

**2009/10 OUTTURN AND  
2010/11 REVENUE BUDGET MONITORING  
(Report by the Head of Financial Services)**

**1 INTRODUCTION**

- 1.1 The 2009/10 accounts have now been approved by the Corporate Governance Panel so that they can be audited. This report compares the outturn with the original budget and highlights the main variations.
- 1.2 It also considers the implications of the outturn and other identified variations on the current year's budget.
- 1.3 Finally it reports the amounts collected and debts written off in the first quarter of 2010/11.

**2 GENERAL FUND OUTTURN 2009/10**

- 2.1 The final outturn was £1,913k below the original budget and included the deferral to the current year of items amounting to £370k (£96k more than forecast). This underspend has been transferred to a Special Reserve, so the budgeted £3,758k will still need to be taken from the general fund reserve.

	<b>Original Budget £000</b>	<b>Outturn £000</b>
Approved budget	23,380	23,380
Delayed spending from 2008/09	250	274
Variations		-1,891
Projects delayed to 2010/11	-250	-370
<b>subtotal</b>	<b>23,380</b>	<b>21,393</b>
Contribution to Special Reserve		1,913
<b>Net spending</b>	<b>23,380</b>	<b>23,306</b>
Government support	-12,572	-12,572
Collection fund adjustment	-27	-49
Council tax	-7,023	-7,023
<b>Reserves</b>		
Use of delayed projects reserve	-250	-274
Contribution to delayed projects reserve	250	370
General reserves	-3,758	-3,758
<b>Total reserves</b>	<b>-3,758</b>	<b>-3,662</b>
<b>Total</b>	<b>-23,380</b>	<b>-23,306</b>

- 2.2 The outturn has been monitored throughout the year but there have, as usual, been a number of variations in the last few weeks.

The outturn is £248k less than reported to Cabinet in April 2009; the reasons for this variation are given below.

<b>REVENUE BUDGETARY CONTROL</b>	<b>Outturn £000</b>
<b>Further Variations</b>	
Development control consultants and legal fees re RAF Upwood	100
One Leisure electricity refund & audit fee saving	-40
One Leisure general underspends	-66
Management units - various	-147
Local taxation – reduced recovery of court costs	75
Local taxation – other variations	-26
Housing benefits – impact of changed caseload	-42
Recycling – vacancies, income from glass sales	-48
Members' expenses	-26
Recharges to non-revenue accounts	-63
Other variations	35
	<b>-248</b>

**2.3** Annex A shows the variations in controllable costs by service area for each Head of Service together with notes explaining the more significant items. Annex B provides a summary at service level.

**2.4** All variations will be fully considered by Directors and their Heads of Service in order to ensure that any ongoing impact in the current and future years is addressed in the review of the MTP.

### **3. REVENUE MONITORING 2010/11**

**3.1** Only limited budget monitoring takes place in April and May due to the priority to complete the final accounts, the need to wait for adjustments for debtors and creditors to be dealt with in the new financial year and the difficulty of making assumptions on limited evidence.

**3.2** This first monitoring therefore concentrates on the impact of items that occurred last year plus a few significant ones that are already emerging in the current year.

**3.3** Last year the Council benefited from three significant items:

- Technical adjustment on debt repayments (£308k)
- VAT refund (£696k)
- Housing and Planning Delivery Grant in excess of the general grants provision (579k)

These items are not likely to recur in 2010/11. There are further claims for VAT refunds but they are less likely to succeed and resolution could be some time away.

3.4 The Government have announced the demise of LABGI and the Planning and Housing Delivery Grant so it is unlikely that the budget provision of £255k will be achieved.

