Item No. 17.	Classification: Open	Date: 17 September 2013	Meeting Name: Cabinet
Report title:		Revenue monitoring report for Quarter 1, 2013/14, including Treasury Management	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Richard Livingstone, Finance, Resources and Community Safety	

FOREWORD – COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR FINANCE, RESOURCES AND COMMUNITY SAFETY

This report sets out the council's performance for its revenue budgets for the first three months of the financial year.

Compared to previous years, departmental forecast variances against the general fund budget are very small, and well within the tolerance afforded by the reduced contingency budget. The report sets out details for each department. The Housing Revenue Budget is showing a forecast net budget variance of zero.

I would like to thank departments for this sterling work to keep budgets under tight control in these times of constrained finances.

RECOMMENDATIONS

1. That the cabinet notes:

   - the general fund outturn forecast for 2013/14 and forecast net movement in reserves by department;
   - the housing revenue account's (HRA) forecast outturn for 2013/14 and resulting forecast movement in reserves;
   - the treasury management activity for the first quarter of 2013/14.

2. That the cabinet notes the forecast performance for the collection of council tax.

3. That the cabinet notes the forecast performance for the collection of business rates and the risks associated with the Business Rate Retention Scheme

4. The cabinet approves the general fund budget movements that exceed £250k, as shown in Appendix A.

BACKGROUND INFORMATION

5. The purpose of this report is to provide a forecast for the end of the financial year 2013/14, using predictions based on the experience to date and knowledge as at the end of quarter one (June 2013). Work continues throughout the council to ensure that a balanced position is achieved by the end of the year.

6. The council agreed a balanced general fund budget of £327.8m on 27 February 2013 based on a nil council tax increase, and £6.3m use of reserves, giving a budget of £334.1m. This budget was set in the context of further significant overall cuts in government funding and the identification of some 25% savings proposals over the three years from 2011/12 to 2013/14 to mitigate against the reduction in resources and to continue to fund the council's commitments in terms of services provided.

7. The council also approved budget decisions including reductions of some £25m within general fund for 2013/14. Performance on achieving these savings is closely monitored and details are provided in paragraphs 50 to 52 below.

8. The Council Plan placed local needs and accountability as the drivers of performance improvement, and in an environment of significantly reduced funding, the council has to change in fundamental ways. There are a number of transformation projects underway, and work continues to identify further ways of transforming the delivery of services. These transformation or invest to save projects may be funded from on-going positive variances or previously created earmarked reserves which were established to pump prime initiatives.

Housing revenue account

9. Cabinet set tenants' rents and service charges on 29 January 2013 in line with the government's prescribed formula. The budget included a £6m savings target for 2013/14. The starting point of this process was to listen to residents' concerns about the services they wish to protect, and identify the potential for better value for money and more efficient ways of working.

KEY ISSUES FOR CONSIDERATION

Current forecast position: General fund

10. Table 1 below shows the current forecast outturn position for quarter one (as at 30 June 2013) by department. These estimates are based on three months' experience and there will continue to be stringent management action by all strategic directors to ensure that they deliver their services within budget as agreed through the policy and resources strategy in February 2013 by council assembly. Progress for each department is shown in paragraphs 14 to 398 below.

Table 1: General fund forecast outturn position for 2013/14 as at Q1

General fund	**2013/14 Original budget £'000**	**Budget movement £'000**	**2013/14 expected movement from/(to) reserves £'000**	**2013/14 revised budget £'000**	**2013/14 forecast spend £'000**	**Variance £'000**
Children's and adults services	214,342	0	0	214,342	214,342	**0**
Environment and leisure	69,386	0	1,948	71,334	71,357	**23**
Housing and community services	36,524	1,957	283	38,764	38,764	**0**

General fund	2013/14 Original budget £'000	Budget movement £'000	2013/14 expected movement from/(to) reserves £'000	2013/14 revised budget £'000	2013/14 forecast spend £'000	Variance £'000
Chief executive's department	20,566	47	115	20,728	20,750	**22**
Finance and corporate services	46,181	(2,004)	337	44,514	44,549	**35**
Support cost recharges	(57,956)	0	0	(57,956)	(57,956)	**0**
Contingency	5,000	0	0	5,000	0	(5,000)
Total general fund services	**334,043**	**0**	**2,683**	**336,726**	**331,806**	**(4,920)**
Planned appropriations from reserves	(6,271)	0	0	(6,271)	(6,271)	0
General fund total	**327,772**	**0**	**2,683**	**330,455**	**325,535**	**(4,920)**

Note: Explanations of budget movements exceeding £250k are provided in Appendix A.

