



Performance and Audit Scrutiny Committee

31 July 2013

Budget Monitoring Report 1 April 2013 to 30 June 2013

1. Summary and reasons for recommendation

- 1.1 This report indicates the financial position for the first three months of the financial year 2013/2014. The latest overall position on the General Fund shows a **current underspend of £123,000**.
- 1.2 A summary of the major variances over £50,000 can be found at 4.2 below.
- 1.3 The Council's capital financial position for the first three months of 2013/2014 shows net expenditure of £337,000, further details are provided at 4.3 below. The Resources and Performance Team will continue to monitor capital spend and projects closely for the remainder of the financial year and the updated position will be presented to this committee on a quarterly basis.
- 1.4 The Council have received £16,000 capital receipts in the period to 30 June 2013, details of which can be found at 4.4 below.

2. Recommendation

- 2.1 The committee is asked to note the financial position as at 30 June 2013 and forward any relevant issues or comments to Cabinet for their consideration

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3. Corporate priorities

3.1 The recommendation meets the following, as contained within the Corporate Plan:

(a) Corporate Priority 3: *'Working together for an efficient Council'*.

4. Key issues

4.1 Background

4.1.1 The Council has robust budget monitoring systems in place to ensure that overspends are avoided and target income is achieved. The Council also manages and analyses underspends to identify potential savings for the current and future years' priorities. Budget monitoring is undertaken on a monthly basis with budget holders and reported to Joint Leadership Team.

4.2 Commentary on Significant Revenue Variances (over £50,000)

4.2.1 Significant variances are explained in the sections below.

(a) ICT & E Services unbudgeted purchase of hardware including servers £71,000, which will be funded from earmarked reserves; and

(b) Refuse operational costs underspend £60,000, this is partly due to favourable fuel prices, which will continue to be monitored through out the year.

4.3 Capital Programme

4.3.1 The table below is a high level summary of capital expenditure against budget for 2013/2014. The Resources and Performance Team will continue to work with Budget Holders to monitor capital spend and project progress closely for the remainder of the financial year and an updated position will be reported to this Committee in November 2013.

4.3.2

Service Area	Original 2013/14 Budget £,000	Spent to 30 June 2013 £,000
Economic Development & Growth	185	8
Housing	2,664	192
Leisure, Culture & Communities	2,770	57
Planning & Regulatory Services	3,446	15
Waste, Street Scene, Property and Grounds Maintenance	3,042	65
Total	12,107	337

A review of the capital programme has taken place as part of the budget and council tax setting process. This has involved rescheduling budgets to take into account timing differences between planned and actual capital expenditure. Full details of this review were considered by Cabinet as part of the Budget and Council Tax setting report on 13 February 2013.

4.4 Capital Disposals

4.4.1 The Council has received £16,000 in capital receipts.

5. Other options considered

5.1 Not applicable

6. Community impact

6.1 None

7. Consultation *(what consultation has been undertaken, and what were the outcomes?)*

7.1 This report and the figures therein have been compiled by the Resources and Performance Team in consultation with the relevant budget holders & services.

8. Financial and resource implications *(including asset management implications)*

8.1 The purpose of this report is to provide members with an overview of the Council's revenue and capital financial position.

9. Risk/opportunity assessment

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	High / Medium / Low		High / Medium / Low
The Revenue Budget is overspent or income is underachieved.	High	<ul style="list-style-type: none">Budgets reflect the economic situation facing the Council, & have been scrutinised by officers and members at budget setting timeClear responsibilities for budget monitoring and control ensure that there is strong accountability for each individual budget lineImproved budget monitoring reports to Performance & Audit Scrutiny Committee, Cabinet & JLTMedium term financial planning to capture longer term budget implications.	Low

10. Legal and policy implications

10.1 Local Government Finance Act 1992 – balanced budget requirement and adequacy of reserves.

10.2 Local Government Act 1972 – requirement for the proper administration of financial affairs.

11. Wards affected

11.1 All

12. Background papers

12.1 Not applicable