

Month 10 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 outlines, a projected revenue outturn underspend for 2018/19; of £1.385m. This projection is based upon actual spending to the end of January 2019 (month 10) and compares to the available budget of £317.882m. The last reported projection, based on spend to the end of December 2018, was an underspend of £1.067m. The contingency has a residual sum of £1.788m uncommitted at this stage and is very likely to contribute to further underspending at the year end.
- 1.2. Controlling the 2018/19 budget has been a priority of the Council since a projected overspend became apparent in early 2018. The robust control is now producing a more optimistic landscape for the Council, with this projected underspend laying the foundations for a resilient budget and improved reserves for 2019/20. In light of this, opportunity has been taken to review the strategic risk, ORG0043, to reduce both the likelihood and impact ratings.
- 1.3. A forecast underspend of £1.385m is now projected, as shown in Appendix A of this report and described in the paragraphs below. This reflects the continued focus by services on managing budgets. Whilst an encouraging position, it is important to recognise that there are significant financial challenges faced by the Council beyond the current year, meaning it is essential to also focus on securing the Council's long term financial resilience through holding adequate reserves and contingencies.
- 1.4. Within the service forecasts there are elements of funding that have been received, such as grants, where the full spend is not expected by the end of the year or where spend against specific projects will not be complete. This results in a forecast underspend; however, due to the nature of the funding being for specific purposes or projects it is anticipated that this funding will be requested to be carried forward into the new year. This will be included within the outturn report that is due to be considered by Cabinet in June.

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 Cabinet report at Appendix A shows that there is a projected underspend of £1.385m, compared to the recently reported projected overspend.
- 3.2. 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.

6. Background papers

- 6.1. Appendix A - Month 10 Budget Monitoring Report to Cabinet 19th March 2019.

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