11. The general fund forecast includes estimates of one off re-organisation and redundancy costs that the council expects to incur as it continues to put into action plans necessary to deliver the ongoing savings identified within the budget. As reported in the 2012/13 revenue outturn report, the council was able to contribute the £5.5m contingency to reserves. This will be used as the first call for supporting the 2013/14 revenue budget which includes a planned £6.3m contribution from reserves.

12. As shown in Table 1, within services there is a forecast adverse variance of £80k based on the limited information available by the end of June. This takes account of expected movements to and from reserves in relation to services and availability of the contingency budget of £5m.

13. The budget movements reported in Table 1 are detailed further in Appendix A.

Children's & adults services

14. Children's and adults' services are forecasting an overall balanced budget of £214.3m for 2013/14. This will require use of earmarked reserves and management action to mitigate significant financial pressures.

15. As previously reported, children's social care agency fostering increased during 2012/13. Although this has stabilised during the first quarter of 2013/14 no additional budget had been identified to meet this growth.

16. Since April 2013 a further 9 children have been placed in residential care, bringing the total to 44. Whilst every effort is made to ensure these placements are essential and represent best value, the cost per child is significant.

17. The volume of children in families which have no recourse to public funds has also continued to increase and represents a significant cost to the department. This, alongside the demands outlined above means that the budget continues to be under pressure.

18. Management action is being taken to address this, including refreshing the adoption strategy, undertaking a foster carer recruitment campaign, reviewing residential placements and a restructure of the no recourse to public funds teams to include housing, anti-fraud and UK Border Agency expertise. As well as management action the children's social care placement reserve will be used to contain pressure in year.

19. Adult social care anticipates a favourable budget variance, arising from the Department of Health transformation grants which have been rolled forward from prior years. These one-off monies were being held as contingency against demand pressures, including the impact of personal budgets. These pressures are currently being managed through a series of modernisation initiatives and investment continues to improve quality.

20. Education and Strategy, Commissioning and Business Improvement Directorates are anticipating a balanced budget overall.

Schools budget

21. In 2013/14 the Dedicated Schools Grant (DSG) is £196m. It is anticipated that £2m of this grant will be retained in balances as the allocation this year included one-off funding to support the development of eligible two year old places. It is anticipated this will not be fully spent and therefore needs to be rolled forward into future years whilst capacity to deliver this new offer continues to grow.

Environment and leisure

22. The environment and leisure department is projecting a small adverse variance of £23k for the year, mainly due to a delay in the reorganisation of the wardens and enforcement service. Although there are a number of pressures in the department, these are being closely monitored to ensure they are contained within existing budgets.

23. Most of the savings proposed for this financial year have already been implemented. Divisions will continue to seek improvements in business/ operational processes in order to achieve further cost reductions. These changes will be monitored to ensure service delivery meets expectations.

24. There is also a significant contribution from reserves of £1.95m in respect of the smoothing of the waste PFI unitary charge. This contribution from reserves relates to the longer term (25 year) life cycle cost of the project.

Housing and community services (H&CS)

25. Housing and community services are forecasting an adverse variance of £283k at quarter one. This comprises of an indicative sum for redundancy (£200k) arising from the recent review of the sheltered accommodation service and the cost of staging the council's 'Armed Forces Day' event (£83k).

26. It is currently assumed these costs will be met from corporate reserves, unless they can be contained within the total resources available to H&CS. Additionally there are a number of known and potential financial risks, such as the impact of welfare reforms, provision of temporary accommodation and the transfer of the customer service centre in-house.

27. On 1 June 2013 the General Dynamics Information Technology (GDIT) contract ceased and delivery of the customer service centre successfully came in-house. This provides the opportunity to reconfigure and improve customer access and service delivery and drive out substantial savings over the medium-term through operational efficiencies and moving towards more cost effective transaction routes. Transition costs relating to the development and implementation of the new Customer Relationship Manager (CRM) software, telephony and infrastructure upgrades are held separately from the operating account and met from corporate resources. The 2013/14 base budget has been reduced by £3m reflecting the full-year saving generated by bringing the service in-house.

