

RESOURCES OVERVIEW AND SCRUTINY PANEL

Panel Report

Public

Date of Meeting: 04 December 2012

Title: REVENUE BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO SEPTEMBER 2012

Report of: Director of Resources

Report reference: RD51/12

Summary:

This report provides an overview of the General Fund revenue budgetary position for the period April to September 2012 and was considered by the Executive on 19 November 2012.

Questions for / input required from Scrutiny: To note the variances contained within the report.

Recommendations: Members of the Resources Overview and Scrutiny Panel are asked to note the budgetary performance position for the period April to September 2012.

Contact Officer: Maureen McCartney

Ext: 7291

REPORT TO EXECUTIVE

PORTFOLIO AREA: FINANCE, GOVERNANCE AND RESOURCES

Date of Meeting: 19 November 2012

Public

Key Decision: No

Recorded in Forward Plan: No

Inside Policy Framework

**Title: REVENUE BUDGET OVERVIEW AND MONITORING REPORT:
APRIL TO SEPTEMBER 2012**

Report of: Director of Resources

Report reference: RD51/12

Summary:

This report provides an overview of the Council's overall budgetary position for the period April to September 2012 for revenue schemes 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 September 2012;
- (ii) Note the review of underachieved savings and make recommendations to Council in respect of the funding of these savings as detailed in Appendix B; and
- (iii) Note the action by the Director of Resources to write-off bad debts as detailed in paragraph 9.

Contact Officer: Maureen McCartney

Ext: 7291

CITY OF CARLISLE

To: The Executive
19 November 2012

RD51/12

REVENUE BUDGET OVERVIEW AND MONITORING REPORT APRIL TO SEPTEMBER 2012

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 Throughout the report, the use of brackets indicates a credit or income budget, and the term underspend also relates to additional income generated.

2. REVENUE BUDGET OVERVIEW

- 2.1 The following statement shows the total annual revenue budget as at September 2012:

2012/13 Revenue Budget	£
Approved Budget (Council resolution – February 2012)	13,987,100
Carry forward requests (2011/12 out-turn)	357,500
Council Resolution 2012/13	14,344,600
Non-Recurring Expenditure	
Transformation Costs (funded from Transformation Reserve)	122,200
Clean up Carlisle	20,000
Updated Budget 2012/13	14,486,800

3. 2012/13 BUDGET MONITORING

3.1 The summarised budgetary position as at September 2012 is shown below:

Directorate / Appendix		Annual Net Budget	Net Budget to date	Net Spend to date	Adjusted Variance
		(£)		(£)	(£)
Chief Executive's Team	A1	250,700	62,159	72,565	10,406
Community Engagement	A2	7,863,300	3,246,451	3,310,500	64,049
Economic Development	A3	1,848,300	788,170	957,100	168,930
Governance	A4	1,852,500	939,637	948,137	8,500
Local Environment	A5	5,991,800	3,696,942	3,637,526	(59,416)
Resources	A6	(3,319,800)	(331,900)	(892,730)	(560,830)
Total		14,486,800	8,401,459	8,033,098	(368,361)

3.2 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.

3.3 The figures for the Resources directorate in the above table and attached **Appendix A6** include corporate budgets held centrally.

4. KEY ISSUES

- 4.1 The Salary Turnover Savings budget is a corporate target for the Council and savings from salary budgets across the authority are measured and then transferred to it. The full year target for 2012/13 is £242,500. Transfers of £332,200 have been made against the six months target of £121,300, giving a surplus to date of £210,900. This is due to a number of vacancies being held pending decisions on Transformation and agreed savings from staffing, including deletion of the Strategic Director's post.
- 4.2 Members are reminded that Council, at its meeting on 13th November, considered a transformational savings progress report (RD35/12) which recommended non-recurring revenue savings of £218,453 for 2012/13. Following the approval process, there will be a corresponding increase in Revenue Reserves and these savings will be incorporated into the next budget monitoring report which will be considered in February 2013. The recurring impact of these savings forms part of the 2013/14 budget process and are included in report RD45/12 elsewhere on the agenda.

- 4.3 A further review has been undertaken on savings identified in previous years in accordance with Gershon and the efficiency agenda prior to implementation of the current Savings Strategy and the transformation process. Some savings have not been achieved and it is recommended that these be removed from the service budgets and be funded from savings achieved prior to transformation on Vacancy Management. This will require the approval of full Council, given the overall value of virement totalling £344,300 in 2012/13, rising to £358,500 in 2013/14 onwards.

