

Item 6

REPORT TO CABINET

3rd JULY 2008

REPORT OF DIRECTOR OF RESOURCES

Portfolio: STRATEGIC LEADERSHIP

REVENUE BUDGETARY CONTROL OUTTURN REPORT FOR 2007-2008

1. SUMMARY

This is the final revenue budgetary control report under the 2007/08 Budgetary Control reporting arrangements.

This report summarises the projected outturn position on the Council's revenue activities that shows:

- The General Fund used balances of £536,000 compared to a revised budgeted use of £760,000, a saving of £224,000.
- The Housing Revenue Account is expected to use balances £1,949,200 compared to a revised budgeted use of £1,714,000, an overall overspend of £235,200
- The Training and Employment Service made an operational surplus of £119,000

Details in respect of significant Balance Sheet items are also included in Paragraph 9 in order to provide a wider perspective on the Council's financial standing.

2. RECOMMENDATIONS

It is recommended that: -

- Cabinet note the position as at 31st March 2008.

3. DETAILED FINANCIAL POSITION AT 31st MARCH 2008

3.1 Monitoring Arrangements for 2007-2008

The budgetary control monitoring arrangements for 2007-2008 were approved by Management Team on the 2nd April 2007. Regular reports have been presented to Cabinet detailing the Council's financial position during the year and this report deals with the outturn position as at 31st March. In addition the various Strategic Working Groups have considered more detailed reports.

The expectation being that issues arising from any significant variances from approved budgets will be considered by the Groups who will instigate corrective action where necessary and ensure that their deliberations are reported back to Cabinet at the next budgetary review opportunity.

3.2 Volatile Budgets – Position at 31st MARCH 2008

An earlier report to this Cabinet introduced the concept of Volatile budget reporting and outlined the actions being taken to monitor those specific budgets that were susceptible to market forces and in particular some of the income streams. The following table shows those income types that are considered vulnerable and together with the outturn position.

Income Stream	Budget 2007-2008 £	Actual Outturn £	Variance £	Previous Report £	Volatility Status
Land Charges	210,000	193,886	(16,114)	210,000	AMBER
Investment Interest	1,500,000	1,516,235	16,235	1,507,000	GREEN
Building Control Fees	205,000	178,463	(26,537)	174,000	RED
Planning Fees	395,000	412,182	17,182	406,000	GREEN
Trade Waste Income	250,700	242,148	(8,552)	237,000	AMBER
Fixed Penalty Notices	40,000	4,945	(35,055)	4,000	RED
Leisure Centres					
- Catering	126,300	111,576	(14,724)	120,600	AMBER
- Bars	210,000	191,730	(18,270)	178,000	AMBER
- Use of Facilities	1,332,800	1,234,697	(98,103)	1,203,800	RED
Total	4,269,800	4,085,862	(183,938)	4,040,400	

The volatility status indicates the final outturn on the specific income stream, with **red** indicating that the target was not achieved, **amber** indicating that though the target was not achieved the variance was not material enough to cause budgetary concerns and **green** indicating that the income target was achieved or exceeded.

All of the above income streams have been incorporated within the control figures for the relevant Portfolios and commentary has been included where appropriate within the relevant sections of this report, especially where Budget holders have taken account of falling income streams and reduced operating expenses accordingly, this particularly applies to the bar & catering activities within the Leisure Centres. The variances above will be taken into account when judgements about income streams levels for 2008/09 budgetary control monitoring are being assessed.

3.3 General Fund

The following table covers the financial year 2007/08 and shows: -

- The revised approved budget for each of the main portfolios.
- The actual outturn as recorded in the Council's financial management system as at 31st March 2008
- The variance between the annual budget and the outturn.
- The outturn forecast reported from December's figures

- The outturn variance comparing actual Outturn figures to December's forecasted outturn figures

The original approved budgets have been revised to take account of a full re-apportionment of capital financing charges across all Portfolios that have been recalculated following the closure of the 2007/2008 accounts.

