

EXECUTIVE COMMITTEE

17th September 2013

CONSOLIDATED REVENUE & CAPITAL OUTTURN - FINANCIAL YEAR 2012/13

Relevant Portfolio Holder	Councillor John Fisher, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Teresa Kristunas, Head of Finance and Resources
Wards Affected	All Wards
Ward Councillor Consulted	N/A
Key Decision	

1. SUMMARY OF PROPOSALS

- 1.1 For Members to note the Council's overall financial outturn for the 2012/13 financial year.
- 1.2 The report shows the actual income and expenditure for 2012/13 financial year and compares this to the budget for General Fund Services and the Housing Revenue Account.
- 1.3 Appendix 1 details the Capital Outturn position.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

subject to Members' comments, the report be noted.

3. KEY ISSUES

- 3.1 The Budget monitoring Report has been presented to Members on a quarterly basis during 2012/13. This report presents a summary of the final financial position for the financial year.
- 3.2 The formal Statement of Accounts was signed by the S151 Officer by 30th June and following the annual audit these will then be approved by Members on 26th September.
- 3.3 During the financial year there have been quarterly financial reports presented to Executive and Overview and Scrutiny. In addition monthly reports are reviewed by individual Managers and Heads of Service to ensure any areas of concern are addressed.

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3.4 The 2012/13 summary position for the General Fund is:-

	(a) Approved Budget 2012/13 £000	(b) Actual 2012/13 £000	(b-a) Variance £000
Chief Executive	111	111	-
Finance & Resources	149	(16)	(165)
Leisure, Environmental & Community	5,048	4,980	(68)
Planning, Regeneration, Reg & Housing	287	265	(22)
Support Services	5,070	5,002	(68)
Savings to be identified	(433)	-	433
Net Directorate Expenditure	10,232	10,342	110
<u>Non Service Specific Expenditure</u>			
Superannuation	1,412	1,437	25
Financing costs	343	322	(21)
Net other Changes	(1,173)	(1,213)	(40)
Total General Fund Expenditure	10,814	10,888	74
Income from Grants and Local Taxation	(10,814)	(10,814)	-
Contribution From General Fund Balances	-	74	74

3.5 The variance represents the difference between the budget allocation for 2012/13 and the actual net expenditure for each department.

3.6 The Support Services are those functions that support the front line service delivery including; finance, human resources and Information Technology.

3.7 As part of the savings to be achieved during 2012/13 there was a total of £654k of unidentified savings that were to be realised during the year. Budget savings of £221K were identified and this was reduced to £433K. The Net expenditure variance of £110k shows that the services were overspent by this amount for the year and therefore the total savings were not achieved as anticipated. There were also a number of costs not directly attributable to each service including superannuation

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(pension) and financing costs which have reduced the overspend to £74k for the year.

3.8 The main reasons for the £110k of overspend included:

- Shortfalls in income for Pitcheroak Golf Club due to the severe weather which resulted in 80 days lost during the year. It is worth noting that the income for the first quarter of this year is significantly higher. (£23k)
- Shortfalls in income at Arrow Vale Sports Centre due to the closure for refurbishment combined with the transfer of some members dance classes from Abbey Stadium to Arrow Vale. In addition a new all weather pitch has been opened in Studley which has reduced the income generation of the pitch at the Centre.(£47k)
- Shortfalls in income from Learning Online due to a reduction in the grants paid by external agencies to support these initiatives.(£23k)
- Shortfalls in the income generated from on street parking due to a downturn in the number of tickets issued. (£36k)
- Reduction in the number of applications for building control due to the current economic climate (£12k)
- Redundancy costs associated with the delivery of savings in future years. The costs have been allocated to 2012/13 to enable full year savings to be realised for 2013/14. (£60k)
- The above overspend have been partially offset by underspends realised from vacant posts, contract renegotiations and additional income generated within some service areas reducing the overspend to £110K.

3.9 To meet the overspend there will be a transfer from general fund balances to meet the actual net expenditure during the year.

General Fund Balance		
	£'000	£'000
Balance as at 1st April 2012	1,075	
Contribution from balances	(74)	
Estimated Balances 31st March 2013		1,001

The current recommended level of balances is £750K.

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Housing Revenue Account

3.10 The 2012/13 financial position resulted in an underspend of £94k against the approved budget of £195k. The amount in HRA balances now stands at £816k.

3.11 The main variations are due to:-

- a) A reduction in borrowing costs due to a decrease in the cost of financing the debt (£865k).
- b) An additional amount of £1m was transferred to earmarked reserves as a contribution to the Capital Programme and/or as a set-aside to repay the borrowing.

Housing Revenue Account 2012/13

	Approved Budget 2012/13 £000	Actual 2012/13 £000	Variance £000
Income	22,975	23,014	(39)
Expenditure	23,170	23,115	(55)
Net Expenditure	(195)	(101)	(94)
<u>Housing Revenue Account Balance</u>			
Surplus as at 1st April 2012	918	918	0
Surplus(Deficit) for year 2012/13	(195)	(101)	(94)
Surplus as at 31st March 2013	723	817	(94)

Capital Expenditure

3.12 Appendix 1 details the Capital Budgets and Expenditure for the financial year. This shows both General Fund and HRA projects and the main reasons for any slippage or overspend to budget.

Legal Implications

3.13 There are no specific Legal Implications.

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Service/Operational Implications

- 3.14 The Statement of Accounts for the year 2012/13 were signed by the Section 151 Officer on 29th June 2012.
- 3.15 The Audit Commission have undertaken their formal examination of the accounts and will providing their opinion on them at the end of September.

Customer / Equalities and Diversity Implications

- 3.16 The Council needs to regularly monitor budgets against actual expenditure; this is to ensure it maintains a well managed organisation. All budget holders have been consulted in this report.

4. RISK MANAGEMENT

There are no specific risks associated with the details included in this report.

5. APPENDICES

Appendix 1 Capital Expenditure.

6. BACKGROUND PAPERS

Available from Financial Services Manager.

AUTHOR OF REPORT

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