



PORTFOLIO AREA: FINANCE AND PERFORMANCE MANAGEMENT

Date of Meeting: 20 November 2006

Public

Key Decision: No

Recorded in Forward Plan: No

Inside Policy Framework

**Title: REVENUE BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO SEPTEMBER 2006**

Report of: THE DIRECTOR OF CORPORATE SERVICES

Report reference: CORP47/06

Summary:

This report provides an overview of the Council's overall budgetary position for the period April to September 2006 for revenue schemes only. Progress against the annual Capital Programme is now subject to a separate report, which is considered elsewhere on the agenda. This report has been developed to include details of balance sheet management issues, high-risk budgets, performance management, and progress against the Gershon efficiency statement.

Recommendations:

The Executive is asked to:

- (i) Note the contents of the report.
- (ii) Note that the actions arising from variances at September 2006 have been included in the Summary Revenue Budget Report (CORP 51/06) elsewhere on this agenda
- (iii) Note the actual efficiency savings being achieved against the targets set

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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
20 November 2006

CORP47/06

REVENUE BUDGET OVERVIEW AND MONITORING REPORT
APRIL TO SEPTEMBER 2006

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 In accordance with the City Council's Financial Procedure Rules, the Director of Corporate Services 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. However, it is the responsibility of Directors to control income and expenditure within their service areas and to monitor performance, taking account of financial information provided by the Director of Corporate Services.
- 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, which is also a requirement of the Use of Resources assessment.
- 1.3 Throughout the report, the use of brackets indicates a credit or income budget, and the term underspend also relates to additional income generated.
- 1.4 From 2006/07 the format of the budget monitoring reports has changed. In line with the Best Value Accounting Code of Practice (BVACOP), reports show gross expenditure and gross income, which complements year-end reporting for the statement of accounts. This format replaces the former split between direct and indirect expenditure and income (although this analysis is still available if required).

2. BUDGETS

2.1 The following statement shows the total revenue budget as at September 2006:

2006/07 Revenue Budget	£
Approved Budget (Council resolution – February 2006)	16,720,700
Carry forward requests (2005/06 out-turn)	1,739,500
Non-recurring supplementary estimates*	187,900
Revised Budget 2006/07	18,648,100

2.2 Supplementary estimates approved during 2006/07 are shown below:

	£
Release from Asset Investment Reserve	100,000
Planning Standards (£315,000 over three years)	55,400
Raffles Vision	<u>32,500</u>
	<u>187,900</u>

2.3 No significant virements have been carried out as at September.

3. 2006/07 BUDGET MONITORING

3.1 The summarised budgetary position as at September 2006 is shown below:

Directorate	Gross Expenditure Budget £	Gross Income Budget £	Net Annual budget £	Adjusted Variance £
Carlisle Renaissance	330,600	0	330,600	(49,285)
Community Services	19,381,600	(8,068,900)	11,312,700	141,121
Corporate Services	33,041,100	(28,954,000)	4,087,100	(1,241,059)
Development Services	8,158,800	(7,911,900)	246,900	(202,933)
Legal & Democratic Services	2,724,900	(540,400)	2,184,500	(34,387)
People, Policy & Performance Services	635,900	(149,600)	486,300	(81,801)
Total	64,272,900	(45,624,800)	18,648,100	(1,468,344)

3.2 Of the above underspend of £1,468,344, £303,501 can be attributed to additional income and ringfenced grants. The flood recovery budget is underspent by £1,090,483 (included in Corporate Services), leaving a balance of £377,862 as the true underspend against expenditure budgets.

