

Report of	Meeting	Date
Director of Finance	Overview and Scrutiny Committee	13 October 2005

## REVENUE BUDGET MONITORING 2005/06 – REPORT 2 (END OF AUGUST)

### PURPOSE OF REPORT

1. This paper sets out the current financial position of the Council as compared against the budgets and efficiency savings targets it set itself for 2005/06 for the General Fund and the Housing Revenue Account.

### CORPORATE PRIORITIES

2. This report does not directly relate to the corporate priorities.

### RISK ISSUES

3. The issues raised and recommendations made in this report involve risk considerations in the following categories:

Strategy	✓	Information	
Reputation	✓	Regulatory/Legal	
Financial	✓	Operational	✓
People		Other	

4. Actions to manage the budget have the potential to impact on all the above risk categories.

### BACKGROUND

5. The Council's budget for 2005/06 included real cash savings targets of £228,000 from the management of the establishment and a further £100,000 of savings to come from efficiency and Gershon related activities.

### CURRENT FORECAST POSITION

6. In my last report I advised on the projected outturn which forecast an overspend of £239,000, but recommended that no action be taken at this early stage of the financial year. This report shows that the position has improved slightly and the overspend is now forecast to be £160,000.

Continued....



7. The latest forecast shows how the position has improved. The significant movements since my last report are shown in the table below, further details are contained in the attached appendices:

**Table 1 – Significant Variations since the last monitoring report**

	<b>£'000</b>
Additional salary related savings	-86
Procurement savings forecasted in HR unit	-20
Further loss of income on land charges and search fees	+19
Further savings on indoor Leisure contract	-22
Loss of Room Hire Income for Lancastrian suite	+10
Net savings on Highways DSO	-30
Net cost of Financing	+50
Net change since July report	-79

8. In the last report I commented that no progress has been made on the identification of Procurement related savings against the target for the year of £100,000, although plans were being made to address this. Following the introduction of a new HR recruitment process which is being piloted over the next few months, procurement related savings of £20,000 have been identified to contribute towards this target.
9. The reduction in land charges income and search fees continues to be of concern. The current forecast has reduced income by a further £19,000. This currently gives a positive contribution to the General Fund of only £12,000. Should income fall further then this service would actually cost the council rather than contribute to it's overheads.
10. In the event that future forecasts show income is to be eroded by a further £12,000 then we will be in a position where the costs of the department are not being matched by the income generated from it. This position will continue to be monitored closely.
11. The new indoor leisure contract has not yet been signed. The resulting effect is that costs are forecasted to be £22,000 lower than originally projected.
12. The net savings from the Highways DLO is made up of cost savings of £60,000 offset by a reduction in income of £30,000. Both of these items are primarily due to a reduction in the amount of Highways tree work being undertaken in this financial year.
13. Additional costs relating to the Net Financing Transactions have been included in the current forecasts. This is mainly due to the reduction in council house sales adversely affecting our cashflow position.
14. Taking into account the points raised above, the current forecast position is that General Fund balances will be £160,000 lower than anticipated at the end of the year unless further savings accrue.
15. I now feel it is appropriate to take some limited actions to help ensure the budget comes back into balance. My suggestions are that:
- Vacant positions are only filled by agency staff with the express permission of the two Group Directors until such time as the budget position improves.
  - Finance staff implement a line by line review of budgets with service heads prior to the production of next months monitoring statement.

## **HOUSING REVENUE ACCOUNT**

### **BACKGROUND**

16. The higher than expected contributions to balances at the end of 2004/05 has taken the forecast for the HRA at the end of 2005/06 to £618,000

### **CURRENT POSITION**

17. Since my last report, additional salary costs of £50,000 are now being forecasted. These relate directly to capacity issues.
18. In addition to the above there has been an agreement to transfer £40,000 to the General Fund as a contribution to Housing Benefit Costs in line with current regulations and additional recharges will also be borne by the HRA as a one off due to additional time being spent on HRA activities by some support staff during the stock transfer process.
19. The additional costs above are partially offset by £117,000 additional rental income being forecasted. As previously stated the reason for the increase in the rental income is due to the lower than anticipated level of council house sales.
20. I am pleased to report that both the repairs budget and the trading account are only slightly off target. This situation can be recovered by the end of the year.
21. The forecast position for the HRA now stands at £547,000 at the end of the year.

