Agenda item:

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economic Development and Rural Affairs
Date of Decision:	27 February 2013
Decision Title:	Budget Monitoring - 2012/13 Quarter 3
Decision Reference:	4751
Report From:	Director of Corporate Resources – Corporate Services and Director of Economy, Transport and Environment

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1. Forecast Position

1.1. This report outlines the budget monitoring position as at the end of quarter 3 (31 December 2012).

1.2. The projected outturn for 2012/13 is a net planned saving of £100,000 (9.8%). The forecast variance by each service stream is as follows.

	Current budget £000	Forecast outturn £000	Forecast variance £000	%
Economic Development	845	745	(100)	(11.8)
Rural Affairs	167	167	0	0.0
Total	**1,012**	**912**	**(100)**	**(9.9)**

1.3. The Economic Development service is undergoing a period of major review and restructuring extending into 2013/14. A sum of £497,000 carried forward from 2011/12 is held in the cost of change reserve to support the implementation and it is still envisaged at this stage that this funding will not be required until 2013/14 and 2014/15.

1.4. The saving in the current year results from a combination of staff and project cost savings as the service moves to the new arrangements. A series of spending approvals from the Executive Member for Economic Development and Rural Affairs to

support the development of a new and more strategic approach was agreed in November and work in these areas is underway.

1.5. Rural Affairs funding is an annual sum of £200,000 supplemented in 2012/13 by a carry forward from 2011/12 of £62,000. Funding can be allocated either to other parts of the County Council or to external bodies. Where funding is allocated to projects managed by other parts of the County Council a cash limit adjustment is made in-year reducing the Rural Affairs budget and increasing the corresponding service department budget. These changes are one-off and do not impact on the underlying level of the budget. To the end of quarter 3 these internal adjustments total £95,000 leaving a cash limit in Rural Affairs of £167,000. Overall commitments have been agreed totalling £251,000 leaving a balance of £11,000 and the table below summarises the position. The forecast assumes the balance currently remaining will be allocated in full.

Rural Affairs fund 2012/13		
	£000	£000
2012/13 fund		200
C/fwd from 2011/12		62
Total funds 2012/13		**262**
Allocations to projects		
Rural Affairs	(30)	
Other HCC	(95)	
External bodies	(16)	
Lead to be confirmed	(110)	
Total allocations		(251)
Balance remaining		11

1.6. There are no key corporate risks to report.

2. Efficiency Savings

2.1. The Economic Development budget forms part of the Economy, Transport and Environment Department's cash limit and the budget was included in the calculation of the 2012/13 8% savings target for the Department. The Department took a strategic approach in drawing up the more detailed savings plan and in view of the major changes within Economic Development did not require the service to contribute to the target in 2012/13. The Department's savings proposals were approved by the Executive Member in January 2012.

3. Recommendation

3.1. That the forecast position at the end of 2012/13 Quarter three be noted.

Rpt/4751/RF

CORPORATE OR LEGAL INFORMATION:

Links to the Corporate Strategy

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document	Location
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at http://www3.hants.gov.uk/equality/equality-impact-assessments/cx-pu-eqimpact-envi.htm

It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2 Impact on Crime and Disorder:

2.1 As this is a general report covering the monitoring of the budget, performance and workforce for the department, it cannot set out detailed crime and disorder implications. However, crime and disorder implications of specific departmental issues would be reflected in individual service plans and project reports where appropriate.

3 Climate Change:

(a) How does what is being proposed impact on our carbon footprint / energy consumption?

(b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As this is a general report covering the monitoring of the budget, performance and workforce for the department, it cannot set out detailed climate change implications. However, climate change implications of specific departmental issues would be reflected in individual service plans and project reports where appropriate.