



**PORTFOLIO AREA: POLICY, PERFORMANCE MANAGEMENT,  
FINANCE AND RESOURCES**

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**Date of Meeting:** 15 November 2004

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**Public**

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**Key Decision:** No

**Recorded in Forward Plan:**

**No**

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**Inside Policy Framework**

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**Title:** BUDGET OVERVIEW AND MONITORING REPORT:  
APRIL TO SEPTEMBER 2004

**Report of:** THE HEAD OF FINANCE

**Report reference:** FS28/04

**Summary:**

This report provides an overview of the Council's overall budgetary position for the period April to September 2004, for both Revenue and Capital budgets.

**Recommendations:**

The Executive is asked to:

- (i) Note the overall budgetary position for the period April to September 2004.
- (ii) Note that the Corporate Resources Overview & Scrutiny Committee will consider the report on 22nd November 2004.

**Contact Officer:** Jackie Grierson

**Ext:** 7289

**Note:** in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## CITY OF CARLISLE

To: The Executive  
15 November 2004

FS28/04

### BUDGET OVERVIEW AND MONITORING REPORT APRIL TO SEPTEMBER 2004

#### **1. INTRODUCTION**

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Head of Finance is required to report to the Executive on the overall budget position, the monitoring and control of expenditure against budget allocations and the exercise of virement on a regular basis.
  - 1.2 It is the responsibility of Business Unit Heads to control income and expenditure within their areas of responsibility and to monitor performance, taking account of financial information provided monthly by the Head of Finance. To reinforce this, the main financial variances within each Business Unit are now reported as part of the overall authority performance monitoring report, which is considered elsewhere on the agenda.
  - 1.3 The budget monitoring projections in this report have been collated from the main Financial Information System, which records actual transactions to date. These projections are then adjusted to correct for any known budget profiling trends, timing differences and commitments. As such the information presented is the best estimate of the current budget position.
  - 1.4 Throughout the report, the use of brackets indicates a credit or income budget, and the term underspend also relates to additional income generated.
  - 1.5 Where the term 'updated' budget has been used, this denotes the original budget for 2004/05 updated for any approvals by Council i.e. carry forward requests, new bids and supplementary estimates.
- #### **2. SUMMARY REVENUE BUDGET 2004/05**
- 2.1 **Appendix A** updates the original budget in the light of known events that have occurred since the Budget was approved in February 2004. The updated budget reflects those carry forward requests, new bids and supplementary estimates approved to date.

### **3. VIREMENTS**

- 3.1 **Appendix B** details the virements (i.e. transfers of income and expenditure budgets between budget headings) that have been processed in accordance with Financial Procedure Rules for the period April to September 2004.

### **4. REVENUE BUDGET MONITORING – APRIL TO SEPTEMBER 2004**

- 4.1 **Appendix C** provides a summarised position for the authority as a whole showing variances for each Business Unit split between directly and indirectly controlled budgets.
- 4.2 Any issues which have arisen to date and, in particular, those which have ongoing implications which will be considered as part of the 2005/06 budget cycle, have been analysed in the overall Business Plan Performance Monitoring reports considered elsewhere on the agenda.

### **5. SUMMARY CAPITAL BUDGET 2004/05**

- 5.1 **Appendix D** shows a summary of the Capital Programme for 2004/05. It details any approved changes to the Capital programme since the Budget was approved in February 2004 including any carry forward requests and supplementary estimates approved to date. This includes the supplementary estimate of £50,000 approved by Council on 3 August 2004 for the bridge at the Sheepmount.

### **6. CAPITAL BUDGET MONITORING - APRIL TO SEPTEMBER 2004**

- 6.1 **Appendix E** shows a position statement as at September 2004, summarising the individual capital schemes. During this financial year £1,436,477 has been spent out of the updated annual capital budget of £12,905,730.
- 6.2 This pattern of spend reflects that of previous years, where large proportions of capital budgets require to be carried forward from one year to the next. The aim is to improve the profiling of capital expenditure as part of the budget process, and to date it has been identified that £1,059,188 will potentially be required to be carried forward to 2006/07, as the schemes will not be completed in the current financial year.
- 6.3 Also, as detailed in the Appendix, a number of schemes will not be progressed for various reasons. These include the Leabourne Road Regeneration (£100,000), the Electricity Supply at Kingmoor Park (£1,000,000), and the balance of the Newark Street Car Park improvement work (£75,500). Also the Culverting of Dowbeck Road has been achieved at a considerable reduced cost (£56,000 saving). Separate reports are being prepared on these issues for formal approval to Council to release these resources.

