

From: John Simmonds, Cabinet Member for Finance & Business Support

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To: **Cabinet – 2 June 2014**

Subject: **REVENUE & CAPITAL BUDGET MONITORING REPORT 2013-14**

Provisional outturn

Classification: Unrestricted

1. Introduction

- 1.1 Finance staff are currently involved in finalising the outturn position for 2013-14. The figures below are provided from the accounting system and should be very close to the final outturn. Any amendments will be as a result of internal management reviews and external audit findings and finalisation of the Asylum position.

The final outturn report will be presented to Cabinet on 7 July, and will provide the detail behind this very satisfactory outcome against a very challenging budget.

2. REVENUE

- 2.1 The current net revenue position as at the 14th May, compared with the previous reported position in the January monitoring report presented to Cabinet on 28 April of -£12.919m (*which includes the +£1.2m estimated revision to the waste and transport forecasts as reflected in the headline position shown in paragraph 3.3 of that report, which was based on the very latest data at the time the report was published*), is -£9.564m. This is detailed by directorate in the table below and details of the main movements will be provided in the outturn report:

Directorate	Budget £'000	Provisional Outturn £'000	Net Variance	Variance per Last Report	Movement £'000
Education, Learning and Skills (ELS)	38,358.0	+36,530.1	-1,827.9	-977	-850.9
Families & Social Care (FSC):					-
- <i>Specialist Children's Services (SCS)</i>	152,716.4	+155,708.7	+2,992.3	+2,891	+101.3
- <i>Specialist Children's Services - Asylum</i>	280.0	+2,412.0	+2,132.0	+346	+1,786.0
- <i>Adult Social Care</i>	327,918.8	+327,452.6	-466.2	-237	-229.2
TOTAL Families & Social Care (FSC)	480,915.2	+485,573.3	+4,658.1	+3,000	+1,658.1
Enterprise & Environment (E&E)	151,250.2	+154,911.2	+3,661.0	+2,292	+1,369.0
Customer & Communities (C&C)	76,253.9	+69,936.6	-6,317.3	-4,738	-1,579.3
Business Strategy & Support (BSS):					
- <i>Public Health</i>	384.3	-31.5	-415.8	-415	-0.8
- <i>Regeneration</i>	3,882.2	+3,766.1	-116.1	-	-116.1
- <i>BSS Core Services</i>	75,987.4	+72,987.9	-2,999.5	-1,887	-1,112.5
TOTAL Business Strategy & Support (BSS)	80,253.9	+76,722.5	-3,531.4	-2,302	-1,229.4
Financing Items	149,360.3	+143,153.5	-6,206.8	-10,194	+3,987.2
TOTAL (excl Schools)	976,391.5	+966,827.2	-9,564.3	-12,919	+3,354.7
<i>Schools (ELS)</i>	-	+2,394.0	+2,394.0	+9,252	-6,858.0
TOTAL	976,391.5	+969,221.2	-7,170.3	-3,667	-3,503.3

- 2.2 Schools committed reserves have decreased by £1m, whereas schools uncommitted reserves have increased by £2.6m and unallocated schools budgets have reduced by £4m giving an overall reduction in schools reserves of £2.4m, a movement of -£6.9m since the January monitoring report. Further details will be provided in the outturn report in July.
- 2.3 The recently approved 2014-15 budget assumes rolled forward underspending from 2013-14 of £4m. The position reflected in table 1 above is after the transfer of this £4m to an earmarked reserve to support next year's budget. In addition, in accordance with Cabinet agreement received back in July, £3.706m of additional unexpected one-off Government funding received in 2013-14 has been transferred to the Economic Downturn reserve to help offset future budget savings.
- 2.4 The provisional outturn position shown in table 1 includes some underspending related to projects which are re-phasing into 2014-15 and are committed and therefore will require roll forward. The adjusted position is therefore:

	£000
Total forecast underspend (excl Schools) per table 1	-9,564.3
Committed roll forwards/re-phased projects	5,186.8
Uncommitted balance	<u>-4,377.5</u>

Details of the committed roll forwards/re-phased projects will be provided in the outturn report.

- 2.5 It is suggested that this uncommitted balance of £4.4m is transferred to reserves to help balance the 2015-16 budget gap and Cabinet will be asked to approve this in July.

3. CAPITAL

- 3.1 The Capital Programme 2013-14 has a working budget of £256.282m. The expected outturn on capital expenditure for this financial year is expected to be £203.226m, giving a variance of -£53.056m, the vast majority of which relates to re-phasing of projects.

Directorate	2013-14 Budget £000s	2013-14 Provisional Outturn £000s	2013-14 Variance £000s
Education, Learning & Skills	121,184	96,083	-25,101
Families & Social Care – Children's Services	1,925	344	-1,581
Families & Social Care – Adults Services	4,398	3,589	-809
Enterprise & Environment	62,193	55,438	-6,755
Customer & Communities	4,531	3,139	-1,392
Business Strategy & Support	62,051	44,633	-17,418
TOTAL (excluding Schools)	256,282	203,226	-53,056

Details of the major variances will be provided in the outturn report.

4. CONCLUSIONS

- 4.1 For the 14th consecutive year the Council is able to demonstrate sound financial management by containing its revenue expenditure within the budgeted level (excluding schools). In the context of a savings requirement of around £95m and on the back of delivering £175m of savings in the previous two years, together with the continued high demand for Specialist Children's Services and the unbudgeted Find & Fix repair of potholes, even prior to the winter flooding, an overall underspending position is a considerable achievement, and this will be expanded upon in the final outturn report to Cabinet in July.

5. RECOMMENDATIONS

Cabinet is asked to **note** the provisional outturn for revenue and capital for 2013-14.

6. BACKGROUND DOCUMENTS

6.1 The January monitoring position as reported to Cabinet on 28 April 2014.

7. CONTACT DETAILS

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