

FOR PUBLICATION

CABINET MEMBER FOR GOVERNANCE PORTFOLIO
FINAL ACCOUNTS 2015/16

MEETING: (1) CABINET
(2) CABINET MEMBER FOR GOVERNANCE

DATE: (1) 14 JUNE 2016
(2) 6 JUNE 2016

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMMUNITY FORUM: ALL

KEY DECISION REFERENCE: 636

FOR PUBLICATION

BACKGROUND PAPERS: NONE

1.0 PURPOSE OF REPORT

- 1.1 To report on the Revenue Outturn for 2015/16 and to provide explanations for significant variations from the Revised Estimates approved at Cabinet on 23rd February 2016.
- 1.2 To report on the Capital Outturn for 2015/16.

2.0 RECOMMENDATION

- 2.1 That the report be noted.

3.0 REVENUE OUTTURN

3.1 The revenue outturn for 2015/16 is as follows:

	<u>£'000</u>
Original Budget	2,547
Revised Budget	2,547
Actual Outturn	2,647

3.2 Although there was no overall change from the Original to the Revised budget, there were a number of variations to individual budgets as summarised in the table below:

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
Employee expenses	(14)
Senior management recruitment	25
Utilities & NNDR	(29)
Land Charges system upgrade	6
Investors in people evaluation	7
Community Assembly grants not taken up	(6)
Increase in legal/land charges income	(34)
Other income	(22)
Other Minor variations	4
Changes to controllable budget	(63)
Changes to asset charges	63
Change in support service recharges	
Overall Increase	0

3.3 The Revenue Outturn of £2,647,014 represents:

- A increase of £100,454 or 3.9% against the Original Budget; and
- A increase of £99,644 or 3.9% against the Revised Budget.

3.4 The table below sets out the variations between the revised budget and the actual outturn, separating items that are not controllable (Capital Charges and Support Service Recharges). The table highlights an under-spend of £12k or 0.5% on controllable expenditure.

Controllable and Non-Controllable Expenditure

	Original Estimate £'000	Revised Estimate £ '000	Actual Outturn £'000	Variance over / (under) £ '000	%
Capital Charges	59	122	237	115	94.3%
Support Services	(121)	(144)	(147)	(3)	2.1%
Non Controllable Expenditure	(62)	(22)	90	112	(509.1%)
Controllable Expenditure	2,609	2,569	2,557	(12)	(0.5%)
Portfolio Total	2,547	2,547	2,647	100	3.9%

A more detailed analysis of controllable and non-controllable expenditure by Programme Area is shown at **Annexe 1B**.

- 3.5 A detailed analysis of the variances from the revised budget to the outturn is shown in Annexe 4 but the most significant variances are summarised below:

Variances Revised to Outturn 2015/16	Increase / (Decrease) £'000
Senior Leadership recruitment	13
In year under spend implementing IER	(15)
Minor Variations	3
Changes to Controllable Budget	1
Changes to asset charges (revaluation)	114
Change in support service recharges	(15)
Overall Decrease	100

- 3.6 **Annexe 4** – also provides an assessment of variances in 2015/16. Further work to monitor variances will be undertaken and communicated to Cabinet in the 1st Quarter budget monitoring report.
- 3.7 The major variance on asset charges is due to a decrease in the valuation of New Square building. This change in value must be reflected in revenue account of the service concerned in the year in which it occurs. The charge to the service revenue account is,

however, reversed out by an equal and opposite entry made to the Income & Expenditure Statement; the 'bottom line' is therefore unaffected.

3.8 The following information is attached:

Annexe 1 Summary by Programme Area

Annexe 2 Detailed by Programme Area and Cost Centre

Annexe 3 Subjective Analysis

Annexe 4 Variations – Revised Budget to Actual 2015/16

4.0 CARRY FORWARD REQUESTS

4.1 There are no carry forward requests.

5.0 RECOMMENDATION

5.1 That the report be noted.

6.0 REASONS FOR RECOMMENDATION

6.1 To enable the portfolios Revenue Outturn to be included in the Council's overall Statement of Accounts.

BARRY DAWSON – CHIEF FINANCE OFFICER

Officer recommendation supported.

Signed:

S.L. Blank.

Cabinet Member

Date: 6 June 2016

Further information on this report can be obtained from
David Corker, Accountancy Services (ext. 5457)