- 3.3 Further details for each Directorate can be found in **Appendices A1- A6**. Each appendix shows a breakdown of the variance for that Directorate, with comments from the Director and a note of any performance issues.
- 3.4 Potential carry forwards to 2007/08 for revenue schemes have been estimated at £150,800 to date: £80,000 relates to the Clean Neighbourhoods and Environment Act, £11,400 to Planning Services and £59,400 to LSP.
- 3.5 Within the Corporate Services directorate there are two underspends which are actually additional income. As at September, there has been a net increase in treasury management income of £150,000; this is forecast to be £299,000 for the year, and will be used to meet deficits on other budgets throughout the authority. An increase is also built into future years' projections. The LABGI funding (Local Authority Business Growth Initiative) is held within Corporate Services and to date shows an underspend of £107,200; this will be allocated during the remainder of the year as projects are identified.
- 3.6 Flood recovery is currently reporting an underspend of £1,090,483. This underspend largely consists of income that has been received as part of the final insurance settlement but which has not yet been committed e.g. Bitts Park Depot, Sheepmount works etc. Some sums are also still held that were received by way of indemnity settlements.
- 3.7 The salary turnover target for 2006/07 was originally set at £467,600 but has since been increased and is now £489,300. The budget is profiled into equal twelfths and currently shows a shortfall of £80,000. It is unlikely that this target will be achieved by the year end, although a more informed picture will emerge following the completion of work on reorganising some sections within the authority.
- 3.8 Due to an error in the rate set for reclaiming Housing Benefit, it has emerged that the authority will have to repay £46,000 of overpaid benefits. Budgets for the repayment have not yet been identified, although it is likely to come from within the hostels income from London Road. This places an additional pressure on the Housing Service

4. HIGH RISK BUDGETS

- 4.1 A number of high-risk budgets have been identified which require detailed monitoring throughout the year. These include income, budgets carried forward from last year, and recurring and non-recurring bids approved in the 2006/07 Council Resolution.
- 4.2 The ability to achieve income levels set in the revenue budgets is still a concern for the authority. These are addressed in detail in the Fees & Charges reports considered elsewhere on the agenda.
- 4.3 Income from penalty charge notices and car park ticket sales continues to be under budget. An independent review has been carried out by Capita and the results have been fed into the budget process for 2007/08 onwards. Whilst the 2006/07 projected deficit will be met from within existing budgets, the recurring deficit for future years of £80,000 is included in CORP 51/06 as a budget pressure.
- 4.4 Likewise, income from Building Control and admissions at Tullie House is below budget as at September and will not achieve the full year target, but costs will be monitored to ensure that the shortfall is contained within the bottom line.
- 4.5 Income from homeshares and the hostels is likely to fall below the level set in the 2006/07 budgets. There are plans to remodel these services and, although unlikely to recover the deficit in 2006/07, it is hoped that this will generate a substantial surplus for 2007/08 once the changes recommended by the review have been implemented.
- 4.6 A budget is included within the Civic Centre section for 2006/07 of £100,000 for letting income. This was set in anticipation of attracting third parties to rent space within the Civic Centre for 2006/07. Currently there has been no take up of this facility and therefore this will be a budget pressure for 2006/07 onwards.
- 4.7 A total of £1,288,000 was allocated to recurring spending pressures in the 2006/07 budget. Included in this amount was £266,000 for a shortfall in income projections from fees and charges (see 4.2 to 4.5). The largest item amounts to £858,000 for Concessionary Fares where a potential shortfall of approximately £100,000 for 2006/07 has been identified as a result of increased ridership (ridership is now projected at 40% as opposed to 30%). Other expenditure budgets are broadly in line with profile. The deficit for future years is being dealt with as part of the 2007/08 budget process.

4.8 A total of £409,000 was allocated to non-recurring spending pressures in the 2006/07 budget, most of which are being spent broadly in line with profile. The largest scheme was Job Evaluation with a budget of £189,000. This was underspent in September by £18,573. The estimated total cost of the Job Evaluation process of £1m has been included as a budget pressure in CORP 51/06.

