

Bath & North East Somerset Council

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| MEETING: | Cabinet | |
| MEETING DATE: | 11 July 2012 | EXECUTIVE FORWARD PLAN REFERENCE: |
| | | E 2420 |
| TITLE: | Revenue & Capital Outturn 2011/12 | |
| WARD: | All | |
| AN OPEN PUBLIC ITEM | | |
| List of attachments to this report: | | |
| Appendix 1: Revenue & Capital Outturn 2011/12 information | | |
| Appendix 2: Provisional Revenue Outturn by Directorate & Portfolio 2011/12 | | |
| Appendix 3: Reasons for Revenue Budget Variances 2011/12 | | |
| Appendix 4: Revenue Budget Items to be considered for carry forward/write-off | | |
| Appendix 5: Corporate Earmarked Reserves | | |
| Appendix 6: Revenue Virements 2011/12 & 2012/13 | | |
| Appendix 7: Capital Outturn Summary 2011/12 | | |
| Appendix 8: Detailed Capital Variance & Rephasing Requests 2011/12 | | |
| Appendix 9: Capital Programme by Portfolio 2011/12 & 2012/13 | | |
| Appendix 10: Capital Virements 2011/12 & 2012/13 | | |

1 THE ISSUE

- 1.1 The report presents the provisional revenue and capital outturn for 2011/12, highlighting an underspend of £253,000 or 0.1% of the Council's gross revenue budget, a significant achievement in the current financial climate and in a year in which £11m of savings were delivered by the Council.
- 1.2 The report refers to requests to carry forward specific revenue budget items to 2012/13, transfers to earmarked reserves and to write-off revenue overspends where recovery in future years would have an adverse impact on continuing service delivery.
- 1.3 The report also refers to requests to re-phase specific capital budget items to 2012/13 and to write off net capital underspends.

2 RECOMMENDATION

The Cabinet agrees that:

- 2.1 The provisional revenue budget outturn underspend of £253,000 for 2011/12 as set out in Appendix 2 is noted.
- 2.2 The revenue carry forward proposals and write-off requests listed in the tables in Appendix 4 are approved.
- 2.3 Transfers to Earmarked Reserves are agreed as set out in Appendix 1 paragraph 1.12.
- 2.4 The revenue virements for 2011/12 and 2012/13 as listed in Appendix 6(i) & 6(iii) are approved.
- 2.5 The resulting reserves position shown in Appendix 1 paragraph 1.13 is noted and that unearmarked reserves remain at the target level of £10.5m.
- 2.6 The provisional outturn of the 2011/12 capital programme in Appendix 7, and the funding as laid out in the table in Appendix 1 Paragraph 1.23, is noted.
- 2.7 The capital rephasing and write-off of net underspends as listed in Appendix 8 are approved.
- 2.8 The adjustments to the 2011/12 to 2016/17 capital programme as detailed in Appendix 10, and the final capital programme for 2011/12 in Appendix 9 are noted.

3 FINANCIAL IMPLICATIONS

- 3.1 These are contained throughout the report and appendices.

4 CORPORATE OBJECTIVES

- 4.1 The Medium Term Finance & Planning process allocates scarce resources across services with alignment of these resources towards our corporate improvement priorities as set out in the Corporate Plan. This report monitors how the Council has performed against the financial targets set in February 2011 through the budget setting report.

5 THE REPORT

- 5.1 This report provides information about the Council's financial performance against its revenue and capital budgets in 2011/12.
- 5.2 This report enables Cabinet to review:
 - Requests for write-off of overspends
 - Requests for carry forward of underspends
 - Suggested earmarking of reserves

- 5.3 The report identifies that after carry forwards and transfers to reserves, the Council underspent by £253,000, equating to 0.1% of the Council's gross revenue budget (excluding DSG) for 2011/12. This represents a significant achievement in the context of the government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £11 million for 2011/12.
- 5.4 The capital spend in 2011/12 was £45.84m against a budget of £58.9m giving a variance of £13.06m. Of this variance, £11.53m is requested for carry forward to 2012/13 to cover re-phased costs of capital projects, with the balance of £1.53m relating to net capital project underspends which will be written off.
- 5.5 Details of and commentary on the outturn position for the revenue and capital budgets are provided in Appendices 1-10.
- 5.6 The Corporate Audit Committee will approve the audited statutory final accounts of the Council. This report presents the 2011/12 outturn in the form that is routinely reported throughout the year as part of budget monitoring.
- 5.7 The Cabinet received financial reports throughout the year highlighting the known pressure areas, and identifying those actions that could be taken to reduce these to manageable proportions.

6 RISK MANAGEMENT

- 6.1 The substance of this report is part of the Council's risk management process. The key risks in the Council's budget are assessed annually by each Strategic Director, with these risks re-assessed on a monthly basis as part of the budget monitoring process.

7 EQUALITIES

- 7.1 This report provides information about the financial performance of the Council and therefore no specific equalities impact assessment has been carried out on the report.

8 RATIONALE

- 8.1 The recommendations made are based upon the Budget Management Scheme and a consideration of the Council's latest financial position and reserves strategy.

9 OTHER OPTIONS CONSIDERED

- 9.1 Appendix 4 lists all options that can be considered in making a decision on carry forwards and write offs relating to the revenue outturn position.

10 CONSULTATION

- 10.1 Consultation has been carried out with the Cabinet Member for Community Resources, Strategic Directors, Section 151 Finance Officer, Chief Executive and Monitoring Officer.
- 10.2 The provisional outturn position has been discussed at Strategic Directors' Group and Divisional Directors' Group during June.

11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 This report deals with issues of a corporate nature.

12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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| Contact person | Tim Richens – 01225 477468; Gary Adams – 01225 477107 ; Tim_Richens@bathnes.gov.uk ; Gary_Adams@bathnes.gov.uk |
| Sponsoring Cabinet Member | <i>Councillor David Bellotti</i> |
| Background papers | <i>2011/12 Budget Monitoring reports to the Cabinet; Budget Management Scheme</i> |
| Please contact the report author if you need to access this report in an alternative format | |