

DRAFT REVENUE OUTTURN 2006/07 FOR GENERAL FUND

EXECUTIVE MEMBER: Cllr E Woodburn
LEAD OFFICER: Sue Bamforth, Head of Finance and Business Development
REPORT AUTHOR: Catherine Nicholson, Accountancy Services Manager

Summary & Recommendation:

This report informs members of the draft, un-audited revenue outturns of General Fund for 2006/07. The report makes recommendations on Carry Forwards and Transfers to and from Reserves.

Recommendations:

That the Outturn Position is noted.

To approve Carry Forwards to 2007/08 as per Appendix B totaling £622,432.

To approve £250,479 transfer to Earmarked Reserves as detailed in the report and summarised in Appendix A.

To transfer the balance on Contingencies as at 31st March 2007 of £32,708 (uncommitted £18,835) to 2007/08 Contingencies.

1.0 INTRODUCTION

- 1.1 This report details the outturns of the individual budget areas, which are shown in summary format. These outturns will be consolidated together to form the final accounts of the authority along with other accounting entries as required by accounting framework.
- 1.2 This is a complex report, which at first sight appears to identify many variations between actual expenditure and the budget. However the variations, which result from capital charges, can be disregarded, as they have no net effect on the total accounts. Similarly expenditure, which has been approved and financed from the use of specific reserves, will not affect the final outcome.
- 1.3 The key decisions, which Members are asked to make, are the approval of budgets to be carried forward into the current year and the net under

spending to be transferred to various funds. The approved policy is to transfer the final net under spend to the Reserves Fund.

- 1.4 Although these accounts have not been audited, it is possible at this stage to identify items, which require to be carried forward and any under or overspends.
- 1.5 **Capital charges** - Have varied from budget in all areas, mainly due to changes in our assets during the year. Variations will always occur as the budget for the next year is prepared before the outturn of the previous year is known. Expenditure on capital assets affects the calculation of capital charges. The Capital charges are shown elsewhere in the Council's accounts and have no net effect to the total revenue outturn of the Authority or the charge to the taxpayer. Notional Interest is no longer chargeable due to a change in the accounting rules.
- 1.6 **Reserve Funding** - There are a number of items of expenditure that have been financed from the use of specific reserves or contingencies. The Accounting Code of Practice requires that these allocations are shown elsewhere in the financial statements of the accounts and not at Holding Account level, therefore resulting in an over spend at that level. These are noted where relevant and the summary takes account of this. A summary of all reserves will be reported to the Audit Committee with recommendations to Executive with the pre-audited accounts in June.
- 1.7 The Draft Capital outturn report is elsewhere on this agenda.
- 1.8 There are a number of items that have been requested to be carried forward to 2007/08. These are identified in the relevant paragraphs and are summarised in Appendix B. These have been discussed and requested by Heads of Service.

2.0 DRAFT OUTTURNS

2.1 A Summary of Draft Outturns is shown in the Tables in Appendix A

A. LINE FUNCTIONS

2.2 CHIEF EXECUTIVE & DIRECTORS

2.2.1 Corporate Management

Manager: Liam Murphy

	£
Over / (Under) Spend	(39,127)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	10,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(29,127)

It is requested that £10,000 be carried forward to help develop and assist the work of the LSP. Within this budget is the corporate superannuation cost relating to under funding of the pension scheme and there is an under spend due to there being a number of vacancies throughout the year that have meant that the pensions contributions have been less than expected.

2.2.2 New Initiatives

Manager: Liam Murphy

	£
Over / (Under) Spend	6,328
Capital Charges	0
Financed from Reserve	(26,345)
Carry Forward Requests	13,500
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(6,517)

There is an under spend due to there not being any allocated schemes of works identified throughout the year. It is requested to carry forward £13,500 for Connected Cumbria Partnership. Executive gave approval in October 2005 for membership of Connected Cumbria Partnership to be funded from a budget bid. However, the bid was overlooked during the process and it is now requested that the fee for 2007/08 is funded from the Carry Forward.

2.2.3 Best Value

Manager: Liam Murphy

	£
Over / (Under) Spend	(7,793)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	7,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(793)

It is requested that £7,000 be carried forward as £2,000 has been committed to the Community Gateway Project and £5,000 will be utilised for consultation to achieve Level 2 of the Equality Standard for Local Government.

