



REVENUE BUDGET THIRD QUARTER REVIEW 2018/19

Sheena Ramsey, Chief Executive

EXECUTIVE SUMMARY

1. The purpose of this report is to set out the latest monitoring position on the 2018/19 revenue budget at the end of the third quarter to 31 December 2018 and seek approval to use up to £2.1m capital receipts to finance the 2018/19 revenue budget.
2. Council agreed the original revenue budget for 2018/19 on 22 February 2018. This was set at £203.466m. The projected outturn for 2018/19 at 30 September 2018 was an overspend of £5.189m. This included planned use of £4.582m of reserves, plus £1.337m from the Strategic Revenue Investment reserve and this was reported to Cabinet on 20 November 2018.
3. Without any further action the projected outturn for 2018/19 at 31 December 2018 is £206.840m compared to the budget of £203.466m, this represents an overspend of £3.374m. The overspend is mitigated by additional Government funding of £2.135m resulting in an overall projected overspend of £1.239m. The projection for the year includes the planned use of £4.612m of reserves.
4. Throughout the year the Council has reviewed revenue schemes to identify expenditure which meets the qualifying criteria to be funded through capital receipts in year. In total £2.1m of qualifying revenue expenditure has been identified within the budget.
5. The Cabinet has considered the facts and issues arising from the report including alternative options and took all relevant advice before formulating their recommendation.

RECOMMENDATION

6. It is recommended that Council approves the use of up to £2.1m capital receipts flexibility on the areas identified within paragraph 8 of the report to fund the revenue costs of transformational projects included within the 2018/19 budget.