

<b>Report To:</b>	<b>Safe, Sustainable Communities Committee</b>	<b>Date:</b>	<b>27 October 2009</b>
<b>Report By:</b>	<b>Chief Financial Officer and Corporate Director Environment &amp; Community Protection</b>	<b>Report No:</b>	<b>FIN/59/10/AP/CB</b>
<b>Contact Officer:</b>	<b>Lesley Bairden</b>	<b>Contact No:</b>	<b>01475 712257</b>
<b>Subject:</b>	<b>Safe, Sustainable Communities 2009/10 Trading Account Revenue Budget Period 5 to 31 August 2009</b>		

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## **1.0 PURPOSE**

- 1.1 To advise Committee of the 2009/10 position at Period 5 to 31 August 2009 for the Roads and Vehicle Management Trading Accounts.

## **2.0 SUMMARY**

- 2.1 The Roads Trading Account is currently projecting a surplus of £109,000, which represents an over-recovery of £3,000 against the cash target and is a favourable movement of £3,000 since last Committee. The statutory position is a surplus of £94,000, therefore achieving the three year rolling break even requirement. The projected surplus for the three year rolling period is £527,000.
- 2.2 In the current year Vehicle Management Trading Account is projecting a cash surplus of £19,000 which is on target. Whilst the budgeted statutory position is a deficit of £2,000, the three year rolling break even requirement is projected to be achieved with a surplus for the three year rolling period of £37,000. There is no movement since last report to Committee.

## **3.0 RECOMMENDATIONS**

- 3.1 The Committee notes the current out-turn for Vehicle Management Trading Account and the current projected over-recovery of £3,000 for Roads Trading Account as at 31 August 2009.

Alan Puckrin  
Chief Financial Officer

Neil Graham  
Corporate Director Environment & Community  
Protection

#### **4.0 BACKGROUND**

- 4.1 The purpose of the report is to advise Committee of the current position of the 2009/10 Trading Account revenue budgets.

#### **5.0 2009/10 PROJECTION**

- 5.1 The Roads Trading Account is projecting to outturn £3,000 more than its cash target, a favourable movement of £3,000 since the last report to Committee. The over-recovery is due to a lower than anticipated workload, resulting in a reduction in employee costs of £46,000 (reduction in overtime and other employee costs) and supplies and services of £65,000 which is then partly offset by an overspend in transport and plant costs of £26,000 and under-recovery of income of £82,000.

Please refer to Appendix 1, page 1, for a subjective analysis of expenditure and income.

- 5.2 The Vehicle Management budget has not yet been amended to reflect the revised charging policy approved by Policy and Resources Committee in June 2009. This will be finalised in October 2009 and reported to the next Committee, as will any resulting changes to projected capital charges.

The projected out-turn will be revised upon implementation of the new charging policies, however the spend to date, employee cost projections and key budget monitoring for fuel costs all indicate that there are no significant projected variances.

Please refer to Appendix 2, page 2, for a subjective analysis of expenditure and income.

#### **6.0 VIREMENT**

- 6.1 There are no virement requests to report as at period 5.

#### **7.0 FINANCIAL IMPLICATIONS**

- 7.1 The current projected cash surplus per Service is:

2008/09	Service	Approved Budget 2009/10 £'000	Revised Budget 2009/10 £'000	Projected Out-turn 2009/10 £'000	Projected over/(under) spend £'000
(140)	Roads	(106)	(106)	(109)	(3)
(8)	Vehicle Management	(19)	(19)	(19)	0

#### **8.0 EQUALITIES**

- 8.1 This report has no impact on the Council's Equality Agenda.

#### **9.0 CONSULTATIONS**

- 9.1 The report has been jointly prepared by the Corporate Director Environment & Community Protection and Chief Financial Officer.

**SAFE, SUSTAINABLE COMMUNITIES COMMITTEE**

**TRADING ACCOUNTS' REVENUE BUDGET MONITORING REPORT**

**ROADS TRADING ACCOUNT - SUBJECTIVE ANALYSIS**

**PERIOD 5: 1st April 2009 - 31st August 2009**

2007/08 Annual (Surplus)/ Deficit £000	2008/09 Annual (Surplus)/ Deficit £000	Subjective Heading	Approved Budget 2009/10 £000	Revised Budget 2009/10 £000	Projected Out-turn 2009/10 £000	Projected Over/(Under) Spend £000	Percentage Variance %
Year 1	Year 2		Year 3				
740	789	Employee Costs	783	783	737	(46)	(5.93)
7	11	Property Costs	14	14	14	0	0.00
1,194	966	Supplies & Services	989	989	924	(65)	(6.60)
373	379	Transport & Plant Costs	353	353	379	26	7.37
57	57	Administration Costs	65	65	65	0	0.00
2	0	Payments to Other Bodies	10	10	10	0	0.00
(2,671)	(2,342)	Income	(2,320)	(2,320)	(2,238)	82	(3.55)
<b>(298)</b>	<b>(140)</b>	<b>NET EXPENDITURE - CASH TARGET</b>	<b>(106)</b>	<b>(106)</b>	<b>(109)</b>	<b>(3)</b>	<b>3.27</b>
1	8	Capital Charges	8	8	8	0	
7	(11)	FRS 17 Pension Costs	7	7	7	0	
<b>(290)</b>	<b>(143)</b>	<b>ROADS TA STATUTORY POSITION</b>	<b>(91)</b>	<b>(91)</b>	<b>(94)</b>	<b>(3)</b>	<b>3.27</b>

**SAFE, SUSTAINABLE COMMUNITIES COMMITTEE**

**TRADING ACCOUNTS' REVENUE BUDGET MONITORING REPORT**

**VEHICLE MANAGEMENT TRADING ACCOUNT - SUBJECTIVE ANALYSIS**

**PERIOD 5: 1st April 2009 - 31st August 2009**

2007/08 Annual (Surplus)/ Deficit £000	2008/09 Annual (Surplus)/ Deficit £000	Subjective Heading	Approved Budget 2009/10 £000	Revised Budget 2009/10 £000	Projected Out-turn 2009/10 £000	Projected Over/(Under) Spend £000	Percentage Variance %
Year 1	Year 2		Year 3				
810	890	Employee Costs	909	909	909	0	0.00
73	64	Property Costs	67	67	67	0	0.00
323	372	Supplies & Services	305	305	305	0	0.00
725	854	Transport & Plant Costs	866	866	867	1	0.12
16	20	Administration Costs	20	20	20	0	0.00
0	1	Payments to Other Bodies	2	2	2	0	0.00
(1,986)	(2,209)	Income	(2,188)	(2,188)	(2,189)	(1)	0.05
<b>(39)</b>	<b>(8)</b>	<b>NET EXPENDITURE - CASH TARGET</b>	<b>(19)</b>	<b>(19)</b>	<b>(19)</b>	<b>0</b>	<b>0.00</b>
0	12	Capital Charges	12	12	12	0	0.00
9	(13)	FRS 17 Pension Costs	9	9	9	0	0.00
<b>(30)</b>	<b>(9)</b>	<b>VEHICLE MANAGEMENT TA STATUTORY POSITION</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0.00</b>