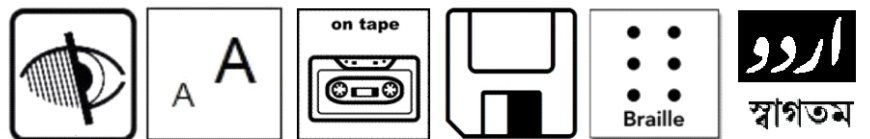


# Monthly Financial Monitoring Report

2009/10 as at end of November 2009 – Period 8



## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### General Fund Revenue Operations – pages 4 to 23

The out-turn favourable impact on General Fund as at the end of November compared to budget for 2009/10 is **£409k**. This represents a further favourable movement of over **£30k** from the forecast at the end of October.

### Revenue Reserves – page 24

This favourable variance of £409k would potentially result in the General Fund Reserve at 31<sup>st</sup> March 2010 being £1,288k (see below), though the revenue budget carry-forward rules would identify £242k of this for one-off improvement projects in 2010/11, leaving the General Reserves in 2010/11 at £1,046k against a recommended maximum of £1m.

<b>General Fund Reserves</b>	<b>£000</b>
<b>Total Balance at 1st April 2009</b>	942.0
Less 50% service allowance	
Communities	(45.0)
Member Training	(5.0)
Regeneration	(13.0)
Plus expected contribution from 2009/20 operations	409.4
<b>Total Balance estimated as at 31st March 2010</b>	<b>1,288.4</b>
Less 50% service carry forward allowance to 2010/11	
Place Directorate	(119.0)
Business Directorate	-
Corporate Directorate (operational services only)	(123.0)
<b>Net Balance available in 2010/11</b>	<b>1,046.4</b>

The Council has recently received confirmation of the Housing Planning Delivery Grant (PDG) allocation for 2009/10 at £138k (compared with an assumed figure of £83k). This means that the gap between resources available to date and planned costs over the next three years has been reduced to £61k if no further grant is ever received. At present such a complete stop on the grant in 2010/11 is not likely, but is possible.

### Treasury & Cash Management - page 25 to 27

Treasury Management results continue to outperform the Sector model portfolio. In October the £3m investment with the Bank of Scotland was renewed at an interest rate of 1.8% until October 2010. Prompt treasury management action ensured that the Council took advantage of an interest rate which fell to 1.02% two days later when Sector's model portfolio 1-year deposit was renewed.

Sector revised their interest expectations in mid November, slowing down their anticipation of the pace of recovery in the autumn of 2010, potentially reducing the predictions for 2010/11 interest. Total interest for 2009/10 is now forecast up a further £4k to £51k favourable for the year.

Debt collection rates for the current year's invoices continue to improve on past year's performance with the 'debtor days' indicator falling to 48 (target 80). Though collection of prior year debts remains slow, the Bad Debt Provision is still well above the minimum level required, therefore no further contributions are expected from revenue operations.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Capital Receipts – page 28

Capital receipts to date remain at £275k from the sale of assets with a potential £25k still to come for small sales and £10k from CPO reclaims as explained in the October monitoring report. Right to Buy and VAT shelter receipts are still a concern with only one sale to date, though a further verbal update will be made to Cabinet early in January 2010 on progress in Q3. Total forecast receipts for the year are £520k compared to original expectations of £860k.

Projected use of capital receipts and revenue contributions in 2009/10 to support capital expenditure is £1,010k. This is expected to result in capital receipts carried forward at March 2010 of £687k, of which £371k remains earmarked for housing capital works.

### Capital Programme – page 29

To the end of November 48% of the capital programme has been completed with a further 13% committed through the purchase order system, mainly in relation to refuse vehicles. This is comparable to 46% completed to a similar time in 2008/09.

Capital activity in November included the provisional ordering of £1.4m of refuse vehicles, the funding of which will be subject to an options appraisal to determine whether to lease or borrow funds in order to buy outright.

Also in November was the start of the Accommodation Strategy Phase 1 which will add £22k per annum to the Minimum Revenue Provision repayments, but in turn save more than this in the rental costs of the current Council Chamber site.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### General Fund Summary - October 2009 (Period 8)

Service Area	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in November (Adv)/Fav £000
<b>Place Directorate</b>					
Communities	1,258.6	1,216.1	42.5	34.7	7.8
Customer Services and e Government	2,841.3	2,706.1	135.2	124.9	10.3
Regeneration	530.7	477.0	53.7	48.3	5.4
Place Operations	3,745.2	3,737.9	7.3	33.6	(26.3)
<b>Business Directorate</b>					
Building Control Services	151.8	185.8	(34.0)	(21.3)	(12.7)
Environmental Services	832.2	819.8	12.4	7.6	4.8
Legal & Democratic Services	1,116.2	1,086.3	29.9	24.3	5.6
Planning Services	481.5	583.4	(101.9)	(89.4)	(12.5)
Local Land Charges	71.7	52.5	19.1	21.0	(1.9)
<b>Corporate Support Services</b>					
Corporate Management	536.6	492.7	43.9	29.2	14.7
Finance & Property Services	284.1	380.2	(96.1)	(108.5)	12.4
People and Policy	249.1	232.1	17.0	21.5	(4.5)
Non Distributed Costs	558.0	329.0	229.0	206.0	23.0
Capital Financing and Interest	(809.0)	(860.3)	51.3	47.3	4.0
<b>Favourable impact on General Fund</b>	<b>11,848.1</b>	<b>11,438.7</b>	<b>409.4</b>	<b>379.2</b>	<b>30.2</b>

Revenue activities to note during November include:

- the receipt of insurance claim refund of £22k pertaining to last year's gas explosion in Rawtenstall (potentially transferable to Job Evaluation Reserve),
- an update of the costs of pooled concessionary fares which are set result in a favourable movement of £38k,
- revision of the estimated reimbursement from the housing subsidy grant relating to the rents charges for supported tenancies which is likely to result in an adverse movement of £40k,
- delays in the implementation of disaster recovery plans for IT systems are likely to move £13k of costs into 2010/11 and
- extra £20k on leased vehicle costs as one fly tipping vehicle was replaced when it became beyond economic repair.

Volatile income in such areas as markets, planning, land searches and recyclates continues to be monitored closely. Markets, paper and land charges income remained fairly stable during November. Planning and building control income continue their adverse trend to £137k and £19k respectively though planning may have one further large application before the end of the financial year which has not been factored into the expected income yet.

The main areas of movement in November to the nearest £1k, can be seen in the table opposite.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

Major Variances this month	Favourable /(Adverse)	Net
<b>Communities</b>		
Museum Management Fee	5.3	
Other variances	2.5	7.8
<b>Customer Services and e Government</b>		
Concessionary Fares	38.0	
IT disaster recovery	13.0	
Housing Benefit Subsidy	(40.0)	
Other variances	(0.7)	10.3
<b>Regeneration</b>		
Other variances	5.4	5.4
<b>Place Operations</b>		
Leased vehicles	(19.9)	
Refuse Bin Deliveries	(9.0)	
Other variances	2.6	(26.3)
<b>Business Directorate</b>		
Buidling Control fee income	(6.4)	
Planning& Building Control IT licences	(12.9)	
Members Expenses	6.6	
Licensing salaries	5.5	
Other variances	(9.4)	(16.6)
<b>Corporate Management</b>		
Staffing vacancies	14.7	14.7
<b>Finance &amp; Property Services</b>		
Rent forwarded to Greenvale Homes Ltd	(5.9)	
Operational buildings - Gas & Electric	10.3	
Car Park Maintenance	6.9	
Other variances	1.1	12.4
<b>People &amp; Policy (incl P&amp;P &amp; Comm)</b>		
Other variances	(4.5)	(4.5)
<b>Non-Distributed Costs &amp; Capital Financing</b>		
Gas explosion insurance claim	22.0	
Interest Income	4.0	
Other variances	1.0	27.0
<b>Favourable impact on General Fund</b>		<b>30.2</b>

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Communities - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Strategic Functions</b>					
Community Management & Admin	167.5	176.0	(8.5)	(8.4)	(0.1)
Area Based Grant	-	-	-	-	-
Community Safety	200.4	197.8	2.6	2.3	0.3
Local Strategic Partnership	28.2	18.6	9.6	9.4	0.2
Area Forum Grant Budgets	20.0	20.0	-	-	-
<b>Voluntary Sector Support</b>					
Grants	304.1	298.9	5.3	(0.0)	5.3
Discretionary NNDR	44.8	42.3	2.5	2.5	(0.0)
<b>Events</b>	40.6	45.7	(5.1)	(5.1)	(0.0)
<b>Neighbourhoods</b>					
Environmental Area Teams	351.0	321.7	29.3	28.0	1.3
Markets	7.2	7.7	(0.5)	(2.5)	2.0
Pest Control	27.1	24.0	3.1	4.7	(1.6)
Dog Warden	42.9	38.7	4.2	3.8	0.4
Public Conveniences	24.8	24.8	-	-	-
<b>Total</b>	<b>1,258.6</b>	<b>1,216.1</b>	<b>42.5</b>	<b>34.7</b>	<b>7.8</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Community Management & Admin - Salary costs	(3.5)		(3.5)	
Community Management & Admin - contribution to ELEP	(2.5)		(2.5)	
Community Safety - income from Police	7.0		7.0	
LSP - 2nd homes income more than budget	7.0		7.0	
Environmental Area Teams - 3 posts vacant for 2 months & Area Manager appointed on lower spinal point	29.5	1.3	30.8	
Management fee for Museum less than expected		5.3	5.3	
Area Teams - Travel costs / Misc Exp	(1.4)		(1.4)	
CCTV - BT costs / contract	(5.0)		(5.0)	
Events - Xmas lights Re-furbishment	(5.0)		(5.0)	
Markets income	3.0		3.0	
Dog Warden Service & Misc Exp	2.3		2.3	
Other misc variances	3.2	1.3	4.5	
<b>TOTAL</b>	<b>34.6</b>	<b>7.9</b>	<b>42.5</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Communities Highlight Report – Period 8

### Historic Issues

- Within the Area Team budgets there have been vacancies for 2 Area Officers and 1 Area Manager for 2 months. Along with this, one Area Manager has been appointed on temporary secondment on a lower spinal column point than budgeted for. The total projected saving on salaries for the financial year is £29k.
- The 2<sup>nd</sup> homes income allocated from LCC is £7k more than anticipated.
- It is anticipated that the Christmas lights will over spend by £5k due to refurbishment of the decorations.

### Current Month Issues

- The invoice for the management fee for the Museum has been received and is £5.3k less than we had originally expected.

### Future Issues

- Arts Engagement Officer – creativity works partnership. This is a partnership between local authorities to engage adults in the Arts. A contribution of £1k per annum for 3 years is required.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Customer Services & E-Government - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Strategic Functions</b>					
Management and Support	1.4	17.5	(16.1)	(16.2)	0.1
Service Assurance Team	12.1	19.3	(7.2)	(7.6)	0.4
<b>Revenues, Benefits and Customer Services</b>					
Local Tax Collection	387.4	351.0	36.5	36.5	(0.0)
Benefits Admin	577.5	585.6	(8.1)	(6.1)	(2.0)
Shared Contact Centre	51.5	54.0	(2.5)	(2.5)	-
Net Benefit Payments & Subsidy	(76.0)	(72.3)	(3.7)	33.6	(37.3)
<b>Leisure Services (from Partnerships)</b>	991.8	987.8	4.0	4.0	(0.0)
<b>Information and Communications Technology</b>	44.6	(65.9)	110.4	101.7	8.7
<b>Concessionary Travel</b>	851.0	829.0	21.9	(18.5)	40.4
<b>Total</b>	<b>2,841.3</b>	<b>2,706.1</b>	<b>135.2</b>	<b>124.9</b>	<b>10.3</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Recovery of Housing Benefit over payments	34.0		34.0	
Courts Costs awarded for non payment of CTax/NNDR	32.0		32.0	
Saving arising from bringing the IT contract in-house	129.5		129.5	
Software Licences	(6.0)	(5.0)	(11.0)	
Estimated housing benefit subsidy shortfall after accounting for Supported Housing rents above the Rent Officer Determination		(40.0)	(40.0)	
Disaster Recovery / purchase of new computers & servers	(26.6)	13.0	(13.6)	
Senior Manager pay review - back-pay and ongoing costs	(15.0)		(15.0)	
External support to transferring financial systems to the SAN	(5.4)		(5.4)	
Outsourced Revenue & Benefits contract - inflation saving	7.0		7.0	
Switchboard	12.5		12.5	
Government Connect	(14.5)	(1.2)	(15.7)	
Concessionary Fares	(18.2)	38.0	19.8	
Other minor variances	(4.3)	5.4	1.1	
<b>TOTAL</b>	<b>125.0</b>	<b>10.2</b>	<b>135.2</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Customer Service & E-Government Highlight Report – Period 8

### Historic Issues

- One of the biggest contributions to the Customer Services & E-Government under spend is the saving arising from bringing the IT contract in-house. The projected savings on this area at the end of September are £84k.
- Court costs awarded to the Council for non-payment of Council Tax are forecast to exceed budget by circa £32k.

### Current Month Issues

- Due to delays in the full implementation of the Disaster Recovery, the projected expenditure in 2009-10 has moved favourably by £13k.
- The projected expenditure on Concessionary Fares has been adjusted downwards by £38k. Rossendale Council is a member of a pooling arrangement with other Lancashire Authorities. The actual expenditure on concessionary fares pertaining to Rossendale Council as at October 2009 indicate that there will be a return due to Rossendale Council from the Concessionary Fares Pool.
- In light of the shortfall in Housing benefit subsidy arising from rents charged on supported tenancies being in excess of the Rent Officer's Determination, the projected shortfall between Housing Benefit paid and subsidy received has been revised downwards by £40k. The projected shortfall on Housing Benefit subsidy relating to Supported Housing tenancies is estimated at circa £80k, this is will be partly offset by a predicted surplus on Council Tax subsidy.

### Future Issues

- RBC incurs a financial liability where the rent charged on supported tenancies exceeds the Rent Officers Determination. Based on the latest information provided by colleagues at Capita, the financial liability for 2009-10 is estimated at circa £80k, compared with a loss of subsidy on supported tenancies in 2008-09 of £31k. One of the two providers of supported tenancies within the borough is in the process of applying for full Housing Association status. Should their application be approved, the Council will be able to fully reclaim via Housing benefit subsidy on the full rent charged, thereby removing the adverse variance.
- The overall financial impact of housing benefit subsidy at the year-end is difficult to determine, with a variety of factors influencing the final RBC liability. Adverse movements on housing benefit subsidy will be met from the Council's budget volatility reserve.