2.2.4 National Conferences

Manager: Liam Murphy

	£
Over / (Under) Spend	(4,954)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(4,954)

There has been an under spend as the attendance at conferences has been less than anticipated.

2.2.5 Non-Distributable Overheads

Manager: Liam Murphy

	£
Over / (Under) Spend	137,251
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	137,251

This represents the cost of creating a provision for early retirement costs that will be incurred over the next 5 years for positions given early retirement.

2.3 **FINANCE & BUSINESS DEVELOPMENT**

2.3.1 **Capital Charges Admin**

Manager: Sue Borwick

	£
Over / (Under) Spend	(5,938)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	5,938
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

It is requested that £5,938 be carried forward and added to the Asset Revaluation Reserve, so that it can be utilised to fund revaluations in 2007/08.

2.3.2 **Grants & Other Aids**

Manager: Catherine Nicholson

	£
Over / (Under) Spend	4,512
Capital Charges	0
Financed from Reserve	(4,000)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	512

2.3.3 **Insurances**

Manager: Catherine Nicholson

	£
Over / (Under) Spend	21,528
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	21,528

Insurances are over spent due to the fact that premiums and claims have been more than expected during the year.

2.3.4 Subscriptions & Other Miscellaneous

Manager:	Catherine Nicholson	
		£
Over / (Under) Spend	(188,273)	
Capital Charges	0	
Financed from Reserve	0	
Carry Forward Requests	0	
Contribution to Reserves	0	
TRUE OVER/(UNDER) SPEND	(188,273)	

There is an under spend as there is a receipt of £190,675 for 2nd Homes Discounts which was used within the budget process to fund non-recurring bids. These bids are allocated to specific service heads.

2.3.5 Treasury Management

Manager:	Catherine Nicholson	
		£
Over / (Under) Spend	(118,219)	
Capital Charges	0	
Financed from Reserve	0	
Carry Forward Requests	0	
Contribution to Reserves	0	
TRUE OVER/(UNDER) SPEND	(118,219)	

There is an under spend on Treasury Management as income from investments have done better than expected due to rises in Interest rates throughout the year.

2.3.6 Concessions

Manager:	Catherine Nicholson	
		£
Over / (Under) Spend	(25,308)	
Capital Charges	0	
Financed from Reserve	0	
Carry Forward Requests	25,000	
Contribution to Reserves	0	
TRUE OVER/(UNDER) SPEND	(308)	

It is requested that £25,000 under spend be carried forward to 2007/08 to help to work towards the National Free Concessionary scheme and the associated costs in supporting this for staffing, consumables and set up. It is uncertain at this time what the full cost of this scheme will be.

2.4 **LEGAL & DEMOCRATIC SERVICES**

2.4.1 **Democratic Representations**

Manager: Martin Jepson

	£
Over / (Under) Spend	0
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This relates to SLA charges for support for Members. There is no direct cost associated.

2.4.2 **Committee Services**

Manager: Tim Capper

	£
Over / (Under) Spend	243
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	243

2.4.3 **Civic & Mayoral Expenses**

Manager: Tim Capper

	£
Over / (Under) Spend	(59,143)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	32,500
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(26,643)

It is requested to Carry Forward £30,000 to contribute towards a new software system in conjunction with a request from Development Control (Para 2.6.5). The under spend on this budget relates to Members Allowances and the fact that there were some vacancies during the year and travel and subsistence allowances have been lower than expected.

It is requested that £2,500 is carried forward for Member Training and an

induction programme in May 2007.

2.4.4 Land Charges

Manager: Alan Southward

	£
Over / (Under) Spend	22,130
Capital Charges	14,434
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	7,696

There is an over spend on Land Charges as Income from searches has not achieved the budget due to the effect of Personal Searches. Also, there has been an over spend on the costs of using consultants for carrying out searches. A budget bid has been approved for 2007/08 to cover the increased cost of this.

2.4.4 Emergency Planning

Manager: Alan Southward

	£
Over / (Under) Spend	(1,573)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(1,573)

2.4.5 Licensing

Manager: Clinton Boyce

	£
Over / (Under) Spend	32,544
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	32,544

Licensing is showing an over spend due to income not achieving the budget. However, the budget was set incorrectly as previously reported to Executive, and, taking into account the correct budget, the service would only be £13,063 over spent.