Appendix B provides the relevant details.

5. FORECAST OUTTURN POSITION – 2012/13

- 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 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 and rents.

- 5.2 The Council's financial position continues to be closely monitored. A detailed analysis will be provided in the next quarterly report after the Transformation savings have been taken and the third quarter's figures are available to give a clearer indication of the potential year end position.

6. HIGH RISK BUDGETS

- 6.1 A number of high-risk budgets have been identified which require detailed monitoring throughout the year. These include income budgets, recurring and non-recurring bids, approved in the 2012/13 Council Resolution.

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

Budget Area	Annual Budget £	Budget to date £	Actual to date £	Variance £	para
Hostels	(548,100)	(281,720)	(286,829)	(5,109)	6.3
Building Control	(334,300)	(184,245)	(145,450)	38,795	6.4
Development Control	(525,800)	(289,715)	(264,341)	25,374	6.5
Enterprise Centre	(154,100)	(77,190)	(51,534)	25,656	6.6
Land Charges	(150,000)	(79,761)	(84,713)	(4,952)	6.7
Bereavement Services	(1,132,300)	(521,246)	(513,949)	7,297	6.8
Off Street Parking	(1,253,900)	(655,397)	(575,433)	79,964	6.9
Industrial Estates	(2,629,300)	(1,315,014)	(1,317,043)	(2,029)	6.10
Lanes	(1,404,000)	(702,000)	(799,645)	(97,645)	6.11

- 6.3 Income from the Hostels is showing a small improvement of 1.8% on the budget to date.
- 6.4 The reduced income levels from Building Control fees continue to challenge the service managers and spending is being held at the lowest possible level in an attempt to offset the anticipated budget shortfall, currently running at 21%.
- 6.5 Development Control charges income has continued to decline in recent years with fewer planning applications received due to the economic downturn and the annual budget expectation for 2012/13 was reduced by £135,500. The income for the first half year is almost 9% below this new target.
- 6.6 Local small businesses continue to feel the ongoing effects of the recession and this is reflected in the number of empty units at the Enterprise Centre and the significant drop in income (33% down on the budget to date) from lettings.
- 6.7 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, income for the first half year is achieving 6% more than the budget.
- 6.8 The income from Bereavement Services fell short of the 2011/12 target by £53,126 and the budget level is increased by £41,200 for 2012/13. The income achieved for the first six months of 2012/13 is running at a similar rate to the previous year and therefore the potential year end shortfall is increased.
- 6.9 Income generated from car parking has been consistently lower than the level budgeted for a number of years and for the period April to September 2012 there is a shortfall on the forecast to date of over 12%. However, there were significant changes to the charging strategy following a full review of the car park income during 2011/12 and the impact of the changes introduced in March 2012 has yet to be realised.
- 6.10 Adjustments for rent recovered to date from sites now sold, have helped to offset the full effects of the downturn in the property market. However, there is still potential for a shortfall in Industrial Estates' rental income at the end of the current financial year.
- 6.11 Income from the Lanes was reduced by £276,900 to meet the potential shortfall in income and early indications show that this shortfall is likely to continue. However, the Managing agents of the Lanes have now determined that the 2011/12 final rentals were significantly ahead of expectations, resulting in a windfall of additional income for the Council in this year in respect of last year.

7. S.106 COMMUTED SUMS

7.1 At 30th September 2012 balances totalling £1,499,466 are held in respect of Section 106 agreements and other commuted sums, with a further £4,532,454 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 the 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 £825,540 of the sums held, in respect of projects for which Cumbria County Council is responsible, including the Caldew Cycleway and Public Realm. Should the County Council not progress these projects, or they remain incomplete before the agreed deadlines, the custodial sums must be repaid, along with a premium for interest, to the Developers. Further details of the balances retained are set out in the table below:

Commuted Sums 2012/2013	Opening Balance & Receipts	Spend	Retained Balance 30/09/12	Expected Sums
	(£)	(£)	(£)	(£)
Affordable Housing Contributions	15,000	0	15,000	31,000
Cycleway & Public Realm	756,000	0	756,000	0
Education	0	0	0	3,500,000
Play Areas & Facilities	287,488	0	287,488	0
Public Open Spaces Provision/Maintenance	448,874	77,436	371,438	238,788
Sports Provision/Maintenance	0	0	0	48,584
Transport & Pedestrianisation	69,540	0	69,540	714,082
Total	1,576,902	77,436	1,499,466	4,532,454

