

Title: **Financial Monitoring 2007-08**
 Portfolio Holder: **Cllr While – Finance Portfolio Holder**
 Reporting Officer: **Steve Harding – Management Accountant**
 Key Decision: **No**

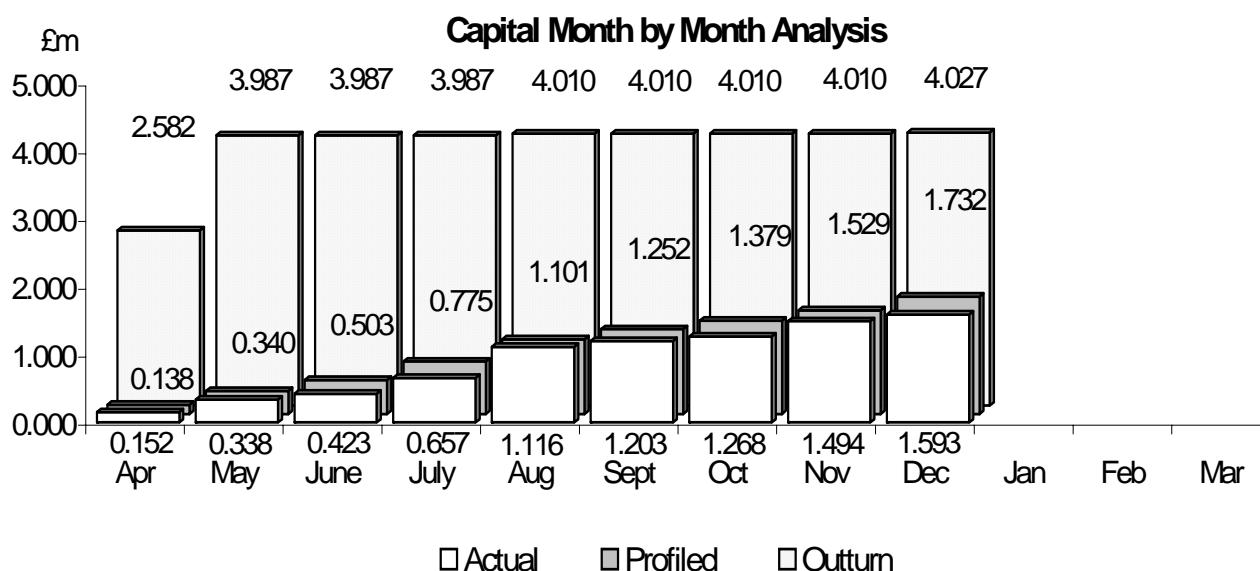
Purpose

To inform members of the Council’s financial position for the period ending 31 December 2007.

Background

Capital Expenditure

- The approved capital programme for 2007-08 was set at £2.582million gross. Slippage from previous years is £1.381 million gross.
- New play areas, funded by S106 contributions, of £64k have been added.
- West Wiltshire has been awarded a further £0.090m of government grant towards the cost of Disabled Facilities Grants. This will reduce the amount that has to be funded from capital receipts.
- The profiled gross budget to 31 December has been amended, in consultation with Service Managers, to reflect actual progress made with each capital scheme and is £1.732 million.
- Gross spend to 31 December is £1.593 million, which is £0.139m less than forecast. This is mainly due to the expenditure on the customer contact and telephony system and Five Towns Initiative being less than anticipated.

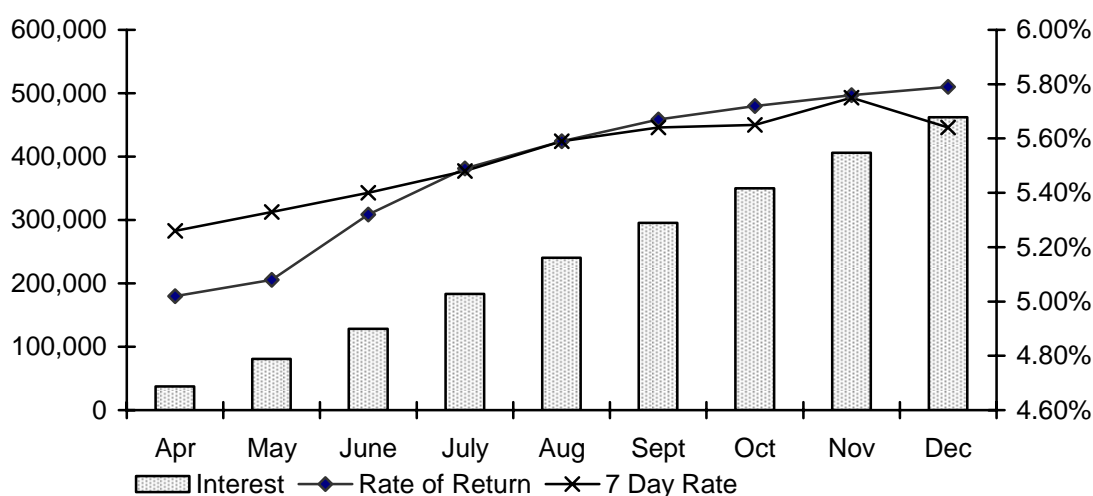


Investment Income

The performance of the Council's investments to 31 December:

- Average amount invested £ 10,613,092
- Total return £ 462,238
- Rate of return 5.79%
- Average 7 day notice rate 5.66%
- Total investment income received to date is £462k.
- The investment income base budget for the year was £304k, the latest forecast is £580k

Investments Month by Month Analysis



General Fund Spend to Date

- The base budget for 2007/08 is £14.875m.
- Expenditure to 31 December for the General Fund is £10.859m.
- Expenditure is £0.664m less than the profiled budget, the main reasons being the delay in the pay reform process, an outstanding refuse contract payment and other timing differences.

