

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Finance Portfolio Holder 24 July 2008
AUTHOR/S: Chief Executive/Principal Accountant (General Fund and Costing)

UNSPENT BUDGET ROLLOVER FROM 2007-08 TO 2008-09

Purpose

1. To consider approval of requests for rollover of unspent budgets from 2007-08 to 2008-09.
2. This is not a key decision. However, it will result in increases in the 2008-09 budget estimates of the Council for specific, exceptional items that were originally included in the 2007-08 estimates but will now fall in 2008-09. The item was first published in the June 2008 Forward Plan.

Background

3. The current budget and policy framework and rules, as amended by the scheme of delegation, 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 Corporate Manager and Portfolio Holder and also the Finance Portfolio Holder 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

4. The Appendix A summarises the rollover requests, which total £432,790 on General Fund revenue budgets, £311,000 on the General Fund capital programme and £12,500 on the HRA revenue budgets. Details of the items are included on Appendix B.
5. The Expenditure Outturn 2007-08 was reported to Cabinet on 3 July. This included reference to all the rollovers now being presented and confirmed that actual expenditure was sufficiently under spent to enable all the requested rollovers to be implemented.

Options

6. Rollover approval is requested for each item, as detailed in the appendices, 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, which is not likely given the amounts involved so early in the financial year.

Implications

7.	Financial	Budgets carried forward involve a shift in the phasing of expenditure from one year to the next. The relevant estimates in 2008-09 will be increased by the sums rolled forward, therefore increasing the overall budget for 2008-09. These increases are matched by the under-spending originating in 2007-08.
	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

8. The comments and recommendations of the cost centre managers were invited on the budget rollover approval forms and have been reproduced on Appendix B. The relevant corporate managers and portfolio holders will also have given the items consideration before approval.

Effect on Annual Priorities and Corporate Objectives

9.	Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future Deliver high quality services that represent best value and are accessible to all our community Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work	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.
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Conclusions/Summary

10. The rollovers for approval in Appendix A amount to £432,790 in respect of the General Fund revenue budget, £311,000 for the General Fund Capital Programme and £12,500 for the HRA revenue budget.

Recommendations

11. It is recommended that approval be given for the budget rollovers, as summarised in Appendix A, to be carried forward into the 2008-09 financial year.

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

SCDC Revised Estimates and Expenditure Outturn 2007-08
Rollover approval forms.

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