2.4.6 **Elections**

Manager: Alan Southward

	£
Over / (Under) Spend	(7,548)
Capital Charges	0
Financed from Reserve	(7,000)
Carry Forward Requests	0
Contribution to Reserves	14,548
TRUE OVER/(UNDER) SPEND	0

It is requested that the balance of the under spend in 2006/07 be transferred to the Elections Fund Reserve in order to help fund future elections. There was an under spend in 2006/07 as there was not a major election during the year.

2.4.7 **Electoral Registration**

Manager: Alan Southward

	£
Over / (Under) Spend	(19,782)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	22,453
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	2,671

It is requested that £22,453 be carried forward as this is the additional funding received from the government to assist in developing elections.

2.5 **POLICY & PERFORMANCE**

2.5.1 **Joint Neighbourhood Forums**

Manager: Hilary Mitchell

	£
Over / (Under) Spend	0
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This relates to a contribution to the Neighbourhood Forums and the budget is set at the level of contribution granted.

2.6 **REGENERATION**

2.6.1 **Economic Development**

Managers: Graham McWilliams

	£
Over / (Under) Spend	(68,812)
Capital Charges	72,405
Financed from Reserve	(34,448)
Carry Forward Requests	20,373
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(10,481)

It is requested that £20,373 be carried forward for the Grants that have not been claimed in the year.

2.6.2 **Building Control (Fee)**

Managers: Tony Pomfret

	£
Over / (Under) Spend	2,676
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	2,676

Although this account is showing an over spend, the Building Control Holding Account is under spent and will be transferred to the Building Control Reserve as the fee part of the function needs to be self-financing over a rolling 3 year period.

2.6.3 **Building Control (Non-Fee)**

Managers: Tony Pomfret

	£
Over / (Under) Spend	(4,541)
Capital Charges	0
Financed from Reserve	(5,243)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(702)

2.6.4 **Development Control**

Managers: Tony Pomfret

	£
Over / (Under) Spend	(9,027)
Capital Charges	0
Financed from Reserve	(11,600)
Carry Forward Requests	50,000
Contribution to Reserves	65,000
TRUE OVER/(UNDER) SPEND	29,373

There is an over spend on this Budget due to the use of a consultant to help out in the department. However, this cost can be covered from the under spend on the Regeneration Holding Account. It is requested that there be £50,000 carried forward to help to procure a new software system for the section. This is in conjunction with a carry forward request from Legal Services for £30,000 (Para 2.4.3).

2.6.5 **Planning Policy**

Managers: John Hughes

	£
Over / (Under) Spend	(40,990)
Capital Charges	0
Financed from Reserve	(8,725)
Carry Forward Requests	40,840
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(8,875)

It is requested that the under spend on Planning Policy be carried forward to enable the service to meet new demands for additional publications and studies that are required.

2.6.6 **Environmental Works & Land Reclamation**

Managers: John Hughes

	£
Over / (Under) Spend	(264)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(264)

2.6.7 Conservation

Managers: Tony Pomfret

	£
Over / (Under) Spend	(1,542)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(1,542)

There is an under spend on Conservation as the grants that were accrued from 2005/06 have not been paid out.

2.6.8 Access

Managers: Tony Pomfret

	£
Over / (Under) Spend	(17,055)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(17,055)

Access grants have not been paid out for 2006/07 and there are still accruals outstanding for 2005/06 totalling £8,055 that has not been paid out.

2.6.9 Beacon

Managers: Sue Palmer

	£
Over / (Under) Spend	(83,123)
Capital Charges	84,718
Financed from Reserve	(10,700)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(9,105)

The Beacon is showing an under spend after Capital Charges and Financing from Reserve due to the fact that there was little spend on Promotions towards the end of the year because of the imminent redevelopment.

2.6.10 **TIC**

Managers: Sue Palmer

	£
Over / (Under) Spend	(9,663)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(9,663)

The TIC is showing an under spend due to there being some vacancies during the year.

2.6.11 **Community Safety Coordinator**

Managers: Mike Tichford

	£
Over / (Under) Spend	(2,893)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(2,893)

2.6.12 **Housing Strategy**

Managers: John Hughes

	£
Over / (Under) Spend	82
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	82

2.6.13 **Housing Advice**

Managers: John Hughes

	£
Over / (Under) Spend	0
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0

Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This relates to SLA charges from other budget heads and as such there is no direct cost.

