

Cabinet – 9 July 2015

Report of the Interim Director of Financial Resources

Electoral Divisions affected: All

Money Matters - The County Council's Financial Position at 31 March 2015

(Appendix 'A' refers)

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Executive Summary

This report provides a summary of the County Council's financial position at the end of 2014/15.

An underspend on the revenue budget of £6.498m on services has been achieved along with a £69.583m surplus relating to an extraordinary financial position in the capital financing budget. This position is a one-off due to investment activity in-year.

The 2014/15 capital spending in the year was £178.015m, which equates to 84% of the approved programme. The remaining balance reflects slippage and has been profiled appropriately into 2015/16.

Although this overall position is favourable, it must be balanced by consideration of the significant pressures facing the Council in 2015/16 and beyond.

Recommendations

The Cabinet is asked to:

- (i) Approve the transfer of the 2014/15 underspend to reserves.
- (ii) Approve that the underspend within Care & Urgent Needs be transferred to the earmarked reserve
- (iii) Approve that the Capital Programme for 2015/16 and onwards be increased by £27.826m to reflect the slippage from 2014/15, as these costs now fall in 2015/16.

Background and Advice

The detailed report at Appendix 'A' presents the County Council's revenue and capital investment end of year position for 2014/15.

Overall, despite a range of pressures, the County Council's financial strategy has developed further over the course of the year in preparation for the challenging times ahead. The report includes the Interim Director of Financial Resources conclusion on the County Council's financial standing at the end of the year.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

The County Council's overall approach to managing financial risks continues to be to identify and acknowledge risks early and build their impact into financial plans while continuing to develop strategies which will minimise their impact. This approach operates in parallel with the identification and setting aside of sufficient resources to manage the financial impact of the change risks facing the organisation.

List of Background Papers

Paper	Date	Contact/Tel
Year End working papers	May 2015	Abigail Leech (01772 530808)

Reason for inclusion in Part II, if appropriate

N/A