

SURREY COUNTY COUNCIL**CABINET****DATE: 23 APRIL 2013****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 AND PROVISIONAL BUDGET OUTTURN 2012/13 (PERIOD ENDING MARCH 2013)****SUMMARY OF ISSUE:**

To note the revenue and capital budget monitoring for March 2013 and the interim budget outturn for the 2012/13 financial year.

The annexes to this report present the provisional revenue and capital budget outturn for the 2012/13 financial year. This is based upon the estimates at the end of March 2013. The report also requests approval for further carry forward of revenue and capital budget underspendings. The full outturn report will be presented to the Cabinet on 28 May 2013.

RECOMMENDATIONS:

It is recommended that the Cabinet:

1. notes the provisional revenue and capital year end budget outturns (Annex A);
2. approves the revenue budget carry forward requests by services totalling £7.9m (Annex A);
3. approves the carry forward of £17.5m committed capital budget (Annex A);
4. confirms that government grant changes are reflected in directorate budgets (Annex B).

REASON FOR RECOMMENDATIONS:

To comply with the agreed strategy of providing a monthly budget monitoring report to cabinet for approval and action as necessary and approve carry forwards to enable on-going projects to continue without delay.

DETAILS:

1. The Council's 2012/13 financial year ended on 31 March 2013. The accounts for the financial year closed on 19 April 2013. The three week period was to enable all year end accruals, reconciliations and allocations to be completed for external audit.

2. The Final Outturn report will be presented to the Cabinet on 28 May 2013 and this will include the final revenue and capital budget positions, the level of reserves and balances and the debt owed to the council. This report will be based upon income and expenditure at the close of accounts on 19 April 2013.
3. **Annex 1** to this report provides a provisional revenue and capital outturn summary for the 2012/13 financial year. The aim of this is to inform Cabinet Members of the Council's financial position in advance of the full closure of accounts.
4. **Annex 2** shows the revenue and capital budgets that the Cabinet have already agreed to carry forward to support the 2013/14 budget. In addition, there are further requests from services to carry forward budget, where appropriate, to cover known risks and commitments in the new financial year.
5. In approving carry forwards at this time, managers can progress the work immediately, rather than waiting until the May Cabinet report.

Consultation:

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

Risk management and implications:

7. 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

8. 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

9. The Cabinet has received reports throughout the year on the forecast year-end financial position. This report provides the provisional revenue and capital budget outturn for the 2012/13 financial year as the final accounting entries are undertaken prior to the commencement of the external audit. The final year end position will be reported to the cabinet at its meeting on 28 May 2013.
10. The reported year end outturn is based upon the revenue and capital transactions recorded in the council's financial ledger at 31 March 2013 and estimates of any further necessary accruals and allocations.

Legal implications – Monitoring Officer

11. There are no legal issues or risks.

Equalities and Diversity

12. Any impacts of the budget outturn will be evaluated by the individual services and reported as necessary.

WHAT HAPPENS NEXT:

13. 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 A - Provisional revenue and capital outturn summary 2012/13

Annex B - Revenue and capital budget carry forwards

Sources/background papers:

Monthly budget monitoring reports to the Cabinet during the financial year

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