

REVENUE OUTTURN 2003/04
(Report by the Head of Financial Services)

1 INTRODUCTION

- 1.1 The 2003/04 accounts have now been finalised and this report compares the outturn with the forecast outturn reported to Council in February which was largely based on information available in December.

2 GENERAL FUND

- 2.1 Annex A compares the net expenditure incurred by the Council with the original budget and the forecast outturn prepared when the 2004/05 budget was approved. The original budget was based on revenue reserves being reduced by £1.8m. The forecast anticipated this would increase to £3.0m but the outturn results in a reduction of £0.6m to £1.2m as summarised in the table below.

	Original Budget	Forecast	Actual	Variations	
				Forecast to Actual	Origin al to Actual
	£000	£000	£000	£000	£000
Income	-12,483	-12,412	-		
			12,783		
Expenditure	28,960	30,063	28,856		
Recharge to Capital	-648	-648	-863		
Total Net Expenditure	15,829	17,003	15,210	+1,174	-619
Contribution to(+) from(-) Reserves	-1,788	-2,962	-1,169	-1,174	+619
Budget Requirement	14,041	14,041	14,041	0	0
Funded by Council Tax and Government Support					

- 2.2 Annex A shows the main reasons for the variations. The main items identified when the forecast was prepared are the cost of Pathfinder House urgent repairs (£533k), an adjustment to the commutation transfer (£234k) and a reduction in interest receipts (£241k).
- 2.3 The variations since that time highlight the fact that a number of schemes have not made as rapid progress as expected. In some cases where the scheme is continuing it results in savings (e.g. green box scheme) while where it is a one-off item the funding is simply deferred to the current year (e.g. Pathfinder House repairs £597).
- 2.4 In total, the value of the deferred schemes amounts to £961k. If they had all been carried out in 2003/04 there would have been an overspending of £342k which represents that part of the cost of Pathfinder House repairs that could not be met from other savings.
- 2.5 The General Fund Summary by service attached at Annex B includes capital charges and pension liability for each service but any variations due to these have little overall

impact on spending because there is a compensating adjustment in the "Other Expenditure" section at the bottom of the page.

3 DETERMINATIONS

3.1 Under powers delegated to the Director of Commerce & Technology the following formal determinations have been made and they are reported for information. Most of these no longer have much relevance as the Council is debt free but they are still required.

- The amount set aside from revenue as provision for credit liabilities (methods of deferred payment for assets) is nil because we have no such liabilities.
- The Authority's negative credit ceiling has been increased by £0.7m to -£2.9m by virtue of financing capital expenditure (mainly specific categories of investments) using reserved capital receipts. External long-term debt repayments are nil because the Council obviously has no such debt.
- The balance of usable capital receipts held at 31 March 2004 stands at £33m after applying £17m to meet capital spending in 2003/04. Receipts during the year totalled £19m (mainly the sale of specific categories of investments and contribution from HHP sales) of which £3m were required to be set-aside.
- Nil credit approval was used in 2003/04 as authorisation to capitalise expenditure. £3m was temporarily transferred to another local authority, for financial management purposes, and it will be returned in the current year.
- Expenditure capitalised in 2003/04 includes £1.5m due to be reimbursed by external bodies.

4. RECOMMENDATION

4.1 The Cabinet is requested to:

- (a) Note the variations and that expenditure in excess of the underspending has been carried forward to the current year to enable schemes to be completed.
- (b) Note the action taken by the Director of Commerce and Technology under delegated powers as described in paragraph 3.

