
Report To:	Safe, Sustainable Communities Committee	Date:	09 March 2010
Report By:	Chief Financial Officer and Corporate Director Environment & Community Protection	Report No:	FIN/18/10/LB/GJ
Contact Officer:	Lesley Bairden	Contact No:	01475 712257
Subject:	Safe, Sustainable Communities 2009/10 Trading Account Revenue Budget Period 9 to 31 December 2009		

1.0 PURPOSE

- 1.1 To advise Committee of the 2009/10 position at Period 9 to 31 December 2009 for the Roads and Vehicle Management Trading Accounts.

2.0 SUMMARY

- 2.1 The Roads Trading Account is currently projecting a surplus of £136,000, which represents an under-recovery of £21,000 against the cash target and an increase in cost of £21,000 since last reported to Committee. This increase in cost has been primarily due to a decrease in income from Recharge to Capital due to slippage in the capital programme for Carriageways and Footways. The statutory position is a surplus of £121,000 and the three year rolling break even requirement is projected to be achieved with a surplus for the three year rolling period of £554,000.
- 2.2 In the current year Vehicle Management Trading Account is projecting a cash surplus of £23,000 which is on target. The statutory position is a surplus of £2,000 and the three year rolling break even requirement is projected to be achieved with a surplus for the three year rolling period of £41,000. There is no movement on the statutory position 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 under-recovery of £21,000 for Roads Trading Account cash target as at 31 December 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.
- 4.2 The Roads Trading Account revised budget reflects a decrease of £3,180 since last Committee due to revision of insurance budgets.

5.0 2009/10 PROJECTION

- 5.1 The Roads Trading Account is projecting to outturn £21,000 less than its cash target which represents an adverse movement of £21,000 since last reported to Committee. This movement is due to a decrease in income from Recharge to Capital due to slippage in capital projects such as Carriageways and Footways.

An additional budget of £200,000 has been allocated to the Roads Client for Pot Hole repairs as it is anticipated that this budget will be spend through Payments to Private contractors, hence not affecting the Trading Account.

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

- 5.2 The projected out-turn for Vehicle Management is based upon implementation of the new charging policies. Since last Committee there has been an increase in Materials spend by £10,000, and Transport and Plant costs £25,000 (Fuel over by £11,000, Tyres over by £18,000 and Licences under by £4,000). These overspends have been offset by an increase in income of £35,000. This increase since last Committee is due to an increase in repairs costs due to the age profile of the vehicles and are reflected in Vehicle and Plant allocation costs across various Services.

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

6.0 VIREMENTS

- 6.1 There are no virements to report.

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)	(157)	(136)	(21)
(8)	Vehicle Management	(19)	(23)	(23)	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 9: 1st April 2009 - 31st December 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	751	(32)	(4.02)
7	11	Property Costs	14	13	13	0	0.00
1,194	966	Supplies & Services	989	989	920	(69)	(7.06)
373	379	Transport & Plant Costs	353	305	331	26	8.57
57	57	Administration Costs	65	63	63	0	0.30
2	0	Payments to Other Bodies	10	10	10	0	0.00
(2,671)	(2,342)	Income	(2,320)	(2,320)	(2,224)	96	(4.15)
(298)	(140)	NET EXPENDITURE - CASH TARGET	(106)	(157)	(136)	21	(13.53)
1	8	Capital Charges	8	8	8	0	
7	(11)	FRS 17 Pension Costs	7	7	7	0	
(290)	(143)	ROADS TA STATUTORY POSITION	(91)	(142)	(121)	21	(14.96)

SAFE, SUSTAINABLE COMMUNITIES COMMITTEE

TRADING ACCOUNTS' REVENUE BUDGET MONITORING REPORT

VEHICLE MANAGEMENT TRADING ACCOUNT - SUBJECTIVE ANALYSIS

PERIOD 9: 1st April 2009 - 31st December 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	905	905	0	0.00
73	64	Property Costs	67	67	67	0	0.00
323	372	Supplies & Services	305	308	358	50	16.22
725	854	Transport & Plant Costs	866	853	878	25	2.93
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)	(2,178)	(2,253)	(75)	3.44
(39)	(8)	NET EXPENDITURE - CASH TARGET	(19)	(23)	(23)	0	0.00
0	12	Capital Charges	12	12	12	0	0.00
9	(13)	FRS 17 Pension Costs	9	9	9	0	0.00
(30)	(9)	VEHICLE MANAGEMENT TA STATUTORY POSITION	2	(2)	(2)	0	0.00