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Regeneration - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Strategic Functions</b>					
Regen Mangt & Admin	55.2	49.9	5.2	2.2	3.0
Tourism	48.9	52.6	(3.7)	(2.9)	(0.8)
<b>Economic Regeneration</b>					
Economic Regeneration	83.0	83.3	(0.3)	0.8	(1.1)
Regen Joint Delivery Team	(0.6)	0.3	(1.0)	(1.0)	0.0
Regeneration Projects	35.9	33.9	2.1	2.1	(0.0)
Parking	85.1	40.2	44.9	41.3	3.6
<b>Strategic Housing</b>					
Housing Strategy	96.0	95.7	0.3	(0.2)	0.5
Homelessness	139.8	137.6	2.3	2.3	(0.0)
Private Sector Renewal	(5.1)	(10.8)	5.7	5.5	0.2
Elevate Project Management	(7.4)	(5.6)	(1.8)	(1.8)	0.0
<b>Total</b>	<b>530.7</b>	<b>477.0</b>	<b>53.7</b>	<b>48.3</b>	<b>5.4</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Housing Strategy - various non pay items	0.3		0.3	
Various non pay under/ spends	3.7	(0.1)	3.6	
Termination of Off-Street Parking Enforcement with LCC	41.3	3.6	44.9	
Peer Support grant budget & costs move to Communities budgets	3.0		3.0	
Regeneration - revised forecast for Corporate Subscription		3.0	3.0	
Economic Regeneration Audit Fees		(1.1)	(1.1)	
<b>TOTAL</b>	<b>48.3</b>	<b>5.4</b>	<b>53.7</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Regeneration Highlight Report – Period 8

### Historic Issues

- The projected under spend on the Regeneration budget primarily relates to the cessation of the off-street parking enforcement following the end of collaborative arrangements with LCC.

### Current Month Issues

- Final settlement of outstanding Parking Enforcement Income and accumulated deficits for the on-street enforcement undertaken by RBC under the Parkwise agreement has now been received, the projected surplus on the Parking budget has increased by a further £3.6k in month to a projected under spend for the full year of £44.9k.

### Futures Issues

- Elevate funding is secured for 2010/11, however, the position for 2011/12 onwards is uncertain. The Council is currently exploring its exit strategy should Elevate funding cease.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Place Operations - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Strategic Functions</b>					
SSL Administration	(71.0)	(73.4)	2.4	7.3	(4.9)
<b>Operational Functions</b>					
Refuse Collection	1,417.1	1,365.5	51.6	67.9	(16.3)
Street Sweeping	986.3	1,019.3	(33.0)	(37.4)	4.4
Open Spaces Contracts	1,198.7	1,200.5	(1.8)	9.1	(10.9)
Bereavement Services / Cemeteries	214.1	226.0	(11.9)	(13.3)	1.4
<b>Total</b>	<b>3,745.2</b>	<b>3,737.9</b>	<b>7.3</b>	<b>33.6</b>	<b>(26.3)</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Vehicle Leases/ Repairs budgets	83.9	(19.9)	64.0	G
Tipping Fees - Glass Cans & Plastics	(33.0)	2.8	(30.2)	R
Tipping Fees - Street Sweeping	(8.0)		(8.0)	A
Refuse Bin Deliveries	-	(9.0)	(9.0)	A
Paper Income	40.6		40.6	G
Fuel	(31.1)		(31.1)	R
Salaries / Agency	35.5	3.0	38.5	G
Income from Glass, Cans & Plastics - from Sept 09	5.0		5.0	G
Upgrade of Henrietta Street	(20.2)		(20.2)	R
Trade Waste Tipping Fee's	(10.0)		(10.0)	A
Materials/Tools Open Spaces	(5.4)	(5.0)	(10.4)	R
other variances	(11.9)	0.6	(11.3)	R
Cemeteries Income	(12.9)	1.3	(11.6)	R
Street Sweeping- Vehicle Hire	11.0		11.0	G
Refuse & Street Sweeping Sacks (Various)	(10.0)		(10.0)	A
<b>TOTAL</b>	<b>33.5</b>	<b>(26.2)</b>	<b>7.3</b>	<b>G</b>

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Operations Highlight Report – Period 8

### Historic Issues

- The 2009-10 budget assumed that Glass, Cans & Plastics would be tipped off at Henrietta St, however the decision was made by Councillors to continue tipping off with a third party. The adverse financial impact of this decision is £33k.
- The 2009-10 did not assume any income from the Glass, Cans & Plastics collected, the Council receives £2 per tonne, based on current tonnage collected the projected income from Glass Cans & Plastics is £5k.
- The Council is currently receiving £25 per tonne for paper and card; previously it had received £20 per tonne. This has resulted in a favourable movement on paper & card income of around £40k.

### Current Month Issues

- Long term sickness within the post of Operations Supervisor has resulted in the Business manager acting up into the role. This has negatively effected the projections by £3K.
- Expenditure for bin deliveries now includes projected expenditure in 2009-10 of £9K. Previously the Council undertook bin deliveries utilising its own staff (and vehicle), the decision to use a third party provider has resulted in savings within the agency staff budget. In previous forecasts the increased third party costs have not been matched against the anticipated agency savings.
- The forecast for vehicle leases has been revised adversely by £19k, partly as a result of the early purchase of a replacement Fly Tipping Vehicle, the previous vehicle being beyond economic repair.
- The cost of tipping Glass, Cans & Plastics has been re-negotiated at a charge of £7.50 (previously £12.50), applicable from February 2010. This results in a saving on the budget of £2.8K.

### Futures Issues

- Orders have been placed for 9 replacement frontline refuse vehicles and 3 large road sweepers. The expected delivery of these vehicles is the end of February, however, the “maintenance” element for these vehicles is currently out to tender. Until the full results of the tender exercise have been received an accurate forecast is problematic.
- The fluctuating nature of the cemeteries activity makes accurate projection of income problematic.
- Petrol Prices continue to increase in the current economic climate, the projected expenditure on fuel is based on the current spot price, future price movements up or down will affect the eventual outturn.

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Business Services - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Strategic Functions</b>					
Executive Director of Business	25.8	25.8	-	-	-
<b>Planning</b>					
Development Control	274.5	399.2	(124.7)	(117.3)	(7.4)
Forward Planning	207.0	184.2	22.8	27.9	(5.1)
<b>Land Charges</b>	71.7	52.5	19.1	21.0	(1.9)
<b>Building Control</b>					
Building Control Trading Account	12.3	31.7	(19.4)	(12.9)	(6.5)
Building Control - Statutory Function	125.3	148.8	(23.5)	(17.4)	(6.1)
Building Control - Street Signs	14.2	5.3	9.0	9.0	(0.1)
<b>Legal Services</b>	14.4	13.9	0.6	4.0	(3.4)
<b>Democratic Services</b>					
Electoral Registration	79.1	77.0	2.0	2.1	(0.1)
Elections	108.8	106.3	2.5	(0.3)	2.8
Democratic Representation	763.5	736.8	26.6	19.6	7.0
Mayoralty	114.4	116.7	(2.3)	(1.5)	(0.8)
Town Twinning	10.3	9.8	0.4	0.4	0.0
<b>Environmental Health</b>					
Env Health	641.7	650.1	(8.4)	(7.8)	(0.6)
Emergency Planning	23.5	13.3	10.2	11.1	(0.9)
Licensing	167.0	156.4	10.5	4.3	6.2
<b>Total</b>	<b>2,653.4</b>	<b>2,727.9</b>	<b>(74.4)</b>	<b>(57.8)</b>	<b>(16.6)</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Development Control - planning application	(133.5)	(4.0)	(137.5)	Red
Development Control - consultancy costs	39.3	6.0	45.3	Green
Development Control - computer licenses	(10.8)	(9.0)	(19.8)	Red
Development Control - document scanning	12.0		12.0	Green
Forward Planning - staff vacancy	15.0	(2.4)	12.6	Green
Forward Planning - External Printing & publicity	-	(2.5)	(2.5)	Yellow
Land Charges - Search Fees	11.0	(1.0)	10.0	Green
Building Control general fee income	(12.3)	(6.4)	(18.7)	Red
Building Control Section 215 & Elevate work income	(5.0)	(2.0)	(7.0)	Yellow
Building Control computer licenses	-	(3.9)	(3.9)	Yellow
Legal - staff vacancies	25.0		25.0	Green
Legal Reference Materials	(3.0)		(3.0)	Yellow
Legal Income	(16.0)		(16.0)	Red
Democratic Services - staff vacancies and advertisements	23.1		23.1	Green
Democratic Services - Agency	(9.3)	(0.6)	(9.9)	Yellow
Democratic Services - Members Allowance	-	6.6	6.6	Green
Elections - Tax for Election Staff	-	(0.5)	(0.5)	Yellow
Elections - No further By Election	-	3.0	3.0	Green
Environmental Health - Restructure	3.0		3.0	Green
Environmental Health - Salary vacancies (net of consultant savings)	5.0		5.0	Green
Environmental Health - Permitted Processes Income	(5.0)		(5.0)	Yellow
Licensing - Salaries	2.5	5.5	8.0	Green
Miscellaneous	(0.6)	(0.5)	(1.1)	Yellow
Transfer to/from provisions	-	(3.0)	(3.0)	Yellow
<b>TOTAL</b>	<b>(59.6)</b>	<b>(14.8)</b>	<b>(74.4)</b>	<b>Red</b>

