
**REVENUE BUDGET MONITORING
APRIL 2008 TO FEBRUARY 2009**

**Responsible Cabinet Member - Councillor Stephen Harker,
Efficiency & Resources Portfolio**

Responsible Director - Paul Wildsmith, Director of Corporate Services

SUMMARY REPORT

Purpose of the Report

1. To inform Members of the latest forecast outturn of the 2008-09 revenue budget

Summary

2. This report provides Members with an interim 2008/09 outturn forecast to keep Members informed of the Council's financial standing. The final results for 2008-09 are due to be reported to Cabinet in July 2009.
3. The projected General Fund corporate reserves position and departmental balances as at 31st March 2009 show an overall net reduction of £73,000 compared with the revised Medium Term Financial Plan (MTFP) approved by Council on 26 February 2009.

Recommendation

4. It is recommended that :-
 - (a) Cabinet notes the latest projected 2008-09 outturn compared with the 2009-13 MTFP.
 - (b) The final 2008-09 outturn be reported to Cabinet in July 2009.

Reasons

5. The recommendations are supported to make Cabinet aware of the latest financial position of the Council

**Paul Wildsmith
Director of Corporate Services**

Background Papers

No Background papers were used in the preparation of this report.

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S17 Crime and Disorder	This report has no implications for crime and disorder.
Health and Well Being	There are no issues relating to health and wellbeing which this report needs to address
Sustainability	There are no issues relating to environmental impact.
Diversity	There are no specific implications for diversity
Wards Affected	All wards are affected equally.
Groups Affected	The proposals do not affect any particular groups within the community
Budget and Policy Framework	The report does not propose changes to the Council's budget or policy framework.
Key Decision	The report does not represent a key decision
Urgent Decision	For the purpose of the 'call-in' procedure this does not represent an urgent matter.
One Darlington: Perfectly Placed	The Revenue Budget referred to in the report supports delivery of the Sustainable Community strategy through appropriate deployment of the Council's resources
Efficiency	The report does not contain new efficiency implications but is concerned with planned efficiencies in 2008-09 and future years. The partnership working between the Council and local NHS bodies also seeks to improve efficiency through more effective use of resources and better outcomes for residents.

MAIN REPORT

Information and Analysis

6. The 2009-13 MTFP, approved by Council on 26 February 2009, includes projected balances of £8.913M on 1st April 2009. This is the key figure against which the 2008-09 revenue outturn needs to be compared.

Corporately Managed Resources

7. The latest projected General Fund corporate balances as at 31 March 2009 is £8.782M. This is a reduction of £131,000 compared with the revised MTFP approved in February. The changes in balances that have occurred during 2008-09 are detailed in **Appendix 1**.
8. The latest net financing costs projection is £20,000 higher than previously reported. Investment income is lower following the reduction in bank base rate in March 2009. The latest projected Leading Edge efficiency savings achieved in 2008-09 are now £107,000 less than previously projected and Joint Boards and Levies projected expenditure has increased by £4,000.

Departmentally Managed Resources

9. Budget management projections for 2008-09, based on income and expenditure for April 2008 to February 2009 are summarised in **Appendix 2** and detailed in **Appendices 3(a) to 3(f)**. These show an improvement of £58,000 compared with the MTFP approved on 26 February 2009. This is mainly due to Community Services where an underspend in Environment and Highways areas is due to waste tonnages lower than anticipated, tight vacancy management and reduced fuel prices.

Health Improvement Initiatives Partnership Working

10. As reported to Cabinet in December 2008, Darlington Primary Care Trust (PCT) has invested £1.5M in local health improvement initiatives in Darlington in 2008-09. Building on the work of the Health Improvement enquiry group, NHS funding is being invested through the Council, as accountable body for the local strategic partnership (LSP). The North East Alcohol Office, known as "Balance", set up by the NHS in Darlington in January 2009, has also commissioned work through the Council in 2008-09. These resources have been applied to deliver a range of health improvement initiatives as set out in the report to Cabinet in December 2008.
11. The Council's MTFP also includes provision for on-going health improvement initiatives using the Council's own resources. To help meet future commitments, it is proposed that a total of £742,000 be carried forward to 2009-10 within Children's Services' (£233,000) and Community Services' (£509,000) departmental balances. Formal approval for these proposed earmarked reserves will be sought from Cabinet when the final 2008-09 outturn is reported in July

Housing Revenue Account

12. Housing Revenue Account (HRA) financial information is shown in **Appendix 4**. The HRA remains healthy and needs no further comment in this report.

Outcome of Consultation

13. There has been no consultation in the preparation of this report.