

**To:** Communities Policy Overview & Scrutiny Committee

**By:** Mike Hill, Cabinet Member for Community Services  
Amanda Honey, Communities Managing Director

**Date:** 9<sup>th</sup> July 2010

**Subject:** Financial Monitoring 2010/11

**Classification:** Unrestricted

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**Summary:**

Members of the POC are asked to note the initial budget monitoring exception report for 2010/11 to be reported to Cabinet on 12<sup>th</sup> July 2010.

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**1. Introduction**

1.1 This is a regular report to this Committee on the forecast outturn against budget for the Communities portfolio.

**2. Background**

2.1 A detailed quarterly budget monitoring report is presented to Cabinet, usually in September, December and March, and a draft final outturn report in June. These reports outline the full financial position for each portfolio and are reported to POSCs after they have been considered by Cabinet. In the intervening months an exception report is made to Cabinet outlining any significant variations from the quarterly report. The first exception report for 2009/10 is being presented to Cabinet on 12<sup>th</sup> July, extracts of which are highlighted below.

2.2 Item B2 on this agenda covers the financial outturn report for 2009/10 whereas this report is in relation to exception monitoring for 2010-11, with B3 showing the performance outturn/monitoring.

**3. Revenue**

3.1 At this early stage in the year we have identified the following net variations – not pressures - totalling £634k (gross +£750k – see para 3.1.1 and income -£126k see para 4) from the revenue budget approved by County Council on 19<sup>th</sup> February 2010, within the Communities Portfolio:

### **3.1.1 Community Learning & Skills:**

Subsequent to the publication of the Budget Book, the service has been notified that funding from the Skills Funding Agency will reduce by £0.750m during 2010-2011. The service is currently implementing management action to mitigate against this funding pressure by reducing variable spend accordingly. No pressure is being reported currently but it was felt necessary to update POSC members on these developments.

### **3.1.2 Coroner Service**

The service is not yet reporting an adverse variance in respect of long inquests but the budget allocated to this demand led service remains exposed and vulnerable to an increase in (lengthy or extensive) referrals of suspicious deaths.

An inquest has already been conducted this financial year with an estimated cost in the region of £45k; therefore reoccurrences of such inquests will undoubtedly impose a pressure on the service.

## **4. Roll Forward of 2009-10 Underspends**

4.1 Two of the commitments put forward by Communities were in relation to the Supporting Independence Programme and Kent Drugs and Alcohol (KDATT) service. Approval of these commitments had led to an increase in their respective cash limits of £50k and £75k.

4.2 Other roll forward bids that were proposed by Community Learning and Skills (CLS - previously Adult Education and Key Training), Libraries and the Youth Service were not accepted and alternative funding routes are currently being explored.

## **5. Capital**

5.1 The Edenbridge project is progressing well, at a revised cost of £3.2m. The project now includes a number of partners, whose contributions have fully funded the increase in gross expenditure. The developer has been appointed and a timetable agreed, so the project has been re-phased accordingly. For progress on other projects, please refer to item B2.

## **5 Recommendations**

- 5.1 Members of the POC are asked to note the budget variations and comments for the Communities Portfolio for 2010/11, based on the first exception monitoring report to Cabinet.

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