### **SUMMARY**

22. Further progress has been made towards the Corporate Savings Target of £228,000 for the year. Additional savings are likely to be made as the year progresses and more vacancies occur.
23. Progress has been made towards the Efficiency Savings Target of £100,000, although there is still some way to go to achieve the full target for the year, although work is still ongoing in this area.
24. Given the limited progress being made in achieving Corporate savings targets and the impact of the loss of income from land charges, some limited action is to be taken in an attempt to redress the expected budget deficit.
25. For the HRA, whilst there are some cost pressures causing an increase in expenditure, the reduction in the right to buy sales means additional rental income is being generated for the account, and overall the budget remains on target.
26. Given the issues referred to above, it is recommended that the position to freeze expenditure from the remaining contingency fund is maintained.

### **RECOMMENDATIONS**

27. Executive Cabinet are asked to:
  - a) Note the report.
  - b) Agree to the actions outlined in paragraph 16 until such time that the budget position improves.

## REASONS FOR THE RECOMMENDATIONS

28. The recommendations are made in order to address the currently forecasted budget deficit.

## ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

29. None.

GARY HALL  
DIRECTOR OF FINANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Phil Eskdale-Lord	5483	23 September 2005	ADMINREP/REPORT

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## 1. Summary

### General Fund Revenue Budget Monitoring 2005/06

Forecast Outturn as at August 2005

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Original Budget	Agreed Changes	Original Cash Budget	Contribution to Corporate Savings	Current Cash Budget	Forecast Outturn	Variance	Variance %
	£	£	£	£	£	£	£	%
Corporate and Policy Services	517,770	-	517,770	-	517,770	517,770	-	0.00%
Customer, Democratic & Office Support Services	2,930,540	160,000	3,090,540	(48,000)	3,042,540	3,053,000	10,000	0.33%
Economic Regeneration	246,140	-	246,140	(8,000)	238,140	260,000	22,000	9.24%
Environmental Services	3,090,290	-	3,090,290	-	3,090,290	3,065,000	(25,000)	-0.81%
Finance	1,430,010	50,000	1,480,010	(41,000)	1,439,010	1,383,460	(55,550)	-3.86%
Housing Services (GF)	270,090	7,500	277,590	-	277,590	277,590	-	0.00%
Human Resources	621,720	59,688	681,408	(19,000)	662,408	636,000	(26,000)	0.00%
Information & Communication Technology Svs	905,440	4,000	909,440	-	909,440	909,440	-	0.00%
Legal Services	100,580	-	100,580	-	100,580	198,580	98,000	97.43%
Leisure & Cultural Services	1,042,810	41,550	1,084,360	-	1,084,360	1,034,360	(50,000)	-4.61%
Planning Services	467,950	-	467,950	-	467,950	454,950	(13,000)	-2.78%
Property Services	80,550	-	80,550	(15,000)	65,550	66,000	500	0.76%
Public Space Services	1,331,330	-	1,331,330	-	1,331,330	1,321,330	(10,000)	-0.75%
Budgets Excluded from Finance Unit Monitoring:								
Benefit Payments	(514,440)		(514,440)		(514,440)	(514,440)	-	0.00%
Concessionary Fares	228,980		228,980		228,980	228,980	-	0.00%
Less								
<b>Corporate Savings Targets</b>		(328,050)	(328,050)	131,000	(197,050)	-	197,050	-100.00%
<b>Total Service Expenditure</b>	<b>12,749,760</b>	<b>(5,312)</b>	<b>12,744,448</b>	<b>-</b>	<b>12,744,448</b>	<b>12,892,020</b>	<b>148,000</b>	<b>1.4%</b>
<b>Non Service Expenditure</b>								
Contingency Fund	100,000	(63,000)	37,000		37,000	-	(37,000)	0.0%
Contingency - Corporate Savings	(328,050)	328,050	-		-	-	-	0.0%
Notional Capital Charges	1,168,630		1,168,630		1,168,630	1,168,630	-	0.0%
Revenue Contribution to Capital	-		-		-	-	-	0.0%
Net Financing Transactions	70,350		70,350		70,350	120,350	50,000	71.1%
Parish Precepts	412,562		412,562		412,562	412,562	-	0.0%
<b>Total Non Service Expenditure</b>	<b>1,423,492</b>	<b>265,050</b>	<b>1,688,542</b>	<b>-</b>	<b>1,688,542</b>	<b>1,701,542</b>	<b>13,000</b>	<b>0.8%</b>
<b>Financed By</b>								
Council Tax	(6,057,272)		(6,057,272)		(6,057,272)	(6,057,272)	-	0.0%
National Non-Domestic Rates	(2,945,840)		(2,945,840)		(2,945,840)	(2,945,840)	-	0.0%
Revenue Support Grant	(3,704,920)		(3,704,920)		(3,704,920)	(3,704,920)	-	0.0%
Collection Fund Surplus	(47,550)		(47,550)		(47,550)	(47,550)	-	0.0%
Use of Earmarked Reserves	(1,167,670)	(259,738)	(1,427,408)		(1,427,408)	(1,427,408)	-	0.0%
Use of General Balances	(250,000)		(250,000)		(250,000)	(250,000)	-	0.0%
<b>Total Financing</b>	<b>(14,173,252)</b>	<b>(259,738)</b>	<b>(14,432,990)</b>	<b>-</b>	<b>(14,432,990)</b>	<b>(14,432,990)</b>	<b>-</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,572</b>	<b>161,000</b>	<b>1.47%</b>

