

REVENUE BUDGET MONITORING – QUARTER 4 2007/08

At the end of the financial year the budgetary control reports for the General Fund reported an underspend of £1.337m which will be added to the Council's General Reserves. Details of individual variances are outlined in each department's Performance Management Report (PMR).

There are two significant issues that contributed to the underspend, namely the one-off capitalisation of costs relating to the transfer of the Council's housing stock to Bracknell Forest Homes (£0.360m) and additional interest (£1.009m). There are three main reasons for the additional interest:

- Impact of the stock transfer
- Higher interest rates as a result of turbulence in the financial markets, and
- Higher cash balances, particularly as a result of government grants received in advance of expenditure.

Consideration has also been given to potential budget carry forwards into 2008/09, which amount to £0.582m. These represent planned expenditure which, for various reasons, could not be spent in the current year. Some of the more significant carry forwards are as follows:

- Start up funding for the Green Machine. Funding had been earmarked in 2007/08, but will not now be required until 2008/09 (£80,000)
- Completion of a mobile working solution for Environmental Health/Trading Standards & Licensing (£75,000)
- Conversion of microfiche records into electronic records in Development Control (£64,000)
- Commitment arising from the planned adoption of a sibling group of three (£50,000)
- Essential roof repairs to commercial properties delayed until 2008/09 (£40,000)

A full review of all the variances arising in 2007/08 is currently being undertaken so that any having an impact in 2008/09 and beyond are identified at an early stage and built into the Council's medium term financial plans.

This overall position represents a significant improvement on previous years and means that the Council has spent within budget for the tenth consecutive year. This also suggests that many of the budgetary issues in previous years have been largely addressed either through the budget build process or changes to service provision and positions the Council well for 2008/09 and subsequent financial years.