



**Service Delivery
Committee**

7 July 2015

Information

Title: **Provisional Committee Budget Outturn Report –
2014/15**

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1 Introduction

This report provides Members with details of the committee's provisional outturn position for capital and revenue for 2014/15 along with the outturn for the Housing Revenue Account (HRA). The Council's full outturn position will be reported to the Policy, Finance and Development Committee on 21 July 2015.

2 Recommendations

That Members:

- (1) Note the reported outturn positions.
- (2) Note the requested revenue and capital carry forwards as set out in Appendix 5.

3 Information

The outturn position is still only provisional because at the time of writing, the Council's Statement of Accounts had neither been fully completed nor scrutinised by the Council's external auditors. As a result of audit, some technical adjustments may be necessary.

General Fund

In February 2014, the Council approved a 2014/15 General Fund budget for this committee of £3.238 million. These estimates were later revised to £3.336 million which were approved at Council in February 2015. The provisional outturn position for 2014/15 is £3.188 million which represents a £148,000 under spend for the financial year as compared to the revised estimate. The variances for each service are detailed in Appendix 1.

The provisional outturn position figures shown in the attached appendices have been adjusted to remove those technical accounting adjustments such as depreciation and impairment that would normally be shown in the statutory year end Statement of Accounts, which do not affect the balance

on the General Fund. This makes the figures comparable to the approved budgets for the year.

The headline variances are explained below.

- There has been a reduction in staff costs in a number of services such as Environmental Health, Community Development and at the Brocks Hill Environment Centre due to vacancies in the establishment
- The Garden Waste Scheme has seen a reduction in the number of refuse bags procured and new revenue stream in the year for the purchase of extra green bins.
- Recycling disposal has once again been hit by market fluctuations which has seen a marked drop-off in income towards the end of the year.
- The Council has received a number of grants this year relating to this committee's services. Although unspent grants are appropriated to reserves to reduce the net cost of services for this committee.

Significant variances (Over £10,000) are shown in Appendix 2 of this report.

Officers are currently investigating the reasons for the under spend with the view of improving the accuracy of budgeting in the future and to improve the early identification of savings against budget.

Housing Revenue Account

In February 2015 the revised forecast for the HRA was that a contribution would be required from balances of £250,000 leaving a balance of £1,646,000 at 31 March 2014. However, the provisional outturn position shows a surplus of £827,000 for the year with a closing balance of £2,724,000. This represents a £1,078,000 under spend against the revised budget.

The main reasons for this under spend are:

- Although the Boulter Crescent project made good progress during the year the Council has not been required to make the revenue contributions to fund the capital scheme resulting in savings to the HRA Reserve of £757,000. This year's work has been principally funded from the Major Repairs Reserve which was fully utilised in 2014/15.
- The other major saving in the year relates to revenue repairs and maintenance. Void Repairs were under spent by £123,000 while planned Maintenance was under spent by £189,000.

Full details of the HRA provisional outturn position are given at Appendix 3.

Capital Programmes (Housing and Non-housing)

The revised capital programme for this committee included Housing schemes with a budgeted cost of £3,851,734 and General Fund schemes of £5,672,254. The total budgeted programme is £9,523,989. The provisional outturn for Housing is £2,530,665 an under spend of £1,321,070, and for the General Fund £3,898,965 which represents an under spend of £1,773,290. The total under spend on the programme is £3,094,359

The Council is currently undertaking two major capital schemes, the Boulter Crescent refurbishment and the redevelopment of the leisure facilities in the borough. Both schemes are due to finish in 2015/16 and the under spends in 2014/15 are a primarily result of the rescheduling of these schemes.

The reasons for these variances are given in Appendix 4.

Carry Forwards

Details of requested carry forward budgets for both revenue and capital have been included at Appendix 5. These will be reported to the Policy, Finance and Development Committee on 21 July for approval.

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Background Papers: Report to Council on 25 February 2014 – Budget Proposals 2014/15

Implications	
Financial (PL)	Incorporated within the body of the report
Risk	CR1 Decreasing Financial Resources CR9 Economy
Equalities	Not applicable
Legal	No significant implications