

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

1 NOVEMBER 2016

REPORT OF THE HEAD OF FINANCE

BUDGET MONITORING – QUARTER 2 2016-17

1.0 Purpose of this report

1.1 The purpose of this report is to provide Cabinet with an update on the Council's financial position as at 30th September 2016.

2.0 Connections to Corporate Improvement Objectives and Other Corporate Priorities

2.1 The budget monitoring report provides an overview of the current financial position and projected outturn for the year against the budget approved by Council in March 2016. The allocation of budget determines the extent to which the Council's corporate improvement priorities can be delivered.

3.0 Background

3.1 On 10th March 2016, Council approved a net revenue budget of £254.891 million for 2016-17, along with a capital programme for the year of £43.553 million, which was recently revised to £46.412 million. As part of the Performance Management Framework, budget projections are reviewed regularly and reported to Cabinet on a quarterly basis. The delivery of agreed budget reductions is also kept under review and reported to Cabinet as part of this process.

4.0 Current Situation

4.1 Summary financial position at 30th September 2016.

4.1.1 The Council's net revenue budget and projected outturn for 2016-17 is shown in Table 1 below.

Table 1- Comparison of budget against projected outturn at 30th September 2016

Directorate	Original Budget 2016-17 £'000	Revised Budget 2016-17 £'000	Projected Outturn 2016-17 £'000	Projected Over / (Under) Spend Qtr 2 2016-17 £'000	Projected Over / (Under) Spend Qtr 1 2016-17 £'000
Directorate					
Education and Family Support	108,034	108,209	108,273	64	287
Social Services and Wellbeing	59,697	60,534	61,277	743	249
Communities	24,644	24,765	25,570	805	406
Operational and Partnership Services	14,899	14,935	13,370	(1,565)	(127)
Chief Executives and Finance	4,333	4,331	3,951	(380)	(251)
Total Directorate Budgets	211,607	212,774	212,441	(333)	564
Council Wide Budgets					
Capital Financing	10,128	10,128	8,834	(1,294)	0
Precepts and Levies	6,959	6,959	6,959	0	0
Sleep Ins	800	765	765	0	0
Council Tax Reduction Scheme	14,304	14,304	13,654	(650)	(400)
Insurance Costs	1,559	1,559	1,559	0	0
Building Maintenance	900	894	894	0	0
Centrally held Budget Pressures	1,394	1,394	1,394	0	0
Other Corporate Budgets	7,240	6,114	4,714	(1,400)	0
Total Council Wide Budgets	43,284	42,117	38,773	(3,344)	(400)
Total	254,891	254,891	251,214	(3,677)	164

NB: Difference between Original and Revised Budget is due to allocations of pay and price pressures, inter-departmental transfers and other allocations agreed in-year.

- 4.1.2 The overall projected position at 30th September 2016 is a net under spend of £3.677 million, comprising £333,000 net under spend on directorates and £3.344 million net under spend on corporate budgets. A detailed analysis of the more significant projected under and over spends is set out in section 4.3.
- 4.1.3 The net budget for the financial year assumes full implementation of the current year budget reduction requirements across the Council's budget which amount to £7.477 million. Where proposals to meet this requirement have been delayed or are not achievable directorates have been tasked with identifying alternative proposals to meet their requirements such as vacancy management, or bringing forward alternative budget reduction proposals.
- 4.1.4 A report was presented to Cabinet on 6th July 2016, outlining the latest position on the Medium Term Financial Strategy (MTFS) for 2017-18 to 2020-21. The report identified the need to develop recurrent budget reduction proposals, based on the most likely scenario, amounting to around £36.9 million over the next four years. Against that background it is essential that expenditure is kept within the overall approved budget and that longer term proposals continue to be developed so that

the Council has as much flexibility as possible to meet the challenges which lie ahead.

- 4.1.5 At year end consideration will be given to requests from directors to establish earmarked reserves for specific purposes in the following year, in line with the Council's Reserves and Balances Protocol, as long as these can be met from within the Council's cash limited budget for 2016-17. This is in line with the reports to Cabinet and Council on the MTFS, and the Council's Financial Procedure Rules. Similarly, consideration will be given to any over spends to determine whether these should be carried forward as a first call on the directorate budget for the following year. Finally, outstanding prudential borrowing will be repaid, where possible, to reduce future capital financing charges. However, a decision will not be made until towards the end of the financial year when the overall outturn position is more definite.

