

Communities Committee

Item No.

Report title:	Finance monitoring
Date of meeting:	17 January 2018
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services
Strategic impact This report provides the Committee with information on the budget position for services reporting to Communities Committee for 2017-18. It provides information on the revenue budget including any forecast over or underspends and any identified budget risks. It also provides an update on the forecast use of reserves and the details of the capital programme.	

Executive summary

The services reporting to this Committee are mainly delivered by Community and Environmental Services, but also includes elements of services provide through the Managing Directors office.

The 2017-18 net revenue budget for this committee is £49.481m and this report reflects the forecast out-turn as at period 8, November 2017. The report also highlights the current risks being managed by the department.

The total capital programme relating to this committee is £14.638m, with £4.810m currently profiled to be spent in 2017-18. Details of the capital programme are shown in section 3 of this report.

The balance of Communities Committee reserves as of 1 April 2017 was £9.874m and the forecast balance for March 2018 is £6.108m

Recommendations:

Members are recommended to note:

- a) **The Forecast out-turn position for the Communities Committee revenue budget and note the current budget risks being managed by the department.**
- b) **The Capital programme for this Committee.**
- c) **The current planned use of the reserves and the forecast balance of reserves as at the end of March 2018.**

1. Proposal

- 1.1. Members have a key role in overseeing the financial position for the services under the direction of this committee, including reviewing the revenue and capital position and reserves held by the service. Although budget are set and monitored on an annual basis it is important that the ongoing position is understood and the previous year's position are considered.

- 1.2. This report reflects the budgets and forecast out-turn position at the end of Period 8 November 2017.

2. Evidence

- 2.1. The services reporting to this Committee are mainly delivered by Community and Environmental Services, but also includes elements of services provided through the Managing Directors office.
- 2.2. The 2017-18 NET revenue budget for this committee is £49.481m. We are currently forecasting a balanced budget.

Table 1: Communities NET revenue budget 2017-18				
	2017-18 Budget	Actuals YTD	Forecast Out-turn	Forecast Variance
	£m	£m	£m	£m
Community and Consultation	0.210	0.133	0.210	0.000
Community, Information and Learning	13.807	7.258	13.807	0.000
Culture and Heritage	4.581	2.807	4.581	0.000
Director of Public Health	0.241	(3.836)	0.241	0.000
Equality and Diversity	0.200	0.010	0.200	0.000
Fire Service	28.808	17.412	28.808	0.000
Trading Standards	1.805	1.048	1.805	0.000
Registrars	(0.172)	(0.031)	(0.172)	0.000
Total for Committee	49.481	24.801	49.481	0.000

- 2.3. Table 1 above reflects the services net revenue budget and therefore the actuals to date are affected by patterns of income and expenditure.

Table 2 – Gross Budgets					
	Current year budget	Actuals Year to Date		Prior Year Budget	Prior Year Actuals to period 8
	£m	£m		£m	£m
Expenditure	113.831	74.309		114.010	77.955
Income	(64.350)	(49.508)		(66.421)	(52.134)
Net	49.481	24.801		47.589	25.821

- 2.4. The forecast out-turn presented is based on the work that RBOs undertake on a monthly basis, supported by the finance teams to predict their budgets year end position. RBO's review and actively manage their budgets throughout the year and there are a number of risks that are being monitored and managed by the services but at this stage of the year we are expecting a balanced position.

- 2.5.

Culture and Heritage – Museum service	The Museum budget is based on significant income budgets totalling £5.099m, (£2.632m – Grants and £2.467m admissions, sales and receipts). The services has a strong track record
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	of managing these budgets successfully, however the admissions, sales and receipts budgets can be volatile and are subject to a number of external factors. These budgets are monitored closely throughout the year. To date the service has achieved £2.055m, 83% of the budget.
Fire Service	<p>Following the successful recruitment of a number of full time fire fighters we are currently over establishment and also have additional associated training costs. It is expected that some of these costs will be met from turnover within the year reducing this pressure.</p> <p>The service is also reviewing the cost implications of the training requirements for water rescue.</p>

2.6. Additional details of the revenue budget are shown on appendix A

3. Capital budget

3.1. The overall capital budget for the services reporting to this committee is £14.914m, with £4.810m currently being profiled to be delivered in 2017-18.

