

FINAL OUTTURN
REPORT OF THE DEPUTY CHIEF EXECUTIVE (CORPORATE
DIRECTION)



Hinckley & Bosworth
Borough Council

A Borough to be proud of

WARDS AFFECTED: ALL WARDS

1. PURPOSE OF REPORT

To report to Council the financial outturn for 2011/12 and requested carry forwards.

2. RECOMMENDATIONS

2.1 That Council approves the outturn positions for 2011/12 and associated transfers to balances set out in paragraphs 3.4 and 3.10

2.2 That Council approves the carry forward to 2012/13 as set out in Appendix 1 and 2

3. BACKGROUND

3.1 The draft 2011/12 outturn position for the General Fund, Housing Revenue Account and the Capital Programme was reported and approved by the Executive at its meeting on 18th July 2012. Since the date of this meeting, the Council's 2011/12 Statement of Accounts have been produced and audited, facilitating the production of the final outturn position.

3.2 A summary of the final outturn provision is provided below. Full details are contained within the 2011/12 Outturn Book which is available in the members room or may be requested from finance.

General Fund

3.3 In February 2011 the Council adopted a General Fund Budget for 2011/12 which indicated that £12,142,880 would be spent on services. After taking account of further adjustments to the budget, year end adjustments and savings identified in year, the final outturn shows that £9,512,299 was spent on services.

3.4 On the basis of this outturn, it is recommended that £279,193 be transferred to General Fund Balances and a net transfer to earmarked reserves of £789,266.

	2011/12 ORIGINAL ESTIMATE £	2011/12 LATEST ESTIMATE £	2011/12 OUTTURN £	VARIANCE £
GENERAL FUND				
Central Services	3,083,350	3,162,559	2,349,248	813,311
Leisure & Environment	6,540,290	6,791,085	5,579,396	1,211,689
Housing (General Fund)	1,319,890	1,316,780	670,810	645,970
Planning	1,219,680	1,449,357	1,363,075	86,282

Direct Service Organisations	54,200	34,340	(23,989)	58,329
Support Services Holding Account	100,470	182,868	(426,241)	609,109
Corporate Savings	(175,000)	(175,000)	0	(175,000)
TOTAL SERVICE EXPENDITURE	12,142,880	12,761,989	9,512,299	3,249,690
<i>Less Special Expenses - Hinckley</i>				
<i>Parks</i>	363,310	363,310	338,816	24,494
<i>Cemeteries</i>	161,770	161,770	151,076	10,694
<i>Hinckley Town Centre Christmas Lights</i>	2,000	2,000	2,000	0
<i>Hinckley West Neighbourhood Watch</i>	4,000	4,000	4,000	0
<i>New Homes Bonus</i>	0	0	(22,613)	22,613
Special Expenses Total (gross)	531,080	531,080	473,279	57,801
Special Expenses brought down	(531,080)	(531,080)	(473,279)	(57,801)
Pension adjustments	(285,280)	(285,280)	26,850	(312,130)
Capital Accounting Adjustment	(1,133,060)	(1,490,940)	(424,301)	(1,066,639)
External Interest	52,010	52,010	196,593	(144,583)
Transfer to/(from) Pension Reserve	115,470	115,470	115,510	(40)
Accumulated Absences	0	0	4,323	(4,323)
Transfer to Reserves (inc carry forwards)	133,000	133,000	1,121,785	(988,785)
Use of Reserves	(563,000)	(621,730)	(332,519)	(289,211)
Transfer (from) / to General Balances	(253,910)	(456,409)	279,193	(735,602)
HBBC Budget Requirement	9,677,030	9,677,030	10,026,454	(349,424)

Housing Revenue Account

3.10 In February 2012, the Council adopted a re-forecasted Housing Revenue Account Revised Budget which forecasted that £218,450 would be taken from the HRA Balance. The Outturn figure recommends that £5,708 is taken to balances.

