

Report to: Budget Panel
Date of meeting: 29th November 2011
Report of: Head of Strategic Finance
Title: Finance Digest 2011/2012: Period 7 (end of October)

1.0 SUMMARY

1.1 This report informs the Budget Panel of the reported budgetary variances as at end of October 2011.

2.0 RECOMMENDATIONS

2.1 To note that the financial situation is relatively stable with the current over spend of £158k being largely due to the additional costs of £150k associated with bed and breakfast provision. This overspend is after reflecting the circa £239k of efficiencies not achieved as part of the service prioritisation process.

Contact Officer:

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3.0 INTRODUCTION

3.1 The Finance Digest monitors the Council's expenditure and income throughout the financial year and where a large variation is forecast then corrective action would be required. The current position is relatively stable although it is probable that actions such as delaying filling vacancies and a temporary moratoria on the purchase of supplies and services may be considered should the position deteriorate.

4.0 SUMMARY OF REVENUE FORECAST

4.1 The attached Digest indicates a forecast overspend of £158k when compared to the Original Revenue Budget. The largest adverse variation relates to the cost of bed and breakfast for homeless families (£150k) and which has been reported within earlier editions of the Digest. Had this not occurred then the forecast outturn would have indicated a minor overspend which is extremely encouraging against a background of a deterioration in standards of living.

4.2 The Period 7 budget monitor now includes the underachievement of service prioritisation savings which were reported to the previous meeting of the Budget Panel.

5.0 FINANCIAL IMPLICATIONS

5.1 These have been included within the report.

6.0 LEGAL IMPLICATIONS

6.1 There are no legal implications arising out of this report.

7.0 POTENTIAL RISKS

Potential Risk	Likelihood	Impact	Overall Score
That the Council's Budget is overspent at year end and the use of unplanned reserves is the consequence	2	3	6

8.0 EQUALITIES

8.1 There are no equality implications arising out of the period 7 Finance Digest.

Appendix

Finance Digest Period 7 (end of October)