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**REVENUE BUDGET MANAGEMENT  
MONTHLY MONITORING REPORT - NOVEMBER 2005**

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**Responsible Cabinet Member(s) - Councillor Don Bristow,  
Resource Management Portfolio**

**Responsible Director(s) - Paul Wildsmith, Director of Corporate Services**

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**Purpose of Report**

1. To present the Directors' projections of income and expenditure for the year compared with approved budgets.

**Information and Analysis**

2. Departmental and corporate budgets and projected outturn are summarised in **Appendix 1** and detailed in **Appendix 2**. The attached figures compare projected out-turns with the Medium Term Financial Plan (MTFP) approved by Council on 10th March, 2005, updated to include 2004-05 outturn.
3. The Council's projected reserves at 31st March 2006 are summarised in **Appendix 3**. In May Cabinet approved additional resources of £20,000 for CCTV and £130,000 for Support for Local Bus Services. In June, additional resources of £77,000 were approved for Concessionary Fares and £10,000 for ICT costs for Implementation of E-Government. In September Council approved additional resources of £90,000 in 2005/06 for Youth Work. The projected General Fund Reserve at the end of 2005-06 is £9.909M, which is £121,000 better than MTFP.
4. Departmental projected balances at 31st March 2006 are shown separately in Appendix 3. These total £475,000 surplus, which is £234,000 above the MTFP
5. There is a projected underspend of £423,000 on Financing Costs due to reduced interest and principal repayments on debt and increased investment income.
6. The projected year-end balance on the Housing Revenue Account is £505,000. It has been decided that rather than build up a large working balance, amounts over £500,000 will be used towards capital expenditure. This will allow a substantial saving to be made on interest payments, now and in future years.
7. Projected Efficiency Gains are compared with the planned gains that were submitted to ODPM in April on the 2005-06 Annual Efficiency Statement (AES) in **Appendix 5**. The majority of planned gains are incorporated into the 2005-06 revenue budget and are on line

to be achieved. Exceptions are Sickness Absence, which is currently higher than target, advertising income from Street Lighting, which is not to be implemented, and due to tender delays stationery, IT consumables and ICT will not reach targets. Processes are in place to capture additional gains made during the year; four such gains are shown. Current projections show a shortfall of £94,000 compared with the AES but cumulative gains are 3.0% compared with the required 2.5%. Further gains will be identified during the remainder of the year and monitoring will continue against planned gains.

### **Legal Implications**

8. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members.

### **Section 17 of the Crime and Disorder Act 1998**

9. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

### **Council Policy Framework**

10. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

### **Outcome of Consultation**

11. No formal consultation was undertaken in the production of this report.

### **Decision Deadline**

12. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

### **Conclusion**

13. Appendix 3 shows the projected General Fund Reserve at 31st March 2006 is now £9.909M. This is consistent with the Council's policy on balances.
14. Departmental balances are projected to be in surplus by £475,000 at 31st March 2006, which is £234,000 above the MTFP.

### **Recommendation**

15. It is recommended that: -
  - (a) The attached 2005/06 revenue budget projections be noted;
  - (b) Further budget management and AES monitoring reports be presented regularly to Cabinet.

## **Reasons**

16. The recommendations are supported to ensure that robust revenue budget management procedures are maintained and efficiency gains are monitored regularly.

**Paul Wildsmith**  
**Director of Corporate Services**

## **Background Papers**

Revenue budget 2005/06

David Hall : Extension 2303