

**REPORT TO** SCRUTINY COMMITTEE CORPORATE  
**Date of Meeting:** 23 MARCH 2017  
**Report of:** Assistant Director Finance  
**Title:** Budget Monitoring Report to 31 December 2016

**Is this a Key Decision?**

No

**Is this an Executive or Council Function?**

Council

**1. What is the report about?**

This report advises Members of any material differences to the revised budget in respect of Corporate Committee.

**2. Recommendations:**

**That Members of Scrutiny Committee – Corporate note the content of this report in order to be satisfied that prudent steps are being taken to address the key areas of budgetary pressure highlighted in this report.**

**3. Reasons for the recommendation:**

Local authorities have a statutory duty to set and monitor their budgets during the year and to take any actions necessary because of potential overspending or potential shortfalls in income. Members are therefore presented with a quarterly financial update in respect of Corporate.

**4. What are the resource implications including non financial Corporate**

The financial resources required to deliver Corporate Services during 2016-17 are set out in the body of this report.

**5. Section 151 Officer comments:**

This report has been prepared on behalf of the Section 151 Officer to set out the projected financial position of Corporate Services as at 31 March 2017.

**6. What are the legal aspects?**

Part 2 of the Local Government Act 2003 provides the legislative framework for the process of setting and managing budgets. In particular, Section 28 of the 2003 Act requires local authorities to monitor their budgets during the financial year.

**7. Monitoring Officer's comments:**

This report raises no issues for the Monitoring Officer.

**8. Report Details:**

**Corporate Budget Monitoring to 31 December 2016**

**8.1 Key Variations from Budget**

The current forecast suggests that net expenditure for this committee will decrease from the revised budget by a total of £283,650 after transfers from reserves and revenue contributions to capital, as detailed in Appendix 1. This represents a variation of 6.61% from the revised budget. This includes supplementary budgets of £854,990 already agreed previously.

8.2 The significant variations (by management unit) are:

| MU Code | Management Unit               | Over / (Underspend) | Detail  |
|---------|-------------------------------|---------------------|---|
| 83A1    | Property & Estates Services   | (£127,050)          | <ul style="list-style-type: none"> <li>The contingency budget in respect of the Asset Improvement and Maintenance Fund will not be fully spent in year.</li> </ul>  |
| 83C5    | Corporate Property Assets     | (£533,000)          | <ul style="list-style-type: none"> <li>An underspend is anticipated on the Property Maintenance Fund budget.</li> <li>A request to carry forward an element of this underspend will be made at year end.</li> <li>This is to fund essential priorities in accordance with the Corporate Property Maintenance Strategy.</li> </ul>   |
| 86A6    | Grants/Cent Supp/Consultation | £70,000             | <ul style="list-style-type: none"> <li>An overspend is anticipated on the consultants' fees budget in respect of Press &amp; Public Relations and Policy Support.</li> </ul>  |
| 86A7    | Unapportionable Overheads     | £201,000            | <ul style="list-style-type: none"> <li>The overspend reflects the additional superannuation strain payments.</li> </ul>   |
| 86B3    | Human Resources               | (50,230)            | <ul style="list-style-type: none"> <li>Expenditure on pay expected to be less than the budget.</li> <li>A request to carry forward this underspend will be made at year end.</li> </ul>   |
| 86B6    | IT Services                   | £74,200             | <ul style="list-style-type: none"> <li>An overspend is anticipated relating to the budget payable to Strata Service Solutions. The Joint Executive Committee of Strata Service Solutions have advised that the planned saving is forecast to be lower than expected, and additional expenditure on agreed budgets has been charged to the general IT contract.</li> </ul> |
| 86B8    | Procurement                   | £66,300             | <ul style="list-style-type: none"> <li>An overspend is forecast on this budget relating to Agency staffing.</li> </ul>  |

**9. How does the decision contribute to the Council's Corporate Plan?**

Corporate budgets contribute to 3 key purposes, as set out in the Corporate Plan; maintain the assets of our city, well run Council and customer access to help me with my housing and financial problem.

**10. What risks are there and how can they be reduced?**

An action plan addressing the key areas of budgetary risks within Corporate will be included if and when they arise.

**11. What is the impact of the decision on equality and diversity; health and wellbeing; safeguarding children, young people and vulnerable adults, community safety and the environment?**

No impact

**12. Are there any other options?**

No

**DAVE HODGSON**

**Assistant Director Finance**

**Author: Marie Holt / Paul Matravers**

**Local Government (Access to Information) Act 1972 (as amended)**

**Background papers used in compiling this report:**

None

Contact for enquiries:

Democratic Services (Committees)

Room 2.3

(01392) 265275