

REVENUE BUDGET – PERIOD 6 SUMMARY FINANCIAL REPORT 2013/14 (1 July 2013 to 30 September 2013)

EXECUTIVE MEMBER: Cllr Gillian Troughton,
LEAD OFFICER: Darienne Law – Head of Corporate Resources
REPORT AUTHOR: Ann Treble – Financial Management and Treasury Accountant

Summary:

The Local Government Finance Act 2012 changed the way local government is financed. This means that the council has a greater reliance on income from council tax, business rates and other income sources. At the same time Government is reducing its core funding. This fundamental change in our funding regime increases the council's financial risk.

The severity of the continuing reductions in government grants has impacted severely on Copeland's current and future financial position. The wider economic environment in which we operate is also impacting on our ability to provide services to residents, many of whom, in turn, are experiencing financial difficulties themselves.

This quarterly financial report is to update Executive on:-

- the performance of our funding and income streams,
- an estimated outturn forecast against the current approved 2013/14 budget, based on the financial position for the 6 month period to 30 September 2013,

It identifies key risks to the delivery of the Council's budget and highlights performance to date.

Recommendations:

The Executive is asked to;

- (i) Note the risks to the budget as detailed in sections 2 and 4 and the income projections in section 3.
- (ii) Note the approved net current revenue budget of £11,507m as set out in paragraph 1.4
- (iii) Note the projected year-end underspend of £89k against the current approved revenue budget of £11,507m being £16k under spend against Earmarked reserves and £73k underspend against base budget. See Appendices A & C
- (iv) Note the decision taken by Head of Corporate Resources, on outstanding debts totalling £15k as set out in paragraphs 1.3 and 1.4 of Appendix E.
- (v) Note that the year-end forecast does not include any estimate of pension increases which may materialise as a result of the Triennial review, the results of which will be advised this month. A separate paper detailing this outcome will be made to Members once known.

- (vi) Approve the release of £35k from the Coastal Management Earmarked Reserve as detailed in paragraph 8.2, to increase the current year budget from £11,507m.
- (vii) Approve the release of £50k from the Weddicar Earmarked Reserve as detailed in paragraph 8.3, to increase the current year budget from £11,507m.

1 INTRODUCTION

1.1 In accordance with Council's Financial Regulations;

- The Head of Corporate Resources is required to report to the Executive on the overall budget position, and the monitoring and control of expenditure against budget allocations.
- It is the responsibility of the Corporate Leadership Team (CLT) and individual budget managers to control income and expenditure within their service areas and to monitor performance.

1.2 All the figures and explanations in this report have been provided by the relevant budget managers.

1.3 In this report figures within brackets denote budget savings, favourable variances or income figures.

1.4 The Council approved its 2013/14 revenue budget in February 2013 at £10,362m, which included savings to be made of £1.76m. Subsequently amendments to the budget including carry forwards and further amounts released from ear marked reserves have been approved, bringing the total revenue budget for 2013/14 as at 30 September to £11,507m.

1.5 The inclusion of earmarked reserves in the budget (£855k), their forecast usage and any subsequent underspend is detailed in Appendix A.

1.6 The inclusion of carry forwards in the budget (£565k), their forecast usage and any subsequent underspend is detailed in Appendix B.

1.7 The forecast position recorded on the budget model, for year end, as at quarter 2, is an under spend of £150k and is primarily due to:

Table 1 – Main contributors to underspend of £150k

	£ 000's
Under achievement of fees and charges and car parking income (see Table 3)	145
General repairs	62
Material Salary savings (see paragraph 6 for commentary)	(152)
Savings in contractor cost (linked to under achievement of fees above)	(40)
Sea Monsters Exhibition at Beacon	(18)
Net transport costs (saving repair saving running costs extra operating lease)	(18)
Increase in recycle credits	(29)
Increase in recycle waste income	(29)
Saving on gas (mainly crematorium)	(15)
Remaining net over/under spends	(56)
Net underspend forecast at period 6	(150)

However there are some known variables within these figures and these are detailed below to give an adjusted year end forecast underspend of £89k as at period 6.

Table 2 – Reconciliation of shown underspend of £150k to actual underspend of £89K

Net underspend forecast at period 6 (from Table 1)	(150)
Adjust for known variances:	
NCL – Part of contract fee (will be spent in year)	45
NCL – project management fee (will be spent in year)	27
Weddicar costs (to be funded from EMR see recommendation vii and paragraph 8.3)	(50)
Coastal Management costs (to be funded from EMR see recommendation vi and paragraph 8.2)	(14)
Business Basics Target – current hosted in Choosing to Change (require works to be complete to identify savings in year)	53
Adjusted net underspend forecast as period 6	(89)

- 1.8 The breakdown of the net expenditure budget and forecast over corporate teams and its funding is shown in Appendix C. Appendix D shows the breakdown of the budget and forecast over cost centres.

2 ECONOMIC OUTLOOK

- 2.1 This report looks at and details the risks that exist in the financial environment in which we operate and the impact that this will have on our income and funding.
- 2.2 According to Sector Ltd, our Treasury management advisers,
 “the economic outlook has been improving, with mortgage approvals, house price rises, employment figures and industrial and service output all showing much improved figures, in the first part of this year; the economic recovery will remain fragile for some time. The UK Government’s finances, whilst broadly on track, remain in an unhealthy position and will take many years to correct. The broader world economy has seen an improvement in the US economy, but the Euro Zone is still struggling and until the western economies see stronger growth, the UK is unlikely to see significant improvement.”
- 2.3 One of the knock on effects of 2.2 is Government policy requires low short term interest rates to stimulate lending to the personal and business sectors which in turn mean the Council’s investment returns remain low for the foreseeable future.
- 2.4 The continuing poor economy will be impacting not only on our investment returns but also on our ability to meet fees and charges income targets (as evidenced in Table 3 at 3.1), and possibly our local businesses ability to meet their NNDR obligations (Table 4) and our citizens ability to pay Council Tax (Table 5).

3 INCOME FORECASTS

3.1 Fees and Charges

Table 3 - Main Income Variations

Income Source	13/14 Budget	Forecast to y/end	Forecast under achievement of income	Narrative
Fees & Charges	(2,322,438)	(2,225,067)	97,371	Main under achievements : Enforcement - £10k, Refuse Commercial £60k, refuse bulk 10k, crem 30k off set by main over achievement 10k cemeteries, 12k land management
Car Parking income	(403,904)	(355,673)	48,231	
	(2,726,342)	(2,580,740)	145,602	

The most significant variances on income relate to our car parking and fees and income as detailed in table 3. As these income targets underpins our budget, under achievement of these means there may not be sufficient income by year end to fund all of our expenditure:

Sundry debts to value of circa £3k have been written off in year to date compared to circa £36k in the whole of 2012/13.

3.3 NNDR collection rates

The authority's funding is now only guaranteed in part with the remainder dependent upon our collection of NNDR.

