

**GREAT YARMOUTH**  
BOROUGH COUNCIL

## **ADDITIONAL PAPERS**

**for the  
meeting of the**

# **CABINET**

**19 December 2007**



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**CABINET**

**19 December 2007**

**ADDITIONAL PAPERS**

**3. FORWARD PLAN – 1 DECEMBER 2007 TO 31 MARCH 2008**

... The Forward Plan is attached, (page 39).

**5. 2007/08 BUDGET MONITORING**

... The Head of Financial Services' report is attached, (pages 40 - 44).

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GREAT YARMOUTH BOROUGH COUNCIL

FORWARD PLAN LISTING KEY DECISIONS LIKELY TO BE MADE DURING THE PERIOD

Executive Members are:

Barry Coleman      Barry Stone  
 Tony Smith        Bob Peck  
 Jim Shrimplin     Graham Plant

1 December 2007 to 31 March 2008

NB Key decisions are Executive decisions (i) likely to result in savings or expenditure of more than £100,000; or (ii) which are significant in terms of the effect on people living or working in two or more electoral wards.

Matter for key decision	Who will make decision	Date/Period when decision likely	Groups/organisations to be consulted	How consultations are to take place	How representations are to be made, and by when	List of documents to be submitted to decision taker
Adoption of Environmental and Sustainability Policy for the Borough	Cabinet	February 2008	Members Staff Stakeholders	Meetings, correspondence, presentations	To Environmental Strategy Manager	Draft policy and associated report by Environmental Services Manager
Adoption of Shoreline Management Plan	Cabinet	January/February 2008	Parish Councils Residents	Meetings, correspondence	To Environmental Strategy Manager	Draft policy and associated report by Environmental Services Manager

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15

Notes:

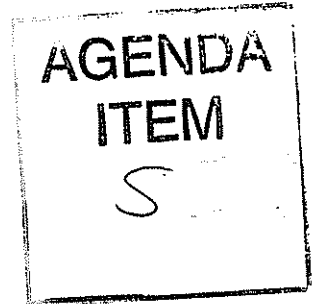
(i) Two key decisions were made in November: the decision to purchase the LEGI Hub building, and the setting of the Council Tax Base. One key decision has been rolled forward and one key decision has been added.

CFS/VU – 1/9/1/3  
 11 December 2007

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AGENDA  
 ITEM  
 3

**Subject: 2007/08 BUDGET MONITORING**  
**Report to: Cabinet – 19<sup>th</sup> December 2007**



**Report by: Head of Financial Services**

This report presents a General Fund Revenue budget performance review as at 30<sup>th</sup> September for the 7 months from 1 April 2007 to 31 October 2007.

Cabinet is asked to note the report.

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Departmental reference:

Date: 10 December 2007

Background papers: Budget Monitoring Reports and Variance Explanation Reports  
G Y B C Budget Book 2007/08

**1. Executive Summary:**

- 1.1 This is the fifth monitoring report presented to Cabinet for the 2007/08 budget year using the new Financial Management System.
- 1.2 A revised budget monitoring process has been implemented incorporating budget spending profiles, forward looking outturn forecasts and variance explanations based upon information provided by service unit managers and the service accountants.
- 1.3 There are a number of areas where overspends are occurring at this stage in the year, and these are detailed below. As the reporting process becomes more embedded, Service Managers are able to review more closely their budgets and to identify areas where there is potential to overspend/underspend. At the same time, in certain areas additional income has been received, and the net position is that the Council is still on target to achieve the overall budget at the year end.