3.5 The following table provides an initial view of the forecast:

<b>REVENUE BUDGETARY CONTROL 2010/11</b>	<b>Original Budget</b>	<b>Variation</b>	<b>Forecast outturn</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Approved budget	24,848		24,848
Delayed spending from 2009/10	250	120	370
<b>Variations</b>			
Non-achievement of £255k contingency for unbudgeted government grants		255	
Reduced pay award – assume agreed at £106k		-151	
Recycling gate fees – saving of £192k <u>if</u> indexation continues at current level		-192	
Supplementary estimate – NNDR relief		20	
Delay in transfer of public conveniences		27	
Delay in introducing car park charges and modification to original St Neots Riverside proposal.		48	
Costs of planning appeals		100	
Concessionary Fares		-70	
Guided Bus delay		-40	
Impact of capital spending deferred from 2009/10		-43	
			-52
Delayed spending to 2011/12	-250		-250
<b>Forecast net spending</b>	<b>24,848</b>	<b>68</b>	<b>24,916</b>
<b>Financed from</b>			
Government support	-12,940		-12,940
Collection fund adjustment	35		35
Council tax	-7,273		-7,273
<b>General Reserves</b>			
Use of delayed projects reserve	-250	-120	-370
Contribution to delayed projects reserve	250		250
General reserves	-4,670	52	-4,618
<b>Total use of reserves</b>	<b>-4,670</b>	<b>-68</b>	<b>-4,738</b>
<b>Total</b>	<b>-24,848</b>	<b>-68</b>	<b>-24,916</b>

#### 4. Collection of debts

4.1 Annex C reports on sums collected and debts written off in the last quarter.

## **5. CONCLUSION**

**5.1** The Council has been able to transfer £1,913k to a Special Reserve to finance any up-front costs of achieving future savings. General Reserves fell by £3,758k to £15,561k

**5.2** Whilst only a few variations to the original budget have come to light so far and more will emerge, it is certain that the Council will incur a substantial deficit for the full year. At £4.6m, this would amount to 36% of our available general reserves (£12.6m).

## **6. RECOMMENDATION**

**6.1** The Cabinet is requested to:

- note the variations summarised in this report relating to 2009/10
- note the 2010/11 variations identified so far.
- note the position on debts collected and written-off