<b>General Balances Summary Position</b>	<b>Budget</b>	<b>Forecast</b>
	<b>£</b>	<b>£</b>
General Fund Balance at 1.4.05	1,000,000	1,000,000
Variations agreed utilising General Fund Balance	(250,000)	(250,000)
Forecast (Over)/Under Spend	-	(160,572)
<b>Forecast General Fund Balance at 31.3.06</b>	<b>750,000</b>	<b>589,428</b>



**SERVICE LEVEL BUDGET MONITORING 2005/2006****CORPORATE & POLICY SERVICES**

**August 2005** **£'000**

**ORIGINAL CASH BUDGET** 518

**Add Adjustments for In year cash movements**

Slippage from 2004/2005  
- Use of Earmarked Reserves

Cabinet approved decisions  
Delegated Authority decisions

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**ADJUSTED CASH BUDGET** **518**

**Less Corporate Savings**

Contribution to Corporate savings targets

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**CURRENT CASH BUDGET** **518**

**FORECAST****EXPENDITURE**

Staffing costs - Corporate Policy	(12)
Consultants Fees - Corporate Strategy	6
Lancashire Local Area Agreement costs	6
Staffing costs - Community Safety/CCTV	(14)
CCTV Maintenance	14

**INCOME**


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**FORECAST CASH OUTTURN 2005/2006** **518**

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**Key Assumptions****Key Issues/Variables**

- The above staffing savings are required to offset additional costs to be incurred later in the year, though no firm details are available at this stage.

**Key Actions**



## SERVICE LEVEL BUDGET MONITORING 2005/2006

### Customer, Democratic & Office Support Services

August 2005 £'000

**ORIGINAL CASH BUDGET** 2,931

#### Add Adjustments for In year cash movements

Slippage from 2004/2005

- Use of Earmarked Reserves 151

Virements (to)/from other Services

- Transfer of Allpay to Finance (50)

Transfer from Contingency

- Additional Office Costs 59

Other

- Accomodation Project Costs \*

**ADJUSTED CASH BUDGET** **3,091**

#### Less Corporate Savings

Contribution to Corporate savings targets

- Salaries savings (48)

