

CHIEF EXECUTIVE'S DIVISION

REVENUE BUDGET MONITORING – NOVEMBER 2006

1. INTRODUCTION

- 1.1 This report explains the forecast position for the directorate in 2006/07 based on the revenue budget monitoring returns for November.

2. BACKGROUND

- 2.1 The division was allocated an initial budget £3.096m in respect of direct income and expenditure. Recharge budgets totalling £273,000 for the division are not included in this report.
- 2.2 As previously, the divisional monitoring reports will be forwarded on to Cabinet Briefing each month with Cabinet receiving bi-monthly reports. The November report will be submitted to Cabinet on 30th January.

3. CURRENT FORECAST POSITION

- 3.1 The November returns received from budget managers indicate a potential underspend of £40,000, which is an improvement of £5,000 from the October return. The principle forecast variations are outlined below.

4. MAJOR VARIATIONS**4.1 Chief Executive DMT (£46,000 potential overspend)**

The overspend is due to advertising and recruitment costs for the Chief Executive post. This expenditure was previously forecast to be offset by savings arising from the Chief Executive vacancy, but that has been filled immediately. There is also an overspend arising from temporary clerical support for the team.

4.2 Executive Office (£19,000 potential overspend)

As a means to fund the energy savings requirement has not yet been identified, the savings target has been allocated to this budget heading and as yet remains unidentified.

4.3 Council Secretariat (£110,000 potential underspend)

Savings arising from frozen posts and vacancies held to cover the directorate savings target (see 4.5 below).

4.4 Member & Mayoral Services (£62,000 potential underspend)

Savings arising from staff vacancies and a thorough review of discretionary spend following the implantation of the moratorium.

4.5 Directorate Savings Target (£111,000 overspend)

As has been the case in previous years, the vacancy provision will be shown in full, as an overspend, with vacancy savings being reported against the service in which they occur.

4.6 Communications & Enterprise (£15,000 potential underspend)

Saving arising from a predicted salary underspend Bidding Unit and generation of additional income by Graphic Design.

5. CONCLUSIONS & MANAGEMENT ACTION

5.1 Directorate wide vacancy savings over and above the vacancy savings target are contributing to the forecast underspend of £40,000. Continued monitoring of the spend position is required by managers in view of the moratorium and the overall forecast overspend for the authority.