

REPORT TO THE EXECUTIVE		Report No. 7
Date of Meeting	19 th June 2008	
Title of Report	Revenue Budget Monitor 2007-08 – Period 13 (year end)	
Portfolio	Leader's Responsibilities	
Link to Corporate Priorities	All	
Key Decision	Yes	
Executive Workplan Ref	A20	
Public Report	Yes	

<p>Summary of Report</p> <p>The report sets out the final year end Revenue position of the 2007-08 financial year, including all necessary year end adjustments, subject to audit.</p>
<p>Officer Recommendations</p> <p>That the Executive:</p> <p>Note the year end revenue under spend of £1285k, not including any additional financing income received.</p>

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.				
Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
Yes	No	No	No	No

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1. Introduction

- 1.1 Revenue budget monitors are produced to report on May (M2) to February (M11) of each financial year. It has been decided for 2007-08 to continue to March (M12), to provide current figures before the final outturn report, and also provide a Period 13 report, to include all year end adjustments.
- 1.2 The final year end position is given in 3.1.
- 1.3 Members should note that there is traditionally no Month 1 (April) Revenue Monitor report. Reporting for 2008-09 will commence for Month 2 (May) at the Executive meeting on 3rd July 2008.

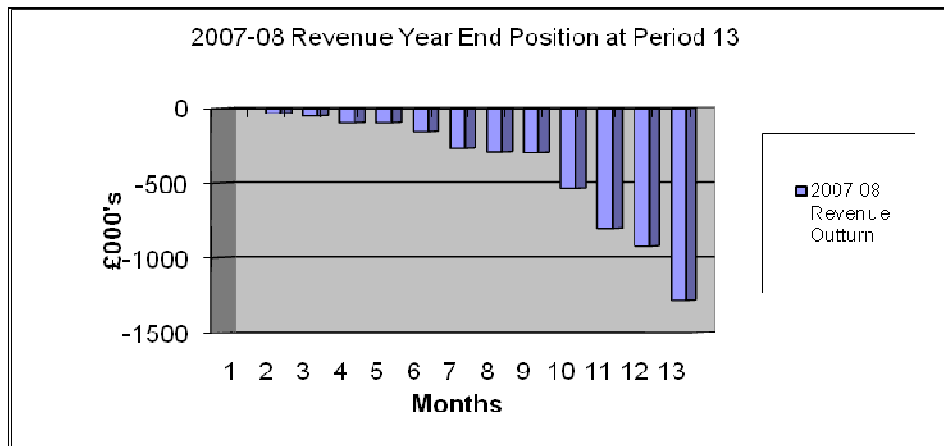
2 Options & Options Appraisal

- 2.1 Option 1: To agree the recommendations
- 2.2 Option 2: To not approve the recommendations. If this were the case, the Executive would need to offer alternative recommendations.

3. Background Information

- 3.1 **Overall position** - The final Revenue year end position shows an under spend of £1285k, an increase of £364k from the Month 12 position of £921k under spend. Annex 1 gives an analysis against the revised budget. However it should be noted that this does not include any additional financing income received, which has previously been included as part of the revenue monitor.

Exhibit 1 - Graph showing 2007-08 forecast surplus/deficit, month by month, over the year



This is the last monthly view; the overall position may change slightly as year end accounting practices influence the final reported position.

The following tables show variances by subjective analysis and by business area. An “adjusted budget” column has been added to reflect any virements and budget changes that have occurred during the year e.g. as a result of re-organisation:

Exhibit 2 – Table showing 2007-08 over(+)/under(-) spend by “subjective & gross net”