5. BALANCE SHEET MANAGEMENT

5.1 In line with suggested best practice, information relating to significant items on the Council's balance sheet is being provided to Members. Whilst there is no specific guidance published as yet, CIPFA is aiming to issue a good practice framework on balance sheet management in October 2006. Nonetheless, work has commenced and will continue to be developed, with reporting currently concentrating on those items which may have a material impact on the Council if not reviewed on a regular basis.

5.2 Treasury Management

- Outstanding Investments – as at 30 September 2006 the Council had £32.8m (£20.7m 31 March 2006) on short-term deposit, mainly with Building Societies. The anticipated return on these investments is estimated at £1,558,000 for 2006/07 with current projections (based upon financial information as at September 2006) slightly ahead of the budget.
- Outstanding Loans - the value of the Council's loan portfolio, which is a mixture of both long and short-term loans, is valued at £15.1m as at the end of September 2006 (£15.1m 31 March 2006). The cost of managing this debt, in terms of interest payable, is budgeted at £1,324,000 in 2006/07 with costs currently on target. There are no proposals at present for any additional borrowing during 2006/07.

5.3 Debtors

This relates to the amount of income due to the Council for goods and services provided by the Council, which has not yet been received. This total sum due from the Debtors System amounts to £1.4m at the end of September (£2.1m at 31 March 2006). There may be a significant impact on the cash-flow of the Council if these outstanding debts are not received or debt recovery procedures are not initiated promptly. Any debts which are deemed to be unrecoverable are reported separately to Members and are written off against a bad debt provision set up specifically for this purpose. In addition, other significant debts due to the Council relate to Council Tax and National Non Domestic rates (NNDR). Collection rates for these debts as at the end of September are 57.03% and 61.66% respectively.

5.4 Creditors

This is the amount of money due to be paid by the Council for goods and services received from its external customers and contractors. The amount of outstanding invoices awaiting payment totals £82,000 as at the end of September (£1,272,800 as at 31 March 2006). The PI target (BV8) for the payment of undisputed invoices is 98% for 2006/07 with current progress against this target being 97.9%.

5.5 Use of reserves

The usage and level of all Council reserves are set out in the Medium Term Financial Plan (FS12/06), approved by full Council in July. It is anticipated that £2.5m will be required from the Projects Reserve to fund revenue expenditure in 2006/07 (including £1.7m of 2005/06 carry forwards and the balance of the Pensions Reserve which has been transferred into the Projects Reserve); however any under or overspend at the year end will adjust the balance transferred to or from the reserve.

6 PERFORMANCE

6.1 Performance Conferences take place every quarter involving Directors and Heads of Service. The aim of the Conferences is to improve the integration of the performance management framework with financial planning and reporting. A timetable has been prepared to report performance to Members, and the first report was considered by the Executive on 31st July 2006.

6.2 It has been recognised that there is a need to link performance and the budget position, with a view in the longer term to allocating resources to the Council's priorities (Cleaner Greener and Safer, and the Learning City). Performance Indicators for 2006/07 have been set for the authority; the next step is to develop the links with financial reporting and this work is underway.

6.3 The first attempt at linking budgets and performance indicators was presented to the Executive on 23 October 2006 as part of the Corporate Performance Monitoring Report.

7 PROPOSED ACTIONS FOR VARIANCES

7.1 The information contained within this report will be used to inform the budget setting process for the period 2006/07 to 2009/10, and actions have been proposed which will maintain the 2006/07 budget at the original level. This is set out in report CORP51/06 considered elsewhere on the agenda.

