

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

**1. 2007/08 Budget – As at mid October 2008**

- 1.1 Cabinet received a report on the forecast outturn for the 2008/09 revenue budget at its meeting on 17 July 2008 which identified a saving of £203k; this report provides the latest forecast.
- 1.2 It is now expected that there will be a saving of £424k and a total of £300k carried forward (£100k more than forecast) to 2009/10. The main variations are summarised in Annex A and the following paragraph highlights the main changes since July.
- 1.3 The significant variations are:
- An anticipated loss of planning fee income of £75k.
  - Additional investment interest £165k
  - The impact of the new car park charges not being introduced until October (£80k)
  - Additional Housing benefits grant (£80k) part of a general provision for savings included last time.
  - Savings on Leisure Centres (£79k) in excess of the current year's target.
  - An increase in schemes that can be treated as capital creating a revenue saving of £205k.
- 1.4 The forecast includes a provision for £120k of further unspecified savings, based on previous experience that further items do emerge later in the year.

**2. Risks and opportunities**

- 2.1 There is potential for the Council to receive further non-earmarked grant income (e.g. a final adjustment of LABGI for previous years).
- 2.2 The economic situation continues to be very volatile leading to uncertainty on Interest rates and demand for planning applications, land charges and benefits.

**3. Amounts collected and debts written off**

- 3.1 The position as at 30 September 2008 is shown in Annex B

**4 Recommendation**

- 4.1 It is recommended that the Cabinet note the forecast spending variations and the position on debts collected and written off.

**ACCESS TO INFORMATION ACT 1985**

**Source Documents:**

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

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## ANNEX A

	Expenditure £000	Income £000	Recharge to capital £000	Net expenditure £000
<b>Approved budget (Net spending after budgeted timing changes)</b>	<b>68,142</b>	<b>-46,848</b>	<b>-874</b>	<b>20,420</b>
Less benefits reimbursed by Government	-29,085	29,085		0
	39,057	-17,763	-874	20,420
<b>Variations in timing</b>				
Additional schemes brought forward	310			310
Additional schemes carried forward	-100			-100
<b>Timing variations</b>	<b>+210</b>			<b>+210</b>
<b>Spending variations</b>				
<b>Variations reported in July 2008</b>	<b>-133</b>	<b>-70</b>	<b>0</b>	<b>-203</b>
<b>Additional variations</b>				
Recharge to capital			-205	-205
Housing benefits adjustment	-80			-80
Reduction in provision for further savings to £120k	80			80
Planning fees - recession in house building		75		75
Car parking strategy - delayed implementation		80		80
General underspendings on leisure centres	-79			-79
Extra cost of diesel	22			22
Review of land charges income		-30		-30
Review of investment interest		-165		-165
Public conveniences cleaning contract	-32			-32
Recycling - reduced income from glass		29		29
Recycling credits		-22		-22
Markets - consultancy costs and reduced income	10	13		23
Car Parks staff costs and reduced excess charge income	20	20		40
VAT partial exemption	25			25
Refuse collection vehicle repair	-26			-26
Transportation community grants	-30			-30
Pensions transitional relief	36			36
Street cleaning hired staff	15			15
Industrial and other properties NNDR	24			24
Customer Service Centre increased costs previously reported, found from virement	-28			-28
Other variations	27			27
	-16	0	-205	-221
<b>Total Spending Variations</b>	<b>-149</b>	<b>-70</b>	<b>-205</b>	<b>-424</b>
<b>Total Timing and Spending variations</b>	<b>+61</b>	<b>-70</b>	<b>-205</b>	<b>-214</b>
% variation	+0.2%	-0.4%	+23.5%	-1.0%
<b>Forecast net spending in year</b>	<b>39,118</b>	<b>-17,833</b>	<b>-1,079</b>	<b>20,206</b>

	Original budget £000	Forecast outturn £000
<b>Forecast Net Spending</b>	<b>20,420</b>	<b>20,206</b>
<b>Funded from:</b>		
<b>Government support (RSG &amp; NNDR)</b>	<b>-12,158</b>	<b>-12,158</b>
<b>Collection fund adjustment</b>	<b>28</b>	<b>28</b>
<b>Council tax</b>	<b>-6,668</b>	<b>-6,668</b>
<b>Reserves</b>		
Contribution from delayed projects reserve	-25	-335
Contribution to delayed projects reserve	200	300
General Reserve	-1,797	-1,373
<b>Total Reserves</b>	<b>-1,622</b>	<b>-1,408</b>
<b>Total</b>	<b>20,420</b>	<b>20,206</b>

**CONTINGENCIES INCLUDED IN THE BUDGET**

	<b>Budget</b>	<b>Estimated outturn</b>	<b>Variation</b>	
	£000	£000	£000	
Turnover	-420	-420	0	The estimated outturn is that all of the contingency will be met from staff savings
Additional grants	-250	-250	0	A minimum of £250k expected.
Projects b/f	25	335	310	Actual
Projects c/f	-200	-300	-100	£150k identified to date – likely to be more

## AMOUNTS COLLECTED AND DEBTS WRITTEN OFF

### Collected

The total amount of payments received, less customer refunds and transfers to other debts:

	April to June 2008	July to Sept 2008	Total
	£000	£000	£000
<b>Type of Debt</b>			
Council Tax	21,878	21,598	43,476
NNDR	17,782	15,196	32,978
Sundry Debtors	1,769	2,300	4,069
Excess Charges	36	37	73

### Amounts written off

Whilst the amounts below have been written-off in this financial year, much of the original debt would have been raised in previous financial years.

	Up to £4k			Over £4k			TOTAL
	April to June 2008	July to Sept 2008	Total	April to June 2008	July to Sept 2008	Total	Total
<b>Type of Debt</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Council Tax	52.1	24.6	76.7	0.0	0.0	0.0	76.7
NNDR	12.7	1.4	14.1	12.8	5.3	18.1	32.2
Sundry Debtors	5.6	7.4	13.0	0.0	0.0	0.0	13.0
Excess Charges	4.1	3.2	7.3	0.0	0.0	0.0	7.3

### Authority to write off debts

The Head of Customer Services is authorised to write-off debts of up to £4,000, or more after consultation with the Executive Councillor for Finance, if she is satisfied that the debts are irrecoverable or cannot be recovered without incurring disproportionate costs. The Head of Financial Services deputises in her absence.