

WIRRAL COUNCIL

CABINET

7 JULY 2014

SUBJECT	FINANCIAL MONITORING 2014/15 MONTH 2 (MAY 2014)
WARD/S AFFECTED	ALL
REPORT OF	DIRECTOR OF RESOURCES
RESPONSIBLE PORTFOLIO HOLDER	COUNCILLOR PHIL DAVIES
KEY DECISION	YES

1 EXECUTIVE SUMMARY

- 1.1 This report details the Monitoring position for Month 2 (ending 31 May 2014). There are separate appendices for Revenue and Capital.

2 BACKGROUND AND KEY ISSUES

- 2.1 Throughout the financial year Cabinet will receive monthly updates in respect of Revenue and Capital Monitoring.

3 RELEVANT RISKS

- 3.1 The possible failure to deliver the Revenue Budget is a risk which will be mitigated by a number of actions including regular review and reporting of progress against budget plans and use of a tracking system to monitor the delivery of savings.
- 3.2 The possible failure to deliver the Capital Programme will be mitigated by regular review by a cross directorate officer group.

4 OTHER OPTIONS CONSIDERED

- 4.1 No other options were considered.

5 CONSULTATION

- 5.1 No consultation has been undertaken relating to this report.

6 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 6.1 There are none arising directly from this report. These would be considered when planning and implementing specific schemes or projects.

7 RESOURCE IMPLICATIONS

- 7.1 The financial implications are detailed within the Appendices.
- 7.2 There are no direct staffing, IT or asset implications arising directly from this report.

8 LEGAL IMPLICATIONS

- 8.1 The Chief Finance Officer is under a personal duty under the Local Government Finance Act 1988 section 114A to make a report to the executive if it appears to him that the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.

9 EQUALITIES IMPLICATIONS

- 9.1 There are no equality implications arising from this report.

10 CARBON REDUCTION IMPLICATIONS

- 10.1 There are no implications arising directly from this report. These are included in reports to Cabinet on individual capital schemes and in the Carbon Budget report.

11 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

- 11.1 There are no implications arising directly from this report.

12 RECOMMENDATIONS

- 12.1 Revenue:
- (i) Cabinet is asked to note that at Month 2 (May 2014), the full year forecast projects a gross General Fund overspend of £3,137,000.
 - (ii) Cabinet is asked to note the increased commitment of £152,000 for Carbon Reduction Commitment allowances contained within the above figure
 - (iii) Cabinet is asked note the payment of New Homes Bonus grant of £242,253 which is a general grant received outside of directorate budgets.
 - (iv) Cabinet is asked to note the risks relating to non delivery of savings as detailed in paragraph 3.3 of appendix A and requirement for mitigation and actions to be identified
 - (v) Cabinet notes the mitigation actions being undertaken including capitalisation, reprofiling and use of public health budgets as per paragraph 3.5 (of Appendix A) and reductions to 2014/15 growth as detailed in paragraphs 5.2 and table 5 above (of Appendix A). Further mitigation action will be developed as appropriate during the year.

- (vi) Cabinet approve the application of the additional New Homes Bonus grant against the Carbon reduction commitment and overall overspend to reduce the net overspend to £2,894,747.

12.2 Capital

That Cabinet is asked to note:

- (i) the spend to date at Month 2 of £1.3 million, with 16.7% of the financial year having elapsed;

That Cabinet is asked to agree:

- (i) the revised Capital Programme of £61.3 million (Table 1 at 3.1 of Appendix B);

13 REASONS FOR RECOMMENDATIONS

- 13.1 To comply with legal requirements to ensure that expenditure is likely to be within the limit of resources available.

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APPENDICES

Appendix A Revenue Monitoring 2014/15 Month 2 (May 2014)
Appendix B Capital Monitoring 2014/15 Month 2 (May 2014)

SUBJECT HISTORY

Council Meeting	Date
Cabinet – Revenue Monitoring Cabinet – Capital Monitoring	Monthly reports since September 2012