

Report to Cabinet

Title:	Budget Monitoring Report – Outturn
Date:	Monday 5 June 2017
Date can be implemented:	Tuesday 13 June 2017
Author:	Leader of the Council Cabinet Member for Resources
Contact officer:	Matt Strevens, Corporate Finance Business Partner, 01296 38 (3181)
Electoral divisions affected:	All
Portfolio areas affected:	All




Purpose of the Report

This report provides information on the financial performance for the council to the end of the financial year 2016/17.

Background

The Financial information informs Cabinet of the revenue and capital outturn position for the financial year 2016/17. A full analysis of the outturn of Portfolios and the Council as a whole is contained in the appendices to this report.

As well as narrative information, finance performance against target is shown visually as follows:

	Green	Performance is on or above target. (Revenue under spends against budget and overspends up to +0.1% are shown as green) (Capital slippages are shown as green)
	Amber	Performance is below target (+0.1% to +1%) for financial performance (-0.1% to 5%) for non financial performance
	Red	Performance is well below target (worse than +1%) for financial performance (worse than 5%) for non financial performance

Summary

1. Managing Resources (Finance)

Revenue

The overall revenue outturn is an underspend of £6.02m. This comprises portfolio overspends of £4.09m, offset by underspends in Corporate Costs of £10.11m.

Table 1 of **appendix 1** shows a breakdown of both the Portfolios forecast revenue overspend which is £4.09m (1.4%) against the net portfolio revenue budget of £298.47m, and the Corporate Costs and Funding position according to the Council's Financial System (SAP) for the end of the financial year 2016/17.

The most significant variances fall in the Education & Skills portfolio (£2.19m), largely due to home to school transport costs; the Health & Wellbeing portfolio (£1.82m), due largely to Bucks Care losses following insourcing and the Children's Service portfolio (£1.50m), largely due to placement and agency costs. Further details are reported in Appendix 2.

The significant underspend in Corporate Cost reflects contingencies not released (-£5.6m), the impact of the revised MRP policy (-£3.6m) and £1m saving in borrowing costs due to the active management of borrowing following the Energy from Waste plant.

Further details on all revenue budgets are set out in the Portfolio tables in **appendix 2** of this report.

Capital

Overall the Capital Programme shows a gross underspend of £13.92m against planned budgets for the year. A significant proportion of this relates to project slippage.

Further details on the capital budgets are set out in the Portfolio tables in **appendix 2** of this report.

Other Financial Issues

Details of the monitoring of General Fund reserves (£24.5m as at 31st March 2017) and payment performance are reported after the tables in **appendix 2** of this report.

Recommendation

Cabinet is asked to:

1. **Note the forecast outturn position for revenue and capital budgets and discuss areas requiring attention.**
2. **Recommend that portfolio overspends and underspends from the 2016/17 financial year are not carried forward.**

A. Narrative setting out the reasons for the decision

A full analysis of the forecast outturn and financial performance for the Council for the financial year 2016/17 is contained in **the attached appendices**.

B. Other options available, and their pros and cons

None arising directly from this report.

C. Resource implications

Actions resulting from consideration of this report may influence future expenditure in areas of concern / interest. Financial regulations state that all revenue overspends are to be carried forward and that 75% of Business Unit underspends are carried forward via a Business Unit specific reserve. However, given the County Council's overall financial position and the additional pressure that this would place on Children and Adult services, this report recommends that there is no carry forward of any underspends or overspends.

D. Value For Money (VFM) Self Assessment

All decisions involving finances are scrutinised to ensure that the best value for money is achieved.

E. Legal implications

None arising directly from this report

F. Property implications

None arising directly from this report

G. Other implications/issues

None arising directly from this report

H. Feedback from consultation, Local Area Forums and Local Member views

None arising directly from this report

I. Communication issues

Quarterly monitoring reports on budget are published on the Council's website.

J. Progress Monitoring

The budget monitoring report is updated on a monthly basis.

K. Review

Not applicable.

Background Papers

Previous Monitoring reports.

Your questions and views

If you have any questions about the matters contained in this paper please get in touch with the Contact Officer whose telephone number is given at the head of the paper.

If you have any views on this paper that you would like the Cabinet Member to consider, or if you wish to object to the proposed decision, please inform the Democratic Services Team by 5.00pm on Friday 2 June 2017. This can be done by telephone (to 01296 383627 or 383610), Fax (to 01296 382538), or e-mail to cabinet@buckscc.gov.uk