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## **Business Highlight Report – Period 8**

### **Historic Issues**

- The current poor economic conditions continue to have an adverse impact on the Council's income streams, particularly planning and building control income. Several initiatives to reduce the impacts of these variances have resulted in lower consultancy costs and staff savings listed below.
- Local Land Charges income remains within the reduced levels in the original budget, though costs of search services with the County Council have improved by £5k.
- Development Control document scanning contracts have been reviewed and some work has been brought back in-house, resulting in an overall saving of £12k.

### **Current Month Issues**

- The Business Directorate forecast is £74.4k in excess of the original budget; a adverse movement on the previous month of £16.6K.
- Development Control income from Planning Applications continues to decline by a further £4K. However, this may be pessimistic, as a potential major application of £33K is under review. As this is not guaranteed, the income from this major has not been factored into the estimated revenue.
- The level of non PDG funded consultancy expenditure has fallen by a further £6K within Development Control; this has been a conscious effort by the team to help negate some of the shortfall in income.
- In addition to last months reported expenditure on computer software training & implementation within development control, a further £9K has been allocated. This is mainly due to the purchase of a vital upgrade to the planning systems software.
- Forward Planning expenditure on external printing has increased by a projected £0.8K, along with an increase of £1.7K on publicity and £2.4K on salaries.
- The Building Control Trading account has seen the income from fees fall a further £6.4K and the statutory account has increased its expenditure with the purchase of new computer software for £3.9K.
- Licensing has seen a positive shift in November due to notice of a staff departure at the end of January, not filling the post within this financial year will save £5.5K.
- Democratic services have also recorded a saving of £6.6K due to a number of councillors not claiming their allowances.
- The Council has a budget of £6k set aside for local by-elections, assuming there are none before the end of the current financial year, this budget will under spend by £3k.

### **Futures Issues**

- Income streams continue to be monitored very closely to identify any improvement in trends rather than specific one-off items which cannot be sustained.
- Expenditure on the Core Strategy continues to be funded from the Earmarked Reserves as planned, and costs monitored carefully (see the Earmarked Reserves Schedule on page 24). Expected allocations of Planning Delivery Grant are also being monitored.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Corporate Management - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Corporate Management</b>					
Executive Office	239.6	196.0	43.7	28.9	14.8
Executive Contingency	130.7	130.7	(0.0)	-	(0.0)
Executive Support	166.2	165.9	0.3	0.3	(0.0)
<b>Total</b>	<b>536.6</b>	<b>492.7</b>	<b>43.9</b>	<b>29.2</b>	<b>14.7</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Various Non Pay budgets	(2.4)		(2.4)	
Chief Executive Contingency - Agency			-	
Chief Executive - Recruitment Expenses	(10.2)		(10.2)	
Chief Executive - Miscellaaneous expenses	8.0		8.0	
Chief Executive - Salaries revised projection	33.8	14.7	48.5	
<b>TOTAL</b>	<b>29.2</b>	<b>14.7</b>	<b>43.9</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Corporate Management Highlight Report – Period 8

### Historic Issues

- A Chief Executive contingency budget was created from the secondment of the Director of Resources to Team Lancashire and an assumed 8 months vacancy gap relating to the Deputy Chief Executive post (now to be replaced by a Director of Customers and Communities).

### Current Month Issues

- The total budget allocated to the Chief Executive Contingency is £130k. The 2009-10 budgets included the previous post of Executive Director of Resources which has now been deleted from the staffing structure. The savings on this post in 2009-10 of £95k were transferred to the Chief Executive's contingency. The post of Deputy Chief Executive has been re-designated to Director of Customers & Communities, a proportion of the saving arising from delays in filling this post (£35k) were transferred to the Chief Executive Contingency budget. The known commitments and spend against the Chief Executive's contingency to date amount to £74k, leaving £56k still to be committed.

<b>Chief Executive Contingency</b>	<b>£000</b>
<b>Budget</b>	
Executive Director of Resources	95
Post formerly designated as Deputy Chief Executive	35
<b>Total Budget</b>	<b>130</b>
<b>Allocated</b>	
Democratic Services – Staff cover	21
Elections – Signature matching – new server and software purchase	12
Planning – Enforcement cover	26
Corporate – Standards Enquiry	4
Legal Fees	5
Other Professional Fees	1
Rosendale Harriers Contribution to Track improvements	5
<b>Total Allocated</b>	<b>74</b>
<b>Balance Uncommitted</b>	<b>56</b>

- Previous monthly forecast assumed a start date of January 2010 for the Director of Customers & Communities; the actual start is March 2010. This has resulted in a favourable movement in projected expenditure of £14.7k

### Futures Issues

- Nothing to report

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Finance and Property Services - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Financial Services Team</b>	(188.8)	(222.3)	33.5	33.5	0.0
<b>Internal Audit</b>	97.0	78.0	19.0	19.0	-
<b>Corporate Costs</b>					
External Audit Fee	126.4	114.5	11.9	11.9	(0.1)
Bank Charges	20.2	24.0	(3.8)	(3.8)	-
Treasury Management	58.2	58.5	(0.3)	(0.3)	0.0
<b>Property Services</b>					
Property Services Team	82.4	106.1	(23.7)	(16.7)	(7.0)
Corporate Estates	(60.3)	(56.5)	(3.9)	(3.6)	(0.3)
Non Domestic Estates	6.9	48.5	(41.7)	(41.7)	0.0
Office Accommodation	5.5	23.2	(17.7)	(19.8)	2.1
Operational Properties	290.7	378.5	(87.8)	(105.1)	17.3
Leisure Properties	(175.2)	(176.2)	1.0	1.2	(0.2)
Bus Shelters	21.2	3.8	17.5	16.9	0.6
<b>Total</b>	<b>284.1</b>	<b>380.2</b>	<b>(96.1)</b>	<b>(108.5)</b>	<b>12.4</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Financial Services - Staff savings	32.5		32.5	
Financial Services - ELEM subscription saving (transfer to IT)	-		-	
Financial Services - Misc variances	(2.4)		(2.4)	
Internal Audit Fees	19.0		19.0	
Audit Fees	11.8		11.8	
Operational Buildings - Gas & Electric	(76.3)	10.3	(66.0)	
Operational Buildings - Water	(13.0)		(13.0)	
Corporate Estates - Income budget but no income	(21.0)		(21.0)	
Corporate Estates - E-on bill ofr 02-08	(2.6)		(2.6)	
Corporate Estates - rental for Hall St	2.1		2.1	
Non Domestic Estates - Industrial Units vacancies	(18.0)		(18.0)	
Non Domestic Estates - Industrial Units CN's issued	(14.0)	(1.1)	(15.1)	
Non Domestic Estates - NNDR units 1,2,3	(6.8)		(6.8)	
Refund GVH rent for Prospect Hill (not our Property)		(5.9)	(5.9)	
Asbestos costs	(9.5)		(9.5)	
Public IClocks repairs (poss claim on insurance)	(2.5)		(2.5)	
Car Park budget within facilities from Regeneration		6.9	6.9	
Misc Variances	(7.9)	2.2	(5.7)	
<b>TOTAL</b>	<b>(108.6)</b>	<b>12.5</b>	<b>(96.1)</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## Finance & Property Services - Monitoring Highlight Report – Period 8

### Financial Services

#### Historic Issues

- A mini-restructure in 2008 and again in April 2009 has resulted in savings of c£32.5k.
- External Audit Fees are projected to reduce as a result of lower average unit costs per day and reduced corporate risks in relation to the Council's financial operations.
- Internal Audit fees have been revised downwards £19k through a lower avg daily charge.