Figures provided by the Revs and Bens Shared Service show that we have recovered over 88% of our NNDR in the first six months of the year but this is distorted by the collection of a significant rate payer in full in April. The exclusion of this account takes our collection rates to 60.54% cumulative to end of September 2013.

The table below shows the recovery of business rates, which has been relatively consistent over recent years but this could change in the current climate. Any under collection would have to be suffered up by the authority for the first £165k in every year. There are also a number of appeals waiting to be heard which if the applicants are successful will reduce the amount to be collected initially, again this loss would have to be suffered by the authority up to the safety net level of £165k mentioned above

Table 4 - National Non Domestic Rates Collection Data

Without significant ratepayer figures

Copeland		2013/14	2012/13	2011/12	2010/11
<i>10.84%</i>	Apr	74.57%	11.93%	10.78%	11.22%
<i>21.62%</i>	May	78.37%	21.65%	21.04%	21.59%
<i>31.61%</i>	Jun	81.29%	31.26%	31.08%	31.72%
<i>41.38%</i>	Jul	83.95%	40.97%	40.28%	41.14%
<i>50.97%</i>	Aug	86.48%	50.38%	50.11%	50.63%
<i>60.54%</i>	Sep	88.95%	60.19%	59.99%	60.07%
	Oct		69.84%	69.76%	69.94%
	Nov		79.34%	79.09%	79.46%
	Dec		88.81%	86.13%	89.14%
	Jan		98.43%	98.37%	98.30%
	Feb		98.81%	98.72%	98.99%
	Mar		99.03%	98.92%	99.14%

The report in Appendix E gives details of action taken on irrecoverable historic NNDR debts and provides an analysis of the age of such debt.

3.4 Council Tax collection rates

As detailed in the table below our current Council Tax collection rate looks comparable to previous years but the impact of the current climate and welfare reforms may not yet be apparent. This year is also the first year the system of discounts replaces the previous system of benefits and the council will be required to fund any difference arising.

Table 5 - Council Tax Collection Data

	2013/14	2012/13	2011/12	2010/11
Apr	11.41%	11.61%	#N/A	11.66%
May	20.98%	21.14%	20.57%	21.13%
Jun	29.84%	30.32%	29.90%	30.35%
Jul	39.31%	39.69%	39.18%	39.75%
Aug	48.54%	49.00%	48.54%	49.03%
Sep	58.02%	58.45%	58.02%	58.85%
Oct		68.25%	67.88%	68.93%
Nov		77.70%	77.46%	77.80%
Dec		86.91%	86.72%	86.95%
Jan		96.12%	95.79%	96.17%
Feb		97.88%	97.84%	#N/A
Mar		98.20%	98.15%	97.99%

The report in Appendix E gives details of action taken on irrecoverable historic Council Tax debts and provides an analysis of the age of such debt.

4 EXPENDITURE FORECASTS

4.1 Achievement of Planned Savings

Council approved actions to result in savings of £1.76m in year. The budget was reduced to reflect these planned changes. There are risks involved in the delivery of any plan; accordingly the Change Board regularly monitors the RAG (Red/ Amber/Green) status of these savings.

4.2 Progress on delivering the savings is generally good with the majority of the proposals now being delivered and the projects closed. There are a few that are significant to the budget position which are not yet delivered and at Q2 are considered by the board to be at risk. These are set out in the Table 7 at 4.5 below.

4.3 In the original £1.76m savings reduction the Business Basics target was £80k. As the saving had not been identified when the budget was set the £80k was put in as a credit budget, hosted on Choosing to Change, to ensure the budget balanced overall. As actual savings are achieved the cost centre that makes the saving has their budget removed (credited) and the £80k is reduced (debited) to keep an £80k saving within the budget. Table 6 below shows what savings have been identified to reduce this outstanding target from £80k to £53k, as at 30 September 2013. Further Business Basics savings to be achieved through review of communications services, policy and

transformation team and review of Corporate leadership Team (CLT) and Personal Assistants to be completed in 2013/14.

Table 6 - Business Basics breakdown of budget

Budget to achieve currently hosted in choosing to change	
Original Business Basics target budget	(80,000)
Action taken to date:	
Saving from HR Manager post (shared post with ABC)	20,000
Saving from CEX cost centre	7,000
Adjusted budget savings target - still to be achieved in 13/14	(53,000)

4.4 The original £1.76m savings reduction also included a target of £287k reduction of NCL costs, however Council approval of an extension to the NCL contract in September 2013 resulted in an additional £322k in year cost (£139k cost for the contract fee and an additional £183k for PMP works), which will be funded from reserves in this year only.

4.5 **Table 7- Savings Targets – Forecast as not achieved at Q2**

Description	Responsible Officer	Saving to be met	Adjusted forecast saving as at Q2	Forecast shortfall as at Q2	RAG Rating
INCREASE Crematorium fees	Head of Neighbourhoods	- 60,000	- 30,719	- 29,281	Amber
INCREASE Car parking fees	Head of Neighbourhoods	- 40,000	8,456	- 48,456	Red
REDUCE Council's running costs (Business Basics)	Chief Executive	- 53,000	0	-53,000	Amber

4.6 Car parking fees - The income is currently down and forecast to remain so as at quarter 2. As income is related to usage it cannot be directly controlled, however the situation will continue to be monitored. It is anticipated when the local economy improves usage will return to historic levels.

4.7 At period 6 the original £80k Business basics savings target, has been reduced to £53k, as shown in table 6 above. Work is ongoing to establish how this budget target will be met.

5 Discretionary Housing Payments

- 5.1 These provide customers with further financial assistance when a local authority considers that help with housing costs is needed. It was anticipated that requests for this help would increase this year as residents needs change as welfare reform changes are implemented. Accordingly this area is being specifically monitored to track the impact.
- 5.2 CBC share of original grant provided by the government is £95k with our Overall Limit being set at £235k. (The Overall Limit being the maximum allowable payment as prescribed by Government).
- 5.3 An additional £16k grant was notified to the authority in July, bringing the external funding to £111k, out of the permissible Overall Limit of £235k detailed in 5.2 above
- 5.4 When the original budget was set, Council agreed to monitor the uptake of these payments and if necessary to utilise reserves to finance any gap. Table 8 below details the number of payments made in the first half of the year (154) (177 to end of October) and the amount of money spent/committed to date (62k), however anecdotal evidence suggests that residents are not applying until they are desperate and it is therefore anticipated that demand could increase as the year progresses. These payments will continue to be monitored and members will be advised if it becomes necessary to utilise reserves to fund any payments made, over the £110k external funding provided (to a maximum of £235k total).