**CURRENT CASH BUDGET** **3,043**

#### FORECAST

##### EXPENDITURE

Software/equipment - Office Support Services 8

Printing & copying - copier charges 16

Staffing costs - Corporate Procurement (6)

Roses Marketplace Licence 5

Staffing costs - Customer Services (19)

Staffing costs - Democratic Services (4)

Staffing/Running costs - Closure of Lancastrian (17)

##### INCOME

Room Hire - Closure of Lancastrian 9

Recharges to HRA 18

**FORECAST CASH OUTTURN 2005/2006** **3,053**

#### Key Assumptions

- use of King St Offices to end of September
- use of Duxbury Offices to end of December

#### Key Issues/Variables

- some of the Customer Services Staffing savings may be required to offset additional costs likely to be incurred later in the year, though no firm details are available at this stage.

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### Economic Regeneration

AUGUST 2005	£'000
<b>ORIGINAL CASH BUDGET</b>	<b>246</b>
<b>Add Adjustments for In year cash movements</b>	
Slippage from 2004/2005	
- Use of Earmarked Reserves	
Cabinet approved decisions	
Delegated Authority decisions	
	<hr/>
<b>ADJUSTED CASH BUDGET</b>	<b>246</b>
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	(8)
	<hr/>
<b>CURRENT CASH BUDGET</b>	<b>238</b>
<b>FORECAST</b>	
<b>EXPENDITURE</b>	
Savings on vacant posts	(21)
Agency staff	2
Car allowances	1
Computer software/hardware	5
Grants to Groundwork Trust	(1)
	<hr/>
Expenditure under(-) or over (+) current cash budget	(14)
<b>INCOME</b>	
Reduction in recharges to Astley Park LHF capital scheme	28
	<hr/>
Income under (+)/ over (-) achieved	28
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<b>FORECAST CASH OUTTURN 2005/2006</b>	<b>260</b>
	<hr/> <hr/>

### Key Assumptions

Astley Park Project Officer post filled from 1st December 2005

### Key Issues/Variables

Maintaining matched funding for Project officer posts

### Key Actions

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### Environmental Services

AUGUST 2005	£'000
<b>ORIGINAL CASH BUDGET</b>	<b>3,090</b>
<b>Add Adjustments for In year cash movements</b>	
DEFRA Grant income transferred to Capital	18
Matched reduction in supplies and services budget	(18)
	<hr/>
<b>ADJUSTED CASH BUDGET</b>	<b>3,090</b>
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	0
	<hr/>
<b>CURRENT CASH BUDGET</b>	<b>3,090</b>

### FORECAST

<b>EXPENDITURE</b>	
Graffiti removal volume increase	20
Savings on vacant posts: Neighboc	(16)
Student EHO's	(27)
Training Fees Student EHO's	(3)
Agency staff	11
Abandoned vehicles	(9)
Recycling banks service	<u>6</u>
Expenditure under(-) or over (+) current cash budget	(18)
<b>INCOME</b>	
Pest Control	9
Air Pollution Authorisations volum	5
Abandoned vehicles	1
Recycling banks service	(15)
Litter fixed penalty notices	(2)
Civic Amenity collection	<u>(5)</u>
Income under (+)/ over (-) achieved	(7)
<b>FORECAST CASH OUTTURN 2005/2006</b>	<b><u><u>3,065</u></u></b>

### Key Assumptions

Young Persons Development Programme to be funded in full from salary savings in Neighbourhood Warden Service in 2005.  
Activity levels in refuse collection service to return to budgetted levels from September.  
Potential savings in contract, arising from default notices and performance bonus.

### Key Issues/Variables

Higher than anticipated demand for refuse containers has generated additional costs in the refuse collection service. This demand is expected to ease by the end of August enabling the effect on the budget to be quantified and reported in the September monitoring statement.

