



To Executive Councillor for Strategy & Transformation
Report by Chief Executive, Strategic Directors and Head of Finance
Relevant Scrutiny Committee Strategy & Resources 3 July 2017

2016/17 Revenue and Capital Outturn, Carry Forwards and Significant Variances – Strategy & Transformation Portfolio

Key Decision

1. Executive summary

1.1 This report presents, for the Strategy & Transformation Portfolio :

- a) A summary of actual income and expenditure compared to the final budget for 2016/17 (outturn position)
- b) Revenue and capital budget variances with explanations
- c) Specific requests to carry forward funding available from budget underspends into 2017/18.

2. Recommendations

The Executive Councillor is recommended to request that the Executive Councillor for Finance and Resources approves the following:

- a) Carry forward requests totalling £561,600 revenue funding from 2016/17 to 2017/18, as detailed in **Appendix C**
- b) Carry forward requests of £60k capital resources from 2016/17 to 2017/18 to fund rephased net capital spending, as detailed in **Appendix D**.

3. Background

Revenue Outturn

3.1 The overall revenue budget outturn position for the Strategy & Transformation Portfolio is given in the table below. Detail, by service grouping, is presented in **Appendix A**.

2015/16 £'000	Strategy & Transformation Portfolio Revenue Summary	2016/17 £'000	% Final Budget
2,792	Original Budget	3,938	83.6
19	Adjustment – Prior Year Carry Forwards	158	3.4
408	Adjustment – BSR Feb approvals	0	-
(7)	Adjustment – Service Restructure Costs	257	5.5
(39)	Adjustment – Earmarked Reserves	90	1.9
45	Adjustment – Capital Charges	263	5.6
624	Adjustment – Central & Support reallocations	0	-
(51)	Other Adjustments	0	12.9
3,791	Final Budget	4,706	100.0
3,178	Outturn	3,800	80.7
(613)	(Under) / Overspend for the year	(906)	(19.3)
123	Carry Forward Requests	562	11.9
(490)	Resulting Variance	(344)	(7.3)

3.2 **Appendix A** shows original and final budgets for the year (with the movements summarised in the above table) and compares the final budget with the outturn position for this Portfolio for 2016/17. The original revenue budget for 2016/17 was approved by the Executive Councillor for Strategy & Transformation on 18 January 2016.

3.3 **Appendix B** provides explanations of the main variances.

3.4 **Appendix C** lists revenue carry forward requests.

Capital Outturn

3.5 The overall capital budget outturn position for the Strategy & Transformation Portfolio is given in the table below. **Appendix D** shows the outturn position by scheme and programme with explanations of variances.

2015/16 £'000	Strategy & Transformation Portfolio Capital Summary	2016/17 £'000	% Final Budget
407	Final Budget	85	100.0
82	Outturn	25	29.4
(325)	Variation - (Under)/Overspend for the year	(60)	(70.6)
325	Rephasing Requests	60	70.6
0	Variance	0	0.0

4. Implications

- 4.1 The net variance from the final budget (see above), would result in no change to the use of General Fund reserves.
- 4.2 A decision not to approve a carry forward request may impact on officers' ability to deliver the service or scheme in question and this could have staffing, equality and poverty, environmental, procurement, consultation and communication and/or community safety implications.

5. Background papers

- Closedown Working Files 2016/17
- Directors' Variance Explanations – March 2017
- Capital Monitoring Reports – March 2017
- Budgetary Control Reports to 31 March 2017

6. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2016/17 - Outturn

Service Grouping	Original Budget £	Final Budget £	Outturn £	Variation Increase / (Decrease) £	Carry Forward Requests - see Appendix C £	Net Variance £
Corporate Strategy	379,970	416,080	382,233	(33,847)	12,000	(21,847)
Democratic Services	310,970	310,970	259,748	(51,222)		(51,222)
CCTV	(40,110)	(52,020)	(119,283)	(67,263)		(67,263)
Community Safety	214,010	214,010	188,598	(25,412)		(25,412)
Corporate & Democratic Services	1,932,060	1,953,180	1,932,758	(20,422)		(20,422)
Central Provisions and Centrally allocated costs	(455,880)	34,960	(389,636)	(424,596)	267,000	(157,596)
Pensions - Early Retirements and Past Deficit	1,343,200	1,343,200	1,343,202	2		2
Programme Office	254,000	485,220	202,613	(282,607)	282,600	(7)
Total Net Budget	3,938,220	4,705,600	3,800,233	(905,367)	561,600	(343,767)

Changes between original and final budgets may be made to reflect:

- portfolio and departmental restructuring
- approved budget carry forwards from the previous financial year
- technical adjustments, including changes to the capital accounting regime
- virements approved under the Council's constitution
- additional external revenue funding not originally budgeted

and are detailed and approved:

- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- via technical adjustments/virements throughout the year

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2016/17 - Major Variances
from Final Revenue Budgets

Service Grouping	Reason for Variance	Amount £	Contact
Corporate Strategy	Corporate Marketing: Digital and Web Manager vacancy and Digital Communications Officer vacancy plus underspend in web development budget - request carry forward of £12k towards the cost of Digital Programme Adviser who is working to develop the Digital Strategy.	(33,847)	Andrew Limb
Democratic Services	Elections: this underspend is due to the combined poll in May 2016, where costs were shared with the PCC election.	(22,275)	Vicky Breeding
	Committee Management: Mainly due to the reduced cost of Area Committees (£6k) and reduced printing costs £8k	(20,545)	Gary Clift
	Civic Affairs and Twinning: Changes to staffing structure and staffing vacancy and less spending on twinning function	(40,465)	Lucy Milazzo
	Members Support: unbudgeted increase in Members' Allowances. BSR has provided budget for this for future years.	33,837	Gary Clift
CCTV	The year end estimate for the CCTV Shared Service was considerably lower than anticipated. Much of this related to vacancies within the service including the CCTV Manager post. Budgets to be reviewed in 2017/18	(67,263)	Joel Carre
Community Safety	This includes an unanticipated refund of street lighting costs from Cambridgeshire County Council of £16,221.	(25,412)	Lynda Kilkelly
Corporate & Democratic Services	Emergency Planning: Variance is primarily due to an underspend on consultants with minor underspends on staffing and supplies and services costs and receipt of fee income in respect of health and safety and emergency planning services provided to South Cambs DC - £11,585.	(20,265)	Trevor Burdon
Central Provisions and Centrally allocated costs	There is an underspend of £267k on Programme Office and Support Services redundancy costs which is the estimated remaining cost for transformation programmes currently identified so there is a request to carry this forward.	(266,740)	Paul Boucher
	Potential Capital Schemes Feasibilities provision	(66,000)	Joanna Darul
	Some budget provisions are held centrally but the actual spend mainly occurs in departments which offsets this (an example being £92k Youth Apprenticeship Scheme) so the position overall is net nil for the authority.	(91,856)	John Harvey
Programme Office	Underspends based on profiling of transformation fund and alignment to projects. Balance to be carried forward at year end.	(282,607)	Paul Boucher
Other		(1,929)	-
Total		(905,367)	

Appendix C

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Revenue Budget 2016/17 - Carry Forward Requests

Request to Carry Forward Budgets from 2016/17 into 2017/18

Item	Reason for Carry Forward Request	Amount £	Contact
1	Corporate Strategy Corporate Marketing: request carry forward of £12k towards the cost of Digital Programme Adviser who is working to develop the Digital Strategy.	12,000	Ashley Perry
2	Programme Office Underspends based on profiling of transformation fund and alignment to projects. Balance to be carried forward at year end.	282,600	Paul Boucher
3	Central Provisions There is an underspend of £267k on Programme Office and Support Services redundancy costs which is the estimated remaining cost for transformation programmes currently identified so there is a request to carry this forward.	267,000	Paul Boucher
	Total Carry Forward Requests for Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee	561,600	

Strategy & Transformation Portfolio / Strategy & Resources Scrutiny Committee

Capital Budget 2016/17 - Outturn

Capital Ref	Description	Lead Officer	Original Budget 2016/17 £000	Final Budget 2016/17 £000	Outturn £000	Variance - Outturn compared to Final Budget £000	Rephase Spend £000	Over / (Under) Spend £000	Variance Explanation / Comments
SC613 - 38320	Dedicated wi-fi frequency for Cambridge CCTV cameras	L KilKelly	0	25	25	(0)	0	(0)	Project complete
SC614 - 38321	Redeployable CCTV camera stock	L KilKelly	0	60	0	(60)	60	0	New cameras on order March 17 and delivered April 2017. Will be fully operational by Sep 17
Total Projects			0	85	25	(60)	60	(0)	
Total for Strategy & Transformation Portfolio			0	85	25	(60)	60	(0)	

Changes between original and final budgets may be made to reflect:

- rephased capital spend from the previous financial year
- rephased capital spend into future financial periods
- approval of new capital programmes and projects

and are detailed and approved:

- in the June/July committee cycle (outturn reporting and carry forward requests)
- in September (as part of the Medium-Term Financial Strategy, MTFS)
- in the January committee cycle (as part of the Budget-Setting Report, BSR)
- via technical adjustments/virements throughout the year