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 31/03/2012	Balance at 30/09/2012	Note
Investments	£16.8m	£23.3m	(i)
Loans	£15.0m	£15.0m	(ii)
Debtors	£1.36m	£2.86m	(iii)
Creditors	£0.006m	£0.25m	

- (i) The anticipated return on these investments is estimated at £431,400 for 2012/13 with current projections anticipated to be slightly below this target.
- (ii) The cost of managing this debt, in terms of interest payable, is budgeted at £1,319,100 in 2012/13 with costs currently on target. There are no proposals for further borrowing during 2012/13, although the position will need to be kept under review in respect of vehicle purchases.
- (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 outstanding claims with Cumbria County Council for Highways Claimed Rights and Civic Centre accommodation charges.
- (iv) Use of reserves
The usage and level of all Council reserves are set out in the Medium Term Financial Plan (RD 29/12), approved by full Council in September 2012. It is anticipated that £1.3m will be required from the Council's Revenue Reserves to fund revenue expenditure in 2012/13 (including £357,500 of 2011/12 carry forwards). Any under or overspend at the year end will adjust the balance transferred to or from the reserve with approximately £218,000 being returned to revenue reserves as a result of transformation savings delivered early in 2012/13 as considered by Council on 13th November. Council reserves are under significant pressure for 2012/13 and the savings strategy approved in February 2012 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 continues to be closely monitored with the figure for the 1st quarter being 3.79% (excluding central recharges). The figure for the period ending 30th September is still being calculated but is likely to be below the 5% limit set by HMRC.

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 £313,812.27 have been written off; £87,228.90 for March 2012 and £226,583.37 for the period 1st April to 30th September 2012. A summary of the bad debts is given in Table 1, **Appendix C** of this report and these costs will fall against the following:

	£
General Fund	47,582.63
Council Tax Pool	53,267.01
NNDR Pool	212,962.63
Total Write-offs	313,812.27

- 9.2 The “write-ons” itemised in Table 2, **Appendix C**, totalling £9,418.83, are in respect of balances originally written off that have since been paid, credit write-offs for March 2012 and the period from 1st April to 30th September 2012. The write-ons will be credited as follows:

	£
General Fund	9.48
Council Tax Pool	3,885.73
NNDR Pool	5,523.62
Total Write-ons	9,418.83

- 9.3 In the case of the General Fund, the write-offs will be charged against provisions for bad debts (except for PCN's which are accounted for on a cash basis). 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 is broadly in line with expectations and at this level will be within the scope of the current provisions to fund the bad debts. However, this situation is continuously under review and any major deviations will be the subject of future reports.

10. CONSULTATION

- 10.1 Consultation to Date.
SMT and JMT have considered the issues raised in this report.

10.2 Consultation Proposed

Resources Overview & Scrutiny Panel will consider the report on 4 December 2012.

11. RECOMMENDATIONS

The Executive is asked to:

- (i) Note the budgetary performance position of the Council to September 2012;
- (ii) Note the review of underachieved savings and make recommendations to Council in respect of the funding of these savings as detailed in Appendix B; and
- (iii) Note the action by the Director of Resources to write-off bad debts as detailed in paragraph 9.

12. REASONS FOR RECOMMENDATIONS

To show that the Executive has been informed of the Council's actual financial position compared with the budgeted position and to bring to their attention any areas of concern.

13. 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 – Included in the report above.
- Equality Issues – Not applicable.
- Environmental – Not applicable.
- Crime and Disorder – Not applicable.

14. IMPACT ASSESSMENTS

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	No	N/A
Disability	No	N/A
Race	No	N/A
Gender/ Transgender	No	N/A
Sexual Orientation	No	N/A
Religion or belief	No	N/A
Human Rights	No	N/A
Health inequalities	No	N/A
Rurality	No	N/A

This report provides an overview of the Council's overall budgetary position for the period April to September 2012 for revenue schemes and gives reasons for variances and has no negative impact on the above.

PETER MASON
Director of Resources

Contact Officer: Maureen McCartney

Ext: 7291

REVENUE BUDGET MONITORING 2012/13

CHIEF EXECUTIVE'S TEAM	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	1,566,500	(23,500)	(1,292,300)	250,700
Budget to date	712,122	(14,305)	(635,658)	62,159
Total Actual	711,177	(14,550)	(624,062)	72,565
Adjusted Variance	(945)	(245)	11,596	10,406

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Policy and Communications	1	16,021	0	2,347	18,368
Miscellaneous	2	(16,966)	(245)	9,248	(7,962)
Total Variance to date		(945)	(245)	11,596	10,406

Note	Chief Executive's Comments
1.	Savings to be achieved from subscriptions budget.
2.	Various net minor underspends across the service.

