

OVERVIEW AND SCRUTINY COMMITTEE

15th September 2010

QUARTERLY BUDGET MONITORING: APRIL - JUNE QUARTER

Relevant Portfolio Holder	Cllr M Braley
Relevant Head of Service	Teresa Kristunas
Non-Key Decision	

1. SUMMARY OF PROPOSALS

The report provides the Executive Committee with an overview of the budget including the achievement of approved savings as at the end of the first quarter of 2010/11.

2. RECOMMENDATIONS

The committee is asked to RESOLVE that

subject to any comment, the report be noted.

3. BACKGROUND

The Council set its base budget for 2010/11 on the 22nd February 2010. This included budget savings which were approved on 6th April 2009, the detailed savings for 2010/11 are included in Appendix 1. In addition to this there is a sum of £200k built into the base budget for vacancy/turnover savings.

4. KEY ISSUES

- 4.1 Appendices 2 and 3 detail the projected turnover variances as at the end of the first quarter. The budget for 2010/11 includes £350k for vacancy /turnover savings.
- 4.2 The savings detailed within Appendices 2 and 3 may fluctuate during the year particularly where they relate to vacant posts. Any movements on these will be reflected in future monitoring reports.
- 4.3 The projected variances for General Fund at the end of the first quarter are savings of £283,100.
- 4.4 Appendix 4 details savings achieved at the end of the first quarter against the target of £1,153.9k.

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4.5 At the end of June savings of £283.1k have been identified against the target of £1,153.9k. This would indicate that the council is on target to deliver the approved savings although the figure for vacancy/outturn savings may fluctuate during the year. Additional work needs to be carried out to calculate the savings from the Single Management Team.

4.6 Any shortfall in savings at the end of the year will need to be met from revenue balances. General Fund balances as at the 1st April 2010 stood at £1.925million.

5. FINANCIAL IMPLICATIONS

The financial implications are detailed in the report. The report highlights areas of financial performance which are out of line with the approved budget. Budgets will continue to be monitored during the year and reported to this committee.

6. LEGAL IMPLICATIONS

Under section 151 of the Local Government Act 1972 every local authority has a duty to make arrangements for the proper administration of their financial affairs.

7. POLICY IMPLICATIONS

None Specific – information only.

8. COUNCIL OBJECTIVES

The report is required to ensure that the authority is managing its budgets effectively and to ensure that Members are aware of any unexpected expenditure and effects on Council's balances during the year. This is part of a Well Managed Organisation.

9. RISK MANAGEMENT INCLUDING HEALTH & SAFETY CONSIDERATIONS

9.1 Without adequate budget monitoring procedures, the Council will not achieve its objectives. The Council needs to monitor its financial performance in order that corrective action may be taken to minimise risks to the organisation.

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9.2 There is also a risk that the Council will overspend its budget if action is not taken to monitor the delivery of planned savings during the year.

10. CUSTOMER IMPLICATIONS

None Specific

11. EQUALITIES AND DIVERSITY IMPLICATIONS

None Specific

12. VALUE FOR MONEY IMPLICATIONS, PROCUREMENT AND ASSET MANAGEMENT

None Specific

13. CLIMATE CHANGE, CARBON IMPLICATIONS AND BIODIVERSITY

None Specific

14. HUMAN RESOURCES IMPLICATIONS

None Specific

15. GOVERNANCE/PERFORMANCE MANAGEMENT IMPLICATIONS

None Specific

16. COMMUNITY SAFETY IMPLICATIONS INCLUDING SECTION 17 OF CRIME AND DISORDER ACT 1998

None Specific

17. HEALTH INEQUALITIES IMPLICATIONS

None Specific

18. LESSONS LEARNT

None Specific

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19. COMMUNITY AND STAKEHOLDER ENGAGEMENT

None Specific

20. OTHERS CONSULTED ON THE REPORT

Portfolio Holder	
Chief Executive	Yes
Executive Director (S151 Officer)	Yes
Executive Director – Leisure, Cultural, Environmental and Community Services	Yes
Executive Director – Planning & Regeneration, Regulatory and Housing Services	Yes
Director of Policy, Performance and Partnerships	Yes
Head of Service	Yes
Head of Resources	Yes
Head of Legal, Equalities & Democratic Services	Yes
Corporate Procurement Team	N/A

21. WARDS AFFECTED

All Wards

22. APPENDICES

- Appendix 1 Budget savings approved on 6th April 2009
- Appendix 2 Quarterly Monitoring Directorate Summary April – June 2010
- Appendix 3 Explanations for projected variances

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Appendix 4 Budget savings – position as at end of second quarter
2010/11

23. BACKGROUND PAPERS

Council Minutes 6th April 2009 and 22nd February 2010.

AUTHOR OF REPORT

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