**Cabinet - 6 November 2014**

**Report of the County Treasurer**

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| Electoral Division affected:All |

**Money Matters - Update on the County Council's Financial Position for 2014/15**

(Appendix 'A' refers)

Contact for further information:

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| Executive SummaryIn order to maintain overall strategic control of the County Council’s finances, the Cabinet receives regular Money Matters reports. The purpose of these is to:* Highlight the high risk financial issues facing the County Council, both in the current and future financial years, together with any action which may be required;
* Set out the Council's likely financial position at the end of the financial year and;
* Assess any impact on the Council's overall financial outlook.

The report set out at Appendix 'A' is the budget monitoring report for 2014/15, and reflects the position as at 30 September 2014.The key headlines of this are:* An underspend of £4.2m is forecast on services (0.6% of the revenue budget for spending on services). Given the level of financial risk facing the County Council, it is imperative that management action is taken to bring spending back into line with the overall revenue budget by the end of the year.
* A significant contribution to the forecast outturn is being made by one off gains within the capital financing budget totalling £7m.
* The capital investment programme is on track to deliver 84.4% of spending in 2014/15.
* The County Fund Balance is forecast to remain at £36m, as reported at the last meeting of the Cabinet.

RecommendationCabinet is asked to:1. Note the forecast position for the 2014/15 revenue budget and capital investment programme;
2. Note the allocation of resources to support the Transformation Programme within the Downsizing Reserve agreed by the Chief Executive.
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**Background and Advice**

See Appendix 'A'.

**Consultations**

N/A

**Implications**:

This item has the following implications, as indicated:

**Risk management**

The County Council's overall approach to risk management continues to be to manage exposure to risk by the most appropriate means. This report is part of the risk management framework designed to manage future risks.

##### List of Background Papers

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| Paper | Date | Contact/Directorate/Tel |
| Report to Cabinet - 'Money Matters - Update on the Financial Outlook to 2017/18' | 15 July 2014 | Gill Kilpatrick, County Treasurer's Directorate (01772) 538107 |
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| Reason for inclusion in Part II, if appropriateN/A |