2.6.14 Housing Advances

Managers: John Hughes

	£
Over / (Under) Spend	2,181
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	2,181

2.6.15 Private Sector Housing Renewal

Managers: John Hughes

	£
Over / (Under) Spend	(28,533)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(28,533)

There is an under spend on this budget due to the fact that there has been additional income received and that the contributions to Care & Repair were less than budgeted.

2.6.16 Registered Social Landlord

Managers: John Hughes

	£
Over / (Under) Spend	0
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This relates to costs associated with a loan to Home Housing that was repaid during the year. Therefore, there are no costs.

2.6.17 Homelessness

Managers: John Hughes

	£
Over / (Under) Spend	(18,112)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(18,112)

Homelessness is under spent due to there being less demand for the Emergency Accommodation.

2.6.18 Welfare Services (Careline)

Managers: John Hughes

	£
Over / (Under) Spend	46,836
Capital Charges	0
Financed from Reserve	(46,836)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

The expenditure here relates to the transferred Careline service and the residual payments the Council had to pay to Attendo. A reserve was created at the time of transfer to take account for these payments.

2.7 CUSTOMER SERVICES

2.7.1 Council Tax

Managers: Karen Corby

	£
Over / (Under) Spend	28,500
Capital Charges	526
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	29,026

There is an over spend due to the service not achieving the target

income from Court Costs. It is felt that the budget is set too high and this will be addressed in the forthcoming budgeting cycle for 2008/09.

2.7.2 **NDR**

Managers: Karen Corby

	£
Over / (Under) Spend	712
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	712

2.7.3 **Housing Benefits**

Managers: Karen Corby

	£
Over / (Under) Spend	170,864
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	41,858
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	212,722

There is an over spend on Housing Benefits as the payments of housing benefits are greater than expected but payments of Council Tax benefits are less than expected. (See below 2.7.4).

It is requested that £41,858 be carried forward for Verification Framework.

2.7.4 **Council Tax Benefits**

Managers: Karen Corby

	£
Over / (Under) Spend	(193,929)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	30,833
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(163,096)

See comment above on Housing Benefits (2.7.3).

It is requested that £30,833 be carried forward for Verification

Framework.

2.8 **LEISURE & ENVIRONMENTAL SERVICES**

2.8.1 **Enforcement**

Manager: Toni Magean

	£
Over / (Under) Spend	279,465
Capital Charges	(137,111)
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	142,354

The situation regarding Enforcement has been previously reported to the Executive and at the time it was highlighted that there would be a significant over spend in the service. The final position as reported here is slightly better than was anticipated in the previous report, however there is still a significant over spend.

In order that this over spend could be contained, the whole of the L&ES department looked at all expenditure within the department and actively tried to generate additional income or control their expenditure much more tightly in order that the over spend on enforcement could be contained. This has meant that in some areas highlighted below, that there are some under spends in L&ES, as managers have tried to limit their expenditure knowing the situation with enforcement.

2.8.2 **Landscape Management**

Manager: Toni Magean

	£
Over / (Under) Spend	(74,144)
Capital Charges	3,021
Financed from Reserve	0
Carry Forward Requests	10,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(61,123)

The Landscape Management function has managed to generate an under spend due to the generation of additional unbudgeted income from external works. There has also been an impact by more rigorous controls over the level of expenditure due to the position with enforcement (above).

It is also requested to carry forward £10,000 to employ a consultant to help prepare a bid from the 'Big Lottery for Children's Fund', in common with other Cumbrian District Council's in receipt of a pre-allocation of this funding.

2.8.3 Allotments & Pigeon Lofts

Manager: Toni Magean

	£
Over / (Under) Spend	(3,130)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(3,130)

2.8.4 Parks, Gardens and Open Spaces

Manager: Toni Magean

	£
Over / (Under) Spend	(1,201)
Capital Charges	(7,144)
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(8,345)

There is an under spend as the service has tried to control the level of its expenditure to help contain the impact of the over spend on enforcement.

2.8.5 Cemeteries & Crematorium

Manager: Toni Magean

	£
Over / (Under) Spend	(45,015)
Capital Charges	47,752
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	2,737

There is an over spend as there have been some long term sickness absences at the crematorium which has meant that additional, temporary staff have had to be taken on to continue to deliver the service.

