



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	9 FEBRUARY 2012
REPORT OF THE:	CORPORATE DIRECTOR (s151) PAUL CRESSWELL
TITLE OF REPORT:	REVENUE BUDGET MONITORING
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

1.1 To present to members a revenue budget monitoring report for 2011/12.

2.0 RECOMMENDATION

2.1 It is recommended that members note the content of the report.

3.0 REASON FOR RECOMMENDATION

3.1 To ensure members are kept regularly informed of the Council's financial position (in year).

4.0 SIGNIFICANT RISKS

4.1 There are no significant risks in receiving this report.

5.0 POLICY CONTEXT AND CONSULTATION

5.1 This report is in line with existing policies. No further consultation has taken place on the content of this report.

REPORT

6.0 REPORT DETAILS

6.1 Members regularly receive in year monitoring of the Council's financial position. This is important as part of the budget monitoring process and also allows members to be aware of potential issues in setting subsequent budgets. This report provides an in year position as at the 31 December 2011.

- 6.2 Attached at Annex A is a summary of the significant variances within the Council's revenue accounts in the current year, 2011/2012. This report is predominately derived from the information contained within the EMIS reports plus additional significant budgets within the Authority. EMIS reports are considered at each Resources Working Party meeting.
- 6.3 Members will see that there is a projected deficit for the Cost of Services of £251.7k for the full year. This adverse variance is due to a number of key factors which are shown in detail in Annex A and referred to in para.6.4. However, when taking into consideration government grants that were allocated subsequent to the approval of the budget i.e. Council Tax Freeze Grant and New Home Bonus scheme, the overall effect is a forecasted surplus for the total Revenue Budget of £56.8k for the year. The overall impact on the closing balances of the Council's Reserves is shown in Annex A lines 27 to 31. The balance of unapplied New Homes Bonus grant transferred to the Grants Reserve will be allocated in future years.
- 6.4 The following are additional comments on the Annex:
- (i) Salary savings, in excess of the £58k target, are being achieved largely due to vacant posts and the none requirement of the 2011/12 pay award provision;
 - (ii) The further rollout of the Going for Gold efficiency programme will involve one-off costs in the current year for voluntary redundancies and the strain on the pension fund. These costs are covered by a provision in the budget and a drawdown from the Restructure Reserve.
 - (iii) There continues to be a significant shortfall on the income budgets for Development Management fees and Car Park charges, although the impact of this downturn will be reduced following the implementation by Streetscene of the new recyclates and garden waste contracts. Some realignment of income estimates has been included in the 2012/2013 budget;
 - (iv) Additional contributions are required from the partner councils to meet an estimated deficit for the Building Control Partnership following a significant reduction in the level of chargeable income and the incurring of necessary costs associated with a required restructure;
 - (v) Members have been previously informed of the budget pressures on transport costs and external audit fees.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
There are no financial implications arising out of this report.
 - b) Legal
There are no new legal issues arising out of this report.
 - c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
There are no significant issues arising out of this report.

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Background Papers:

None.

Background Papers are available for inspection at:

None.