Table 8 Discretionary Housing Payments Data

Externally funded budget original	94,263.00			
Externally funded budget new	16,493.00			
Total externally funded budget	110,756.00			
Overall Limit	£235,658.00			
	Budget profile	Spend	% Spend	Claims Granted (cumulative)
<i>April</i>	£9,229.67	£1,259.22	1.14%	32
<i>May</i>	£18,459.33	£5,301.63	4.79%	65
<i>June</i>	£27,689.00	£10,637.86	9.60%	88
<i>July</i>	£36,918.67	£18,982.64	17.14%	125
<i>August</i>	£46,148.33	£26,741.32	24.14%	146
<i>September</i>	£55,378.00	£33,753.99	30.48%	154
<i>October</i>	£64,607.67	£45,333.70	40.93%	177
<i>November</i>	£73,837.33		0.00%	
<i>December</i>	£83,067.00		0.00%	
<i>January</i>	£92,296.67		0.00%	
<i>February</i>	£101,526.33		0.00%	
<i>March</i>	£110,756.00		0.00%	
Add future commitments	Not Yet Posted	£16,645.77	55.96%	

6 MANAGEMENT ACTION TAKEN TO DATE

- 6.1 Whilst there is no specific vacancy management target within this years savings targets, CLT are actively managing the vacancy management process and as a result only vacancies that are essential to the business needs of the council are being filled.
- 6.2 The net current levels of savings as detailed by budget managers, on the forecast model, to date are £255k (salaries, NI and Superann) but these are netted of, as shown in table 1, with some use of legal and professional fees, to carry out work in some areas where vacancies exist.
- 6.3 Whilst one impact of strong vacancy management is a saving in the bottom line another, perhaps more significant one is the reduction in the Authority's capacity to operate and progress the changes required to reshape its services and redefine what it can do given the reducing resources.

7 WRITE OFFS

- 7.1 Debts totalling £15k have been written off by the Head of Corporate Services in quarter 2, Members are asked to review the attached report in Appendix E and formally approve these.

8 MANAGEMENT ACCOUNTING

- 8.1 The Council approved its 2013/14 revenue budget in February 2013 at £10,362m, which included savings to be made of £1.76m. Subsequently amendments to the budget including carry forwards and further amounts released from ear marked reserves have been approved, bringing the total revenue budget for 2013/14 as at 30 September to £11,507m.
- 8.2 Expenditure of £14k has been incurred to 30 September 2013, in connection with Coastal management, this spend is unbudgeted (as it was not anticipated) but an earmarked reserve exists to fund such activity. Members are asked to approve the release of £35k into the current year budget (to cover actual and estimated future in year spend). Members are asked to note that the adjusted forecast underspend of £89k as detailed in Table 2, paragraph 1.7, assumes release to match current expenditure.
- 8.3 Expenditure of £49k has been incurred to 30 September 2013, in connection with Weddicar appeal. This spend is unbudgeted but an earmarked reserve was set up to fund this activity. Members are asked to approve the release of 50k into the current year budget, to cover actual spend to date. It is not known at this date if further costs will be incurred until the appeal decision is known at the beginning of December. Members are asked to note that the adjusted forecast underspend of £89k as detailed in Table 2, paragraph 1.7, assumes release to match current expenditure.
- 8.4 Members are asked to note that the current budget of £11,507m does not include the amounts requested above at 8.2 and 8.3.

9. CONCLUSION

- 9.1 The spending forecast at period 6 is a year-end underspend of £89k against the current approved revenue budget of £11,507m, as detailed in Appendix D.

10. RESOURCE REQUIREMENTS

- 10.1 This report details the financial and resources requirements relating to the council's current budget and policy framework and provides a commentary of current performance.
- 10.2 Whilst one impact of strong vacancy management is a saving in the bottom line another, perhaps more significant one is the reduction in the Authority's capacity to operate and progress the changes required to reshape its services and redefine what it can do given the reducing resources.

11 STATUTORY OFFICER COMMENTS

11.1 The Monitoring Officer's comments are: No further Comment

11.2 The Section 151 Officer's comments are: Contained within this report

11.3 EIA Comment:

EIA completed as part of the budget setting process in February 2013

11.4 Policy Framework: The capital programme is designed to support the delivery of the Councils priorities and address risks and issues. In this way, the capital programme is an integral part of the Council's corporate policy framework.

11.5 Other consultee comments, if any:

12 HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

12.1 The budget monitoring process is carried out on a monthly basis. Management and finance staff work together to ensure financial reports are accurate and timely to assist the decision making process of the Council as a whole.

12.2 Budgets are monitored during the year with exceptions reported monthly through Corporate Leadership Team and to Executive on a quarterly basis. At the year- end, the draft outturn prior to the external audit process must be reported formally. It is also good financial practice to report the year-end position on revenue reserves as a consequence of the outturn.

13 WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

13.1 The measurement of revenue budget position for 2013/14 is key to determining the required use of reserves for the year and the level of general and earmarked reserves the Council will have available to support its revenue budget in future years.

13.2 Spending areas that vary significantly from the approved budget are also identified, which can then be fed into the budget planning process to enable informed decisions on changes to the Council's budget to be made.

List of Appendices

Appendix A – Earmarked reserve usage in budget

Appendix B – Carry forward usage in budget

Appendix C – Budget and forecast by Corporate Team

Appendix D - Budget and forecast by cost centre

Appendix E- Debts action report

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Appendix A – Earmarked reserve usage in budget

Cost Centre	Detail	Description	Cost Centre Description	Total 13/14 Earmarked Reserve	Total Forecast	Forecast Variance
Corp Resour						
26215	1120	PFI payments	Copeland Centre	7,000	7,000	0
26101	0100	Risk pot for NCL repairs	NCL - Repairs	20,000	20,000	0
26101	0150	NLC Repairs	NCL - Repairs	183,593	0	0
			Sub total	210,593	210,593	0
Policy and Transformation						
21114	0728	release from Transformational Fund	Policy and Transformation	50,000	50,000	0
			Sub total	50,000	50,000	0
Nuclear						
11002	0800	LDF consultancy costs - EMR funded & C Bamber to 21/07/13	Planning Policy	95,334	100,000	4,666
22201	0001	Funding of 2 staff members	Nuclear	44,000	44,332	332
			Sub total	139,334	144,332	4,998
Neighbour						
48004	0953	To meet external repayment	Cremetorium	25,000	25,000	0
48004	0980	To allow adaption to book of remembrance case	Cremetorium	4,912	4,912	
32900	0108	To create disabled bays Sports Centre Car Park	Car Parks	1,000	1,000	
33204	0710	To maintain Recycling site equipment	Refuse - Recycling	10,000	10,000	0
33200	0710	To replace wheelie bins	Refuse Collection	20,000	20,000	0
			Sub total	60,912	60,912	0
Leg & Comm						
32201	0948	Sea Monster Exhibition - funded from sinking fund	Beacon	49,000	30,650	-18,350
11031	0728	Seaside Success project	Seaside Success Project	68,155	68,155	0
11101	0354	Phoenix Court - repair maintenance	Cleator Moor Business Centre	3,286	266	-3,020
11036	0728	LABGI - Tangier Street rates for sign	LABGI - Tangier Street	1,500	1,500	0
11043	0728	LABGI - Whitehaven Town Team extra grant	LABGI - W/haven Town Team	5,000	5,000	0
11044	0728	LABGI - THI	LABGI - THI	17,423	17,423	0
11048	0728	LABGI - Pondfield Garage grant	LABGI - Pondfield Garage	15,000	15,000	0
12012	0728	WNF - ?	Head of Regeneration - WNF	24,000	24,000	0
11065	0728	WNF - Copeland Apprenticeship Scheme	WNF - Copeland Apprenticeship Scheme	72,000	72,000	0
43030	0800	NLC Contract	NCL Contract	138,831	138,831	0
			Sub total	394,195	372,825	-21,370
			Total	855,034	838,662	-16,372