## **BACKGROUND INFORMATION**

- 1 2009/10 and 2010/11 Budget Files
- 2 2009/10 Closedown Files

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## ANNEX A

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>CHIEF EXECUTIVE</b>						
Corporate Services	Corporate Management	277	285	283	-2	
<b>CHIEF EXECUTIVE</b>		<b>277</b>	<b>285</b>	<b>283</b>	<b>-2</b>	
<b>DIRECTOR OF CENTRAL SERVICES</b>						
Internal Services		169	174	183	9	
<b>HEAD OF ADMINISTRATION</b>						
Environmental Services	Environmental Health	-176	-206	-238	-32	Licences income (-£31k)
Corporate Services	Democratic Representation	562	596	556	-40	Members allowances (-£23k), Twinning (-£12k) Grant for European and County elections (+£35k) Land charges reduced income and increased expenditure (+£36k)
Internal Services	Central Services	-96	-88	-12	76	
	Internal Services	592	558	570	12	
	Management Units	842	853	793	-60	Staff saving on maternity and overtime (-£72k)
		<b>1,724</b>	<b>1,713</b>	<b>1,669</b>	<b>-44</b>	
<b>HEAD OF LAW, PROPERTY AND GOVERNANCE</b>						
Planning						
Internal Services	Economic Development	-1,410	-1,360	-1,292	68	Commercial and industrial units -rent (+£30k) building maintenance (+£32k)
	Management Units	493	498	447	-51	Legal fees (-£11k) costs recovered (-£21k)
		<b>-917</b>	<b>-862</b>	<b>-845</b>	<b>17</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>HEAD OF PEOPLE, PERFORMANCE AND PARTNERSHIPS</b>						
<b>Planning</b>						
<b>Community Services</b>	Economic Development	147	149	159	10	
	Tourism	48	46	37	-9	
	Community Initiatives	33	7	-1	-8	
<b>Corporate Services</b>	Corporate Management	119	121	119	-2	
	Non-Distributed Costs	245	245	232	-13	Pensions Increase Act (-£13k)
<b>Internal Services</b>	Management Units	1,235	1,266	1,142	-124	Review of staffing (-£92k) Office expenditure (-£22k)
	Other	295	192	194	2	
		<b>2,122</b>	<b>2,026</b>	<b>1,882</b>	<b>-144</b>	
<b>DIRECTORATE OF CENTRAL SERVICES</b>		<b>3,098</b>	<b>3,051</b>	<b>2,889</b>	<b>-162</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>DIRECTOR OF COMMERCE AND TECHNOLOGY</b>						
Internal Services		130	127	134	7	
<b>HEAD OF FINANCIAL SERVICES</b>						
Corporate Services						
Other Expenditure	Corporate Management	174	181	178	-3	
	Contingency	-676	-466	-141	325	Turnover allowance allocated to services, (+£258k) transfer of salaries to capital (+£100k)
	Other Expenditure	140	140	-648	-788	Refund of VAT (-£696), bad debt provision for sundry debtors (+£88k)
	LABGI and Area Based Grant	0	-183	-183	0	
	Investment Interest	-545	-545	-1,044	-499	Lower provision for debt repayments net of interest (-£499k)
	Deferred expenditure from 2008/09	274	0	0	0	
	Deferred expenditure to 2010/11	-274	-274	0	274	Savings found on other services (+£274k)
Internal Services						
	Management Units	1,184	1,219	1,107	-112	Deferral of computer audit and bought-in audit services (-£30k)
	Insurances	462	462	378	-84	Staff saving due to maternity (-£34k)
	Other	68	59	76	17	Saving on insurance premiums (-£84k)
		<b>807</b>	<b>593</b>	<b>-277</b>	<b>-870</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>HEAD OF INFORMATION MANAGEMENT</b>						
<b>Internal Services</b>						
	Helpdesk	593	580	426	-154	Transfer of PCs to capital (-£142k)
	Network Services	674	682	542	-140	Transfer of PCs to capital (-£130k)
	Development Team	195	233	257	24	Web advertising income (+£29k)
	Information Manager	298	262	263	1	
	Business Analysis	366	382	391	9	
	Other	289	275	234	-41	Telephones (-£53k)
		<b>2,415</b>	<b>2,414</b>	<b>2,113</b>	<b>-301</b>	
<b>HEAD OF CUSTOMER SERVICES</b>						
<b>Planning</b>						
	Economic Development	28	53	53	0	
<b>Community Services</b>						
	Customer Services	136	116	124	8	
<b>Housing Services</b>						
	Housing Benefits	-564	-643	-867	-224	Higher proportion of rent allowance payments covered by subsidy (-£120k), administration subsidy (-£94k)
<b>Corporate Services</b>						
	Local Taxation & Benefits	-890	-815	-852	-37	Council Tax administration subsidy (-£31k)
<b>Internal Services</b>						
	Revenues and Benefits	2,190	2,159	2,172	13	
	Call Centre and Customer Services	1,192	1,214	1,137	-77	Employees (-£57k) equipment (-£13k)
		<b>2,092</b>	<b>2,084</b>	<b>1,767</b>	<b>-317</b>	



