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**TITLE: BUDGET MONITORING REPORT**

Committee: Development & Transport Committee

Date: 20<sup>th</sup> November 2012

Author: Linda Grinnell, Head of Finance

[M148]

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1.0 ISSUE

1.1 This report updates Members on the Council's current financial position for 2012/13, based on the reporting period to the end of August 2012. The report covers both the Council's projected revenue and capital expenditure.

2.0 RECOMMENDATION (S)

2.1 Members are requested to note that since the last report, a projected overspend of £1,600 has been identified, giving an overall overspend across the Committee's services of £298,423 against the original budget.

3.0 BACKGROUND/OPTIONS

3.1 Under Financial Regulations each policy committee is required to consider projections of financial performance against budget on a quarterly basis.

3.2 The contents of this report are initially taken from the actual expenditure and income incurred by the Council for the reporting period ending 31 August 2012. These figures are then updated for any further known variances up to the date of submission of this report.

3.3 Budget monitoring reports are sent to Heads of Service on a monthly basis and any unanticipated expenditure or income is investigated by Financial Services, and in conjunction with the relevant budget manager where necessary.

3.4 Committee has a projected overspend for this period of £1,600, with an overall overspend of £298,423 against the original budget.

3.5 An overspend of £1,000 on Building Regulations Non Fee Earning has been identified. It was assumed that the plan vetting service could be delivered in a different way resulting in a saving, but this has not been possible due to the valuable assistance their work does in aiding the planners in fulfilling their obligation with regard to disabled access etc, and the lack of a lower cost alternative. This cost is significantly lower than when the Council employed an Access Officer to undertake this work.

- 3.6 A further overspend of £20,000 is anticipated within the homelessness service. B&B use has increased because of a steep increase in families being accepted as homeless through no fault of their own. Policies for the recovery of removal and storage expenses and recharging of breakfast and management costs of Bed & Breakfast are currently in the process of being developed and form part of Action Plan – 2 in the Homelessness Strategy presentation made earlier to this Committee. It is hoped that these, together with other options, will reduce spend in future years or even prevent the use of the services at the outset. In the meantime, close monitoring of these budgets is being undertaken to ensure members are kept up to date with the situation and any change to these variances will be included in the next budget monitoring report on 10 January 2013.
- 3.7 An underspend of £17,000 has been identified due to increased excess parking fee income on car parks and Angel Drove car park fee income. Excess parking fee income is anticipating an underspend of £6,000 with the figure for Angel Drove fee income being £11,000. This will continue to be monitored, with any further increase in income being reported in the next budget monitoring report.
- 3.8 An overspend of £3,600 is anticipated on Trees and Landscape Services following the finalisation of the winter tree works programme. A regular tree inspection programme is undertaken, assessing the condition and risk of the tree stock owned and managed by the Council, and identified work is then carried out for safety reasons as part of the Council's risk management assessment. There are a total of 15 jobs of varying sizes with 4 large jobs utilising 68% of the allocated combined budget for 2012/13. These jobs include major tree works in 3 closed churchyards managed by ECDC and also Cherry Hill Park managed by the Council under licence from the Cathedral.

Over the past 10 years, the Council has adopted new areas of Public Open Space and taken over one additional closed churchyard and to date it has been possible to undertake the required works within budget and often utilising the services of the Council's Parks and Gardens Team. However, as these trees mature and grow, the works require the expertise of more specialist professional arboricultural contractors whose costs have risen sharply in the last 2 years due to rising overhead costs. In future, it is hoped that with the aid of the Council's trees database, to be able to profile the tree stock year on year to help future budget planning.

- 3.9 The latest budgets have been amended to reflect adjustments to the lease car and insurance budgets. This has resulted in an overspend of £111 on lease cars and an overspend of £601 on insurance for this committee.
- 3.10 The latest budgets have also been amended to reflect adjustments for salaries for lower paid workers. This has resulted in an overspend of £536 for this committee. However, provision was made centrally during the setting

of the 2012/13 budget and therefore this increase will have no effect on the Council's bottom line budget.

3.11 The Latest Budget in Appendix 1 includes capital budgets carried forward from 2011/12.

#### 4.0 ARGUMENTS/CONCLUSIONS

4.1 That the projected overspend for this period of £1,600 be noted.

#### 5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

5.1 There is an overall overspend of £298,423 against this Committee's original budget.

5.2 Equality Impact Assessment (INRA) not required.

#### 6.0 APPENDICES

6.1 Appendix 1 – Development & Transport Committee Budget Projections 2012/13.

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#### **Background Documents**

#### **Location**

#### **Contact Officer**

Budget Monitoring Report  
Preparation Documents

Room 206  
The Grange  
Ely

Linda Grinnell  
Head of Finance  
(01353) 616470  
E-mail:

[linda.grinnell@eastcambs.gov.uk](mailto:linda.grinnell@eastcambs.gov.uk)