8 GERSHON EFFICIENCY SAVINGS ACTION PLAN MONITORING

8.1 The authority submitted its Annual Efficiency Statements for 2005/06 and 2006/07 on 6 July and 15 April 2006 respectively. The figures included in these statements are derived from the detailed Gershon Efficiency Savings three-year Action Plan, which is attached at **Appendix B**. The savings set out in the Plan may be summarised as follows:

	Cashable £	Non Cashable £	Total £	%
2004/05	215,122	0	215,122	14
2005/06	476,927	212,695	689,622	46
2006/07	375,500	40,000	415,500	28
2007/08	175,000	5,000	180,000	12
Total	1,242,549	257,695	1,500,244	100
Limits %	Min 50%	Max 50%	100%	
Planned %	83%	17%	100%	
Target			1,400,000	
Current Excess			100,244	

- 8.2 The figures in the table have not changed from those previously presented in report FS40/06 in August 2006. The value of the proposals contained in the Efficiency Action Plan continues to exceed the overall target set by the Department of Communities and Local Government (DCLG), which now stands at £1.4 million.
- 8.3 A 2006/07 Gershon Savings Action Plan has been set up so that the actual savings achieved against this year's target can be monitored and fed into the budget and budget monitoring process where relevant. Where the original targets are not being met, further efficiencies will need to be identified to make-up the shortfall. Any requirements of this nature will be identified via the budget process.
- 8.4 The 2006/07 Annual Efficiency Statement (AES) submitted to the ODPM set out that £226,000 cashable and £10,000 non-cashable savings, totalling £236,000, would be achieved in the year. This figure has been increased to £415,500 following a subsequent review of efficiencies.
- 8.5 The cashable savings of £375,000 have already been included in the 2006/07 base budget.
- 8.6 **Appendix B** shows the actual efficiencies projected to be achieved against the targets in the 2006/07 AES. The appendix sets out the actions agreed by the relevant service managers and how they affect the Council's efficiency target.

- 8.7 In view of the forthcoming assessment by the Audit Commission, the Financial Services section will be undertaking an exercise during November to ensure that Directors and Service Heads have the appropriate evidence to meet targets, and will assess the level of performance arising as a result of these efficiencies to ensure that service levels are maintained.
- 8.8 Following this exercise the three-year Gershon Action Plan will be adjusted to reflect any additional efficiencies or reductions which may affect the Council's efficiency target.

9 CONSULTATION

9.1 Consultation to Date.

SMT/SPG have all considered the issues raised in this report.

9.2 Consultation proposed.

Corporate Resources Overview & Scrutiny Committee will consider the report on 7th December 2006.

10 RECOMMENDATIONS

The Executive is asked to:

- (i) Note the contents of the report.

11 REASONS FOR RECOMMENDATIONS

As stated above.

12 IMPLICATIONS

- Staffing/Resources – Not applicable
- Financial – Contained within the main body of the report
- Legal – Not applicable
- Corporate – SMT have been involved in the preparation of this report.
- Risk Management – Not applicable
- Equality Issues – Not applicable
- Environmental – Not applicable
- Crime and Disorder – Not applicable

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SEPTEMBER 2006CARLISLE RENAISSANCE

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	330,600	0	0	330,600
Budget to date	161,130	0	0	161,130
Actual	111,845	0	0	111,845
	<u>(49,285)</u>	<u>0</u>	<u>0</u>	<u>(49,285)</u>

Analysis of Main Variances

Service	Note	Variance £
Learning City Manager	1	(20,139)
General expenses	2	(23,545)
Miscellaneous variances		(5,601)
Total Variance to date		<u>(49,285)</u>

Notes

1. The underspend is as a result of the vacant Learning City Manager post. Recruitment is now underway.
2. The majority of general expenses will be spent in the latter part of the year. A public consultation took place in Sept 2006 - £30k and a further £11k has been vired into employee costs to fund a short term appointment of an Admin. Assistant.

Director's Comments

Carlisle Renaissance is initially a three year project. Any unused budget will be carried forward into the next financial year.

