

2017/18 Revenue Budget Outturn Report

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Cabinet Member: Mandy Chilcott – Cabinet Member for Resources
Division and Local Member: All

1. Summary

- 1.1. This report outlines the actual expenditure (or ‘Outturn’) compared with the Revenue Budget for the 2017/18 financial year, and the consequent effect on the Council’s levels of reserves. This report is being presented to Cabinet at its meeting on 11 June 2018.
- 1.2. The sections in the detailed report highlight the under or overspend at Service level within the appendices. In addition, specific requests are made where services require:
 - Carry forward of underspends to meet future commitments, through ring-fenced grant conditions, pooled budget arrangements with partners or as a result of contractual requirements (section 3.4 and Annex A Section 4);
 - Transfer to and from existing Earmarked reserves and transfer of funds to replenish General Reserves (Annex A Section 5).

The detailed report also contains information on the Individual Schools and Early Years providers balances (Annex A Section 3) and current debt position by service area (Annex A Section 6).

2. Issues for consideration / Recommendations

- 2.1. This report is being presented to Scrutiny for information and to inform Scrutiny of the requests made to Cabinet for Carry Forward sums and the planned use of reserves in future years.

3. Background

3.1. Summary Outturn 2017/18 – Revenue Budgets

The Authority’s outturn shows an overspend of £2.180m (Annex A - Table 1) when compared to the Revenue Budget. This represents 0.70% of budget. In itself this is a significant achievement given the pressures on budgets and the known specific pressure within Children’s Social Care. The majority therefore of Council services have either stayed within budget or delivered an underspend. However, the large variance in one area is clearly a key concern and the Peer Review work highlighted what is a number one priority for the Council in addressing the current and future budgets for Children’s Social Care. The Council as a whole is focussed on identifying, with the Local Government Association’s assistance, the appropriate level of budget for the

service at the same time as analysing where we can reduce costs safely.

- 3.2.** This year again the presumption is that any underspends will be returned to General Balances and any specific requests for carry forwards would be approved on an individual basis. In order to meet future commitments, services have put forward a small number of requests to carry forward some underspends together with the drawdown of cumulative sums from previous years held within Cumulative Service Carry Forward Reserves. These carryforward requests totalling £0.999m are much lower than in previous years and are summarised in Annex A Section 4 and details within Appendices A to G and below in Section 3.4.
- 3.3.** Table 1 in Annex A summarises the outturn positions at Service level. Column 9 of this table shows the final Local Authority variance and the services requested treatment of these variances are detailed in Table 2. More detailed information on the variances at Service level and for Trading Units and the requests made by those services is provided within **Appendices A to G** and these should be read alongside Table 1 and 2. Annex A provides comment on the headline issues.
- 3.4.** The carryforward requests total £0.999m and are detailed below:

Children's Services

West Somerset Opportunities Fund £0.436m

This is a non-ringfenced grant from the Department for Education (DfE) but is allocated with the expectation that Somerset County Council use the funds to support the aims of the Opportunity Areas Programme. This includes £0.065m of the essential life skills programme funding to support young people in West Somerset access extra-curricular activities. If carry forward is not approved delivery of the plan will not be possible.

Early Years £0.092m

A carry forward of £0.022m of the Digital Accelerate grant received from the DfE for 30 hours free childcare. The Delivery Support Fund is also requested to be carried forward due to its late allocation in March 2018 by the DfE. Although an un-ringfenced grant it is allocated with a memorandum of understanding that sets out the expectations for its use in relation to early years. It is required to provide training, business support, communication, workshops, marketing grants and childminder recruitment.

Youth Justice Board £0.030m

External partner multi-agency income to support the reduction of partner agency contributions anticipated in 2017/18. Request for carry forward was agreed at the Somerset Youth Justice Partnership Board meeting held in December 2017.

Economic and Community Infrastructure

Waste £0.246m

For one-off disposal costs associated with the roll-out of Recycle More, such as delivery and tipping points, plus additional staffing support. The move to Recycle More was approved by the Somerset Waste Board in February 2017, and the procurement approach to be taken was agreed by the Board in November 2017.

Corporate and Support Services

Customers and Communities £0.020m

To fund a temporary Business Intelligence post which has already been recruited to and straddles two financial years. Without this funding development of SEN data and intelligence currently required for the service and its preparation for the SEN inspection will cease.

Communities Invest-to-Save Scheme £0.083m

To support and fund further successful applications in 2018/19.

HR and OD £0.092m

The Preparation for Employment grant received from the Department for Education late in 17/18. This will be used to promote supported internships and other preparation for employment activity for young people with special educational needs and disabilities (SEND) in 2018/19 and to cover previously unforeseen costs associated with the Car Loan scheme.

4. Consultations undertaken

- 4.1. Information and explanations have been sought from directorates on individual aspects of this report and their comments are contained in the Appendices.

5. Implications

- 5.1. Financial implications are dealt with in the body of this report, and where decisions are required. There are no other direct implications arising from this paper.

6. Background papers

- 6.1.
- Cabinet Report – 12 February 2018 - Quarter 3 2017/18 Revenue Budget Monitoring report – Item 13
 - County Council – 21 February 2018 – Item 7, Paper B – MTFP Report
 - Annexes i and ii – Services’ Use of Reserves (available upon request)

Note - For sight of individual background papers please contact the report author(s):
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