The overall financial position for the General Fund is therefore as follows: -

PORTFOLIO	Revised Budget 2007/08 £'000	Outturn to 31st March £'000	Variance @ 31st March £'000	Revised Outturn @ 31st December £'000	Outturn Variance Compared To 31st December £'000
Strategic Leadership	(4,936)	(4,644)	292	(4,731)	87
Healthy Borough					
- Community Health	162	162	-	155	7
- Leisure & Culture	4,002	3,963	(39)	3,930	33
Strong Communities					
- Housing	2,144	2,214	70	2,198	16
- Safer Communities	927	1,067	140	1,075	(8)
Prosperous Borough					
- Learning & Employment	816	667	(149)	784	(117)
- Social Regeneration & Partnership	6,205	6,009	(196)	6,026	(17)
Attractive Borough					
- Environment	5,623	5,276	(347)	5,356	(80)
- Planning & Development	455	440	(15)	471	(31)
Other Efficiency Savings	(20)	-	20	-	-
	15,378	15,154	(224)	15,264	(110)
Use of Balances	(760)	(536)	224	646	(110)
Budget Requirement	14,618	14,618	-	14,618	-

The main features that contribute to the overall underspend include: -

Salaries and Wages costs amount to approximately 30% of the gross spend on the Council's General Fund services, and as a consequence the relevant budgets are monitored very closely on a monthly basis. The Council set a savings target of £385,000 equivalent to a turnover rate of 4% for 2007/08. The Council achieved more than the required savings and the budgetary projections contained within this report take into account the outturn figures.

Depending upon where staffing vacancies have fallen there has been a need to seek the appointment of agency staff; use of overtime or honoraria payments where it has been difficult to recruit a replacement to ensure continuity of service delivery in key service areas.

A report to Cabinet approved the virement of £50,000 of these savings for Organisational Development initiatives associated with Local Government Review.

The Council approved the Transition Plan on the 10th January 2008 prioritising the Authority's aims and objectives for the period remaining up to vesting day. The anticipated additional costs associated with facilitating this plan and managing the organisation through the transition period this has been accommodated within the existing budget framework and financed from the salary savings outlined above.

The following section therefore concentrates on factors other than staffing that are having an impact on individual Portfolio budgets since the December report was prepared.

3.3.1. General Fund

Portfolio	Area of Spend	Comment
<p>Strategic Leadership</p>		<p>This portfolio's spend is greatly influenced by two main features staffing budgets and capital financing / accounting costs which includes investment interest.</p> <p>As detailed above there have been some significant savings as a result of staff turnover and non-filling of vacancies. The savings identified above of £430,000 have been factored into the outturn for this Portfolio.</p> <p>There has also been a general underspend across all budget areas which was not anticipated when the December forecast was produced amounting to approximately £100,000.</p> <p>The other main area of change relates to capital financing and accounting charges. The impact of these cannot be fully determined during the year and it is only when the capital accounts have been closed and appropriate charges calculated that the overall impact on budgets can be assessed.</p> <p>There was a small increase in investment income received over and above that predicted at the December report even after taking account of lower interest rates and impaired cashflow net of recharges to the housing revenue account mainly as a consequence of delays in the sale of some assets.</p>

Healthy Borough	Community Health	There are no material changes from the December forecast. The outturn reflects the initial budget framework for this portfolio.
	Leisure Culture &	<p>The overall position for this Portfolio is an underspend of £39,170, a slight deterioration from the December projection.</p> <p>Close monitoring of the budget by the Director of Leisure ensured that spending was contained within overall budget targets. Despite income streams in the volatile areas shown in the table at paragraph 3.2 above deteriorating slightly since the last forecasts expenditure was reduced accordingly to compensate.</p> <p>The main reasons for the overall underspend were a reduction in energy costs [gas & electricity] throughout the four leisure centres achieved in the main by capital investment on energy saving technologies.</p>
Strong Communities	Housing General Fund	<p>The December report predicted an overspend in the region of £54,000, and this has deteriorated in the last three months of 2007/08.</p> <p>The main reason being that it was not possible to fully recover the operating costs of the Home improvement Agency from the levels of grant aid paid out to vulnerable households. Discussions are ongoing with the relevant budget managers to determine whether this feature will occur during 2008/09 and to determine what corrective action can be put in place to mitigate future under recoveries of costs.</p>
	Safer Communities	<p>The revenue deficit forecast for this Portfolio has improved since the last report, with the anticipated over spend reducing from £154,000 down to £140,000 in the last three months.</p> <p>There are no significant issues that have contributed to this additional saving which reflects a general underspend on operating expenses.</p> <p>The volatile Budget table at paragraph 3.2 shows that the anticipated level of income from fixed penalty notices improved slightly from the December projections though the overall level of income from this source is well below budget expectations. The 2008/09 budget reflects this position and again close monitoring will be put in place during 2008/09.</p>

