

## Month 6 Revenue Budget Monitoring

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Cabinet Member: Mandy Chilcott, Cabinet Member for Resources

Division and Local Member: All

### 1. Summary

- 1.1. This report introduces the Month 6 projected revenue outturn for 2018/19 based upon actual spending to the end of September 2018 and as presented to the Cabinet on 19 November 2018. The projected outturn is now £3.158m over the available budget of £317.883m. This compares to the £3.320m projected outturn over available budget reported in period 5. The report now reflects the implementation of actions agreed by the Cabinet in September 2018 to recover the significant overspend reported at that time. The report shows that good progress has been made in delivering the required savings.
- 1.2. The Senior Leadership Team (SLT) is currently assessing the additional management action and mitigations required to further reduce the current projected overspend.
- 1.3. The next detailed, quarterly report will be presented in February 2019, based on expenditure to the end of December 2018.

### 2. Issues for consideration / Recommendations

- 2.1. The Committee is asked to comment on the projected revenue outturn for 2018/19, whether there are any suggestions for additional management actions or alternative options that they would like to recommend to the Cabinet.
- 2.2. The Committee is asked to consider any issues or information they would like to be addressed or included in future reports.

### 3. Background

- 3.1. The Scrutiny meeting on 11 September and the Cabinet meeting on 12 September received a detailed report on the projected overspend for 2018/19 (£11.4m) along with proposed actions for dealing with that overspend. Further information was presented in regard of reserves, capital receipts flexibilities and the capital programme. The Cabinet used this information to make decisions about the proposals for change that were put forward to reduce the spend or increase available funding in 2018/19.
- 3.2. The Scrutiny Committee has asked to be kept updated at each meeting on progress towards controlling the revenue budget, and this report updates on the progress in delivering the agreed changes.

- 3.3.** Good progress is being made to deliver the agreed proposals for change:
- February 2018 agreed changes – 75% by value on track with plans to address a further 23%
  - September 2018 agreed changes – 85% on track although this will increase to 94% following the implementation of further decisions.
- 3.4.** The Cabinet report at Appendix A provides further detail on the budget monitoring for comment by Scrutiny Members.

## **4. Consultations undertaken**

- 4.1.** See Appendix A

## **5. Implications**

- 5.1.** There are significant financial implications and these are identified throughout the report in Appendix A.
- 5.2.** There are no specific legal implications arising from this report.
- 5.3.** There are no HR implications arising directly from this report, but remedial actions may have such implications. These will be dealt with in any subsequent reports.
- 5.4.** Our corporate risk register recognises the risk to containing our spend within budget; this report details proposals to reduce spending and, if agreed, these will address the cumulative position also.

The Children's Services budget is overspent, but has been rebased, with improved monitoring information and improved control of expenditure within the service in order to reduce the level of overspend.

## **6. Background papers**

- 6.1.** Appendix A – Month 6 Revenue Budget Monitoring report to Cabinet – 19<sup>th</sup> November 2018.

**Note:** For sight of individual background papers please contact the report author