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Title of Report:	Financial Performance Report - Quarter 1 (2013-14)
Report to be considered by:	Executive
Date of Meeting:	
Forward Plan Ref:	

Purpose of Report: To inform members of the latest financial performance of the Council.

Recommended Action: For members to note this report.

Reason for decision to be taken: To ensure that members are fully aware of the latest financial position for the Council

Other options considered:

Key background documentation: Papers held in Accountancy

<p>The proposals contained in this report will help to achieve the following Council Strategy priority(ies):</p> <p><input type="checkbox"/> CSP1 – Caring for and protecting the vulnerable</p> <p><input type="checkbox"/> CSP2 – Promoting a vibrant district</p> <p><input type="checkbox"/> CSP3 – Improving education</p> <p><input type="checkbox"/> CSP4 – Protecting the environment</p> <p>The proposals will also help achieve the following Council Strategy principle(s):</p> <p><input type="checkbox"/> CSP5 - Putting people first</p> <p><input checked="" type="checkbox"/> CSP6 - Living within our means</p> <p><input type="checkbox"/> CSP7 - Empowering people and communities</p> <p><input checked="" type="checkbox"/> CSP8 - Transforming our services to remain affordable and effective</p> <p><input type="checkbox"/> CSP9 - Doing what's important well</p> <p>The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:</p>
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Portfolio Member Details	
Name & Telephone No.:	Councillor Alan Law - Tel (01491) 873614
E-mail Address:	alaw@westberks.gov.uk
Date Portfolio Member agreed report:	Handed to portfolio holder on 25.7.13, no comments received
Contact Officer Details	

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Name:	Andy Walker
Job Title:	Head of Finance (s151 officer)
Tel. No.:	01635 519433
E-mail Address:	awalker@westberks.gov.uk

Implications

Policy: n/a

Financial: If the forecast position occurs at the end of the financial year there will be a corresponding impact on the Council's General Reserves of an increase of £51k. The financial implications of the report have been detailed throughout the summary report and directorate appendices.

If the creation of a Children's Services Risk Fund is approved, the Council will transfer money into and out of this fund, in accordance with the Children's Services risk register.

Personnel: n/a

Legal/Procurement: n/a

Property: n/a

Risk Management: n/a

Equalities Impact Assessment: See appendix 4

Corporate Board's Recommendation:

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input checked="" type="checkbox"/>

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Executive Summary

1. Introduction

- 1.1 This is the first report to Members as part of the financial reporting cycle for the 2013-14 financial year.
- 1.2 The forecast revenue under spend for the 2013-14 financial year is £51k.
- 1.3 Planning and Countryside is the only service area forecasting a significant over spend against their budget at £198k, which is largely due to below predicted income.
- 1.4 Culture and Environmental Protection are forecasting an under spend of £144k, from a range of items.
- 1.5 The other Council services, and respective directorates, are all forecasting close to, or below, a breakeven position for the end of the financial year.

2. Proposals

- 2.1 For Members to note this report.
- 2.2 For Members to note the creation of the Children's Services Risk Fund as detailed in this report. This Fund at present would need to be approximately £700k.

3. Equalities Impact Assessment Outcomes

- 3.1 EIA completed; no impact on vulnerable groups.

4. Conclusion

- 4.1 The quarter 1 financial position is showing a positive forecast with a small under spend being predicted for the year end. Though the Council remains in a challenging financial environment, and is faced with making savings in excess of £5m. It has taken steps to maintain financial discipline and ensure that savings are deliverable.

