

Report to Executive

Agenda
Item:

Meeting Date: 10th February 2014
 Portfolio: Finance, Governance and Resources
 Key Decision: No
 Within Policy and
 Budget Framework YES
 Public / Private Public

Title: REVENUE BUDGET OVERVIEW & MONITORING REPORT:
 APRIL TO DECEMBER 2013
 Report of: DIRECTOR OF RESOURCES
 Report Number: RD83/13

Purpose / Summary: This report provides an overview of the Council's overall budgetary position for the period April to December 2013 for the revenue budget only. The revenue report includes details of balance sheet management issues, high-risk budgets and performance management.

Recommendations:

The Executive is asked to:

- (i) Note the budgetary performance position of the Council to December 2013;
- (ii) Note the potential forecast year end position;
- (iii) Make recommendations to Council to transfer £250,000 from overachieved Salary Turnover Savings to General Fund Reserves as detailed in paragraph 4.3;
- (iv) To approve for recommendation to Council, the funding of the non-recurring £1m savings in 2014/15 as detailed in paragraph 4.3; and
- (v) Note the action by the Director of Resources to write-off bad debts as detailed in paragraph 9.

Tracking

Executive:	11 February 2014
Overview and Scrutiny:	20 February 2014
Council:	n/a

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Director of Resources 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. It is the responsibility of individual Directors to control income and expenditure within their service areas and to monitor performance, taking account of financial information provided by the Director of Resources.
- 1.2 All Managers currently receive a monthly budget monitoring report covering their areas of responsibility. Information is collated from the main accounting system and then adjusted to correct any known budget profiling trends, timing differences and commitments. The report has been developed in line with the need to provide sound financial management information to inform the decision making process.
- 1.3 Please note that throughout this report:
- (i) the use of a bracket represents a favourable position i.e. either an underspend or additional income received,
 - (ii) the term 'underspend' is taken to include both reduced expenditure and/or increased income,
 - (iii) the term 'overspend' includes both spending above budget and/or reduced income levels.

2. REVENUE BUDGET OVERVIEW

- 2.1 The following statement shows the total annual revenue budget as at December 2013:

2013/14 Revenue Budget	£
Approved Budget (Council resolution – February 2013)	12,755,000
Carry forward requests (2012/13 out-turn)	677,400
Council Resolution 2013/14	13,432,400
Non-Recurring Expenditure (note 1)	
Transformation Costs (Transformation Reserve)	181,700
Updated Budget 2013/14	13,614,100

Note (1) use of earmarked reserves to fund 2013/14 expenditure

3. 2013/14 BUDGET MONITORING

3.1 The summarised budgetary position as at December 2013 is shown below:

Directorate / Appendix		Annual Net Budget	Net Budget to date	Net Spend to date	Adjusted Variance
		(£)	(£)	(£)	(£)
Chief Executive's Team	A1	170,800	99,229	58,419	(40,810)
Community Engagement	A2	(19,600)	(17,327)	(11,034)	6,293
Deputy Chief Executive's Team	A3	4,276,800	3,531,474	3,494,740	(36,734)
Economic Development	A4	2,677,200	1,756,429	1,790,065	33,636
Governance	A5	(1,812,700)	(2,021,577)	(2,081,158)	(59,581)
Local Environment	A6	5,914,800	4,473,442	4,316,499	(156,943)
Resources	A7	2,406,800	833,856	649,527	(184,329)
Total		13,614,100	8,655,526	8,217,058	(438,468)

3.2 Further details for each directorate can be found in **Appendices A1 – A7**. Each appendix shows a breakdown of the variance for the Directorate, with comments and a note of any performance issues.

3.3 The figures for the Resources directorate in the above table and attached **Appendix A7** include corporate budgets held centrally.

4. KEY ISSUES

4.1 The corporate Salary Turnover Savings target for 2013/14 is £242,500. Savings from staffing budgets across the authority are measured and transferred to it throughout the year. A summary of direct staffing expenditure to the end of December 2013, including transfers to Salary Turnover Savings, is provided in the table below.