		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>GENERAL MANAGER, LEISURE</b>						
<b>Community Services</b>						
	One Leisure Huntingdon	281	166	212	46	Lower income from schools (+£40k), other income (+£30k), fuel refund (-£22k)
	One Leisure Ramsey	272	228	192	-36	Higher income (-£16k), lower running costs (-£21k)
	One Leisure Sawtry	273	242	245	3	
	One Leisure St Ives	342	135	146	11	Lower income from schools (+£52k), other income (+£106k), lower running costs (-£134k)
	One Leisure St Neots	411	329	379	50	Lower income from schools (+£17k), other income(+£8k), lower running costs (-£45k)
	Leisure Centres Overall	-539	-51	41	92	Savings not achievable in 2009/10 rephased in MTP (+£85k)
<b>Internal Services</b>						
	Management Units	218	208	205	-3	
		<b>1,258</b>	<b>1,257</b>	<b>1,420</b>	<b>163</b>	
<b>DIRECTORATE OF COMMERCE AND TECHNOLOGY</b>		<b>6,702</b>	<b>6,475</b>	<b>5,157</b>	<b>-1,318</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>DIRECTOR OF ENVIRONMENTAL and COMMUNITY SERVICES</b>						
<b>Internal Services</b>		<b>160</b>	<b>168</b>	<b>169</b>	<b>1</b>	
<b>HEAD OF ENVIRONMENTAL MANAGEMENT</b>						
<b>Environmental Services</b>						
	Drainage & Sewers	407	407	394	-13	Internal Drainage Board Levy (-£7k), watercourse repairs (-£6k)
	Public conveniences	156	156	156	0	
	Environmental Health	128	125	88	-37	Energy efficiency (-£23k), St Neots energy strategy (-£14k)
	Closed Churchyards	5	5	5	0	
<b>Planning</b>						
	Building Control	-517	-516	-433	83	Lower application fee income (+£100k)
<b>Community Services</b>						
	Community Initiatives	6	6	3	-3	
	Parks	0	10	0	-10	
<b>Highways &amp; Transportation</b>						
	Street Naming	38	38	34	-4	
	Car Parks Assets	43	43	55	12	
	Environmental Improvements	37	37	34	-3	
<b>Internal Services</b>						
	Management Units	1,523	1,531	1,432	-99	Design management unit vacancy, training, car allowances (-£40k)
	Offices and Depot	696	696	1,009	313	Repairs & maintenance (+£40k), electricity (+£110k), Centenary House rent (+£65k), other (+£98k)
	Pool Cars	18	18	17	-1	
		<b>2,540</b>	<b>2,556</b>	<b>2,794</b>	<b>238</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>HEAD OF ENVIRONMENTAL AND COMMUNITY HEALTH SERVICES</b>						
<b>Environmental Services</b>						
<b>Community Initiatives</b>	Environmental Health	250	258	179	-79	Legal fees and consultancy (-£20k), contribution to support smoke-free legislation (-£20k), housing survey delayed (-£12k)
	Grants	362	361	381	20	Expenditure funded from capital (+£20k)
	Arts Development	126	126	119	-7	
	Leisure Development	190	195	194	-1	
	Other	17	21	33	12	
<b>Community Safety</b>						
	Community Safety	32	31	102	71	2010/11 Grant paid out early (+£22k), grant income transferred to central fund (+£50k)
<b>Internal Services</b>						
	Management Units	1,554	1,547	1,470	-77	Vacancies & part-time working (-£40k)
		<b>2,531</b>	<b>2,539</b>	<b>2,478</b>	<b>-61</b>	
<b>HEAD OF HOUSING SERVICES</b>						
<b>Housing Services</b>						
	Housing Services	29	28	-39	-67	Choice-based lettings scheme (-£52k), Mobile Home Park income (-£18k)
