

Title: **Questions from Scrutiny Committee on 19 October 2005**

1. Availability of up to date financial information

The financial monitoring reports require around 10 working days from the month end to reconcile and close the system, quality check information, carry out monitoring and generate the report. Reports have to be prepared around 2 weeks in advance of the meeting date.

Taking the above into account the optimum date for meetings to enable receipt of up to date financial information in a written reported form would be around 23rd of each month.

Example

Meeting date before 23 November would report month end 30 September
Meeting dates after 23 November could report month end 31 October

2. Additional net investment income

Net investment income is made up of interest received from investments less interest paid for any short-term borrowing. Net Investment income forecasts for 2005/06 have moved from an original budget of £305k to £425k; an increase of **£120k**. The main reasons are outlined below:

- a) The disposal of capital assets generating capital receipts, which were not budgeted for. The main disposal being the sale of Ethandune, other disposals are included in new capital income.
- b) Slippage in the capital programme delaying expenditure to the following year.
- c) Delayed capital spend in the current year.
- d) Favourable changes to the cash flow forecast due to delayed payments from non receipt of contractor invoices.
- e) Reduction in the forecast amount of borrowing required.

	£
Sale of Ethandune - 28/06/05	31,366
(£900,445 @ 4.59% for 277 days)	
New Capital Income	5,557
(£119,000 @ 4.67% for 365 days)	
Capital Slippage	36,739
(£786,700 @ 4.67% for 365 days)	
Delayed Capital Spend	11,714
(£751,689 @ 4.85% for 122 days)	

Cleanaway Contract Payments	9,727
(£600,000 @ 4.85% for 122 days)	
Unused Borrowing Budget	25,000

TOTAL	120,103
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3. **Boundary Review**

This is an additional piece of work that was unknown at the time the original budget was set. The estimate of £20k provided by the Service Manager was to cover buying in external help to complete the administration and evidence gathering exercise and is largely in respect of staff costs.

Administration work was less than expected and is now forecast to be £10k. (printing/stationery £3k and staffing £7k)

A saving of £10k will be reported in the October Financial Monitoring report.

4. **Legal Costs**

To be covered by separate report on this agenda (report to follow).