<p>Prosperous Borough</p>	<p>Learning and Employment</p>	<p>The overall position for this Portfolio is an underspend of £148,700, an improvement from the December projection when an underspend of £31,540 was forecast.</p> <p>The two factors that have contributed to the improved position apart from a general underspend on operating costs were a saving on industrial promotion of £11,000 and a significant increase in occupancy of industrial units generated higher than expected levels of rental income which were under recorded in previous budgetary monitoring reports. This budget head will be included in future volatility reporting that is undertaken in 2008/09.</p>
	<p>Social Regeneration and Partnership</p>	<p>The overall position for this Portfolio is an underspend of £196,400, an improvement from the December projection when an underspend of £179,170 was forecast of approximately £17,000.</p> <p>The main changes can be identified as a saving on the costs of the concessionary travel scheme and increased levels of recovered housing benefit overpayments</p>
<p>Attractive Borough</p>	<p>Environment</p>	<p>The December forecast predicted an underspend in the region of £267,000; the outturn achieved was a saving of £347,150 an overall change of approximately £80,000.</p> <p>The main reasons for this additional saving was a combination of increased levels of trade waste income as detailed in paragraph 3.2 above together with a reduction in operating costs throughout the Street Scene service over and above what normally could have been predicted.</p>
	<p>Planning and Development</p>	<p>The overall position for this Portfolio is an underspend of £14,290, an improvement from the December projection when an overspend of £16,400 was forecast.</p> <p>There are no significant issues that have contributed to this additional saving which reflects a general underspend on operating expenses.</p> <p>Paragraph 3.2 above shows the two areas of volatile income streams that are closely monitored and overall targets have been achieved. Against an initial forecast of £600,00 income of £590,000 was achieved. These two areas will again be monitored throughout 2008/09.</p>

Efficiency savings		The 2007/08 budget assumed an efficiency target of £20,000. Paragraph 5 below provides details on in respect of the outturn position.
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3.4 Housing Revenue Account (HRA)

The approved budget for 2007/08 assumed that the HRA would require the use of £100,000 from Balances to support the Service Improvement Plan. Cabinet in June approved a further use of HRA balances of £60,000 to fund the review of the Council's Stock Option appraisal. A further use of HRA reserves amounting to £411,000 was approved for initial works in respect of the potential stock transfer and £300,000 was allocated to clear the backlog of Disabled persons Adaptations.

In addition there is a planned use of HRA balances of £843,000 to fund the HRA capital programme. In order to maintain flexibility within the HRA the actual use of balances may be varied when the final programme is financed to take account of usable capital receipts available as at the 31st March 2008.

The outturn position to the 31st March 2008 is a use of HRA reserves of £1,949,000 compared to a revised budget use of £1,714,000 as shown in the following table: -

	<i>What We Spent 2007/2008</i>		
	<i>Planned £000</i>	<i>Actual £000</i>	<i>(Under- spend) Overspend £000</i>
Income			
<i>House Rents Net of Voids and Bad Debts</i>	22,465	22,507	(42)
<i>Other Rents</i>	915	890	25
<i>Government Subsidies</i>	16	16	-
<i>Other Contributions and Charges</i>	4,879	4,899	(20)
<i>Mortgage Interest & Investment Income</i>	96	108	(12)
Total Income	28,371	28,420	(49)
Expenditure			
<i>Management Costs</i>	11,184	11,658	474
<i>Maintenance Costs</i>	6,675	6,793	118
<i>Stock options and transfer Expenses</i>	471	261	(210)
<i>Capital Financing</i>	5,935	5,926	(9)
<i>Revenue Contribution to Capital #</i>	2,480	2,270	(210)
<i>Negative Subsidy Payable</i>	3,340	3,461	121
Total Expenditure	30,085	30,369	284
Contribution from HRA Balances	1,714	1,949	235