28. Some budgetary pressures are expected in the short-term as there are residual contractual costs for the first two months of 2013/14 and legacy systems/ change management commitments, which will fall out over time. Conversely, the phased recruitment of staff to the call centre is likely to realise some compensatory savings. This forecast is based on a number of assumptions and whilst management is committed to delivering a balanced budget within the prevailing constraints, the forecast should be viewed with caution at this point.

29. By far the greatest financial risk is around temporary accommodation. Whilst Southwark is recognised as a leader in homeless prevention, it is simultaneously facing challenges through increased homeless demand and a serious contraction on the supply side. This is particularly acute on housing association leasing schemes as registered providers struggle to maintain the financial viability of schemes, exacerbated by the impact of the bedroom tax and wider welfare reforms.

30. In addition, the gradual decline in the use of estate voids (in the housing revenue account) is expected to accelerate over the coming months as vacant possession is sought during the early phases of the Aylesbury estate regeneration programme. This is particularly problematic and will adversely impact the general fund budget as the need to use bed and breakfast will inevitably increase. To some extent this was anticipated and £1.23m was approved as part of the 2013/14 budget to mitigate the effects. Based on activity over the first quarter, the budget will be re-aligned to target the areas of greatest demand but this represents a budget risk moving forward.

Chief executive's department

31. Chief executive's department is reporting a forecast outturn of £20.75m against an overall budget of £20.73m at quarter one, resulting in a small adverse variance of £22k. This takes into account the 2013/14 base budget savings of £520k for the department, which are projected to be fully achieved.

32. The department is expecting to draw down £115k from the regeneration reserve to fund a campaign to oppose the proposed route of the Thames tunnel project in Southwark. There are also some expected contributions to reserves contained within the base budget to fund on-going schemes and initiatives as part of the council's overriding modernisation.

33. The budget will continue to be closely monitored during the year to identify areas of potential savings and also address any emerging budget pressures.

Finance and corporate services

34. Finance and corporate services has forecast expenditure of £44.54m against a budget of £44.51m, leaving a small adverse variance of £35k.

35. The department is undergoing a fundamental restructure including further reviews of the provision of IT services, further re-organisations of staffing structures across the finance and legal services.

36. This forecast includes a contribution from reserves of £337k for rent equalisation at Queens Road offices. This technical accounting adjustment re-profiles rent payable to an average rent over a fixed term, taking into account an initial rent free period.

37. The 2013/14 base budget savings of £3.8m for the department are projected to be fully achieved. Where individual schemes do not deliver full savings substitute options will be indentified to ensure the overall target is achieved.

Public health

38. From 1 April 2013 the council has new responsibilities for Public Health activities. These are funded through a £21.8m ring fenced grant from the Department of Health. It is anticipated that the grant will be fully spent during 2013/14.

Contingency

39. The 2013/14 budget includes £5m for contingency. This budget is held to meet unforeseen costs that may arise during the year within departments that strategic directors are unable to contain. At this early stage in the financial year there are no significant pressures identified against this contingency budget.

40. In the event that contingency is not fully required any surplus will be used to contribute to the general fund budget for 2014/15. There is a current assumption of £6.2m contribution from reserves in the 2014/15 budget and this funding would be the first call to support that requirement.

Housing revenue account (HRA)

41. Table 2 below shows the current forecast outturn position for quarter one (as at 30 June 2013). The forecast outturn is on budget across the services, incorporating planned contributions to reserves.

Table 2: HRA forecast outturn position for 2013/14 as at Q1

Services	Net Expenditure		
	Full Year Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Operations	(173,848)	(174,117)	(269)
Maintenance & Compliance	46,820	47,487	667
Major Works	1,606	1,606	0
Specialist Housing Services	(37,326)	(37,647)	(321)
Strategic & Corporate Services	129,173	129,173	0
Customer Experience	1,873	1,873	0

Services	Net Expenditure		
	Full Year Budget £'000	Forecast Outturn £'000	Forecast Variance £'000
Community Engagement	2,129	2,097	(32)
Chief Executives	1,173	1,086	(87)
Heating Account	12,198	12,198	0
Direct Revenue Funding of Capital	12,727	12,727	0
Appropriations to reserves	3,475	3,517	42
Total HRA	**0**	**0**	**0**

42. Pressure to spend on landlord responsibilities for the maintenance and improvement of the housing stock is unrelenting. More robust contract management and control of high volume, high value budgets, such as repairs, engineering and heating continue to deliver greater value for money to mitigate the demand/cost pressure. Key risks are outlined below.

