

PATROL ADJUDICATION JOINT COMMITTEE

REPORT FOR RESOLUTION

DATE: 26th January 2010
SUBJECT: Budget Monitoring of Revenue Account 2009/10
REPORT OF: The Lead Officer

PURPOSE OF REPORT

To present to the Committee expenditure monitoring information in respect of the Revenue Account for year 2009/10.

RECOMMENDATIONS

It is recommended that the Joint Committee:

[i] Note the expenditure monitoring information presented in the body of the report.

[ii] Authorise the Lead Officer to incur expenditure against the revenue budget in excess of the £ 2,553,488 set by the Committee should the need arise, provided such expenditure is within the total income.

[iii] Agree that should there be a surplus of income in the 2009/10 revenue account this is to be carried forward to year 2010/11.

[iv] Agree that should there be a deficit in the 2009/10, the budget is balanced by a commensurate amount taken from the reserve.

CONTACT OFFICER

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1.0 INTRODUCTION

- 1.1 At the meeting of the Executive Sub-Committee held on 27th January 2009 the revenue budget estimate was approved for the year 2009/10.
- 1.2 This report provides the Joint Committee with the expenditure position at November 2009. Details are given in Table 1.
- 1.3 The tribunal is operated on a self-financing basis with income obtained from contributions made by the PATROL member authorities.

2.0 BACKGROUND

- 2.1 The revenue budget estimate was established by the Committee for 2009/10 on the basis that this would reflect the Councils who were already members of the Joint Committee. No account was taken of new councils.
- 2.2 At its meeting on 27th January 2009, the Joint Committee identified the need to monitor the budget closely in the light of economic uncertainty and its potential effect on income and the need to ensure adequate resources for adjudication.
- 2.2 The full year budget estimate was based on a more cautious approach than in previous years taking into account the last audited figures of existing councils and income trends.

3.0 POSITION AT NOVEMBER 2009

- 3.1. Table 1 provides an income and expenditure summary. At the 8 month point, expenditure is broadly within budget with the following exceptions:
- (i) Adjudicator costs are showing an adverse variance which results from additional expenditure associated with judicial reviews and increased adjudication fees due to increased appeals activity, savings in other areas of adjudicator expenditure have contained this increase.
 - (ii) IT costs are lower than would have been expected due to the profiling of regular payments due to be made in the final four months of the year.
- 3.2 At the 8 month point, income is higher than anticipated and reflects the increased contribution that councils made to the Joint Committee with effect from 1st July 2010. Additional income resulting from bank interest on the new bank account is included.
Additional income is derived from providing adjudication to the Bus Lane Adjudication Service Joint Committee.

4.0 OUTTURN FOR 2009/10

4.1 The following should be noted:

- (i) The projected outturn for 2009/10 reflects a similar picture for Adjudicator expenditure.
- (ii) Employee costs are anticipated to be £5,000 over budget due to additional agency costs.
- (iii) Transport costs have been contained due to improved transport planning.
- (iv) Supplies and service show an adverse variance of £45,117 due to the invoicing for two adjudicators' annual reports potentially falling in one financial year, increased expenditure on postage, residual costs from the PATROL Independent Review report and provision for the PATROL Annual Report Award process.
- (v) Audit costs are higher than anticipated due to two sets of invoices for external audit falling within one financial year, additional internal audit fees associated with the audit of the new financial systems and additional external audit work associated with closing the accounts for 2008/09.

4.2 The income is showing a positive variance of £264,362 coupled with bank interest and income derived from providing adjudication to the Bus Lane Adjudication Service Joint Committee.

4.3 Taking into account projected income and expenditure, a net surplus of £186,281 is projected at this stage.

5.0 RECOMMENDATIONS

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[iii] Agrees that should there be a surplus of income in the 2009/10 revenue account this is to be carried forward to year 2010/11.

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