## **7. CAPITAL RESOURCES MONITORING - APRIL TO SEPTEMBER 2004**

- 7.1 **Appendix F** shows the Capital Resources statement as at September 2004 and indicates that the level of anticipated receipts to be generated during the year is currently on target.

## **8 CONSULTATION**

- 8.1 This report has been prepared in consultation with Business Unit Heads.

Corporate Resources Overview & Scrutiny Committee will consider the report on 22 November 2004.

## **9. RECOMMENDATIONS**

The Executive is asked to:

- (i) Note the overall budgetary position for the period April to September 2004 .
- (ii) Note that the Corporate Resources Overview & Scrutiny Committee will consider the report on 22 November 2004.

## **10. IMPLICATIONS**

- Staffing/Resources – Not applicable
- Financial – Contained within the main body of the report
- Legal – Not applicable
- Corporate – The report has been considered corporately and further information is contained in the Business Plan Performance Monitoring report.
- Risk Management – Not applicable
- Equality Issues – Not applicable
- Environmental – Not applicable
- Crime and Disorder – Not applicable

ANGELA BROWN  
Head of Finance

Contact Officer: Jackie Grierson

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**SUMMARY GENERAL FUND REVENUE BUDGET 2004/05**

	Notes	Original Budget 2004/05 £000	Approved to date 2004/05 £000	Updated Budget 2004/05 £000	Future Year's Changes £000
<b>Recurring Expenditure</b>					
Core Revenue Expenditure		14,224	0	14,224	
New Recurring Savings		(809)	0	(809)	
New Recurring Proposals		253	0	253	
New Recurring Supplementary Estimates	1		44	44	
<b>Non Recurring Expenditure</b>					
Non Recurring Proposals		413	0	413	
Non Recurring savings		44		44	
Existing Commitments		156		156	
Carry forward requests from 2003/04	2		1,414	1,414	
New bids carried forward from 2003/04	2		129	129	
<b>Total GF Revenue Budget</b>		<b>14,281</b>	<b>1,587</b>	<b>15,868</b>	
Parish Precepts		308		308	
<b>TOTAL COMMITTED EXPENDITURE</b>		<b>14,589</b>	<b>1,587</b>	<b>16,176</b>	
<b>Contributions to/(from) Reserves</b>					
General Fund Reserves - Recurring		(414)		(414)	
General Fund Reserves - Non Recurring		(156)	(1,543)	(1,699)	
General Fund Reserves - Housing Benefits		(97)		(97)	
Capital Projects Fund			(44)	(44)	
<b>NET EXPENDITURE FOR COUNCIL TAX</b>		<b>13,922</b>	<b>0</b>	<b>13,922</b>	

**Notes**

1. Sheepmount Running costs 43,540 recurring  
Approved by Council on 17 May 2004
2. Following approval of 2003/04 Out-turn report  
by Council on 3 August 2004:
- |                        |                  |               |
|------------------------|------------------|---------------|
| Carry forward requests | 1,414,200        | non-recurring |
| Other New Bids         | 128,730          | non-recurring |
|                        | <u>1,542,930</u> |               |