SEPTEMBER 2006**COMMUNITY SERVICES**

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	32,864,400	(8,068,900)	(13,482,800)	11,312,700
Budget to date	12,702,720	(4,000,709)	(3,355,118)	5,346,893
Actual	13,678,450	(3,979,696)	(4,210,740)	5,488,014
	975,730	21,013	(855,622)	141,121

Analysis of Main Variances

Service	Note	Variance £
Civic Centre Accommodation	1	(21,355)
Building Cleaning	2	(33,497)
Building Maintenance	3	225,317
Crematorium		19,098
Food	4	(34,387)
Green spaces		23,099
Highways	5	31,416
Pedestrianisation		(11,581)
CCTV		(19,177)
Public Lighting		14,753
Parking Management	6	96,785
Recycling & Waste Management	7	(35,965)
Community & Culture management		23,816
Tullie House	8	59,661
Sands Centre	9	(23,595)
Outdoor Recreation	9	(22,509)
Sports Development	10	(52,508)
Community Support		(27,311)
Miscellaneous variances		(70,939)
Total Variance to date		141,121

Notes

1. Reduced NNDR charge on Civic Centre in 2006/07.
2. Surplus on recharges to internal customers.
3. Work is being carried out to investigate this figure.
4. Vacancy due to unfilled post from restructure.
5. Includes Highways maintenance and Highways Claimed Rights.
6. Shortfall in ticket sales, PCNs and external parking schemes.
7. Contributions exceeding budget - to be spent on new recycling projects.
8. Overspends in Arts Development and shortfall in admissions income.
9. Underspends on premises repairs & maintenance.
10. Sports schemes/activities not yet completed (some funding received in advance).

Director's Comments

There are some variations caused by profiling of payments, late invoices and by the valuation of work in progress. The generation of income from car parks and at Tullie House remains significantly below profile. The car park deficit is being highlighted through the Charges Review and is identified as a budget pressure in the budget process. These budgets will continue to be closely monitored over the next 3 month in conjunction with colleagues in Finance.

SEPTEMBER 2006CORPORATE SERVICES

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	37,162,100	(28,954,000)	(4,121,000)	4,087,100
Budget to date	22,145,654	(18,268,029)	(879,931)	2,997,694
Actual	21,434,871	(18,763,546)	(914,690)	1,756,635
	(710,783)	(495,517)	(34,759)	(1,241,059)

Analysis of Main Variances

Service	Note	Variance £
Treasury Management	1	(150,008)
Salary Turnover Savings	2	80,048
LABGI balance	3	(107,200)
Risk Management/Insurance	4	(52,163)
Council Tax		(25,023)
Recovery	5	(44,982)
Benefits Assessment	6	(41,214)
Welfare Take Up Campaign	7	(49,458)
Concessionary Fares	8	75,487
Benefit Payments & Subsidy		137,132
Flood recovery	9	(1,090,483)
Miscellaneous variances		26,805
Total Variance to date		(1,241,059)

Notes

1. Increased investment interest received together with reduced interest paid on stock issue.
2. Reduced contributions against profiled corporate target to date. Total target has been increased since April.
3. Balance of Local Authority Business Growth Incentive grant to be allocated.
4. Approved rolling budget carried forward from 2005/06 not yet allocated.
5. Income from court costs. Budget profile needs to reflect that majority of income is received by July.
6. Supplies and services budgets underspent.
7. Balance of DWP grant to be spent.
8. It is projected that the budget will be overspent by £100,000 at the year end due to increased ridership.
9. Insurance settlement received in advance of flood recovery work being completed.

Director's Comments

The large insurance underspend is partly attributable to work still to be carried out or completed at either the Sheppmount or the Civic Centre. The Civic Centre work is largely complete but there is still a considerable amount of possible commitment to be incurred at the Sheppmount. The underspend also embraces an element of indemnity settlement monies received which as yet have not been committed or allocated.

