

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: New Communities Portfolio Holder 10 March 2009
AUTHOR/S: Chief Executive Principal Accountant (General Fund and Costing)

FINANCIAL MONITORING REPORT NEW COMMUNITIES PORTFOLIO EXPENDITURE TO 31 JANUARY 2009

Purpose

1. This report compares the actual revenue and capital expenditure to 31 January for the Community Services Portfolio with the annual budget for the year ending 31 March 2009, for the information of the Portfolio Holder and officers.

Background

2. In general, it is intended that financial reports will be presented to portfolio holders approximately every three months, depending on meeting dates. This report is the second monitoring report to the portfolio holder for the 2008-09 year. In addition, the New Communities revised estimates were reported to the Portfolio Holder in January.
3. The reports exclude recharges and other year-end transactions. These recharges are calculated for the original estimates in December before the start of the financial year, then recalculated for the revised estimates and finalised as soon as possible after the year-end.
4. The reported figures are summarised in Appendix A. Appendix B shows the full detail of the revenue expenditure. The working budget figures are the revised estimates. There have been no additional virements.
5. Grant expenditure is shown on a commitments basis to 31 January, whereas other expenditure is on a payments/receipts basis.
6. The financial position of the Council as a whole up to 31 January was reported to the Cabinet on 12 February. The known areas of variance from the original estimates were amended in the revised estimates. Within this portfolio, the Planning Policy expenditure was significantly reduced to account for rapid changes that had arisen in the last few months.

Considerations

7. Total Revenue Expenditure: under by £236K
The portfolio revenue expenditure to 31.01.09 shows £296,594 spent out of a budget of £532,810 (56% spent). This expenditure is very low, considering there are only two additional months to the end of the year. However, the final figures will include accruals for all unpaid services, whereas these figures are payments to date. Also, in recent years, considerable expenditure on Community Development, Sports Development and Arts Development has taken place very close to the end of the year and the officers have ensured that these services have been fully spent. Generally, the final actual expenditure is likely to be close to the revised estimate, but the outcome of Planning Policy expenditure is still difficult to ascertain due to the uncertainty of outstanding planning inspector fees (see paragraph 9). Commentary on

each of the services, based on information given by the spending officers, is covered below, starting with the most under spent to date.

8. **Sports Development Revenue Expenditure: under by £70K**
The portfolio revenue expenditure to 31.01.09 shows £26,941 spent out of a budget of £96,920 (28% spent). This expenditure (mostly Dual Use Projects) is currently being allocated and should be fully spent by the end of the year.
9. **Planning Policy Revenue Expenditure: under by £67K**
The Planning Policy revenue expenditure to 31.01.09 shows £53,084 spent out of a budget of £120,300 (44%) spent. There are savings on the Housing Market Assessment and some SPD costs, but these are compensated by extra expenditure needed on Hanley Grange and North West Cambridge Landscape Assessments. SPD costs relating to Biodiversity and Listed Buildings (£8K) will not now arise until next year and will therefore be an under spending in the current year. However, the final position on this service appears to depend on the amount owing in respect of planning inspector's fees for 2007-08 and 2008-09, but the invoices will not be received until next year. An estimate has been requested and any response will be reported at the meeting.
10. **Community Development Revenue Expenditure: under by £34K**
The Community Development revenue expenditure to 31.01.09 shows £31,530 spent out of a budget of £65,150 (48%) spent. Project and grant expenditure should all be spent by the year-end, but some of the one-off Community Facilities Audit budget will still be outstanding, so that a rollover will be requested.
11. **Sustainability Revenue Expenditure: under by £32K**
The Sustainability revenue expenditure to 31.01.09 is £10,345 spent out of a budget of £42,410 (24% spent). The remaining carbon emissions and other projects should be substantially complete at the end of the year.
12. **Growth Agenda Revenue Expenditure: under by £17K**
The Growth Agenda revenue expenditure to 31.01.09 is £87,916 spent out of a budget of £105,580 (83% spent). The outstanding expenditure relates to Orchard Park (£10.5K) and Cambourne (£5K). No further expenditure is anticipated in the current year, but the provisions will be needed next year. Orchard Park expenditure is this Council's one-off contribution to partnership expenditure that needs to be carried forward either by means of rollover or being reserved.
13. **Arts Revenue Expenditure: under by £15K**
The Arts revenue expenditure to 31.01.09 is £86,778 spent out of a budget of £102,450 (85% spent). The remaining expenditure should be fully spent by the end of the year.
14. **Capital Grant Expenditure (Sports, Community and Arts grants): under by £150K**
The capital expenditure committed to date is £89,462 against an available estimate of £240,000 (37%). Despite the large amount still outstanding, the balance should be allocated before the end of the year. The largest balance remaining is on Village Sports Facility grants (£96K), but a grant of £50K relating to Sawston is imminent.
15. **Other Capital Expenditure: Climate Change**
The capital expenditure of £25,000 relating to the above will not be spent until next year, but this is specifically funded by the Local Strategic Partnership Board. It will be carried forward to next year.

Implications

16.	Financial	None
	Legal	None
	Staffing	None
	Risk Management	None
	Equal Opportunities	None

Consultations

17. The cost centre managers have been informed of the expenditure and grant details and budgets.

Effect on Annual Priorities and Corporate Objectives

18.	Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future	None
	Deliver high quality services that represent best value and are accessible to all our community	None
	Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work	None

Conclusions/Summary

19. The revenue expenditure comments are in paragraphs 7 to 13. It is projected that there may be some under spending on Planning Policy, but the position depends on how much the planning inspectors will charge for work going back over two years. Some rollovers for unspent one-off expenditure on the Community Facilities Audit and Growth Area initiatives at Orchard Park and Cambourne will be sought, but other New Communities service expenditure is expected to be close to the revised estimates.
20. The capital expenditure comments are in paragraph 14 to 15. The projected actual expenditure should be close to the revised estimates, but the externally funded climate change capital expenditure will now commence in 2009-10

Recommendations

21. The Portfolio Holder is requested to note the report.

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

Budget files, grant decisions and the financial management system.

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