	Private Housing Support	-18	-17	-20	-3	
	Homelessness	206	205	227	22	
<b>Internal Services</b>						
	Management Units	1,073	1,074	1,056	-18	
		<b>1,290</b>	<b>1,290</b>	<b>1,224</b>	<b>-66</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>HEAD OF OPERATIONS</b>						
<b>Environmental Services</b>						
	Refuse Collection	1,983	1,983	1,888	-95	Vehicle maintenance (-£90k)
	Recycling	425	425	359	-66	Wheeled bins transfer to capital (-£72k), vacancies (-£36k). Lower recycling credits (+£54k)
	Drainage & Sewers	10	10	6	-4	
	Street Cleaning & Litter	948	948	894	-54	Vehicle maintenance (-£31k), no chewing gum removal (-£17k)
<b>Planning</b>						
	Markets	-156	-156	-141	15	
<b>Community Safety</b>					0	
	C C T V	517	517	482	-35	Equipment and maintenance (-£35k)
<b>Community Services</b>						
	Countryside	501	509	470	-39	Virement to capital re Paxton Pits (-£25k)
	Parks	13	13	-75	-88	Extra income (-£20k), transfer to capital (-£60k)
<b>Highways &amp; Transportation</b>						
	Car Parks	-1,164	-1,164	-1,003	161	Excess charges income (+£97k), general supplies (+£32k), Huntingdon Riverside NNDR (+£16k)
<b>Corporate Services</b>						
	Emergency Planning	28	28	42	14	
<b>Internal Services</b>						
	Operations Management Units	1,544	1,547	1,449	-98	Staff turnover (-£51k), CCTV reorganisation (-£20k), diesel (-£10k),
	Grounds Maintenance	831	831	852	21	
	Other	28	28	25	-3	
		<b>5,508</b>	<b>5,519</b>	<b>5,248</b>	<b>-271</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>HEAD OF PLANNING SERVICES</b>						
<b>Planning</b>						
	Development Control	-931	-931	-647	<b>284</b>	Fee income (+£21k), consultants costs (+£48k) RAF Upwood etc appeal costs (+£221k)
	Planning Policy & Conservation	552	656	312	<b>-344</b>	A14 inquiry delayed (-£246k), deferred schemes (-£91k)
<b>Highways &amp; Transportation</b>						
	Planning Delivery Grant	70	70	-576	<b>-646</b>	Housing and Planning Grant in excess of provision (-£579k)
	Transportation Strategy	102	101	67	<b>-34</b>	Community transport grants (-£12k), transfer to capital (-£15k)
	Public Transport	543	571	906	<b>335</b>	Concessionary fares subsidy (+£335k)
	Car Parks	92	92	0	<b>-92</b>	Car park strategy (-£87k)
<b>Internal Services</b>						
	Management Units	2,356	2,377	2,179	<b>-198</b>	Lower consultants costs mainly due to recovery from Cambs Horizons/CCC (-£192k)
	Other	11	11	24	<b>13</b>	
		<b>2,795</b>	<b>2,947</b>	<b>2,265</b>	<b>-682</b>	
<b>NEW ACCOMMODATION PROJECT MANAGER</b>						
		<b>184</b>	<b>188</b>	<b>174</b>	<b>-14</b>	
<b>DIRECTORATE OF ENVIRONMENTAL AND COMMUNITY SERVICES</b>		<b>15,008</b>	<b>15,207</b>	<b>14,352</b>	<b>-855</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>TOTAL DIRECT AND INDIRECT SERVICES</b>		<b>25,085</b>	<b>25,018</b>	<b>22,681</b>	<b>-2,337</b>	
Less recharges to non-revenue accounts		-1,705	-1,613	-1,288	<b>325</b>	Overhead no longer chargeable to capital (+£232k)
Contribution to special reserve		0	0	1,913	<b>1,913</b>	Transfer of savings to future spending reserve
<b>COUNCIL TOTAL</b>		<b>23,380</b>	<b>23,405</b>	<b>23,306</b>	<b>-99</b>	

