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<b>PART A:</b>	<b>MATTERS DEALT WITH UNDER DELEGATED POWERS</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>5 DECEMBER 2013</b>
<b>REPORT OF THE:</b>	<b>CORPORATE DIRECTOR (s151) PAUL CRESSWELL</b>
<b>TITLE OF REPORT:</b>	<b>REVENUE BUDGET MONITORING</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 To present to members a revenue budget monitoring report for 2013/14.

### **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 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 30 September 2013.

6.2 Attached at Annex A is a summary of the significant variances within the Council's

revenue accounts in the current year, 2013/14. 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 Revenue Budget of £108.5k for the full year, of which £90k has previously been approved as additional spend by Council. The 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. The overall impact on the closing balances of the Council's Reserves is shown in Annex A lines 20 to 26.
- 6.4 The following are additional comments on the Annex:
- (i) Expenditure on salaries is forecast to be £60k over budget. The council is experiencing a low turnover of posts and as a result is not achieving budgeted savings from the 3 month moratoria on the filling of vacant posts;
  - (ii) Slippage on capital schemes has delayed the need to drawdown any of the £2.070m of borrowing required to finance the current 4 year capital programme. As a result the £90k revenue budget provision for repayment of interest on long term and short term borrowing will not be required in the current financial year;
  - (iii) On 7<sup>th</sup> March 2013 Council approved an allocation of up to £60k, to undertake the procurement of the leisure services contract, to be financed from the Operational Reserve. The forecast level of expenditure in the current financial year is £40k, with the remainder rolling into 2014/15;
  - (iv) On 5<sup>th</sup> September 2013 Council approved the implementation of a new £50k Community Grant Scheme, to be financed from the General Reserve in the current financial year only;
  - (v) As previously reported to Members, income from the Recycling contract is underachieving in year. This is due to reduced volumes of recyclates and reduced prices in the recycling market. The forecast reduction in income is £48k.
  - (vi) Investment Income is down but this has no impact on the revenue budget with this income being applied to the capital programme.

## 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.