

Title: **Financial Monitoring 2007-08**

Portfolio Holder: **Cllr While – Finance Portfolio Holder**

Reporting Officer: **Steve Harding – Management Accountant**

Key Decision: **No**

Purpose

To inform Cabinet of the Council's financial position for the period ending 29 February 2008.

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.
- Projects totalling £0.601m have been removed from the programme. These are Warminster Cemetery, Electronic Records Management and Housing Enabling, which will be provided direct by the developer rather than through commuted sums.
- 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 revised Capital Programme for 2007-08 is now £3.426million and the profiled gross budget to 29 February £2.128 million.
- Gross spend to 29 February is £1.857 million, which is £0.271m less than forecast. This is mainly due to the expenditure on the customer contact and telephony system, other IT projects, play area refurbishment and Five Towns Initiative being less than anticipated.
- There is likely to be significant slippage into 2008/09.

General Fund Spend to Date

- The base budget for 2007/08 is £14.875m.
- Expenditure to 29 February for the General Fund is £12.383m
- Expenditure is £1.239m less than the profiled budget, the main reasons being the delay in the pay reform process, the timing of letting the contract for repairing the multi storey car park, outstanding refuse contract payments and other timing differences.

Projected General Fund Out-turn

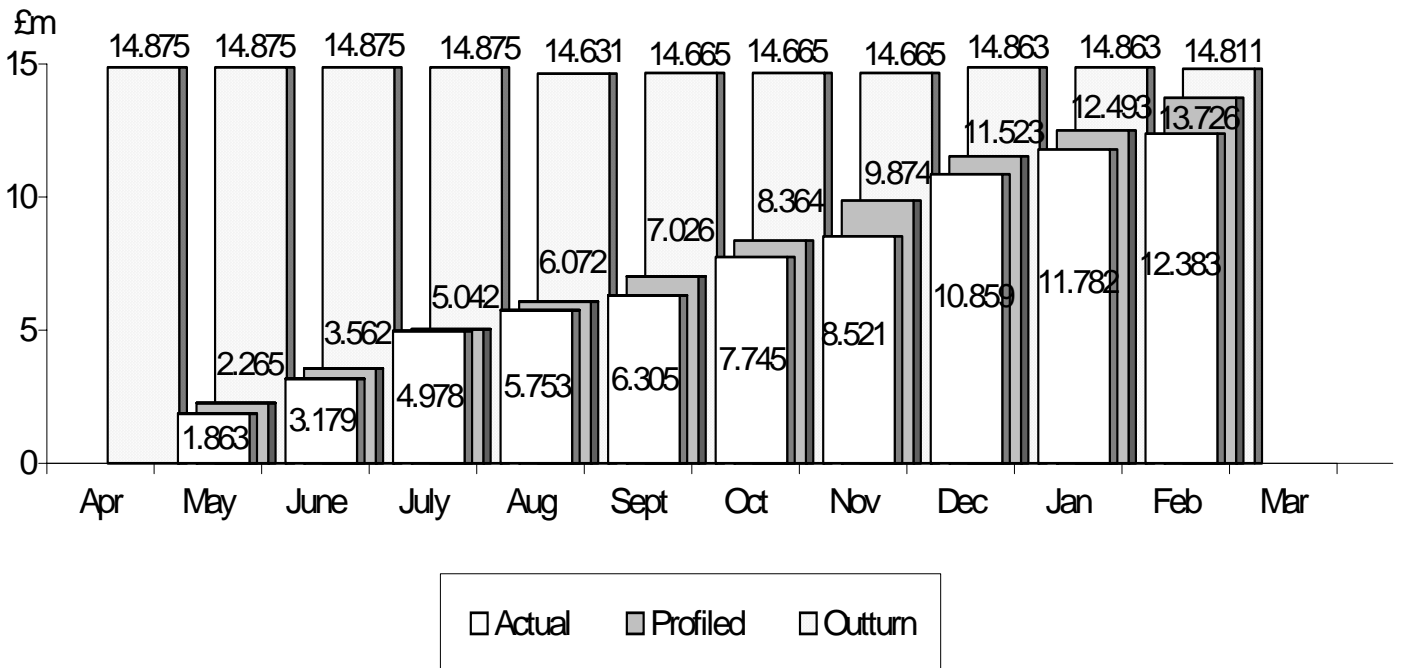
- The projected out-turn on the General Fund is £14.811m.
- Planning fee income is expected to increase by a further £60k, although £40k will be spent on processing applications.
- Building control income is forecast to be a further £35k below expectation.
- Land charges income is forecast to be £75k below forecast but the payment to Wiltshire County Council will also be £25k below the forecast, giving a net reduction of £50k.
- Licensing income will be £20k more than expected.
- Car park enforcement will generate additional net income of £37k.
- The delay in the pay reform process will save £60k in past pension costs.

Base Budget		14.875
	£k	
Additional Costs:		
Previously reported	578	
Movements since last report		
Building Control Income	35	
Land Charges	<u>50</u>	663
Savings:		
Previously reported	(590)	
Movements since last report		
Planning	(20)	
Licensing	(20)	
Car parks	(37)	
Past pension costs	<u>(60)</u>	(727)
Projected Out-turn		<u>14.811</u>

The projected year-end surplus is £ 64K

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

General Fund Month by Month Analysis



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	40
	Tree safety works	<u>20</u>
Balance		<u>100</u> 0

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
	Agency backfill Customer Support unit	<u>11</u>
Balance		<u>70</u> 0

Key Issues

- Any surplus on the general fund outturn 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 February 2008 in Financial Services room F35.