**VIREMENTS PROCESSED FOR PERIOD JULY TO SEPTEMBER 2004**

Date	Virement Details	Permanent/ Temporary	Value £	Authorised by
<b>Requested by Officers (under £30,000)</b>				
25/08/2004	Additional Planning Delivery Grant used to fund employee costs, equipment etc. within Planning Services.	Temporary	127,460	<b>A Eales</b>
08/09/2004	Post Office Fees used to increase Cashiers overtime budget, due to lower take up of PO Payment facility.	Permanent	4,000	<b>P Mason</b>
10/09/2004	Dog Policy General Expenses used to fund Environmental Protection Training	Temporary	2,500	<b>D Ingham</b>
20/09/2004	Local Democracy Week budget created from Corporate Marketing budget	Permanent	500	<b>K Hook</b>
28/09/2004	Transfer of supplies & services budgets between Executive & Member Support and Democratic Process.	Permanent	6,600	<b>D Williams</b>
<b>Approved by the Executive</b>				
13/09/2004	Back Lanes study funded from improvement in Salary Turnover Savings.	Temporary	7,500	<b>A Brown</b>
13/09/2004	Committee Management Information System funded from IEG Contingency £7,500 and LDS Subscriptions £2,500.	Temporary	10,000	<b>J Nutley</b>
<b>Approved by the Council (over £60,000)</b>				
26/08/2004	Temporary Executive Director and recruitment of Chief Executive, funded from vacant Head of EPS and Treasury & Debt Management budgets.	Temporary	133,460	<b>A Brown</b>

**2004/05 BUDGET MONITORING SEPTEMBER 2004**

	<b>Direct Control</b>	<b>Indirect Control</b>	<b>Total</b>
Annual budget	<b>55,773,930</b>	<b>(39,896,550)</b>	<b>15,877,380</b>
Budget to date	29,649,251	(16,990,602)	12,658,649
Actual	28,598,048	(17,079,261)	11,518,787
<b>Variance as at 24 September 2004</b>	<b>(1,051,203)</b>	<b>(88,659)</b>	<b>(1,139,862)</b>
<b><u>Analysis of Main Variances by Business Unit</u></b>			
Executive Management	(10,334)	(469)	(10,803)
Strategic & Performance	(46,904)	(1,352)	(48,256)
Financial Services	50,448	(72,422)	(21,974)
Legal & Democratic Services	(3,610)	33,183	29,573
Member Support & Employee Services	(98,050)	63,972	(34,078)
Customer & Information Services	(32,955)	7,525	(25,430)
Revenues & Benefits	(31,887)	(8,428)	(40,315)
Property Services	16,570	(80,926)	(64,356)
Commercial & Technical Services	(289,351)	179,499	(109,852)
Planning Services	(118,606)	(117,758)	(236,364)
Economic & Community Development	(96,705)	(65,206)	(161,911)
Culture Leisure & Sport	(180,848)	(28,535)	(209,383)
Environmental Protection	(208,971)	2,258	(206,713)
<b>Projected Underspend as at 24 September 2004</b>	<b>(1,051,203)</b>	<b>(88,659)</b>	<b>(1,139,862)</b>

Further details on the major variances analysed per Business Unit can be found in the Business Plan Monitoring Report elsewhere on the agenda.

**SUMMARY GENERAL FUND CAPITAL BUDGET 2004/05**

	Notes	Original Budget 2004/05 £000	Approved to date 2004/05 £000	Updated Budget 2004/05 £000
<b>Original Programme</b>				
Raffles Vision		158	92	250
Leisuretime Investment		270	102	372
Sheepmount (gross)		2,394	1,109	3,503
Petteril Bank Community Project		90	30	120
Shaddonmill		24		24
Asset Investment Fund		200	200	400
Vehicles, Plant & Equipment		1,805	276	2,081
Private Sector renewal		768	559	1,327
Disability Discrimination Act		100	275	375
Major Repairs to Council property		250	73	323
Industrial Estate Maintenance		500		500
Leabourne Road Regeneration		100		100
Newark Street Car Park		150		150
Corporate IT Infrastructure		35		35
Litter Bins		50		50
Street Lighting		50		50
GIS		256		256
Document Image Processing		45		45
Electricity Supply		1,000		1,000
Civic Centre		200	(9)	191
Disabled Grants		150		150
Culverting Dow Beck		60		60
<b>Carried Forward from 2003/04</b>	<b>1</b>			
Car Park Improvements			7	7
Asset Management Plan			17	17
Biits Park Water Feature			140	140
Millennium Scheme			430	430
Customer Contact Centre			467	467
IEG			305	305
Bousteads Grassing Improvements			15	15
Ledger System			11	11
Land & Property Gazetteer			65	65
National Land Charges System			18	18
Crematorium refurbishment			19	19
<b>Supplementary Estimates</b>				
Sheepmount Bridge	<b>2</b>		50	50
<b>TOTAL COMMITTED EXPENDITURE</b>		<b>8,655</b>	<b>4,251</b>	<b>12,906</b>
<b>Financing</b>				
Borrowing		1,222		1,222
Specified Capital Grants (DFG)		177	0	177
Capital Receipts		3,182	3,004	6,186
Capital Grants		1,300	1,055	2,355
Repairs and Renewals Fund		1,805	306	2,111
Capital Projects Fund		969	-129	840
Revenue Contributions (including HRA balances)			15	15
<b>TOTAL FINANCING</b>		<b>8,655</b>	<b>4,251</b>	<b>12,906</b>

