
REVENUE BUDGET MANAGEMENT
MONTHLY MONITORING REPORT – NOVEMBER 2004

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

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

Purpose of Report

1. To present Director's projections of income and expenditure for the year compared with approved budgets for consideration of the Council's overall revenue budget position for 2004/05.

Information and Analysis

2. Social Services Department are projecting to have a surplus balance at 31st March 2005 of £150,000. This surplus has arisen through the utilisation of monies received from Darlington Primary Care Trust to offset costs incurred on joint DBC and PCT projects. This will be taken into account in the Department's current MTFP review.
3. Community Services have higher DLO Profits due to an increase in building and construction turnover
4. Development and Environment have incurred £32,000 costs as a result of the MARO planning inquiry and the release of additional resources to meet this is requested
5. Corporate Services are projecting a £189k credit balance at 31/3/05. The underspend in Human Resources is in the main due to income from schools being higher than budgeted and staff vacancies. There is a projected underspend on the Call Centre £60k which needs to be carried forward to meet costs in 2005/06.
6. Departmental and corporate budgets and projected outturns are summarised in **Appendix 1** and detailed in **Appendix 2**. The attached figures compare projected out-turns with the MTFP approved by Council on 10th March 2004.
7. Corporate and departmental projected balances at 31st March 2005 are shown separately in **Appendix 3**. The projected General Fund balance at the end of 2004-05 is £5.5M, compared with £7.3M in the MTFP. The latest projection includes £3.5M from balances for settlement of equal pay claims (in addition to £0.5M from 2004-05 headroom). After adjusting for the equal pay provision, projected corporate balances at 31st March 2005 are £1.6M better than MTFP. The total departmental balances projection at 31st March 2005 is

£561,000 surplus, compared with £95,000 deficit in the approved MTFP.

8. The projected year-end balance on the Housing Revenue Account, **Appendix 4**, remains satisfactory at 4.4% of turnover.

Legal Implications

9. 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

10. 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

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

Outcome of Consultation

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

Decision Deadline

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

Conclusion

14. Appendix 3 shows the projected General Fund balance at 31st March 2005 is now £5.5M. This is consistent with the Council's policy on balances and is an improvement of £1.6M compared with the approved MTFP, taking account of the Equal Pay settlement provision.
15. Departmental balances are projected to be in surplus by £561,000 at 31st March 2005, which is £656,000 better than the MTFP.

Recommendation

16. It is recommended that: -
 - (a) The attached 2004/05 revenue budget projections be noted;
 - (b) £32,000 be released to cover the cost of the MARO enquiry;
 - (c) Further budget management reports be presented regularly to Cabinet.

Reasons

17. The recommendations are supported to ensure that robust revenue budget management procedures are maintained.

Paul Wildsmith
Director of Corporate Services

Background Papers

Revenue budget 2004/05

David Hall : Extension 2303
PB