

<b>MEETING:</b>	<b>STRATEGIC MONITORING COMMITTEE</b>
<b>DATE:</b>	<b>19 OCTOBER 2009</b>
<b>TITLE OF REPORT:</b>	<b>BUDGET MONITORING REPORT 2009</b>
<b>PORTFOLIO AREA:</b>	<b>RESOURCES</b>

### **Wards Affected**

County-wide

### **Purpose**

To report July's budget monitoring information and provide an indication of estimated outturn.

The report also includes the numbers and amounts written off for individual debts exceeding £1,000 for the period 1st April 2008 to 31st March 2009.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

#### **THAT**

- (a) **the report be noted, subject to any comments Strategic Monitoring Committee wishes to make;**
- (b) **the forecast outturn for 2009/10 agreed with Directors based on service and financial performance outlined in this report is noted; and**
- (c) **the continuing efforts of all Directors to ensure service targets are met within the approved budget are endorsed.**

### **Key Points Summary**

- The overall position on the revenue budget shows a projected overspend of £1.34m. This total is 1% of the council's £137.718m net revenue budget (excluding Dedicated Schools Grant).
- The overall position on the capital programme is a forecast expenditure of £84.4m after allowing for additional funding and slippage brought forward.

### **Alternative Options**

1. There are no Alternative Options.

## **Reasons for Recommendations**

2. To ensure Strategic Monitoring Committee is informed of the forecast outturn for 2009/10.

## **Introduction and Background**

3. The Council's revenue and capital position is reported to Strategic Monitoring Committee regularly throughout the year. The information provides an indication of the Council's performance against budgets. Cabinet noted this report on 24 September and endorsed the efforts of all Directors to ensure service targets are met within the approved budget.

## **Key Considerations**

4. Details of the forecast of revenue and capital outturn for 2009/10 based on service and financial performance information as at 31 July are attached in summary and then further detail is given by directorate.
5. Appendix A includes the detailed revenue budget report. The overall projected outturn is £1.34m. The key areas of concern are Integrated Commissioning Directorate, with a projected £2.62m overspend and the Children and Young People's Directorate, with a £755k projected overspend.
6. Where a directorate is projecting an overspend the Chief Executive has instructed Directors to produce recovery plans to bring their spending within budget.
7. The council's overall financial performance has a direct bearing on the level of general fund balance at year end as any overspend on the account must be funded. The report at Appendix A indicates that general balances could reduce to £4.053m by the end of the financial year based on current projections.
8. The capital programme budget monitoring is at Appendix B. The increase from the original budget is fully funded and includes all sources of finance including grants.
9. Appendix C provides details of write offs in excess of £1,000 for 2008/09.

## **Community Impact**

10. Not applicable.

## **Financial Implications**

11. These are contained in the report.

## **Legal Implications**

12. None.

## **Risk Management**

13. Effective financial reports and their follow up are an essential element in the management of risks and the delivery of the Council's and Herefordshire Partnership's priorities.

## **Consultees**

14. None.

## **Appendices**

15. Appendix A – 2009/10 Revenue Budget Monitoring  
Appendix B – Capital  
Appendix C – Write off Report

## **Background Papers**

None identified.