Table 3: Communities Capital programme						
	2017-18 Budget £m	2018-19 Budget £m	2019- 20+ Budget £m	Total Programme £m	Forecast 2017-18 £m	Actuals to period 8
Norfolk Fire and Rescue Service	1.352	3.772	0.200	5.324	1.352	1.222
Culture and Heritage – Museums	1.095	2.143	0.750	3.988	1.095	0.327
Community Information and Learning						
Customer Services Strategy	0.605			0.605	0.605	0.363
E-Commerce Digital Development	0.173			0.173	0.173	
Single employee portal	0.320			0.320	0.320	
Libraries	1.266	1.963	1.000	4.229	1.266	0.515
Committee total	4.810	7.878	1.950	14.638	4.810	2.427

4. Reserves 2017-18

4.1. The reserves relating to this committee are generally held for special purposes or to fund expenditure that has been delayed, and in many cases relate to external grants and contributions. They can be held for a specific purpose, for example where money is set aside to replace equipment or undertake repairs on

a rolling cycle, which help smooth the impact of funding.

- 4.2. A number of the reserve balances relate to external funding where the conditions of the grant are not limited to one financial year and often are for projects where the costs fall in more than one financial year.
- 4.3. Services continue to review the use of reserves to ensure that the original reasons for holding the reserves are still valid.
- 4.4. The balance of unspent grants and reserves as at 1st April 2017 stood at £9.874m
- 4.5. Table 4 below shows the balance of reserves held and the current planned usage for 2017-18.

4.6. Table 4: Communities reserves

	Balance at 1 April 2017	Forecast balance 31 March 2018	Forecast change
	£m	£m	£m
Community Information and learning	2.508	1.282	(1.226)
Community and Consultation	0.083	0.083	0.000
Culture and Heritage	2.385	1.723	(0.662)
Public Health	2.953	1.784	(1.169)
Fire Service	1.611	0.923	(0.688)
Registrars	0.221	0.221	0.000
Trading standards	0.113	0.092	0.021
Committee total	9.874	6.108	(3.766)

5. Financial Implications

- 5.1. There are no decisions arising from this report and all relevant financial implications are set out in this report

6. Issues, risks and innovation

- 6.1. This report provides financial performance information on a wide range of services in respect of this committee.

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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If you need this report in large print, audio, braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

Appendix A

Additional information on the Revenue Budget

Service area	Full year budget £m	Actuals to Date £m
Registrars	(0.172)	(0.031)
Community Consultation	0.210	0.133
Equality and Diversity	0.200	0.010
Community, Information and learning		
Norfolk Community Learning Services	0.304	(0.415)
Norfolk Library and Information Services	8.513	4.291
Customer Services	4.990	3.381
Culture and Heritage		
Active Norfolk (see note below)		0.218
County Archives	0.797	0.319
Culture and Heritage management	0.073	0.035
Norfolk Arts Service	0.275	0.033
Norfolk Museum Service	2.900	1.870
Historic Environment	0.448	0.335
Director of Public Health		
Ring Fenced Grant	(0.026)	(3.594)
Other Public health services	0.267	(0.242)
Fire Service	28.808	17.412
Trading Standards	1.853	1.048
Total for Committee	49.481	24.801

Active Norfolk

Active Norfolk is funded from a number of sources and receives no core NCC funding and we account for both the income and expenditure, therefore the net budget presented is nil. Further details of the planned spend are shown in the table below.

Activity Area	Budget 2017/18	Spend period to date
Core	270,130	217,353
Coaching	82,000	59,781
Health Walks	119,840	29,062
Physical Activity	227,100	202,594
Beginner Running	36,690	26,083
Weight Management	46,830	21,565
Disability	16,980	1,793
VILLAGE GAMES	21,360	(31)
Workplace Health	72,220	40,850
Sportivate	155,000	68,722

Volunteering	1,500	6,060
School Games	55,500	34,268
Adult Education Coaching Development	31,000	1,530
Satellite Clubs	75,000	100,520
Fun and Fit	111,430	59,706
Children and Young People	70,190	40,235
Skyride Local		(4,125)
Evaluation	39,980	30,152
Mobile Me	221,250	82,480
Sporting Ambassadors	700	
Sport Relief		364
Events	24,080	18,995
Women and Girls	6,000	5,536
Access to Schools	36,480	
Pushing Ahead	128,350	118,110
Sport for Change	78,750	2,937

Gross Expenditure	1,928,360	1,164,541
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Government Grants	(1,125,620)	(395,786)
Receipts and Charges	(40,120)	(24,984)
Recharges - including Public Health Funding	(762,620)	(525,974)
Gross income	(1,928,360)	(946,744)

Net Position	217,797
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Public Health

Public Health is funded from a ring fenced public health grant, we account for the grant income and expenditure. The planned level of activity against the ring-fenced grant is shown below.

	BUDGET
Public Health Ring Fenced Grant	(25,520)
Business & Staffing	(36,563,880)
Children & Young People Programme	16,367,200
Healthy Living	1,564,090
Sexual Health	6,912,150
Healthy Places	237,770
Health Protection	133,350
Vulnerable People	9,232,400
Intelligence & Info Management	176,400
Smoking	1,915,000
Total	(25,520)