### Key Actions

# SERVICE LEVEL BUDGET MONITORING 2005/2006

AUGUST 2005

<b>Finance</b>	<b>£'000</b>
<b>ORIGINAL CASH BUDGET</b>	<b>1,145</b>
<b>Add Adjustments for In year cash movements</b>	
Slippage from 2004/2005	
- Use of Earmarked Reserves	
Virements (to)/from other Services	
- Transfer of Allpay to Finance	50
Transfer from contingency	
Cabinet approved decisions :-	
Technical adjustments:	
Budget correction - increased contribution from HRA	<u>(40)</u>
<b>ADJUSTED CASH BUDGET</b>	<b>1,155</b>
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	(22)
<b>CURRENT CASH BUDGET</b>	<u><b>1,133</b></u>

## FORECAST

### EXPENDITURE

Pay in lieu of notice		8
Agency staff:	£	
Accountancy	5	
Exchequer	<u>4</u>	9
Saving on vacant posts:	£	
Benefits Administration	(34)	
Corporate Finance	<u>(61)</u>	(95)
Consultants fees		13
Audit and Inspection Fee reduction		(13)
IT Software Annual Licences		4
Microfilming		4
Bailiffs Fees		8
Documents Online Service		(3)
Magistrates Costs (2004/05) - Council Tax		<u>10</u>
Expenditure under(-) or over (+) current cash budget		(55)

### INCOME

Miscellaneous contributions (External Funding Officer)	<u>20</u>	
Income under (+)/ over (-) achieved		20

### FORECAST CASH OUTTURN 2005/2006

**1,098**

### Key Assumptions

Young Persons Apprenticeships to be funded from internally generated savings.

Audit and Inspection Fee reduction based on Audit Commission inspection plan

Bailiffs fees based on current activity level. No existing budget

Magistrates Costs not accrued in 2004/05.

Concessionary Travel increased based on LCC projection for Bus passes

### Key Issues/Variables

### Key Actions

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### HOUSING SERVICES UNIT (GEN FUND)

August 2005	£'000
<b>ORIGINAL CASH BUDGET</b>	<b>270</b>
<b>Add Adjustments for In year cash movements</b>	
Slippage	8
Cabinet approved decisions	
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<b>ADJUSTED CASH BUDGET</b>	<b>278</b>
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	
	<hr/>
<b>CURRENT CASH BUDGET</b>	<b>278</b>
<b>FORECAST</b>	
<b>EXPENDITURE</b>	
Salaries - Housing Renewal	9
Agency Cover	<hr/> 31
	40
Salaries - Housing Needs	(40)
	<hr/>
<b>INCOME</b>	
<b>FORECAST CASH OUTTURN 2005/2006</b>	<hr/> <hr/> <b>278</b>

#### Key Assumptions

Postponement of HIA

Vacant Housing Needs Post covered by acting up arrangements

#### Key Issues/Variables

Saving from R Roe post now chargeable to Stock Transfer

Postponement of HIA

#### Key Actions

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### HUMAN RESOURCES UNIT

#### August 2005

	£'000
ORIGINAL CASH BUDGET	<b>622</b>
Add Adjustments for In year cash movements	
Virements for other Services	
Transfer from contingency      Reward & Retention	5
Cabinet approved decisions      Job evaluation costs 05/06	54
Delegated Authority decisions	
ADJUSTED CASH BUDGET	<u><b>681</b></u>
Less Corporate Savings	
Contribution to Corporate savings targets	0
CURRENT CASH BUDGET	<u><u><b>681</b></u></u>
FORECAST	
EXPENDITURE	
Staffing Costs	(29)
Legal Fees	4
Advertising Fees	(20)
INCOME	
FORECAST CASH OUTTURN 2005/2006	<u><u><b>636</b></u></u>

#### Key Assumptions

#### Key Issues/Variables

- Saving on staffing costs from restructure of Health & Safety Unit and vacant posts.
- Loss of income from termination of contract with South Ribble B.C.
- Saving on advertising costs from smaller adverts

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### INFORMATION & COMMUNICATION TECHNOLOGY SERVICES

August 2005

	£'000
<b>ORIGINAL CASH BUDGET</b>	<b>905</b>
<b>Add Adjustment for In Year Cash Movements</b>	
Slippage from 2004/2005	
- Use of Earmarked Reserves	-
Transfer from Contingency	-
Cabinet approved decisions	-
Delegated Authority decisions	-
Correction of Accounting Error	4
<b>ADJUSTED CASH BUDGET</b>	<b>909</b>
<b>Less Corporate Savings</b>	<b>-</b>
Contribution to Corporate savings targets	-
	<hr/>
<b>CURRENT CASH BUDGET</b>	<b>909</b>

