

COUNTY COUNCIL BUDGET MONITOR

Report of the Finance Director

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Executive Member:- David Beatty

1. Purpose of Report

- 1.1 To present the projected revenue and capital outturn position as at 31st October 2002.

2. Revenue Monitor

- 2.1 This report shows the projected revenue outturn position as at 31st October 2002 as follows:

Net overspend	£626,000
Estimated final outturn	£856,504,000

- 2.2 This is a reduction of £1,494,000 from the forecast outturn overspend of £2,120,000 reported in the September 2002 monitor.
- 2.3 A summary of the changes is given in Table 1, with details in Appendix A.

3. Capital monitor

- 3.1 The projected underspend on the capital budget has been increased by £730,000 to £5,347,000 since the September 2002 monitor. Details of this and other changes can be found at Appendix B.

4. Contingency Funds

- 4.1 £5.3m was included in the 2002/03 budget as a special provision to cover a number of areas where potential pressures had been identified. The current estimate of demands on this special provision is as follows:

	£m
Fridge disposal	0.200
Asylum seekers	0.700
Housing benefit	0.400
Out County Placements	1.700
Performance Fund	0.750

Total to date	3.750
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- 4.2 Fridge disposal costs in 2002/03 are estimated to be £1.0m and the Government has now confirmed that special grant of £790,000 will be paid to offset these costs, therefore the draw on the special provision will be £0.2m. It is estimated that disposal costs in future years will be £600,000. Specific grant will not be payable in future because the resources have been subsumed within the County's Formula Spending Share.
- 4.3 As at October, the latest approved budget for 2002/03 also contains basic contingency provision of £2.241m and there remain a number of uncertainties that are likely to generate further claims on the contingency including the impact of the fire pay dispute and pay award.

Table 1**Consolidated monthly budget monitor report****Details**
as at *31st October 2002*

1. Revenue Budget		£'000s	
Original budget		853,868	
Latest Approved Budget		855,878	
Forecast outturn at 31 st October 2002		856,504	
Variance- overspend/(underspend)		626	
Change from previous monitor		(1,494)	
<i>Previous monitor</i>	<i>30th September 2002</i>		
Forecast outturn from previous monitor		857,998	
Variance- overspend/(underspend)		2,120	
Details of variances (previous monitor variances in italics)		@31/10/02	@30/9/02
Adult Care Services		296	<i>1,096</i>
Children Schools & Families		843	<i>843</i>
Community Information		160	<i>160</i>
Corporate Services		(50)	<i>(50)</i>
Environment		(635)	<i>65</i>
Protection		56	<i>50</i>
Precepts		(44)	<i>(44)</i>
	Net variance	626	2,120
Change from previous monitor			
Reasons for change			
ACS	Performance Fund –covered by allocation from special provision	(750)	
	Home Care (for EPD client group)	(50)	
Environment	Waste Disposal	(700)	
Protection	Uniformed Pay	6	
	Total change from previous monitor	(1,494)	

Table 2

2. Capital Budget		
Original budget	89,227	
Latest Approved Budget at 31/10/02	99,876	
Forecast outturn	94,529	
Variance- overspend/(underspend)	(5,347)	
Change from previous monitor	(730)	
<i>Previous monitor 30th September 2002</i>		
<i>Latest Approved Budget at 30/09/02</i>	99,872	
<i>Forecast outturn from previous monitor</i>	95,255	
<i>Variance- overspend/(underspend)</i>	<i>(4,617)</i>	
Details of variances (previous monitor variances in italics)	@31/10/02	@31/09/02
Children Schools & Families	(935)	(205)
Adult Care Services	(1,652)	(1652)
Environment	(560)	(560)
Community Information	0	0
Protection	(2,200)	(2,200)
Corp Services	0	0
Magistrates Courts	0	0
Net variance	(5,347)	(4,617)

Material changes (over £75,000) to Revenue Variances October 2002

1. Adult Care Services

Performance Fund

At its meeting of 16th December, Cabinet agreed to allocate £750,000 of the special provision to cover the overspend on the Performance Fund, but that Adult Care Services identify options to reduce the call on the provision.

2. Environment

Waste Disposal

Monitoring of waste volumes throughout the year have indicated that the rate of growth has been less than originally projected. Latest estimates show that an underspend of £700,000 is predicted for 2002/03. This has not been formally reported before as, until the amount of fridge disposal grant that the County Council will receive was known, the underspend may have had to be used to help offset the costs of disposing of fridges.

Material changes (over £75,000) to Capital monitor October 2002

1. Children, Schools & Families

2002/03 Major Schemes (Round Diamond) – slippage £1,230,000

Slippage forecast on this scheme has increased by £730,000 to £1,230,000 since the September monitor. Work is being carried out later than originally planned following delays earlier in the life of the scheme around finalising the detailed budgets and funding sources of this part self-financed scheme. Under the contemporaneous contract for the Round Diamond scheme all expenditure forecast to occur in 2002/03 (£2,340,000) can now be financed from receipts. The £1,230,000 to be funded from the general capital programme for 2002/03 will not be required until the 2003/04 financial year.

2. Other Services

There have been no other material changes to either the capital budget or forecast outturn since the September 2002 monitor reported to Cabinet in December 2002.