The significant change in the outturn projection relates to a number of specific items:

- Costs associated with the Stock Transfer of £196,000 were incurred by 31st March 2008. The 2008/09 HRA budget assumed all spend would fall in that year and the budget was prepared on that basis. As a consequence savings of £196,000 will now be made in 2008/09.
- The main features that account for the additional use of balances to those outlined above relate to the pension costs incurred by the HRA in respect of the TUPE transfer of staff to the Housing Partner for maintenance and capital works. Total costs of approximately £750,000 were incurred in respect of the transfer of the pension liability particularly in regard to the early release of employees whose workload had ceased because of changes in the make up of the Housing Capital Programme. 50% of the associated costs have been reimbursed by the Housing Partner.
- Some additional costs were also incurred in connection with set up costs for the new contracting arrangements.
- In summary the use of balances is higher than originally planned, however some of these costs were anticipated to fall as a charge against the 2008/09 HRA budget. These costs will not now be incurred in the current year and it is anticipated that a sum equal to the early costs incurred will be returned to balances by the end of the financial year 2008/09. If these costs are removed from the comparison then the HRA would have shown a saving of £336,000 in 2007-2008.

Other factors to take into account in considering this financial position are: -

- Overall net Rental income was approximately £43,000 higher than original budget forecasts as a consequence of lower than anticipated Right to Buy Sales, rental loss from void properties is also down as a result of quicker turn round times on changes in tenancy and improved maintenance performance.
- As a consequence of the “credit crunch” interest rates remained much higher during the latter part of 2007-2008 than was expected; this was tempered by lower investment returns due to delays in the sale of some assets and the reduced levels of RTB sales. Overall level of interest receivable in the HRA has increased by £11,000 since the December report.
- A significant proportion of the costs of providing the Housing Service are employee based. Each vacant post has been assessed to determine the likely date by which they will be filled and the overall impact on costs. Overall there were savings amounting to approximately £56,000 in 2007-2008.
- The repairs and maintenance budget has been adjusted to reflect the declining recovery rates in respect of rechargeable housing repairs.
- None of the contingency sum was required in 2007/08.
- It was originally planned to use £2.48m from revenue to support the Housing capital programme. The outturn requirement of £2.27m is a result of some of the spend charged initially to capital not meeting the specific definition of capital spend (such as environmental works) and consequentially it was transferred into

revenue with the revenue support to capital being reduced pro rata. This adjustment partly accounts for the overspend on maintenance costs, which before the inclusion of the environmental maintenance works was showing an underspend against approved budget.

- The amount of subsidy payable to the Government increased by £121,000 to £3,461,000. Whilst overall costs in respect of managing the HRA debt portfolio fell it meant that the surplus on the notional subsidy HRA subsequently increased leading to the increased repayment.

3.5 Training and Employment Services

The initial budget prepared for 2007/2008 forecast that the Training Services account would make an operating loss of about £33,000 [excluding asset charges] by the 31st March 2008. As a consequence of significantly higher levels of income mainly generated by contracts with Job Centre Plus together with a prudent approach to spending on operating costs and savings on staffing costs an overall surplus for the year amounted to approximately £119,000.

4. Further revenue developments during 2007-2008

There have been no further awards of additional funds since the last report was prepared.

5. Annual Efficiency Savings

The Council in line with Government targets has pursued opportunities to ensure that efficiency savings in the region of £400,000 per annum were achieved over the three-year period 2005-2006 to 2007-2008. The target saving for the 2007/08 financial year was £406,000, half of which had to be in 'cashable' form.

