

Subject: Targeted Budget Management (TBM) Provisional Out-turn 2013/14
Date of Meeting: 24 June 2014
Report of: Head of Law
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Wards Affected: All

FOR GENERAL RELEASE

Action Required of the Audit & Standards Committee:

To receive the item referred from the Policy & Resources Committee for information:

Recommendation:

That the report be noted.

POLICY & RESOURCES COMMITTEE

**4.00 pm 12 JUNE 2014
COUNCIL CHAMBER, HOVE TOWN HALL**

DRAFT MINUTES

Present: Councillor J Kitcat (Chair) Councillors Sykes (Deputy Chair), G Theobald (Opposition Spokesperson), Morgan (Group Spokesperson), Lepper, A Norman, Peltzer Dunn, Pissaridou, Randall and Shanks.

PART ONE

7. TARGETED BUDGET MANAGEMENT (TBM) PROVISIONAL OUT-TURN 2013/14

7.1 The Committee considered a report of the Executive Director of Finance & Resources in relation to Targeted Budget Management (TBM) Provisional Out-turn 2013/14. TBM was a key component of the Council's overall performance monitoring and control framework; the report set out the provisional outturn position (Month 12) on the Council's revenue and capital budget for the financial year 2013/14. The final outturn position was subject to the annual external audit review, and the final position would be

shown in the Council's financial statements which had to be signed by the Chief Financial Officer by 30 June 2014 and the audited set approved by the Audit & Standards Committee by 30 September 2014.

- 7.2 Councillor Sykes thanked Officers for the work that had gone into the report, and noted that the underspend was good news which showed the change of position since the 2014/15 budget had been agreed. The pressure area in relation to the Code of Connection provision was also noted.
- 7.3 Councillor Morgan noted the expenditure on homelessness had been lower than expected, but queried this against the growing number of homeless in the city; he also asked if the underspend in the City Parks service could be put back into the service. In response to the first matter the Executive Director of Finance & Resources confirmed that not all of the additional funding for homelessness had been needed, and the overall spend had been increased in this area. It was not certain if this trend would continue; a lot of work had put in to help mitigate the impact of welfare reforms, and there was a degree of reliance on discretionary funds – not all of which would continue in future years. In response to the second point the Executive Director of Environment, Development & Housing; noted that the underspend in the parks service could be explored further, but this would need to be considered against the risk that the underspend would be realised by the end of the financial year – there would further information on this in the TBM report to the July meeting.
- 7.4 Councillor A. Norman welcomed the reported underspend in the budget, and noted there was indication, to her, in the report that the number of people in work in the city was increasing. In relation to business rates the reduced number of successful appeals was welcomed, and it was referenced that the Council no longer needed support from the Safety Net. With the addition of grant funding that had been lobbied for it was noted that there was a significant financial boost for the Council, and Councillor A. Norman queried if there had been a need to increase Council Tax as part of the 2014/15 budget.
- 7.5 In response to specific questions from Councillor A. Norman the Executive Director for Finance & Resources explained that the public health reserve had to be ring fenced specifically for that service; currently the Director of Public Health was considering options to secure long term finance gains. In relation to discretionary funds it was clarified that there had been an underspend in the previous financial year and the decision had been made to take some recurrent funding out of this to stretch these resources over a longer period. The carry forward on 'Living Our Vales Everyday' related to the corporate plan modernisation agenda and the range of activities that had been rolled out for all managers in the organisation to equip them with the skills to work through the change process.
- 7.6 The Executive Director for Environment Development & Housing clarified for Councillor A. Norman that there was an overspend in the City Clean budget in one area, but this was considered in the context of a very difficult year for the service. There had been some serious problems with vehicle breakdowns, but the Executive Director had full confidence that this would be addressed when the new vehicles became operational later in the year.

- 7.7 The Executive Director for Adult's Service explained to Councillor A. Norman that work was being undertaken to consider a range of supported living options and this included extra care schemes.
- 7.8 Councillor Sykes noted the late receipt of £400k from central government, and stated that this was contrary to good financial planning; the Chair agreed with this, but Councillor A. Norman noted that in her experience local authority finance had always been complicated.
- 7.9 Officers agreed to provide Councillor G. Theobald with additional information in relation to Patcham Court open access scheme outside of the meeting.
- 7.10 In response to Councillor Pissaridou the Executive Director for Finance & Resources explained that for the funds for short breaks for children had been a capital grant; the voluntary sector had since been invited to put forward ways to use these funds which had not had proposals in place.
- 7.11 The Chair noted the ongoing difficult position of the budget in the next year and referenced the amount of work that the organisation needed to undertake. The Chair then put the recommendation to the vote.
- 7.12 **RESOLVED:**
- (1) That the Committee note the total provisional outturn position for the General Fund, which is an underspend of £1.085m. This consists of an underspend of £1.190m on council controlled budgets and an overspend of £0.105m on the council's share of the NHS managed Section 75 services;
 - (2) That the Committee note the provisional outturn for the Housing Revenue Account (HRA), which is an underspend of £0.766m.
 - (3) That the Committee note the provisional outturn position for the Dedicated Schools Grant which is an underspend of £1.447m.
 - (4) That the Committee approve the carry forward requests totalling £7.176m as detailed in Appendix 2.
 - (5) That the Committee note the provisional outturn position on the capital programme.
 - (6) That the Committee approve the following changes to the capital programme.
 - i. The variations and reprofiles in Appendix 4 and the new schemes as set out in Appendix 5.