43. Rent collection performance at week 13 is 98.67% for mainstream tenanted stock. Whilst this is below the budget target, it is an improvement over last year and shows resilience despite the generally weak economic conditions and the impact of the bedroom tax and DWP direct payment pilot. However, risks remain in terms of income collection as the impact of the welfare reforms unwind.

44. The need for temporary/emergency re-housing of secure tenants is an operational necessity. Demand can be volatile and has exceeded the budget target in recent years. This is recognised as a risk and new case management arrangements are in place to ensure improved service delivery to residents and to minimise the cost impact going forward.

45. Disrepair caseload remains a persistent problem and is extremely resource intensive with the costs of administration and compensation forecast to exceed budget. This remains a key management priority and good progress is being made in resolving old cases and managing new caseload which is experiencing some upwards pressure. The aim remains to eliminate claims arising in the first instance through an improved repairs service.

46. Capital service charge billing is linked to the Housing Investment Programme (HIP) and delivery of the works programme each year. Any variations from the anticipated spend or recovery rate will impact on the revenue income assumptions built into the base budget. Whilst the forecast is neutral at Q1, expectations are that this will exceed target (£6.5m) for the year, based on the value of billing during 2012/13.

47. Estimated billing for revenue service charges is currently forecast on target at £15.8m. Combined collection performance for capital and revenue service charges at quarter one is currently slightly above target at £7.1m (including Major Works loans), against the full year cash target of £23.5m.

48. The ring-fenced nature of the HRA requires that deficits/surpluses are carried forward between years. Reserves have been below the optimum level commensurate with the size of Southwark's combined revenue and capital programmes and represent a financial risk. In line with the medium term resource strategy (MTRS), the council has been seeking to achieve that balance through

planned contributions from revenue.

49. At 31 March 2013 reserves increased by £4.3m to £31.8m, of which around 80% are committed. This represents good progress towards restoring balances to a more prudent and sustainable level in order to mitigate future risks, fulfil future commitments already made and enable the transformation and modernisation of services going forward. An estimated £3.5m will be contributed in the current year, in line with expectations.

Implementation of the 2013/14 budget decisions including agreed budget reductions, savings and efficiencies

50. The council identified £31m budget reductions, including savings and efficiencies for the general fund and housing revenue accounts as part of the 2013/14 budgets. At quarter one, there is a projected savings shortfall of £700k, as shown in Table 3.

Table 3: Forecast projection of savings agreed for 2013/14 as at Quarter 1

Departments	**Budgeted 2013/14 savings** £'000	**Forecast full year 2013/14 savings** £'000	**Compensating / other savings in 2013/14** £'000	**Variance** £'000
Children's Services	(7,645)	(7,645)		0
Adult Social Care	(7,745)	(7,045)	(700)	0
Environment and Leisure	(2,675)	(2,675)		0
Housing Services	(490)	(490)		0
Finance & Corporate Services	(3,767)	(3,767)		0
Chief Executive	(520)	(520)		0
Corporate	(2,000)	(2,000)		0
Total General Fund	**(24,842)**	**(24,142)**	**(700)**	**0**
HRA	(6,033)	(6,033)		0
Total Savings	**(30,875)**	**(30,175)**	**(700)**	**0**

Note: Details of the council savings plans can be found in the policy and resources report to Cabinet (12 February 2013)

51. As shown in the table above, the compensating or other savings have been identified meaning that the total value of savings agreed by the council in setting the 2013/14 budget are still forecast to be achieved.

52. There is a £700k variance in adult social care services, which relates to the risk that savings expected from the service redesign of arrangements with South London & Maudsley Trust (SLaM), reviewing the adult social care role within mental health services in partnership with other Boroughs and considering options as to how this should be managed, will not be delivered. It is expected that this shortfall can be met through compensating savings achieved through various management initiatives.

Reserves

53. The council retains a level of earmarked reserves and these are reported each year within the annual statement of accounts. These reserves are maintained to fund;

- ‘invest to save’ opportunities, which form part of the modernisation agenda and are expected to deliver future ongoing revenue savings.
- investment in regeneration and development where spend may be subject to unpredictable market and other factors.
- exceptional items/pressures which are difficult to predict and that are not included in revenue budgets or within the capital programme.

54. Where a department identifies a need for additional funding there is a robust process for seeking support from reserves. The department must demonstrate that they are unable to contain the identified additional pressure within their existing budget. Cabinet will be asked to approve this funding support where the amount is £250k or above.