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Appendix B – Carry forward usage in budget

Department	Cost Code	Detail	13/14 Carry forward of budget	13/14 Forecast	13/14 Variance	Reason for C/F
Corporate Resources						
	23100	0001	2,308	2,308	0	Additional works to cope with FOI 13/14
	23100	0005	228	228	0	
	23100	0006	464	464	0	
	23100	0001	13,464	13,464	0	Cover for elections staff whilst on maternity leave
	23100	0005	1,332	1,332	0	
	23100	0006	2,704	2,704	0	
	28100	0800	15,000	15,000	0	Works required for Land Register data migration but no budget in 13/14 to fund
	38200	0743	35,000	35,000	0	New Homes Bonus invest to generate income
	26000	0800	5,000	5,000	0	Procurement for our Building Maintenance
	26101	0150	117,249	117,249	0	Planned maintenance programme runs over 2yrs
Sub total			192,749	192,749	0	
Policy & Transformation						
	25000	0852	10,000	10,000	0	IT switches that are being replaced to stop the recent outages
	11045	0728	7,400	7,400	0	2 year project. The money is being held by CBC on behalf of Whitehaven Partnership
	21114	0800	20,000	20,000	0	Information management Zurich works
Sub total			37,400	37,400	0	
Neighbourhoods						
	32802	0118	21,000	21,000	0	Feb/Mar maintenance & decommissioning costs - CCTV
	32802	0150	1,720	1,720	0	Works not fully completed
	32802	0928	16,883	16,883	0	
	33200	0949	10,000	10,000	0	Resilience fund to allow for additional capacity in the waste team to allow for growth in refuse collections on completion of new homes
	48014	0715	2,694	2,694	0	St Nicholas, summer bedding order, supplied in June
	33211	0001	7,693	7,693	0	Principal waste officer maternity leave & cover
	33211	0005	761	761	0	
	33211	0006	1,546	1,546	0	
	46203		35,000			FRA Improvements to CBC buildings
Sub total			97,297	62,297	0	
Nuclear						
	11002	0800	95,334	100,000	4,666	LDF - Delays in examinations etc move costs into 13/14
Sub total			95,334	100,000	4,666	
Regeneration & Community						
	32203	0032	7,630	7,630	0	External grant funding for Beacon & partner projects which couldn't be completed in 12/13
	11031	0728	18,155	18,155	0	Seaside Fund Slippage
	11101	0354	3,286	266	-3,020	Cleator Moor business centre works stil to be carried out
	11036	0728	1,500	1,500	0	LABGI funding -To renew the sign at end Tangier Street - 2yr life in line corporate plan
	11043	0728	5,000	5,000	0	LABGI funding -Match funding against Town Team grant from DCLG
	11044	0728	17,423	17,423	0	LABGI funding -THI Bid submission now May 2013
	11048	0728	15,000	15,000	0	LABGI funding - HCA delayed move to Moresby (Pondfield)
	12012	0728	74,000	74,000	0	Enabling Growth Strategy (£24k EMR £50k GFR)
Sub total			141,994	138,974	-3,020	
Total			564,774	531,420	1,646	

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(Amended) (1 April 2013 to 30 September 2013)**

APPENDIX C - BUDGET AND FORECAST BY CORPORATE TEAM

Department	Original Budget 21 Feb 2013	Carry forwards from 2012/13 (corrected) 28 May 2013	Changes period 1-12	Current Approved Budget	Actual spend	13/14 Forecast at Period 6	Variance to Budget at Period 6
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Chief Executive	559	0	35	594	187	627	33
Corporate Resources	4,206	228	300	4,734	3,186	4,745	11
Policy and Transformation	1,169	37	140	1,346	731	1,283	(63)
Neighbourhoods	2,532	63	44	2,639	1,534	2,657	18
Regeneration and Communities	1,519	141	62	1,722	591	1,704	(18)
Nuclear, Energy and Planning	377	95	0	472	94	402	(70)
Total	10,362	564	581	11,507	6,323	11,418	(89)
Funding							
RSG	3,312			3,312		3,312	0
Baseline need	2,203			2,203		2,203	0
New homes bonus	236			236		236	0
PFI Grant	837			837		837	0
Council Tax	3,590			3,590		3,590	0
Collection Fund Surplus	44			44		44	0
Additional grant 1 year only CTS scheme	17			17		17	0
Specific Grants	21			21		21	0
Earmarked Reserves	132	180	543	855		839	(16)
General Fund Reserves	-30	384	38	392		319	(73)
Total	10,362	564	581	11,507	0	11,418	(89)

REVENUE BUDGET – PERIOD 6 SUMMARY FINANCIAL REPORT 2013/14 (Amended) (1 April 2013 to 30 September 2013)

