



## OVERVIEW AND SCRUTINY BOARD

4 MAY 2004

### FINAL REPORT – CONSOLIDATED REVENUE REPORT – THIRD QUARTER

#### 1. PURPOSE OF THE REPORT

- 1.1 To present the views of the Resources and Audit Scrutiny Panel on the Third Quarter Review of Expenditure against the 2003/04 Revenue Budget.

#### 2. BACKGROUND INFORMATION

- 2.1 As part of the agreed process, Members of the Resources and Audit Scrutiny Panel met formally on 6 and 28 April 2004 and a detailed record of the issues discussed at both meetings are available from the Committee Management System (COMMIS), accessible via the Council's website.
- 2.2 During the course of its investigations Panel Members considered in detail the Officer's report supplemented by verbal evidence.

#### 3. FINDINGS

- 3.1 The key points arising from the discussions were as follows:
  - (a) That there has been significant decreases in the projected overspend on the Authority's overall 2003/04 budget. The projected overspend is now forecasted at £588,000 in comparison to £967,000 at the end of the Second Quarter;

- (b) That the table below highlights the main (but not all) changes within Service Areas from the Second Quarter Revenue Budget Review:-

SERVICE AREA	2ND QUARTER	3RD QUARTER	CHANGE FROM 2ND QUARTER
	£	£	£
Social Services	-1,366,000	-1,409,000	-43,000
Environment & Neighbourhood	-264,000	-139,000	125,000
Education	381,000	447,000	66,000
Corporate Services	247,000	401,000	154,000
Regeneration & Cultural Services	43,000	195,000	152,000
Central Provision	-8,000	-83,000	-75,000

**Note** – Spending Pressures are denoted by a minus sign, whereas positive numbers indicates savings.

- (c) That there continues to be significant pressures on the service area budgets, in particular with regard to Social Services;
- (d) That the Social Services budget pressure has increased by £43,000 since the Second Quarter, due to unpredicted additional pressures of £366,000, however, without such pressure the service position would of improved by £292,000;
- (e) That both the Housing General Fund Services and the Housing Repairs trading account are forecasted to show nil variances for the year;
- (f) That the Housing Revenue Account is predicting a saving of £81,000, although there predicted pressures on responsive service repairs and maintenance to properties and mothballing of void properties which are to be offset by a number of savings;
- (g) That with regard to contribution to balances, one off payments of £125,000 (Fire Authority) and £187,000 (Public Service Agreements) are expected during 2003/04, plus the opening of the second City Academy has netted £1,000,000 together with the income of £810,000 from lane rental charges; and
- (h) That in comparison to the Second Quarter, the net overall position of the Authority has improved by approximately £300,000.

#### 4. CONCLUSION

- 4.1 The Resources and Audit Scrutiny Panel concluded:-

- (a) That significant progress has been made in ensuring that the Social Services budget pressures are reduced to enable a balance budget by the end of the 2004/05 financial year;
- (b) That the Panel are satisfied with the content of the report on the Third Quarter's Revenue Budget Review 2003/04 which clearly demonstrates that the net overall position of the Authority has improved; and
- (c) That the Authority continues to monitor the 2003/04 Budget with a view to minimising any final overspend.

## **5. RECOMMENDATIONS**

### 5.1 The Panel recommends:

- (a) That all services in particular Social Services, continue to work at bringing the projected overspend on services for 2003/04 to a lower figure as possible; and
- (b) That the Panel as part of its Scrutiny Work Programme considers the Fourth Quarter Review of Revenue and Capital Expenditure against the 2003/04 Revenue Budget.

## **6. ACKNOWLEDGEMENTS**

- 6.1 The Panel wishes to thank all those who contributed to the formation of this report. In particular the Panel would wish to thank the Director of Resources, Deputy Director of Finance and the designated Scrutiny Support Officer.

**COUNCILLOR GEOFF COLE  
CHAIR OF THE RESOURCES AND AUDIT SCRUTINY PANEL**

April 2004

Contact: Charlotte Burnham  
Scrutiny Support Officer, Performance and Policy Directorate  
Telephone: 01642 729707 (direct line)

## **BACKGROUND PAPERS**

The following background papers were used in the preparation of this report:-

- (i) Report of the Director of Resources to the Resources and Audit Scrutiny Panel of 6 April 2004 entitled 'Consolidated Revenue Report– Third Quarter Review'.
- (ii) Final Report of the Resource and Audit Scrutiny Panel entitled 'Second Quarter Expenditure and Revenue Outturn Review 2003/04 ' – December 2003.
- (iii) Report of the Director of Resources to the Resources and Audit Scrutiny Panel of 4 December 2003 entitled 'Consolidated Revenue Report to the Budget Clinic – Second Quarter Review'.
- (iv) Minutes of the Meetings of the Resources and Audit Scrutiny Panel held on 6 and 28 April 2004.