**Notes**

1. All carry forward requests were approved by Council on 3 August 2004
2. Additional costs in relation to the Sheepmount bridge approved by Council on 3 August 2004



## 2004/05 CAPITAL BUDGET MONITORING SUMMARY - SEPTEMBER 2004

Scheme	Revised Budget 2004/05 £	Expenditure to date 2004/05 £	Variance to date 2004/05 £	Potential Carry Forwards £	Schemes not progressing £	Adjusted Variance £	Details of major variances
Kerbside Recycling	0	2,724	2,724			2,724	
Crematorium Refurbishment	19,060	(555)	(19,615)			(19,615)	Balance of scheme withheld for replacement of carpets.
Land & Property Gazetteer	65,000	2,850	(62,150)	30,000	0	(32,150)	£35,000 earmarked. C/f relates to possible data capture in 2005/06.
National Land Information System	17,890	5,176	(12,714)			(12,714)	Scheme completed within this financial year. Data capture ongoing.
Ledger Replacement	11,670	0	(11,670)			(11,670)	New Ledger implemented 1st April 2004.
Bousteads Grassing Improvements	15,000	10,326	(4,674)			(4,674)	
Blits Park Water Feature	140,000	129,169	(10,831)			(10,831)	Scheme complete. 5% retention fee to pay.
Asset Management database	16,900	1,590	(15,310)			(15,310)	This will be fully spent by the year end
Car Parking	7,020	0	(7,020)			(7,020)	
Gateway - General Expenses	429,710	0	(429,710)	209,188		(220,522)	3 instalments of £50,000 still to pay in 04/05. Budget covers period to June 2006.
Millennium Gallery							
General Expenses		2,985	2,985			2,985	
Contract Payments		50,000	50,000			50,000	
Arch. Investigations			0			0	
Future years budget			0			0	
Shaddonmill	24,000	(13,167)	(37,167)			(37,167)	Invoice outstanding Feb 04 to date
Irishgate			0			0	
Insurance			0			0	
Consultant			0			0	
Contract Payments			0			0	
	453,710	39,818	-413,892	209,188	0	(204,704)	