2.8.6 Pest Control

Manager: Toni Magean

	£
Over / (Under) Spend	931
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	931

The Pest Control Service is slightly over spent as it has not met its income targets. The service is operating against external contractors and is delivering free rat control, which makes up a significant proportion of the work carried out. To offset the fact that the service has not been able to meet its income targets, staff have been utilised on the additional external work undertaken through Landscape Management when Pest Control work has been quiet, which is where the additional income appears.

2.8.7 Street Scene

Manager: Toni Magean

	£
Over / (Under) Spend	(117,139)
Capital Charges	0
Financed from Reserve	(30,000)
Carry Forward Requests	10,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(130,697)

The service is under spent due to the fact that the CCTV project did not begin in 2006/07. However, plans are underway in 2007/08 to progress this and joint arrangements with Allerdale for support and monitoring are in negotiation at present and it is hoped that the scheme can begin shortly. There is funding in the Capital Programme and Reserves that will be utilised to complete this programme of works, hence the under spend here is not required to be carried forward. £10,000 is requested to be carried forward to pay for new more customer focussed signage to the Catherine Street offices car park.

2.8.8 Cultural Services

Manager: Cath Coombs

	£
Over / (Under) Spend	(10,790)

Capital Charges	0
Financed from Reserve	(68,387)
Carry Forward Requests	72,094
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(7,083)

This budget was increased following the transfer of the Leisure Facilities to North Country Leisure. It covers areas such as Arts Development and Sports Development. It also includes the Leisure grants that are given to local groups.

It is requested that £72,094 be carried forward. This comprises of income received from external partners such as the Arts Council and sports national governing bodies for delivery of programmes in the 2007-08 financial year. Expenditure carry forward requests relate to ongoing projects commenced in the 2006-07 financial year that will conclude in the 2007-08 financial year.

2.8.9 Cleator Moor Civic Hall

Manager: Cath Coombs

	£
Over / (Under) Spend	(4,606)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(4,606)

This under spend relates a budget that was vired to cover the residual expenditure due to delay in transfer to the purchaser which occurred in June. The expenditure was contained within the amounts agreed for this period.

2.8.10 Rural Touring

Manager: Cath Coombs

	£
Over / (Under) Spend	(63,079)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	63,079
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

The carry forward is funded from external partners and as such the funds

roll over for future delivery of the programme.

2.8.11 NCL Contract

Manager: Cath Coombs

	£
Over / (Under) Spend	(125,388)
Capital Charges	129,498
Financed from Reserve	(53,758)
Carry Forward Requests	49,648
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This budget page relates to the agreed new leisure operators and includes the contract price and the amount agreed for any maintenance to the buildings.

It is requested that £49,648 be carried forward to cover the amount of the contract payments that is still owed as a contractual obligation, and the funding from reserves relates to items of expenditure that were incurred after the transfer that have previously been reported to Executive.

2.8.12 Leisure SLA's

Manager: Cath Coombs

	£
Over / (Under) Spend	456,866
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	456,866

This relates to the residual central establishment costs attributed to the Leisure Facilities that were contained within the Council and relate to internal SLA charges and Public Buildings Fund charges.

The budget for 2007/08 reflects the new agreement.

2.8.13 Sports Action Zone

Manager: Cath Coombs

	£
Over / (Under) Spend	(7,579)
Capital Charges	0
Financed from Reserve	0

Carry Forward Requests	7,579
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This is a rolling programme and it is therefore requested that £7,579 be carried forward to fund activities in 2007/08.

2.8.14 Active in Cumbria Website

Manager: Cath Coombs

	£
Over / (Under) Spend	(9,961)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	9,961
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

This is an externally funded partnership project and it is requested that this under spend be carried forward to develop the website.

2.8.15 Environmental Cleansing

Manager: Janice Carrol

	£
Over / (Under) Spend	(11,377)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(11,377)

There is an under spend as the service has been controlling its costs significantly in order to try and alleviate the anticipated over spend on enforcement.

2.8.16 Refuse Collection & Recycling

Manager: Janice Carrol

	£
Over / (Under) Spend	(65,046)
Capital Charges	(36,503)
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0

TRUE OVER/(UNDER) SPEND (28,543)

The Kerbside recycling service was brought in house part way through year. There were additional costs of transport, however, there were also additional recycling credits received which has meant that the service has generated an under spend.