Direct Employee Expenditure	Updated Budget	Budget to date	Actual to date	Variance to date	STOS to date	(Under)/Overspend
Directorate	£	£	£	£	£	£
Chief Executive's Team	1,127,900	844,843	852,655	7,812	(8,000)	15,812
Community Engagement	71,300	53,480	52,137	(1,343)	(2,900)	1,557
Deputy Chief Executive's Team	283,100	187,511	190,908	3,397	4,200	(803)
Economic Development	2,576,100	1,893,684	1,836,822	(56,862)	(33,300)	(23,562)
Governance	1,333,900	956,475	925,832	(30,643)	(28,400)	(2,243)
Local Environment	4,741,400	3,559,009	3,224,987	(334,022)	(334,600)	578 *
Resources	2,475,300	1,796,724	1,762,503	(34,221)	(51,000)	16,779
Total	12,609,000	9,291,726	8,845,844	(445,882)	(454,000)	8,118
Savings transferred to fund the Purple Sacks Review*					69,500	
Savings transferred from budgets set aside for Living Wage					(19,600)	
Net Salary Turnover Savings taken to date					(404,100)	

4.2 Members are reminded that Council, at its meeting on 10th September, approved the Savings Strategy which will focus on three areas to deliver savings, including the Asset Review, Service Delivery Models and, as part of the transformation programme, a review of those services that are neither core priorities nor statutory requirements. The recurring impact of these savings forms part of the 2014/15 budget process.

4.3 Additional transformational savings are required in order to bring reserves up to minimum levels, and the requirement for 2014/15 has been identified on a non-recurring basis from the first call on 2013/14 underspends, first call on any business rate growth in 2013/14 and first call on the 2014/15 allocation of New Homes Bonus. Executive are asked to recommend to Council the funding of the £1m non-recurring savings as follows:

	Use of General Fund Reserves	Additional Income
Salary Turnover Savings achieved in 2013/14	250,000	
Additional Use of General Fund Reserves	481,000	
New Homes Bonus 2014/15		269,000
	731,000	269,000
Total Funding to achieve Savings Target		1,000,000

5. FORECAST OUTTURN POSITION 2013/14

5.1 The Council's financial position is affected by a number of external factors that have a financial impact during the course of the year and ultimately at the year end. These include:

- The general effect of the economic climate on the Council's income streams e.g. car parking, tourism and leisure activities.
- Fuel prices, energy costs and other inflationary issues.
- The effects of the housing market and property prices, especially with regard to income from land charges, rents and building and development control.

5.2 The Council's financial position continues to be closely monitored and will be reported fully at outturn. The following table provides a broad estimate of the potential year end position.

Potential Additional Costs/Shortfall in Income	Over/(Under) Projection 13/14 £	Notes
Enterprise Centre lettings & NNDR costs	36,600	
Tourist Information Centres - ticket sales	45,600	
Recycling & Waste collection income	16,600	
Off Street Parking	240,000	
Countywide Parking Contracts	35,000	
Investment Income	230,000	
Lanes Income Shortfall	14,000	
Other Properties Net Income	21,300	
NNDR charges	34,700	
Bousteads Grassing rent income	10,200	
Total additional costs/income shortfalls	684,000	
Potential Reduction in costs/Additional income		
Bereavement Services income	(36,000)	
Development Control Inquiry Costs & Fees	(13,600)	
Sewerage & Water Charges	(68,000)	
Transport Repairs & Hire Costs	(26,800)	
Transport Fuel Costs	(19,400)	
Travel Review and Leased Cars	(31,700)	
Revenues & Benefits Shared Service	(23,000)	
Salary Turnover Savings/Pay Award	(171,000)	1
Pension Deficit Funding	(127,000)	
Elections	(82,600)	
City Lighting - Energy and New Lighting	(59,000)	
City Centre Events	(5,900)	
Total reduced costs/additional income	(664,000)	
Other Year End Implications/Requirements:		
VAT recovery Claims (DFGs)	195,000	
Insurance Excess Provision	(100,000)	
Inflation	(11,000)	
Transformation Savings	(351,900)	
Total requirements/(reductions)	(267,900)	
Total (under)/over spends	(247,900)	

Note:

1. The year end forecast has been reduced by £250,000 as detailed in paragraph 4.3.

6. HIGH RISK BUDGETS

6.1 A number of high-risk budgets have been identified which require detailed monitoring throughout the year. These particularly include income budgets, some of which have been adjusted by recurring and non-recurring bids, approved in the 2013/14 Council Resolution.