Appendix D – Budget and Forecast by Cost Centre

		Department	Cost Centre	Cost Centre Description	Current	Profiled	Current Net	Profiled	Revised	Forecast
					Approved Budget 13/14	Budget	Expenditure	Variance	Projection	Year-End Variance
Corporate Director	Corporate Team	Chief Executive	12000	Chief Executive	210,487	105,201	103,449	(1,752)	210,649	162
Chief Executive	Chief Executive	Chief Executive	12001	Chief Exec Prize Award Scheme	0	0	(1,050)	(1,050)	(1,050)	(1,050)
			22200	Corporate Management	182,826	91,376	(41,375)	(132,751)	186,724	3,898
			22213	Choosing to Change	(53,000)	(26,489)	250	26,739	0	53,000
			29200	Subscriptions	12,697	6,346	8,369	2,023	9,697	(3,000)
			29500	National Conferences	3,362	1,680	0	(1,680)	0	(3,362)
		Chief Executive Total			356,372	178,114	69,642	(108,472)	406,020	49,648
	Chief Executive Total				356,372	178,114	69,642	(108,472)	406,020	49,648
	Communications	Communications	21500	Website Maintenance	9,748	4,872	972	(3,900)	8,243	(1,505)
			22000	Communications (H/A)	98,401	49,180	52,572	3,392	84,963	(13,438)
		Communications Total			108,149	54,052	53,544	(508)	93,206	(14,943)
	Communications Total				108,149	54,052	53,544	(508)	93,206	(14,943)
	Corporate Resources	Democratic Services/Governance	10001	Democratic Representation	3,030	1,514	2,468	954	3,030	0
			23100	Committee Services	252,746	126,323	100,262	(26,061)	247,718	(5,028)
			23300	Civic & Mayoral	297,042	148,462	131,381	(17,081)	289,372	(7,670)
			23302	Mayors Hospitality Account	2,020	1,010	310	(700)	2,020	0
			23303	Civic Hospitality Account	2,110	1,055	1,540	485	2,510	400
			23304	Leaders Hospitality Account	505	252	127	(125)	505	0
			23305	Memorial Fund	0	0	428	428	(2,202)	(2,202)
			27100	Elections	49,442	24,711	113,619	88,908	50,442	1,000
			27200	Electoral Registration	39,730	19,856	1,853	(18,003)	43,730	4,000
		Democratic Services/Governance Total			646,625	323,183	351,986	28,803	637,125	(9,500)
		Financial Services	28601	Accountancy Team H/A	487,092	243,449	231,402	(12,047)	486,818	(274)
			28700	Audit Team H/A	119,613	59,782	13,224	(46,558)	119,613	0
			29201	Subscriptions and Other Miscellaneous	0	0	(4,015)	(4,015)	651	651
			29250	Grants to Parish Councils	82,824	41,395	15,450	(25,945)	82,824	0
			29300	Treasury Management	181,199	90,564	10,000	(80,564)	181,199	0
			29400	Insurances	276,606	138,247	360,500	222,253	276,606	0
			33701	Housing Advances	(2,266)	(1,133)	0	1,133	(2,266)	0
		Financial Services Total			1,145,068	572,304	626,561	54,257	1,145,445	377
		Human Resources/Organisation Development	21110	Human Resources (H/A)	186,097	93,010	72,309	(20,701)	184,504	(1,593)
			21200	Training	58,275	29,126	4,674	(24,452)	58,275	0
			21209	Training - Finance	0	0	1,800	1,800	0	0
			21210	Training - Legal	0	0	560	560	0	0
			21223	Training - Property	0	0	3,079	3,079	0	0
			21231	Training - Arts, Beacon and Tourism	0	0	35	35	0	0
			21234	Training - Building Control	0	0	116	116	0	0
			21236	Training - Open Spaces	0	0	2,541	2,541	0	0
			21237	Training - Refuse & Recycling	0	0	7,421	7,421	0	0
			21238	Training - Human Resources	0	0	2,621	2,621	0	0
			38001	Payroll Team H/A	39,182	19,582	19,852	270	39,182	0
			21233	Training - Development Control	0	0	199	199	0	0
			21235	Training - Environmental Health	0	0	18	18	0	0
		Human Resources/Organisation Development Total			283,554	141,718	115,223	(26,495)	281,961	(1,593)
		Legal Services	23001	Stationery (H/A)	0	0	19,687	19,687	0	0
			27001	Legal Services	187,436	93,680	95,154	1,474	187,468	32
			27300	Land Charges	(63,489)	(31,733)	(49,755)	(18,022)	(70,188)	(6,699)
			27500	Licensing General	9,548	4,771	9,994	5,223	9,548	0
			27501	Public Entertainment Licensing	(125)	(62)	(67)	(5)	(125)	0
			27502	Small Lotteries Licensing	(3,889)	(1,944)	(3,010)	(1,066)	(3,889)	0
			27508	Taxi Licensing	(22,596)	(11,294)	(29,439)	(18,145)	(21,980)	616
			27511	Private Hire Licensing	(20,178)	(10,085)	(19,391)	(9,306)	(20,178)	0
			27512	Liquor Licensing	(57,345)	(28,661)	(66,523)	(37,862)	(57,345)	0
			27513	Gambling Act 2005	(10,788)	(5,392)	(14,521)	(9,129)	(10,788)	0
			27544	Gaming Machines	(2,134)	(1,067)	(1,450)	(383)	(2,134)	0
			27503	Bingo Licensing	0	0	0	0	7,866	7,866
			27504	GAMING LICENSING	0	0	0	0	(7,866)	(7,866)
		Legal Services Total			16,440	8,213	(59,322)	(67,535)	10,389	(6,051)
		Procurement	22210	Procurement	37,202	18,594	(1,142)	(19,736)	37,202	0
		Procurement Total			37,202	18,594	(1,142)	(19,736)	37,202	0
		Property Management	26000	Property H/A	209,983	104,948	101,411	(3,537)	202,201	(7,782)
			26101	North Country Leisure	513,457	256,626	21,200	(235,426)	513,457	0
			26106	Crematorium	0	0	3,517	3,517	0	0
			26107	Moresby Parks / Beck Green Nursery	0	0	5,737	5,737	0	0
			26108	Community Buildings	0	0	(179)	(179)	0	0
			26109	Public Conveniences	0	0	520	520	0	0
			26110	Beacon / Museum Store	0	0	9,688	9,688	0	0
			26113	Miscellaneous Land	0	0	612	612	0	0
			26114	Phoenix Court	0	0	50	50	0	0
			26116	Repair Backlog	0	0	387	387	0	0
			26122	Wellington Pit Memorial	0	0	(2,828)	(2,828)	0	0
			26124	Gillfoot Shaft	0	0	180	180	0	0
			26125	Public Buildings General	199,912	99,916	1,068	(98,848)	248,861	48,949
			26126	Frizington Medical Group Practice	0	0	554	554	0	0
			26128	Cleator Moor Council Centre	0	0	760	760	0	0
			26204	Millom Offices	3,293	1,646	1,764	118	2,173	(1,120)
			26210	Cleator Moor Area Office	22,718	11,354	3,348	(8,006)	22,718	0
			26214	Moresby Parks Depot	106,220	53,089	83,583	30,494	102,296	(3,924)
			26215	Copeland Centre	1,177,238	588,384	381,863	(206,521)	1,177,238	0
			26217	INSURANCE REPAY LONDON & REGIONAL	0	0	(19,584)	(19,584)	0	0
			26221	Coastal Management	0	0	1,761	1,761	0	0
			28100	Land Management	(105,324)	(52,639)	(92,210)	(39,571)	(108,240)	(2,916)
			28200	Community Buildings	0	0	(834)	(834)	0	0
			26112	Miscellaneous Buildings	0	0	175	175	0	0
		Property Management Total			2,127,497	1,063,324	502,541	(560,783)	2,160,704	33,207
		Resources & Transformation	12010	Head of Corporate Resources	128,906	64,425	29,969	(34,456)	125,060	(3,846)
		Resources & Transformation Total			128,906	64,425	29,969	(34,456)	125,060	(3,846)
		Revenue's and Benefits Shared Service	38007	Revenues and Benefits Shared Service	592,292	296,028	320,101	24,073	592,324	32
			38009	New Burdon Business Rate Deferral Scheme	0	0	(11,970)	(11,970)	0	0
			38100	National Non-Domestic Rates	(117,268)	(58,611)	3,553	62,164	(113,327)	3,941
			38200	Council Tax	(78,721)	(39,344)	(39,818)	(474)	(78,321)	400
			38300	Council Tax Benefits	40,000	19,992	(17,441)	(37,433)	40,000	0
			38301	Housing Benefits	(87,300)	(43,633)	1,368,152	1,411,785	(93,204)	(5,904)
			38305	Local Housing Allowance	0	0	(2,126)	(2,126)	0	0
		Revenue's and Benefits Shared Service Total			349,003	174,432	1,620,450	1,446,018	347,472	(1,531)
		Corporate Resources Total			4,734,295	2,366,193	3,186,267	820,074	4,745,358	11,063
	Policy and Transformation	Customer Services	25003	Copeland Direct	321,826	160,848	162,052	1,204	319,579	(2,247)
			29100	Concessions	0	0	768	768	768	768
			38004	Cash Collection H/A	82,111	41,039	32,300	(8,739)	71,481	(10,630)
		Customer Services Total			403,937	201,887	195,120	(6,767)	391,828	(12,109)
		ICT/MIS	25000	Management Information Systems	465,688	232,751	292,427	59,676	447,531	(18,157)