Again the service has been controlling its costs significantly in order to try and alleviate the anticipated over spend on enforcement.

2.8.17 **Building Cleaning**

Manager: Janice Carrol

	£
Over / (Under) Spend	(33,717)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	<u>(33,717)</u>

When the budget was set, no recharge income was budgeted for the cleaning services within the Council. When these have been charged internally, the service has been left with an under spend.

2.8.18 **Public Conveniences**

Manager: Janice Carrol

	£
Over / (Under) Spend	8,057
Capital Charges	(2,471)
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	<u>5,586</u>

The budget included income for public toilets, however a decision was made by Executive after the budget was set to remove these charges, due to the cost of having to replace damaged locks. Therefore no income has been received and an over spend has been incurred.

2.8.19 **Food Hygiene**

Manager: Vic Emmerson

	£
Over / (Under) Spend	(1,058)

Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(1,058)

2.8.20 Environmental Protection

Manager: Vic Emmerson

	£
Over / (Under) Spend	(18,293)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(18,293)

There is an under spend as the level of expenditure on equipment for monitoring has been less than anticipated. Again, this is because all managers in L&ES were informed to control expenditure strictly in order to help the over spend situation within enforcement.

2.8.21 Health & Safety

Manager: Vic Emmerson

	£
Over / (Under) Spend	99
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	99

2.8.22 Works in Default

Manager: Vic Emmerson

	£
Over / (Under) Spend	14,639
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	14,639

This expenditure is incurred on properties where works are needed by law, but where the property owner cannot pay for these works. The cost of these works is then added to the property, so that the costs are recovered when the property is sold.

2.8.23 **Flooding**

Manager: Vic Emmerson

	£
Over / (Under) Spend	(20,587)
Capital Charges	23,168
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	2,581

There is a slight over spend due to remedial works on drainage and flooding that was not anticipated.

2.9 **NUCLEAR**

2.9.1 **Nuclear**

Manager: David Davies

	£
Over / (Under) Spend	(17,246)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(17,246)

There is an under spend as the Sustainability Officer left the position part way through the year and the vacancy has not yet been filled.

B. HOLDING ACCOUNTS

2.10 **CHIEF EXECUTIVE & DIRECTORS**

2.10.1 **Chief Executive & Directors**

Manager: Liam Murphy

	£
Over / (Under) Spend	(26,657)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(26,657)

There is an under spend on this account due to the timing of recruiting the new Chief Executive.

2.11 **FINANCE & BUSINESS DEVELOPMENT**

2.11.1 **Head of Finance & Business Development**

Manager: Sue Bamforth

	£
Over / (Under) Spend	(896)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(896)

2.11.2 **Accountancy Services**

Manager: Catherine Nicholson

	£
Over / (Under) Spend	(20,198)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	15,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(5,198)

There is an under spend on Accountancy services as there have been a number of vacancies throughout the year as well as a period of maternity cover. It is requested to carry forward £15,000 to assist in Continuing Professional Development and to help with continuing resource issues in the department.

2.11.3 **Audit**

Manager: Marilyn Robinson

	£
Over / (Under) Spend	(1,237)
Capital Charges	0
Financed from Reserve	(1,500)
Carry Forward Requests	2,737
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

It is requested that the under spend of £2,737 on Audit Holding Account be carried forward to utilised for training expenses in 2007/08.

2.11.4 **Fraud**

Manager: Marilyn Robinson

	£
Over / (Under) Spend	(16,677)
Capital Charges	0
Financed from Reserve	(3,480)
Carry Forward Requests	3,875
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(16,282)

It is requested that £3,875 be carried forward to 2007/08 to be utilised for training expenses.

2.11.5 **Property**

Manager: Chris Lloyd

	£
Over / (Under) Spend	(34,419)
Capital Charges	0
Financed from Reserve	(11,067)
Carry Forward Requests	5,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(40,216)

There is an under spend due to there being little expenditure on Legal & Professional Services. It is requested that £5,000 be carried forward for training expenses in 2007/08.

2.11.6 **Public Buildings**

Manager: Chris Lloyd

£

Over / (Under) Spend	(86,906)
Capital Charges	1,293
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(85,613)

There is an under spend as the budget was set when the Leisure facilities were still in the control of the Council. However, there has been no expenditure on these facilities since the transfer.

