

REFERENCE FROM CABINET – 5 OCTOBER 2011

REVENUE BUDGET SECOND REVIEW 2011/2012

Report of the Head of Law and Governance

**1. Why has this report come to the Committee?**

- 1.1 To set out for advice and consideration of the Committee an aspect of the report on the Revenue Budget Second Review 2011/2012 namely requesting the Council to approve the transfer of funds.
- 1.2 In accordance with the Management Scrutiny Committee workplan, to advise of progress in implementing savings proposals for 2011/2012.

**2. Background and Current Position**

- 2.1 The Cabinet, at its meeting on 5 October 2011, gave consideration to a report of the Executive Director of Commercial and Corporate Services. The report gave details of outcome of the Revenue Budget Second Review for 2011/2012.
- 2.2 The Cabinet approved the contingency transfers proposed at Appendix A.
- 2.3 In accordance with the Council's Budget and Policy Framework certain transfers require Council approval. The following extract refers to those transfer of funds:

*'savings on capital financing charges as a result of slippage on the capital programme and income from interest on investments are anticipated to result in savings of approximately £4.0m at year end. It is proposed that these amounts and any further underspendings arising from underspent contingencies at the end of 2011/2012 are earmarked to support transitional costs arising from the 2012/2013 budget setting process'.*

- 2.4 In addition, and in accordance with the Management Scrutiny Committee workplan, which requested that the Committee be advised of progress in implementing savings proposals for 2011/2012, the full report to Cabinet of 5 October 2011 is attached for information. Members attention is drawn to paragraph 4.2 of the report which summarises this progress.

### **3. Conclusion**

- 3.1 The matter at 2.3 is referred to the Management Scrutiny Committee for advice and guidance. Comments from the Scrutiny Committee will be reported to Cabinet at its meeting on 2 November 2011 and onto full Council on 30 November 2011.

### **4. Recommendation**

- 4.1 The Scrutiny Committee is invited to give its comments on the issues of transfers as set out in the above extract

### **5. Background Papers**

- 5.1 Cabinet Agenda, 5 October 2011.
- 5.2 A copy of the Agenda is available for inspection from the Head of Law and Governance or can be viewed on-line at:-

<http://www.sunderland.gov.uk/committees/cm5/Meetings/tabid/73/ctl/ViewMeetingPublic/mid/410/Meeting/7218/Committee/1485/Default.aspx>

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