

		AGENDA ITEM 4
		ES/034/11 Appendix
Committee:	Executive Scrutiny Committee	
Date:	23 June 2011	
<u>2010/11 Provisional Outturn Report Appendix</u>		
Enquiries to:	Peter Lewis, Interim Assistant Director-Financial Strategy 01245 430025 (20025)	

Summary reconciliation report of quarterly financial reports

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	Original Budget £0	Q1 Forecast Outturn £0	Q2 Forecast Outturn £0	Q3 Forecast Outturn £0	Q4 Provisional Outturn £0
Adults, Health and Community Wellbeing	375,807	379,614	381,251	380,041	374,497
Children's Services	145,597	136,824	143,499	140,811	146,218
Education and 2012 Games	56,149	56,917	60,332	60,355	63,939
Highways and Transportation	73,987	74,724	74,323	72,822	82,401
Environment and Waste	64,333	65,012	64,041	63,487	62,888
Heritage, Culture and the Arts	21,518	21,508	21,556	21,848	22,417
Leader	17,364	19,749	20,254	16,754	14,244
Communities and Planning	5,001	5,124	5,030	5,271	5,028
Major Projects and Commercial Services	1,882	1,211	1,093	1,749	1,759
Finance and Transformation	2,676	2,637	2,646	2,640	2,723
Recharged Strategic Support Services:					
Highways and Transportation	1,115	1,426	926	1,395	1,163
Environment and Waste	918	896	807	867	875
Leader	4,553	3,901	4,091	6,512	6,458
Major Projects and Commercial Services	20,253	21,116	22,454	31,780	27,676
Finance and Transformation	42,150	45,283	48,304	50,958	48,144
Building Maintenance	2,652	2,652	3,402	3,402	2,689
Net Cost of Services	835,955	838,594	854,009	860,692	863,119
Other operating costs	47,154	54,529	52,816	41,840	40,996
General Government grant	-82,031	-75,172	-75,172	-76,584	-94,412
Net expenditure (excl app'ns)	801,078	817,951	831,653	825,948	809,703
Appropriations to/from earmarked revenue reserves	12,985	16,568	-764	-7,055	13,440
Emergency Contingency	8,000			2,144	0
General balance – contribution/withdrawal	0	1,082	318	3,143	-1,080
Net expenditure	822,063	835,601	831,207	824,180	822,063
Net Savings required to offset pressures	-	-19,234	-14,459	-8,629	
Under spends earmarked for future spend	-	5,696	5,315	6,512	

Budget requirement	822,063	822,063	822,063	822,063	822,063
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Explanation of the significant movements in the revenue budgets between Q3 & Q4

Budget line	Q3 forecast £000	Q4 forecast £000	Movement £000	Notes
Adults, Health and Community Wellbeing	380,041	374,497	-5544.00	This movement predominantly relates to the requirement to draw down grant income in full in the year in which it is received. This treatment was not known or certainly not reflected in the Q3 position
Children's Services	140,811	146,218	5,407	DSG - Further resources have been devolved to mainstream schools to support children with additional needs (£1.6m) offset by a reduction in schools accumulated balances - £2.7m. Non-DSG - Increased budget on PFI Clacton Secondary Scheme together with increased spend on looked after children- £4.3m
Education and 2012 Games	60,355	63,939	3,584	DSG - Further resources have been devolved to mainstream schools to support children with additional needs - £3.2m, offset by an increase in schools accumulated balances – (£1.9). Non – DSG - Increased budget for redundancy provision made for PRC and Youth - £1.9m
Highways and Transportation	72,822	82,401	9,579	This is the removal of £9.4m PFI grant which under latest accounting requirements has to be shown under Corporate grant budgets rather than the related service as per prior practice - a technical issue only and related to Government Grant below.
Leader	16,754	14,244	-2,510	£2.5m of grant income had to be drawn down into 2010/11 due to the change in Accounting Rules. These changes had not been dealt with at Qtr 3. Qtr 3 assumed that draw down would match spending requirement. Requests have been included in the outturn report to appropriate this to the grant equalisation reserve.
Recharged Strategic Support Services:				
Highways and Transportation	1,395	1,163	-232	This predominantly relates to Car Provision scheme where the accounting treatment of mileage rebates was improved to fully accrue for these in the 2010-11 accounts (£227k of the variance shown).

Major Projects and Commercial Services	31,780	27,676	-4,104	Within this total there is a £3.8m reduction in the spending previously forecast for the procurement transformation project. The costs will be incurred over 3 financial years so the profile of this spend has now slipped to 2011/12 onwards.
Finance and Transformation	50,958	48,144	-2,814	IS costs increased by £1m, primarily as the costs of schools broadband (£880k) had previously been reflected against Schools Children & Families services. Finance costs reduced by £700k as the profile of project costs changed due to delays in implementation, these have now slipped to 2011/12. The Transformation Support Unit costs increased by £1m as the costs of supporting transformation projects across the organisation have now been reflected in one place rather than aligned to service areas. The Insurance Cost Recovery Account reduced by £4.1m to reflect the significant impact of the latest actuarial evaluation of the Insurance Provision and Reserve requirements.
Building Maintenance	3,402	2,689	-713	This is due to decision taken with Finance Compliance not to raise historic accruals dating back up to 7 years. It is proposed that the amount should be set aside in a reserve and drawn down in the event of payment demand from suppliers relating to these historic accruals. This budget line is an uncontrollable line cross cutting all services.
General Government grant	-76,584	-94,412	-17,828	This is the inclusion of PFI grant (rather than being shown under the Service Area – see Highways and Transportation above) and the receipt of Local Area Agreement Performance Reward grant.
Appropriations to/from earmarked revenue reserves	-7,055	13,440	20,495	Covered in Outturn Report under 1.4
Emergency Contingency	2,144	0	-2,144	Covered in Outturn Report under 1.4
General balance – contribution/withdrawal	3,143	-1,080	-4,223	Covered in Outturn Report under 1.4