

Cabinet Report



Listening Learning Leading

Report of Head of Finance

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To: CABINET

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Budget monitoring April 2021 – September 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 2021 to September 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 six (September). Year-end outturn forecasts were worked on during October and are based on heads of service's best knowledge at this time.

Revenue budget monitoring

4. On 11 February 2021, Council agreed a net revenue budget for 2021/22 of £20.309 million. This has subsequently increased to £24.255 million. This reflects the carry forward of unspent one-off project budgets from 2020/21.
5. Table 1 below shows, summarised at service level, both the revenue position as at the end of September 2021 and the forecast position at year end.

Table 1: Revenue budget monitoring position as at September 2021

Service	Working budget year to date	Spend to Date	Variance	Working budget full year	Forecast spend for year	Variance
	£000	£000	£000	£000	£000	£000
Strategic management team	625	451	(174)	1,251	771	(480)
Corporate services	2,134	2,369	235	4,254	4,154	(100)
Development and regeneration	2,132	1,293	(839)	3,968	2,971	(997)
Finance	361	(231)	(592)	454	521	67
Housing and environment	2,526	1,969	(557)	6,427	6,267	(160)
Legal and democratic	534	611	77	1,068	1,210	142
Partnerships	1,440	4,182	2,742	2,879	2,768	(111)
Planning	936	824	(112)	1,872	1,918	46
Policy and programmes	296	(127)	(423)	592	(19)	(611)
Contingency	(9)	4	13	1,490	134	(1,356)
Total	10,975	11,345	370	24,255	20,695	(3,560)

6. 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 provides a list of budget carry forwards
7. The current variance in Partnerships relates to the Five Councils partnership, where South pays invoices to the contractor on behalf of all councils ahead of receiving reimbursements from partner authorities. The most significant carry forward is in respect of Berinsfield.

Capital Budget Monitoring

8. On 11 February 2021, Council agreed a capital programme for 2021/22 as follows:
 - Approved programme - £19.018 million
 - Provisional programme (including Cabinet growth proposals) - £2.848 million.
9. At the end of September 2021, the approved programme totalled £4.052 million, against which £1.087 million had been spent.
10. Major projects that have slipped during the year are:
 - Office accommodation - £5.6 million
 - Disabled Facilities Grants - £2.2 million
 - Payment of CIL contributions to third parties - £7.7 million

Financial, legal and any other implications

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

Conclusion

12. At this stage of the financial year, for revenue an underspend is forecast. In capital, due to other priorities there has been significant slippage of projects into 2021/22.

Appendices

- 1) Revenue budget monitoring - summary
- 2) Revenue budget monitoring – budget carry forwards
- 3) Capital budget monitoring - summary

Background Papers

- Budget papers for 2021/22