

Supplementary Papers



Listening Learning Leading

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FOR THE MEETING OF

Cabinet

This will be a virtual, online meeting.
on Thursday 18 March 2021 at 6.00 pm

Open to the public including the press

7. **Budget monitoring** (Pages 2 - 6)

To consider the interim head of finance's report.

Cabinet Report



Listening Learning Leading

Report of Head of Finance

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To: CABINET

Date: 18 March 2021

Budget monitoring April 2020 – January 2021

Recommendation

Cabinet is recommended to note the contents of the report

Purpose of Report

1. To report the revenue and capital expenditure against budget for the period April 2020 to January 2021 and the latest year end outturns forecast by Heads of Service.

Corporate Objectives

2. The allocation of financial resources within the revenue and capital budgets needs to match the objectives agreed by the Council. The budget monitoring report shows how these resources have been allocated during the first eight months of the financial year.

Background

3. This report reviews the council's revenue and capital expenditure performance to the end of month ten (January). Year-end outturn forecasts were worked on during February and early March and based on heads of service's best knowledge at this time.

Revenue budget monitoring

4. On 13 February 2020, Council agreed a net revenue budget for 2020/21 of £17.704 million. This has subsequently increased to £21.920 million. This reflects the revised budget agreed by Council on 8 October 2020, and the carry forward of unspent one-off project budgets from 2019/20.
5. Table 1 below shows, summarised at service level, both the revenue position as at the end of January 2021 and the forecast position at year end.

Table 1: Revenue budget monitoring position as at January 2021

Service	Working budget year to date £000	Spend to Date £000	Variance £000	Working budget full year £000	Forecast spend for year £000	Variance £000
Strategic management team	829	706	(123)	995	861	(134)
Corporate services	3,873	4,257	384	4,901	4,242	(659)
Development and regeneration	3,398	987	(2,411)	4,023	1,341	(2,682)
Finance	687	(24)	(711)	419	593	174
Housing and environment	5,431	5,006	(425)	7,185	6,171	(1,014)
Legal and democratic	905	765	(140)	1,086	1,026	(60)
Partnerships	2,807	3,906	1,099	3,369	3,337	(32)
Planning	1,877	1,323	(554)	2,253	1,517	(736)
Policy and programmes	589	544	(45)	706	632	(74)
Contingency	(2,208)	(1,595)	613	(3,017)	(2,552)	465
Total	18,188	15,875	(2,313)	21,920	17,168	(4,752)

6. Of the £4.752 million forecast underspend, £3.637 million represents underspends against one-off budgets that will be the subject of carry forward requests. Further detail on the forecast variance is shown in the appendices as follows:
 - Appendix 1 provides a summary of the key forecast year end variances
 - Appendix 2 details those budgets that will be the subject of carry forward requests
 - Appendix 3 provides a service-based analysis of current and forecast variances
7. Officers propose to earmark the year end underspend after carry-forwards to fund further potential losses arising from the Coronavirus pandemic.

Capital Budget Monitoring

8. On 13 February 2020, Council agreed a capital programme for 2020/21 as follows:
 - Approved programme - £17.071 million
 - Provisional programme (including Cabinet growth proposals) - £9.229 million.
9. As a result of officers prioritising the council's response to the pandemic, much of the approved capital programme has already been slipped to 2021/22. At the end of January 2021, the approved programme totalled £3.961 million, against which £644,000 had been spent. It is therefore to be expected that there will be further slippage on the approved programme by year end.

Financial, legal and any other implications

10. The financial implications are as set out in the body of the report. There are no other implications of this report.

Conclusion

11. At this stage of the financial year, for revenue an underspend is forecast once the projected carry forward of one-off budgets is taken account of. In capital, due to other priorities very little spend has taken place and there has been significant slippage of projects into 2021/22.

Appendices

- 1) Revenue budget monitoring - summary
- 2) Revenue budget monitoring – carry forwards
- 3) Revenue budget monitoring – service-based analysis

Background Papers

- Budget papers for 2020/21
- Revised 2020/21 budget

SOUTH revenue budget monitoring - January 2021

Appendix 1

Summary	£
Working budget	21,920,306
Forecast outturn	17,167,278
Variance	(4,753,028)
Of which:	
Carry forwards (see appendix 2)	3,636,581
Variance after carry forwards	(1,116,447)
Explanation of remaining variance	
All services	
Employee cost variances	
Employer pension fund fixed contributions	(382,000)
Planning policy	(84,500)
Other services	(7,622)
Total employee cost variances	(474,122)
Other variances	(642,325)
Total	(1,116,447)

SOUTH revenue budget monitoring - January 2021

Appendix 2

Proposed carry forwards	£
Strategic management team	
Transformation budget	250,000
Development and housing	
Didcot growth point	300,000
Housing development	863,965
Berinsfield	1,387,568
Housing and environment	
Homelessness grant funding	203,648
Air quality	43,000
Grounds maintenance	156,000
Community safety	80,000
Partnerships	
Science Vale	22,000
Planning	
Local plan	150,000
Neighbourhood planning	80,000
Policy and programmes	
Climate change	100,400
Total carry forwards	3,636,581