6.2 The summarised position of income budgets deemed to be high risk is as follows:

Budget Area	Directorate	Annual Budget £	Budget to date £	Actual to date £	Variance £	para.
Hostels	ED	(559,100)	(433,383)	(444,044)	(10,661)	6.3
Building Control	ED	(322,400)	(255,589)	(247,556)	8,033	6.4
Development Control	ED	(545,800)	(429,544)	(512,476)	(82,932)	6.5
Enterprise Centre	ED	(140,700)	(105,543)	(71,983)	33,560	6.6
Tourist Information Centres	ED	(133,600)	(117,624)	(85,558)	32,066	6.7
Land Charges	Gov	(165,700)	(124,293)	(124,774)	(481)	6.8
Industrial Estates	Gov	(2,445,600)	(1,961,864)	(1,969,385)	(7,521)	6.9
Lanes	Gov	(1,383,300)	(1,383,300)	(1,372,772)	10,528	6.10
Cemeteries	LE	(267,800)	(200,475)	(190,169)	10,306	6.11
Crematorium	LE	(852,800)	(622,544)	(621,807)	737	6.11
Off Street Parking	LE	(1,299,200)	(1,036,875)	(832,646)	204,229	6.12
On Street Parking	LE	(364,700)	(280,019)	(233,876)	46,143	6.12
Bring Sites	LE	(150,700)	(114,690)	(97,992)	16,698	6.13
Garden Waste	LE	(545,100)	(482,371)	(505,493)	(23,122)	6.13
Bulky Waste/Special Collections	LE	(36,300)	(27,230)	(25,662)	1,568	6.13
Plastics & Card	LE	(201,600)	(150,855)	(134,571)	16,284	6.13
Green Box Collection	LE	(343,300)	(254,007)	(228,740)	25,267	6.13

6.3 There is a delay in the implementation of the new charging structure for the **Hostels** although income to date is in excess of the target by 2.5%.

6.4 The reduced income levels from **Building Control** fees continue to challenge the service managers and spending is held at the lowest possible level in an attempt to offset the anticipated shortfall, currently running at 3%.

6.5 Fee income from **Development Control** charges has declined in recent years, with fewer planning applications received throughout the economic downturn, however there has been a slight upturn in recent months and this is now achieving almost 19% more than the target to date.

6.6 Local small businesses continue to feel the ongoing effects of the recession, this is reflected in the number of empty units at the **Enterprise Centre** and there is a significant drop in income (32% down on the budget to date) from lettings.

- 6.7 Income generated from sales at Carlisle's **Tourist Information Centre** was affected by its relocation whilst building improvements were carried out at the Old Town Hall and although it was expected that the refurbishment and changes would reverse this position on re-opening, the income has dropped and there is a shortfall of 27% up to the end of December 2013.
- 6.8 The annual budget for income from **Land Charges** has been reduced over the past few years to reflect the continuing impact of the economic climate on the housing market. However, there was a year end surplus of £6,000 on the budget set for 2012/13 and the target for this year includes an increase of 10% in anticipation of further recovery in this sector. The current activity levels are just above the improved target by 0.4%.
- 6.9 Adjustments for rent recovered from **Industrial Estates** now sold have helped to offset the full effects of the downturn in the property market.
- 6.10 The high street and town centres continue to be affected by the economic recession and changing trends in consumer spending. In spite of a credit in the region of £63,000 following the reconciliation after the end of last year, rental income from the **Lanes** is down 1% against the target for the first nine months.
- 6.11 There was a small surplus of 1.5% on **Bereavement Services** income at the end of last year and the budget uplift for 2013/14 was set at a lower rate than this level. The first nine months' receipts for the current year have fallen short of the updated target by over 1%.
- 6.12 Income generated from **Car Parking** has been consistently lower than the level budgeted for a number of years and significant changes to the charging strategy were introduced after a review undertaken in 2012. However, the combined impact of the recession and internet shopping on the high street and visitor numbers, and increasing private sector parking facilities makes it difficult to quantify any benefit that may have been realised from the changes. In addition, the budget for parking income increased by £45,300 for this year and there is now a deficit of 19% against the new level up to the end of December 2013.
- 6.13 The total income from the various **Waste and Recycling Collection Services** is 4% lower than the expected levels up to the end of the third quarter of 2013/14. Income from the Bring Sites is down by 15% against the nine months' target, Plastics and Card is down 11%, and Green Box Collection is down almost 10%. Garden Waste Collection is currently 5% above target.