Projected General Fund Out-turn

- The projected out-turn on the General Fund is £14.863m.

Base Budget		14.875
		£k
Additional Costs:		
Previously reported	498	
Movements since last report		
Maintenance of leisure centres	<u>80</u>	578
Savings:		
Previously reported	(528)	
Movements since last report		
Planning and Development	(19)	
Housing	(35)	
Insurance	<u>(8)</u>	(590)
Projected Out-turn		<u>14.863</u>

The projected year-end surplus is £ 12K

Movements since last report:

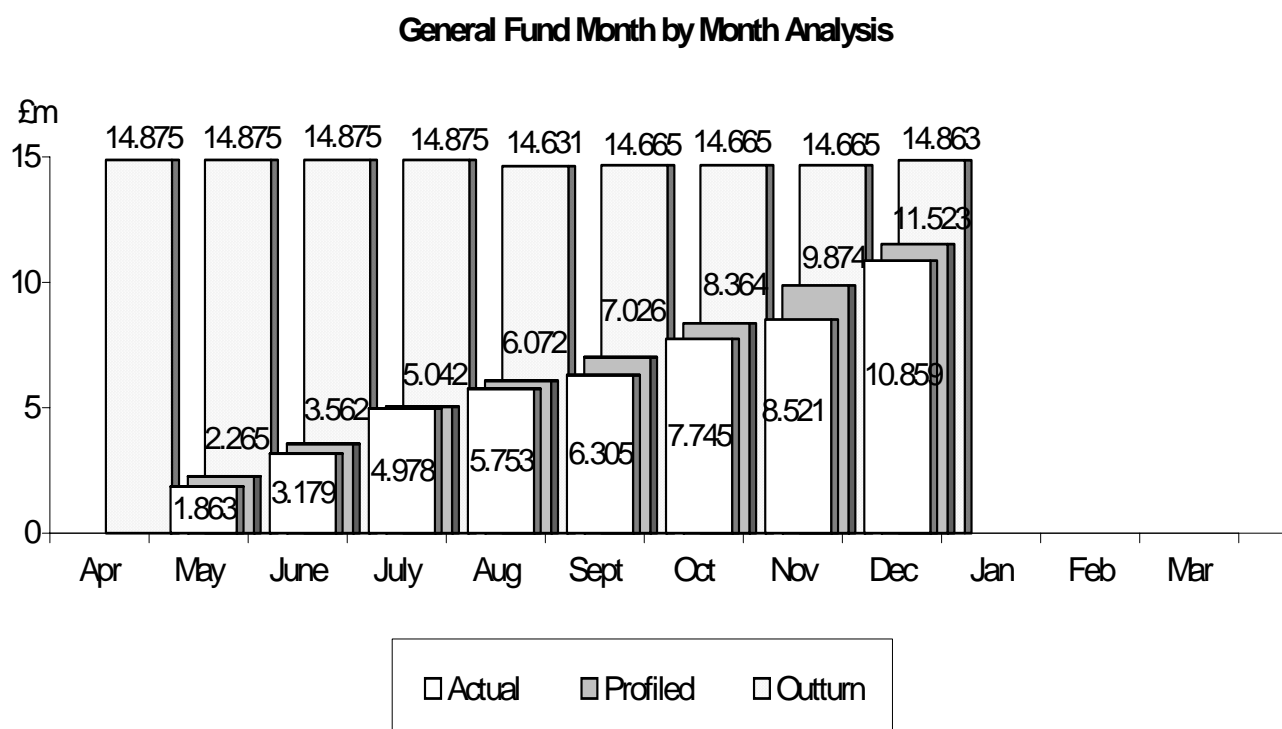
Additional costs

- Urgent high priority leisure site maintenance repairs identified from November 2007 King Sturge review £80k.

Savings

- The training budget will not be spent by the end of the financial year giving an underspend of £19k.
- The amount required for the housing conditions survey has been reduced by £35k.
- The annual renewal of insurance premiums was £8k less than budgeted.

A graph showing the month by month changes is given below:



Contingency Fund

The position on the contingency fund is:

			£k
Base Budget			100
Allocated:	Judicial review	30	
	Closed churchyards safety works	10	
	Depot safety works	20	
	Tree safety works	<u>20</u>	<u>80</u>
Balance			20

Temporary Employee fund

The position on the temporary employee fund is:

			£k
Base Budget			70
Allocated:	Elections and Member legal support	10	
	Property land registry/legal support	14	
	Agency backfill legal staff	20	
	Agency backfill revenues and benefits	15	<u>59</u>
Balance			11

Key Issue

Any surplus on the general fund outturn, unused balance on contingency fund and unused balance on the temporary employee fund will be automatically added to the overall general fund reserve.

Effect on strategies and codes

None

Risk management implications

None

Finance and performance Implications

These are contained in the report

Legal and human rights implications

None

Next steps

The overall position is being monitored and regular reports will be presented to Corporate Management Team, Cabinet and Scrutiny Committee.

Recommendation

That Cabinet notes the current financial position and the likely out-turn.

Background papers:

Budget monitoring papers December 2007 in Financial Services room F35.