### FORECAST

#### EXPENDITURE

Salaries (Technician/E-Gov Prog Man/Cust Serv Assist.)	(55)	
Young Person's Development Programme	5	
Temporary Staff	48	
Telephones calls forecast	8	
Expenditure under (-) or over (+) current cash budget		<b>6</b>

#### INCOME

Telephones (private calls)	(6)	
Income under (+)/ over (-) achieved		<b>(6)</b>

**FORECAST CASH OUTTURN 2005/2006** **909**

#### Key Assumptions

Young Person's Development Programme to be funded from salary saving. Cust Servs Assist post to be kept vacant.  
E-Gov Programme Manager post vacant until Jan 2006  
E-Gov Programme Manager cover until September

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### LEGAL SERVICES

August 2005 £'000

ORIGINAL CASH BUDGET 101

#### Add Adjustments for In year cash movements

Slippage from 2004/2005  
Virements for other Services  
Transfer from contingency

Cabinet approved decisions  
Delegated Authority decisions

ADJUSTED CASH BUDGET 101

#### Less Corporate Savings

Contribution to Corporate savings targets

CURRENT CASH BUDGET 101

### FORECAST

#### EXPENDITURE

Legal Fees - solicitors costs 12  
Land Charges Search Fees (9)  
Land Charges Network Fees (17)

#### INCOME

Land Charge Searches 132  
Licence Fees (20)

FORECAST CASH OUTTURN 2005/06 199

#### Key Assumptions

#### Key Issues/Variables

- reduced volume of Land Charges
- increase in fee income under new Licensing Act 2003



## SERVICE LEVEL BUDGET MONITORING 2005/2006

### LEISURE & CULTURAL SERVICES

#### AUGUST 2005

	£'000
ORIGINAL CASH BUDGET	1,043
Add Adjustments for In year cash movements	
Slippage from 2004/2005	
Golf course consultancy	16
Midsummer Festival	1
Virements for other Services	
Transfer from contingency	
Cabinet approved decisions	
Trf from Change management Reserve for Community mgmt	25
Delegated Authority decisions	
ADJUSTED CASH BUDGET	<u>1,085</u>
Less Corporate Savings	
Contribution to Corporate savings targets	
CURRENT CASH BUDGET	<u><u>1,085</u></u>
FORECAST	
EXPENDITURE	
Expenditure under(-) or over (+) current cash budget	
Professional and consultancy fees for golf bid and indoor leisure	32
Savings on indoor Leisure contract	(65)
INCOME	
Income under (+)/ over (-) achieved	
Arts officer funding	(17)
<b>FORECAST CASH OUTTURN 2005/2006</b>	<u><u>1,035</u></u>
<b>Key Assumptions</b>	
Expenditure & income will be in line with budgets	
<b>Key Issues/Variables</b>	
<b>Key Actions</b>	
Negotiations are currently ongoing to review the Indoor Leisure Contract	

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### PLANNING SERVICES

AUGUST 2005	£'000
ORIGINAL CASH BUDGET	468
Add Adjustments for In year cash movements	
Slippage from 2004/2005	
- Use of Earmarked Reserves	
Cabinet approved decisions	_____
Delegated Authority decisions	
ADJUSTED CASH BUDGET	468
Less Corporate Savings	
Contribution to Corporate savings targets	_____
CURRENT CASH BUDGET	<u><u>468</u></u>

### FORECAST

#### EXPENDITURE

<b>PDG Funded Expenditure</b>	123
Relocation Expenses	3

#### INCOME

Planning Application Fees	-3
Building Control Fees	-13
<b>Additional Planning Delivery Grant</b>	-123

<b>FORECAST CASH OUTTURN 2005/2006</b>	<u><u>455</u></u>
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#### Key Assumptions