#### Current Month Issues

- Nothing to report.

#### Futures Issues

- Nothing to report.

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### Property Services

#### Historic Issues

- Gas & Electricity Charges increased by 60% in 2008/09. This had not been recognised when setting the budgets for 2009/10. From the 2007/08 usage and the 60% increase, the total projected over spend as at the end of October was £76.3k.
- Corporate Estates – An incorrect income budget for Industrial Estates was set for 2009/10 for £21k. Due to the economic down-turn a proportion of the industrial units are not occupied therefore it is unlikely the income target will be met. In addition during 2009/10, £14k of credit notes have been issued for property rentals erroneously raised in previous years (a one-off cost). Facilities Management staff are in the process of trying to attract more tenants.
- United Utilities levy for surface water drainage are now forecast £13k above expectations
- Council occupation of 3 units on Heys St will now incur charges for NNDR costing £6.8k

#### Current Month Issues

- The Electricity forecast has decreased by £10k after Property Services Staff took actual readings from the meters and claimed credit notes for applicable. The total over spend now reported is £65.5k.
- The Car Park budget for Repairs and Maintenance has moved to Property Services. There is an under spend of £6.9k this month. No works are planned to date but the funding has been set aside for emergency works.
- Rossendale Council had been incorrectly charging Greenvale Homes rent on Prospect Hill, a cheque refund of £5.9k has been issued to reimburse Greenvale Homes.

#### Futures Issues

- Repairs and Maintenance are within budget, and continue to be monitored closely.

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## People and Policy - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>People &amp; Organisational Development</b>					
Human Resources	(9.6)	(20.9)	11.3	13.3	(2.0)
Training	(11.6)	(11.6)	-	-	-
<b>Policy &amp; Performance</b>					
Policy & Performance Team	127.1	125.2	1.9	2.0	(0.1)
Communications	143.2	139.4	3.8	6.2	(2.4)
<b>Total</b>	<b>249.1</b>	<b>232.1</b>	<b>17.0</b>	<b>21.5</b>	<b>(4.5)</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Vacancies - People & Policy section	24.9		24.9	
Other variances	4.0	(0.1)	3.9	
Staff Morale Budget	1.5		1.5	
Corporate Plan Printing & other non pay variances	2.0		2.0	
Professional Charges - Equal Pay Claims & Subscription & Eyecare Vouchers	(16.9)	(2.0)	(18.9)	
Communications - publicity -phonebook adverts	6.0	(2.4)	3.6	
<b>TOTAL</b>	<b>21.5</b>	<b>(4.5)</b>	<b>17.0</b>	

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# Monthly Financial Monitoring Report 2009/10 – end of November 2009

## People & Policy Highlight Report – Period 8

### Historic Issues

- The prime reason for the projected under spend within the People & Policy budget pertains to saving arising from a recent staff re-structure and delays in appointment.

### Current Month Issues

- The projected costs regarding HR legal advice have increased by £2k
- Communications publicity costs have increased by £2.4k

### Futures Issues

- Further costs are anticipated in the near future pertaining to legal support for Equal Pay Claims. If these costs, along with those already incurred, rise above the level of savings already made within this section, then they will be funded from the Single Status Reserve to limit impact on the General Fund.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Non-distributed Costs and Corporate Resources - Period 8

Summary	2009/10 Org Budget £000	2009/10 Forecast £000	2009/10 Variance (Adv)/Fav £000	Variance last reported £000	Change in Nov (Adv)/Fav £000
<b>Non Distributed Costs</b>					
Employee & Pension Costs	319.0	230.0	89.0	89.0	(0.0)
Non-distributed Office Costs	221.0	106.0	115.0	115.0	0.0
Other Costs / Income	18.0	(7.0)	25.0	2.0	23.0
<b>Capital Financing</b>					
Minimum Revenue Provision	82.5	82.5	-	-	-
Investment Interest	(137.0)	(188.3)	51.3	47.3	4.0
Reversal of Capital Charges	(754.5)	(754.5)	-	-	-
<b>Total</b>	<b>(251.0)</b>	<b>(531.3)</b>	<b>280.3</b>	<b>253.3</b>	<b>27.0</b>

Key changes made during the period to the full year forecast	Variance Bfwd £000	Variance this Pd £000	Full-Yr £000	R A G
Payroll - current employees backpay for 2008/09	17.5		17.5	
Payroll - reduction in inflation settlement for 2009/10	91.2		91.2	
Pensions - Past employees	(19.5)		(19.5)	
Insurances	114.9		114.9	
Other misc variances	1.9	1.0	2.9	
Interest - net expenditure/income	47.3	4.0	51.3	
National Grid insurance claim		22.0	22.0	
			-	
			-	
<b>TOTAL</b>	<b>253.3</b>	<b>27.0</b>	<b>280.3</b>	

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

### Non-Distributed Costs & Capital Financing - Monitoring Highlight Report – Period 8

#### Historic Issues

- Provision made in 2008/09 for the back pay due on salaries in relation to the balance of the pay rise has been brought forward as a general credit.
- Compensatory added years pension costs payable to the County Council on a monthly basis have risen by a full year effect of £19.5k as a result of the 5% inflation applied to pensions from April (based on RPI in preceding September).
- Full Tender of the Insurance Premiums have resulted in savings of £115k against original budget (£120k against 2008/09 actual spend).
- Interest income received to the end of October was predicted to achieve £47k more than the original budget.
- The 2009/10 pay settlement has now been concluded and all back pay paid in October. All savings have been collected in this area, rather than distributed across all departments. The drop from 2.5% originally anticipated to 1% agreed has saved the Council just over £91k

#### Current Month Issues

- The Council has received an insurance claim receipt of £22k for the loss of business and costs incurred following the gas explosion in December 2009.
- Interest income from investments and bank accounts has continued to improve by a further £4k to £51k favourable for the year. Though this reflects the predictions of bank base rates issued by our treasury management advisors, Sector, on the 23<sup>rd</sup> November the main impact of those predictions were a slow down in the recovery of interest rates during the calendar year 2011.

#### Futures Issues

- The Minimum Revenue Provision full year forecast includes a balance available, yet to be allocated, of £9.7k. This will either support around £250k of capital expenditure, or lead to a revenue saving in the year. This is dependent upon the levels of capital receipt and expenditure requirements.
- We continue to monitor the base rate predictions and will carefully consider possible actions in January when the current Royal Bank of Scotland 362 day deposit matures, but potential actions will be limited as this cash is required to repay £1.5m to the Public Works Loans Board at the end of January 2010.

