

## BOROUGH OF KETTERING

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<b>Report Originator</b>	Strategic Management Team	<i>Fwd Plan Ref No:</i> A14/004	
<b>Wards Affected</b>	All	16 <sup>th</sup> July 2014	
<b>Title</b>	MAINTAINING A DURABLE BUDGET		

**Portfolio Holder: Councillor Ian Jelley**

### **1. PURPOSE OF REPORT**

**The primary purpose of the report is to:**

- a. Establish a high level strategy to assist in the future prioritisation of spending (as requested by the Executive Committee on 16<sup>th</sup> April 2014).

**The other objectives of the report are to:**

- b. Provide Members with a further case study on partnership working.
- c. Provide a reminder of the Council's medium term financial strategy and associated guiding principles;
- d. Highlight the success of the Council's financial strategy, in particular through the delivery of efficiency savings for 2013/14;
- e. Illustrate the medium term financial modelling and the estimated levels of efficiency savings required for future years
- f. Provide members with an update on the draft outturn figures for 2013/14, in relation to;
  - ◆ General Fund
  - ◆ Housing Revenue Account
  - ◆ Capital
  - ◆ Treasury Management

### **2 CASE STUDY**

2.1 Members will recall that in previous budget reports we have identified case studies as examples of good practice. The previous examples related to the new arrangements for the following:

- ◆ Generic warden service
- ◆ Recycling pilots
- ◆ Kettering Borough Training
- ◆ Partnership work with the Citizens Advice Bureau.

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- ◆ VAT recovery
- ◆ Prevent Strategy funding
- ◆ Flexible Working
- ◆ Printing Function
- ◆ Market
- ◆ Managing homelessness
- ◆ Staff Sessions
- ◆ Attracting External Funding to the Borough

2.2 The case study in this report highlights another example of the success the Council has achieved through partnership working.

### **Shared Internal Audit Service**

The internal audit service for Kettering Borough Council was until April 2012 delivered in a joint arrangement with the Borough Council of Wellingborough under the name of ConsortiumAudit.

The board of ConsortiumAudit approved the market testing of the internal audit service in 2011 with the objective that the service would have a greater breadth of skills and be more sustainable and resilient.

Following the market testing CWAS (Coventry and Warwickshire Audit Services) were awarded the contract for a three year period. The contract has just entered its third year and has delivered financial savings to both authorities and at the same time the audit coverage has increased. The service is both more sustainable and resilient.



### **3. BACKGROUND**

3.1 At the April Executive meeting Members approved that the budget delivery framework used in the four previous budget rounds be used for the preparation of the 2015/16 budgets. Specifically, members approved:

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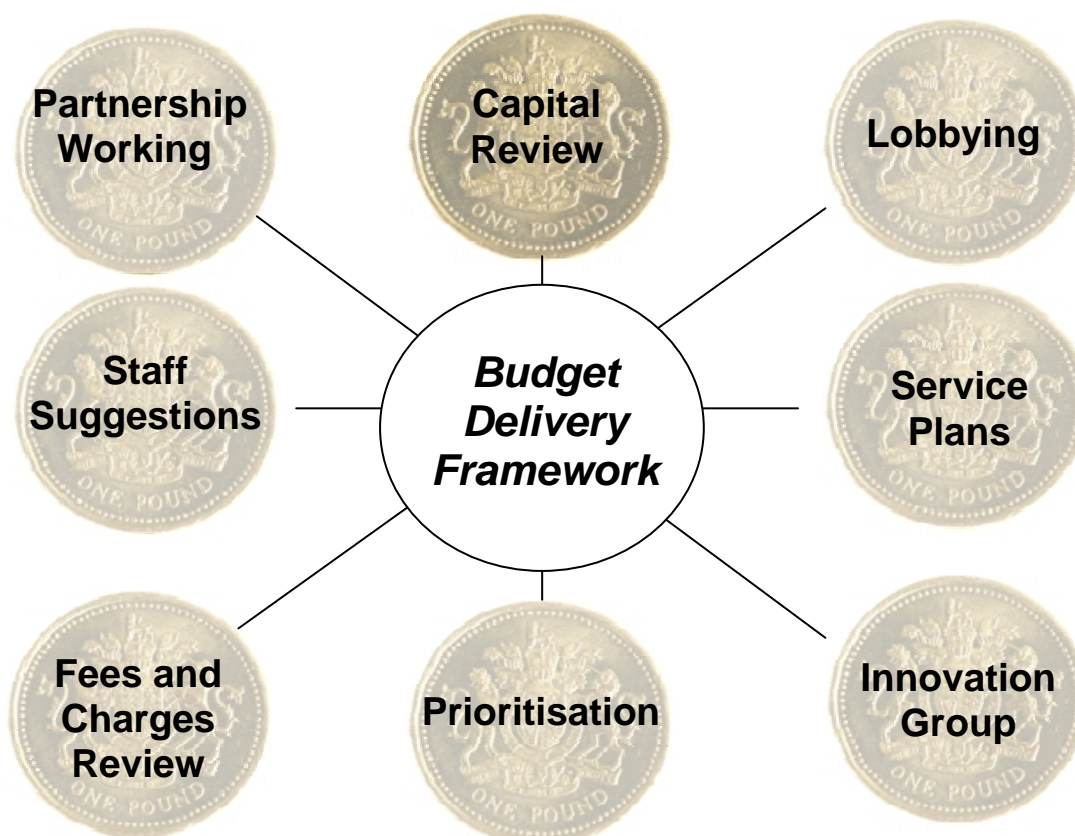
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*“that the same methodology be applied to the formulation of the 2015/16 budget as it applied to the 2014/15 budget, with particular reliance on:-*