Scheme	Revised Budget 2004/05 £	Expenditure to date 2004/05 £	Variance to date 2004/05 £	Potential Carry Forwards £	Schemes not progressing £	Adjusted Variance £	Details of major variances
<b>Carlisle Leisure Ltd</b>							
Sands Fitness Extension	102,100	0	(102,100)			(102,100)	} 5% retention outstanding. 5% retention outstanding. Commences January 2005, currently at tender stage. Will take place in 2005/06.
Sands Seating			0			0	
Sands Restaurant	200,000	0	(200,000)			(200,000)	
Sands Entrance	70,000	0	(70,000)	70,000		0	
Pools	372,100	0	(372,100)	70,000	0	(302,100)	
<b>Sheepmount Development</b>	3,502,900	916,293	(2,586,607)	180,000		(2,406,607)	Completion Easter 2005. C/f relates to 5% retention payable in 2005/06.
<b>Asset Investment Fund</b>	400,000	0	(400,000)			(400,000)	The first phase (£200,000) is on site, the second is being planned.
<b>Private Sector HIP</b>							
Renovation Grants	636,630	77,793	(558,837)	150,000		(408,837)	} Vacancies causing delays in processing and applicants allowed 12 months to complete works. Repayment of grant to Council Will be spent by March 2005.
Minor Works Grants	120,580	2,575	(118,005)			(118,005)	
Disabled Facilities Grants	574,750	143,321	(431,429)	400,000		(31,429)	
Group Repair	34,210	(2,212)	(36,422)			(36,422)	
Energy Efficiency	108,750	32,806	(75,944)			(75,944)	
Renovation Grants Repaid	2,000	0	(2,000)			(2,000)	
Rapid Response Grants	1,476,920	254,283	(1,222,637)	550,000	0	(672,637)	
<b>Implementing Electronic Government</b>							
IEG - Contingency	172,000		(172,000)			(172,000)	Use to be decided by the Info. Steering Group Currently out to tender.
IEG - New Web Server	20,000	-1	(20,001)			(20,001)	
IEG - Minutes, Reports, Admin system	27,000	0	(27,000)			(27,000)	
IEG - Forms Package	6,000	0	(6,000)			(6,000)	
IEG - Cumbria Information Hub	70,000	0	(70,000)			(70,000)	
IEG - BS7666 Completion	10,000	6,250	(3,750)			(3,750)	
	305,000	6,249	(298,751)		0	(298,751)	
<b>Customer Contact</b>	466,660	10	(466,650)			(466,650)	Second payment due to Capita on completion of installation.
<b>Petteril Bank Community Project</b>	120,000	0	(120,000)			(120,000)	Fully committed and will be spent in 2004/05

Scheme	Revised Budget 2004/05 £	Expenditure to date 2004/05 £	Variance to date 2004/05 £	Potential Carry Forwards £	Schemes not progressing £	Adjusted Variance £	Details of major variances
<b>DDA</b>							
DDA - Unallocated	21,670	2,782	(18,888)			(18,888)	To be transferred to Longtown Lift
DDA - Tullie House	11,000	0	(11,000)			(11,000)	Completion Dec 04
DDA - Bits Park Pavilion	10,000	0	(10,000)			(10,000)	Now completed - costs to process.
DDA - Belah CC	12,250	0	(12,250)			(12,250)	On site. Completion early November.
DDA - Morton CC	39,820	7,224	(32,596)			(32,596)	Ongoing. Anticipate completion March 05
DDA - Raffles Housing Office	1,200	0	(1,200)			(1,200)	Not required. Transfer to unallocated.
DDA - Harraby CC	2,000	0	(2,000)			(2,000)	Ongoing.
DDA - Upperby Park Café	7,790	0	(7,790)			(7,790)	Completion Dec 04.
DDA - Old Town Hall	15,000	0	(15,000)			(15,000)	Completion Feb 05.
DDA - Longtown CC	85,280	0	(85,280)			(85,280)	Completion end Nov 04.
DDA - Botcherby CC	5,000	0	(5,000)			(5,000)	Ordered. Awaiting materials.
DDA - Currock CC	15,000	0	(15,000)			(15,000)	Building Control applied for.
DDA - Stony Holme Golf Club	20,000	0	(20,000)	20,000		(18,000)	Carry forward for refurbish scheme.
DDA - Civic Centre	18,000	0	(18,000)			(18,000)	Completion Feb 05.
DDA - Sands Centre Lift	111,280	0	(111,280)			(111,280)	Possible carry forward.
	<b>375,290</b>	<b>10,006</b>	<b>-365,284</b>	<b>20,000</b>	<b>0</b>	<b>(345,284)</b>	
<b>Planned Major Repairs</b>							
Major Repairs - General	123,840	2,142	(121,698)			(121,698)	Harraby wcs/Denton Holme roof & windows.
Major Repairs - Civic Centre	110,000	24,738	(85,262)			(85,262)	Works complete - costs to process.
Major Repairs - Enterprise Centre	20,000	55	(19,945)			(19,945)	Completion October 2004.
Major Repairs - Irthing Centre	35,000	0	(35,000)			(35,000)	Windows ordered.
Major Repairs - Tullie House	15,000	0	(15,000)			(15,000)	Roof Complete. Windows ordered.
Major Repairs - West Walls	10,000	0	(10,000)			(10,000)	Completion early 2005.
	<b>313,840</b>	<b>26,935</b>	<b>-286,905</b>		<b>0</b>	<b>(286,905)</b>	Survey early 2005.
Raffles Vision	250,150	1,062	(249,088)			(249,088)	
Civic Centre	200,000	0	(200,000)			(200,000)	
Industrial Estate Maintenance	500,000	0	(500,000)			(500,000)	This scheme will be delayed until a Business Case is finalised.