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## Monthly Financial Monitoring Report 2009/10 – end of November 2009

General Fund Reserve, Earmarked Funding & Long Term Provisions (cash-backed items only)	General Fund Reserve	Earmarked Funding														Govt Grants Unapplied			Total
		Budget Volatility	Change Manag't	IT Reserve	Pension Fund Reserve	Perform' Manage't	Planning LABGIS Reserve	Core Strat' Dev' Reserve	Econ' Regen'	Single Status	Leisure Reserve (1, 2 & 3)	Contam Land Reserve	Health & Wellbeing Projects	Total Useable Earmarked Funding	Unapplied PDG	ABG	Unapplied Health Promo Grants		
																		AN080101	
<b>Balance at 01/04/09</b>	<b>942</b>	<b>284</b>	<b>392</b>	<b>83</b>	<b>356</b>	<b>65</b>	<b>172</b>	<b>225</b>	<b>879</b>	<b>530</b>	<b>186</b>	<b>98</b>	<b>156</b>	<b>3,426</b>	<b>150</b>	<b>83</b>	<b>282</b>	<b>4,800</b>	
<b>New Funds Received 2009/10</b>																			
2009/10 grant received (projected)									16					16	138	175	100	254	
VAT reclaim														661				661	
VAT Shelter Receipts (anticipated)														0				0	
<b>Total New Funds Received in 2009/10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>0</b>	<b>661</b>	<b>0</b>	<b>0</b>	<b>677</b>	<b>138</b>	<b>175</b>	<b>100</b>	<b>915</b>	
<b>Specific Revenue Budget Commitments</b>																			
Community Engagement Officer														0		(34)		(34)	
Community Events														(100)		(20)		(100)	
Job Evaluation														(100)				(100)	
	0	0	0	0	0	0	0	0	0	(100)	0	0	0	(100)	0	(54)	0	(154)	
<b>2008/09 Budget Savings allowed to c/fwd</b>																			
Community & Partnerships	(45)													0				(45)	
Democratic - Members Training	(5)													0				(5)	
Regeneration	(13)													0				(13)	
	(63)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(63)	
<b>Year-to-date Utilisation of Reserves</b>																			
See Detailed Analysis														(233)	(146)		(79)	(458)	
Pensions Payment re former HRA staff														(350)				(350)	
Rossendale Transport Market Testing														(45)				(45)	
Choice Based Letting														(11)				(11)	
Valley Centre Project														(200)				(200)	
RBC Matched funding for NWDA														(25)				(25)	
Tourism Support														(15)				(15)	
Business Start up Grants														(70)				(70)	
Various Homelessness initiatives														(27)				(27)	
Public Realm Improvement scheme														(7)				(7)	
Leisure Trust Transitional Support														193			(193)	0	
Leisure Review														(40)				(40)	
Leisure Support														(112)				(112)	
Operation Safe (Comm Safety)														0				0	
Transfer to/from Provisions	380													0				380	
	380	0	(56)	0	(350)	0	(57)	0	(344)	0	41	(98)	(78)	(942)	(146)	0	(272)	(980)	
<b>Reserve Estimates 31/3/10</b>	<b>1,259</b>	<b>284</b>	<b>336</b>	<b>83</b>	<b>6</b>	<b>65</b>	<b>115</b>	<b>225</b>	<b>551</b>	<b>430</b>	<b>888</b>	<b>0</b>	<b>78</b>	<b>3,061</b>	<b>143</b>	<b>204</b>	<b>110</b>	<b>4,518</b>	
<b>Potential Further Utilisation of Reserves</b>																			
2010/11 Plans	(219)													(388)	(85)			(692)	
2011/12 Plans														(203)	0			(203)	
2012/13 Plans														(238)	(119)			(357)	
	(219)	0	0	0	0	0	(70)	(225)	(106)	(310)	(41)	0	(78)	(830)	(204)	0	0	(1,253)	
<b>Potential Reserve Balances</b>	<b>1,040</b>	<b>284</b>	<b>336</b>	<b>83</b>	<b>6</b>	<b>65</b>	<b>45</b>	<b>0</b>	<b>445</b>	<b>120</b>	<b>847</b>	<b>0</b>	<b>0</b>	<b>2,231</b>	<b>(61)</b>	<b>204</b>	<b>110</b>	<b>3,266</b>	

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# Monthly Financial Monitoring Report 2009/10 – as at end of November 2009

## Treasury and Cash Flow Management

### Treasury Management

All our treasury management activity continues to be in accordance with our treasury advisor's recommendations and bank balances are managed carefully so that interest income is expected to out-perform the original budget by over £50k (including an apportionment of the one-year term deposit interest below).

Interest	Budget 09/10	F'cast 09/10 (Adv)/Fav	Variance
Payable	(19)	(16)	4
Receivable	153	200	47
<b>Total</b>	<b>37</b>	<b>184</b>	<b>50</b>

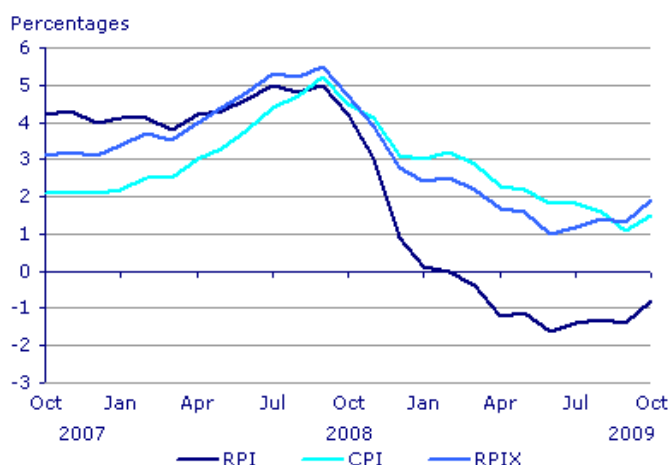
30th November 2009		Gross Rate %	Interest Paid
<b>SIBA</b>	£1M+	0.80	Quarterly
<b>Abbey National</b>	£500+	0.80	Quarterly
<b>Alliance &amp; Leicester</b>	£500+	0.80	Monthly
<b>Bank of Scotland</b>	365 days	1.80	Oct 2010
<b>Royal Bank of Scotland</b>	364 days	2.70	Jan 2010

In accordance with the Council's Treasury Management Strategy, a further bank account was opened in October with Abbey National to ensure that no single institution held more than £5m of Council funds. In January the remaining higher-rate deposit with the Royal Bank of Scotland will mature to provide the £1.5m cash funds required to repay the Public Works Loans Board in late January.

### Treasury Management Outlook

The national inflation figures for November have not yet been released, but October saw the recent negative trend beginning to turn. The Consumer Price Index rose to 1.5% from a low of 1.1% in September, following upwards pressure from transport costs.

In the year to October, RPI annual inflation fell by 0.8 per cent, compared with a fall of 1.4 per cent in September. The last time there was an increase in the annual inflation rate greater than 0.6 per cent was between July and August 1990. However, the current UK economic outlook remains challenging.



Treasury advisors, Sector, have again revised their forecast of future base rates. After anticipating in October that the recovery will be at least one quarter later, i.e. summer rather than spring 2010, growth is now anticipated to be more gradual than previously expected, lowering the interest at December 2010 to 1% from 1.25%. The PWLB loan rate is also expected to rise more slowly.

as at	Q/E4	Q/E1	Q/E2	Q/E3	Q/E4	Q/E1
23 Nov 2009	2009	2010	2010	2010	2010	2011
<b>Base Rate</b>	0.50%	0.50%	0.50%	0.75%	1.00%	1.50%
<b>25yr PWLB</b>	4.40%	4.55%	4.65%	4.70%	4.80%	4.90%