The Council has a strong track record of reviewing its spending in order to identify administrative and efficiency savings as a key element of the budget and tax setting process. As part of the 2007/08 budget framework, operational savings of £367,660 were identified in the revenue budget to provide support to achieving the 'cashable' savings target of £203,000.

In addition to the above cashable savings achieved through the budget framework, the Council achieved wider efficiency savings throughout the year from administrative, transactional and procurement related activities.

The above savings were integrated into the 2007-2008 revenue budget, the monitoring of which was undertaken as part of the normal budgetary control reporting arrangements to Members and senior management during the year.

Cabinet considered a comprehensive report on the 6th December 2007, which provided a detailed update on the Council's progress with efficiency savings. That report identified that savings of £443,130 were expected against planned savings of £367,660, based on latest budgetary control information available at that time. The actual position, based on outturn information was that savings of £544,755 had been achieved – an additional £177,095 over the planned position. Details of these savings will be reported to Cabinet in a separate report dealing with the Council's overall progress with the efficiency agenda.

6. Collection Fund Surplus

The Council as billing authority for council tax and non domestic rates purposes maintains on behalf of the authorities which precept on the Council a separate set of accounts known as the Collection Fund. Whilst these accounts are not part of our normal budgetary control reporting arrangements any surplus or deficit on the fund has a direct impact on future council tax levels in the Borough.

As at the 31st March 2007 there was an accumulated surplus on the Fund of only £595,000, the Borough's share being £137,500. Whilst a higher level of funds is being distributed than is currently being held [£648,500] the shortfall will be collected during this year.

The Council has recently calculated the actual surplus on the Collection Fund as at 31st March 2008 and advised the Principal Precepting Authorities of their share that has to be paid out during 2008/2009. The Council's share of the actual surplus of £404,000 is £91,000.

7. Revenue Reserves 2007-2008

The Council held reserves totalling £10.407m at the 1st April 2007 [excluding the Collection Fund] with the budget framework report in respect of 2007-2008 assuming that £1.841m would be utilised in this financial year. The outturn position is a use of reserves amounting to £2.761m as indicated in the table below.

The main reasons for the change in the use of balances relates to two particular issues

- The Training Service which was anticipated to make a small operating loss at the beginning of the year made an operating surplus of £119,000.
- The requirement to use HRA balances in 2007/08 rather than in 2008/09 as detailed in Paragraph 3.4 above amounting to £571,000

The Council has recently taken the decision to proceed with a Large Scale Stock Transfer in relation to its Council Houses. The anticipated costs of undertaking such an exercise are estimated to be in the region of £411,000. In the event that the 'Tenant Ballot' is unsuccessful these costs will have to be charged against revenue reserves. To this end £164,000 [40% of the costs] has been earmarked against the General Fund reserve and £246,000 [60%] earmarked against the Housing Revenue Account reserve of which £196,000 has been spent to date.

	Revised Budget	Outturn Projection
FUND	£'000	£'000
Balances at 1st April 2007	10,407	10,407
Revenue Purposes		
- Budget Support Fund	760	536
- Debt Management Fund	150	150
- Economic Development Fund	116	25
- LABGI Funds	-	4
- Other Funds	75	(103)
- Housing Revenue Account	871	1,106

Capital Purposes		
- Housing Revenue Account	500	843
- Asset Management Fund	100	100
- Private Sector Housing Fund	100	100
Actual Balance at 31st March 2008	7,735	7,646

The split of revenue reserves as at 31st March 2008 is as follows: -

	GENERAL FUND	HRA	Total
	£'000	£'000	£'000
Balances at 1st April 2007	7,025	3,382	10,407
Use in 2007/08	(812)	(1,949)	(2,511)
Actual Balance at 31st March 2008	6,213	1,433	7,646

8. Revenue Provisions 2007-2008

In view of the Council's favourable outturn position in 2007/08 provision has been made to carry forward unused resources amounting to £617,270 into 2008/2009 to meet specific needs identified within the Budget and Policy Framework, this is in line with the Financial Regulations.

