

TO: Corporate Policy Overview Committee –
13th November 2009

BY: Paul Carter, Leader
Alex King, Deputy Leader
John Simmonds, Cabinet Member for Finance
Roger Gough, Cabinet Member for Corporate Support
Services & Performance Management
Alan Marsh, Cabinet Member for Public Health & Health
Reform
Peter Gilroy, Chief Executive

SUBJECT: Financial Monitoring 2009/10

Classification: Unrestricted

Summary:

Members of the POC are asked to note the budget monitoring exception report, based on the monitoring returns for August, as reported to Cabinet on 12th October 2009.

FOR INFORMATION

1. Introduction

- 1.1 This is a regular report to this Committee on the forecast outturn against budget for the Corporate Services portfolios.

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 POCs 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 full monitoring report for 2009-10 was presented to Cabinet in September. This exception report highlights the main movements since that report.

3. Revenue

3.1 Finance portfolio:

There is a forecast pressure on the Insurance Fund but it is assumed that this will be met by a drawdown from the Insurance Reserve, hence there is no overall impact on the bottom line position for the Finance portfolio.

3.2 At this stage, no new variances have been identified within CED revenue budgets since the last report to this POC on 25th September 2009.

4. Capital

4.1 Corporate Support & Performance Management portfolio:

The forecast capital spending for the portfolio has moved by -£4.081m since last month. The main movements are detailed below:

- Sustaining Kent – Maintaining the Infrastructure – (-£4.1m) - The original budget profile was based on the assumption that the new data centre would be based at a site already identified and owned by KCC. This has not proved to be possible. As this centre is a key and critical component of much of the capital programme, the subsequent on-going delay in identifying a suitable site has had a major impact on the profiled spend. Two new sites are currently being investigated but neither site could be completed until quarter 1 of 2011-12 at the earliest.
- Gateway Multi-Channel Service Delivery – (+£0.300m) - This is a new in-year project which has been given external funding from the Regional Improvement & Efficiency Partnership. There is therefore no net financial impact on the Council.
- Modernisation of Assets – Works at Oakwood House – (+£0.645m) - Refurbishment and change of usage to rooms at Oakwood House necessitate the bringing forward of £645k into the current financial year from the approved budget in 2010-11.
- Gateway One Stop Shops – (-£0.376m) - The Gateway Programme of roll-outs is subject to many external factors and Partnership working. This has resulted in re-phasing from 2009-10 of -£376k in to 2010-11. Subsequent re-phasing has also been included for future years.
- Web Platform – (-£0.250m) - The installation of the technical environment of the website has taken longer than envisaged. This has caused delays to subsequent phases of the programme and resulted in this re-phasing.

5 Recommendations

- 5.1 Members of the POC are asked to note the forecast budget variances for the Chief Executive's Department for 2009/10 based on the August exception monitoring report to Cabinet.

Officer Contact
Dave Shipton
Finance Strategy Manager
01622 694597 (ext. 4597)
dave.shipton@kent.gov.uk

Background Documents:

Cabinet 12th October 2009; Revenue & Capital Budget Monitoring Exception Report