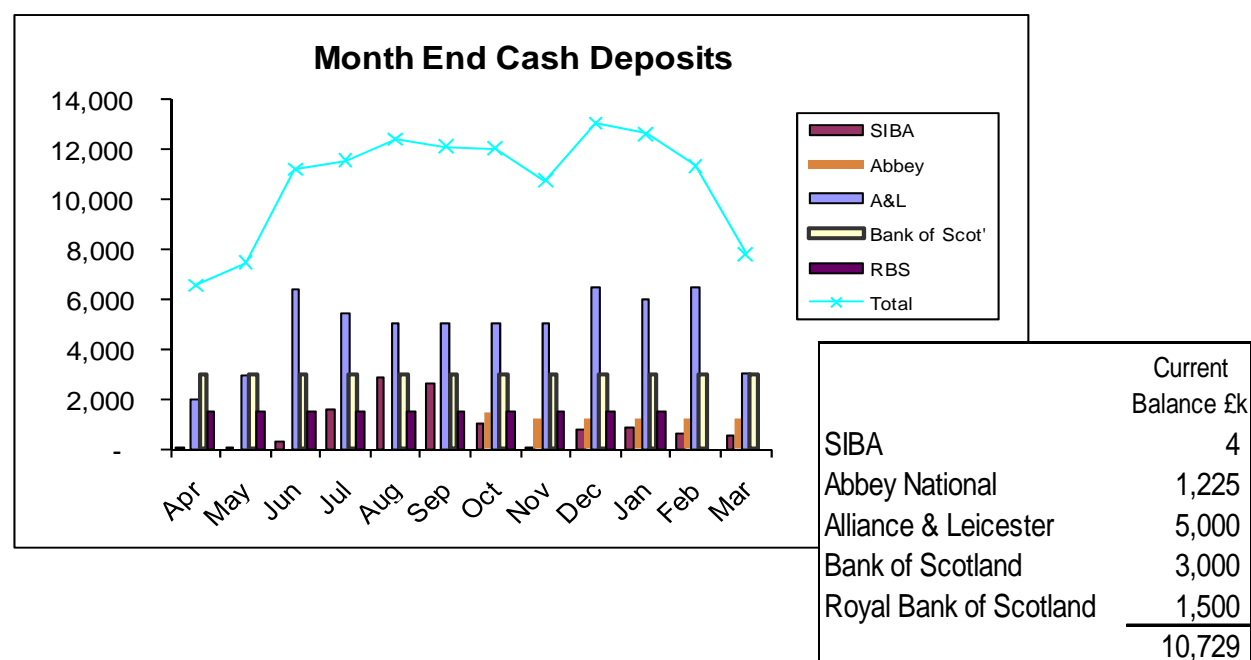
In contrast Capital Economics are still forecasting 0.5% base rate continuing throughout the whole of 2010 and that PWLB rates will remain static throughout the financial year 2010/11.

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## Monthly Financial Monitoring Report 2009/10 – as at end of November 2009

### Cash Flow Management

Cash flow remains strong and the Council continues to benefit from the timings of cash inflows and outflows until around the end of December when cash inflow profiles fall whilst capital spending is expected to increase to complete the Capital Programme.



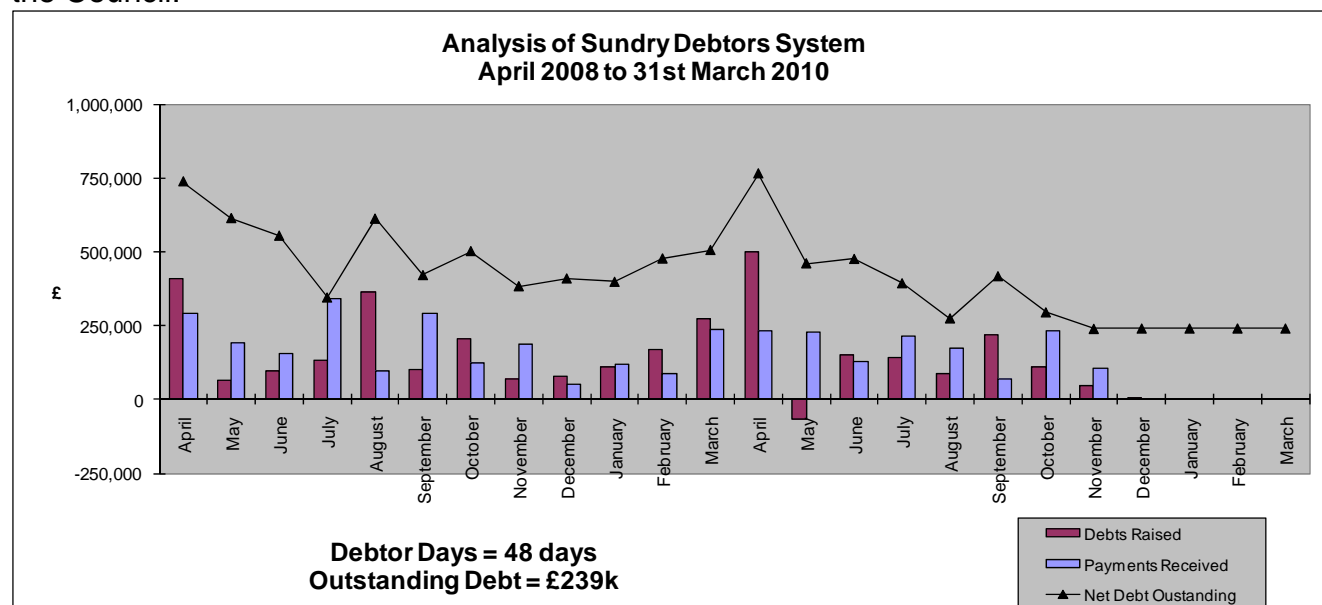
One of the major cash flows of the Council is the payment of salaries to staff. To the end of November the Council has saved over £273k in terms of the expected costs of employees, a further improvement of £46k. Changes during the month include the transfer of an admin person from Operations at Henrietta Street to Democratic Services without the backfilling of this post, leaving 6.5 posts vacant across the Council.

Employment Costs Period 8 - November 2009	YTD		Variance (Adv)/Fav £000	Movement (Adv)/Fav £000	Budgeted Staff FTEs	Current Vacant Posts
	Budget £000	YTD Actual £000				
<b>Place Directorate</b>						
Communities Service	365	368	(3)	(2)	16.5	0.0
Customer Services	359	351	8	4	14.2	0.0
Regeneration Service	335	326	9	3	13.0	0.0
Operations Service	1,587	1,521	66	23	87.5	5.0
<b>Business Directorate</b>						
Building Control Services	131	132	(1)	(0)	5.0	0.0
Environmental Services	395	405	(10)	(3)	16.8	0.0
Legal & Democratic Services	288	257	31	0	13.8	0.5
Planning Services	336	334	2	(3)	17.7	0.0
<b>Corporate Services</b>						
Corporate Management	293	276	17	9	7.0	1.0
Finance & Property Services	454	434	20	3	21.3	0.0
People & Org. Performance	230	210	20	2	9.5	0.0
Non-Distributed Costs	213	100	113	9	-	-
<b>Total</b>	<b>4,986</b>	<b>4,713</b>	<b>273</b>	<b>46</b>	<b>222.3</b>	<b>6.5</b>

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## Monthly Financial Monitoring Report 2009/10 – as at end of November 2009

A similarly important facet of cash flow management is the prompt collection of debts owing to the Council.



Sundry debt balances at November 2009 are approximately £206k below those in November 2008. New debts raised to date in 2009/10 amount to £1,187k. Many of the debts raised at the beginning of the financial year are paid in instalments - of the £583k total debts raised in Q1 this year, only 5.5% are still outstanding (this compares favourably to the 7.2% outstanding to the same date last year).

To verify this improvement in collection rates for new debts the debtor days calculation was 48 days in November, improving further on the 58 days in October, and comparing well to the 65 days in November last year and the target for the current year of 80 days.

