

AGENDA ITEM 13

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

7 OCTOBER 2013

REPORT OF HEAD OF CENTRAL SERVICES

BUDGET MONITORING APRIL TO JUNE 2013

1.0 PURPOSE OF THE REPORT

- 1.1 To provide information on actual expenditure and income incurred on this Committee's services compared to the latest approved budget for the period 1 April 2013 to 30 June 2013.

2.0 RECOMMENDATION

- 2.1 **It is recommended that the financial position on each of this Committee's services to 30 June 2013 be noted.**

3.0 KEY ISSUES

- 3.1 As part of the Council's budget monitoring procedures all budget holders are asked on a quarterly basis to provide details of service and financial performance. Copies of the budget holders' returns are available for further information.

Overall Position

- 3.2 A summary of income and expenditure for all Council services is attached at Appendix A and detailed below. This information has previously been circulated to Members as part of the August Members' Newsletter.

	Approved Budget at June 13	April to June Budget	April to June Net Expenditure	Variance Underspend (-)
	£	£	£	£
General Expenses	7,067,740	1,361,820	1,231,959	-129,861
Special Expenses	625,360	164,320	219,574	55,254
HRA – Total Expenditure	7,159,670	993,638	864,939	-128,699
HRA – Total Income	7,384,180	1,855,123	1,855,541	-418

Key Service Areas

- 3.3 The latest Key Service Areas report to the end of August 2013 is attached at Appendix B with the Policy, Finance and Administration service areas highlighted. This report is presented to the Management Team on a monthly basis and highlights the high-risk budgets that were identified as part of the Council's budget protocols. These budgets are reviewed with budget holders monthly. Those budgets which are more complex in nature are supported by more detailed analysis of the service usage that drives the costs.
- 3.4 The overall position on the Key Service Areas to the end of August 2013 shows a surplus of £100k. These budgets will be carefully reviewed as the year progresses.

3.5 There are also a number of other budget variances identified on the budget action list, including those relating to Key Service Areas above, which are considered by the Council's Strategic Management Team on a monthly basis. As such the overall current predicted position, when taking into account all known variances, shows a net underspend of just over £134k.

3.6 A summary for all of this Committee's services is attached at Appendix C.

3.7 A summary of the income and expenditure for this Committee's services compared to the approved budget at June 2013 is as follows:

	Approved Budget at June 13	April to June Budget	April to June Net Expenditure	Variance Underspend (-)
	£	£	£	£
General Expenses	2,029,480	633,712	556,813	-76,899
Special Expenses	6,700	1,675	3,774	2,099

3.8 The above figures for general expenses show an underspend of £76,899 the reasons for which are explained in paragraph 3.9 below.

Budget Variance Exception Reporting +/- £10k

3.9 As part of the budget monitoring process variances are being promptly and proactively managed facilitating more detailed reporting. The potential 'full year' effect of the more significant variations +/-£10k with regard to this Committee's services are all as a result of profiling and it is not expected that they will affect the year end position. The profiling of the budgets has now been addressed; the relevant details are as follows:

Service	Amount
<u>Underspends</u>	
Parkside	£58,391
Corporate and Democratic Core	£10,916
Corporate Costs- Finance	£45,118
Non Distributed Costs	£21,684
Council Tax Collection	£17,927
Miscellaneous Financing Items	£22,420
Rate Relief	£22,420
ICT	£106,160
Communications	£17,342
Regulatory Services	£14,173
Communities	£19,422
<u>Overspends</u>	
Welland Procurement Unit	£22,912
Central Expenses	£34,293
NNDR Collection	£64,831

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 Policy and corporate implications were addressed in setting the current year's budget. There are no further policy and corporate implications arising from this report.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 All financial and resource implications have been addressed within paragraph 3.0.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 Legal implications/powers were addressed in setting the current year's budget. There are no further legal implications arising from this report.

7.0 COMMUNITY SAFETY

7.1 Community safety issues were addressed in setting the current year's budget. There are no further community safety issues arising from this report.

8.0 EQUALITIES

8.1 Equalities issues were addressed in setting the current year's budget. There are no further equalities issues arising from this report.

9.0 RISKS

9.1 The regularity of budget monitoring for each specific budget is based on the level of risk attributed to that budget. This is determined at the start of the financial year and is reported to Members as part of the Council Tax setting report.

10.0 CLIMATE CHANGE

10.1 Climate change issues were addressed in setting the current year's budget. There are no further climate change issues arising from this report.

11.0 CONSULTATION

11.1 Budget Holders and the Service Accountant discuss the financial performance of the service accounts at budget monitoring meetings arranged with reference to current budget monitoring protocols.

12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer: Claire Burgess

Date: 20th August 2013

Appendices: Appendix A – Summary of Income & Expenditure – All Committees
Appendix B – Budget Monitoring - Key Service Areas
Appendix C – Summary of Income & Expenditure – PFA

Background Papers: Oracle Financial Reports
Budget Holder Comments on Performance

Reference: X: C'tees, Council & Sub-C'tees/PFA/2013-143/7-10-13/DG - Budget Monitoring April to June 2013