

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

1. 2006/07 Budget – As at September 2006

- 1.1 The Cabinet received a report on the latest position of the 2006/07 revenue budget at its meeting on 20th July 2006. When Cabinet met on 7th September 2006 the Director of Finance gave a presentation that highlighted changes to the revenue budget as at August 2006. The Cabinet report of 7th September 2006 on the financial strategy, identified variations to the budget in addition to the savings list.
- 1.2 This report brings these items together and updates the latest position on the forecast outturn on the revenue budget. These variations are in addition to the savings that were reported to Cabinet on 7th September 2006.
- 1.3 The main variations are shown in the table in Annex A.
- 1.4 Although the forecast outturn shows a saving of £571k on the original budget, it should be noted that £255k is a technical adjustment for planning delivery grant for previous years.

2 Budget Monitoring

- 2.1 In the report to Cabinet on 20th July 2006 there were recommendations as to how the budget monitoring process could be improved. It should be noted that all the Directors have met with their Heads of Service to review the outturn for 2005/6 and the spending to date and forecast expenditure in 2006/07. These meetings will continue to be held at least quarterly.

3 Recommendation

- 3.1 It is recommended that the Cabinet note the spending variations.

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Source Documents:

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

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Annex A

	Expenditure	Income	Recharge to capital	Net Expenditure
	£000	£000	£000	£000
Original Budget	59,421	-40,334	-782	18,305
Unspent budget brought forward from 2004/05	139			139
	59,560	-40,334	-782	18,444
Less reimbursed expenditure	23,788	-23,788		0
	35,772	-16,546	-782	18,444
Variations				
Increased recharges to capital			-219	
Sapley Square lost rent		126		
Reduced land charges income		141		
Loss of housing benefit grant		60		
Additional interest		-336		
Additional recycling grant		-69		
Additional car parking income		-49		
Planning delivery grant – prior year receipts		-255		
Planning delivery grant – additional grant		-102		
Increased fuel costs	70			
Increased NNDR costs for HDC properties	46			
Concessionary fares	155			
Additional housing benefits caseload and reduced arrears collection	55			
Turnover savings	-100			
Reduced precepts for Internal Drainage Boards	-23			
Reduction in costs for PFH building alterations	-85			
Implementation of car parking strategy	-58			
Local development framework strategy	-80			
Other variations	94			
Total variations	74	-484	-219	-571
	0.2%	-2.9%		-3.1%
Forecast net spending				17,873