

Communities Committee

Item No.

Report title:	Finance monitoring
Date of meeting:	4 July 2018
Responsible Chief Officer:	Tom McCabe – Executive Director, Community and Environmental Services
Strategic impact This report provides the Communities Committee with financial monitoring information for the services reporting to this Committee for 2018-19.	

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 Director's office.

The 2018-19 net revenue budget for this committee is £47.521m.

The total capital programme relating to this committee for the years 2018 to 2021 is £15.628m. Details of the capital programme are shown in Section 3 of this report.

The balance of Communities Committee reserves as of 1 April 2018 was £7.461m. The reserves at the beginning of the year included committed expenditure and unspent grant income which was carried forward from 2017/18. Details are shown in Section 4 of this report.

Recommendations:

Members are recommended to note:

- a) **The 2018-19 revenue budget and forecast out-turn position for this Committee.**
- b) **The capital programme for this Committee**
- c) **The balance of reserves brought forward to 2018-19 and the planned use of reserves.**

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 budgets 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 for 2018-19 budget and forecast outturn position as at the end of May 2018.

2. Evidence

- 2.1. Community and Environmental Services deliver a wide range of services reporting to a number of different committees, EDT, Business and Property, Digital and Innovation and this Committee, the revenue budget for CES is managed by the Director on a Departmental basis. Elements of services provided through the Managing Directors office also report into this committee.
- 2.2. The 2018-19 NET revenue budget for this committee is £47.521m.

Table 1: Communities NET revenue budget				
	2018-19 Budget	2018-19 Forecast Outturn	Forecast variance	Actual Spend to Period 2
	£m	£m	£m	£m
Community and Consultation	0.214	0.214		0.025
Community, Information and Learning	15.887	15.887		1.950
Culture and Heritage	3.827	3.827		0.880
Director of Public Health	(0.488)	(0.448)		(4.456)
Equality and Diversity	0.183	0.183		0.083
Fire Service	28.243	28.243		3.639
Registrars	(0.345)	(0.345)		(0.122)
Total for Committee	47.521	47.521		1.999

- 2.3. Table 1 above reflects the services net revenue budget, details of the Gross budgets are shown in table 2 below

	Current year budget	Forecast	Actuals to period P02
	£m		£m
Expenditure	109.533	109.533	17.129
Income	(62.012)	(62.012)	(15.072)
Net	47.521	47.521	2.057

- 2.4. We are very early in the financial year and at this stage we are not forecasting any variances to the budget. If budget risks emerge in the year they will be reported to members.

3. Capital budget

- 3.1. The overall capital budget for the services reporting to this committee is £15.628m, with £10.113m currently planned to be delivered in 2018-19.

Table 3: Communities Capital programme					
	2018-19 Budget £m	2019-20 Budget £m	2020-21+ Budget £m	Total Programme £m	Forecast Out- turn 2018-19
Norfolk Fire and Rescue Service	4.553	1.450	2.150	8.153	4.553
Culture and Heritage – Museums	2.629	0.750		3.379	2.629
Customer Services Strategy	0.230			0.230	0.230
E-Commerce Digital Development	0.059	0.058		0.117	0.059
Single employee portal	0.182	0.107		0.289	0.182
Libraries	2.371	1.000		3.371	2.371
Traveller Sites Improvement	0.089			0.089	0.089
Committee total	10.113	3.365	2.150	15.628	10.113

- 3.2. The Fire programme includes planned replacement of the Red Fleet (£5.479m) over the 3 years and replacement of critical equipment (£0.669m).
- 3.3. The Library programme includes £0.800m for the refurbishment of the self-service kiosks and building improvement.
- 3.4. The capital programme is managed over multiple years due the nature of delivery of projects as they can take time to plan and deliver. Budget virements may take place throughout the year to reflect the expected profile of deliver.

4. Reserves 2018-19

- 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 1 April 2018 stood at £7.461m

- 4.5. Table 4 below shows the balance of reserves held and the planned usage for 2018-19.

Table 4: Communities reserves	Balance at 1 April 2018	Forecast balance 31 March 2019	Net change
	£m	£m	£m
Community Information and learning	1.688	1.531	0.156
Community and Consultation	0.078	0.078	0.000
Culture and Heritage	2.002	2.002	0.000
Equality and Diversity	0.059	0.059	0.000
Public Health	2.073	2.073	0.000
Fire Service	1.208	1.208	0.000
Registrars	0.228	0.228	0.000
Trading standards	0.126	0.126	0.000
Committee Total	7.461	7.305	0.156

Use of reserves

- 4.6. The department is currently reviewing the delivery of projects and planned use of reserves and will be updated to members as part of this monitoring report. The current planned use of the Community Information and Learning reserves relates to the Customer Services Centre where the drawdown reflects the finding of committed expenditure.

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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