

APRIL - DECEMBER (QUARTER 3) FINANCE MONITORING REPORT 2013 /14

Relevant Portfolio Holder	Councillor Mike Webb
Portfolio Holder Consulted	-
Relevant Head of Service	Jayne Pickering – Exec Director Finance and Resources
Ward(s) Affected	All Wards
Ward Councillor(s) Consulted	No
Key Decision / Non-Key Decision	Non–Key Decision

1. SUMMARY OF PROPOSALS

To report to Cabinet on the Council’s summary financial position for the period April - December 2013 (Quarter 3 – 2013 /14). In addition to consider the proposed reporting of savings delivered for 2014/15 as recommended by the External Auditors.

2. RECOMMENDATIONS

- 2.1 That the Board note the current summary financial position on Revenue and Capital as presented in the report.
- 2.2 That the Board consider the proposal to report savings delivered in 2014/15 and subject to any comments and revisions approve the approach.

3. KEY ISSUES

- 3.1 This report provides a summary financial information across the Council. The aim is to assure the Board that officers and members have appropriate controls in place to manage the financial position of the authority.
- 3.2 The Audit Board has the responsibility to ensure that financial budget monitoring is undertaken in a controlled and timely manner and that officers and members have appropriate information to make decisions on the financial position of the Council.
- 3.3 This report presents the summary position of the finances for April – December 2013. The detail is reported to Cabinet and Overview and Scrutiny Board to enable members to discuss the reasons for the variances in expenditure and income on the

services provided. The main summary is included in this report to enable Audit Board members to be assured that relevant information is provided.

- 3.4 On a monthly basis officers meet with their accountancy support and review the detailed monitoring statements to identify anomalies and develop action plans to address areas of overspend. The reports to Cabinet and Overview and Scrutiny are presented at a higher level of service delivery and are considered on a quarterly basis.
- 3.5 The summary for April – December relating to Revenue and Capital are included in the following tables:

Revenue Budget summary Quarter 3 (April – December) 2013 /14 – Overall Council

Service Head	Revised Budget 2013 /14	Budget April - Dec	Actual Spend April – Dec	Variance to date April - Dec	Projected Outturn 2013/14	Projected Variance 2013/14
	£'000	£'000	£'000	£'000	£'000	£'000
Environmental Services	3,967	1,532	1,537	5	3,977	11
Community Services	2,478	948	921	-27	2,453	-25
Leisure & Cultural Services	2,039	1,423	1,349	-74	1,962	-77
Planning & Regeneration	1,302	468	450	-18	1,294	-8
BDC Regulatory Client	673	137	129	-8	674	1
Customer Access & Financial Support	936	439	411	-28	963	28
Finance & Resources	-121	371	385	14	0	122
Legal & Democratic Services	1,288	534	511	-23	1,282	-6
Business Transformation	65	1,175	1,000	-175	30	-35
Corporate Services	1,776	1,399	1,427	28	1,787	12
SERVICE TOTAL	14,401	8,428	8,119	-309	14,424	23
Interest Payable	75	56	0	-56	0	-75

BROMSGROVE DISTRICT COUNCIL

AUDIT BOARD

20th March 2014

Interest on Investments	-67	-50	-56	-6	-67	0
COUNCIL SUMMARY	14,409	8,434	8,063	-371	14,357	-52

Financial Commentary

- The corporate savings required due to vacancy management and transformation have now been offset against savings found in the following service areas:
 - BDC Reg Client – £14k
 - Business Transformation – £40k
 - Environmental - £37k
 - Legal & Democratic Services – £41k
 - Leisure & Cultural Services – £11k

- The variance on Finance and Resources is due to additional expenditure resulting from the Head of Service restructure. This is offset by future years savings within the service from the restructure

- A saving of £52k is currently predicted at the end of year compared with the initial budget set by Members in February 2013. Therefore it is assumed the Council will realise all vacancy and unidentified savings.

- Any underspend will be returned to balances to support future year expenditure.

Capital Budget summary Quarter 3 (April - December) 2013 /14 – Overall Council

Department	Revised Budget 2013 /14	Budget April – Dec	Actual spend April – Dec	Variance to date April – Dec	Projected Outturn 2013/14	Projected Variance 2013/14
	£'000	£'000	£'000	£'000	£'000	£'000
Environmental Services	730	567	563	-4	730	0
Community Services	1,011	1,011	802	-209	1,011	0
Leisure & Cultural Services	832	208	210	2	834	2
Planning and Regeneration	973	532	450	-81	980	7

AUDIT BOARD

20th March 2014

BDC Regulatory Client	56	8	8	0	56	0
Financial Services	25	25	19	-5	25	0
Business Transformation	34	6	7	1	34	0
COUNCIL SUMMARY	3,661	2,357	2,059	-296	3,671	10

Financial Commentary:

- The revised budget has been re profiled by £940k as this expenditure is planned to be spent in 2014/15.
- Within Business Transformation requirements for members and the Microsoft Office Project are currently under review.

3.6 The External Auditors, Grant Thornton, have recommended that the delivery of savings be monitored more closely to ensure that the Council is meeting savings in the way that was expected when the budget was set. This monitoring is recommended to be undertaken by the Audit Board.

3.7 Attached at Appendix 1 is a proposed format to be considered by Members. This details the savings proposed for 2014/15 as recently agreed by Full Council and it is proposed that this be used to inform Audit Board on a quarterly basis of the delivery of the savings and to report on any variances.

3.8 **Legal Implications**

None as a direct result of this report.

3.9 **Service/Operational Implications**

Timely and accurate financial monitoring ensures that services can be delivered as agreed within the financial budgets of the Council

3.10 **Customer / Equalities and Diversity Implications**

None, as a direct result of this report.

5. **RISK MANAGEMENT**

Effective financial management is included in the Corporate Risk Register.

6. **APPENDICES**

Appendix 1 – Proposed format of Savings monitoring

7. **BACKGROUND PAPERS**

Available from Financial Services

AUTHOR OF REPORT

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