

**BUDGET SCRUTINY TASK GROUP
18 JULY 2007**

**CABINET
26 JUNE 2007**

FINAL REVENUE OUTTURN REPORT 2006-07

Executive Summary

The final outturn expenditure for 2006-07 is less than the budget by £1.727 million.

General balances are estimated to be £6.421 million at 1 April 2007.

Requests for roll forward into 2007-08 total £1.387 million.

Proposal

To note the final outturn for 2006-07 is an under spend of £1.727 million

To note the level of balances at 1 April 2007 is £6.421 million

To approve the rollover requests of £1.387 million as detailed in Appendix 3 of the report.

Reasons For Proposals

To inform the Cabinet of the year end position and the implications for general balances.

SANDRA SCHOFIELD
Chief Financial Officer

WILTSHIRE COUNTY COUNCIL

BUDGET SCRUTINY TASK GROUP

18 JULY 2007

CABINET

26 JUNE 2007

FINAL REVENUE OUTTURN REPORT 2006-07

Purpose of the Report

1. This report presents the final spending statement for 2006-07, identifies the major variations against the budget, and requests the approval of rollovers into 2007-08.

Main Considerations for the Cabinet

Final Outturn 2006-07

2. The net under spend for 2006-07 is £1.727 million, as shown in Appendix 1, an increase of £0.176 million from that reported in April 2007. After anticipated rollovers of £1.387 million, balances are projected to be £6.421 million, as shown in Appendix 2.
3. The budget monitoring in 2006-07 has been dominated by pressures faced in the Department of Community Services, DCS, arising from increased demands for services and cost pressures arising from changes in Primary Care Trusts. Initial estimates identified cost pressures of nearly £7.6 million with DCS addressing £3.5 million through service reviews and efficiencies, and £3.96 million being provided through a review of corporate and other departmental budgets.
4. Service managers throughout the organisation have been managing their budgets closely within the context of the cost pressures, and many of the changes and initiatives to reduce costs have produced savings earlier and larger than initially anticipated, particularly in DCS. This has resulted in the increased level of under spend in 2006-07 and a reduction in the underlying level of expenditure for 2007-08, which puts the budget in an improved position before the commencement of the new financial year.
5. The initiatives to reduce spending levels are not complete, with further changes planned in 2007-08, but the opportunity to provide for re-structuring costs and other pressures has been taken in finalising the accounts for 2006-07.

Treatment of the under spends

6. In line with Financial Regulations, proposals for investment plans for under spends must be approved by portfolio holders, and are reported to Cabinet through this final outturn report. The proposals are summarised below, with the details of the proposals for the rollovers in Appendix 3

Department	Under spend £ million	Rollover request £ million
Children & Education	0.530	0.530
Community Services	0.134	0.134
Environmental Services Department	0.146	0.146
Resources	0.917	0.577
	1.727	1.387

7. The remaining £0.340 million from the Department of Resources will fall into general balances, which will be reviewed along with all other reserves when considering the financial plan for 2008-09 and beyond.

Risk Assessment

8. The balances are slightly healthier than was predicted when the budget for 2007-08 was set, and this is after taking into account the increase in earmarked reserves. The spending pressures on services in 2007-08 still exist and the risks must be managed effectively, with a continued focus on reducing the underlying expenditure levels.

Financial Implications

9. These are explicit in the report.

Proposals

10. The Cabinet is asked to
- Note the final under spend of £1.727 million.
 - Note the level of balances at 1 April 2007 is £6.421 million.
 - Approve the rollover of £1.387 million as detailed in Appendix 3.

