

**Revenue Outturn 2008/09 – Carry Forward of Budgets
16 September 2009**

Report of Cabinet

PURPOSE OF REPORT

This report seeks Council approval for the carry forward of various underspent budgets from last year, into the current financial year.

This report is public.

RECOMMENDATIONS

That the requests for carry forward of underspent budgets as set out at Appendix A be approved.

1 Introduction

1.1 At the Cabinet meeting held on 28 July, Members approved numerous recommendations regarding the revenue and capital outturn for last year and this included a schedule of carry forward requests. These requests had been made by Service Managers where, for a variety reasons, they did not spend the full budget allocations in last year and now wished to carry the funding forward, to support spending in this year.

1.1 Under current Financial Regulations, the aims of the Carry Forward Scheme are to:

- provide some flexibility in delivering the Council's stated objectives
- remove the incentive to spend up budgets unnecessarily by year end, and
- promote good financial management.

Any such requests that involve amounts greater than £10,000 must all receive full Council approval and therefore several items been referred on from Cabinet, for consideration at this meeting.

2 Proposal Details

2.1 **Appendix A** sets out the requests requiring Council approval and in total, these amount to £137,400 for General Fund and £45,000 for Housing Revenue Account (HRA). The carry forward requests as attached are all linked to achieving specific objectives or service targets and they would have adverse implications for service delivery if not approved, therefore they have been supported by Cabinet. Should Members require further information on particular requests, they may find it useful to

refer back to Cabinet agenda of 28 July; however, where possible, additional updated information is included on the appendix to this report.

- 2.2 Assuming that all requests are approved as set out, this would have the following effect on revenue balances at the end of the current year:

Fund	Estimated Balances as at 31 March 2010:			Basic Minimum Balances Level £'000
	Per 2009/10 Budget	Assuming all requests approved	Variance (Surplus Balances)	
	£'000	£'000	£'000	
Housing Revenue Account (HRA)	350	442	(92)	350
General Fund	1,000	1,048	(48)	1,000

- 2.3 It can be seen that even after allowing for the carry forward requests, as a result of the outturn there would still be some small surplus resources available to both the HRA and General Fund. These balances will be taken into account in the forthcoming review of the Council's Medium Term Financial Strategy and the budget process generally.

3 Details of Consultation

- 3.1 No other specific consultation has been undertaken.

4 Options and Options Analysis (including risk assessment)

The basic options available to Council are either:

- To approve any number of the items / requests, in full or part; or
- To refuse any number of the requests and if commitments have already been incurred, require alternative funding options to be identified. Council should note, however, that in all likelihood this would impact adversely on other areas of service delivery. Whilst this risk would need acknowledging, clearly it is not possible to assess the full potential impact at this stage.

No other options are put forward given timescales and it being well into the current financial year.

5.0 Conclusion

- 5.1 As a result of underspending in last year it is felt appropriate to support the carry forward requests attached, to support service delivery, but this still ensures that some comparatively small surplus balances will be available to help fund future years' budgets, including other known liabilities.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Any specific key issues arising are reflected in the individual carry forward requests.

FINANCIAL IMPLICATIONS

As set out in the report.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has no further comments to add.

LEGAL IMPLICATIONS

There are no legal implications arising from this report.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments.

BACKGROUND PAPERS

None

Contact Officer: Nadine Muschamp

Telephone: 01524 582117

E-mail: nmuschamp@lancaster.gov.uk

Ref: