

# Finance and Resources Committee

**10.00am, Tuesday, 5 September 2017**

## **Chief Executive - Revenue Budget Monitoring 2017/18 - Month Three position**

<b>Item number</b>	7.6
<b>Report number</b>	
<b>Executive/routine</b>	
<b>Wards</b>	

### **Executive Summary**

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The report sets out the projected three-month revenue monitoring position for services reporting directly to the Chief Executive, based on actual expenditure and income to the end of June 2017 and expenditure and income projections for the remainder of the financial year.

The report advises of a balanced year-end projection for the revenue budget for 2017/18 for services reporting directly to the Chief Executive. The attainment of this position is subject to undertaking ongoing action to deliver approved savings and active management of significant risks and pressures.

## Chief Executive - Revenue Budget Monitoring 2017/18 - Month Three position

### 1. Recommendations

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- 1.1 It is recommended that the Finance and Resources Committee notes:
  - 1.1.1 services reporting directly to the Chief Executive are currently projecting expenditure within the approved revenue budget for 2017/18; and
  - 1.1.2 the risks to the achievement of a balanced revenue budget projection.

### 2. Background

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- 2.1 The Council's Financial Regulations require submission of quarterly monitoring reports on service financial performance to the Finance and Resources Committee.
- 2.2 This report advises of the projected outturn for the revenue budget for 2017/18 for services reporting directly to the Chief Executive, excluding Safer and Stronger Communities, after three months of the financial year.
- 2.3 A separate report on the projected three-month revenue monitoring position for Safer and Stronger Communities will be presented to Culture and Communities Committee on 12 September 2017.

### 3. Main report

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#### **Month Three Position**

- 3.1 The revenue budget for 2017/18 for services reporting directly to the Chief Executive is £11.169 million. The budget is stated after inclusion of approved savings of £0.687 million.
- 3.2 The period three projection reflects expenditure within approved budget. Forecast savings include achievement of Transformation Programme employee cost savings from organisational reviews. An analysis of the projection by service area is provided in Appendix 1.

#### **Savings Implementation Plans**

- 3.3 The revenue budget approved by Council on 9 February 2017 requires achievement of incremental savings of £0.687 million in 2017/18 for services reporting directly to the Chief Executive. These are detailed in Appendix 1.

- 3.4 Savings implementation plans have been developed and revenue budget monitoring reports are considered by service management teams on a regular basis.
- 3.5 Savings are forecast to be fully achieved in 2017/18 and are classified as 'green'.

### **Risks**

- 3.6 While there is evidence of significant progress towards the achievement of savings targets, full realisation of targets will continue to be tracked and reported to service management teams. Alternative savings measures will be developed, where a risk emerges as to the achievement of existing savings proposals.

## **4. Measures of success**

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- 4.1 Service final outturn for 2017/18 is within budgeted levels and the service meets performance targets.

## **5. Financial impact**

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- 5.1 The report projects expenditure and income will be within approved budget. Attainment of this position is subject to active management of financial risks and, where appropriate, the taking of timely remedial action.

## **6. Risk, policy, compliance and governance impact**

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- 6.1 The delivery of expenditure within the approved revenue budget for 2017/18 is the key target. The risk of budget pressures arising throughout the course of the financial year will continue to be regularly monitored and reviewed and management action taken, as appropriate.

## **7. Equalities impact**

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- 7.1 There are no direct equalities impact implications arising from this report. All budget proposals are subject to an initial relevance and proportionality assessment and, where appropriate, a formal Equalities and Rights Impact Assessment is then undertaken. The equalities and rights impacts of any substitute measures identified to address savings shortfalls are similarly assessed.

## **8. Sustainability impact**

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- 8.1 There is no direct relevance of the report's contents to impacts on carbon, adaptation to climate change and sustainable development. The Council's revenue budget includes expenditure impacting upon carbon, adaptation to climate change

and contributing to sustainable development. In addition, all budget proposals are now subject to an upfront assessment across these areas.

## **9. Consultation and engagement**

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- 9.1 There is no direct relevance to the report's contents. The Council undertook a budget engagement exercise when developing the 2017/18 revenue budget.

## **10. Background reading/external references**

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## **11. Appendices**

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Appendix 1 – Chief Executive Revenue Budget Monitoring 2017/18 - Month Three position and Approved Revenue Budget Savings 2017/18

# Appendix 1

## 1. Chief Executive Revenue Budget 2017/18 - Month Three position

### Forecast Revenue Outturn by Service Area

	Revised Budget	Projected Outturn	Projected Variance	Adverse / Favourable
	£'000	£'000	£'000	£'000
Chief Executive	237	237	0	-
Communications	1,051	1,051	0	-
Strategy and Insight	9,881	9,881	0	-
<b>Total Net Expenditure</b>	<b>11,169</b>	<b>11,169</b>	<b>0</b>	<b>-</b>

## 2. Chief Executive: Approved Revenue Budget Savings 2017/18

Service	Saving Description	2017/18 £'000	Red/Amber/Green assessment
Chief Executive - service-wide	Employee turnover savings	167	
Chief Executive - service-wide	Agency staffing	69	
Chief Executive - service-wide	Workforce savings	10	
Strategy and Insight	Transformation and Business Change – employee cost savings	317	
Strategy and Insight	Members' Services – employee cost savings	107	
Strategy and Insight	Other staffing savings	17	
	<b>TOTAL</b>	<b>687</b>	