7. S.106 COMMUTED SUMS

- 7.1 As at December 2013 balances totalling £1,876,646 are held in respect of Section 106 agreements and other commuted sums, with a further £4,462,586 expected. The expected sums, for the most part, relate to agreements for sites yet to be developed and include negotiated items that, in view of the terms of the agreement, may not be due until later phases of development. These sums are to be used for the provision and future maintenance of public open spaces, school buildings, children's play areas, cycleways and transport facilities etc.
- 7.2 The City Council acts as custodian only for £1,207,596 of the sums held, in respect of projects for which Cumbria County Council is responsible, including the Public Realm. Should the County Council not progress these projects, or they remain incomplete within the agreed deadlines, the custodial sums must be repaid, along with a premium for interest, to the Developers. A summary of the balances retained is set out in the table below:

Commuted Sums 2013/2014	Opening Balance & Receipts (£)	Spend (£)	Retained Balance Dec 2013 (£)	Expected Sums (£)
Affordable Housing Contributions	15,000	0	15,000	254,373
Cycleway & Public Realm	732,841	0	732,841	0
Education	0	0	0	3,500,000
Play Areas & Facilities	239,009	4,728	234,281	69,310
Public Open Spaces Provision/Maintenance	473,806	54,037	419,769	282,034
Sports Provision/Maintenance	0	0	0	48,584
Transport & Pedestrianisation	488,837	14,082	474,755	308,285
Total	1,949,493	72,847	1,876,646	4,462,586

8. DIRECTION OF TRAVEL

8.1 Balance Sheet Management

In line with CIPFA guidance and good practice, information relating to significant items on the Council's balance sheet is shown below. The information concentrates on those items that may have a material impact on the Council if not reviewed on a regular basis.

Balance Sheet item	Balance at 31/03/2013	Balance at 27/12/2013	Note
Investments	£18.7m	£20.8m	(i)
Loans	£15.0m	£15.0m	(ii)
Debtors	£1.07m	£1.80m	(iii)
Creditors	£0.06m	£0.07m	

- (i) The anticipated return on investments for 2013/14 was estimated at £473,100 with current projections anticipated to be significantly below this target.
- (ii) The cost of managing this debt, in terms of interest payable, is budgeted at £1,319,000 in 2013/14 with costs currently on target. There are no proposals for further borrowing during 2013/14.
- (iii) There may be a significant impact on the cash flow of the Council if outstanding debts are not received. Any debts deemed to be irrecoverable are written off against a bad debt provision set up specifically for this purpose. Other significant debts relate to Council Tax, NNDR and Housing Benefit overpayments.
- (iv) Use of Reserves: The usage and level of all Council reserves are set out in the Medium Term Financial Plan (RD36/13), approved by Council in September 2013. It is anticipated that £0.4m will be required from the Council's Revenue Reserves to fund expenditure in 2013/14, including £667,400 of 2012/13 carry forwards. Any under or overspend at the year end will adjust the balance transferred to or from the reserve. Council reserves are under significant pressure for 2013/14 and the savings strategy approved in February 2013 will help to resolve the projected deficit. However, further savings must be identified to replenish usable revenue reserves to the minimum required.
- (v) The Council's VAT partial exemption calculation for the period ending December 2013 has been calculated and is well below the 5% limit set by HMRC at 1.55%.

9. BAD DEBT WRITE-OFFS

- 9.1 The Director of Resources has delegated authority for the write-off of outstanding debts for NNDR, Council Tax and Debtors (including Penalty Charge Notices). In accordance with this, the Executive is asked to note that debts totalling £496,362.06 have been written off during Quarters 2 and 3. A summary of bad debts is given in Table 1, **Appendix B** of this report and these costs will fall against the following:

	£
General Fund	24,044.72
Council Tax (Collection Fund)	47,520.94
NNDR	424,796.40
Total Write-offs	496,362.06

Note:

Of the £424,796 in Business Rates write-offs, £213,196.07 are in respect of The Public Safety Charitable Trust (PSCT). The PSCT engaged in taking leases on empty properties to relieve the liability on the landlords. This was known as Empty Rate avoidance. They were charged a nominal rent of £1.00.

The PSCT then claimed to be in occupation for its charitable purpose and claimed 80% Mandatory relief. However, the only “occupation” was the installation of a very small Bluetooth transmitter which broadcast public messages to people within the vicinity (crimestoppers).

