £13,569,514 at 31st March 2016.

- 2.2 Members are asked to approve the carry forward of slippage on the capital programme to allow 2015-16 schemes to be completed during 2016-17.

- 2.3 Members are asked to approve the revised list of charges for Local Land Charge Searches (as attached as appendix 6).

3. BACKGROUND / OPTIONS

- 3.1 Historically, Committee has not been provided with an outturn report in this format, i.e. based on the structure of the Council, instead receiving the Statement of Accounts at the end of September.

- 3.2 Appendices 1 to 3 detail the overall revenue position for the Council. This report is based on each Committee's budget, after removing internal recharges and other closedown capital entries which are required to be included in the Statement of Accounts.

- 3.3 The purpose of this report therefore is to allow Members to review any variances on these budgets. In appendix 1 the budgets under the stewardship of this Committee are shown in detail, with then the position for the other committees shown in summary.
- 3.4 The detailed revenue budget position for the other committees – namely the Regulatory and Support Services Committee and the Commercial Services Committee – are shown in appendices 2 and 3.
- 3.5 Explanations for the larger variances for all committees are detailed in the table below:

Service	Variance £	Explanation
Corporate Provisions	(106,832)	Following a review a number of unrequired reserve accounts were closed and the balances transferred into revenue
Economic Development	(75,361)	Additional rental income and reduced utility costs at E-Space North
Building Regulations	(40,246)	Additional fee income
Council Tax Accounting	(246,454)	A number of Government grants received in relation to this had been rolled forward for a number of years. These have now been applied to revenue
Health – Admin & Misc.	46,257	Unbudgeted cost of the Building Research survey into the health impact of housing within the District
Housing Benefits	(384,103)	Spending on Housing Benefits reduced from a forecast position in August 2015 of £20,782,998 to a yearend spend of £20,059,612, partially offset by reduced subsidy
Homelessness	(73,688)	Additional homelessness prevention grant
Home Improvements Agency	(64,188)	Underspend on staff costs
Land Charges Admin	47,806	Creation of provision for future legal costs
Planning	(76,696)	Additional income from solar farms planning applications
Refuse Collection	(123,904)	Savings on the contract and additional recycling credits
IT	(41,195)	Underspend on hardware and staff costs
Legal	(96,512)	Underspend on staff costs
General Gang	(36,209)	Underspend on staff costs
Community Projects	(77,817)	Underspend on staff costs and a

and Grants		reduced contribution to capital spend
Sports & Recreation Admin	(36,259)	Underspend on staff costs

- 3.6 In this report, salary savings are reported against the service to which they relate, rather than as one figure as was the case in the January monitoring report. Comparisons therefore between the January variances and variances in this outturn report would not be appropriate and therefore these are not shown. [It is intended to show all variances against services in 2016-17, which should provide greater clarity moving forward.] However, the proactive management of staff costs throughout the year contributed salary savings of £772,277 across the Council.
- 3.7 Spend on Capital projects is detailed in appendix 4; this shows an underspend of £1,190,769 against the revised budget. The main underspend was in relation to the Commuter Car Park, where no expenditure was incurred, this while further design options were considered to minimise costs.
- 3.8 While shown as an underspend in reporting terms, the variance on the capital programme was a consequence of the timescale of schemes slipping, rather than projects being completed at reduced cost. It is therefore requested that this slippage be carried forward for use in 2016-17, thus allowing the schemes to be completed.
- 3.9 The Reserves Statement (Appendix 5) includes new reserves in relation to the Business Rates Retention Pilot; a County wide scheme agreed by Government that allows Cambridgeshire local authorities to retain 100% of NNDR growth, rather than having to pass 50% of this onto the Government. The exact accounting for the scheme is still emerging, so all additional funding is being shown within reserve accounts at this point.
- 3.10 While not specifically linked to the outturn position, but brought to Committee as part of this report due to its urgency; attached at appendix 6 are revised charges for Local Land Charge Search Fees which we are required to bring into force on the 4th July 2016.
- 3.11 The new schedule of fees (as attached) is statutory, although we are required to calculate the charge for each in accordance with The Local Authorities (England) (Charges for Property Searches) Regulations 2008. The new set of fees is different to that approved as part of budget and as such, Committee are asked to approve these revised amounts.

4. ARGUMENTS / CONCLUSIONS

- 4.1 The final net revenue expenditure for the Council was £6,909,717 in 2015/16; this resulting in an underspend of £1,571,461 compared to the Council's approved budget. Then in addition to this, additional funding of £95,418 was received, mostly in relation to renewable energy business rates.

- 4.2 This total underspend of £1,666,879, has been transferred to the “Surplus Savings Reserve” and is therefore available to support spending in future years, therefore reducing the impact of budget reductions in the medium term.
- 4.3 The impact of this outturn position was reflected in the revised MTFS figures presented to Council on the 28th June 2016, linked to the Leisure Centre report.

5 FINANCIAL IMPLICATIONS / EQUALITY IMPACT ASSESSMENT

- 5.1 This whole report relates to the financial position of the Council.
- 5.2 Equality Impact Assessment (INRA) not required.

6 APPENDICES

- 6.1 Appendix 1 – Summary Outturn Report for 2015/16
Appendix 2 – Regulatory & Support Services Outturn Report 2015/16
Appendix 3 – Commercial Services Outturn Report 2015/16
Appendix 4 – Capital Programme Outturn Report 2015/16
Appendix 5 – Reserves Statement at 31st March 2016
Appendix 6 – Revised Local Land Charge Search Fees

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
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