- the existing guiding principles*
- the existing modelling for recovery principles*
- the existing budget containment strategy*
- the existing eight workstreams”*

3.2 The strategy has to date proved extremely successful and helped provide additional flexibilities from which to address the national funding challenges that face all local authorities.

3.3 This overall strategy provides the cornerstone on which the Council's long-standing success in both setting a ‘balanced budget’ and delivering within budget are founded. The framework consists of eight workstreams – as illustrated below;



3.4 The financial strategies key ‘guiding principles’ supplemented by the ‘Modelling for Recovery Principles’ and the ‘Budget Containment strategies’ have provided a strong cornerstone for the Council’s medium term financial strategy. For ease of reference, these are reproduced here:-

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### **Financial Strategy Guiding principles:**

- a. *Revenue balances should not fall below £1m and overall revenue reserves should not fall below 10% of net revenue expenditure;*
- b. *In setting the Council Tax, members should consider the medium term to ensure that a sustainable budgetary position is preserved (with due regard being given to any penalties that might apply);*
- c. *The level of household Council Tax to increase each year in line with inflation at least, where the budget is in deficit, to ensure resources remain consistent with budgeted costs;*
- d. *When setting the Capital Programme, consideration is given to allocating capital resources to schemes that are beneficial to the Council's overall revenue budget position;*
- e. *To maximise the resources available to the Authority, the Council will actively lobby the Government on relevant issues (e.g. grant distribution/ planning fees).*

### **Modelling for Recovery principles:**

1. *Wherever possible, continue with all planned investments and programmes, to protect the local economy and lever in other investments;*
2. *Given the strength of our Treasury position we should consider debt funding as a means of programme delivery or stimulus – if this can be shown to be sustainable and have a wider economic benefit;*
3. *Organise our fiscal structures and business models to attract and retain the maximum amount of revenue within the local economy;*
4. *To ensure all possible avenues are used within procurement rules to source locally;*
5. *Protect the performance of Council services which come under particular strain;*
6. *Work closely with partners in the voluntary, public and private sectors, to ensure optimum efficiency*

### **Budget Containment Strategy:**

1. *Where a specific grant which funds a specific service is withdrawn, the service stops;*

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2. *Where grant funding reduces, which Kettering Borough Council passports through to another organisation, the reduced sum continues to be passported, providing the end recipient organisation feels it can still provide a value-added service at that funding point.*
3. *Where a function is transferred to another provider, the Council leaves all service-provision discussions, including any top-up funding, with the new provider;*
4. *The Council would ordinarily neither seek to buffer nor profit from tax changes.*
5. *The Council should not substitute itself as a provider / funder of services when another public provider cuts such a service.*

#### **4 PRIORITISATION FRAMEWORK**

- 4.1 At its meeting on 16<sup>th</sup> April 2014, the Executive Committee considered a report titled 'Medium Term Financial Prospects'.
- 4.2 The report reminded members of the financial environment in which the Council now operates – these included reference to the following;
  - #
  - (i) Significant reductions in the levels of government grant.
  - (ii) Significant inflation in core business costs, e.g. fuel.
  - (iii) A freeze in council tax income.
  - (iv) Reductions in fees and charges income (car parking)
  - (v) Increased capital expenditure to develop services (disabled facilities, town centre etc).
- 4.3 The report outlined the need for the Council to have a clear framework which could be used as a reference point to help prioritise future spending. The report focused upon capital expenditure but is also directly relevant to future revenue expenditure decisions. The framework should assist the Council in;
  - Evaluating future investment plans;
  - Providing a framework against which the re-prioritisation of expenditure can be judged;
  - Competing proposals can be evaluated
- 4.4 The report introduced the following matrix and resolved the following;