We refused to grant Relief because we did not believe that the premises were “wholly or mainly” used for charitable purposes. Then in October 2012 when according to the latest legal decision this type of occupation was deemed both legal and for the purposes of this charity, the judge ruled it was a lawful “ruse”. The case was heard in West Cheshire Magistrates Court. The Council granted 80% Mandatory Relief.

This decision was challenged and in July 2013, the 80% Mandatory Relief was removed as per the high court decision. This raised a large amount of debt and many rating authorities obtained liability orders and in May 2013 South Cambridge District Council presented a petition for the company’s winding up. The winding up order was made on 8th July 2013. Write-offs were subsequently actioned in August 2013. There are approximately 150 Councils including Carlisle writing off a total of £15,245,000.

- 9.2 The “write-ons” itemised in Table 2, **Appendix B**, totalling £23,864.79, are in respect of balances originally written off that have since been paid, credit write-offs for Quarters 2 & 3. The write-ons will be credited as follows:

	£
General Fund	20.06
Council Tax (Collection Fund)	7,355.43
NNDR	16,489.30
Total Write-offs	23,864.79

- 9.3 In the case of the General Fund, the write-offs will be charged against provisions for bad debts. However, VAT, which has been identified separately, will be recouped in future VAT returns. HRA debts and provisions have transferred to the General Fund and any write-off/write-on of Council Tax will fall against the pool provisions within these accounts. Any Council Tax court costs written off will be charged against the Bad Debt Provision within the General Fund.

9.4 At this stage of the year, the level of bad debts for NNDR is in excess of the provision established in the 2012/13 statement of accounts to fund the bad debts. The other areas are broadly in line with expectations and will be within the scope of the current provisions to fund the bad debts. This situation is continuously under review and any major deviations will be reported as part of the outturn report.

10. CONSULTATION

10.1 Consultation to date.

SMT and JMT have considered the issues raised in this report.

10.2 Consultation Proposed

Resources Overview and Scrutiny Panel will consider the report on 20th February 2014.

11. CONCLUSION AND REASONS FOR RECOMMENDATIONS

11.1 The Executive is asked to:

- (i) Note the budgetary performance position of the Council to December 2013;
- (ii) Note the potential forecast year end position;
- (iii) Make recommendations to Council to transfer £250,000 from overachieved Salary Turnover Savings to General Fund Reserves as detailed in paragraph 4.3;
- (iv) To approve for recommendation to Council, the funding of the non-recurring £1m savings in 2014/15 as detailed in paragraph 4.3; and
- (v) Note the action by the Director of Resources to write-off bad debts as detailed in paragraph 9.

12. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

12.1 The Council's budget is set in accordance with the priorities of the Carlisle Plan and the position to December 2013 shows the delivery of these priorities within budget.

Contact Officer: Emma Gillespie

Ext: 7289

**Appendices A1 to A7, & B
attached to report:**

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

CORPORATE IMPLICATIONS/RISKS: SMT and JMT have been involved in the preparation of this report. Risks to budgets and development of ongoing impact of issues identified are monitored carefully and appropriate action taken.

Chief Executive's – N/A

Economic Development – N/A

Governance – The Council has a fiduciary duty to manage its finances properly and the proper reporting of budget monitoring is part of this process.

Local Environment – N/A

Resources – Financial implications are contained within the main body of the report.

REVENUE BUDGET MONITORING 2013/14

CHIEF EXECUTIVE'S TEAM	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	2,422,500	(88,400)	(2,163,300)	170,800
Budget to date	1,797,964	(80,522)	(1,618,213)	99,229
Total Actual	1,796,882	(124,493)	(1,613,970)	58,419
Adjusted Variance	(1,082)	(43,971)	4,243	(40,810)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Customer Contact Section	1	(96)	(33,000)	104	(32,992)
Miscellaneous	2	(986)	(10,971)	4,139	(7,818)
Total Variance to date		(1,082)	(43,971)	4,243	(40,810)

Note	Chief Executive's Team - Comments
1.	Additional backdated income for reception services provided in 2011/12 and 2012/13.
2.	Various net minor underspends and surplus income across the service.

