

FINANCIAL OUTTURN 2014/15 INCLUDING CAPITAL PROGRAMME UPDATE

City Council: 22 June 2015



CABINET MINUTE 7 (9 June 2015)

Lesla Annear (Strategic Director for Transformation and Change) submitted a report on the final outturn report for 2014/15 which detailed the financial monitoring position of the Council as at 31 March 2015 as follows -

- (a) a net revenue spend of £204.799m, which resulted in a requirement for a transfer of £0.119m from the Working Balance, leaving a balance of £10.620m;
- (b) a number of adjustments to the financial accounts following the financial health review always undertaken by the Section 151 Officer at the end of the year;
- (c) the final capital outturn position of £53.791m.

Cabinet Members were also advised that decisions made as part of this report would feed into the Council's annual Statement of Accounts which was subject to external audit.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals and indicated that –

- (d) he was awaiting the budget announcement by the Chancellor of the Exchequer on 8 July 2015 and would assess the impact of it on the Council's finances;
- (e) further investment would be announced as part of the capital programme at the City Council meeting on 22 June 2015 and in future months.

Councillor Tuffin (Cabinet Member for Health and Adult Social Care) and Councillor McDonald (Cabinet Member for Children, Young People and Public Health) advised Cabinet of the continuing challenges facing the adult and children's social care services across the country.

Councillor McDonald thanked staff for their support during her first year as a Cabinet Member and reported that transformation would be a priority in children's services this year with the acceleration of the early help framework to try and prevent children from coming into care.

Councillor Lowry indicated that he was confident that with the transformation programmes in place, a balanced budget would be delivered for 2015/16.

David Northey (Head of Corporate Resources) also attended the meeting for this item. Andrew Hardingham (Assistant Director for Finance) paid tribute to the achievement of a near balanced budget last year and reported that he was looking forward to working with members and officers in the coming year.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) that the provisional outturn position as at 31 March 2015 is noted;
- (2) that the adjusted revenue deficit for the year of £0.119m is noted and will be met by a transfer from the General Fund Working Balance;
- (3) that the additional, unbudgeted, income of £1.5m included as part of the Corporate Adjustments for 2014/15 is noted. In accordance with the budget report approved in February 2014, the Council Tax collection fund will continue to be reviewed with the first call on any surplus being to top up reserves. In addition, the additional income, above the amount included in the budget from the Business Rates Pool of £0.150m is noted;
- (4) the additional transfers to and from reserves reflected within the outturn as follows –

• Transfer to Waste Reserve	£0.350m
• Creation of a Rail Reserve	£0.070m
• Release from Insurance Reserve	£(0.400)m
- (5) the following net nil transfers between reserves and provisions -

• Transfer from Collection Fund	£(1.500)m
• Creation of a Contingent Liabilities Provision	£0.250m
• Creation of an Integrated Health Reserve	£0.500m
• Transfer to Waste Reserve	£0.750m
• Reduce Equal Pay Reserve	£(0.700)m
• Transfer to Redundancy Reserve	£0.700m
- (6) that the capital financing requirement of £53.791m is noted and approval is given to the borrowing requirement of £6.792m for 2014/15;
- (7) that the re-profiling changes to the capital programme identified during the outturn process subsequent to Council approval in February 2015, are noted;
- (8) that the additions to the Capital Programme which total £43.870m for the period January 2015 to April 2015 are noted;
- (9) that Cabinet Members work with officers to minimise Council tax increases in coming years and that officers bring forward options for the council tax setting base for the financial year 2016/17 to achieve a possible council tax freeze subject to the outcome of the Chancellor's Budget announcements in July 2015 and his Autumn Statement;
- (10) that officers are congratulated on their work which had contributed to the tremendous outcome of the 2014/15 budget particularly bearing in mind the government cuts and significant financial challenges in adult and children's social care.