2.11.7 Admin Buildings

Manager: Chris Lloyd

	£
Over / (Under) Spend	(147,365)
Capital Charges	0
Financed from Reserve	(22,010)
Carry Forward Requests	0
Contribution to Reserves	134,584
TRUE OVER/(UNDER) SPEND	(35,061)

There is an under spend as there have been deductions from the PFI payments for non-performance and there has also been an under spend on the amount of rates paid from when the budget was originally set.

2.11.8 Business Development

Manager: Chris Lloyd

Over / (Under) Spend	30,152
Capital Charges	(11,667)
Financed from Reserve	(58,040)
Carry Forward Requests	16,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(221)

It is requested to carry forward £16,000 to be utilised in 2007/08 for training and resources in the department.

2.12 LEGAL & DEMOCRATIC SERVICES

2.12.1 Legal & Democratic Services

Manager: Martin Jepson

	£
Over / (Under) Spend	12,520
Capital Charges	182
Financed from Reserve	(6,364)
Carry Forward Requests	11,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	17,338

It is requested that £11,000 be carried forward to be utilised on a LALPAC software system for Licensing. There was an error in the original budget as previously notified to Members, that when taken account of means that the service is actually £2,726 under spent.

2.13 POLICY & PERFORMANCE

2.13.1 Head of Policy & Performance

Manager: Hilary Mitchell

	£
Over / (Under) Spend	139
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	5,698
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	5,837

It is requested that £5,698 be carried forward to fund GIS Licence renewals for 2007/08.

2.13.2 Performance Improvement

Manager: Hilary Mitchell

	£
Over / (Under) Spend	(30,655)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	28,500
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(2,155)

It is requested that £7,900 be carried forward for training fees and to continue support to the Customer First Project. It is also requested that £20,600 be carried forward to help cover Covalent Licence fees.

2.13.3 Human Resources

Manager: Len Glead

	£
Over / (Under) Spend	(27,436)
Capital Charges	0
Financed from Reserve	(26,466)
Carry Forward Requests	30,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(23,902)

It is requested that £30,000 be carried forward to help to fund additional HR Resources. Currently the reserve balance for additional resources is £140,895.

2.13.4 Payroll

Manager: Len Glead

	£
Over / (Under) Spend	(11,444)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	9,000
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(2,444)

It is requested that £9,000 be carried forward to provide additional funds to help develop a Payroll Procedures Manual in 2007/08.

2.13.5 Communications

Manager: Hilary Mitchell

	£
Over / (Under) Spend	(5,415)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(5,415)

There is an under spend due to the Communications Manager leaving post part way through the year.

2.13.6 Process Improvement Team

Manager: Bob Gerry

£

Over / (Under) Spend	71,929
Capital Charges	0
Financed from Reserve	(71,940)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(11)

The PIT is entirely funded from reserves as the initial budget ran out in November 2006. This was previously reported to Executive.

2.13.7 Training

Manager: Len Glead

	£
Over / (Under) Spend	7,154
Capital Charges	0
Financed from Reserve	(7,154)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	0

2.14 REGENERATION

2.14.1 Head of Regeneration

Manager: Mike Tichford

	£
Over / (Under) Spend	(2,382)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(2,382)

2.14.2 Economic Development & Local Plans

Manager: Graham McWilliams

	£
Over / (Under) Spend	99,984
Capital Charges	0
Financed from Reserve	(105,800)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(5,816)

2.14.3 Regeneration Holding Account

Manager: Tony Pomfret

	£
Over / (Under) Spend	(101,324)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	66,065
TRUE OVER/(UNDER) SPEND	(35,259)

There have been a number of vacancies in the section that have led to this under spend. Planning Delivery Grant for 2006/07 is to be transferred to the Reserve for future use in the delivery of the service.

2.14.4 Building Control Holding Account

Manager: Tony Pomfret

	£
Over / (Under) Spend	(70,792)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	35,282
TRUE OVER/(UNDER) SPEND	(35,510)

This is due to a number of vacancies in the department throughout the year. There have been significant resource issues in Building Control throughout the year. Part of the under spend in this service is reallocated to the Building Control Fee Line Function which should be self-financing over a 3-year rolling period. It is requested that the portion of this under spend that relates to the Fee part of the function be transferred to the Building Control Reserve.

