

RECORD OF EXECUTIVE DECISION

Monday, 6 September 2010

Decision No: (CAB 10/11 4269)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	
SUBJECT:	Corporate Financial Monitoring For The Period To The End Of June 2010
AUTHOR:	

THE DECISION

DECISION MADE: (Ref: CAB XXXXXXXXXX)

On consideration of the report of the Cabinet Member for Resources and Workforce Planning Cabinet agreed the following:

- (i) To note the current General Fund revenue budget monitoring position for the General Fund 2010/11 as at Month 3 (June), which is a forecast over spend at year end of £1,123,600 against the budget approved by Council on 17th February 2010, as outlined in paragraph 4;
- (ii) To note that the baseline forecast over spend for portfolios is £8,443,400;
- (iii) To note that the impact of in year cuts announced by the Government on the City Council was in excess of £4.6M and that measures have been implemented to manage this and maintain a balanced budget, as outlined in the Mini Budget report approved by Council on 14th July.
- (iv) To note that action plans for remedial action have been requested from those areas with significant over spends; Adult Social Care & Health and Children's Services
- (v) To note that the Risk Fund includes £5.9M to cover service related risks , and that the estimated draw at Month 3 is £6,971,100 to cover expenditure which is included within the baseline forecast portfolio over spend of £8,443,400. The Risk fund is therefore forecast to be in deficit by £1.1M against the £5.9M available, subject to recommendation (vi) below;
- (vi) To note that the Risk Fund also includes a separate amount of £1M as a pay award contingency to cover the yet to be finalised pay award, based on a 1% pay award. On the basis that there is a proposed public sector pay freeze in 2010/11, Cabinet is asked to agree that this £1M is added to the £5.9M available to cover service risk. This will increase the sum available within the Risk Fund to cover service risk to £6.9M, and will therefore leave a small forecast deficit of £0.1M on the Risk Fund against the forecast draw of £7.0M
- (vii) To note that the Revenue Development Fund now totals £4.9M following the allocation of a further £1.0M so far in 2010/11 to portfolios. At this

stage of the year it has been prudently assumed that the remainder of the Fund will be fully utilised, with the exception of £450,000. This was earmarked for the Building Schools for the Future Programme which has been halted by the Government.;

- (viii) To note that it has been assumed that the contingency of £250,000 will be fully utilised by the end of 2010/11.
- (ix) To note the performance to date with regard to the delivery of the agreed savings proposals approved for 2010/11
- (x) To note the performance against the financial health indicators detailed in Appendix 10.
- (xi) To note the performance outlined in the Quarterly Treasury Management Report attached as Appendix 11 and specifically that the indicator relating to the ratio of financing costs to the net revenue stream will be reviewed and any amendments will be reported as part of quarterly financial and performance monitoring and in revisions to the Treasury Management Strategy; and
- (xii) To note the current Housing Revenue Account budget monitoring position for 2010/11 as at Month 3 (June), which is a forecast over spend at year end of £154,200 against the budget approved by Council on 17th February 2010, as outlined in paragraph 16.

REASONS FOR THE DECISION

DETAILS OF ANY ALTERNATIVE OPTIONS

OTHER RELEVANT MATTERS CONCERNING THE DECISION

CONFLICTS OF INTEREST

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date:

Decision Maker:

The Cabinet

Proper Officer:
Judy Cordell

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in (*if applicable*) (*this suspends implementation*)

Call-in Procedure completed (*if applicable*)

Call-in heard by (*if applicable*)

Results of Call-in (*if applicable*)