SEPTEMBER 2006DEVELOPMENT SERVICES

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	9,594,500	(7,911,900)	(1,435,700)	246,900
Budget to date	2,810,949	(3,604,133)	0	(793,184)
Actual	2,910,429	(3,906,546)	0	(996,117)
	99,480	(302,413)	0	(202,933)

Analysis of Main Variances

Service	Note	Variance £
Management & Administration	1	(24,233)
Business & Employment	2	(21,655)
Business & Employment - Grants		(36,526)
Longtown MTI	3	36,272
Tourism & City Centre Development	4	17,938
Tourist Information Centres		19,087
Property Services	5	(53,894)
Industrial Estates - additional income	6	(196,551)
Corporate Properties	7	(24,275)
Planning Delivery Grant	8	61,979
Development Control	9	(39,203)
Conservation	10	(23,940)
Building Control operations	11	40,911
Hostels/Homeshares	12	30,720
HRA		27,924
Affordable Housing	13	(37,229)
Miscellaneous variances		19,742
Total Variance to date		(202,933)

Notes

1. £15,000 Grant from NWDA for Carlisle Renaissance
2. CHA Regeneration/Grants to Parish Councils
3. Showing an overspend on staff of £35,013 but this will be reimbursed by grant funding.
4. Pirelli rally £20,000 overspent (no budget). Virement to meet this cost from savings to be identified.
5. Underspends on Asset Review work which will take place later in year (£43,573), and salaries (£10,369)
6. Additional income of £186,355. This is in respect of arrears and offset by some costs.
7. Additional income from arrears offset by costs.
8. Expenditure incurred for legal fees relating to Tesco Inquiry and increased software costs for GIS.
9. Additional income from fees & charges £24,866. Some of this will be absorbed by additional service costs.
10. Grants for Urban Archaeology Database. They will be allocated as the work progresses.
11. Budgets to be revised between operations & client
12. Income for Homeshares £41,171 below budget (occupancy levels lower than expected). Will be addressed through remodelling of Hostel & Homeshares services.
13. Current employee underspend of £34,082. This will be used to resolve other housing staffing issues.

Director's Comments

The notes reflect the reasons behind the variances. Some are due to the actions of external partner agencies which we are trying to address, and others require appropriate funds to be vired from other budgets. We are reviewing the profiling of the spend to reduce occurrence of variances as far as possible.

SEPTEMBER 2006LEGAL & DEMOCRATIC SERVICES

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	3,564,600	(540,400)	(839,700)	2,184,500
Budget to date	957,306	(281,055)	0	676,251
Actual	949,266	(307,402)	0	641,864
	(8,040)	(26,347)	0	(34,387)

Analysis of Main Variances

Service	Note	Variance £
Town Twinning	1	(38,077)
Elections	2	15,174
Licensing	3	(14,878)
Land Charges	4	10,163
Miscellaneous variances		(6,769)
Total Variance to date		(34,387)

Notes

1. This is a rolling three year programme and any unused budget will be carried forward.
2. New responsibilities from April 2006 requiring postal votes and longer opening hours for polling stations have increased costs. This is being dealt with as part of the budget process.
have increased costs.
3. Additional income £8,579 (any surplus will be transferred to reserves to support service in future years).
4. It is difficult to profile the income budgets to reflect activity due the fluctuation in the number of searches in any given month. Further work will be carried out on profiling the budget during the year.

Director's Comments

Due to recent legislation, the directorate may incur additional work during the year in relation to the Council's Standards Committee and the investigation of complaints at a local level.

SEPTEMBER 2006PEOPLE, POLICY & PERFORMANCE SERVICES

	Gross Expenditure £	Gross Income £	Recharges £	Total £
Annual Budget	2,901,500	(149,600)	(2,265,600)	486,300
Budget to date	1,306,273	(104,738)	0	1,201,535
Actual	1,208,280	(88,546)	0	1,119,734
	(97,993)	16,192	0	(81,801)

Analysis of Main Variances

Service	Note	Variance £
Community Safety		(9,843)
Anti Social Behaviour Coordinator		14,568
Communications	1	(21,353)
Payroll	2	18,639
Corporate Training	3	(34,583)
Miscellaneous		(49,229)
Total Variance to date		(81,801)

Notes

1. £15k from vacancies to be used towards funding the LSP Manager for three years (fixed term post).
2. Funding to be identified for rental costs for Trent HR/Payroll system (£20,000 to date - full year £25,000).
3. Training and Corporate Recruitment budgets are held centrally and expenditure is shown in individual directorates. Further work needs to be carried out to allocate these budgets following reorganisation.