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				<b>Appetite for removing “old” projects</b>		
		High		Low		
<b>Desire for new expenditure / projects</b>	High	◆ Switching strategy		◆ Requires: <ul style="list-style-type: none"> <li>- Further borrowing</li> <li>- Increases in core funding</li> </ul>		
	Low	◆ Support ongoing savings targets		◆ Status Quo <ul style="list-style-type: none"> <li>- Savings targets as set out in medium term strategy</li> </ul>		

*It was resolved that:*

- a. *The significance of changes facing the authority beyond April 2014 continue to be recognised;*
- b. *A piece of work to be undertaken to scan the horizon and prioritise spending pressures.*
- c. *A high level strategy be established in line with 6.9 above\**

*\* reference to 6.9 in the above resolution is to the matrix reproduced at paragraph 4.4 in this report.*

- 4.5 This report seeks to address recommendation ‘c’ – to develop a high level strategy.
- 4.6 Members of the Executive have given this further consideration, the following have been identified as a potential set of ‘prioritisation golden rules’ to help shape future capital and revenue budget decisions - as such future investments decisions will be evaluated against the following criteria:

<b>Prioritisation ‘Golden Rules’</b>		
<b>Golden Rule</b>		<b>Description</b>
1	Revenue Impact	The item should have a positive impact on the Council’s revenue budget over the medium term. The impact should be material in nature.

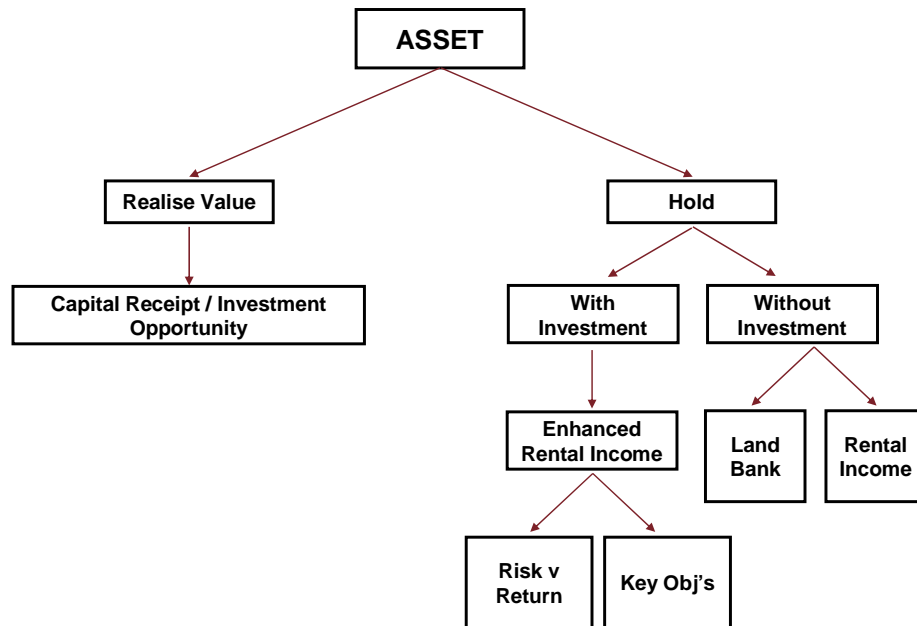
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	<b>Golden Rule</b>	<b>Description</b>
2	Fit with Key Priorities	<p>There should be a direct and causal impact upon the achievement of the Council key priorities of;</p> <ul style="list-style-type: none"> <li>• Better Town Centres</li> <li>• Better Jobs</li> <li>• Better Educational Offer</li> </ul>
3	Risk and Return Profile	The item / project should fit the Council's risk and return appetite and also complement the overall portfolio of investment / assets.
4	Investment Leverage	The item / project should ideally act as either an 'invest to save' type project or one that 'pump primes' other significant investment into the borough.
5	Self Sufficiency	Given the continuing trend of reduction in central government grants, priority will be given to projects that assist in the Council moving further towards financial self sufficiency.
6	Strategic Partnerships	<p>The item should generally have a positive impact on the Council's strategic partnerships and the Council's long term strategic ambitions for the borough – eg, town centre development.</p> <p>In particular – items that support and help develop 'scope' rather than 'scale' will be prioritised.</p>

4.7 As highlighted in paragraph 4.3, the above criteria apply to both Capital and Revenue expenditure. It is however primarily intended to assist with capital investment decisions and will therefore apply to future decisions that the Council will need to make about its assets. The following decision tree will be developed further through the next budget process but provides a reference point now for asset based projects;

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**5. OUTTURN 2013/14**

5.1 This section provides members with a summary of the outturn figures for last financial year (2013/14).

5.2 The analysis covers the Council’s three main accounts (plus an update on Treasury Management) and is split as follows;

- ◆ General Fund
- ◆ Housing Revenue Account
- ◆ Capital Programme
- ◆ Treasury Management

5.3 The closedown process for the 2013/14 accounts is now complete subject to external audit validation, which will take place between July and September 2014. Once audited the accounts will be formally reported to members in accordance with the statutory requirements.

