

REPORT TO: Executive Board Sub Committee
DATE: 11th September 2008
REPORTING OFFICER: Operational Director – Financial Services
SUBJECT: Spending as at 30th June 2008
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To report the Council's overall revenue and capital spending position as at 30th June 2008.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 Appendix 1 presents a summary of spending against the revenue budget for each Department, up to 30th June 2008. In overall terms, revenue expenditure is below the budget profile.
- 3.2 However, the budget profile is only a guide to eventual spending. As yet the 2008 Pay Award has not yet been settled and some elements of the Pay and Grading Review have not yet been finalised. Furthermore, spending is historically higher in the latter part of the financial year, therefore, it is important that budget managers continue to closely monitor and control spending to ensure that overall spending remains in line with budget by year-end.
- 3.3 Within the overall position there are a number of vacant posts across Departments. However, some areas are already showing signs of budget pressures, where inflationary and economic pressures are beginning to have an effect as a result of the global "credit crunch", particularly in terms of fuel, energy and food costs.
- 3.4 Expenditure on Foster Carers and Childrens' Agency Placements is currently in line with the budget profile. However, these are heavily demand led budgets and current projections indicate that expenditure will significantly exceed budget by year-end. Spending on Community Care and the Adults with Learning Difficulties pooled budget is currently higher than the budget profile and is expected to come under increasing pressure during the year as more elderly people are being supported at home and with increasing levels of need.

- 3.5 Income is already below budget profile in a number of areas including; Trade and Bulky Waste Collection, Planning Fees, Building Control Fees, School Meals, Land Search Fees, Market Rents and Industrial Estate Rents.
- 3.6 Investment returns are currently better than expected despite the volatility in the financial markets. As a result investment income is expected to exceed the budget target by year-end.
- 3.7 There have been a considerable number of equal pay claims as part of the national single status agreement. These are being considered by our legal advisers and will result in a significant cost falling on the Council.

Capital Spending

- 3.8 A summary of capital spending is shown in Appendix 2. Capital spending to 30th June 2008 totalled £7.3m, which is 87% of the planned spending of £8.4m at this stage. However, this only represents 15% the total capital programme of £49.0m.
- 3.9 Although historically capital expenditure is significantly higher in the latter part of the financial year, it is important that project managers maintain pressure to keep projects and spending on schedule and in particular to ensure that all external funding is maximised.

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 The Council must have internal controls and processes in place to ensure that spending remains in line with budget.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

- 8.1 There are no background papers under the meaning of the Act.

APPENDIX 1

Revenue Expenditure to 30th June 2008

	Annual Budget	Budget To Date	Actual Spend	Variance To Date	Actual Including Committed
	£'000	£'000	£'000	£'000	£'000
Specialist Services	12,253	2,319	2,218	101	2,720
Business Planning & Resources	5,265	-2,026	-2,072	46	-1,992
Universal & Learning Services	2,362	193	152	41	156
Preventative Services	7,691	1,488	1,436	52	1,453
Children and Young People Directorate	27,571	1,974	1,734	240	2,337
Environmental Health & Regulatory	12,248	3,243	3,111	132	3,162
Highways & Transportation	13,774	1,846	1,639	207	3,585
Major Projects	796	54	47	7	48
Regeneration	1,504	349	317	32	338
Stadium, Catering & Cleaning	1,773	412	508	(96)	508
Environment Directorate	30,095	5,904	5,622	282	7,641
Legal, HR & Organisation Development	1,941	1,042	1,039	3	1,039
Policy & Performance	3,432	430	340	90	340
Exchequer & Customer Services	4,899	10,196	10,164	32	10,175
Financial Services	0	331	321	10	321
ICT Services	0	769	782	(13)	782
Property Services	71	1,861	2,170	(309)	2,170
Financial Arrangements	-9,604	-313	-553	240	-553
Corporate and Policy Directorate	739	14,316	14,263	53	14,274
Culture & Leisure Services	13,274	1,733	1,677	56	2,665
Adult Services	13,802	2,174	2,516	(342)	2,788
Health & Partnerships	2,063	210	149	61	178
Older People	14,351	2,482	2,271	211	2,449
Health and Community Directorate	43,490	6,599	6,613	(14)	8,080
	101,895	28,793	28,232	561	32,332

APPENDIX 2

Capital Expenditure to 30th June 2008

	Capital Allocation	Allocation Profile To Date	Actual Expenditure	Total Remaining Allocation
	£'000	£'000	£'000	£'000
Children & Young People Directorate				
Universal & Learning Services	5,313	582	582	4,731
Environment Directorate				
Environmental & Regulatory	905	49	49	856
Highways & Transportation	20,774	3,554	4,084	16,690
Major Projects	12,992	2,454	1,011	11,981
Stadium	58	0	0	58
Health & Community Directorate				
Culture & Leisure	1,874	68	76	1,798
Health and Partnerships	2,856	318	175	2,681
Older People	172	0	0	172
Adult Services	59	0	0	59
Corporate & Policy Directorate				
Policy & Performance	120	0	0	120
ICT Services	2,323	800	709	1,614
Property Services	1,532	551	614	918
	48,978	8,376	7,300	41,678