

2006/07 BUDGET MONITORING

FOR THE 6 MONTH PERIOD ENDED 29TH SEPTEMBER 2006

APPENDIX B - SUMMARY OF SIGNIFICANT NET EXPENDITURE VARIANCES FROM PROFILE

		Actual	Profiled Budget	Variation from Profiled Budget (under (-) / over)	Comment
		£	£	£	
Line Functions:					
2.9	Treasury Management	-481,165	-439,942	-41,223	During the first quarter of this financial year Home Group repaid an outstanding loan of £2.2m. This has increased our cash balance available for investment (although the interest rates we will receive on this are not as favourable as Home were paying). Interest rates have risen during the year and this has produced a favourable variance to date.
2.10	Insurances	345,537	367,136	-21,599	Due to estimated income from completed claims of £116k relating to 2005/06 that the Council will receive from the insurance company in 2006/07.
2.11	Concessions	252,252	302,307	-50,055	This is the first year of free travel for concessionary pass holders (previously half price). NoW cards have not yet gone live with the smartcards but are expected to do so by the end of the financial year. When this happens we should get more accurate costings. Travel vouchers are only re-imbursed when used and so far are releasing a saving to the authority. It is expected that there will be a surplus at year end.
2.16	Land Management	41,651	75,414	-33,763	Underspend is due to other services (contractors) activity being less than expected at this stage of the year (£21k), and one off income received of £5k for early termination of a lease on land owned by CBC.
3.5	Civic and Mayoral	228,292	230,129	-1,837	Members Allowances underspent due to vacancy in Distington ward
3.6	Elections	55,922	15,689	40,233	Due to election cost re-imbursement allowed for in 2005/06 not yet received (£40.9K)
3.9	Licensing	32,678	-10,050	42,728	Income is behind profile by £42k due to set budget being too challenging. This will be partially offset by removing budgeted income for the position of Freedom of Information Officer, no longer required
4.8	Joint Neighbourhood Forum	0	0	0	This has now been paid out in Period 7
5.5	Building Control Fee	-6,219	12,336	-18,555	Due to increased fee income from increased customer demand. This is slightly offset due to outsourcing of plan checks. Any surplus at year end is ringfenced at year end and transferred to Building Control Fee Reserve .
5.7	Planning Policy	61,468	79,950	-18,482	Due to little expenditure on supplies. It is anticipated that the budget will be fully utilised by financial year end
5.9	Development Control	121,784	135,612	-13,828	Due to increased income from planning fees. Demand for planning applications can be volatile against budget and therefore too soon to say whether this trend will continue.
5.13	Beacon	180,555	211,297	-30,742	£15k of this underspend is due to an underspend on exhibit maintenance. This should be realised once the Beacon closes for refurbishment
5.19	Private Sector Housing Renewal	40,075	29,154	10,921	Fees and charges down by £13k due to slow start for grant aided work. It is expected that the budgeted income will be achieved at financial year end.
6.10	Council Tax Benefits	-2,472,361	-2,539,110	66,749	Due to a prior year adjustment of subsidy income received, it is anticipated that this budget will be overspent by £66.7k. at financial year end. As part of the Period 7 monitoring management are considering this budgetary implication.
7.12	Enforcement	120,813	21,124	99,689	Actual turnover of £161.2k is down against profile by £116k. This is basically due to income targets in both the car parks and on Decriminalised Parking Enforcement (DPE) not being achieved. A separate report is being presented to this meeting

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7.13	Street Scene	77,077	107,602	-30,525	Due to receipt of income from Crime and Disorder Partnership, and, CCTV yet to be implemented. It is expected to be fully operational by financial year end
7.18 / 7.19	Refuse Collection and Recycling	665,268	679,818	-14,550	Due to an increase in recycling credits income of £48k from profiled £101k. This is however partially offset by increased costs required to resource this activity.
7.20	Environmental Cleansing	364,298	347,619	16,679	Due to ceasing of National Park toilet cleaning contract worth £9,000 per annum (£4.5k for Qtr 2), an increase in timing of payments for supplies of chemicals and materials (£5.5k), and a tribunal settlement of £4.4k
8.1	Nuclear	45,564	53,580	-8,016	Supplies activity is under by £8k. This is expected to be utilised by year end
Holding Accounts:					
1.1	Chief Executive and Directors	-21,151	-3,714	-17,437	Mainly due to vacant position for the first two months of the financial year
2.5	Business Development	-66,823	-46,920	-19,903	Due to underspend on various lines of supplies including communications (£18.8k) and computing (£14.9k) software, -£7.1k consumables and miscellaneous. Based on commitments made the budget is expected to be fully utilised at year end.
2.6	Property	-27,431	-8,958	-18,473	Legal and professional services are underspent by £11.4k due to decrease in activity from profiled. Estimated saving for the year is £5k, and has been agreed as a saving in 2007/08 budget process.
2.7	Public Buildings	-36,141	-18,114	-18,027	Due to accruals being brought forward from last year that remain outstanding in terms of making payment. These will be paid in the next period.
2.8	Admin Buildings	35,371	195,067	-159,696	Due to PFI building payments. Invoices have been paid, with a deduction of £158k due to disputes over failure to deal with non-compliance issues. This is currently under negotiations and a partial settlement to follow
4.3	Performance Improvement Team	35,282	-942	36,224	Financed from earmarked reserves
5.3	Building Control	-44,354	-2,286	-42,068	Due to vacant positions £50.3k slightly offset by increased legal and professional fees for plan checking.
6.4	Cash Collection	-21,032	-2,838	-18,194	Due to vacancies (£8k), and underspend against profile of £3k for security services (timing of payment). The remainder is against miscellaneous expenses which requires to be moved
6.5	Revenues	-50,403	-82,908	32,505	Due to approved employment of 2 temporary staff that will be funded from additional subsidy received if overpayments kept below £98k. At present overpayments are at a level that would result in no additional subsidy being received. If the position does not improve, then this will be a cost to Copeland. Management are carefully monitoring an establishing financing if the current position materialises.