55. As the year progresses, departments will naturally be better placed to more accurately forecast their outturn position. Any unfavourable variances will be offset by favourable ones at departmental level before the need to call on reserves.

56. The budget approved by council for 2013/14 included a planned release of reserve of £6.3m. This call on reserves provided some flexibility in terms of budget setting and the profile of savings that the council identified in the Policy and Resources Strategy 2011-14. It is assumed that this call on reserves will have to be made in full.

Business Rates Retention Scheme

57. Localisation of business rates represents a change to the funding regime for local authorities for 2013/14 and beyond. Under this new funding regime actual retained business rates income will be dependent on the assessed rateable values, effect of appeals and collection rates within the borough.

58. As with any change of this significance there is uncertainty over the operation of the business rate retention scheme. This presents significant risk to the council but also some opportunity in the event of an increase in business rate yield that surpasses government targets. Any uncollected business rates, or unfavourable variation from government estimates of rateable values, will impact directly on council resource available and therefore on resources available to fund and to provide services.

59. The business rates retention scheme will include a safety net at 7.5% to protect local authorities from significant reductions in collectable rates. This means that shortfalls from 0.1% to 7.5% will not be protected and will have to be borne by the council.

Business rates monitor

60. The collection rate on business rates is being tracked closely in relation to the council's ability to retain 30% of amounts collected. Previous years collection and trends are modelled together with intelligence on changes to the net collectable amount through new builds and deletions.

61. Socio economic factors are considered taking into account national issues such as businesses hit by the recession. The council continues to meet with the valuation office agency on a regular basis to understand their approach to managing appeals, although limited information is forthcoming and delays are commonplace (the Shard being an example of outstanding valuation - restaurants have taken some time to get into rating).

62. There are many factors that can affect the levels of collection and the council has sought specialist advice to help determine likely volumes of income from retained business rates. The complexities of projecting the year end position and future years budgetary income have been highlighted by the advisors who continue to work with us to determine reasonable estimates.

63. Part of the Financial Risk Reserve has been set aside to help protect the council from the risks inherent in the new funding system and especially risks underlying business rate retention.

64. At quarter one it is too early to determine whether a call against the financial risk reserve will be required. It is anticipated that a better forecast will be available when reporting to cabinet at quarter two. In addition, a report on the Council Tax and Business Rate collection service will be brought to cabinet in the future to demonstrate performance since the service was brought in-house.

Council Tax monitor

65. Council Tax cash collection is performing well when compared to quarter 1 figures from the last year financial. This is partly due to the changes agreed by the Cabinet relating to the discounts and exemptions pertaining to empty properties. It is therefore anticipated despite the additional £2.8m requirement from the 10% reduction in central government support for the Council Tax reduction scheme that at this stage the Council will meet the collection fund target for the year. The service is actively pursuing non payment of Council Tax and is working proactively to assist customers in genuine need of support.

Treasury management

66. Treasury management covers both cash holdings and debt. The cash is invested and applied to spending throughout the year as needed and the investments themselves are managed in-house operation and through two investment companies; Aberdeen Asset Managers and AllianceBernstein.

67. Capital preservation and liquidity remain priorities. The balance is held in deposits and short term money market securities with major high rated banks and building societies and in bonds and bills issued by the UK government or supranational entities such as the European Investment Bank or the International Bank for Reconstruction and Development (the “World Bank”).

68. Over the quarter the sums invested averaged £238m and the sum held with each institution as at 30 June 2013 is set out in table 4 below. The investments will be liquidated as needed to meet spending over the course of the year.

69. The average part year return over the quarter was 0.12%, reflecting low UK base rates (0.50%, equivalent to 0.13% over the quarter) and the stimulatory monetary policies which central banks here and abroad still have in place. The balance on deposit with major banks and building societies and in bonds is set out in table 4 below.