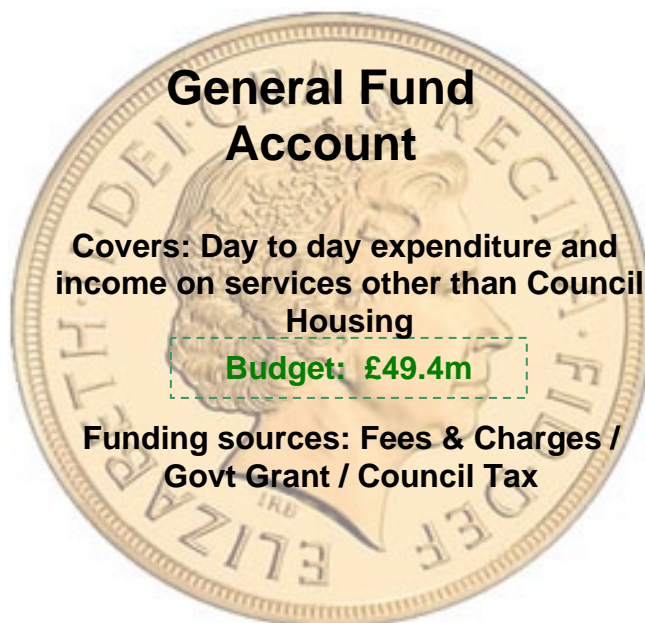
**General Fund Revenue Account**

5.4 Members are reminded that the General Fund account is the account that contains the majority of the Council's everyday service expenditure (excluding spending on council housing).



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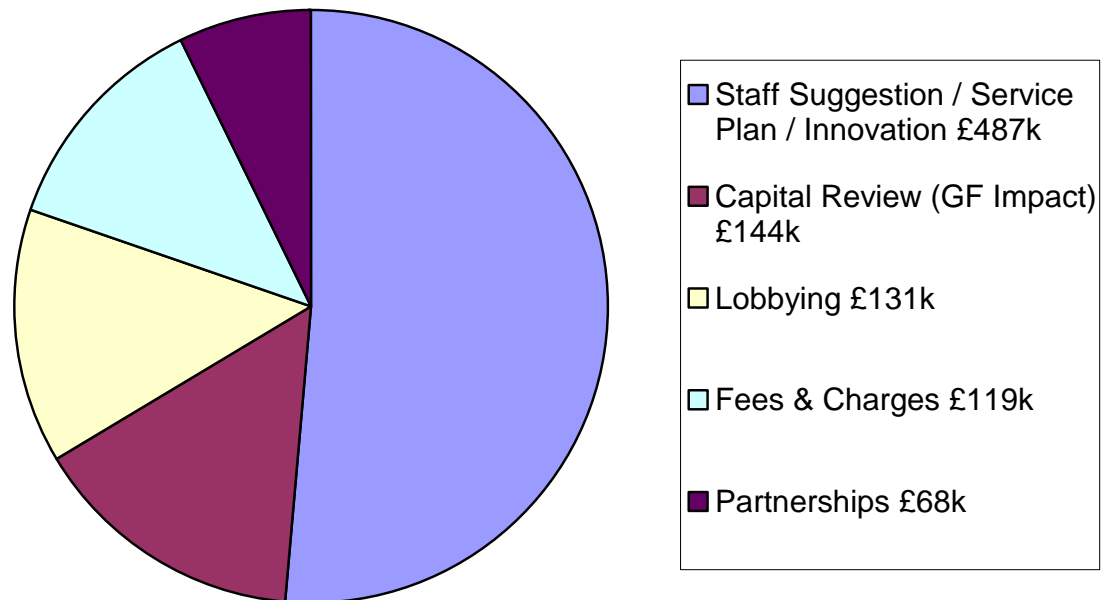


- 5.5 When the Council considered the budget for the 2013/14, the budget delivery framework needed to identify £949,000 of additional efficiency measures to set a balanced budget for the year. This was primarily to deal with the impact of reduced central government 'core' grant. Chart 1 shows how the budget 'gap' was closed;

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**Chart 1 - Identified Framework Savings 2013/14**



5.6 In addition to achieving the original challenging efficiency savings target, the Council's outturn position has delivered further efficiency savings of £1.379m. The reasons for these variances are detailed in Table 1.

Table 1 - Favourable Variances	£000
Lower Borrowing Costs	(298)
Staffing and staff related saving	(245)
Additional Income from Recovered Housing Benefit Payments	(166)
Additional Fee Income	(395)
Net other variations	(275)
<b>Total</b>	<b>(1,379)</b>

5.7 It should be noted that a further £1.154m resulting from timing variances occurred during 2013/14. This results from the Business Rates Retention Scheme (£951,000) and funding the Council received from the County Council in 2013/14 for spend on Disabled Facilities Grants in 2014/15 (£203,000).

