

BUDGETARY CONTROL REVENUE
(Report by the Head of Financial Services)

1. 2003/04 Budget – First Quarter

1.1 Expenditure and income in the first quarter have been reviewed in relation to the annual budget. At this stage in the year it is difficult to quantify all trends with any certainty.

1.2 The main variations are:

| | £000 |
|---|-------------|
| Anticipated shortfall on investments | +100 |
| Despite gains in the first quarter Fund Managers are forecasting a lower than budgeted return for the year | |
| Cancellation of NNDR relief on Leisure Centres | +70 |
| Effect of change made in 2002/03 following audit guidance. | |
| Income Variations | |
| Development Control and Building Control | -50 |
| Net of additional costs associated with the applications | |
| Car Parking | -40 |
| Planning Delivery Grant | -50 |
| Net of costs required to develop the service and qualify for grant (Cabinet 17 th April) | |
| Refuse Collection | +55 |
| Work is in hand to identify how this figure might be reduced. | |
| Septic tank Emptying | +45 |
| A report on options for reducing this extra cost will be presented to Cabinet later in the year. | |
| Housing Benefits | +50 |
| Growth in demand and changes in delivery requirements | |
| Supporting people | +20 |
| Contribution to County scheme (Cabinet decision 13 th March) | |
| Inflation | 0 |
| Cost of the pay award above the budget provision (£100k) is met by lower inflation in other areas (e.g. reduced licence costs for HGV vehicles) and by marginal overprovision for general inflation | |
| Estimated Overspending | 200 |

1.3 The variations listed above do not include:

- expenditure deferred from 2002/03, likely to total in excess of £150k, nor that advanced from 2004/05 in respect of risk management (Cabinet 26th June) as these are matched by the re-phasing of existing approved budgets.

- Variations in the technical commutation adjustment, the amount of capital reserves that can be transferred to revenue, following ODPM guidance.
- The contingency provision for urgent and or unavoidable additional spending. Although no items have yet been approved it is obviously impossible to forecast exactly how much will be required before the year end.

2. RECOMMENDATION

- 2.1 It is recommended that the Cabinet note the likely spending variations.

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Source Documents:

1. Cabinet and Council Reports
2. Budgetary control files.

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