REVENUE BUDGET MONITORING 2013/14

COMMUNITY ENGAGEMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	155,600	0	(175,200)	(19,600)
Budget to date	114,091	0	(131,418)	(17,327)
Total Actual	120,366	0	(131,400)	(11,034)
Adjusted Variance	6,275	0	18	6,293

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Miscellaneous	1	6,275	0	18	6,293
Total Variance to date		6,275	0	18	6,293

Note	Community Engagement - Comments
1.	Overspent expenses in relation to Tullie House Trust costs.

REVENUE BUDGET MONITORING 2013/14

DEPUTY CHIEF EXECUTIVE'S TEAM	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	4,716,100	(274,800)	(164,500)	4,276,800
Budget to date	3,870,791	(215,925)	(123,392)	3,531,474
Total Actual	3,890,817	(272,702)	(123,375)	3,494,740
Adjusted Variance	20,026	(56,777)	17	(36,734)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Carlisle Partnerships	1	(33,042)	(2,284)	0	(35,325)
Miscellaneous	2	53,068	(54,493)	17	(1,409)
Total Variance to date		20,026	(56,777)	17	(36,734)

Note	Deputy Chief Executive's Team - Comments
1.	Underspends on building repairs, offset by an overspend on fireshow.
2.	Various net overspends offset by surplus income across the service.

REVENUE BUDGET MONITORING 2013/14

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	5,714,400	(2,316,800)	(720,400)	2,677,200
Budget to date	4,168,529	(1,871,722)	(540,378)	1,756,429
Total Actual	4,267,707	(1,936,365)	(541,277)	1,790,065
Adjusted Variance	99,178	(64,643)	(899)	33,636

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Hostels & Homeshares	1	38,016	(10,971)	0	27,046
Housing Regeneration	2	3,674	21,861	0	25,535
Enterprise Centre	3	2,013	33,560	0	35,573
Tourist Information Centres	4	(4,255)	37,826	0	33,570
Development Control	5	67,655	(82,109)	0	(14,454)
Miscellaneous	6	(7,925)	(64,811)	(899)	(73,635)
Total Variance to date		99,178	(64,643)	(899)	33,636

Note	Economic Development - Comments
1.	Overspend on salaries due to delay in implementing new structure.
2.	Under achievement of LA fees on Disabled Facilities Grants.
3.	Overspend on repairs and income shortfall from lettings due to empty business units
4.	Underspent staffing and supplies; offset by shortfalls on accommodation bookings' commission and sale of goods.
5.	Overspend includes £77,100 Airport application legal expenses, offset by fees' income surplus.
6.	Various net minor underspends and surplus income against budgets to date.

REVENUE BUDGET MONITORING 2013/14

GOVERNANCE	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	4,341,900	(4,862,900)	(1,291,700)	(1,812,700)
Budget to date	3,135,893	(4,188,562)	(968,908)	(2,021,577)
Total Actual	3,114,708	(4,227,097)	(968,769)	(2,081,158)
Adjusted Variance	(21,185)	(38,535)	139	(59,581)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Miscellaneous	1	(21,185)	(38,535)	139	(59,581)
Total Variance to date		(21,185)	(38,535)	139	(59,581)

Note	Governance - Comments
1.	Underspent expenses and surplus income across the services

REVENUE BUDGET MONITORING 2013/14

LOCAL ENVIRONMENT	Gross Expenditure	Gross Income	Recharges	Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	14,699,500	(6,204,600)	(2,580,100)	5,914,800
Budget to date	11,197,887	(4,788,452)	(1,935,993)	4,473,442
Total Actual	10,696,291	(4,444,063)	(1,935,729)	4,316,499
Adjusted Variance	(501,596)	344,389	264	(156,943)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Bereavement Services	1	(28,683)	13,537	8	(15,138)
CCTV	2	(12,766)	(460)	0	(13,226)
Environmental Protection	3	(33,306)	(8,355)	28	(41,632)
Green Spaces Management	4	(38,715)	(27,686)	50	(66,350)
Off Street Parking	5	(20,743)	203,438	32	182,727
On Street Parking	6	(26,252)	46,143	0	19,891
Small Scale Community Schemes	7	(26,991)	0	0	(26,991)
City Lighting	8	(61,486)	0	0	(61,486)
Recycling & Waste Collection	9	(28,948)	10,092	55	(18,800)
Street Cleaning	10	(25,285)	(2,160)	0	(27,445)
Clean Up Carlisle	11	(49,325)	(6,622)	31	(55,916)
Miscellaneous	12	(149,098)	116,461	60	(32,577)
Total Variance to date		(501,596)	344,389	264	(156,943)