		Original Budget £000	Updated Budget £000	Outturn £000	Outturn variation from updated £000	
<b>FUNDED FROM</b>						
Government Support		-12,572	-12,572	-12,572	<b>0</b>	
Council Tax		-7,023	-7,023	-7,023	<b>0</b>	
Collection Fund		-27	-27	-49	<b>-22</b>	
Project Timing Reserve b/f		-250	-274	-274	<b>0</b>	
Project Timing Reserve c/f		250	274	370	<b>96</b>	
Reserves		-3,758	-3,783	-3,758	<b>25</b>	
		<b>23,380</b>	<b>23,405</b>	<b>23,306</b>	<b>-99</b>	

## ANNEX B

Service variations 2009/10	Original Budget	Updated Budget	Outturn	Outturn variation from
	£000	£000	£000	updated £000
<b>Environmental Services</b>				
Refuse Collection	3,576	3,527	3,057	-470
Recycling	837	820	702	-118
Drainage & Sewers	570	549	497	-52
Public Conveniences	251	257	185	-72
Environmental Health	2,575	2,559	2,153	-406
Closed Churchyards	18	11	7	-4
Street Cleaning & Litter	1,407	1,361	1,235	-126
Nightsoil Collection	10	10	6	-4
	<b>9,244</b>	<b>9,094</b>	<b>7,842</b>	<b>-1,252</b>
<b>Planning</b>				
Development Control	1,391	1,410	1,395	-15
Building Control	259	259	198	-61
Planning Policy & Conservation	1,592	1,712	1,062	-650
Markets	-37	-42	-47	-5
Economic Development	-622	-583	-585	-2
Planning Government Grants	70	70	-576	-646
	<b>2,653</b>	<b>2,826</b>	<b>1,447</b>	<b>-1,379</b>
<b>Community Services</b>				
Countryside	672	684	600	-84
Tourism	150	150	136	-14
Community Initiatives	908	960	885	-75
Parks	1,871	1,865	1,553	-312
Leisure Policy	482	478	450	-28
Leisure Centres	3,530	3,525	3,036	-489
Community Facilities	194	134	72	-62
	<b>7,807</b>	<b>7,796</b>	<b>6,732</b>	<b>-1,064</b>
<b>Community Safety</b>	<b>1,058</b>	<b>997</b>	<b>974</b>	<b>-23</b>
<b>Housing Services</b>				
Housing Services	897	874	798	-76
Private Housing Support	2,526	2,495	1,454	-1,041
Homelessness	574	622	545	-77
Housing Benefits	842	763	832	69
	<b>4,839</b>	<b>4,754</b>	<b>3,629</b>	<b>-1,125</b>
<b>Highways &amp; Transportation</b>				
Transportation Strategy	1,152	1,149	573	-576
Public Transport	760	784	997	213
Car Parks	-447	-457	-516	-59
Environmental Improvements	442	438	431	-7
Street Naming	101	107	109	2
	<b>2,008</b>	<b>2,021</b>	<b>1,594</b>	<b>-427</b>
<b>Corporate Services</b>				
Local Taxation & Benefits	1,484	1,559	1,039	-520
Corporate Management	1,848	1,867	1,681	-186
Democratic Services	1,364	1,375	1,343	-32
Non Distributed Costs	256	256	232	-24
Democratic & Central Services	466	445	441	-4
	<b>5,418</b>	<b>5,502</b>	<b>4,736</b>	<b>-766</b>
<b>Other Expenditure</b>				
Contingency	-676	-458	-141	317
Other Expenditure	-8,436	-8,442	-4,193	4,249
Investment Interest	-535	-536	-1,044	-508
Business Grant and area based grant	0	-183	-183	0
Deferred expenditure from 2008/09	274	0	0	0
Deferred expenditure to 2010/11	-274	-274	0	274
Management units & internal services	0	308	0	-308
Contribution to Special Reserve	0	0	1,913	1,913
	<b>-9,647</b>	<b>-9,585</b>	<b>-3,648</b>	<b>5,937</b>
<b>TOTAL</b>	<b>23,380</b>	<b>23,405</b>	<b>23,306</b>	<b>-99</b>

## AMOUNTS COLLECTED AND DEBTS WRITTEN OFF

	1 April 2010 to 30 June 2010			
	Collected	Amounts written off		
		up to £5k	over £5k	TOTAL
Type of Debt	£000	£000	£000	£000
Council Tax	23,510	41.0	0.0	41.0
NNDR	18,595	21.3	37.1	58.4
Sundry Debtors	3,327	19.9	0.0	19.9
Excess Charges	48	7.6	0.0	7.6

**Collected**

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

**Amounts written off**

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

**Authority to write off debts**

The Head of Customer Services is authorised to write-off debts of up to £5,000 (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.