4.2 Monitoring of Budget Reduction Proposals

Budget Reductions 2015-16

- 4.2.1 A report was presented to Cabinet on 5th July 2016 on Financial Performance 2015-16. In the report it was highlighted that, of the £11.225 million budget reduction proposals for 2015-16, £2.692 million were not met in full, with a shortfall in the financial year of £1.909 million. The report stated that these proposals would continue to be monitored alongside current year proposals, with mitigating action to achieve them identified. A summary of the latest position is attached as Appendix 1, which shows that while positive progress has been made, there remains an ongoing shortfall of £1.167 million in 2016-17 against these specific proposals.
- 4.2.2 As outlined in the MTFS reports to Cabinet and Council, MTFS Principle 12 states that *"Resources are allocated to deliver the Bridgend Change Programme based on clear strategic plans that are kept under review by Corporate Directors to maintain alignment with the MTFS and a MTFS Budget Reduction Contingency will be maintained"*. Further to this, a MTFS Budget Reduction Contingency was established as an earmarked reserve and is being used to partly mitigate the shortfalls on the following budget reduction proposals in this financial year.

COM 1	MREC	£150,000
COM 11	Blue Badges	£83,000
CH 9	School Transport	£100,000

Directorates are seeking to identify mitigating actions to meet the balance of the budget reduction shortfalls in this financial year. However, now the position on some of the proposals is clearer, consideration will be given by the Section 151 Officer to further allocations from the MTFS Budget Reduction Contingency in quarter 3 to meet some of these shortfalls. In the longer term, these proposals must be realised or must be met through alternative budget reduction proposals in order to deliver a balanced budget position. These will continue to be closely monitored and draw down from this contingency fund will be made as part of the overall review of earmarked reserves.

Budget Reductions 2016-17

4.2.3 The budget approved for 2016-17 included budget reduction proposals totalling £7.477 million, which is broken down in Appendix 2 and summarised with a RAG status in Table 2 below. In comparison, the budget reduction requirement for 2015-16 was £11.225 million and at quarter 2, 83% (£9.301 million) of the total value of proposals were green, 8% (£894,000) amber and 9% (£1.03 million) red. For 2016-17 Amber and Red proposals account for one third of overall proposals, with the total value of these (£2.540 million) higher than for 2015-16, despite the lower overall savings requirement. This is also higher than in quarter 1 following an update to the budget reduction projections and RAG status as the year progresses. Given the scale of budget reductions, any non-achievement will have a significant impact on the outturn position.

Table 2 – Monitoring of Budget Reductions 2016-17

DIRECTORATE	GREEN		AMBER		RED		TOTAL	
	£'000	%	£'000	%	£'000	%	£'000	%
Education and Family Support	504	52%	22	2%	450	46%	976	13%
Social Services and Wellbeing	1,717	58%	710	24%	557	19%	2,984	40%
Communities	675	49%	507	37%	195	14%	1,377	18%
Operational and Partnership Services	969	98%	16	2%	0	0%	985	13%
Chief Executive and Finance	157	72%	60	28%	0	0%	217	3%
Corporate	915	98%	23	2%	0	0%	938	13%
TOTAL	4,937	66%	1,338	18%	1,202	16%	7,477	100%

4.2.4 Six of the proposals are currently RED, totalling £1.202 million. Three are in the Education and Family Support Directorate (total £450,000) and relate to the over spends on home to school / college transport, particularly in respect of school transport route efficiencies and rationalisation of special educational needs transport. Two proposals are in the Social Services and Wellbeing Directorate, relating to the reduction in numbers of Looked After Children (£357,000), and the Remodelling of Children's Respite Care (£200,000). The remaining proposal is in the Communities Directorate relating to the lease of Raven's Court (£195,000).

4.2.5 Fourteen of the savings proposals are AMBER, totalling £1.338 million. The most significant are:

- To develop a delivery model for Bridgend Resource Centre (£108,000) – unlikely to be achieved in 2016-17 but plans still being developed for consideration.
- Transfer of Family Care Service to Community Hubs (£210,000) – full year saving unlikely, but plans progressing to achieve part year saving.
- Changes to Social Services workforce (£100,000) – still requires permanent staff restructuring to meet savings target, but some will be met in year through vacancies.
- Review of Highways Maintenance / DLO services (£417,000) – full year savings unlikely due to delays in one of the three staff restructures. This structure is still in the process of being finalised so savings in this area will be limited in 2016-17. However, overall, approximately £350,000 of the

£417,000 reduction will be achieved. This was previously reported as Green in quarter 1.

