

Decision Pathway



PURPOSE: Key decision

MEETING: Cabinet

DATE: 02 October 2018

TITLE	2018/19 Period 4 Forecast Outturn Report		
Ward(s)	n/a		
Author: Chris Holme	Job title: Interim Head of Finance		
Cabinet lead: Craig Cheney	Executive Director lead: Mike Jackson		
Proposal origin: <i>Other</i>			
Decision maker: Cabinet Member			
Decision forum: <i>Cabinet</i>			
<p>Purpose of Report: The report provides information and analysis on the Council's financial performance and forecast use of resources during the financial year 2018/19. The Council budget for 2018/19 was agreed by Council on 20th February 2018 and this report focuses on the forecast position against that budget.</p> <p>The Council operates Directorate cash limited budgets and Executive Directors are responsible for ensuring that appropriate action is taken to contain both revenue and capital spending within the directorate's overall budget limit. Budget holders forecasting a risk of overspend should in the first instance set out in-service options for mitigation. Where these are considered undeliverable or pressures cannot be contained across the directorate a request can be made for the Executive to consider granting a supplementary estimate redirecting funds from an alternative source. As at period 4 no supplementary estimates have been requested for 2018/19.</p>			
<p>Evidence Base:</p> <p>The Council's overall annual revenue spend during 2018/19 is managed across a number of areas:</p> <ul style="list-style-type: none"> The General Fund with a net budget of £356.2m, providing revenue funding for the majority of the Council's services; <p>Ring Fenced Accounts:</p> <ul style="list-style-type: none"> The Housing Revenue Account (HRA) of £119.9m gross spend, is ring-fenced, money received in rent in order to plan and provide services to current and future tenants, and is managed within Communities Directorate; The Dedicated Schools Grant (DSG) of £346.6m, which is a ring-fenced grant that must be used in support of the schools budget as defined in the School and Early Years Finance Regulations and cannot be used for any other purpose. The grant is managed within the Adults, Children's and Education Directorate; Public Health, a ring-fenced grant of £32.5m, must be spent to support the delivery of the Public Health Outcomes Framework exclusively for all ages and is managed within Adults, Children's and Education Directorate. <p>Full detail for each of these areas is provided in the main monitoring report, Appendix A.</p>			
<p>Recommendations:</p> <ol style="list-style-type: none"> To note the £6.9m general fund revenue pressures being reported, predominantly within Adult Social Care, and that action will be required to understand the drivers, the potential opportunities, risks and impact of any mitigation plans developed. To agree allocation of the Adult Social Care Grant as announced in the Final Local Government Finance Settlement of £1.268m to Adult Social Care. To note the reduction in the 2018/19 WECA transport levy of £1.019m resulting from £0.619m underspend from 2017/18 and £0.4m from WECA investment fund which will be held in abeyance pending a decision on allocation. To note the current forecast position with regard to the Housing Revenue Account and Public Health Accounts. To note the current budget pressures being reported within the High Needs block within the DSG and that 			

action will be required to understand the drivers, the potential opportunities, risks and impact in any mitigation plans developed.

6. Note current forecast for capital expenditure of £195.1m against a budget of £252.0m.

Corporate Strategy alignment:

City Benefits: Cross priority report that covers whole of Council's business.

Consultation Details: n/a

Revenue Cost	Net: £356.2m	Source of Revenue Funding	Total approved revenue budget including ring-fenced accounts
Capital Cost	£252.0m	Source of Capital Funding	Total capital programme incl. HRA
One off cost <input type="checkbox"/>	Ongoing cost <input type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice: The resource and financial implications are set out in the report.

Finance Business Partner: Chris Holme 18/09/2018

2. Legal Advice: The recommendation to allocate Adult Social care grant is lawful. There are no other specific legal implications in this report.
The report will assist the Cabinet to monitor the budget position with a view to meeting the Council's legal obligation to deliver a balanced budget

Legal Team Leader: Nancy Rollason, Head of Service, Legal 18/09/18

3. Implications on ICT: There are no IT implications arising from production of this report

ICT Team Leader: Ian Gale, Head of IT 18/09/18

4. HR Advice: Expenditure on staffing is monitored on a monthly basis by budget holders. Managers are required to manage expenditure within the agreed staffing budget that has been set for 2018/19.

HR Partner: Mark Williams, Head of Human Resources 18/09/18

EDM Sign-off	Mike Jackson	29/08/2018
Cabinet Member sign-off	Councillor Cheney	21/09/2018
CLB Sign-off	Mike Jackson	04/09/2018
For Key Decisions - Mayor's Office sign-off	Mayor's Office	03/09/2018

Appendix A – Further essential background / detail on the proposal	YES
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	NO
Appendix E – Equalities screening / impact assessment of proposal	NO
Appendix F – Eco-impact screening/ impact assessment of proposal	NO
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Combined Background papers	n/a
Appendix J – Exempt Information	NO
Appendix K – HR advice	NO
Appendix L – ICT	NO