In addition the Council has received grant funding in respect of specific initiatives [such as Communities for Health & Planning Delivery Grant] that was unspent at the 31st March 2008 amounting to £641,900. The budget framework already assumes that some of this grant funding will be utilised in 2008/2009, however if the specific programmes do not need all of the funds in the current financial year unspent resources will be rolled forward into later years to meet specific requirements of the relevant initiatives. The use of the provisions will be monitored as part of the 2008/2009 budgetary control arrangements.

9. Balance Sheet Management

Best practice recommends that Council's should report significant items from the "balance sheet", and in particular those items that may have a material impact on the Council if not reviewed on a regular basis.

CIPFA has issued some guidance and it is now considered prudent to report on at least the following items: -

- **External Loan Debt** – monies borrowed by the Council.
- **Short Term Investments** – surplus cash invested by the Council.
- **Current Debtors** – sums owed to the Council in respect of Rents, Council Tax, Overpaid Housing Benefits, Mortgages and Accounts Receivable.

Performance Management arrangements closely monitor the above areas on at least a monthly basis to ensure that the Councils Treasury Management strategy is being adhered to in respect of the first two items and in respect of the last item debt recovery action is instigated where debts are not settled within expected time scales.

- **External loan debt**

- The value of loans outstanding at the 31st March 2008 was £18.599m, down from £18.641m at the 1st April 2007 in line with the Council's Treasury Management Strategy

- **Short Term Investments**

- As at the 31st March 2008 the Council had £22.27m on short-term deposit with Financial Institutions, compared with £27.26m at the 31st March 2007. The original budget forecast of investment income was £1.5m, actual outturn as at 31st March shows an increase to £1.516m, prior to the HRA recharge detailed in Paragraph 3.3.1, and this that has been taken into account in the forecast for Strategic Leadership Portfolio shown above.

- The Council will continue to actively pursue investment opportunities throughout the 2008-2009 in order to maximise investment returns taking into account in the Treasury Management Strategy.

- **Current Debtors**

- Recovery of all sums due to the Council promptly can have a significant material impact on the cash-flow of the Council and lead onto higher than expected investment returns as indicated above if it is actively managed.

- As at the 31st March 2008 the Council recorded in its Annual Statement of Accounts that the amounts due from debtors amounted to £7.121m. [£7.724m for 2006-2007]. A proportion of this debt related to year-end grant claims, which is a normal position at this time of year and these have now been certified and paid as an outcome of the external audit process.

- However some of the outstanding debt has to be actively managed to ensure that it is eventually collected and is not written off as a "bad debt". As at the 31st March 2008 the following analysis is available.

Type of Debt	Position @31/12/2007	Position @ 31 st March 2008		
		Total Arrears	Current Arrears	Aged Arrears
	£	£	£	£
Current Housing Rents	437,593	430,519	230,680	199,839
Former Tenants Housing Rents	578,951	521,372	-	521,372
Council Tax – Current year	2,243,737	1,548,570	219,266	1,329,304
Council Tax – Prior Years	2,231,323	1,890,030	20,243	1,869,787
Accounts Receivable	1,198,914	1,117,653	908,003	209,650
Housing Benefit Overpayments	555,462	555,515	185,109	370,406
Mortgages	83	338	338	-
Total Outstanding debt	7,246,063	6,063,997	1,563,639	4,500,358
Position 31st March 2007		7,423,570	2,891,736	4,531,834

Current arrears is debt less than 60 days old & aged arrears is debt older than 60 days

- Housing Rent is a weekly charge on the property. The five area Housing Management teams manage current arrears with former tenants being managed

by a centralised debt recovery team. All Teams work to an approved policy document which involves a number of stages culminating in seeking repossession where a current tenant fails to make arrangements to pay and referral to a Certificated Bailiff in former tenant arrears cases.

