

# Cherwell District Council

21st July 2014

<p><b>General Fund and Capital Programme Provisional Outturn 2013-14 Carry Forward and Capital Slippage</b></p>
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## **Report of the Director of Resources and Interim Head of Finance and Procurement**

This report is public

### **Purpose of report**

To approve the 2013-14 revenue budget carry forwards and capital slippage requests in line with the Council's Financial Procedure Rules.

### **1.0 Recommendations**

- 1.1 That the items that are shaded in **Appendix 1** which are revenue budgets recommended by Executive for carry forward be approved under financial procedure rule 2.4.6 (b).
- 1.2 That the capital slippage items detailed in **Appendix 2** recommended by Executive be approved for carry forward to the 2014-15 capital programme under financial procedure rule 2.4.6 (b).
- 1.3 To approve the recommendation from Accounts, Audit and Risk Committee that paragraph 2.4.6 of the Financial Procedure Rules is amended to require the approval of Accounts, Audit and Risk Committee to relevant carry forward requests rather than Full Council.

### **2.0 Introduction**

- 2.1 A report summarising the Council's provisional Revenue and Capital performance for the financial year 2013-14 was presented to Executive on 23<sup>rd</sup> June 2014 (the full report including appendices is available on the council website). The majority of the decisions required in the report are within the power of Executive. However, the Council's Financial Procedure Rules (paragraph 2.4.6) state that Full Council approval is required where the underspend exceeds 10% of the individual budget heading (where this amounts to £10,000 or more) or £50,000, whichever is less.
- 2.2 The Director of Resources, in his role as Chief Financial Officer, has to endorse the 2013-14 Statement of Accounts before 30 June 2014 in order to meet audit

requirements. This date was before Full Council has formally approved the carry forwards and slippage requests.

- 2.3 If Full Council require any changes, then these will be discussed and agreed with the external auditor in July. These changes can then be incorporated into the Statement of Accounts that are presented to Accounts, Audit and Risk Committee on 17 September 2014. This will enable Ernst Young to give their audit opinion before the statutory deadline of 30 September.
- 2.4 In order to facilitate a complete accounts approval process prior to the end of June, in future years, the Accounts, Audit and Risk Committee has requested to recommend to Full Council that paragraph 2.4.6 of the Financial Procedure Rules is amended to require the approval of the Accounts, Audit and Risk Committee to relevant carry forward requests rather than Full Council.

### **3.0 Report Details**

- 3.1 The outturn position figures are still subject to further validation work but will form the basis of the 2013-14 financial statements. Any further changes will ensure compliance with statutory requirements and proper accounting practices.

#### **Revenue Budget Carry Forward**

- 3.2 Full Council approval is required where the underspend exceeds 10% of the individual budget heading (where this amounts to £10,000 or more) or £50,000, whichever is less. These requests are listed in **Appendix 1**.

#### **Capital Programme Slippage**

- 3.3 As a result of the year-end review, further slippage is also requested and detailed in **Appendix 2** again for which Full Council approval is required.
- 3.4 Slippage has been high this year due to the many external factors that have inhibited planned progress being made on a variety of the approved capital schemes.
- 3.5 There are several projects in Bicester requesting slippage and the two biggest are: South West Bicester sports village (£1.5m) and Bicester Community building (£3m).

### **4.0 Conclusion and Reasons for Recommendations**

- 4.1 To comply with the Council's Financial Procedure Rules (paragraph 2.4.6).
- 4.2 To approve a revision to the Council's capital programme necessitated by slippage in various capital schemes.

### **5.0 Consultation**

Cllr Ken Atack – Lead  
Member for Financial  
Management

Cllr Atack is content with the report and supportive of  
the recommendations contained within it.

## **6.0 Alternative Options and Reasons for Rejection**

- 6.1 This report highlights the revenue carry forward requests and capital slippage that required Full Council approval.  
The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To reject the current proposals and to make alternative recommendations or ask officers for further information. This has been rejected because provisional outturn position has already been approved by Executive at its meeting on 23 June.

## **7.0 Implications**

### **Financial and Resource Implications**

- 7.1 There are no financial implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

### **Legal Implications**

- 7.2 There are no legal implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Kevin Lane, Head of Law and Governance  
0300 0030107 [kevin.lane@cherwellsouthnorthants.gov.uk](mailto:kevin.lane@cherwellsouthnorthants.gov.uk)

### **Risk management**

- 7.3 There are no risk implications arising directly from this report as the budget carry forwards and capital slippage requests have been included in the provisional outturn position.

Comments checked by: Nicola Jackson, Corporate Finance Manager  
01295 221731 [nicola.jackson@cherwellandsouthnorthants.gov.uk](mailto:nicola.jackson@cherwellandsouthnorthants.gov.uk)

## **8.0 Decision Information**

### **Wards Affected**

All

### **Links to Corporate Plan and Policy Framework**

All

## Lead Councillor

Councillor Ken Attack – Lead Member for Financial Management

## Document Information

Appendix No	Title
1	Budget carry forward requests
2	Capital slippage
Background Papers	
None	
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