

REPORT TO: Cabinet Member, Performance & Governance
Overview and Scrutiny Committee
(Performance and Corporate Services)

DATE: 2 December 2009
15 December 2009

SUBJECT: Revenue and Capital Expenditure Monitoring
to 30 September 2009

WARDS AFFECTED: All

REPORT OF: Chief Executive – Margaret Carney
Finance & IS Director – Paul Edwards

CONTACT OFFICER: Samantha Tunney – 0151 934 4039
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EXEMPT/CONFIDENTIAL: No

PURPOSE/SUMMARY:

To provide the Cabinet Member with the quarterly forecast position, based on information as at 30 September 2009, in relation to the Portfolio's 2009/10 revenue budget.

REASON WHY DECISION REQUIRED:

Cabinet Member accountability and in line with the corporate performance management process.

RECOMMENDATION(S):

That the Cabinet Member Performance:

- a) Notes the progress on the Performance Portfolio's revenue budgets that are subject to risk-based monitoring.
- b) Indicates whether any comments about the overall performance of this Portfolio's Revenue Budget should be referred to Cabinet and Overview and Scrutiny Committee (Performance and Corporate Services).

That Overview and Scrutiny Committee (Performance and Corporate Services):

- a) Notes the contents of this report and indicates whether any comments about the overall performance of this Portfolio's revenue budget should be referred to Cabinet.

KEY DECISION: No.

FORWARD PLAN: Not appropriate.

IMPLEMENTATION DATE: Not appropriate.

ALTERNATIVE OPTIONS:

None.

IMPLICATIONS:**Budget/Policy Framework:** None.**Financial:**

<u>CAPITAL EXPENDITURE</u>	2009/10 £	2010/11 £	2011/12 £	2012/13 £
Gross Increase in Capital Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure	N/a	N/a	N/a	N/a
Funded by:				
Sefton funded Resources				
Does the External Funding have an expiry date Y/N			When?	
How will the service be funded post expiry?				

Legal: Not appropriate.**Risk Assessment:** Not appropriate.**Asset Management:** Not appropriate.**CONSULTATION UNDERTAKEN/VIEWS**

FD 228 - The Finance and Information Services Director has been consulted and his comments have been incorporated into this report

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Creating Safe Communities		✓	
3	Jobs and Prosperity		✓	
4	Improving Health and Well-Being		✓	
5	Environmental Sustainability		✓	
6	Creating Inclusive Communities		✓	
7	Improving the Quality of Council Services and Strengthening local Democracy	✓		
8	Children and Young People		✓	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

1. Background/Issues for consideration

- 1.1 In accordance with Cabinet's overall approved process for monitoring the Council's budgets, each Portfolio is to receive a quarterly report identifying risk-assessed controllable Revenue and Capital budget areas.
- 1.2 This report forms part of that overall monitoring process by advising the Cabinet Member of the progress against this Portfolio's revenue budget risk areas for the period ending 30 September 2009. Where budget pressures have been identified, Service Directors have reviewed their departmental budgets for compensating savings. Departments have also been asked to consider whether or not all other controllable budgets can be contained within the resources allocated by the Council for 2009/10.
- 1.3 At the Overview and Scrutiny Committee (Health and Social Care) meeting on 13 October 2009, a request was made to amend the format of the budget monitoring report. This proposal is being put forward to the Overview and Scrutiny Management Board for consideration and any amendments resulting from this will be reflected in future budget monitoring reports.

2. Revenue Budget

- 2.1 Details of this Portfolio's budgets that are monitored and reported on the risk-assessed basis are shown in Annex A. There are currently no areas of concern. This Committee does not have any schemes within the Council's Capital Programme.
- 2.2 All other areas of the budget that are controlled by the Chief Executive will be contained within the resources allocated by the Council for 2009/10.

3. Recommendations

That the Cabinet Member Performance:

- a) Notes the progress on the Performance Portfolio's revenue budgets that are subject to risk-based monitoring.
- b) Indicates whether any comments about the overall performance of this Portfolio's Revenue Budget should be referred to Cabinet and Overview and Scrutiny Committee (Performance and Corporate Services).

That Overview and Scrutiny Committee (Performance and Corporate Services):

- a) Notes the contents of this report and indicates whether any comments about the overall performance of this Portfolio's revenue budget should be referred to Cabinet.

**Performance Portfolio Revenue Budget Risk Areas to 30 September 2009
ANNEX A**

Ref	Service	Budget	Full Year Budget £000	Budget to Date £000	Actual to Date £000	Var to
	Performance	Employee costs	270.4	135.2	126.0	
	Communications Unit	Employee costs	196.7	98.4	76.2	

Proportion of budget reported upon	Expenditure £'000	Income £'000
Total key areas of budget	467.1	0
Total budget	737.7	-45.0
Percentage of total budget reported	63.31%	0%

Comments on key areas of budget (including remedial action)

Employee budgets include an overprovision following the agreement of the 2009/10 JNC pay award.

Employee costs for the Performance team are being closely monitored due to the potential increase in costs and as the Comprehensive Area Assessment and Governance Review progresses.

Employee costs to date for the Communications Unit are currently showing an underspend, due to additional marketing and PR work having been paid in full for the year (£25k).

The income target for the Advertising Service has been increased for 2009/10; however, due to the spending freeze, there is a possibility of not being able to realise these income targets. This will be an additional risk budget item may be added as part of this budget monitoring exercise.

Comments on forecast of total budget (including remedial action)

Corporate savings of £5,700 contribute further pressure to the budget, and have been partly identified within the detailed Departmental budget.