

## **HINCKLEY AREA COMMITTEE – 13<sup>TH</sup> MAY 2013**

### **2012/2013 OUTTURN REPORT OF DEPUTY CHIEF EXECUTIVE – CORPORATE DIRECTION**



Hinckley & Bosworth  
Borough Council

*A Borough to be proud of*

#### **1. PURPOSE OF REPORT**

- 1.1 To present the 2012/2013 revenue and capital outturn for the Hinckley (Special Expenses) area.

#### **2. RECOMMENDATION**

- 2.1 That the draft outturn (i.e. subject to audit) for 2012/2013 for the Hinckley (Special Expenses) Area accounts be noted.
- 2.2 That the requested revenue carry forward outlined in section 3.3 be considered for approval

#### **3. BACKGROUND TO THE REPORT**

- 3.1 The revenue and capital draft outturn position for the Hinckley (Special Expenses) Area for 2012/2013 have now been determined and are attached to this report as Appendices 1 and 2. These figures will be included in the final outturn reports which are presented to Council on 24<sup>th</sup> September 2012.

#### **Revenue Outturn**

- 3.2 The draft revenue outturn for the Special Expenses Area is contained in Appendix 1 along with the approved original and revised estimates for 2012/2013. As at 31<sup>st</sup> March 2013, the Special Expense Area service budget shows a net overspend of £5,463. Explanations for the major items of variance are listed below:

##### 3.2.1 Cemeteries – Burial Fees (£13,366 additional income)

This increase in income is due to additional demand for this service in year.

##### 3.2.2 Urban Parks – Grounds Maintenance Additional Works (£7,048 over spend)

Additional grounds maintenance work was required in quarter 4, mainly due to the adverse winter weather in the Borough.

- 3.3 In addition to these movements, one carry forward request has been made for the Special Expense Area for £2,293. This relates to tree works in the cemeteries which were due in 2012/2013 but could not be completed due to the inclement weather. This carry forward is recommended for approval.

## **Balances and Reserves**

- 3.4 When the revised budget was approved in February 2013, it was anticipated that £52,480 would be required from Special Expense Balances to fund the revenue budget. This was following an additional transfer from balances to capital reserves approved by Council in September 2012. Taking into account the outturn position outlined above, this transfer has increased to £60,236. On this basis, it forecast that the Special Expense Area will hold £163,764 in balances as at 31<sup>st</sup> March 2013. The Council's Medium Term Financial Strategy (MTFS) details that minimum balances should be held at 10% of Net Budget Requirement. On this basis, it is forecast that the Special Expense Area will hold £102,718 of "excess" balances. It is recommended these are transferred to reserves to fund future spend.

	£
Balance at 1 <sup>st</sup> April 2012	224,000
Transfer from Balances 2012/13	<u>-60,236</u>
Estimated balance at 31 <sup>st</sup> March 2012	<u>163,764</u>
Net budget requirement	<u>61,046</u>
Excess balances	<u><u>102,718</u></u>

- 3.5 Earmarked reserves have been set aside for the Special Expense Area to meet the cost of Green Space projects within Hinckley. Taking into account in year spend, it is forecast that this reserve will have a balance of £153,176 as at 31<sup>st</sup> March 2013:

	£
Balance at 1 <sup>st</sup> April 2012	47,881
Transfer to Reserves 2012/13	177,000
Proposed carry forward	2,293
Transfer from Reserves 2012/2013	<u>-73,998</u>
Estimated balance at 31 <sup>st</sup> March 2012	<u><u>153,176</u></u>

## **Capital Outturn**

- 3.6 The draft capital outturn for the Special Expense Area is detailed in Appendix 2. As at 31<sup>st</sup> March 2013, the Capital budget for the Special Expense Area is £58,166 under budget. This is primarily due to slippage in work commencing on the Richmond Road play area because of ground conditions on the site. This budget runs over a number of years and therefore will be carried forward to 2013/2014.

## **4. FINANCIAL IMPLICATIONS [KB]**

Considered in the body of the report

5. **LEGAL IMPLICATIONS [AB]**

None

6. **CORPORATE PLAN IMPLICATIONS**

Expenditure incurred to achieve an attractive 'green' borough that minimises its impact on the environment.

7. **CONSULTATION**

None

8. **RISK IMPLICATIONS**

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

<b>Management of significant (Net Red) Risks</b>		
<b>Risk Description</b>	<b>Mitigating actions</b>	<b>Owner</b>
None	None	None

9. **KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS**

All expenditure and income relates to the urban area of Hinckley.

10. **CORPORATE IMPLICATIONS**

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications

## Appendix 1

### Revenue Outturn 2012/2013

	2012/13 ORIGINAL ESTIMATE	2012/13 LATEST ESTIMATE	2012/13 OUT-TURN	VARIANCE
	£	£	£	£
<b>SPECIAL EXPENSES (HINCKLEY )</b>				
Urban parks	367,400	363,400	374,755	11,355
Cemeteries	176,100	165,100	159,205	-5,895
Hinckley Town Centre Christmas Lights	2,000	2,000	2,000	0
Hinckley West Neighborhood Watch	4,000	4,000	4,000	0
New Homes Bonus	0	(48,560)	(48,557)	3
	549,500	485,940	491,403	5,463
Revenue Contribution to Capital Expenditure	118,560	177,000	177,000	0
Contribution to Reserves (Carry forwards)	0	0	2,293	2,293
Contribution to/(from) balances	(57,600)	(52,480)	(60,236)	-7,756
<b>Net Expenditure</b>	610,460	610,460	610,460	0

## Capital Outturn 2012/2013

	2012/2013 Budget	2012/2013 Actual	Variance
	£	£	£
Richmond Park Play Area	220,000	162,643	57,357
Brodick Rd Woodland & Wildlife Area	7,020	5,545	1,475
Memorial Safety Programme	5,160	3,995	1,165
Parks : Major Works	45,660	47,491	-1,831
Total	277,840	219,674	58,166