

# **WIRRAL COUNCIL**

## **FINANCE & BEST VALUE OVERVIEW & SCRUTINY COMMITTEE**

**4 JUNE 2008**

### **REPORT OF THE DIRECTOR OF FINANCE**

#### **FINANCIAL MONITORING STATEMENT**

##### **1. EXECUTIVE SUMMARY**

1.1 This report provides a summary in tabular format of the current position of the Authority revenue accounts and General Fund balances.

##### **2. MONITORING STATEMENT**

2.1 The monitoring statement is attached to this report and includes the following:

- Composition of the original 2008/09 budget by department including agreed savings and policy options.
- Monitoring against the 2008/09 budget including the financial implications of any Cabinet decisions.
- Anticipated variance against the original budget.
- Explanation of variances and areas identified as requiring further attention.

2.2 The monitoring statement is based upon the information provided within departmental financial monitoring reports and is updated and submitted to each meeting of this Committee.

##### **3. FINANCIAL AND STAFFING IMPLICATIONS**

3.1 The statement presents an update of the Authority revenue budget and General Fund balances as at 30 April 2008.

3.2 At this stage of the financial year there are no reported variations. The pressures within Adult Social Services and Children & Young People in relation to care services continue to be closely monitored. The savings targets and the policy options are in the process of being implemented.

3.3 Work is presently underway on completing the accounts for the financial year 2007/08. The main year-end reports are to be presented to Cabinet on 26 June 2008 and the Statement of Accounts to Audit & Risk Management Committee on 30 June 2008. This may result in the opening balance at 1 April 2008 being revised.

3.4 The Government issued a consultation document on the distribution of the Local Authority Business Growth Incentive (LABGI) grant for 2007/08 in April. The consultation period closed on 16 May 2008. An announcement is anticipated shortly and, when notified, will be reported to Cabinet.

3.5 Cabinet on 22 May 2008 was updated on the progress of the Local Pay Review. This report included details of the financial implications of the proposals which are expected to be contained within the budget allocated for 2008/09.

3.6 Based upon the preceding sections the projected balance at 31 March 2009 is, as per the agreed budget, £5 million.

3.7 There are no staffing implications arising directly from this report.

#### **4. EQUAL OPPORTUNITIES IMPLICATIONS**

4.1 There are none arising directly from this report.

#### **5. HUMAN RIGHTS IMPLICATIONS**

5.1 There are none arising directly from this report.

#### **6. LOCAL AGENDA 21 IMPLICATIONS**

6.1 There are none arising directly from this report.

#### **7. COMMUNITY SAFETY IMPLICATIONS**

7.1 There are none arising directly from this report.

#### **8. PLANNING IMPLICATIONS**

8.1 There are none arising directly from this report.

#### **9. LOCAL MEMBER SUPPORT IMPLICATIONS**

9.1 There are no particular implications for any Members or wards arising out of this report.

#### **10. BACKGROUND PAPERS**

10.1 Departmental financial monitoring reports have been used for this report.

#### **11. RECOMMENDATION**

11.1 That the contents of the financial monitoring statement be noted.

IAN COLEMAN  
DIRECTOR OF FINANCE

**WIRRAL COUNCIL  
FINANCIAL MONITORING STATEMENT 2008/09  
POSITION AS AT 30 APRIL 2008**

Department	ORIGINAL BUDGET 2008/09			MONITORING 2008/09				COMMENTS
	Savings Target	Policy Options	Agreed Budget	Savings Target	Policy Options	Cabinet Decision	Projected Variances	
Expenditure	£000	£000	£000			£000	£000	
Adult Social Services	4,494	35	86,671	✓	✓	-	-	Work needed on day care and procurement savings. Pressures remain on care services through underlying over commitment.
Children & Young People	3,981	20	70,560	✓	✓	-	-	Savings reflected in budgets but volatile areas remain from previous years savings and demands for care services.
Corporate Services	538	426	5,900	✓	✓	-	-	No issues.
Finance	1,696	40	21,048	✓	✓	-	-	Housing Benefit is the largest and most volatile area.
Regeneration	821	225	41,229	✓	✓	-	-	Procurement savings to be identified. Pressure areas are still energy costs and income.
Technical Services	1,237	145	35,609	✓	✓	-	-	Will report to Cabinet on actions to re-engineer budgets to address pressure areas. Energy costs and procurement savings are areas under review.
Treasury Management	0	200	11,755	N/a	✓	-	-	The financial market is subject to change and being closely monitored.
Merseytravel	-	-	25,311	N/a	N/a	-	-	Fixed amount – no change.
Local Pay Review	-	-	4,546	N/a	N/a	-	-	Cabinet received a report on progress 22 May.
Bridging Finance from Balances	-	-	(1,900)	N/a	N/a	-	-	Asset savings and Adults income 2009/10.
Contribution from Balances	-	-	(2,202)	N/a	N/a	-	-	
<b>Budget Requirement</b>	<b>12,767</b>	<b>1,091</b>	<b>298,527</b>					
<b>Income</b>								
Revenue Support Grant	-	-	18,016	N/a	N/a	N/a	N/a	Fixed amount – no change
Area Based Grant	-	-	28,390	N/a	N/a	N/a	N/a	Government still to confirm final allocations
National Non Domestic Rate	-	-	129,413	N/a	N/a	N/a	N/a	Fixed amount – no change
Council Tax	-	-	123,217	N/a	N/a	N/a	N/a	Fixed amount – no change
Collection Fund Deficit	-	-	(509)	N/a	N/a	N/a	N/a	Fixed amount – no change
<b>Total Income</b>			<b>298,527</b>					<b>Fixed amount – no change</b>
<b>Statement of Balances</b>								
As at 1 April	-	-	8,593	-	-	-	5,000	Opening balance – forecast 1 April 2009
Contributions from Balances	-	-	(4,102)	-	-	-	-	
Contributions from Reserves	-	-	509	-	-	-	-	
Cabinet decisions	-	-	-	-	-	-	-	
Issues – Projected Variances	-	-	-	-	-	-	-	
<b>BALANCES AT 31/03/08 &amp; 31/03/09</b>			<b>5,000</b>				<b>5,000</b>	<b>Projected balance at start / end of year</b>
Key = No concern for item			✓					
Key = Concern for item			X					