REVENUE BUDGET MONITORING 2012/13

COMMUNITY ENGAGEMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	13,677,500	(4,452,400)	(1,361,800)	7,863,300
Budget to date	7,446,940	(3,519,312)	(681,177)	3,246,451
Total Actual	7,668,144	(3,676,754)	(680,890)	3,310,500
Variance	221,204	(157,442)	287	64,049
Carry Forwards				0
Adjusted Variance	221,204	(157,442)	287	64,049

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Community Support	1	73,836	(19,505)	0	54,331
Community Centres	2	29,017	(1)	0	29,016
Hostels and Homeshares	3	19,355	(5,122)	0	14,233
Revenues & Benefits Shared Services	4	(36,730)	(21,591)	0	(58,321)
Miscellaneous	5	135,725	(111,223)	287	24,790
Total Variance to date		221,204	(157,442)	287	64,049

Note	Community Enagagement - Director's Comments
1.	Funding to be identified for spend on Tour of Britain Cycle Race.
2.	Overspend on building repairs and £11,800 budget savings yet to be identified.
3.	Overspends due to delays in implementing new staffing structure and charging regime.
4.	Underspends on staffing due to vacant posts and grant income received in advance.
5.	Net overspend relates to miscellaneous variances across services.

REVENUE BUDGET MONITORING 2012/13

ECONOMIC DEVELOPMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	3,776,900	(1,292,700)	(635,900)	1,848,300
Budget to date	1,871,321	(765,071)	(318,080)	788,170
Total Actual	1,937,131	(662,080)	(317,950)	957,100
Variance	65,810	102,991	130	168,930
Carry Forwards				0
Adjusted Variance	65,810	102,991	130	168,930

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Building Control	1	(11,306)	38,531	0	27,224
Enterprise Centre	2	4,244	25,656	0	29,900
Development Control	3	90,885	25,990	0	116,875
Miscellaneous	4	(29,319)	51,345	130	22,156
Total Variance to date		65,810	102,991	130	168,930

Note	Economic Development - Director's Comments
1.	Savings on staff and other costs set aside to alleviate shortfall in fee income
2.	Overspends on NNDR and income shortfall from lettings due to empty units.
3.	Professional fees for inquiries etc: Airport £34,811 and Newlands Wind Farm £61,842; and fee income shortfall
4.	Net overspend various service underspends and income shortfalls.

REVENUE BUDGET MONITORING 2012/13

GOVERNANCE	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	3,102,200	(420,700)	(829,000)	1,852,500
Budget to date	1,587,752	(233,439)	(414,676)	939,637
Total Actual	1,610,160	(247,531)	(414,492)	948,137
Variance	22,408	(14,092)	184	8,500
Carry Forwards				0
Adjusted Variance	22,408	(14,092)	184	8,500

15

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Electoral Registration	1	17,983	350	(8)	18,324
Municipal Elections	2	19,985	0	0	19,985
Committee Services	3	(18,449)	0	38	(18,411)
Miscellaneous	4	2,889	(14,442)	154	(11,399)
Total Variance to date		22,408	(14,092)	184	8,500

Note	Governance - Director's Comments
1.	Overspend on postages.
2.	Overspend on setting up and provision of polling booths.
3.	Underspend on printing and photocopying.
4.	Net minor underspend surplus income across the service

REVENUE BUDGET MONITORING 2012/13

LOCAL ENVIRONMENT	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	18,392,300	(8,440,800)	(3,959,700)	5,991,800
Budget to date	9,930,792	(4,254,492)	(1,979,358)	3,696,942
Total Actual	9,294,574	(3,683,810)	(1,973,238)	3,637,526
Variance	(636,218)	570,682	6,120	(59,416)
Carry Forwards				0
Adjusted Variance	(636,218)	570,682	6,120	(59,416)