5.8 Members will recall that the financial landscape changed significantly from April 2013 following the Government's introduction of the Business Rates Retention Scheme prior to this date all Business Rates were pooled and distributed nationally there was no risk or reward for authorities who collected more or less in Business Rates. However from 1 April 2013 local authorities would receive a

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reward where there is growth in Business Rates and would see a reduction in grant if there was a decline in Business Rates.

- 5.9 Officers have worked closely at a national level with CIPFA (Chartered Institute of Public Finance & Accountancy) on the technical aspects and particularly on the accounting treatment. This has been an area that has been particularly challenging as the new system has greater complexities than the system it replaced.
- 5.10 The Council takes a prudent view and resilience tests savings before they are incorporated into the budget as such any growth from the Business Rates Retention Scheme would only be reflected in the budget when the growth has actually been delivered. This approach ensures that only growth that has been delivered is budgeted and secondly will act as a smoothing strategy should there be an adverse impact when the scheme is reset in 2020.
- 5.11 The final outturn figures are now subject to validation by external audit. The savings are a combination of some early 'locking in' of the savings that are required for 2014/15 and one off items.
- 5.12 The early delivery of savings / one-off items has resulted in the Council being in a better position from which to move forward. The key issue for members to be aware of is the implications that this has for the Councils medium term financial strategy and budget projections. In summary, the early delivery of savings has meant that the Council has made a very good start whilst at the same time benefitting from some additional one-off resources that can be put aside to help provide some earmarked resources to assist in actually delivering future ongoing budget reductions.
- 5.13 Overall, the outturn for the General Fund is very encouraging for the following reasons;
- ◆ Early implementation of identified savings;
  - ◆ The budget delivery framework has successfully engaged staff at all levels;
  - ◆ The early delivery of the savings required for 2014/15 allows attention to be turned to savings for future years;
  - ◆ Additional flexibility and resources have been secured to help pump prime delivery of future years' savings and protect against possible future burdens.
- 5.14 After taking account of contributions to reserves and balances the Council's General Fund working balance remained at £1.415m – this is still in line with the Council's Medium Term Financial Strategy '*guiding principles*'.
- 5.15 The savings made give confidence that the Council remains "ahead of the curve" in delivering the Medium Term Financial Strategy and whilst the Council's delivery of efficiencies and savings is to be commended, the

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challenges that are to be faced in future years remain both significant and unprecedented.

### **Housing Revenue Account**

5.16 Members are reminded that the Housing Revenue Account is a ring-fenced account for day to day income and expenditure relating to the Council's role as a Housing Landlord.



5.17 The Housing Revenue Account's budget for 2013/14 was £15.2m. The provisional outturn for 2013/14 was reported to the June meeting as being £50,000 lower than budget. The actual spend for 2013/14 was £29,000 lower than the budget.

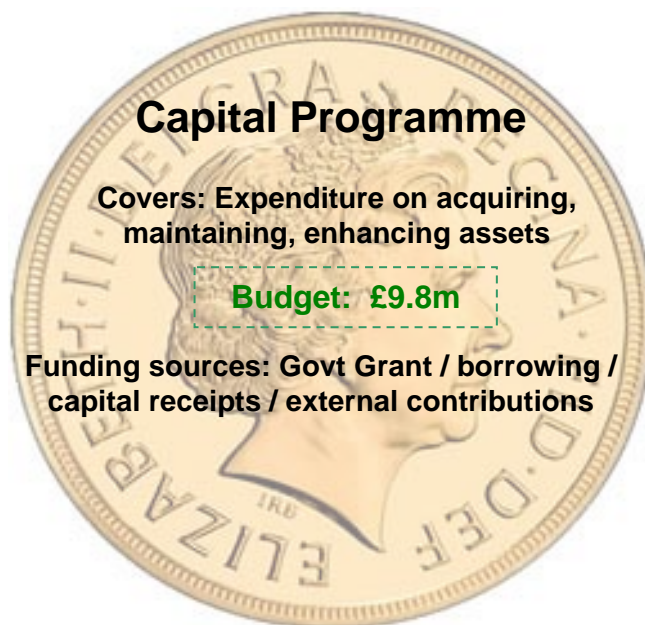
5.18 A total of £29,000 has been added to the Housing Revenue Account balance which is now £587,000. This is in line with the Council's Medium Term Financial Strategy which states the account must operate in a surplus position and this is achieved by adopting the principle that an agreed minimum balance of £300,000 should be the primary strategic aim over the medium to long term.