REVENUE BUDGET MONITORING 2013/14

Note	Local Environment - Comments
1.	Underspent utilities and premises repairs and offset by underachieved income from internments.
2.	Underspent equipment contract repairs and maintenance.
3.	Underspent supplies & services, offset by additional license Income received.
4.	Underspent premises, transport, equipment and materials; grants and surplus miscellaneous income
5.	Underspent staffing (£86,400) into Salary Turnover Savings; windfall (£45,500) from Lower Viaduct and John Street car parks backdated sewerage charge rebate offset by NNDR £27,600 increase; shortfall on ticket sales and PCNs' income.
6.	Net overspend after savings in administration costs and income shortfall from ticket sales and PCNs.
7.	Underspends on Councillors' small scale community schemes
8.	Underspent lighting maintenance and energy savings. Charging mechanism to be introduced for County works as work carried out has not yet been invoiced by the County Council.
9.	Underspent transport hire and repairs, partly offset by income shortfall.
10.	Efficiency savings on transport and cost of materials following purchase of new fleet of vehicles.
11.	Underspent expenses, any residual at the year end to be rolled forward to fund the scheme's completion.
12.	Various minor underspends more than offset income shortfalls across the services.

REVENUE BUDGET MONITORING 2013/14

RESOURCES	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 27th December 2013	£	£	£	£
Annual Budget	43,350,800	(34,593,400)	(6,350,600)	2,406,800
Budget to date	32,858,977	(27,163,066)	(4,862,055)	833,856
Total Actual	32,541,941	(27,091,574)	(4,800,840)	649,527
Adjusted Variance	(317,036)	71,492	61,215	(184,329)

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Building Maintenance	1	(1,704)	(6,139)	42,277	34,433
Civic Centre	2	(13,084)	(5,369)	68	(18,385)
Public Conveniences	3	(19,762)	301	0	(19,461)
Treasury & Debt Management	4	(4,158)	179,498	0	175,339
Non Distributed Costs	5	(80,144)	0	0	(80,144)
Other Financial Costs	6	(219,471)	(64,582)	0	(284,052)
Corporate Management	7	39,112	0	0	39,112
Miscellaneous	8	(17,825)	(32,216)	18,870	(31,171)
Total Variance to date		(317,036)	71,492	61,215	(184,329)

REVENUE BUDGET MONITORING 2013/14

Note	Resources - Comments
1.	Shortfall on job recharges due to increased levels of sickness. This situation has now been addressed.
2.	Underspent premises and contract payments; surplus rental income achieved.
3.	Underspent premises expenses and provision for final Superloo lease charge.
4.	Continued decline in average interest rates is having a negative impact on investment income target.
5.	Savings on shared service pension costs.
6.	Improvements in savings from Salary Turnover (£222,200); and surplus income includes (£25,800) New Homes Bonus, (£19,800) Transition Grant for Rural LA's, (£8,500) New Burdens' Grants, (£7,800) Assets of Community Value Grant and (£11,500) compensation.
7.	Overspend on bank and credit card charges.
8.	Various minor overspends and surplus income, partly offset by recharged expenses shortfall.

BAD DEBT PROVISION

TABLE 1 Type of Debt	Write-Offs December 2013		Comments
	No.	£	
NNDR (General)	60	211,600.33	01/04/13 to 31/12/13
NNDR (PSCT)	12	213,196.07	01/04/13 to 31/12/13
Council Tax	124	47,520.94	01/07/13 to 31/12/13
Debtors:			
Private Tenants			
Housing Benefit Overpayments	46	9,813.38	01/07/13 to 31/12/13
General Fund	35	755.22	01/07/13 to 31/12/13
Penalty Charge Notices:			
On Street	136	12,656.12	01/07/13 to 31/12/13
Off Street	10	820.00	01/07/13 to 31/12/13
Ex FTA Benefit			
TOTAL	423	496,362.06	

TABLE 2 Type of Debt	Write-Ons December 2013		Comments
	No.	£	
NNDR (General)	16	16,489.30	01/04/13 to 31/12/13
Council Tax	44	7,355.43	01/07/13 to 31/12/13
Debtors:			
Private Tenants			
Housing Benefit Overpayments			
General Fund	12	20.06	01/07/13 to 31/12/13
Ex FTA Benefit			
TOTAL	72	23,864.79	