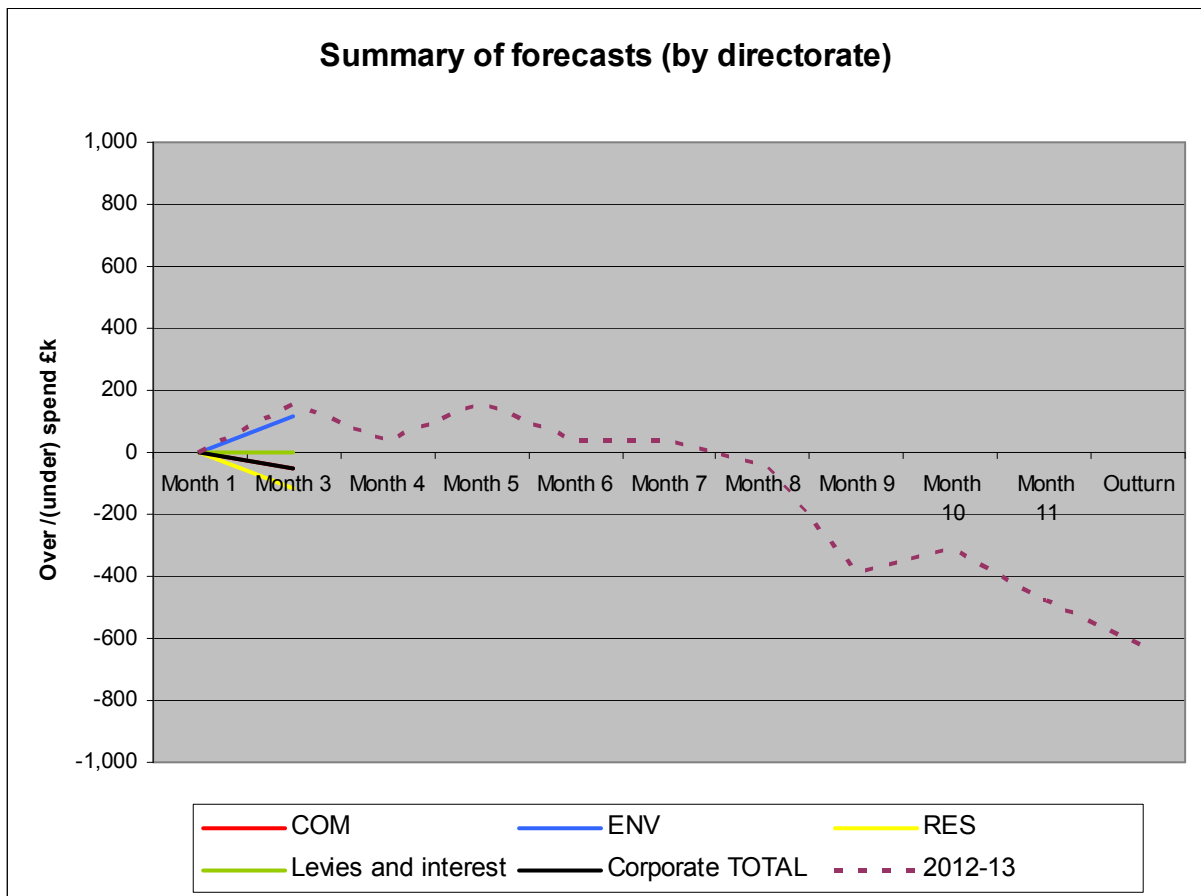
Executive Report

1. Introduction

1.1 The forecast outturn position as at quarter 1 of the 2013-14 financial year is an under spend of £51k.

2. Summary Revenue Position

2.1 Overall, the Council is showing a relatively low forecast under spend. There are no services forecasting over or under their budget position in excess of £200k.



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3. Children's Services Risk Fund

3.1 Children's Services has for a number of years carried significant risks but without having a specific risk fund to meet them. Significant work has been undertaken to identify and quantify the risks and the following table is a very high level summary of the 2013/14 Risk Register.

		Expected Outcome £	Least Favourable Outcome £
1	Increase in Looked After Children Placements	400,000	1,000,000
2	Continuing spend on agency staff until new staffing arrangements embedded	300,000	600,000
3	Young Person placed on remand (single placement cost £200k)	0	200,000
	Total	700,000	1,800,000

3.2 The risk register will be subject to regular review by the Munro Financial Strategy Group and the Finance Manager: Communities.

3.3 The fund will be built up as savings allow but with the aim of a fund level equivalent to the 'expected outcome' column in the above table. Clearly establishing a fund level to match the risks will only be possible if Children's Services, or the overall Communities Directorate, are able to deliver an in-year underspend.

3.4 Establishing this risk fund would allow the service to manage the in-year pressure should any of the risks be realised and provide time for the ongoing spend to be managed back in line with available budgets.

3.5 The reserve would be created as a specific earmarked reserve. The Council is proposing that in year transfers can be made to and from this fund within the financial year for the specific items included within the risk register up to the £700k level highlighted in the register above.

4. Capital summary

4.1 50% of the 2013/14 capital programme is committed as at the end of Quarter 1. Forecast capital spend in the year is currently £24.6 million against a budget of £24.8m.

4.2 In Communities, funds have been brought forwards from 2012-13 mainly in respect of the Walnut Close improvements and Disabled Facilities grants. The Education programme has been significantly revised to take account of the latest pupil number forecasts. This has resulted in a reduction in the current year's programme from £14.3m to £10.9m.

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- 4.3 In Environment, the Museum project remains on programme and on budget. The Northcroft Leisure Centre scheme is subject to some delay due to technical difficulties on site. Good progress is being made with the majority of Highways and Transport schemes, but £100k S106 for the A340 rail bridge at Aldermaston Wharf is expected to be re-profiled due to difficulties with the land owner.
- 4.4 In Resources, the Council's investment in the Market Street regeneration project is largely complete. The London Road Industrial Estate project is in the process of selecting a joint venture partner.

Appendices

Appendix 1a and 1b – Summary revenue and capital position

Appendix 2a, b, c – Directorate commentaries

Appendix 3 – Equality Impact Assessment – Stage 1

Consultees

Local Stakeholders:

Officers Consulted: Corporate Board, Management Board

Trade Union:

Equality Impact Assessment – Stage One

Name of item being assessed:	Month 3 Financial performance report
Version and release date of item (if applicable):	1.0
Owner of item being assessed:	Melanie Ellis
Name of assessor:	Andy Walker
Date of assessment:	15.7.2013

1. What are the main aims of the item?

2. Note which groups may be affected by the item, consider how they may be affected and what sources of information have been used to determine this. (Please demonstrate consideration of all strands – age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation)

Group Affected	What might be the effect?	Information to support this.

Further comments relating to the item:

3. Result (please tick by clicking on relevant box)

<input type="checkbox"/>	High Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Medium Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/>	Low Relevance - This needs to undergo a Stage 2 Equality Impact Assessment
<input checked="" type="checkbox"/>	No Relevance - This does not need to undergo a Stage 2 Equality Impact Assessment

For items requiring a Stage 2 equality impact assessment, begin the planning of this now, referring to the equality impact assessment guidance and Stage 2 template.

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4. Identify next steps as appropriate:	
Stage Two required	
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	
Stage Two not required:	

Name: A.Walker

Date: 15.7.2013