- Put some aspects of Council Tax and Housing Benefits on line (£60,000) – delay in implementing Channel Shift will prevent full savings being achieved in this financial year.

4.2.6 Directors continue to work with their staff to deliver their proposals or alternatives and this is reflected in the forecast outturn for the year.

4.3 Commentary on the financial position as at 30th September 2016.

A summary of the financial position for each main service area is attached as Appendix 3 to this report and comments on the most significant variances are provided below, along with draw down on earmarked reserves to date.

4.3.1 Education and Family Support Directorate

The net budget for the Directorate for 2016-17 is £108.273 million. Current projections indicate an over spend of £64,000 at year end, after draw down of £90,000 from earmarked reserves. The main variances are:

EDUCATION & FAMILY SUPPORT DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Built Environment	1,000	904	(96)	-9.6%
Inter Authority Recoupment	126	(186)	(312)	-247.6%
School Improvement	966	876	(90)	-9.3%
Home to School / College Transport	3,860	4,734	874	22.6%
Integrated Working	1,022	917	(105)	-10.3%

Built Environment

- There is currently a projected under spend of £96,000 on the Built Environment service, due to under spends on supplies and services, and increased fee income for architects' services. However, the Built Environment service has recently implemented a new charging regime, to comply with accounting guidelines, and it is too early to tell what the impact of this will be on overall income levels.

Inter Authority Recoupment

- There is currently an under spend of £347,000 projected on the education budget for out of county placements, due to a reduction in the number of placements, from 28 at the end of March 2016 to 26 currently, as pupils are brought back in-County to be educated. This is partly offset by under-recovery of income due to the reduction in pupils from other local authorities attending this authority's schools.

School Improvement

- This under spend relates to a delay in appointments to the Development Team, which will support the strategic review of schools. Some appointments have been made, but there is still an under spend on the budget, part of which will be used to commission specific pieces of work.

Home to School / College Transport

- There is a projected over spend on the Home to School Transport budget of £874,000, of which £258,000 relates to over spends in 2015-16. This has increased since quarter 1 due to the delay in removing a particular route, which is currently under consideration. The 2015-16 MTFS savings were not fully achieved partly due to the limited rationalisation of contracts because of increases in the number of pupils eligible for transport, which is outside of the control of the local authority and difficult to predict with accuracy. In addition, budget reductions in respect of changes to the Learner Travel Policy were not fully realised as the agreed change to the policy by Cabinet was not implemented until September 2016 and this will not bring the same level of savings as were originally identified.
- Further efficiencies to Special Education Needs (SEN) and Looked After Children (LAC) transport have been pursued but have been impacted by some increased demand for individual transport due to the needs of individual children and our duty as a Local Authority to ensure that they are transported in line with our statutory responsibilities and our current Learner Travel policy. Additional MTFS proposals for 2016-17 of £450,000 have added to this pressure. The over spend has been partly mitigated by a contribution of £100,000 from the MTFS Budget Reduction Contingency reserve, as outlined in 4.2.2.

Integrated Working

- The under spend of £105,000 has arisen as a result of staff vacancy management.

4.3.2 Social Services and Wellbeing Directorate

The Directorate's net budget for 2016-17 is £60.534 million. Current projections indicate an over spend of £743,000 at year end after draw down of £72,000 from earmarked reserves. The main variances are:

SOCIAL SERVICES AND WELLBEING DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Older People Residential Care	8,083	7,920	(163)	-2.0%
Older People Home Care	8,622	8,410	(212)	-2.5%
Assessment & Care Mgt Older People and Physical Disability	3,474	2,951	(523)	-15.1%
Physical Disabilities Home Care	777	1,115	338	43.5%
Learning Disabilities Residential Care	1,451	1,996	545	37.6%
Learning Disabilities Day Opportunities	3,078	2,768	(310)	-10.1%
Mental Health Home Care	412	638	226	54.9%
Looked After Children	10,461	11,073	612	5.9%

Older People Residential Care

- There is a projected under spend of £163,000 as a result of a reduction in the number of placements, as more people are being supported in their own homes through domiciliary care.

Older People Home Care

- There is a projected under spend of £212,000 as a result of staffing vacancies and increased client contributions.

Assessment and Care Management

- There is a projected under spend of £325,000 on assessment and care management for older people, and £198,000 on assessment and care management for people with physical disabilities, arising mainly from staff vacancies and recruitment issues.

