

SURREY COUNTY COUNCIL

CABINET

DATE: 27 NOVEMBER 2012

REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL

LEAD OFFICER: SHEILA LITTLE, CHIEF FINANCE OFFICER AND DEPUTY DIRECTOR FOR CHANGE AND EFFICIENCY

SUBJECT: BUDGET MONITORING FORECAST 2012/13 (PERIOD ENDING OCTOBER 2012)



SUMMARY OF ISSUE:

To note:

- the year-end revenue and capital budget monitoring projections as at the end of October 2012.

Please note that the Annex 1 to this report will be circulated separately prior to the Cabinet meeting.

RECOMMENDATIONS:

It is recommended that the Cabinet:

1. notes the projected revenue budget underspend; (Annex 1 – Section A) and the Capital programme direction; (Section B)
2. confirms that government grant changes are reflected in directorate budgets; (Section C)
3. approves the one-off corporate contribution to the funding of personalisation in Adult Social Care as highlighted by the leader in June 2012. (Para 11 and 68 - Section A)

REASON FOR RECOMMENDATIONS:

To comply with the agreed strategy of providing a monthly budget monitoring report to cabinet for approval and action as necessary.

DETAILS:

1. The council's 2012/13 financial year commenced on 1 April 2012 and this is the fifth financial report of this financial year.
2. The council has implemented a risk based approach to budget monitoring across all directorates and services. The risk based approach is to ensure that resources are focused on monitoring those budgets assessed high risk, due to their value or volatility. There is a set of criteria to evaluate all budgets into high, medium and low risk.

3. High risk areas report monthly, where as low risk services areas report on an exception basis. This is if the year to date budget and actual spend vary by more than 10%, or £50,000, whichever is lower.
4. Annex – Section A to this report sets out the council’s revenue budget forecast year end outturn as at the end of October 2012. The forecast is based upon current year to date income and expenditure as well as projections using information available to the end of the month. The report provides explanations for significant variations from the budget.
5. Annex – Section B to this report updates Cabinet on the council’s capital budget.
6. Annex – Section C provides details of the revenue changes to government grants and other budget virements.

Consultation:

7. All Cabinet Members will have consulted their relevant Strategic Director on the financial positions of their portfolios.

Risk management and implications:

8. Risk implications are stated throughout the report and each Strategic Director has updated their strategic and or service risk registers accordingly. In addition, the Leadership risk register continues to reflect the increasing uncertainty of future funding likely to be allocated to the council.

Financial and value for money implications

9. The financial and value for money implications are considered throughout this report and will be further scrutinised in future budget monitoring reports. The council continues to have a strong focus on its key objective of providing excellent value for money.

Section 151 Officer commentary

10. The Section 151 officer confirms that all material, financial and business issues and risks are considered throughout the report.

Legal implications – Monitoring Officer

11. There are no legal issues and risks.

Equalities and Diversity

12. Any impacts of the budget monitoring actions will be evaluated by the individual services as they implement the management actions necessary.

Climate change/carbon emissions implications

13. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
14. Any impacts on climate change and carbon emissions to achieve the Council's aim will be considered by the relevant service affected as they implement any actions agreed.

WHAT HAPPENS NEXT:

The relevant adjustments from the recommendations will be made to the council's accounts.

Contact Officer:

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Consulted:

Cabinet / Corporate Leadership Team

Annexes:

Annex 1 – Section A – Revenue Budget Summary
Annex 1 – Section B – Capital Budget Summary
Annex 1 – Section C – Revenue Budget movements

Sources/background papers:

None

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