Director's Comments

Underspends principally reflect inaccurate profiling due to a lack of information (for example the new corporate training programme will shortly be agreed). New pressures for this year are likely to include the Learning City Manager and support for the implementation of the new Payroll & HR system. Full implementation of the occupational health service has slipped to enable a collaborative procurement with other district councils in Cumbria - this shared service will then deliver better value for Carlisle. Proactive occupational health (as a pilot) has already had a positive impact on sickness absence in the authority.

Gershon Efficiency Savings Update

This table incorporates changes submitted as part of the 2005/06 Backward Looking AES and a review of proposal

	2004/05 £	2005/06 £	2006/07 £	2007/08 £	Totals £	
Cashable - Recurring						
Capital receipts – income from interest	26,758	64,539	60,000	60,000	211,297	Evidenced for 200
Corporate Supplies & Services Budgets	50,000				50,000	In base budget - s
Telephones	15,000				15,000	In base budget - s
Grounds Maint Ind Estates	5,000				5,000	In base budget - s
Resources transferred from other Business Units to fund Customer Contact Centre frontline staff	33,000				33,000	In base budget - s
Democratic Representation	12,000				12,000	In base budget - s
Highways Claimed Rights	40,000				40,000	In base budget - s
	181,758	64,539	60,000	60,000	366,297	
Civic rating reduced		10,000			10,000	In base budget - s
Corporate Supplies & Services Budgets		30,000			30,000	In base budget - s
IT Procurement			20,000		20,000	In base budget - s
Computer Printing			12,500		12,500	In base budget - s
Telephony/Mobile Phone contract			20,000		20,000	In base budget - s
Flexible Working		40,000			40,000	In base budget - s
Reduced Sick leave			20,000		20,000	Delay in delivery
Rationalisation of depots			25,000		25,000	Delay in delivery
Home Working		7,000			7,000	In base budget - s
Improved productivity in Benefits Assessment. Increased caseload dealt with at reduced cost		110,078			110,078	BV78 supports th £19k) In base.

Restructure				80,000	80,000	Reduced to £80k
Carlisle Leisure Contract	33,364	9,719			43,083	Represents the o
Staff Turnover		200,000	110,000		310,000	In base budget - :
Council Tax improved collection rates		5,591			5,591	Will be reflected i
	215,122	476,927	267,500	140,000	1,099,549	
Rates appeals			25,000		25,000	In base - monitori
Energy Efficiency			20,000		20,000	In base - monitori
New Payroll system			3,000		3,000	In base - monitori
UNIX server rationalisation			5,000		5,000	In base - monitori
Implementation of VOIP			15,000		15,000	In base - monitori
Central Mail & Doc. Image Processing			20,000		20,000	In base - monitori
Rationalisation Grounds Contract			20,000		20,000	In base - monitori
	215,122	476,927	375,500	140,000	1,207,549	
Rates appeals				20,000	20,000	In base budget - i
Energy Efficiency				15,000	15,000	In base budget - i
	215,122	476,927	375,500	175,000	1,242,549	

	2004/05	2005/06	2006/07	2007/08	Totals	
Non Cashable						
Corporate sickness absence efficiency. Reduction in days taken off sick from 12.87 days in 2004/05 to 10.91 days in 2005/06		149,800			149,800	Supported by BV
Improved productivity in Benefits Assessment. Increased caseload dealt with at reduced cost		15,345			15,345	BV78 supports th
Additional benefits fraud detection – employment of an additional Fraud Officer which would be self financing through improved detection rates and subsequent income from DWP (RBS)		47,550			47,550	BV76 supports th
Energy Efficiency (CTS)			5,000	5,000	10,000	In base budget - :
Joint IT arrangements (CIS)			25,000		25,000	In base budget - :
Increased benefits assessment through homeworking initiative – 15% more claims processed (£10,000 in years 2006/07 onwards) (RBS)			10,000		10,000	BV78 should sup
Non Cashable Totals	0	212,695	40,000	5,000	257,695	
Cashable & Non Cashable	215,122	689,622	415,500	180,000	1,500,244	Government Rec

