

REVENUE MANAGEMENT ACCOUNTS PERIOD 3 PLUS 9 (2008/09)

EXECUTIVE MEMBER: Cllr A Holliday
LEAD OFFICER: Marilyn Robinson, Acting Head of Finance and
Management Information Systems
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Summary & Recommendation:

This report informs Members of the actual financial position for the 3 month budget monitoring period to 30 June 2008 and the 2008/09 financial year end planned outturn position as measured against the latest approved revenue budgets.

Recommendations:

- a) That Members note the report

1 INTRODUCTION

- 1.1 The purpose of this report is to show the actual financial position for the period to 30 June 2008 and, secondly, the probable outturn to year end.
- 1.2 All significant variances have been identified in section 2 below.
- 1.3 The accountants, by working closely with budget managers, are able to provide a level of assurance on the robustness of the management estimates. However, accurate projections depend on the budget managers' input as to the level of expected spend and income for the remainder of the financial year. This input has been very limited for this quarter.

2 3 PLUS 9 FINDINGS

- 2.1 3 PLUS 9 basically means 3 months' actual figures (to 30 June 2008) plus 9 months' projection to financial year end.

- 2.2 Projections are mainly the view of accountancy services with some input from budget managers. In future, and as we progress with the new arrangements, budget managers will need to have a far more active role to play in calculating the projections.
- 2.3 The projected expenditure and income is then measured against the approved full year budget for 2008/09, as previously approved by Members.
- 2.4 Projections indicate that, overall, the revenue budget will be underspent at financial year end by £24k. This equates to 0.2% of the total approved budget of £13.974m. A summary is shown at Appendix A.
- 2.5 The main projected underspends at this stage in the year are:
- Copeland Direct – salaries underspend £25k
 - Benefits Holding Account – salaries underspend £54k
 - Regeneration – salaries underspend £43k
 - Regeneration Holding Account – underspend £78k
 - Public Buildings – underspend £22k –
projected extra income
 - Open spaces – underspend £18k
 - Licensing – projected extra income of £17k

Offset by overspends on:-

- Finance and Management Information Systems - £62k on salaries [would be offset by £50k carry forward if approved] and £27k on concessionary vouchers and rail cards
- Legal Services - £79k projected underachievement of income due to reduction in the number of searches
- Leisure & Environmental Services - £47k due to rising fuel costs

3 FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

- 3.1 The Financial implication is a projected underspend of £24k (0.2%) against full year budget. £122k underspend is directly attributable to vacant posts. This is partly offset by overspend in other areas.

4 PROJECT AND RISK MANAGEMENT

- 4.1 It is imperative that all budgets are monitored monthly with significant variations reported through Corporate Team and Executive, so that timely corrective action can be taken.

5 IMPACT ON CORPORATE PLAN

- 5.1 The budget and monitoring process is fully integrated into the planning process of the Council embracing all the objectives of the Council.

List of Appendices

Appendix A – Management Accounts Period 3 + 9 Quarter 1

List of Background Documents: None

List of Consultees: Corporate Team

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	n/a
Impact on Sustainability	n/a
Impact on Rural Proofing	n/a
Health and Safety Implications	n/a
Impact on Equality and Diversity Issues	n/a
Children and Young Persons Implications	n/a
Human Rights Act Implications	n/a
Monitoring Officer comments	No legal implications.
S151 Officer comments	Expenditure and income need to be closely monitored against budget to ensure compliance with the Medium Term Financial Strategy.

Please say if this report will require the making of a Key Decision **YES/NO**