

REPORT TO: Executive Board Sub Committee
DATE: 6th September 2007
REPORTING OFFICER: Operational Director – Financial Services
SUBJECT: 2007/08 Quarter 1 Spending
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To report the Council's overall revenue and capital spending position as at the end of the first quarter of 2007/08.

2.0 RECOMMENDED: That the report be noted.

3.0 SUPPORTING INFORMATION

Revenue Spending

- 3.1 The summary of spending against the revenue budget for each Department, for the first quarter of the year, is shown in Appendix 1. It will be seen that in overall terms, revenue expenditure is below the budget profile.
- 3.2 However, the profile is only a guide to eventual spending and as yet the 2007 Pay Award has not yet been settled and the Pay and Grading Review has not yet been finalised. Furthermore, spending is historically higher in the latter part of the financial year, therefore, it is important that budget managers continue to closely monitor and control spending to ensure that overall spending remains in line with budget by year-end.
- 3.3 Within the overall position there are a number of vacant posts across Departments. In addition, spending on Childrens Agency Placements and Boarded Out Allowances is lower than anticipated, through fewer out-of-Borough placements. However, this is a heavily demand led budget and the position may change very quickly during the year.
- 3.4 Spending on Community Care is also less than expected, although spending on the Adults with Learning Difficulties pooled budget is higher than expected. However, steps have been taken to ensure that spending will be brought into line.

- 3.5 The School Meals Service had higher than anticipated staffing costs due to sickness and increased food preparation times, coupled with a reduction sales income following the introduction of new nutritional guidelines.

Capital Spending

- 3.6 The summary of capital spending is shown in Appendix 2. Capital spending to 30th June 2007 totalled £5.0m, which represents only 14% of the total programme of £36.8m. In particular, the Widnes Waterfront and Castlefields projects are significantly below their capital programme allocations. However, these are complex, multi-funded projects, involving external partners and funding streams, which makes them particularly challenging to deliver.
- 3.7 Although historically capital expenditure is significantly higher in the latter part of the financial year, it is important that project managers maintain pressure to keep projects and spending on schedule and in particular to ensure that all external funding is maximised.
- 3.8 All capital project managers are currently providing quarterly spending profiles for each scheme, in order that actual spend can be compared to planned spend each quarter during the remainder of the year

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 None.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 There are no direct implications, however, the revenue budget and capital programme support the delivery and achievement of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 The Council must have internal controls and processes in place to ensure that spending remains in line with budget.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

- 8.1 There are no background papers under the meaning of the Act.

APPENDIX 1

Revenue Expenditure to 30th June 2007

	Annual Budget	Budget to Date	Actual Spend	Variance to Date	Actual Including Committed
	£'000	£'000	£'000	£'000	£'000
Specialist Services	12,205	2,216	1,842	374	1,935
Business Planning & Resources	11,560	266	244	22	275
Universal & Learning Services	2,444	157	151	6	155
Community Services	825	605	531	74	557
Children and Young People Directorate	27,034	3,244	2,768	476	2,922
Environmental Health & Regulatory	10,427	2,958	2,987	(29)	3,246
Highways & Transportation	13,872	1,549	1,340	209	2,020
Major Projects	395	61	55	6	55
Regeneration	1,326	147	94	53	104
Stadium, Catering & Cleaning	1,707	383	551	(168)	558
Environment Directorate	27,727	5,098	5,027	71	5,983
Legal, HR & Organisation Development	1,233	1,134	1,096	38	1,154
Policy & Performance	3,840	624	601	23	648
Exchequer & Customer Services	5,012	3,290	3,167	123	3,167
Financial Services	0	393	358	35	359
ICT Services	-51	676	553	123	555
Property Services	768	1,880	1,870	10	1,870
Financial Arrangements	-11,045	-303	-324	21	-324
Corporate and Policy Directorate	-243	7,694	7,321	373	7,429
Culture & Leisure Services	13,288	1,885	1,758	127	2,045
Adult Services	11,794	1,994	1,925	69	2,425
Health & Partnerships	2,961	-1,392	-1,475	83	-1,387
Older People	12,830	1,944	1,474	470	1,680
Health and Community Directorate	40,873	4,431	3,682	749	4,763
	95,391	20,467	18,798	1,669	21,097

APPENDIX 2

Capital Expenditure to 30th June 2007

	Capital Allocation	Actual Expenditure	Remaining Allocation
	£'000	£'000	£'000
Children & Young People Directorate			
Universal & Learning Services	2,350	224	2,126
Specialist Services	22	0	22
Environment Directorate			
Highways & Transportation	9,290	1,745	7,545
Environmental & Regulatory	2,345	82	2,263
Major Projects	13,019	1,624	11,395
Stadium	130	91	39
Health & Community Directorate			
Culture & Leisure	564	108	456
Health and Partnerships	3,820	313	3,507
Older People	255	12	243
Adult Services	249	97	152
Corporate & Policy Directorate			
Policy & Performance	120	0	120
ICT Services	1,552	305	1,247
Property Services	3,069	450	2,619
	36,785	5,051	31,734