

Cabinet Report

Report of Head of Finance

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To: CABINET

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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 ten 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 12 February 2020, Council agreed a net revenue budget for 2020/21 of £15.878 million. This has subsequently increased to £17.458 million. This reflects the revised budget agreed by Council on 7 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	764	595	(169)	917	732	(185)
Corporate services	3,288	3,491	203	3,896	3,614	(282)
Development and regeneration	771	1,973	1,202	1,041	1,763	722
Finance	720	731	12	475	665	190
Housing and environment	5,501	5,351	(150)	7,146	6,615	(531)
Legal and democratic	910	799	(111)	1,092	947	(145)
Partnerships	2,845	2,174	(671)	3,414	3,049	(365)
Planning	1,572	839	(733)	1,886	1,149	(737)
Policy and programmes	560	534	(26)	672	622	(50)
Contingency	(2,152)	(1,360)	791	(3,081)	(3,415)	(334)
Total	14,779	15,127	348	17,458	15,741	(1,717)

6. Of the £1.717 million forecast underspend, £1.510 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 12 February 2020, Council agreed a capital programme for 2020/21 of £10.500 million.
9. At the end of January 2021, the capital programme had increased to £12.725 million, reflecting slippage of schemes from the previous year. However, as a result of officers prioritising the council's response to the pandemic, total capital expenditure to the end of January totalled just over £236,000. There will therefore be significant slippage of this year's capital programme to 2021/22.

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 a small 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 projects that have not progressed will be slipped 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