- Council Tax is an annual charge and the arrears above reflect those accounts where no arrangements have been agreed to collect the initial charge by instalments. When accounts fall into arrears Liability Orders are obtained from the Magistrates Court. Where this procedure fails to obtain settlement of the debt a range of other recovery processes are initiated including use of Certificated Bailiff and committal proceedings. Whilst the level of arrears looks high it must be taken in the context of the overall total debit raised since the introduction of Council Tax now exceeds £317m, the Councils collection rate to-date is in excess of 99% of amounts due.
- Accounts Receivable debt can relate to any of the services that the Council provides. Debt recovery action is the responsibility of the department that provides the service and raises the initial invoice. If the department is unable to collect the debt the Director of Resources may refer the debt to a Certificated Bailiff for further recovery action.
- Housing Benefit overpayments usually arise where a person in receipt of benefit has failed to notify the Council of a change in circumstances that would affect their entitlement. If the claimant is still in receipt of benefit the overpayment can be recovered at the maximum rate of £9.00 per week. [£12.00 in cases of proven fraud]. Where the claimant is no longer in receipt of benefit or has vacated the property an accounts receivable invoice is sent to the person if a forwarding address is known. Where a former claimant moves back into the Borough and becomes eligible for benefit the debt is reinstated and recovered from on-going entitlement.
- Mortgages debt is all current arrears [i.e. less than 60 days old] and arrangements are in hand to recover the debt outstanding from the one debtor in arrears.

Council considered the 2007-2008 Financial Statements at their meeting on the 30th June 2008 and a copy of the document will be placed on the Council's website shortly.

10. LINKS TO CORPORATE OBJECTIVES & VALUES

The details contained in the report support the Council's corporate value of being responsible with and accountable for public finances.

11. RESOURCE IMPLICATIONS

There are no further resource implications arising from this report.

12. CONSULTATIONS

Comprehensive consultation has previously been held during the construction of the 2007/08 Budget Framework. This report does not contain any proposals or recommendations that require further consultation. The relevant Departments have been consulted in projecting the levels of spending during the current year.

13. OTHER MATERIAL CONSIDERATIONS

13.1 **Links to Corporate Objectives/Values**

The Council's Corporate Objectives and Values have guided the preparation of the 2007/08 Budget Framework throughout. Resource availability has been fully re-assessed and directed to assist in achieving the Council's key priorities as set out in the Corporate Plan. Particular emphasis has been placed on the following Corporate Values: -

- Be responsible with and accountable for public finances.
- Consult with service users, customers and partners.

13.2 **Risk Management**

The budget framework report to Council on the 27th February 2007 highlighted a number of risk areas that needed to be monitored to ensure the effective delivery of the 2007/08 spending plans.

There have been no further risks identified during the preparation of this report apart from the continued need by the relevant budget holders to monitor the budgets closely during the year to ensure that spending plans are met. Where potential overspends of expenditure or reduced levels of income are forecast early action should be taken to address the problems faced in order to achieve the performance targets set in the budget framework.

13.3 **Health and Safety**

No additional implications have been identified.

13.4 **Equality and Diversity**

No material considerations have been identified.

13.5 **Legal and Constitutional**

The Budget Framework has been prepared in accordance with the Council's Constitution and full account has been taken of new statutory requirements, e.g. the new statutory minimum concessionary fares scheme. No other legal or constitutional implications have been identified.

There are no other significant material considerations arising from the recommendations contained in this report.

14. **OVERVIEW AND SCRUTINY IMPLICATIONS**

Consultation and engagement with Overview and Scrutiny Committees has previously been held to develop and review the 2007/08 Budget Framework.

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Ward(s): Not Ward Specific

Background Papers:

- ~ Report to Council 27th February 2007 – Budget Framework 2007-2008.
- ~ Report to Council 27th February 2007 – Treasury Management Strategy 2007-2008.
- ~ Report to Council 29th June 2006- Statement of Accounts 2006 - 2007
- ~ Report to Cabinet 27th September 2007 - Revenue Budgetary Control Report – Position at 31st July 2007.

- ~ Report to Cabinet 22nd November 2007 - Revenue Budgetary Control Report – Position at 30th September 2007.
- ~ Report to Cabinet 3rd March 2008 - Revenue Budgetary Control Report – Position at 31st December 2007

Examination by Statutory Officers:

	Yes	Not Applicable
1. The report has been examined by the Council's Head of the Paid Service or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Council's S.151 Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Management Team has approved the report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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