

Meeting:	Audit and governance committee
Meeting date:	23 March 2016
Title of report:	2015/16 bi-annual forecast outturn
Report by:	Director of resources

Classification

Open

Key Decision

This is not an executive decision.

Wards Affected

Countywide

Purpose

To provide an update on the projected outturn for 2015/16 to enable the committee to consider the effectiveness of budgetary control.

Recommendation(s)

THAT the committee:

- (a) notes the council is projected to spend within its budget for this financial year;**
- (b) confirms that appropriate and timely budgetary and control measures are in place; and**
- (c) identifies any further control measures deemed necessary.**

Alternative options

- 1 There are no alternative options.

Reasons for recommendations

- 2 To enable the committee to fulfil its responsibilities as set out in the audit and governance code of the council's constitution.

Key considerations

- 3 The council is currently projected to spend within its overall budget in 2015/16. Some areas are projecting to overspend and others to underspend with a corporate contingency budget of £700k not currently allocated, summary below.

Directorate Net Budget	Net Budget (£000)	December Outturn (£000)	December Variance Over / (Under)spend (£000)
Adults' wellbeing	54,114	54,202	88
Children's wellbeing	23,199	25,107	1,908
Economy, communities and corporate	53,634	52,671	(963)
Directorates Total	130,947	131,980	1,033
Other budgets and reserves	11,046	10,346	(700)
Total	141,993	142,326	333
Unallocated corporate contingency			(700)

Adults and wellbeing

- 4 The directorate continues to face challenging financial targets; and has plans for the delivery of savings for 2016/17. Whilst the targets are challenging, there is a degree of confidence over delivery, however, planning for savings in 2017/18 will require more fundamental changes to service models and reviewing all non-statutory services. Consultation on these plans is now underway.

Children's wellbeing

- 5 Of continuing concern has been the increase in the number of strategy discussions/meetings leading to S47 child protection (CP) investigations reported in June and July, reflecting the higher than usual number of CP referrals from the police in relation to an ongoing child protection investigation. However, whilst having reduced, there were still 97 during December, of which 29.9% did not progress to S47, which may be indicative of a too low threshold being applied to convening such meetings. Audit activity to test this hypothesis is due to commence.

Economy, communities and corporate

- 6 Digital Strategy: although considerable activity is taking place for services to be delivered digitally as a way of meeting customer trends and creating efficiencies, there is much more that can be achieved. This includes an overhaul of the website as a key tool of engagement with the citizens of the county, with an increased functionality and improved navigation. Investment is needed to carry out this overhaul and a specification produced that meets the different aspirations of the services and can be future proofed in terms of customer use and expectations. The new website is due to be commissioned by March 2016 for implementation later in the year.

Community impact

- 7 Providing assurance that budgetary control is effective supports the council in demonstrating it is open, transparent and accountable about its performance in spending within the overall budget available.

Equality duty

- 8 None.

Financial implications

- 9 None associated with this report.

Legal implications

- 10 The audit and governance committee reviews the outturn forecast biannually in compliance with the council's audit and governance code to satisfy themselves that appropriate and timely measures are in place to ensure compliance with the financial procedure rules.

Risk management

- 11 Monthly reporting gives the director of resources assurance on the robustness of budget control and monitoring, highlighting key risks and identifying any mitigation to reduce the impact of pressures on the council's overall position.

Consultees

- 12 None.

Appendices

None.

Background papers

Cabinet papers 11 February 2016

<http://councillors.herefordshire.gov.uk/ieListDocuments.aspx?CId=251&MIId=5478&Ver=4>