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Efficiency Savings Monitoring Spreadsheet 2006/07

	2006/07 Saving Target			Directorate Lead	Revised Projection 06/07 Cashables not in base as yet £	Date Implemented	Action
	Cashable £	Non Cashable £	Total £				
Environmental Services							
Sub Total	0	0	0		0		
Culture and Sport							
Sub Total	0	0	0		0		
Corporate Services							
Rationalisation of computer printing	12,500		12,500	JN		06/07 Budget	Included in 2006/07 base budget
Civic rating reduced	25,000		25,000	RS		06/07 Budget	Included in 2006/07 base budget
Capital receipts – income from interest	60,000		60,000	AB		06/07 Budget	Will be reflected in improved investment income at the end of the year.
Energy Efficiency [includes £5k for CTS]	20,000	5,000	25,000	RO/Mba		06/07 Budget	£20k included in 2006/07 base budget, CTS balance non-cashable.
New Payroll System	3,000		3,000	MM		06/07 Budget	Included in 2006/07 base budget
UNIX Server Rationalisation	5,000		5,000	JN		06/07 Budget	Included in 2006/07 base budget
Implementation of VOIP	15,000		15,000	JN		06/07 Budget	Included in 2006/07 base budget
Central Mail and Document Image Processing	20,000		20,000	JN		06/07 Budget	Included in 2006/07 base budget
Joint IT arrangements [CIS]		25,000	25,000	JN			Evidence required from Head of ITC
Sub Total	160,500	30,000	190,500		0		
Procurement							
Rationalisation of Grounds Maintenance Contract	20,000		20,000	MBa		06/07 Budget	Included in 2006/07 base budget
Telephony (£10k) & Mobile Phone Contract (£10k) Savings	20,000		20,000	MBa		06/07 Budget	Included in 2006/07 base budget
IT Procurement	20,000		20,000	JN		05/06 Budget	Not achieved 2005/06 but brought forward into 2006/07 base budget
Sub Total	60,000	0	60,000		0		
Productive Time							
Reduction of 1% in sickness levels within Commercial and Technical Services. Further implementation of the Attendance Management policy within the Council should result in further reduction in absenteeism but this has not yet been quantified.	20,000		20,000	MBa		06/07 Budget	Included in Savings Report FS26/05 and reflected in 2006/07 base budget
Sub Total	20,000	0	20,000		0		
Transactions							
Increased benefits assessment through homeworking initiative – 15% more claims processed		10,000	10,000	PM			Included in Budget Savings Report FS26/05 for 06/07 but now a non-cashable efficiency
Sub Total	0	10,000	10,000		0		
Miscellaneous Efficiencies							
Rationalisation of Council depots (currently under review). In addition to the revenue saving indicate there may be a capital receipt from disposal of any surplus asset.	25,000		25,000	MBa/RS		06/07 Budget	Included in Savings Report FS26/05 and reflected in 2006/07 base budget
Staff Turnover additional to 2005/06	110,000		110,000	All			Continually monitored as part of Budget monitoring process
Sub Total	135,000	0	135,000		0		
Totals	375,500	40,000	415,500		0		

Actions:**Cashable**

These have to be shown to either 1) be transferred to frontline services or 2) result in reduction in the Ctax burden (a cut that does not affect quality or volume of services).

They are reflected in the 2006/07 to 2008/9 Budget Process as set out in Actions above.

Cashable & Non cashable evidence

The evidence for having achieved these should be provided to SMCg for the file as soon as please.