



**REVENUE AND CAPITAL OUTTURN – 1<sup>ST</sup> QUARTER 2013/2014  
REPORT OF DEPUTY CHIEF EXECUTIVE – (CORPORATE  
DIRECTION)**

**1. PURPOSE OF REPORT**

1.1 To inform members of the revenue and capital outturn at the end of the first quarter of 2013/2014

**2. RECOMMENDATION**

2.1 That the committee notes the report

**3. BACKGROUND TO THE REPORT**

3.1 Attached to this report are the monthly outturn reports including the following information for the quarter ended 30th June 2013:

- General Fund budget monitoring summary
- General Fund detailed variance analysis
- Outturn for the Groundcare DSO
- Capital Programme outturn by scheme
- Outturn position for the Housing Revenue and Housing Repairs accounts

**General Fund**

3.2 When the budget was approved by Council in February 2013 it was anticipated that £267,372 would be taken **from** balances and a net £230,641 transferred **to** earmarked reserves.

3.3 Since that date, £168,055 of supplementary budgets have been approved in line with financial procedure rules. Of this amount, £119,000 have been financed from earmarked reserves, leaving an additional call on balances of £49,055.

3.4 Explanations for variances against both profiled budget and estimated outturn have been detailed in the monthly outturn reports appended. The major service variations in excess of £50,000 have been summarised as follows:

	<b>Timing Differences</b>	<b>Outturn variances</b>	<b>Explanation</b>
	<b>£000's Under spend/(Overspend)</b>		
Council Tax /NDR/Council Support	195	-	Contributions due to the Leicestershire Revenues and Benefits Partnership in July 2013
DSO Housing Repairs	(411)	-	Value of those jobs due to be completed on the housing repairs system before transfer to the financial ledger
Rent Allowances	157	-	Delay in receipt of invoice for June rent allowances. Now processed
Support Services	(116)	-	Element of support services to be recharged to Leicestershire

			Revenues and Benefits Partnership in July 2013
Leisure and Environment Recycling	-	53	Additional income due from recycling credits and recycling services. Supplementary budget request for additional income to be presented to Executive in August 2013
Council Offices	-	725	Developers incentive received following move to the Hinckley Hub. Originally budgeted to be received in 2012/2013. This amount has been transferred to the Council's relocation reserve and therefore has no impact on General Fund balances
Various	-	148	Salary savings identified across all service areas

3.5 Based on these forecasts, the Council is projecting that £63,495 will be taken **from** balances as at 31<sup>st</sup> March 2014 and therefore the Council is forecasting an under spend of £203,877 and closing General Fund balances of £1,717,505.

3.6 Taking into account those supplementary budgets that will be funded from ear marked reserves and the transfer to the Relocation Reserve noted in 3.4, as at 30<sup>th</sup> June, the Council is forecasting that a net £861,641 will be transferred **to** reserves in year. Members should note the decisions made by full Council in July to review earmarked reserves and levels of balances. Results of this decision will be reflected in the quarter 2 outturn report to this committee.

### Capital

3.7 £1,272,5448 has been spent on capital schemes to the end of June 2013 against a budget for that period of £2,254,972. This represents an under-spend of £982,424. The major service variations in excess of £50,000 have be summarised as follows:

Scheme	£000's Under spend/ (Overspend)	Explanation
Disabled Facilities Grant	84	Budget is committed against works. Council is awaiting invoices from third sector for work performed.
Green Deal Fuel Poverty	96	Large invoices due for boiler works. Budget to be re-profiled to reflect the schedule of work to be performed.
Council Office Relocation	125	Budget requires re-profiling to reflect the revised move date into the Hinckley Hub.
Housing Repairs	550	Difference represents the value of "Work in Progress" (WIP) currently sat within the Council's Orchard system. This will be transferred to the financial ledger following completion of works. The value of this WIP is being monitored on a periodic basis to ensure that the outturn on these budgets is accurately forecast. Taking into account this balance as at 30 <sup>th</sup> June 2013, the total under spend on the Housing Repairs capital budgets is £9,000.

## Housing Revenue Account

3.8 At the present time it is anticipated that the HRA outturn surplus will be £1,065,153 as against an approved budget of £1,101,153. This reflects a net over spend of £36,000 which relates to the reversal of accounting entries at the start of the financial year. Use of the HRA regeneration reserve was considered in the revised HRA Investment Plan by Council during July 2013 and any approved schemes will be reflected in the quarter 2 report to this committee.

### 4. **FINANCIAL IMPLICATIONS (KB)**

The financial implications on the Council's budget position are outlined in the report.

### 5. **LEGAL IMPLICATIONS (AB)**

None raised directly by this report

### 6. **CORPORATE PLAN IMPLICATIONS**

The budget outturn impacts all corporate plan objectives.

### 7. **CONSULTATION**

All budget holders have been consulted in collating the information for this report. This information has previously been reported to Executive Briefing.

### 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:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

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

None

### 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
- Planning Implications
- Voluntary Sector

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Background Papers:        Civica Financial Files

Author:                      Sanjiv Kohli, Deputy Chief Executive (Corporate Direction) ext  
5607  
Katherine Bennett, Head of Finance ext 5609

Executive Member:        Cllr KWP Lynch