Physical Disabilities Home Care

- There is a projected over spend of £338,000 as a result of increased demand for domiciliary care in this service area. There is a 40% increase on spend compared to the same time last year due to a higher average package of care, resulting from greater complexity of needs.

Learning Disabilities Residential Care

- A projected over spend of £545,000 is likely as a result of the transition of 'complex needs' children into adult services. There are currently 4 transition cases and 2 existing cases requiring increased packages of care. Given the existing pressures on the Looked After Children budget, it is not feasible to reduce that budget to offset these costs.

Learning Disabilities Day Opportunities

- There is currently a projected under spend of £310,000 arising from staff vacancies pending new appointments. It is anticipated that most of these vacancies will be filled going forward.

Adult Mental Health Services

- A projected over spend of £226,000 on home care is likely as a result of increased demand for domiciliary care in this service area, coupled with a reduction in Supporting People grant for Supported Living Schemes, following the reduction in grant in 2016-17.

Looked After Children (LAC)

- There is a projected over spend of £612,000 on LAC, after an assumed draw down of £229,000 from earmarked reserves at year end. This is mainly as a result of the delay in implementing the MTFs reduction in respect of the re-provision of residential services (£400,000 across 2015-16 and 2016-17). In addition, there is an over spend on fostering of approximately £100,000 due to higher than anticipated payments for respite care, travelling costs and childcare.
- The number of LAC at the end of September was 378 compared to 382 at the end of March 2016, so does continue to fall. In particular, the number of out of county placements has fallen by 2 to 9 currently.

- However, there are a number of “When I am Ready” clients (where a care leaver continues to live with their foster carer after they turn 18) that are still in a placement, which the Council funds, but do not count as LAC.
- Further consideration will be given to the draw down of the LAC reserve during quarter 3.

4.3.3 Communities Directorate

The net budget for the Directorate for 2016-17 is £24.765 million and the current projection is an anticipated over spend of £805,000 after draw down of £859,000 from earmarked reserves. The main variances are:

COMMUNITIES DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Development Control	(175)	(375)	(200)	-114.3%
Property	1,242	1,437	195	15.7%
Waste Disposal	5,136	5,617	481	9.4%
Waste Collection	1,282	1,442	160	12.5%
Highways Services	2,057	2,517	460	22.4%
Adult Education	177	82	(95)	-53.7%

Development Control

- There is a projected under spend of £200,000 due to an increase in the number of planning applications at higher fee levels in the second quarter of the financial year. Fees are set by Welsh Government and vary according to the type of development. As a result of recent applications, the service is projecting higher income than budgeted.

Property

- There is a projected over spend of £195,000 in relation to the MTFS saving relating to the lease of Raven’s Court, since a tenant has still to be secured for the building. There is also an estimated over spend of £250,000 due to under occupancy of the Innovation Centre, as a result of difficulties in attracting tenants. These over spends are partly offset by reduced running costs on the Civic Offices (£50,000), staff vacancy management (£110,000) and an increase in general commercial income (£90,000).

Waste Disposal

- The MREC saving of £300,000 for 2015-16 was not achieved and is unlikely to be achieved in 2016-17. This has been partly mitigated by a contribution of £150,000 from the MTFS Budget Reduction Contingency reserve, as outlined in 4.2.2. Furthermore there are additional tonnage costs of £551,000 offset by savings from the interim Anaerobic Digestion (AD) procurement project of £220,000. This is based on current projected tonnages prior to the commencement of the new waste collection contract.

Waste Collection

- There are projected over spends arising from procurement costs and mobilisation costs associated with the new waste collection contract

(£215,000), which is currently in the process of being finalised. This has been partly offset by a full year saving generated by the closure of the Household Waste and Recycling Centre (HWRC) site in Ogmore.

Highways Services

- There is a projected over spend of £300,000 as a result of a new Service Delivery Agreement (SDA) introduced by the South Wales Trunk Road Agency (SWTRA) in April 2016, which applied to work undertaken by the Council's Highways department. The SDA includes priced schedules for work undertaken, which has impacted on the amount of funding that can be reclaimed. There are also small over spends arising on depot running costs, following the move of fleet services to the joint vehicle maintenance facility, due to the fixed nature of some of the depot costs e.g. business rates, which are being picked up by the remaining services until the depot rationalisation is completed. There are also over spends arising due to delays in staffing restructures and non-achievement of overtime savings (£110,000).