		25001	Photocopier H/A	0	0	14,286	14,286	0	0		
		25004	Mobile Phone H/A	0	0	7,083	7,083	0	0		
			ICT/MIS Total	465,688	232,751	313,796	81,045	447,531	(18,157)		
		21114	Performance and Transformation	231,265	115,586	75,452	(40,134)	209,869	(21,396)		
		21115	Policy & Scrutiny	36,591	18,288	14,107	(4,181)	27,641	(8,950)		
		29000	Grants and Other Aids	68,410	34,191	67,000	32,809	68,410	0		
			Performance Management Total	336,266	168,065	156,559	(11,506)	305,920	(30,346)		
		21350	Geographic Information Systems (GIS)	52,854	26,415	28,747	2,332	52,854	0		
		27002	Equality & Diversity AWAZ	6,060	3,029	4,000	971	6,060	0		
			Policy Development Total	58,914	29,444	32,747	3,303	58,914	0		
		12011	Head Policy & Transformation	73,597	36,782	32,921	(3,861)	71,300	(2,297)		
			Resources & Transformation Total	73,597	36,782	32,921	(3,861)	71,300	(2,297)		
		11045	Localities	7,400	3,699	0	(3,699)	7,400	0		
			LSP & Localities Total	7,400	3,699	0	(3,699)	7,400	0		
			Policy and Transformation Total	1,345,802	672,628	731,143	58,515	1,282,893	(62,909)		
Chief Executive Total				6,544,618	3,270,987	4,040,597	769,610	6,527,477	(17,141)		
Director of Services	Neighbourhoods		Enforcement	32700	Markets	(25,946)	(12,968)	(5,119)	7,849	(21,578)	4,368
		32701	Dogs Enforcement	7,282	3,639	3,084	(555)	7,051	(231)		
		32702	Licensing Enforcement	81	41	0	(41)	81	0		
		32703	Other Environmental Enforcement	104,833	52,395	55,287	2,892	116,369	11,536		
		32900	CBC Car Parks	(256,409)	(128,150)	(116,174)	11,976	(194,747)	61,662		
		32905	On Street DPE Parking	0	0	(184)	(184)	(166)	(166)		
			Enforcement Total	(170,159)	(85,043)	(63,106)	21,938	(92,990)	77,169		
		26005	Flooding & Coastal Defence	45,724	22,852	11,500	(11,352)	45,724	0		
		31101	Health & Safety	3,909	1,953	1,207	(746)	3,909	0		
		31110	Food Hygiene & Private Water Supplies	4,901	2,449	(4,426)	(6,875)	2,669	(2,232)		
		31204	Environmental Protection	14,688	7,339	5,963	(1,376)	14,688	0		
		31801	Peace Time Emergency Planning	5,315	2,656	6,065	3,409	6,496	1,181		
		31900	Works In Default H/A	0	0	(568)	(568)	(568)	(568)		
		46202	Environmental Health	559,483	279,629	292,715	13,086	561,016	1,533		
		46203	Corporate Health & Safety	80,187	40,077	20,817	(19,260)	80,187	0		
			Environmental Health Total	714,207	356,955	333,272	(23,683)	714,121	(86)		
		12013	Head of Neighbourhoods	73,597	36,782	36,892	110	73,607	10		
		46200	Neighbourhood Management	93,748	46,855	42,746	(4,109)	92,748	(1,000)		
			Neighbourhood Management Total	167,345	83,637	79,638	(3,998)	166,355	(990)		
		32802	Street Scene	216,761	108,337	50,598	(57,739)	233,225	16,464		
		46201	Open Spaces	122,388	61,168	54,124	(7,044)	123,667	1,279		
		48001	Allotments & Pigeon Lofts	6,789	3,393	259	(3,134)	5,090	(1,699)		
		48002	Sport Pitches	6,493	3,246	3,020	(226)	6,493	0		
		48003	Cemeteries	(40,919)	(20,451)	(22,396)	(1,945)	(51,891)	(10,972)		
		48004	Crematorium	(527,983)	(263,886)	(234,260)	29,626	(492,840)	35,143		
		48005	Trees (GM)	40,559	20,271	17,907	(2,364)	42,559	2,000		
		48006	Play Areas & Teen Spaces	28,384	14,187	16,700	2,513	28,384	0		
		48007	Nursery	21,069	10,530	0	(10,530)	21,069	0		
		48008	Parks and Open Spaces	183,348	91,636	79,471	(12,165)	166,223	(17,125)		
		48009	General Landscapes and Misc Works	125,971	62,962	52,908	(10,054)	109,849	(16,122)		
		48010	Home Group Ltd	(35,664)	(17,825)	(22,251)	(4,426)	(35,664)	0		
		48011	County Weedspraying and Grass	(9,040)	(4,520)	13,838	18,358	(9,040)	0		
		48012	Parishes and Small Works	(26,007)	(12,999)	(11,618)	1,381	(26,007)	0		
		48013	Home Housing	(5,000)	(2,499)	(1,105)	1,394	(2,000)	3,000		
		48014	Floral Maintenance	7,137	3,568	4,113	545	7,137	0		
			Parks & Open Spaces Total	114,286	57,118	1,309	(55,809)	126,254	11,968		
		33000	Environmental Cleansing	605,537	302,647	318,025	15,378	589,677	(15,860)		
		33100	Public Conveniences	18,404	9,199	8,068	(1,131)	13,469	(4,935)		
		33200	Refuse Collection	691,561	345,643	359,128	13,485	701,404	9,843		
		33202	Refuse - Bulk	(7,136)	(3,566)	284	3,850	(1,482)	5,654		
		33203	Refuse - Commercial	(46,415)	(23,198)	(39,305)	(16,107)	(31,539)	14,876		
		33204	Refuse - Recycling	(27,540)	(13,765)	24,748	38,513	(50,442)	(22,902)		
		33206	Refuse - Fuel Issues	0	0	3,718	3,718	0	0		
		33208	Kerbside Recycling	101,986	50,971	108,380	57,409	90,082	(11,904)		
		33209	Plastic and Cardboard Recycling Scheme	0	0	5,193	5,193	5,766	5,766		
		33211	Waste Services - Holding A/C	363,426	181,640	180,751	(889)	363,471	45		
		33212	Refuse - Green Waste	98,404	73,804	205,090	131,286	47,200	(51,204)		
		33300	Building Cleaning	15,355	7,675	8,395	720	15,505	150		
			Refuse & Recycling Total	1,813,582	931,050	1,182,474	251,424	1,743,111	(70,471)		
			Neighbourhoods Total	2,639,261	1,343,717	1,533,588	189,871	2,656,851	17,590		
	Nuclear, Energy & Planning		Building Control	31401	Building Control Non Fee Based	113,120	56,539	65,379	8,840	121,636	8,516
		31402	Building Control Fee Based	(45,035)	(22,508)	(38,358)	(15,850)	(45,542)	(507)		
			Building Control Total	68,085	34,031	27,021	(7,010)	76,094	8,009		
		31600	Development Control	(8,082)	(4,040)	27,779	31,819	(23,551)	(15,469)		
		31601	Dilapidated Buildings	0	0	(5,357)	(5,357)	0	0		
			Development Control Total	(8,082)	(4,040)	22,422	26,462	(23,551)	(15,469)		
		12004	Managing Radioactive Waste Safely	0	0	(102,986)	(102,986)	(1,155)	(1,155)		
		12014	Head of Nuclear, Energy & Planning	68,878	34,425	34,333	(92)	69,578	700		
		12020	GRID PPA	0	0	13,312	13,312	0	0		
		12021	NuGen PPA	0	0	13,500	13,500	0	0		
		12022	DONG Energy PPA	0	0	(7,996)	(7,996)	(7,996)	(7,996)		
		12023	Sellafield PPA	0	0	(1,110)	(1,110)	0	0		
		22201	Nuclear Issues	47,072	23,527	81,832	58,305	44,332	(2,740)		
		22208	Localism Grants	0	0	(29,822)	(29,822)	0	0		
		22215	CAT - Community Asset Transfer	16,700	8,347	411	(7,936)	16,700	0		
			Nuclear Projects & Programmes Total	132,650	66,299	1,475	(64,824)	121,459	(11,191)		
		11002	Planning Policy	269,953	134,922	43,182	(91,740)	215,713	(54,240)		
		11003	Environmental Works and Land Reclamation	12,000	5,998	0	(5,998)	12,000	0		
		31500	Conservation General	(2,841)	(1,420)	0	1,420	0	2,841		
			Strategic Planning Total	279,112	139,500	43,182	(96,318)	227,713	(51,399)		
			Nuclear, Energy & Planning Total	471,765	235,790	94,099	(141,691)	401,715	(70,050)		
	Regeneration and Community	32201	Beacon	341,741	170,803	201,189	30,386	337,784	(3,957)		
		32202	Tourist Information Centre	0	0	527	527	0	0		
		32203	Beacon Grants	7,630	3,813	9,520	5,707	7,630	0		
			Arts, Beacon & Tourism Total	349,371	174,616	211,236	36,620	345,414	(3,957)		
		11040	CCF Development Team	(17,468)	(8,731)	(69,624)	(60,893)	(17,468)	0		
			Copeland Community Fund Total	(17,468)	(8,731)	(69,624)	(60,893)	(17,468)	0		
		11001	Economic Development	141,141	70,541	60,472	(10,069)	132,369	(8,772)		
		11015	Regeneration Consultancy	0	0	3,276	3,276	3,277	3,277		
		11031	Strategy for seaside success	68,155	34,064	274	(33,790)	68,155	0		
		11056	Tourism	0	0	55,535	55,535	0	0		
		11101	Cleator Moor Business Centre	3,286	1,642	5,717	4,075	7,639	4,353		
		32560	Arts Development	5,774	2,886	4,440	1,554	5,774	0		
			Economic Regeneration Total	218,356	109,133	129,715	20,582	217,214	(1,142)		
		11005	Joint Health Improvement	0	0	(14,400)	(14,400)	0	0		
		32546	Youth Engagement	7,585	3,792	(3,913)	(7,705)	7,585	0		
		43020	Health & Sport	27,742	13,865	7,140	(6,725)	27,742	0		
		43030	NCL Contract	435,726	217,776	200,664	(17,112)	436,640	914		
			Health and Sports Total	471,053	235,433	189,491	(45,942)	471,967	914		
		11036	Advertising site Tangier Building	1,500	750	132	(618)	1,500	0		
		11043	Whitehaven Regeneration	5,000	2,499	0	(2,499)	5,000	0		
		11044	Whitehaven THI	17,423	8,708	9,214	506	17,423	0		
		11048	LABGI - Enterprise Development	15,000	7,497	0	(7,497)	15,000	0		