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### Capital Programme

5.19 Members are reminded that the Capital Programme is used for the acquisition, improvement and enhancement of the Council's assets.



5.20 Overall, the expenditure during 2013/14 was £8.775m compared to the revised budget of £9.810m (i.e.90% of the approved programme was actually spent).

5.21 The overall Capital Programme will be spent in full after taking account of budget carry forwards to 2014/15, which are subject to Executive Approval.

5.22 The major variations are outlined in Table 2. Appendix A sets out capital budgets to be carried forward to 2014/15, which requires the approval of the Executive.

<b>Table 2 - Capital Programme Outturn 2013/14</b>	Revised Estimate	Actual	Variance
	£000	£000	£000
<b>Expenditure</b>			
Council Housing Schemes	3,334	2,842	(492)
Private Sector Housing Improvement	748	549	(199)
Investment & Repair Programme	1,018	912	(106)
Community Project Schemes	1,210	1,020	(190)
E Government Investment Programme	272	240	(32)
Invest to Save Projects	3,228	3,212	(16)
<b>Total Capital Expenditure</b>	<b>9,810</b>	<b>8,775</b>	<b>(1,035)</b>

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### Treasury Management – Current Position

5.23 The Council's debt and investment position at the beginning and the end of the year is set at in Table 3:

Table 3	31 <sup>st</sup> March 2013		31 <sup>st</sup> March 2014	
	Principal	Rate / Return	Principal	Rate / Return
<b>Total Investments</b>	<b>£2.411m</b>	<b>0.74%</b>	<b>£5.419m</b>	<b>0.46%</b>
<b>Total Debt</b>	<b>£71.933m</b>	<b>2.35%</b>	<b>£72.667m</b>	<b>2.55%</b>

	Rate of Return
Council Portfolio	0.46%
Benchmark – 3 Month LIBID	0.39%

5.24 As previously reported the Council has for a number of years effectively used its cash reserves to finance General Fund borrowing instead of borrowing money externally. Reserves are therefore not cash-backed and the Council would need to borrow if it wanted to use a significant proportion of its reserves. This strategy is prudent in the current economic climate where investment returns are low and counterparty risk is high.

### Compliance with Treasury Limits and Prudential Indicators

5.25 During the financial year the Council operated within its treasury limits and Prudential Indicators set out in the Council's Treasury Policy Statement and Annual Treasury Strategy Statement. The outturn for the Prudential Indicators is shown in Appendix B.

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### MEDIUM TERM FINANCIAL FORECAST

5.26 The Council's current Medium Term Financial Forecast is reproduced in Table 4 for information.

Table 4		Zone of "Predictability"		Zone of "Unpredictability" A	Zone of "Unpredictability" B		
		2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
		Actual £000	Actual £000	Forecast £000	Forecast £000	Forecast £000	Forecast £000
1	<b>Net Council Budget</b>	12,174	12,020	11,321	10,787	10,224	9,900
2	<b>Forecast Resources:</b>						
	<b>Government Grant:</b>						
2a	RSG	(3,034)	(2,367)	(1,660)	(1,200)	(777)	(387)
2b	Business Rates	(2,205)	(2,137)	(2,263)	(2,331)	(2,401)	(2,473)
	<b>Total Government Grant</b>	<b>(5,239)</b>	<b>(4,504)</b>	<b>(3,923)</b>	<b>(3,531)</b>	<b>(3,178)</b>	<b>(2,860)</b>
	Council Tax / Coll'n Fund	(50)	(50)	(25)	(25)	(25)	(25)
	Income From Council Tax	(5,778)	(5,879)	(5,909)	(5,938)	(5,967)	(5,997)
	<b>Total Resources</b>	<b>(11,067)</b>	<b>(10,433)</b>	<b>(9,857)</b>	<b>(9,494)</b>	<b>(9,170)</b>	<b>(8,882)</b>
3	<b>Budget (Surplus) / Deficit</b>	<b>1,107</b>	<b>1,587</b>	<b>1,464</b>	<b>1,293</b>	<b>1,054</b>	<b>1,018</b>
4a	<b>Council Tax Grant</b>	<b>(158)</b>	<b>(158)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
5	<b>Budget Frameworks</b>	<b>(949)</b>	<b>(1,329)</b>	<b>(200)</b>	<b>0</b>	<b>0</b>	<b>0</b>
6	<b>Savings - To be secured</b>	<b>0</b>	<b>(100)</b>	<b>(1,264)</b>	<b>(1,293)</b>	<b>(1,054)</b>	<b>(1,018)</b>
7	<b>Budget (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL FUND WORKING BALANCE</b>							
		2013/14 £000	2014/15 £000	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000
8	<b>Estimated Opening Balance</b>	<b>(1,415)</b>	<b>(1,480)</b>	<b>(1,570)</b>	<b>(1,635)</b>	<b>(1,635)</b>	<b>(1,635)</b>
4b	Council Tax Grant 13/14	(65)	(65)	0	0	0	0
4c	Council Tax Grant 14/15	0	(65)	(65)	0	0	0
4d	'One-off' Town Centre Initiatives	0	40	0	0	0	0
9	<b>Estimated Closing Balance</b>	<b>(1,480)</b>	<b>(1,570)</b>	<b>(1,635)</b>	<b>(1,635)</b>	<b>(1,635)</b>	<b>(1,635)</b>