Adult Education

- There is a projected under spend across the service of £95,000 due to staff vacancy management.

4.3.4 Operational and Partnership Services Directorate

The net budget for the Directorate for 2016-17 is £14.935 million and current projections anticipate an under spend against this budget of £1.565 million after draw down of £311,000 from earmarked reserves. The main variances are:

OPERATIONAL AND PARTNERSHIP SERVICES DIRECTORATE	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Housing and Homelessness	1,329	928	(401)	-30.2%
Legal Services	1,969	1,724	(245)	-12.4%
Regulatory Services	1,487	1,311	(176)	-11.8%
Human Resources and Organisational Development	3,839	3,544	(295)	-7.7%
ICT	3,716	3,395	(321)	-8.6%

Housing and Homelessness

- There is a projected under spend on this area of £401,000. This is mainly as a result of an under spend on bed and breakfast costs (£180,000), as a result of improved management of demand of temporary accommodation. This is in addition to under spends on staffing budgets, both from vacancy management and use of core staff to undertake duties for which the Council receives Welsh Government grant funding (approximately £200,000), and small under spends on other budgets.

Legal Services

- The under spend on legal services is partly due to an increase in recovery of legal costs and a corresponding under spend on legal costs and disbursements.

Regulatory Services

- The under spend relates to repayment of an under spend on the shared regulatory service following the closure of the 2015-16 accounts, which was primarily due to staff vacancies following the creation of the shared service. The amount of this under spend, and any potential repayment, was not known until the accounts had been audited.

Human Resources and Organisational Development

- The under spend relates to vacancy management in preparation for future MTFS savings.

ICT

- The under spend is as a result of vacancies within the team, along with an under spend of approximately £150,000 on software licences, due to a proactive approach to the rationalisation of software across the Council when the opportunity arises.

4.3.5 Chief Executive's and Finance

The net budget for the Directorate for 2016-17 is £4.331 million and current projections anticipate an under spend against this budget of £380,000 after draw down of £18,000 from earmarked reserves. The main variances are:

CHIEF EXECUTIVES	Net Budget	Projected Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Chief Officers	645	491	(154)	-23.9%
Housing Benefits	847	633	(214)	-25.3%

Chief Officers

- The under spend mainly relates to the vacant staffing budget following the departure of the Corporate Director Resources. This is being held in preparation for future MTFS savings. There is also an under spend of approximately £20,000 on subscriptions due to reduced costs of e.g. WLGA.

Housing Benefits

- There is an under spend in respect of the administration of housing benefit arising mainly from staffing vacancies, but also additional grant income. In addition there is an under spend of approximately £69,000 relating to increased income from the repayment of over-paid housing benefit. The 2016-17 budget pressure in relation to the new Emmaus facility is currently being reviewed, which may reduce the under spend on this area in quarter 3.

4.3.6 Council Wide budgets

This section of the accounts includes budgets, provisions and services which are council wide, and not managed by an individual directorate. The budget is £42.117 million and the projected outturn is £38.773 million, resulting in a projected under spend of £3.344 million. The main variances are detailed below:

COUNCIL WIDE BUDGETS	Net Budget	Outturn	Variance Over/(under) budget	% Variance
	£'000	£'000	£'000	
Capital Financing	10,128	8,834	(1,294)	-12.8%
Council Tax Reduction Scheme	14,304	13,654	(650)	-4.5%
Other Corporate Budgets	6,114	4,714	(1,400)	-22.9%

Capital Financing

- The projected under spend of £1.294 million is a result of an under spend on interest paid due to lower borrowing than anticipated, because the Council has used its own internal resources in the first instance to fund major schemes within the capital programme. A review will be undertaken during quarter 3 to identify any debt repayment opportunities.

Council Tax Reduction Scheme

- The projected under spend of £650,000 is a result of lower demand than forecast for the Council Tax Reduction Scheme. This a demand led budget which is based on full take up, but actual take up is not known until year end. The projection is based on take up at the end of September 2016. Budget reductions are planned for future years.

Other Corporate Budgets

- The under spend of £1.4 million is a combination of:
 - o Reduced requirement from Directorates in relation to pay and prices, including superannuation and National Insurance increases.
 - o Lower than expected in-year cost of implementing auto enrolment for new entrants. This cost is due to increase incrementally as the Council works towards September 2017.
 - o Projected under spends on other corporate budgets e.g. redundancy budget, funding held centrally for budget pressures.