	2011/12 ORIGINAL ESTIMATE £	2011/12 LATEST ESTIMATE £	2011/12 OUTTURN £	VARIANCE £
INCOME				
Dwelling Rents	(10,620,540)	(10,528,890)	(10,609,471)	80,581
Non Dwelling Rents	(69,800)	(69,800)	(71,072)	1,272
Contributions to Expenditure	(16,420)	(15,290)	(15,290)	0
	(10,706,760)	(10,613,980)	(10,695,833)	81,853
EXPENDITURE				
Supervision & Management (General)	1,476,000	1,449,560	1,334,690	114,870
Supervision & Management (Special)	759,860	518,190	463,404	54,786
Contribution to Housing Repairs A/C	2,400,000	2,400,000	2,400,000	0
Broker's Fees	0	0	22,312	(22,312)
Depreciation & Impairment (Item 8)	4,200,910	4,200,910	4,060,170	140,740
HRA Item 8 Interest	0	0	19,590	(19,590)
Debt Management Costs	7,260	7,260	6,819	441
Increase in Provision for Bad Debts	50,000	50,000	96,265	(46,265)
Negative HRA Subsidy	4,083,160	4,234,110	4,235,801	(1,691)
	12,977,190	12,860,030	12,639,051	220,979
Net Cost of Services	2,270,430	2,246,050	1,943,218	302,832
Transfer from Major Repairs Reserve	(1,976,800)	(2,007,900)	(1,989,018)	(18,882)
Interest Receivable	(9,640)	(9,640)	(1,361)	(8,279)
FRS17 Pension Fund Adjustment	(33,350)	(33,350)	14,648	(47,998)
Net Operating Expenditure	250,640	195,160	(32,513)	227,673
CONTRIBUTIONS				
Contribution to Piper Alarm Reserve	10,400	10,400	10,400	0
Contribution to Pensions Reserve	12,890	12,890	16,405	(3,515)
(Surplus) / Deficit	273,930	218,450	(5,708)	224,158

Capital Programme

3.11 The Council's capital programme was under spent by £1,657,103, made up of under spends on the General Fund of £1,120,658 and the HRA of £536,445.

Description	Latest Estimate	Actual 31/03/12	Variance
General Fund			
Community Direction	1,036,708	657,233	379,475
Business, Contract and Streetscene Services	1,490,045	1,220,998	269,047
Corporate Direction	997,177	525,042	472,135
	3,523,930	2,403,272	1,120,658
HRA	70,666,296	70,129,851	536,445
Grand Total	74,190,226	72,533,123	1,657,103

Carry Forwards

- 3.12 In a number of cases budget managers have requested that the under spend in their budget(s) be carried forward to 2012/13 because of delays in committing expenditure or a need to defer income. Requests totalling a net £409,881 have been received (to be funded as detailed below).

Source of Funding	Amount (£)
Carry Forward Reserve	136,093
Other Earmarked Reserves	180,705
Housing Revenue Account balances	93,083
Total	409,881

- 3.13 Details of revenue carry forwards have been detailed in Appendix 1 and are recommended for approval.

- 3.14 In addition, total capital under spends of £1,243,716 have been requested to be carried forward to 2012/13. A summary of these requests are included in Appendix 2 and are recommended for approval.

3 FINANCIAL IMPLICATIONS (KB)

These are contained in the report

4 LEGAL IMPLICATIONS (LH)

There are no legal implications arising directly from this report.

5 CORPORATE PLAN IMPLICATIONS

This report contributes to the achievement of the following Corporate Plan Priorities:

- The Council sets a balanced budget that meets all requirements of the Council and is aligned to the priorities of the Council and its citizens
- The Council's major projects are completed to time and to budget
- The Council's financial standing is maintained and the finances remain healthy over the period of the plan

6 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/decision were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating Actions	Owner
None		

8. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

There are none.

9. CORPORATE IMPLICATIONS

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

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

Background Papers: Civica Authority Financials reports
 Closedown files

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