## 2. General Fund Summary.

Department	Budget YTD £000s	Actual YTD £000s	Variance YTD £000s	Budget Full year £000s	Forecast Outturn £000s	Forecast Variance £000s
Central Services	1,544	1,268	(276)	2,461	2,461	-
Community Services	2,129	2,536	407	4,315	4,315	-
Customer Services	130	6	(124)	(57)	(57)	-
Financial Services	620	587	(33)	1,261	1,261	-
Architects	23	13	(10)	40	40	-
Planning and Development	439	361	(78)	733	733	-
Regen and Environment	3,762	3,506	(255)	7,011	7,011	-
Revenues & Benefits	1,139	567	(572)	1,876	1,722	(154)
<b>Sub-Total</b>	<b>9,786</b>	<b>8,844</b>	<b>(942)</b>	<b>17,640</b>	<b>17,486</b>	<b>(154)</b>
Establishment Savings	-	-	-	(570)	(570)	-
Savings	-	-	-	(50)	(50)	-
LABGI	(166)	(166)	0	(166)	(166)	-
Capital charges	-	-	-	(3,047)	(3,047)	-
Other	136	145	9	1,858	1,858	-
<b>TOTAL</b>	<b>9,756</b>	<b>8,823</b>	<b>(933)</b>	<b>15,665</b>	<b>15,511</b>	<b>(154)</b>

- 2.1 **Central Services** is showing a net underspend of £276k. Local Government review has a budget of £106k with no expenditure to date and a significant amount of this may be carried forward to next year. It also is likely that licence fee receipts for hackney carriages may exceed budget by year end. Both underspends will be incorporated into next period forecast.
- 2.2 The overspend in **Community Services** relates mainly to the timing of accounting adjustments such as recharges to SHARP and NRF funding. All variances have been reviewed and none have been identified as impacting on the planned year end outturn
- 2.3 **Customer Services** are showing a net underspend of £124k in the year to date. As reported last period this is mainly due to salaries being shown prior to the salary inflation settlement which will be paid in December. However, netting off the salary figure there is an overspend on repairs and maintenance for the Town Hall. This expenditure will be reviewed in the light of the recent member approval to undertake a capital project for the repairs. There may be a year end impact which will be quantified in a future report once a full assessment is completed.
- 2.4 **Financial Services** is showing an underspend in the year to date, following a

virement of funds to allow the proposed new structure to be established. The work on restructuring the team is underway and is expected to be completed by January 2008.

- 2.5 The **Architects'** service is showing an underspend of £10k at this stage relating to salary inflation.
- 2.6 **Planning and Development** budgets are broadly in line with expectations, with an underspend being shown at this stage mainly due to salary inflation due to be charged in December.
- 2.7 **Regeneration and Environment** budget has the greatest levels of variance, with a net £255k underspend in the year to date. This is primarily due to profiling issues, due to the complexity and variety of the expenditure in this area. The recent flooding has resulted in potential unbudgeted expenditure that may have to be found. The cost impact is being evaluated with the possibility of recovery from external funding being investigated. An estimated £60k of flood defence investigative work may be incurred resulting from the recent coastal defence report to cabinet; this will also be identified from current budgets. The cost impact of both these issues will be monitored closely.
- 2.8 **Revenues services** forecast a potential under-spend against budget due to on going service performance improvements resulting in additional subsidy entitlement. The position to date is significantly higher than forecast outturn due to seasonality. This additional subsidy could amount to in excess of £200k, but it is deemed prudent at this stage only to include £100k as additional income in the budget. As time progresses further additional subsidy may be available, and this will continue to be monitored on an ongoing basis.
- 2.9 **Establishment savings.** To date, establishment savings of over £398k have accrued, including an estimate for pay increases of 2.475%. This is down 32k on last periods reported figure due to recruitment costs and filled vacancies. The pay settlement will be reflected in the Service Accounts to coincide with the payment. This is in line with the establishment savings target of £570k for the year.
- 2.10 **Savings** – the budget for 2007/08 included £216k of unidentified savings and a £10k provision for a feared increase in Energy prices. It is unlikely that the £10k provision for Energy prices will be required, following retendering of the energy contracts, and therefore there was £206k of savings to be found. All the savings have now been identified, and, where possible, have been built into base budgets.
- 2.11 **Other** – includes expenditure relating to pension backfunding, interest payable and receivable, provision for the repayment of debt, and parish precepts. All are considered to be on target at this stage.

### **3. Capital Programme**

- 3.1 The first review and update on Capital expenditure will be reported in January in order to get the most up to date position at the end of the third quarter. Individual projects are being monitored by the Service Managers responsible, and any issues are being reported separately through Members. At this stage a level of underspending is anticipated as projects are slipped into future years.

### **4 Recommendation**

- 4.1 That the Members note this report.