It should be noted that this projection could change significantly during the financial year, depending on the total cost of redundancies incurred during the financial year, the extent of inclement weather, inflationary changes, and demands on the Council Tax Reduction Scheme. At this point in the financial year it is prudent to assume that all other budgets will be fully spent by year end.

These budgets are currently being reviewed as part of the MTFS 2017-18 to 2020-21 and will be subject to significant reductions over the life of the MTFS.

4.4 Capital programme monitoring

- 4.4.1 This section of the report provides Members with an update on the Council's capital programme for 2016-17. The original budget approved by Council on 10th March 2016 was further revised and approved by Council in May, July and October to incorporate budgets brought forward from 2015-16, budgets carried forward into 2017-18, and any new schemes and grant approvals. Since then, only one additional scheme has been built into the programme, which is funded through external resources (Section 106 and insurance). The revised programme now totals

£47.102 million, of which £31.940 million is met from BCBC resources with the remaining £14.162 million coming from external resources.

4.4.2 Appendix 4 provides details of the individual schemes within the capital programme, showing the budget available in 2016-17 compared to the projected spend. Commentary is provided detailing any issues associated with these projects.

4.4.3 At this point in the financial year, and following discussions with directorates, it is assumed that all other projects will be in line with the budget as set out in Appendix 4. However, this will depend upon scheme progress during the financial year and any inclement weather experienced, which may place additional pressure on project timescales.

4.5 Review of Earmarked reserves

The Council is required to maintain adequate financial reserves to meet the needs of the organisation. The MTFS includes the Council's Reserves and Balances Protocol which sets out how the Council will determine and review the level of its Council Fund balance and Earmarked Reserves. A quarter 2 review of the particular pressures that were to be covered by earmarked reserves was undertaken and Directorates have drawn down the following funding :-

Directorate	Period 6 Drawdown £'000
Education & Family Support	90
Social Services & Wellbeing	72
Communities	859
Operational and Partnership Services	311
Chief Executives & Finance	18
Total	1,350

This was broken down into £856,000 from Corporate Reserves and £494,000 from their specific earmarked reserves as below:-

Opening Balance 1 April 2016	Reserve	Additions/ Reclass- ification	Drawdown	Closing Balance 30 Sept 2016
£'000		£'000	£'000	£'000
	Corporate Reserves:-			
	Education & Family Support	-	(70)	
	Social Services & Wellbeing	-	(72)	
	Communities	10	(581)	
	Operational and Partnership Services	-	(115)	
	Chief Executives & Finance	-	(18)	
	Non-Directorate	2,000	-	
32,939	Total Corporate Reserve	2,010	(856)	34,093
	Directorate Earmarked Reserves:-			
1,278	Education & Family Support	-	(20)	1,258
1,486	Social Services & Wellbeing	-	-	1,486
1,884	Communities	-	(278)	1,589
708	Operational and Partnership Services	-	(196)	529
92	Chief Executives & Finance	-	-	92
5,448	Total Directorate Reserves	-	(494)	4,954
38,387	Total Usable Reserves	2,010	(1,350)	39,047

During the first half of the year, £1 million was transferred to the Service Reconfiguration Reserve in accordance with the MTFS for Extra Care Housing Schemes and a further £1 million was used to create the MTFS Budget Reduction Contingency identified within MTFS Principle 12. The final addition to the reserves of £10,000 is for the Property Disposal Strategy and represents the de-minimis capital receipts received during the period April to September 2016. A full breakdown of total movement on earmarked reserves at 30th September is provided in Appendix 5.

5.0 Effect upon policy framework & procedural rules

- 5.1 As required by section 3 (budgetary control) of the Financial Procedure Rules; Chief Officers in consultation with the appropriate Cabinet Member are expected to manage their services within the approved cash limited budget and to provide the

Chief Finance Officer with such information as is required to facilitate and monitor budgetary control.

6.0 Equality Impact Assessment

6.1 There are no implications in this report.

7.0 Financial implications

7.1 These are reflected in the body of the report.

8.0 Recommendations

Cabinet is requested to note the projected revenue and capital outturn position for 2016-17.

Randal Hemingway
Head of Finance and Section 151 Officer
October 2016

Contact Officer

Deborah Exton – Group Manager – Financial Planning and Budget Management ext 3604

e-mail: deborah.exton@bridgend.gov.uk

Background Papers

Individual Directorate Monitoring Reports

Report to Council 10th March 2016

Report to Council 6 May 2016

Report to Council 6 July 2016

Report to Council 5 October 2016