BACKGROUND INFORMATION

- 1 2003/04 Budget File
- 2 2003/04 Closedown File

**Contact Officer: Graham Dolan, Accountancy Manager,
☎ (01480) 388106**

Outturn Variations 2003/04	Income	Expenditure	Recharge to Capital	Net	Variation
	£000	£000	£000	£000	£000
Original Budget February 2003	-12,483	28,960	-648	15,829	
Forecast variations February 2004					
Pathfinder house urgent repairs		533		533	
NNDR		84		84	
Benefits	55			55	
Leisure Centres	59	42		101	
Commutation transfer		234		234	
Interest	241			241	
Development control	-115	53		-62	
Refuse/recycling	-125	142		17	
Other	-44	15		-29	
	-12,412	30,063	-648	17,003	+1,174
Further variations					
Deferrals and delayed starts					
Green box scheme		-100		-100	
Pathfinder house		-597		-597	
Concessionary fares survey		-15		-15	
District elections work deferred		-34		-34	
Council Tax consultation deferred		-20		-20	
Financial management system improvement		-29		-29	
Contaminated land		-20		-20	
Young peoples project		-21		-21	
Local Plan		-118		-118	
Town centre vision		-20		-20	
Tourism		-10		-10	
Risk management		-9		-9	
Other deferrals		-47		-47	
Staff recharged to capital					
Engineers and architects			-104	-104	
IMD			-111	-111	
Other					
Land charges income	-57			-57	
Recycling credits increased	-27			-27	
Development Control income	-54			-54	
Environmental Health income	-55			-55	
Car Parks NNDR backdated increase		101		101	
Recruitment & retention scheme		-48		-48	
Risk management consultants		-20		-20	
Council Tax benefits		-69		-69	
Housing Services		-41		-41	
Private Housing Support	-47			-47	
Homelessness	-35	5		-30	
Housing Benefits - fraud savings etc	-52	-13		-65	
Local Taxation & Benefits		-49		-49	
Other	-44	-33		-77	
Final Accounts Position	-12,783	28,856	-863	15,210	-619
Adding items carried forward to 2004/05					
Pathfinder House Urgent Repairs		597			
Local Plan		118			
Town Centre Vision		20			
Environmental Health		25			
Young Peoples Project		22			
Leisure Services Unders		20			
Green Waste		32			
Council Tax Consultations		20			
Financial management system development		29			
Other		78		961	
would give the following result				16,171	+342

General Fund Outturn 2003/04			
	Original Budget	Forecast	Actual
	£000	£000	£000
<i>Environmental Services</i>			
Refuse Collection	1,974	1,798	1,765
Recycling	882	1,135	969
Street Cleansing	1,240	1,165	1,164
Drainage & Sewage	410	512	470
Public Conveniences	355	307	311
Environmental Health	1,606	1,514	1,423
	6,467	6,431	6,102
<i>Planning and Development</i>			
Development Control	848	1,030	994
Building Control	185	195	160
Planning Policy & Conservation	1,027	1,015	898
Planning Delivery grant	0	-142	-142
Markets	-72	-33	-45
Economic Development	590	465	338
	2,578	2,530	2,203
<i>Community Services</i>			
Leisure Policy & Development	353	342	315
Parks & Open Spaces	1,282	1,276	1,251
Countryside	442	476	473
Leisure Events & Facilities	239	318	261
Leisure Centres	2,166	2,394	2,535
Community Initiatives	460	619	621
Tourism	359	369	356
	5,301	5,794	5,812
<i>Housing</i>			
Housing Services and support	1,432	1,752	1,610
Homelessness	380	450	394
Housing Benefits	1,291	1,534	1,444
	3,103	3,736	3,448
<i>Community Safety</i>			
CCTV	702	678	637
Other Community Safety	83	271	291
	785	949	928
<i>Highways & Transportation</i>			
Transportation	219	348	276
Public Transport Support	319	355	327
Highway Services	233	251	256
Car Parks	-62	-72	-51
Environmental Improvements	387	417	516
	1,096	1,299	1,324
<i>Central Services</i>			
Administrative Services	238	294	131
Local Taxation	994	981	862
Corporate Management	2,029	2,118	2,401
Democratic Representation	965	962	898
	4,226	4,355	4,292
<i>Other Expenditure</i>			
Investment Income	-3,082	-2,841	-2842
Contingency	739	0	0
Commutation Transfer	-776	-542	-542
Other	-4,608	-4,708	-5,515
	-7,727	-8,091	-8,899
<i>Service Total</i>			
	15,829	17,003	15,210
Contribution to Balances	-1,788	-2,962	-1,169
<i>Budget Requirement</i>	14,041	14,041	14,041