

Bath & North East Somerset Council

MEETING:	Cabinet	
MEETING DATE:	13 July 2016	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2872
TITLE:	Revenue & Capital Outturn 2015/16	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report: Appendix 1: Revenue & Capital Outturn 2015/16 information Appendix 2: Revenue Outturn by Directorate & Portfolio 2015/16 Appendix 3: Reasons for Revenue Budget Variances 2015/16 Appendix 4: Revenue Budget Items to be considered for carry forward/write-off Appendix 5: Corporate Earmarked Reserves Appendix 6: Revenue Virements 2015/16 Appendix 7: Capital Outturn Summary 2015/16 Appendix 8: Detailed Capital Variance & Rephasing Requests 2015/16 Appendix 9: Capital Programme by Portfolio 2015/16 Appendix 10: Capital Virements 2015/16		

1 THE ISSUE

- 1.1 The report presents the revenue and capital outturn for 2015/16, highlighting an underspend of £270,000. This represents a significant achievement in the context of the continuing government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £9.7 million for 2015/16.
- 1.2 The report refers to requests to carry forward specific revenue budget items to 2016/17 and to write-off revenue overspends where recovery in future years would have an adverse impact on continuing service delivery. The Council underspent by £270,000, after these carry forwards and transfers to reserves.
- 1.3 The report also refers to requests to re-phase specific capital budget items to 2016/17 and to remove net capital underspends. The impact of this will be considered in the 2016/17 Capital Review.

2 RECOMMENDATION

The Cabinet agrees that:

- 2.1 The revenue budget outturn underspend of £270,000 for 2015/16 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 1.9.
- 2.4 The revenue virements for 2015/16 as listed in Appendix 6(i) are approved.
- 2.5 The resulting reserves position shown in Appendix 1 paragraph 1.10 is noted and that unearmarked reserves remain at the target level of £10.5m (excluding Invest to Save drawdowns).
- 2.6 The provisional outturn of the 2015/16 capital programme in Appendix 7, and the funding as laid out in the table in Appendix 1 Paragraph 1.20, 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 2015/16 to 2020/21 capital programme as detailed in Appendix 10, and the final capital programme for 2015/16 in Appendix 9 are noted.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 These are contained throughout the report and appendices.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Medium Term Financial Planning process allocates scarce resources across services with alignment of these resources towards the priorities as set out in the Medium Term Service & Resource Plans. This report monitors how the Council has performed against the financial targets set in the budget as approved at the February 2015 budget setting meeting.

5 THE REPORT

- 5.1 This report provides information about the Council's financial performance against its revenue and capital budgets in 2015/16.
- 5.2 This report enables Cabinet to review:
 - Requests for write-off of overspends
 - Requests for carry forward of underspends
 - Suggested transfers to earmarked reserves
- 5.3 The report identifies that after carry forwards and transfers to reserves, the Council underspent by £270,000. This represents a significant achievement in the context of the continuing government's public sector deficit recovery plan which resulted in a revenue savings requirement of over £9.7 million for 2015/16. In addition to this, a further £1.695m of in-year rebasing was actioned removing the requirement to use reserves to balance the 2015/16 budget.
- 5.4 The capital spend in 2015/16 was £39.999m against a budget of £61.455m giving a variance of £21.456m, primarily reflecting the delivery time to complete projects

moving into future financial periods. Of this variance, £20.296m is requested for carry forward to 2016/17 to cover re-phased costs of capital projects.

5.5 Details of the outturn position for the revenue and capital budgets are provided in Appendices 1-10.

5.6 The Corporate Audit Committee plan to approve the audited statutory final accounts of the Council in September 2016. This report presents the 2015/16 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 RATIONALE

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

7 OTHER OPTIONS CONSIDERED

7.1 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.

8 CONSULTATION

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

8.2 The provisional outturn position has been discussed at Senior Management Team and Divisional Directors' Group during May.

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.

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Background papers	<i>2015/16 Budget Monitoring reports to the Cabinet; Budget Management Scheme</i>
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