		LABGI Total			38,923	19,454	9,346	(10,108)	38,923	0
		Regeneration and Community	12012	Head of Regeneration & Community	147,933	73,936	36,384	(37,552)	147,933	0
		Regeneration and Community Total			147,933	73,936	36,384	(37,552)	147,933	0
		Strategic Housing	33605	Housing Strategy	78,501	39,235	27,431	(11,804)	75,501	(3,000)
			34201	Private Sector Housing Renewal	108,839	54,397	51,610	(2,787)	109,359	520
			35202	Homelessness	254,597	127,244	58,827	(68,417)	242,989	(11,608)
			34203	HCA Funding	0	0	(101,069)	(101,069)	0	0
		Strategic Housing Total			441,937	220,876	36,799	(184,077)	427,849	(14,088)
		Working Neighbourhood Fund	11065	Copeland Apprentice Initiative	72,000	35,986	47,525	11,539	72,000	0
		Working Neighbourhood Fund Total			72,000	35,986	47,525	11,539	72,000	0
		Regeneration and Community Total			1,722,105	860,703	590,871	(269,832)	1,703,832	(18,273)
Director of Services Total					4,833,131	2,440,210	2,218,558	(221,652)	4,762,398	(70,733)
People and Places	Corporate Director	Corporate Director	12003	Director of Services	129,560	64,754	63,485	(1,269)	128,260	(1,300)
		Corporate Director Total			129,560	64,754	63,485	(1,269)	128,260	(1,300)
People and Places Total					129,560	64,754	63,485	(1,269)	128,260	(1,300)
Grand Total					11,507,309	5,775,951	6,322,639	546,688	11,418,135	(89,174)

APPENDIX E -WRITE OFFS 2013/14**REVENUE BUDGET – PERIOD 6 SUMMARY FINANCIAL REPORT 2013/14 (1 July 2013 to 30 September 2013)**

EXECUTIVE MEMBER: Cllr Gillian Troughton
LEAD OFFICER: Darienne Law – Head of Corporate Resources
REPORT AUTHOR: Ann Treble – Financial Management and Treasury Accountant

WHAT BENEFITS WILL THESE PROPOSALS BRING TO COPELAND RESIDENTS

It is good practice to write off debts that are irrecoverable.