16

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Bereavement Services	1	12,093	8,361	74	20,529
CCTV	2	(20,779)	255	0	(20,524)
Environmental Protection	3	(26,953)	(2,454)	93	(29,314)
LE Management & Administration	4	(37,367)	0	71	(37,296)
Neighbourhoods & Green Spaces	5	(61,324)	(4,197)	144	(65,377)
Parking	6	(33,485)	126,621	60	93,196
Highways Maintenance	7	(342,946)	472,266	5,480	134,800
Misc Highways & Environment Expenses	8	(24,975)	0	0	(24,975)
City Lighting	9	(29,672)	0	0	(29,672)
Recycling & Waste Management	10	(71,265)	(55,098)	100	(126,263)
Miscellaneous	11	455	24,929	98	25,481

REVENUE BUDGET MONITORING 2012/13

Total Variance to date		(636,218)	570,682	6,120	(59,416)
------------------------	--	-----------	---------	-------	----------

Note	Local Environment - Director's Comments
17	<ol style="list-style-type: none"> 1. Overspend on premises repairs and income shortfall. 2. Underspent maintenance and staffing costs 3. Late start to fixed term contracts - budgets to be rolled forward to subsequent periods. 4. Underspends on centrally held budgets, including IT software, printing and internal training 5. Underspent materials and surplus income 6. Off Street Parking: Shortfall for ticket sales etc. of £79,286. Administration net includes NNDR £14,674 On Street Parking: (£1,211) net includes administration savings offset by £15,480 income shortfall from PCN's etc. Other Parking Contracts: Net shortfall £13,520 Eden DC, (£3,897) William Street (CCC) and £3,325 Marks & Spencer. 7. Savings on sub-contractors and other operational expenses offset by shortfall in income and recharges for highways maintenance works. The year on year decrease in Claimed Rights budgets and capital projects has put the Highways' Team's ability to achieve the level of income fixed in the budgets at high risk. 8. Underspent small scale Councillors' projects. 9. Underspent energy costs and lighting maintenance 10. Underspends on staffing and transport costs and net surplus on income 11. Various minor overspends and income shortfall across the services.

REVENUE BUDGET MONITORING 2012/13

RESOURCES	Gross Expenditure	Gross Income	Recharges	Adjusted Total
Position as at 30th September 2012	£	£	£	£
Annual Budget	49,194,600	(45,809,000)	(6,705,400)	(3,319,800)
Budget to date	26,482,395	(23,222,692)	(3,591,603)	(331,900)
Total Actual	25,732,004	(22,958,494)	(3,666,240)	(892,730)
Variance	(750,391)	264,198	(74,637)	(560,830)
Carry Forwards				0
Adjusted Variance	(750,391)	264,198	(74,637)	(560,830)

18

Analysis of Variances		Expenditure Variance	Income Variance	Recharges Variance	Adjusted Variance
Service	Note	£	£	£	£
Building Maintenance	1	(310,465)	304,906	5,420	(140)
Stores & Stock Account	2	126,964	(124,830)	12	2,146
Civic Centre	3	(22,433)	(4,363)	135	(26,661)
Non Distributed Costs	4	(80,353)	0	0	(80,353)
Other Financial Costs	5	(409,755)	(371)	0	(410,126)
ICT Services	6	(8,541)	(27)	75,382	66,814
The Lanes	7	584	(97,645)	0	(97,061)
Miscellaneous	8	(46,391)	186,529	(155,586)	(15,447)
Total Variance to date		(750,391)	264,198	(74,637)	(560,830)

Note	Resources - Director's Comments
	<ol style="list-style-type: none"> 1. Underspend on contractors offset by income shortfall 2. Opening balance and supplies purchased on stores account, offset by levels of stock issued to services. 3. Includes NNDR refund following revaluation and improved rental income. 4. Savings on shared service pension costs 5. Improved savings: (£210,900) Salary Turnover Savings, (£48,000) ECUA and Business Travel Expenses Review, (£54,000) 0% Pay Award, (£45,200) savings from termination of Principal Officers Leased Cars Scheme and (£59,200) Transformation. 6. Overspend on contract supplies and shortfall in income from ICT Connect printing and copying service, dedicated staff are no longer provided at the facility in Carlisle, consequently printing has been diverted to new printers recently installed throughout the Civic Centre. 7. Shortfall offset by windfall on previous years' income 8. Various minor savings, shortfalls in income and increased recharges.