Conclusion

11. The under spend in 2006-07 is £1.727 million which puts general balances at £6.420 million.

Sandra Schofield
Chief Financial Officer

Report Author Ian Burbidge

Unpublished documents relied upon in the preparation of this report: NONE

89/2007/CAB/IB

CONSOLIDATED BUDGET MONITORING STATEMENT

APPENDIX 1
31 March 2007

	<i>Net Approved Budget 2006-07 £m</i>	<i>Outturn for Year £m</i>	<i>Projected Variation for Year £m</i>
<u>Children and Education</u>			
Funding Schools	0.000	0.000	-
Vulnerable Children	21.766	20.461	1.305
Special Needs & Disability	9.744	9.231	0.513
Strategic Services	3.892	4.619	-0.727
Early Years	0.000	0.004	-0.004
School Support	3.016	2.968	0.048
Youth Development	3.036	3.067	-0.031
School Buildings & Places	0.614	0.626	-0.012
DSG support to central services	-2.222	-1.659	-0.563
Sub Total	39.847	39.317	0.530
<u>Adult and Community Services</u>			
Older People	34.971	36.580	-1.609
Learning Difficulties	23.158	22.748	0.410
Mental Health	12.757	14.715	-1.958
Central Services	5.409	6.039	-0.630
Miscellaneous	0.689	0.685	0.004
Supporting People	0.000	0.000	-
Revenue Budget Contingency Reserve	3.961	0.000	3.961
Sub Total	80.945	80.767	0.178
<u>Environmental Services</u>			
Highways	16.420	16.536	-0.116
Passenger Transport	12.229	12.027	0.202
Waste Management	14.700	14.713	-0.013
Planning & Environment	2.263	2.260	0.003
Trading Standards	1.071	1.065	0.006
Other	6.625	6.560	0.065
Sub Total	53.307	53.161	0.146
<u>Resources Department</u>			
Central & Other Services	14.171	14.212	-0.041
ICT/BPR/Customer Investment	10.291	9.842	0.449
Flood	0.460	0.462	-0.002
Capital Financing	15.242	14.731	0.511
Libraries & Heritage (transferred to DCS)	6.528	6.534	-0.006
Development Services (transferred to DCS)	0.630	0.668	-0.038
Sub Total	47.322	46.449	0.873
Amending Report	-0.079	-0.079	0
GRAND TOTAL	221.342	219.615	1.727

APPENDIX 2

Statement of General Balances as at 31 March 2007

	£m
Balances at start of 2006-07	7.632
Increases to Balances	
Add Contribution to balances from budget 2006-07	0.679
Add Net underspend for 2006-07	1.727
Use of Balances	
Less Rollovers allowed from 2005-06	-1.551
Less Balances used in 2006-07 for services	-0.679
Less Rollovers allowed into 2007-08	-1.387
Available balances at start of 2007-08	6.421

Revenue Budget Contingency Reserve as at 31 March 2007

	£m
Balances at start of 2006-07	0.366
Add Transferred from departmental budgets	0.000
Less Transfer to Resources Department	-0.366
Available balances at start of 2007-08	0.000

Total of Balances and Contingency Reserve as at 1 April 2006	7.998
---	--------------

Total of Balances and Contingency Reserve as at 1 April 2007	6.421
---	--------------

Department for Children and Education, under spend of £0.530 million.

Value	Purpose
£0.050 million	To set up a Parenting Support programme to ensure parents are provided with the support they need to bring up their children.
£0.052 million	To provide JAR (Joint Area Review) support post, whose role is to audit Children's Services ahead of the 2008 Corporate Assessment.
£0.025 million	To provide additional educational support for looked after children.
£0.100 million	To achieve compliance with the requirements for single agency child protection training.
£0.200 million	To support the cost efficient transfer of the children's homes to the independent provider.
£0.025 million	To support the provision of sports facilities in the Calne area following the closure of the local leisure centre.
£0.050 million	To increase the capacity of local areas to deliver successful bids for future 14-19 Diploma Submissions.
£0.028 million	To effectively plan a transfer to new premises in the Warminster area.

Department of Adult and Community Services, under spend of £0.133 million.

£0.035 million	On a review of our arrangements with Third sector organisations to produce a strategy to improve the services to Wiltshire residents.
£0.098 million	To fund additional senior management capacity to lead strategic and commissioning projects to provide a sustainable service in future years.

Environmental Services Department, under spend of £0.146 million.

£0.146 million	To fund repairs that were identified during the winter maintenance season.
----------------	--

Resources Department, under spend of £0.873 million, roll over request £0.577 million.

£0.314 million	To ICT schemes as already approved by cabinet, the specific schemes are:- · Ways of Working · SAN Improvements · Registration Services · EDRMS
£0.061 million	
£0.045 million	
£0.022 million	
£0.115 million	To capital financing to fund the "works before sale" element of the capital programme, this is where work needs to be undertaken before a property can be sold.
£0.020 million	To fund a review of the Wiltshire Racial Equality Council (WREC) in 2007-08.