2.15 CUSTOMER SERVICES

2.15.1 Head of Customer Services

Manager: Jane Salt

	£
Over / (Under) Spend	(8,781)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0

TRUE OVER/(UNDER) SPEND (8,781)

There is an under spend due to there being no expenditure incurred on telephones throughout the year. This has been contained within other budget heads.

2.15.2 Revenues

Manager: Karen Corby

	£
Over / (Under) Spend	37,108
Capital Charges	46,722
Financed from Reserve	(34,498)
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	<u>49,332</u>

There is an over spend on employee costs. There was an error on the budget, as previously notified to Members, in that some employee costs were not included. If this is taken into account then the true over spend would only be £24,795.

2.15.3 Benefits

Manager: Karen Corby

	£
Over / (Under) Spend	10,659
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	<u>10,659</u>

There is an over spend due income from Court Fees not being achieved. It is felt that the budget for Court Fees income is over estimated and needs to be re-addressed.

2.15.4 Copeland Direct

Manager: Stephen Fawcett

	£
Over / (Under) Spend	(11,683)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	30,829

Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	19,146

It is requested to carry forward £30,829 for payments outstanding to BT for the Contact Central software.

2.15.5 Cash Collection

Manager: Stephen Fawcett

	£
Over / (Under) Spend	654
Capital Charges	(16,027)
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(15,375)

There is an under spend as there have been a number of vacancies in the department throughout the year.

2.16 LEISURE & ENVIRONMENTAL SERVICES

2.16.1 L&ES General

Manager: Keith Parker

	£
Over / (Under) Spend	43,762
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	43,762

There is an over spend on Employee costs due to the fact that there have been additional resources utilised in the service over the budgeted amount, and the Cultural Services Manager position was paid for from this Budget Head.

2.16.2 Open Spaces

Manager: Toni Magean

	£
Over / (Under) Spend	(18,740)
Capital Charges	0

Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(18,740)

There is an under spend as the service has been controlling its expenditure in order to help the position of the enforcement service over spend.

2.16.3 Environmental Health

Manager: Vic Emmerson

	£
Over / (Under) Spend	(12,526)
Capital Charges	0
Financed from Reserve	0
Carry Forward Requests	0
Contribution to Reserves	0
TRUE OVER/(UNDER) SPEND	(12,526)

There is an under spend there have been a number of vacancies in the department throughout the year.

4.0 CONCLUSIONS

Underspend on outturn from vired budget	(593,463)
Variation in capital charges	(288,327)
Less carried forward as per Appendix B	622,432
Add Funding from reserves for revenue expenditure	(684,458)
Contributions to reserves	250,479
Net under spend identified to date	(116,684)

5.0 FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)

- 5.1 The general Fund revenue expenditure at service provision shows total net spending of £10,940,777 compared to a vired approved budget of £11,534,241. The effect on general Fund Resources is detailed in paragraph 4 resulting in additional resources available of £116,684.
- 5.2 On completion of the close down of the accounts the final net under spend will be recommended to be transferred to the Reserves Fund as in previous years.

5.3 Discussions are still ongoing with the External auditor and central Government on the final settlement of the Housing revenue Accounts. Once these discussions are completed the final balance on the HRA will be reported to members when the balance will be available for general use.

6.0 PROJECT AND RISK MANAGEMENT

6.1 It is imperative that all budgets are monitored monthly with exceptions reported through Corporate Team and Executive.

7.0 IMPACT ON CORPORATE PLAN

7.1 The budget and monitoring process is fully integrated into the planning process of the Council embracing all the objectives of the Council

List of Appendices

Appendix A – Draft Outturn Tables
Appendix B – Carry Forward Requests

List of Background Documents:
List of Consultees: Corporate Team

CHECKLIST FOR DEALING WITH KEY ISSUES

Please confirm against the issue if the key issues below have been addressed. This can be by either a short narrative or quoting the paragraph number in the report in which it has been covered.

Impact on Crime and Disorder	n/a
Impact on Sustainability	n/s
Impact on Rural Proofing	n/a
Health and Safety Implications	n/a
Impact on Equality and Diversity Issues	n/a
Children and Young Persons Implications	n/a
Human Rights Act Implications	n/a

Please say if this report will require the making of a Key Decision YES/NO