Type of cost/income	Revised Budget	Adjusted Budget	Actuals	Variance
Pay	14,107.3	13,986.0	12,673.1	-1,313.0
Premises	1,283.8	1,477.4	1,522.1	44.6
Transport	1,405.3	1,405.3	1,893.6	488.3
Supplies	5,542.8	2,496.5	2,542.9	46.4
Third Party	2,518.7	2,931.9	2,986.7	54.8
Transfer Payments	21,150.0	23,551.5	27,343.5	3,792.0
Controllable Expenditure	46,008.0	45,848.7	48,961.9	3,113.2
Capital Financing	1,386.6	1,423.8	1,385.5	-38.2
Recharges	10,354.3	10,438.4	9,745.9	-692.5
Adjustments Year End	0.0	0.0	705.5	705.5
Gross Expenditure	57,748.9	57,710.9	60,798.8	3,088.0
Income	-28,734.4	-28,696.4	-33,541.7	-4,845.3
Recharges	-11,001.7	-11,001.7	-10,529.4	472.3
Net Cost of Services	18,012.7	18,012.7	16,727.7	-1,285.0

Exhibit 3 – Table showing 2007-08 over(+)/under(-) spend by Business Area

Business Area	Net Budget	Adjusted Budget	Actuals	Variance
Chief Executive	1,071.6	1,091.3	619.7	-471.6
Community Engagement	3,355.1	2,725.9	3,105.7	379.9
Customer Relations	1,753.6	1,753.6	1,308.7	-445.0
Development Services	2,758.2	2,952.2	2,941.8	-10.5
Environmental Services	6,296.5	6,618.7	6,079.3	-539.3
Finance & Resources	0.0	-0.1	-1.7	-1.6
Governance	1,749.8	1,774.4	1,743.3	-31.1
HR	63.3	63.3	-1.1	-64.4
ICT	0.0	0.0	0.0	0.0
Policy & Performance	674.1	674.1	640.3	-33.8
PR	290.5	359.3	291.6	-67.7
Net Cost of Services	18,012.7	18,012.7	16,727.7	-1,285.0

- 3.2 The biggest influence on the overall underspend is £1.3m underspend on employee costs. £349k has also been received as a one off return of funds from Government in respect of Housing Benefit performance. Other major influences on the variances include Housing and Council Tax Benefits payments and subsidy income (included in Customer Relations, Transfer Payments & Income), and year end accounting adjustments, mainly affecting Community Engagement, Development Services, and Customer relations.
- 3.3 The remaining variances have been explained in previous revenue monitor reports.
- 3.4 Outside of the reported revenue position, the Council has also exceeded budget expectations for investment income, receiving a net figure of £2,399k income against a budget of £1,837k income (£562k in excess of the budget).

4. Financial Implications

- 4.1 The effect on the Council's Reserves, due to the under spend at year end, is as set out below.

Exhibit 7 - Table Analysis of movement in general reserves during the year £000's

General Fund Reserves at March 2007		4,240
2007-08 Budgeted reduction		0
Subtotal		4,240
October 12 Executive – Spend to Save, Revenues		-100
Subtotal		4,140
This report – outturn – under spend		1,285
Predicted General Fund Reserves at March 2008, taking only the revenue under spend into account		5,425

- Minimum level of Reserves of £3.5m, agreed by the Council for 2007/8 on February 22nd 2007

Background Documents Used in the Preparation of this Report:	<ul style="list-style-type: none"> • Budget monitoring reports for Teams across the Council • Minutes of relevant Member meetings
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Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference
Budget Proposals 2007-08	Council – February 22, 2007	C95(a)
Revenue Monitor – Framework for Improvements	Executive - June 7, 2007	E10
Revenue Monitor 2007-08 – Month 2 May	Executive July 12, 2007	E34
Revenue Monitor 2007-08 – Month 3 June	Executive August 30, 2007	E51
Revenue Monitor 2007-08 – Month 4 July	Executive October 04, 2007	E77
Revenue Monitor 2007-08 – Month 6 Sept	Executive November 01, 2007	E97
Revenue Monitor 2007-08 – Month 7 Oct	Executive December 06, 2007	E122
Revenue Monitor 2007-08 – Month 8 Nov	Executive January 17, 2008	E147
Revenue Monitor 2007-08 – Month 9 Dec	Executive February 7, 2008	E176
Revenue Monitor 2007-08 – Month 10 Jan	Executive March 13, 2008	E192
Revenue Monitor 2007-08 – Month 11 Feb	Executive April 24, 2008	E215
Revenue Monitor 2007-08 – Month 12 Mar	Executive May 15, 2008	E231