

**REVENUE AND CAPITAL OUTTURN – 1<sup>ST</sup> QUARTER 2012/3**  
**REPORT OF DEPUTY CHIEF EXECUTIVE – (CORPORATE  
DIRECTION)**

1. **PURPOSE OF REPORT**

1.1 To inform members of the revenue and capital outturn at the end of the first quarter 2012/13

2. **RECOMMENDATION**

2.1 That the committee notes the report

3. **BACKGROUND TO THE REPORT**

3.1 Attached to this report are detailed schedules showing a comparison of actual and budgeted income and expenditure for the quarter ended 30 June 2012.

**General Fund**

3.2 When the budget was approved by Council in February 2012 it was anticipated that £452,616 would be taken from balances (with an additional £57,600 from special expenses) and a net £364,450 transferred to Reserves.

3.3 Since that date £47,009 of supplementary budgets have been approved. In addition to this, budget managers have requested that the under spend in their budget(s) be carried forward to 2012/13 because of delays in committing expenditure or a need to defer income. Requests totaling a net £386,798 have been received (to be funded as detailed below) and will be presented to Council for approval in September 2012.

<b>Source of Funding</b>	<b>Amount (£)</b>
Carry Forward Reserve	136,093
Other Earmarked Reserves	180,705
Housing Revenue Account balances	70,000
<b>Total</b>	<b>386,798</b>

3.4 Explanations for variances against both profiled budget and estimated outturn have been detailed in the monthly outturn reports appended. The major service variations in excess of £50k have been summarised as follows:

	<b>Timing Differences</b>	<b>Outturn variances</b>	<b>Explanation</b>
	<b>£000's Under spend/(Overspend)</b>		
Council Tax Benefit	69	-	Quarter 1 contributions to be made to the Revenues & Benefits Partnership were not posted until July
Council Tax/NNDR	108	-	
Rent allowances	53	-	
Rent allowances	251	-	Additional housing subsidy received
DSO Housing Repairs	67	-	Underspends on employee costs
DSO Housing Repairs	74	-	Subcontractor budget underspent. To be reviewed to establish any impact on outturn

DSO Housing Repairs	(621)	-	Recharges of direct costs from the DSO are made at periodic intervals. This is consistent with previous years.
Homelessness	103	-	Bond Repayments income. Difference will be cleared by a prepayment journal at year end to ensure cash is accounted for in correct year
Recycling	55	-	Kerbside recycling invoices not processed in line with profile. Profile to be revised
Recycling	(279)	-	Profile of income received through County Council Recycling Credits has changed. Profile to be revised
Refuse Collection	54	-	Vehicle lease invoices processed later than budget profile
Planning Policy	68	-	SUE funding received in advance in previous year. To be applied later in year
ICT Support	186	-	Steria contract invoices for April and May were in dispute and were not approved until July
Legal/Admin	(82)		HRA and Revenues and Benefits element of Support Services to be recharged
Housing (General Fund)		(58)	Forecast reduction in income from housing benefit subsidy payment
Development Control	140	80	Increase in development control income estimated for year
Various	-	148	Salary savings identified across all service areas

3.5 Based on these forecasts, the Council is projecting that £437,023 will be taken from balances (with £82,770 from special expenses) and a net £423,550 transferred to Reserves. The Council is currently undergoing a review of earmarked reserves and any movement from balances and between reserves will be reflected in the quarter 2 outturn report to this committee.

#### Capital

3.6 £655,993 has been spent on capital schemes to the end of June 2012 against a budget for that period of £1,169,242. This is mainly due to slippages on schemes that will be deferred to later in the year.

#### Housing Revenue Account

3.7 At the present time it is anticipated that the HRA outturn surplus will be £611,980 as against an approved budget of £561,990. This reflects a net underspend of £50,000 which relates to a number of vacant posts within housing. Use of the HRA regeneration reserve has been included in the Council's review of reserves and any changes in this reserve will be reflected in the quarter 2 report to this committee.

#### 4. FINANCIAL IMPLICATIONS (KB)

The financial implications on the Council's budget position are outlined in the report.

5. LEGAL IMPLICATIONS (AB)

None raised directly by this report

6. CORPORATE PLAN IMPLICATIONS

None

7. CONSULTATION

All budget holders have been consulted in collating the information for this report.

8. RISK IMPLICATIONS

It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
None		

9. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

None

10. CORPORATE IMPLICATIONS

By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- ICT implications
- Asset Management implications
- Human Resources implications
- Planning Implications
- Voluntary Sector

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Background Papers: Civica Financial Files

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