

CAPITAL & REVENUE MONITORING REPORT 2019/20 Q1

Cabinet



Date of meeting: 13 August 2019

Title of Report: **Capital & Revenue Monitoring Report 2019/20-Quarter I**

Lead Member: Councillor Mark Lowry (Cabinet Member for Finance)

Lead Strategic Director: Andrew Hardingham (Service Director for Finance)

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Your Reference: Q1 Finance

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

This report outlines the finance monitoring position of the Council as at the end of June 2019.

The primary purpose of this report is to detail how the Council is delivering against its financial measures using its capital and revenue resources, to approve relevant budget variations and virements, and report new schemes approved in the capital programme.

As shown in Table I below, the estimated revenue overspend is £3.953m. The overall forecast net spend equates to £189.436m against a budget of £185.483m, which is a variance of 2.13%. This needs to be read within the context of needing to deliver in excess of £17m of savings in 2019/20 on the back of balancing the 2018/19 revenue budget where £11m of net revenue reductions were successfully delivered.

Additional management solutions and escalated action to deliver further savings from the council's transformation programme will be brought to the table over the coming months in order to address the in year forecasted overspend.

Table I: End of year revenue forecast

	Budget £m	Forecast Outturn £m	Variance £m
Total General Fund Budget	185.483	189.436	3.953

The latest capital budget as at 31 March 2019 for the five years from 2018/19 to 2022/23 was £832.975m. It has since been adjusted to take into account some of the changes to the capital programme, resulting in a revised budget totalling £753.444m as shown in Table 5.

Recommendations and Reasons

That Cabinet:

1. Note the current revenue monitoring position and action plans in place to reduce/mitigate shortfalls;
2. Approve the non-delegated virements which have occurred since 1st April 2019;
3. Recommend to Council that the Capital Budget 2019-2024 is revised to £753.444m (as shown in Table 5)

Alternative options considered and rejected

None – our Financial Regulations require us to produce regular monitoring of our finance resources

Relevance to the Corporate Plan and/or the Plymouth Plan

This quarterly report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

Implications for the Medium Term Financial Plan and Resource Implications:

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Plan (MTFP). The Council's Medium Term Financial Forecast is updated regularly based on on-going monitoring information, both on a local and national context. Any adverse variations from the annual budget will place pressure on the MTFP going forward and require additional savings to be generated in future years.

Carbon Footprint (Environmental) Implications:

No impacts directly arising from this report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans is paramount to ensuring the Council can achieve its objectives to be a Pioneering, Growing, Caring and Confident City

Appendices

*Add rows as required to box below

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
1	Detailed Breakdown of the Capital Programme							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

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Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 05/08/2019											
Cabinet Member approval: Approved by Mark Lowry											
Date approved: 05/08/2019											