

**FINANCIAL MONITORING – REVENUE BUDGET
(Report by the Head of Financial Services)**

1. 2005/06 Budget – As at October 2005

1.1 Expenditure and income to date have been reviewed for the period to October and the impact of this on this year's budget has been assessed. The likely outturn for the year cannot be predicted with any certainty at this stage but the forecast reduction, after known items were brought forward from 2004/05, is in the region of £600k including £59k that will need to be deferred to the following year.

1.2 The main variations are:

	Income	Expenditure	Recharge to capital	Net Expenditure
	£000	£000	£000	£000
Original Budget	-37,654	55,681	-654	17,373
Unspent budget brought forward from 2004/05		272		272
	-37,654	55,953	-654	17,645
Less reimbursed expenditure	23,321	-23,321		0
	-14,333	32,632	-654	17,645
Variations				
Deferred expenditure	-2	-57		
Pay award 2005		+55		
Additional Interest due to capital scheme delays	-506			
Licence income	-14			
Land Charges income reduced	+166			
Benefits caseload	-32			
Environmental Health MTP variation		-82		
Highways agency termination	430	-475		
Civil Contingencies act – supplementary estimate		+23		
Capping rebilling – supplementary estimate		+60		
Refuse collection reduced expenditure		-61		
Office furniture embargo		-100		
Other		-6		
Total variations	+42	-643		-601
	+0.3%	-2.0%		
Forecast net spending				17,044

- 1.3** The £600k underspending forecast includes two categories of item:
- One-off reductions (delays in on-going programmes or particular circumstances in the current year that will not continue) This is the major part of the savings.
 - Potential permanent budget reductions including variations to MTP schemes.
- 1.4** An efficiency savings review with a target of 3% is currently underway and the results will be incorporated into the review of the MTP.

2. RECOMMENDATION

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

ACCESS TO INFORMATION ACT 1985

Source Documents:

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

Contact Officers: *Graham Dolan, Accountancy Manager* (01480 388106)
Steve Couper, Head of Financial Services (01480 388103)