Scheme	Revised Budget 2004/05 £	Expenditure to date 2004/05 £	Variance to date 2004/05 £	Potential Carry Forwards £	Schemes not progressing £	Adjusted Variance £	Details of major variances
<b>Vehicles, Plant &amp; Equipment</b>							
Vehicles & Plant	1,050,430	0	(1,050,430)			(1,050,430)	Awaiting Repairs & Renewals Fund review
IT	476,330	0	(476,330)			(476,330)	
Equipment	553,860	0	(553,860)			(553,860)	
	<b>2,080,620</b>	<b>0</b>	<b>-2,080,620</b>		<b>0</b>	<b>(2,080,620)</b>	
<b>GIS</b>							
General	90,870		(90,870)			(90,870)	£432,000 allocated over three years. First allocation of £165,130 released by Executive on 17/5/04 for hardware and software. Further allocations to follow.
Consultancy	20,000	6,500	(13,500)			(13,500)	
Software	107,630	12,169	(95,461)			(95,461)	
Hardware (capital equipment)	37,500	5,872	(31,628)			(31,628)	
	<b>256,000</b>	<b>24,541</b>	<b>-231,459</b>		<b>0</b>	<b>(231,459)</b>	
Leabourne Road Regeneration	100,000	0	(100,000)		100,000	0	This site is to be sold and these funds may not be required.
Newark Street Car Park	150,000	0	(150,000)		75,500	(74,500)	£74,500 to be vired to fund car park extensions at Bitts Park & the Civic Centre.
Corporate IT Infrastructure	35,000	0	(35,000)			(35,000)	
Document Image Processing	45,000	0	(45,000)			(45,000)	
Litter bins	50,000	0	(50,000)			(50,000)	
Street Lighting	50,000	0	(50,000)			(50,000)	
Culverting Dow Beck	60,000	0	(60,000)		56,000	(4,000)	£4,000 spent - scheme now complete
Electricity Supply	1,000,000	0	(1,000,000)		1,000,000	0	This is unlikely to be required if United Utilities reach agreement.
Sheepmount Bridge	50,000	6,000	(44,000)			(44,000)	Feasibility study underway.
<b>TOTAL</b>	<b>12,905,730</b>	<b>1,436,477</b>	<b>(11,469,253)</b>	<b>1,059,188</b>	<b>1,231,500</b>	<b>-9,178,565</b>	

**CAPITAL RESOURCES STATEMENT APRIL TO SEPTEMBER 2004**

	<b>2004/05 annual budget</b>	<b>2004/05 position to date</b>	<b>2004/05 anticipated year end position</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Capital receipts			
- GF	500,000	114,610	500,000
- RTB discount repaid	0	9,010	9,010
- PRTB	0	0	0
- b/fwd from 2003/04 *	5,685,760	5,685,760	5,685,760
	<b>6,185,760</b>	<b>5,809,380</b>	<b>6,194,770</b>
DFG	177,000	177,000	177,000
Borrowing	1,222,000	1,222,000	1,222,000
Projects Reserve	1,482,911	1,482,911	1,482,911
Renewals Reserve	2,111,350	2,111,350	2,111,350
Grants	2,354,880	2,354,880	2,354,880
Revenue	15,000	15,000	15,000
<b>Total resources available</b>	<b>13,548,901</b>	<b>13,172,521</b>	<b>13,557,911</b>

\* The bulk of the amount brought forward from 2003/04 is in respect of Post Right to Buy Receipts received of £5.1m in 2004/05, but which were accrued back to 2003/04 to comply with Capital Accounting regulations.