

Report to the Finance & Performance Management Standing Panel

Date of meeting: 14 November 2006

Portfolio: Finance & Performance Management

Subject: Quarterly Financial Monitoring

Officer contact for further information: Peter Maddock (01992 - 56 4602).

Democratic Services Officer: Adrian Hendry (01992 – 56 4246)



Recommendations/Decisions Required:

That the Panel note the financial monitoring report for the second quarter of 2006/07 including the Capital Monitoring reports.

Report:

1. The Panel has within its terms of reference to consider financial monitoring reports on key areas of income and expenditure for each portfolio. This is the second quarterly report for 2006/07 and covers the period from 1 April 2006 to 30 September 2006.
2. Salaries monitoring data is presented as well as it represents a large proportion of the authorities expenditure and is an area in which large under spends have been seen. The salaries data is held by Service rather than by portfolio, although there are clearly some services that are linked closely to particular portfolios.

Revenue Budgets

3. Comments are provided on the monitoring schedules but a few points are highlighted here as they are of particular significance. The salaries schedule shows an under spend of some £391,000 (4.2% of budget) of this around 40% relates to the HRA and, although this reflects the fact that staff vacancies are running at a high level in percentage terms, the under spend has reduced since the first quarter and is significantly lower than that experienced in 2005/06.
4. Income budgets are generally in line with expectations. Income from Land Charge searches and industrial estate rents however are slightly above expected levels. Tipping away payments from the County Council have now been invoiced for the last quarter of 2005/6. Income from recycling credits is well up on that originally expected and reflects the significant increase in recycling that is now taking place across the District.
5. Expenditure relating to the alteration to the Local Plan, which falls under Forward Planning, shows a marked underspend. This is DDF money, and much of this underspend will need to be rephased into 2007/08.
6. The Housing Repairs Fund also shows an underspend. Much of this is due to the cyclical maintenance contracts, which did not commence until July.
7. The payments to Sports and Leisure Management Ltd are still lagging behind expectations, indeed both July and August payments which would normally have been paid by the end of September were not paid until late October.

8. There has been an increase in the number of homeless persons that have been placed in Bed and Breakfast Accommodation recently, however this is thought to be a one off situation and expenditure is expected to return to levels seen in 2005/06 over the next year or so.
9. This report has been circulated to Portfolio-holders. An oral update will be provided to cover any additional comments or information received from Portfolio-holders.

Capital Budgets

10. Tables have now been prepared for capital expenditure monitoring purposes for the six months to 30 September. The tables show the major schemes separately with other more minor items being summarised. There is a brief commentary on each item highlighting the scheme progress and where there is potentially for slippage to occur.
11. The process of profiling capital budgets is currently being carried out and although many of the budgets have been profiled in line with expectations more work is still necessary in this area.

Conclusion

12. The panel is asked to note the position on both revenue and capital budgets as at Month 6.