

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Resources Portfolio Holder 20 June 2007
AUTHOR/S: Chief Executive/Principal Accountant (General Fund and Costing)

UNSPENT BUDGET ROLLOVER FROM 2006-07 TO 2007-08

Purpose

1. To consider approval of requests for rollover of unspent budgets from 2006-07 to 2007-08.

Background

2. The current budget and policy framework rules allow that the rollover of unspent budget provision from the previous financial year to the current year will only be permitted in exceptional cases and where the budget for the current year is likely to be insufficient, on an individual estimate (excluding employees) with the approval of the relevant Portfolio Holder, the Resources Portfolio Holder and Chief Officer by 31st July each year. All actual expenditure comparisons for this purpose are made with the Revised Estimates, as amended for any virement. It should be noted that, as well as requiring the individual rollover item to be under spent by at least the rollover amount, the overall spending position (excluding recharges) of the relevant service is also taken into account.

Considerations

3. The Appendix summarises the rollover requests, which total £126,320 on General Fund revenue budgets, £661,630 on the General Fund capital programme, £12,500 on the HRA revenue budgets and £28,700 on the HRA capital programme. Details of the items are included on copies of the rollover forms. These will be given to the portfolio holder before the meeting. At the time of producing the report, several items still require confirmation of certain approvals. These approvals will be supplied as soon as possible but in any event at the meeting.
4. The current provisional total under spend on the 'Net District Council General Fund Expenditure' in 2006-07 is £555,350 (4.4%). This is the level directly before the appropriation to/from balances and so may be compared with the £126,320 General Fund revenue requests for rollover.

Options

5. Rollover approval is requested for each item, as detailed on the forms, which can be considered individually on their merits. All have been proposed as exceptional cases. Most of these appear to be for expenditure that has already been committed, but could not be charged to the old year. Non-approval would cause overspendings in the current year in those particular areas, unless virement could be found from other areas.

Implications

6.	Financial	Budgets carried forward involve a shift in the phasing of expenditure from one year to the next. The relevant estimates in 2007-08 will be increased by the sums rolled forward, therefore increasing the overall budget for 2007-08. These increases are matched by the under-spending originating in 2006-07. It should be noted that the rollover should be used for the purpose specified, so virement to another budget head for different purposes is not permitted.
	Legal	None
	Staffing	None
	Risk Management	The consequences of non-approval of each rollover can only be assessed by the spending officers, who have indicated that the items are exceptional
	Equal Opportunities	None

Consultations

7. The comments and recommendations of the cost centre managers have been invited on the budget rollover approval forms. The relevant chief officers and portfolio holders will also have given the items consideration before approval.

Effect on Annual Priorities and Corporate Objectives

8.	Affordable Homes	Rolling forward unspent budgets where necessary assists cost centre managers in meeting their original approved spending, which forms a part of the plan to achieve the objectives of the Council.
	Customer Service	
	Northstowe and other growth areas	
	Quality, Accessible Services	
	Village Life	
	Sustainability	
	Partnership	

Conclusions/Summary

9. The rollovers for approval in the Appendix amount to £126,320 in respect of the General Fund revenue budget, £661,630 for the General Fund Capital Programme, £12,500 for the HRA revenue budget and £28,700 for the HRA Capital Programme.

Recommendations

10. It is recommended that approval be given for the budget rollovers, set out in the Appendix, to be carried forward into the 2007/08 financial year.

Background Papers: the following background papers were used in the preparation of this report:

SCDC Revised Estimates and Provisional Actual portfolio expenditure 2006-07
Rollover approval forms.

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