WHY HAS THIS REPORT COME TO THE EXECUTIVE? (NB. This report will be ‘merged’ with the Budget Monitoring Report)

(eg Key Decision, Policy recommendation for Full Council, at request of Council,etc.)

All write offs must be approved in accordance with the Council’s Scheme of Delegation and a summary report to Executive. This is the report from 1st July 2013 to 30th September 2013.

RECOMMENDATION:

The Executive formally approves the write off of the debt totaling £15k for the three months 1 July to 30 September 2013, as set out in Paragraphs 1.5, 1.3 and 1.4, bringing the year to date write offs to a total of £68k.

1. INTRODUCTION

1.1 Under the Council’s Scheme of Delegation, the following limits for write offs apply:-

- Head of Corporate Resources – authorised to write off debts due to the Council not exceeding £50,000

Once write offs are approved, a summary must be reported to Executive, this report is that summary.

- Executive must authorise all write offs above £50,000

1.2 The debts written off in this report have been authorised by the Corporate Director, Resources and Transformation as they are below £50,000 in value.

1.3 £7,350.85 is being written off in respect of debts where the debtor is bankrupt or the company dissolved. The number of accounts written off for this reason is 11 this period and a total of 52 in year (compared to 99 during the whole of the Financial Year 2012/13).

1.4 The remaining balance of £7,211.74 is being written off for a variety of reasons including where:-

- the debtor has absconded without trace or
- the debtor has died without any estate or
- the debt is uneconomical to pursue

1.5 A summary of quarter 2 only (2013/14)

Type of Charge	Number of Accounts 1.07.13 to 30.09.13	Amount Written Off 1.07.13 to 30.09.13
Council Tax	9	3,833.91
National Non Domestic Rates	2	6,362.50
Housing Benefit Overpayments	17	1,774.73
Sundry Debt	13	2,591.45
Total	41	14,562.59

1.6 Summary of in year position (2013/14) as against full 2012/13 financial year

Type of Charge	Number of Accounts 1.04.13 to 30.09.13	Amount Written Off 1.04.13 to 30.09.13	Number of Accounts for whole of 2012/13	Amount Written Off for whole of 2012/13
Council Tax	99	38,344.97	93	62,978.34
National Non Domestic Rates	5	19,997.45	82	558,432.15
Housing Benefit Overpayments	49	6,958.00	71	27,261.13
Sundry Debt	16	3,146.05	61	17,959.16
Total	169	68,447.27	307	666,630.16

1.7 Age of Debts written off in year (2013/14)

Council Tax	Value written off year ended 31 March 2014
	£
Date of original debts:	
2013/14	192
2012/13	7,138
2011/12	4,975
2010/11	4,058
Older	21,981
Total to 30/09/13	38,344

NNDR	Value written off year ended 31 March 2014
	£
Date of original debts:	
2013/14	5,182
2012/13	8,985
2011/12	7,777
2010/11	-911
Older	-1,036
Total to 30/09/13	19,998

2. DETAIL

2.1 Of the amount approved for write off the Council bears a different proportion depending on the type of debt as set out below:-

- i. Previously Central Government bore the full cost of Non Domestic Rate write-offs, but under the new regime this year, Copeland will bear the full cost up to the value of the safety net i.e. a maximum £165k 'loss' in any year.
- ii. Debts in respect of Council Tax total fall on the Collection Fund, of which any surplus or deficit is shared by the relevant authorities in the ratio of their precepts on the Collection Fund in the previous year. This ratio for 2013/14 could mean that the amount of debt falling to Copeland Borough Council would be 11.63% or circa £4k to date.
- iii. The remaining debt in respect of housing benefit overpayments and sundry debts) falls completely on the Council.

The bad debt write-offs in respect of housing benefit overpayments are charged to the housing benefits cost centre. Write-offs in respect of sundry debts are charged back to the service cost centre which received the benefit of the debtor income when it was originally raised.

3 CURRENT DEBT MANAGEMENT ARRANGEMENTS

3.1 Recovery

The recovery of arrears of Council Tax, National Non Domestic Rates, Housing Benefit. Overpayments and Sundry Debts are all handled differently as Legislation dictates. However, in all cases reminders are issued within 6 weeks of the payment becoming due, and where a Liability Order is obtained from the Magistrates Court and no contact has been made with the Recovery Section to make an agreement to pay the case will be issued to a bailiff for collection a month after the Order has been granted.

3.2 Insolvency

There are various forms of insolvency, depending upon the type of business concerned. For companies, there are voluntary or compulsory liquidations, administration orders and receiverships. For individual traders there is bankruptcy.

When an individual or a company becomes insolvent a liquidator or trustee is appointed to distribute any assets amongst the creditors. Assets are applied first to the expenses of the liquidation, second in meeting preferential debts, and third, in payment of general creditors or unsecured debts, examples of which are Council Tax and NNDR.

The Council is debarred from pursuing normal methods of recovery, such as distress, in cases of insolvency, and so must write-off the debt as irrecoverable. Any subsequent dividends paid in respect of outstanding Council Tax and NNDR are dealt with by re-debiting the appropriate rate account with a corresponding sum.

Some businesses also cease trading without formal insolvency procedures being undertaken. Their debts are written off if they have no assets.

3.3 Absconded debtors

All cases submitted for write-off have been returned by the Council's bailiffs as 'Gone Away – Unable to Trace'. In addition, where appropriate, the following checks are undertaken when attempting to trace an absconded ratepayer: -

- (a) local enquiries are made by the Council's Visiting Inspector.
- (b) checks are made with internal records, such as Council Tax, Benefits and Electoral Registration.
- (c) enquiries, although heavily restricted by Data Protection legislation, may be made with other utilities, e.g. water, electricity, gas, B.T.
- (d) estate agents, solicitors, managing agents may be contacted.
- (e) various other avenues may be followed, such as contact with ex-landlords, family, ex-employers, other local authorities etc.

Such requests for information are made on a voluntary basis only, there being no requirement for respondents to supply the Council with information.

All the cases listed are ceased accounts whose liability has been ended.

3.4 Deceased debtors

Bills for outstanding Council Tax or NNDR are sent to the Executors of deceased persons, but the Council Tax and NNDR regulations prevent the Council from pursuing recovery through the Magistrates Court in cases of non-payment. Cases are therefore put forward for write off and will include cases where the debtor has died leaving no assets.

3.5 Recommendation for write off

Approving recommendations to write-off bad debts, is an internal accounting decision based on recommended good practice by the Audit Commission. The debtor is still liable for the amount outstanding and recovery action can be resumed if circumstances change.