Description	2012/13 unachievable	2013/14 unachievable	Comments
ORIGINAL £3M SAVINGS TARGET (3999)			
Tullie House Trust	(13,000)	(13,000)	Additional savings proposed initially when Tullie House transferred to Trust. Unachievable and will be looked at when Tullie House submit their next Business Plan. Any additional savings will be built into future years through the 2013/14 budget process.
Tourist Information Centres	0	(15,200)	Balance of savings unachieved from original target of £23,000. To be looked at again through new tranche of savings put forward.
Public Conveniences	(14,900)	(12,900)	Unachievable due to decision by Members not to close all public conveniences as originally planned.
Service Support Team (Phase 2)	(50,500)	(50,500)	Savings unachievable as Corporate wide Service Support Team not progressed.
Executive & Member Support	(5,000)	(5,000)	Unachievable savings due to revised staffing arrangements agreed during savings process.
	(83,400)	(96,600)	
SAVINGS PRE-DATING TRANSFORMATION			
Stores	(7,000)	(7,000)	Savings approved during 2009/10 budget process from a review and streamline of working practices. Unachievable as have now been superseded by transformation savings that have been achieved.
Tullie House	(27,700)	(27,700)	£40,000 originally approved through 2003/14 budget process. £20,000 savings added in 2009/10 to balance the reduction in visitor services admission charges. Balance of savings unachievable as Tullie House now transferred to Trust.
Arts & Museums	(11,000)	(11,000)	£25,000 approved through 2008/09 budget process from a Review of Arts & Events. Savings increased to £50,000 through 2009/10 budget process. Balance of savings unachievable as Tullie House now transferred to Trust.
Customer Services Review	(36,000)	(36,000)	Savings approved as part of 2009/10 budget process from developing the Customer Contact Centre to channel more customer facing services through one point of contact. Unachievable and have been superseded by Transformation savings that have been achieved.
Community Services Review	(10,800)	(10,800)	£53,000 savings approved through 2008/09 budget process. Balance of savings unachievable and have been superseded by transformation savings that have been achieved.
Document Image Processing	(20,000)	(20,000)	Savings approved through 2006/07 budget process. This project is now underway but due to savings already taken for Service Support Team and the Printing Review these savings are now unachievable.
Community Centres - Gas	(11,800)	(11,800)	Balance of carbon trust savings approved though 2009/10 budget process. City Council is responsible for Community Centre buildings but do not pay the gas invoices and therefore these savings are unachievable.
Tullie House Building - Gas	(1,900)	(1,900)	Balance of carbon trust savings approved though 2009/10 budget process. Savings unachievable now as Tullie House transferred to Trust.
Recurring Impact of Job Evaluation	(43,700)	(43,700)	The recurring impact of job evaluation is higher than the budget originally set aside.
Procurement Savings	(23,500)	(23,500)	£100,000 savings approved from 2008/09 through 2007/08 budget process. Balance of savings unachievable.
	(193,400)	(193,400)	

Description	2012/13 unachievable	2013/14 unachievable	Comments
2012/13 £600,000 SAVINGS TARGET			
Building Services	0	(1,000)	Delayed implementation resulted in shortfall in savings for 2012/13.
Unidentified	(4,500)	(4,500)	Savings not identified from original £600,000 target.
	(4,500)	(5,500)	
£100,000 NON-STAFFING SAVINGS			
Non-staffing savings	(63,000)	(63,000)	£37,000 savings identified and input to ledger.
	(63,000)	(63,000)	
	(344,300)	(358,500)	

	2012/13	2013/14
Savings overachieved as per ledger	422,400	475,300
Savings Unachievable	(344,300)	(358,500)
Additional Savings Achieved	7,000	7,000
Recurring Savings Overachieved	85,100	123,800

TABLE 1 Type of Debt	Write-Offs March 2012		Write-Offs 1 April 2012 to 30 September 2012	
	No.	£	No.	£
NNDR	5	65,826.58	31	147,136.05
Council Tax	44	13,858.13	92	39,408.88
Debtors:				
Private Tenants			83	18,550.59
Housing Benefit Overpayments			1	53.03
General Fund			75	7,567.38
Penalty Charge Notices:				
On Street	76	6,927.19	128	11,793.44
Off Street	7	617	22	2,074.00
Ex FTA Benefit				
TOTAL	132	87,228.90	432	226,583.37

TABLE 2 Type of Debt	Write-Ons March 2012		Write-Ons 1 April 2012 to 30 September 2012	
	£		£	
NNDR		2,575.04		2,948.58
Council Tax		1,948.71		1,937.02
Debtors:				
Private Tenants				
Housing Benefit Overpayments				
General Fund				9.48
Ex FTA Benefit				
TOTAL		4,523.75		4,895.08