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EXCERPT FROM THE MINUTES OF THE RESOURCES OVERVIEW AND SCRUTINY PANEL HELD ON 25 AUGUST 2011

ROSP.62/11 REVENUE BUDGET OVERVIEW AND MONITORING REPORT – APRIL TO JUNE 2011

The Assistant Director (Resources) (Mr Mason) submitted report RD.31/11 providing an overview of the Council's overall budgetary position for the period April to June 2011 for revenue schemes.

He summarised the budgetary position as at June 2011 which showed a deficit against the income target for fees and charges; and highlighted the key issues, including performance against the Salary Turnover Savings Budget and employee budgets for 2010/11. Members' attention was also drawn to the main variances in the Revenue Budgets of the various Directorates.

Mr Mason added that the Council's financial position was affected by a number of external factors which would have a financial impact during the course of the year and ultimately at the year-end, including the general effect of the economic climate on the Council's income streams; fuel prices, energy costs and other inflationary issues; and the effects of the housing market and property prices, especially with regard to income from land charges and rents. He added that the overall projected position was negative and some of the positive benefits were non-recurring. It was therefore important to maintain a prudent approach so as to ensure a sustainable budget position for future years and to avoid any significant variance at the year end.

Members' attention was further drawn to a number of high risk budgets which had been identified as requiring detailed monitoring throughout the year, commuted sums currently held by the Council, details of the Council's Direction of Travel, and Comprehensive Spending Review 2007.

Mr Mason advised that the report would be available for consideration by the Executive at their meeting on 30 August 2011 before being considered again by Resources Overview and Scrutiny Panel.

In considering the report Members raised the following questions and concerns:

- *A Member suggested that a Task and Finish Group be convened to assist the Panel to be informed and have a better understanding of the Council's £15million loan.*

The Deputy Chief Executive (Dr Gooding) stated that it was important that Members understood the information and suggested that a private report could be submitted for the next meeting of the Panel on 13 October 2011.

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RESOLVED – 1.) That the report be noted

2.) That a private report be submitted to the Panel on 13 October 2011 clarifying the information in relation to budget Overview and Monitoring reports.