

FOR PUBLICATION

EXECUTIVE MEMBER FOR GOVERNANCE & ORGANISATIONAL DEVELOPMENT ACCOUNTS 2014/15

MEETING: (1) CABINET
(2) CABINET MEMBER FOR
GOVERNANCE IN CONSULTATION
WITH THE CABINET MEMBER FOR
BUSINESS TRANSFORMATION

DATE: (1) 16 JUNE 2015
(2) 8 JUNE 2015

REPORT BY: CHIEF FINANCE OFFICER

WARD: ALL

COMMUNITY ASSEMBLY: ALL

KEY DECISION
REFERENCE: 523

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BACKGROUND PAPERS: NONE

1.0 PURPOSE OF REPORT

1.1 To report on the Revenue Outturn for 2014/15 and to provide explanations for significant variations from the Revised Estimates approved at Cabinet on 17 February 2015.

1.2 To report on the Capital Outturn for 2014/15.

2.0 RECOMMENDATION

2.1 That the report be noted

3.0 REVENUE OUTTURN

3.1 The revenue outturn for 2014/15 is as follows:

	<u>£'000</u>
Original Budget	3,471
Revised Budget	3,492
Actual Outturn	2,705

3.2 The main variations from the Original to the Revised budget (an increase of £21k) are summarised in the table below:

Description	Increase / (Decrease) £'000
<u>Changes to controllable budgets:</u>	
Employee expenses	74
Utilities & NNDR	(16)
Leadership Development	32
Professional Services	15
Increase in software licences	17
External Audit fees	(13)
Other Minor variations	(8)
Changes to controllable budget	101
Changes to asset charges	8
Change in support service recharges	(88)
Overall Increase	21

3.3 The Revenue Outturn of £2,705k represents:

- A decrease of £766,587 or 22.1% against the Original Budget; and
- A decrease of £787,207 or 22.5% 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 £643k or 11.6% on controllable expenditure.

Controllable and Non-Controllable Expenditure

	Original Estimate £'000	Revised Estimate £ '000	Actual Outturn £'000	Variance over / (under) £ '000	%
Capital Charges	136	144	(161)	(305)	(212.2)%
Support Services	(2,123)	(2,212)	(2,051)	161	(7.3)%
Non Controllable Expenditure	(1,987)	(2,068)	(2,212)	(144)	(7.0)%
Controllable Expenditure	5,458	5,560	4,917	(643)	(11.6)%
Portfolio Total	3,471	3,492	2,705	(787)	(22.5)%

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 2014/15	Increase / (Decrease) £'000
Employee expenses	(31)
* Pensions adjustment	191
Occupational Health	(5)
Underspend on Training (£6k to be carried fwd)	(9)
Software	(5)
* Pensions adjustment all portfolios – £141k offset in support service recharges	(884)
Overspend on ICT Project Days	105
Minor Variations	(5)
* Changes to Controllable Budget	(643)
Changes to asset charges	(305)
Change in support service recharges	161
Overall Decrease	(787)
* Changes to controllable excluding pension adjustment	(£834k)

- 3.6 In order to comply with accounting standards the over spend described as “Pensions adjustment” is an internal accounting adjustment. The opposite entry together with the credit for other portfolios, is included in the under spend described as “Pensions adjustment all portfolios”. There is, therefore, no bottom line impact.

3.7 **Annexe 4** also provides an assessment of variances in 2014/15. Further work to monitor variances will be undertaken and communicated to Cabinet in the 1st Quarter budget monitoring report.

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 2014/15

Annexe 5 Capital Outturn

4.0 CARRY FORWARD REQUESTS

4.1 There are no new carry forward requests. The carry forward of the training budget (£32K) was approved by Cabinet last year and the £6k remaining will be carried forward to 2015/16. It was agreed at revised budget stage to allocate some of the 2015/16 budget for the Council elections to 2014/15 to allow the purchase of some equipment. Not all of this budget was spent but it is still required in 2015/16.

5.0 CAPITAL OUTTURN

5.1 **Annexe 5** provides a summary of expenditure on the capital schemes within this portfolio.

6.0 RECOMMENDATION

6.1 That the report be noted.

7.0 REASONS FOR RECOMMENDATION

7.1 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.

S.L. Blank.

Signed Cabinet Member

Date 8.6.2015



Signed Consultee Cabinet Member

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