- current income levels are maintained

#### Key Issues/Variables

- level of grant received higher than budgetted
- reduction in level of Planning Application fees received

#### Key Actions

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### PROPERTY SERVICES UNIT

**August 2005** **£'000**

**ORIGINAL CASH BUDGET** **81**

Add Adjustments for In year cash movements

Slippage from 2004/2005

- Use of AMF Reserve

Virements for other Services

Transfer from contingency

Cabinet approved decisions

- Transfers to Corporate & Policy

\_\_\_\_\_ -

Delegated Authority decisions

**ADJUSTED CASH BUDGET** **81**

Less Corporate Savings - Vacancy savings taken in July Monitoring (15)

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**CURRENT CASH BUDGET** **66**

FORECAST

EXPENDITURE

Expenditure under(-) or over (+) current cash budget

Additional agency staff costs not in budget 15

Savings from staff vacancies (15) -

\_\_\_\_\_

INCOME

- no change to budget

\_\_\_\_\_

**FORECAST CASH OUTTURN 2005/2006** **66**

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#### Key Assumptions

Income from rents and market tolls broadly in line with estimates

#### Key Issues/Variables

#### Key Actions

## SERVICE LEVEL BUDGET MONITORING 2005/2006

<b>PUBLIC SPACE SERVICES</b>	<b>£'000</b>
<b>August 2005</b>	
<b>ORIGINAL CASH BUDGET</b>	1,331
<b>Add Adjustments for In year cash movements</b>	
<b>Slippage from 2004/2005</b>	
Other	
<b>ADJUSTED CASH BUDGET</b>	<b>1,331</b>
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	
<b>CURRENT CASH BUDGET</b>	<b>1,331</b>

### FORECAST

#### EXPENDITURE

Expenditure under(-) or over (+) current cash budget		
Pay in Lieu of Notice	2	
DSO Chemical Disposal	2	
Purchase/Maintenance of Playground Equipment	5	
Purchase of Furniture	5	
Consultants re ISO 9001	4	
Savings on DSO Highways Material Budget	(60)	
Street Cleansing Client Budget	(17)	(59)

#### INCOME

Income under (+)/ over (-) achieved		
DSO Highways shortfall on budgeted LHP income	30	
Roundabout Sponsorship income not achievable	4	
Car Parking Fees under profile	15	49

**FORECAST CASH OUTTURN 2005/2006** **1,321**

#### Key Assumptions

- >Bengal St Depot "move" costs to be transferred from the Depot cost centre
- >Young Persons Development Programme to be funded from savings on Street Cleansing client budget.

#### Key Issues/Variables

- >Salary costs are within budget due to savings on all vacant posts. Servicegroup vacant posts will be filled ASAP. This will lead to an overspend if the Engineering agency staff costs are not reduced.
- >The refuse collection overspend for the period is likely to continue for the full financial year.

#### Key Actions

<b>Dave Biddulph:</b> CAD Tech Proj Officer M Oldfield Fitter
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## Housing Revenue Account Budget Monitoring 2005/06

### Forecast Outturn as at Aug 2005

	(1) Original Budget £	(2) Agreed Changes £	(3) Current Cash Budget £	(4) Forecast Outturn £	(5) Variance £
<b>Income</b>					
Dwelling Rents	(6,801,510)		(6,801,510)	(6,954,510)	(153,000)
Non-dwelling rents	(96,170)		(96,170)	(90,170)	6,000
Service Charges	(108,000)		(108,000)	(78,000)	30,000
Contributions Towards Expenditure	(341,530)		(341,530)	(341,530)	-
Government Subsidy	-		-	-	-
<b>Total Income</b>	<b>(7,347,210)</b>	<b>0</b>	<b>(7,347,210)</b>	<b>(7,464,210)</b>	<b>(117,000)</b>
<b>Expenditure</b>					
Repairs and Maintenance	1,533,000		1,533,000	1,560,000	27,000
Supervision and Management					
- General	1,328,830		1,328,830	1,461,830	133,000
- Special	694,280		694,280	694,280	-
Rent. Rates, taxes ad other charges	19,800		19,800	19,800	-
Rent Rebates	-		-	-	-
Bad Debt Provision	54,220		54,220	42,220	(12,000)
Negative Housing Subsidy	1,344,310		1,344,310	1,344,310	-
Rent Rebate Subsidy Limitation	100,000		100,000	100,000	-
Transfer to Gen Fund	-		-	40,000	40,000
Capital Financing etc	2,097,830		2,097,830	2,097,830	-
<b>Total Expenditure</b>	<b>7,172,270</b>	<b>0</b>	<b>7,172,270</b>	<b>7,360,270</b>	<b>188,000</b>
<b>Surplus (-) or Deficit (+) for year</b>	<b>(174,940)</b>	<b>-</b>	<b>(174,940)</b>	<b>(103,940)</b>	<b>71,000</b>

