

# Bath & North East Somerset Council

MEETING:	<b>Cabinet</b>	
MEETING DATE:	<b>12<sup>th</sup> February 2014</b>	EXECUTIVE FORWARD PLAN REFERENCE:
		<b>E 2558</b>
TITLE:	<b>Revenue and Capital Budget Monitoring, Cash Limits and Virements – April 2013 to December 2013</b>	
WARD:	All	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report</b> <b>Appendix 1:</b> Revenue & Capital Monitoring Commentary <b>Appendix 2:</b> Revenue Monitoring Statement: All Council Spending <b>Appendix 3:</b> Capital Monitoring Statement: All Council Spending <b>Appendices 4(i) &amp; 4(ii):</b> Proposed Revenue Virements & Revised Revenue Cash Limits 2013/14 <b>Appendices 5(i) &amp; 5(ii):</b> Capital Virements & Capital Programme by Portfolio 2013/14		

## 1 THE ISSUE

1.1 This report presents the financial monitoring information for the Authority as a whole for the financial year 2013/14 to the end of December 2013.

## 2 RECOMMENDATION

The Cabinet agrees that:

2.1 Strategic Directors should continue to work towards managing within budget in the current year for their respective service areas, and to manage below budget where possible by not committing unnecessary expenditure, through tight budgetary control.

2.2 This year's revenue budget position as shown in Appendix 2 is noted.

2.3 The capital expenditure position for the Council in the financial year to the end of September and the year end projections detailed in Appendix 3 of this report are noted.

2.4 The revenue virements listed for approval in Appendix 4(i) are agreed.

2.5 The changes in the capital programme listed in Appendix 5(i) are noted.

## 3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

3.1 The financial implications are contained within the body of the report.

## **4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL**

4.1 The annual medium term financial planning process allocates scarce resources across services with alignment of these resources towards the Council's corporate priorities. This report monitors how the Council is performing against the financial targets set in February 2013 through the Budget setting process.

## **5 THE REPORT**

5.1 The Budget Management Scheme requires that the Cabinet consider the revenue and capital monitoring position four times per year.

5.2 For revenue, where overspent, services are normally expected to seek compensating savings to try and bring budgets back to balance.

5.3 Appendix 1 highlights significant areas of forecast over and under spends in revenue budgets. Appendix 2 outlines the Council's current revenue financial position for the 2013/14 financial year to the end of December 2013 by Cabinet Portfolio. The current forecast outturn position is for an underspend of £1,945,000 which equates to 0.61% of gross budgeted spend (excluding Schools).

5.4 The forecast outturn position includes the delivery of £11.63m savings required as part of the approved budget for 2013/14.

5.5 There is an exceptional return being generated this year by the Heritage estate, in particular the Roman Baths. This is based on the exceptional increase in visitors following on from the Olympics last year. This is supplemented by significant additional benefits being achieved from the Council's recent debt restructuring.

5.6 The Council's financial position, along with its financial management arrangements and controls, are fundamental to continuing to plan and provide services in a managed way, particularly in light of the medium term financial challenge. Close monitoring of the financial situation provides information on new risks and pressures in service areas, and appropriate management actions are then identified and agreed to manage and mitigate those risks.

5.7 Revenue budget virements which require cabinet approval are listed in Appendix 4(i). Technical budget adjustments are also shown in Appendix 4(i) for information purposes as required by the Budget Management Scheme.

5.8 Appendix 3 outlines the current position for the 2013/14 Capital budget of £84.904m (excluding contingency), with a current forecast spend of £55.51m which is £29.394m less than the budget.

5.9 Previously approved changes to the capital programme are listed in Appendix 5(i), while Appendix 5(ii) provides the updated capital programme allocated by Portfolio.

## 6 RATIONALE

6.1 The report is presented as part of the reporting of financial management and budgetary control required by the Council.

## 7 OTHER OPTIONS CONSIDERED

7.1 None

## 8 CONSULTATION

8.1 Consultation has been carried out with the Cabinet Member for Community Resources, Strategic Directors, Section 151 Finance Officer, Chief Executive and Monitoring Officer.

## 9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

9.2 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.

<b>Contact person</b>	<i>Tim Richens - 01225 477468 ; Jamie Whittard - 01225 477213</i> <a href="mailto:Tim_Richens@bathnes.gov.uk">Tim_Richens@bathnes.gov.uk</a> <a href="mailto:Jamie_Whittard@bathnes.gov.uk">Jamie_Whittard@bathnes.gov.uk</a>
<b>Background papers</b>	<i>Budget Management Scheme</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	