### Notes to Medium Term Financial Forecast

- 1 **Net Council Budget** – This represents the net expenditure prior to the Budget Framework savings.
- 2 **Forecast Resources** – These are the Council's main funding streams (excluding fees and charges which are incorporated into Line 1). This illustrates the significant reduction in Central Government funding. To enable the total resources required to balance the budget to be

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identified, no assumptions have been made regarding future council tax increases. The small increase in revenue each year reflects anticipated housing growth in the borough.

The following assumptions have been made about future levels of government grant, these assumptions will continue to be reviewed as part of the budget process.

2015/16	(15.8%)
2016/17	(10.0%)
2017/18	(10.0%)
2018/19	(10.0%)

- 3 Budget (Surplus) / Deficit** – This illustrates the gap between the budget and the total resources available before identifying budget framework savings.
- 4a Council Tax Grant** – This is a grant the Council receives from central government for four years in return for freezing Council Tax in 2011/12. This is equivalent to the cash that would have been received if a 2.5% increase had been levied.
- 4b Council Tax Grant 2013/14** – This is a grant the Council receives from central government for two years in return for freezing Council Tax in 2013/14. This is equivalent to the cash that would have been received if a 1% increase had been levied. A Council Tax Freeze has ongoing implications as an increase in Council Tax generates income year on year.
- 4c Council Tax Grant 2014/15** - This is a grant the Council receives from central government for two years in return for freezing Council Tax in 2014/15.
- 4d Town Centre Initiatives** – This relates to one off parking incentives and / or other town centre related items. Due to the one off nature this is being funded from the General Fund working balance rather than forming part of the base budget.
- 5 Budget Frameworks** – This identifies the total savings required.
- 6 Savings to be secured** – This identifies the total resources required to balance the budget in future years after 2014/15.



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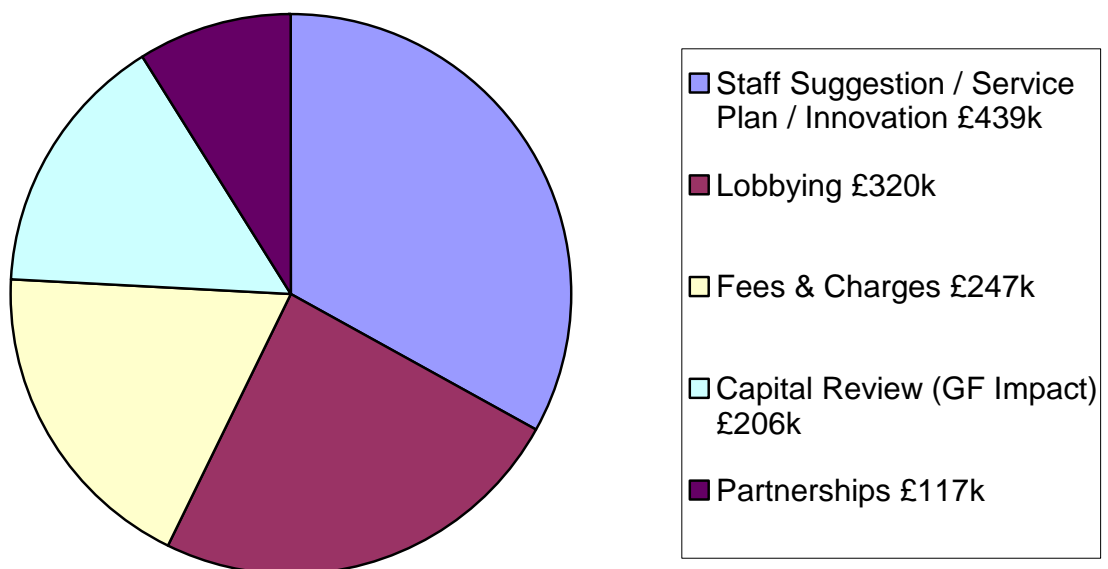
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### GENERAL FUND 2014/15

5.27 From the recent budget process, Members will recall that additional ongoing savings of £1,429,000 are required for 2014/15.