<b>Housing Revenue Account Balances Summary Position</b>	
	£
Balance at 1.4.05	442,848
Budget Surplus 2004-05	174,940
Agreed variations	0
Under (+) / Over (-) spend in year	(71,000)
<b>Forecast HRA Balances at 31.3.05</b>	<b>546,788</b>

# SERVICE LEVEL BUDGET MONITORING 2005/2006

## HOUSING REVENUE ACCOUNT

AUGUST 2005

£'000

**ORIGINAL SURPLUS (-) / DEFICIT (+) FOR YEAR** (175)  
**BALANCE AS AT 1.4.05** (443)  
**Add Adjustments for In year cash movements**

Slippage from 2004/2005  
Virements for other Services  
Transfer from contingency

Cabinet approved decisions  
Delegated Authority decisions

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**ADJUSTED HRA BALANCES EXPECTED at 31.3.05** (618)

## FORECAST

### EXPENDITURE

Salaries - Housing Services Temp Staffing Arrangements		83
Transfer to General Fund - Contribution to Hsg Benefits Costs		40
Potential Corporate Procurement Recharge		40
Repairs and Maint - Trading account deficit	14	
- additional Gas Servicing	<u>13</u>	27
Tenant Profiling - Beacon Research		10
Bad Debt Provision		(12)
Expenditure under(-) or over (+) current cash budget		188

### INCOME

Rents/Charges (117)

Income under (+)/ over (-) achieved (117)

**FORECAST BALANCES AS AT 31.3.06** (547)

### Key Assumptions

Rent forecast assumes 1 sale per week to end of year  
Assumes full staffing for the year

### Key Issues/Variables

Repairs and Maint expenditure  
Management and Maint Expenditure  
Rent Income

### Key Actions

To maintain control of Maint and Mgmt Expenditure

## SERVICE LEVEL BUDGET MONITORING 2005/2006

### HOUSING TRADING ACCOUNT

August 2005	£'000
<b>ORIGINAL SURPLUS / DEFICIT</b>	0
<b>Add Adjustments for In year cash movements</b>	
Previously Reported	
Virements for other Services	
Cabinet approved decisions	
Delegated Authority decisions	
<b>ADJUSTED SURPLUS / DEFICIT</b>	0
<b>Less Corporate Savings</b>	
Contribution to Corporate savings targets	
<b>CURRENT SURPLUS / DEFICIT</b>	0
<b>FORECAST</b>	
<b>EXPENDITURE</b>	
Employees	
Hired Staff	27
Plant Hire	
Expenditure under(-) or over (+) current cash budget	27
<b>INCOME</b>	
Income under (+)/ over (-) achieved	(13)
<b>FORECAST SURPLUS(-) / DEFICIT(+) 2005/2006</b>	<b>14</b>
<b>Key Assumptions</b>	

Above trading position based on monitoring of the following key risk areas:

- Agency expenditure
- Sub-contractor expenditure
- Materials
- Internal labour

Assumes all other expenditure items are within budget

#### **Key Issues/Variables**

Control of sub-contractor budget  
 Control of agency budget  
 Control of material usage/cost  
 Achieving all income targets