Table 4: Counterparty exposure and ratings

EXPOSURE - 30 JUNE 2013 COUNTERPARTY AND RATINGS									
Exposure £m	FUND				Fitch Ratings				
COUNTERPARTY	Aberdeen	Alliance Bernstein	In-House	£m	Long	Short	Sup-port	Sovereign	Sovereign Rating
NORDEA BANK FINLAND	3.8	-	-	3.8	AA-	F1+	1	FINLAND	AAA
CREDIT INDUSTRIEL ET COMMERCIA	3.5	-	-	3.5	A+	F1+	1	FRANCE	AAA
SOCIETE GENERALE	-	1.0	-	1.0	A+	F1+	1	FRANCE	AAA
BANQUE NATIONAL DE PARIS	3.5	1.0	10.0	14.5	A+	F1+	1	FRANCE	AAA
DEUTSCHE BANK	-	1.0	-	1.0	A+	F1+	1	GERMANY	AAA
GLOBAL TREAS FUNDS-MMF	-	-	10.0	10.0	Money	AAA		GLOBAL	Money Fund
ABN AMRO BANK	3.5	1.0	-	4.5	A+	F1+	1	NETHERLANDS	AAA
ING BK	3.4	1.0	15.0	19.4	A+	F1+	1	NETHERLANDS	AAA
RABOBANK	-	1.0	-	1.0	AA	F1+	1	NETHERLANDS	AAA
DNB BANK (DEN NORSKE BANK)	3.5	-	-	3.5	A+	F1	1	NORWAY	AAA
EUROPEAN INVESTMENT BANK	7.0	6.5	-	13.5	AAA	F1+		SUPRANATIONAL	AAA
INTERNATIONAL BK RECONST DEVT	3.5	6.8	-	10.3	AAA	F1+		SUPRANATIONAL	AAA
SVENSKA HANDELSBANKEN	3.1	-	-	3.1	AA-	F1+	1	SWEDEN	AAA
SKANDINAVISKA ENSKILDA BANKEN	3.5	1.0	-	4.5	A+	F1	1	SWEDEN	AAA
CREDIT SUISSE	-	1.1	-	1.1	A	F1	1	SWITZERLAND	AAA
UBS	3.5	-	-	3.5	A	F1	1	SWITZERLAND	AAA
BARCLAYS BANK	5.0	1.0	15.0	21.0	A	F1	1	UK	AA+
LLOYDS TSB/BANK OF SCOTLAND	-	-	15.0	15.0	A	F1	1	UK	AA+
NATIONWIDE BUILDING SOCIETY	3.3	1.0	5.0	9.3	A+	F1	1	UK	AA+
RBS/NATWEST	-	-	75.0	75.0	A	F1	1	UK	AA+
UK TREASURY	-	26.8	-	26.8	AA+	F1+		UK	AA+
BNY MELLON	0.2	0.1	-	0.3	AA-	F1+	1	US	AAA
Total £m	50.3	50.3	145.0	245.6					

70. In April 2013 Fitch Ratings became the second rating agency to lower UK's sovereign rating by one notch. The sovereign is now rated AA+ by Fitch and Aa1 by Moody's. Standard & Poors UK rating remains at AAA. The downgrade had no material impact on gilt yields (the rate at which the UK can borrow at from the bond markets).

71. During the quarter financial markets have become sensitive to developments in the United States and the timing of any slowdown in stimulus as its economy improves. This has led to volatility in sovereign bond yields, both here in the UK and overseas. However, yields do still remain close to historical lows.

72. The debt outstanding to fund past capital expenditure from the Public Works Loans Board (a local authority lending arm of the UK Treasury) is disaggregated between the HRA and the General Fund.

73. As at the end of this quarter the HRA share stands at £451m and the general fund at £106.5m. During the quarter £2.5m general fund debt matured and will be met from the minimum revenue provision that the council sets aside each year to reduce debt. No HRA debt falls for maturity until 2015 and as there is no requirement within the HRA to make minimum revenue payments, the maturities will need refinancing by their due date.

Community impact statement

74. This report monitors expenditure on council services, compared to the planned budget agreed in February 2013. Although this report has been judged to have nil or a very small impact on local people and communities, the projected expenditure it is reporting reflects plans designed to have an impact on local people and communities. Community impact was considered at the time the services and programmes were agreed. It is important that resources are efficiently and effectively utilised to support the council's policies and objectives.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix A	Budget movements to be approved, £250k and above and movements to be noted.

AUDIT TRAIL

Cabinet member	Councillor Richard Livingstone, Finance, Resources and Community Safety		
Lead officer	Duncan Whitfield – Strategic Director of Finance and Corporate Services		
Report author	Jennifer Seeley, Deputy Finance Director		
Version	Final		
Dated	6 September 2013		
Key Decision?	No		
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER			
Officer Title		**Comments Sought**	**Comments Included**
Director of Legal Services		No	No
Strategic Director of Finance and Corporate Services		n/a	n/a
Cabinet Member		Yes	Yes
Date final report sent to constitutional team			6 September 2013