Following the write off of almost £24k of debts considered to be uncollectable in July, the Bad Debt provision is almost £148k compared to an estimated requirement of £116k. Therefore at the moment no further provision for bad debts is expected to be required during 2009/10.

	at 31st Mar 2009		29 Oct 2009		30 Nov 2009		Bad Debt	
	£	£	£	£	£	£	rate	value
<b>2005/06 Debt Outstanding</b>		199		199		199	1	199
<b>2006/07 Debt Outstanding</b>		5,334		3,856		3,686	1	3,686
<b>2007/08 Debt Outstanding</b>		102,280		44,855		46,399	0.9	43,263
<b>2008/09 Debt Outstanding</b>		397,528		48,594		45,207	0.9	41,514
<b>2009/10 Debt Outstanding</b>								
Q1 Debt - April			38,937		28,760		0.5	14,380
Q1 Debt - May			2,995		1,356		0.5	678
Q1 Debt - June			2,812	44,744	2,237	32,353	0.5	1,119
Q2 Debt - July			34,388		11,360		0.1	1,136
Q2 Debt - August			3,151		2,495		0.1	250
Q2 Debt - September			6,717	44,256	3,446	17,301	0.1	345
Q3 Debt - October			100,937		55,727		0.1	5,573
Q3 Debt - November					31,754		0.1	3,175
Q3 Debt - December				100,937	7,125	94,606	0.1	713
Q4 Debt - January							0.1	-
Q4 Debt - February							0.1	-
Q4 Debt - March					0	0	0.1	-
<b>Total Debt Outstanding</b>		<b>505,341</b>		<b>287,441</b>		<b>239,751</b>		<b>116,031</b>

Bad Debt Provision after write-off at 31/08/2009      147,735

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## Monthly Financial Monitoring Report 2009/10 – as at end of November 2009

### Capital Receipts Monitoring

Major Receipts:	Original		Surplus /
	Expectations	Received	(Deficit)
	£000	£000	£000
<b>Capital Receipts</b>			
Land & Property Sales	100	275	175
CPO Reclaims	-	2	2
Equity Release & Elevate	-	-	-
GVH - RTB	200	-	(200)
<b>Revenue Receipts</b>			
GVH - Vat Shelter	560	100	(460)
	860	377	(483)

Cash received relating to asset sales to the end of November remained static at a little over £275k. Council staff are proactively pursuing, amongst other things: outline planning permission on a number of small scale development sites, processing covenant change requests and negotiating “ransom” strip values. Therefore capital receipts from the sale of land have been forecast prudently in the table below at £300k for the full year.

It should also be noted that the legal section staff are pursuing the refund of old CPO deposits from the Courts along with compound interest – in total these could amount to around £100k, but the timings and values of these receipts are very uncertain, therefore only £10k has been included in the forecasts below. The first successful reclaim has been made to establish the principles so that other claims can now follow and further progress will be monitored.

The predicted level of Right to Buy receipts remains of major concern. There has been one sale in Quarter 2, though funds have not yet been received for this. The revised forecast of RTB receipts in the table below is still nil for the year, though a verbal update will be made to Cabinet in January following end of Quarter 3 discussions with Greenvale Homes Ltd (GVH).

The level of VAT shelter receipts estimated above at £560k is not guaranteed, but dependent on the level of capital works undertaken by GVH in the year. At present we have no real reason to believe that this will be lower than anticipated. There is a requirement to transfer the first £350k to the Pension Fund earmarked reserve for payments required to LCC Pension Fund in respect of ex-housing staff. The balance, potentially £210k, can be used to support capital spending as Revenue Contribution to Capital Outlay (RCCO).

Useable Capital Receipts Forecast	£ 000
Useable Capital Receipts B'fwd 01/04/09	1,138
Capital Receipts expected in 2009/10	
Land & Property Sales	300
CPO Reclaims	10
RTB Capital Receipt	-
Revenue Contributions to Capital (RCCO)	
VAT Shelter	210
from Operations	39
<b>Capital Resources Available</b>	<b>1,697</b>
Requirements of Capital Programme 2009/10	(1,010)
<b>Capital Resources at 31st March 2010</b>	<b>687</b>
Receipts earmarked for Housing capital wks	371

At current expectations the level of capital resources carried forward to future years will be £687k, though £371k of this will be earmarked for housing capital works.

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## Monthly Financial Monitoring Report 2009/10 – as at end of November 2009

### Capital Programme Monitoring

Actual capital expenditure to the year-end, compared to budget, is as follows:

SERVICE AREA	2009/10 Budget including slippage	Period 8 MONITORING		Full YR Forecast	% spend	Funding Arrangements					
	Total £000	Spend £	Committ £	Forecast £	to date	Grants/ Insuranc	Capital Receipts	RBC RCCO	External Loan	RBC Int Borrow	MRP Effect
<b>Place Directorate</b>											
Place Operations	737	565	1,441	2,390	77%	47	692	235	1,416	0	0
Customer Services & e Govt	0	3	0	3	0%	0	0	3	0	0	0
Communities	336	90	17	292	27%	240	37	0	0	15	0
Regeneration	2,788	29	0	30	1%	0	0	0	0	30	1
<b>Corporate Support Services</b>											
Finance & Property Services	341	123	12	503	36%	52	5	35	0	411	33
<b>Housing</b>											
	2,871	1,503	2	3,009	52%	3,006	3	0	0	0	0
	<b>7,073</b>	<b>2,313</b>	<b>1,472</b>	<b>6,227</b>	<b>61%</b>	<b>3,345</b>	<b>737</b>	<b>273</b>	<b>1,416</b>	<b>456</b>	<b>35</b>

The capital programme is now gathering pace with around 61% completed to the end of November 2009, compared to only 46% by the same time in 2008. Excluding the new vehicle commitment £1.4m explained below, the value of works actually completed to date is only 48% of the full year programme.

Two significant changes during November were a major procurement exercise to acquire new refuse vehicles and phase 1 of the Accommodation Strategy which will move the Council Chamber to Futures Park Business Centre, both on an invest-to-save basis.

- A provisional order has been placed for refuse vehicles costing £1.4m. Funding for this order will be subject to an options appraisal to assess the relative merits of leasing (already included in the budgets) versus borrowing to fund outright purchase.
- Phase 1 of the Accommodation Strategy has begun with the acquisition of the lease on the Business Centre and the tendering of the Chamber conversion works in late November / early December. The cost of the project is to be funded from internal borrowing which will add £22k to the Minimum Revenue Provision for each of the next 5 years (as explained below), though this will be more than covered by the reduction in rental charges on the Hardman Mill site.

The right hand side of the table above shows how the capital programme is to be funded. Over £3.3m is to be received in grants, but this leaves £737k to be funded from capital receipts and £273k from revenue receipts (as shown in the Useable Capital Receipts Forecast on the previous page). After an external loan to fund the purchase of refuse vehicle the balance is £456k relating to capital spend on Council assets with a longer life span which will be funded from internal borrowing.

The use of internal borrowing alleviates the pressure on capital receipts, but must be paid back over the life of the assets from the Revenue Account (known as the Minimum Revenue Provision or MRP) and the original budget for this in 2009/10 was £82.5k. Of that budget £60.6k is required to repay previous year capital programmes, leaving a balance of £21.9k within the current 2009/10 budget to help finance the capital programme in 2009/10 and the years ahead. The final column of the above table shows that the £456k requirement for the 2009/10 programme is expected to add £35k to MRP during 2009/10, but £22k of this will be funded by savings in Council Chamber rental costs as explained above.

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اگر آپ کو ان معلومات کا ترجمہ سے تروف میں، ایچ کسٹ پر، یا انگریزی کے علاوہ کسی اور زبان میں اور کارپے تو ہمارے  
صہریانی نہیں تائیں، ہم انہوں آپ کے لئے اس کا انتظام کریں گے۔  
ہمارے صہریانی 01706 217777 پر ٹیلیفون کریں یا چکر کی تی نقشہ نقشہ سے اس پر رابطہ قائم کریں:

آپنی যদি اسب تہور سار سٹف بڈ ہر ہر کے اڈیا، اڈیا کاسٹے اٹھا یا ہرے جی اڈیا  
انیا کون اڈیا پتے چان اڈیا انہرے انہرے انہرے انہرے انہرے انہرے انہرے انہرے انہرے انہرے  
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