5.28 By reference to Table 4, it can be seen from line 5 that the Council has identified ongoing budget savings of £1,329,000 and further in year savings of £100,000 are required. As previously reported to the Executive Committee, the budget delivery framework has continued to be used in order to identify where the £1,329,000 will be delivered from. The identified savings of £1,329,000 are summarised in Chart 2 below:

**Chart 2 - Identified Framework Savings 2014/15**



5.29 Overall (when compared to many local authorities), the projected outturn for the General Fund continues to look encouraging for the following reasons;

- ◆ The guiding principles, modelling for recovery principles and the budget containment strategy are being adhered to by the Executive;
- ◆ The budget delivery framework has successfully engaged staff at all levels;
- ◆ Additional flexibility and resources have been secured to help pump prime delivery of future years' savings and protect against possible future burdens.

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5.30 Whilst the savings made give confidence that the Council remains “ahead of the curve” in delivering the Medium Term Financial Strategy. Members have previously been advised about the significant changes to local government funding and the risk transfer from central government to local government. Such risks include:

- ◆ Business Rates Volatility (Government Grant Levels)
- ◆ Council Tax Benefits Volatility
- ◆ Spending Pressures

### **GENERAL FUND – 2015/16**

- 5.31 As well as monitoring framework savings identified for 2014/15 work continues on identifying savings for the following year – 2015/16. Members are reminded of the current Medium Term Financial Forecast which required an additional £1,464,000 of savings to balance the budget in 2015/16. Savings of £200,000 had previously been identified (as reported to the June Executive). A further £1,264,000 is required in order to deliver a balanced budget for 2015/16.
- 5.32 As detailed earlier in this report, the Council has received additional grant resulting from Business Rate Growth. The budget for 2015/16 should include an element of growth from the Business Rates Retention Scheme the exact amount will be reported as part of a future durable budget report and will follow a review of the 2014/15 accounting treatment to ensure a sustainable amount is included in the budget for future years.
- 5.33 During the budget process, members were informed of a number of ‘big ticket’ items. These are typically items of large value that could have a disproportionate impact on the Council's budget if they moved in an adverse fashion. Consequently these are monitored very closely and members and officers may occasionally try to influence (through lobbying) any changes that may take place especially when such changes are triggered through changes in national policy. These items are included in the Councils Swing – o – meter as detailed at Appendix C.

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### HOUSING REVENUE ACCOUNT 2014/15 – CURRENT FINANCIAL YEAR

5.34 A summary of HRA monitoring at 30<sup>th</sup> June is shown in Table 5. The Housing Revenue Account is currently projected to come in on budget.

<b>Table 5 - HRA</b>	<b>Current Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>
	£'000	£'000	£'000
Gross Expenditure	15,533	15,433	(100)
Gross Income	(15,533)	(15,433)	100
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

### CAPITAL 2014/15 – CURRENT FINANCIAL YEAR

5.35 A summary of the projected Capital Programme outturn monitoring statement as at 30<sup>th</sup> June 2014 is shown in Table 6. The brought forward column is subject to Executive Approval.

<b>Table 6 - Capital</b>	<b>Current Budget</b>	<b>Brought Forward</b>	<b>Amended Budget</b>	<b>Projected Outturn</b>	<b>Variance</b>
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
HRA Schemes	3,624	491	4,115	4,115	0
General Fund Schemes	1,890	551	2,441	2,441	0
	5,514	1,042	6,556	6,556	0
<b>Financing</b>					
Government Grants	3,424	0	3,424	3,424	0
Prudential Borrowing	1,859	551	2,410	2,410	0
Revenue Contribution	40	491	531	531	0
Capital Receipts	191	0	191	191	0
	5,514	1,042	6,556	6,556	0
<b>Net Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

5.36 The capital programme is currently projected to be 'on' budget.

## **6 CONSULTATION AND CUSTOMER IMPACT**

6.1 None as a direct consequence of this report.

## **7 POLICY IMPLICATIONS**

7.1 Please refer to section 4.6 of the report.

## BOROUGH OF KETTERING

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### **8 USE OF RESOURCES**

8.1 As detailed throughout this report.

### **9. RECOMMENDATIONS**

That the Executive Committee;

- 9.1 Endorses the 'prioritisation golden rules' contained in section 4.6 of this report;
- 9.2 Approves the Capital Programme carry forwards from 2013/14 (as detailed in Appendix A);
- 9.3 Notes the following;
  - a. the success the Council has achieved in partnership working;
  - b. the Council's Medium Term Financial Strategy and associated guiding principles;
  - c. the Council's current Medium Term Financial Forecast and the progress being made for the delivery of efficiency savings for 2014/15 and future years;
  - d. the draft out-turn position for 2013/14 for the General Fund, Housing Revenue Account, Capital Programme and Treasury Management;

#### Background Papers:

Title of Document: Estimate Working Papers  
Contact Officers: M Dickenson

#### Previous Reports/Minutes:

Monthly Durable Budget Reports