

**AGENDA ITEM: 9A**

Page nos. 1 – 5 (& enclosures)

Meeting

Cabinet Resources

Date

17 March 2005

**Subject**

**Revenue Monitoring 2004/05**

Report of

Cabinet Member for Resources

Summary

To consider a report on revenue monitoring in the current year and instruct officers to take appropriate action.

Officer Contributors

Borough Treasurer

Status (public or exempt)

Public

Wards affected

N/A

Enclosures

Appendix A – 2004/05 Forecast Outturn  
Appendix B – 2004/05 Savings Implementation Monitor  
Appendix C – Efficient Savings Implementation Monitor

For decision by

Cabinet Resources Committee

Function of

Executive

Reason for urgency / exemption from call-in (if appropriate)

Not applicable

Contact for further information: Clive Medlam 020 8359 7110.

## **1 RECOMMENDATIONS**

- 1.1 That the General Fund and Housing Revenue Account budget monitoring position be noted.**
- 1.2 That Heads of Service be instructed to take appropriate management action to (i) achieve the budgeted savings, (ii) contain emerging budget pressures and (iii) identify further savings to achieve the target of £5m balances by 31 March 2005.**

## **2. RELEVANT PREVIOUS DECISIONS**

- 2.1 Council 2 March 2004, Cabinet Resources 28<sup>th</sup> July 2004, Cabinet Resources 23<sup>rd</sup> September 2004, Cabinet Resources 25<sup>th</sup> November 2004 and Cabinet Resources 10<sup>th</sup> February 2005.

## **3 CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 3.1 Robust revenue monitoring is essential to ensure that resources support the Council's priorities as set out in the Corporate Plan.

## **4 RISK MANAGEMENT ISSUES**

- 4.1 The risks posed by budget pressures are addressed in Section 8 below. Management action is being taken to address budget pressures. Failure to contain these pressures will impact on the council's available balances.

## **5 FINANCIAL, STAFFING, ICT AND PROPERTY IMPLICATIONS**

- 5.1 The 2003/4 Outturn report presented to this committee on 28 July 2004 advised that General Fund balances at 31 March 2004 amounted to £0.93m. The 2004/5 budget included a contribution to balances of £3m which brings the total of General Fund balances to £3.93m, before considering the effects of monitoring during the year. Further comments are contained in Section 7.

## **6 LEGAL**

- 6.1 None.

## **7 CONSTITUTIONAL**

- 7.1 This committee is responsible for capital and revenue finance, forecasting, monitoring, borrowing and taxation.

## **8 BACKGROUND INFORMATION**

- 8.1 Variances previously considered and approved by Cabinet Resources Committee in July, September, November and February produce a forecast of balances of £4.941m at 31 March 2005 – this was the result of a combination of approved budget variations and forecast outturn variations.

- 8.2 Taking account of (i) budget variations approved at previous meetings and recommended in paragraph 8.2 above, and (ii) forecast variations set out in Appendix A, the forecast of balances at 31 March 2005 is £4.941m. This figure excludes any redundancy costs that may arise during the year for which a capitalisation Direction will again be sought from the ODPM.
- 8.3 The Council's target level of balances is £5.0m by the end of the financial year and it is therefore essential that Heads of Service continue to monitor their budgetary position, identify further savings where possible and, particularly where compensatory savings have been found to offset known overspends, that the position presented in this report is delivered.
- 8.4 Whilst Appendix A sets out all forecast variances, the major changes since the last report to this committee in February 2005 are commented on in the following paragraphs.

#### Central Expenses & Contingency

External Audit Fees – following the finalisation of the 2005/06 budget, the Council's previous external auditors (PricewaterhouseCoopers) have revised their estimate of the cost of completing the complaint by a member of the public into the sale of the Underhill football ground. No budget provision exists for this so it will be necessary to set up a provision for this anticipated future expenditure within the 2004/05 accounts. The council has no control over whether the external auditor chooses to investigate matters referred by members of the public and the resulting cost of these investigations.

#### Children's Services

Asylum Seekers – more detailed monitoring has identified that the grants for adults, families and unaccompanied asylum seeking children should cover virtually all expenditure.

#### Corporate Procurement Office

Procurement Savings – not all procurement savings are expected to be recovered from service departments.

#### Environment & Neighbourhood Services

Licensing Act – the fee regime was originally scheduled to be finalised in November but was not set by Government until February, which has enabled a clearer position to be established.

Street Enforcement Service – the movement reflects the budget reduction of £201,250 identified as an efficiency saving. The position reported on February showed a favourable position against budget of £150,000 and since that report the budget has been reduced. Therefore the current favourable position of £23,000 is against that reduced budget and means in actuality, that the position for that service is £74,000 better than previously reported.

### Highways & Design

RASWA income – more detailed analysis of potential income sources has identified additional monies for the Council. The identified charges have been agreed with the relevant organisations and subsequently invoiced. Following the greater enforcement of requirements in 2004/05, it is anticipated that compliance will be much higher in 2005/06 and therefore this potential windfall will be much smaller. Any additional income in 2005/06 will be returned to the centre.

### Human Resources

Income Shortfall – the budgeted income from external sources, including Barnet Homes, is no longer achievable following the transfer of staff.

### Property & Valuation

Rents & Lettings – short term leases have been agreed on Council properties which had previously been identified as surplus and earmarked for sale.

### Public Offices

Facilities (East) – this is principally recharges to the Housing Revenue Account which had not been budgeted.

Buildings (East) – reflects an under-recovery of charges to external sources with regard to Barnet House.

NLBP Service Charges/Office Moves – these projected overspends are now to be met from the contingency provision identified for public offices.

- 8.5 A traffic light monitor on budgeted savings is attached at Appendix B, and one for efficiency savings is attached at Appendix C. The forecast variations shown in these two monitors are included in Appendix A, so that this appendix provides a comprehensive position statement.
- 8.6 Cabinet Members are aware of the impact that non-achievement of budgeted savings and new emerging pressures could have on balances, and are working with Heads of Service to contain these costs.
- 8.7 The position on the Housing Revenue Account (HRA) is being monitored in partnership by Barnet Homes and London Borough of Barnet. The projected outturn for the HRA was reported to the General Functions committee on 1<sup>st</sup> March and this showed that the account will breakeven in 2004/05.

## **9 LIST OF BACKGROUND PAPERS**

- 9.1 None.

MO: JL

BT: CM

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
<b><u>Borough Solicitor</u></b>							
Local Land Charges - £500k base budget adjustment approved at CRC in November so total variance from original budget is £788k	B	250		288		38	
Other Variations		(31)		(44)		(13)	
Note - service budget reduced by £40k since last report to reflect efficiency savings achieved			219		244		25
<b><u>Borough Treasurer</u></b>							
Salary overspends in Accountancy supporting MCS and Community Care		200		220		20	
Managed salary underspends and use of MCS backfilling provisions		(260)		(281)		(21)	
Note - service budget reduced by £33k since last report to reflect efficiency savings achieved			(60)		(61)		(1)
<b><u>Central Expenses &amp; Contingency</u></b>							
External Audit & Inspection fees - projected cost of Underhill investigation		30		310		280	
Projected Cost of Cricklewood Fire		20		20		0	
Coroners Service - additional IT costs in relation to 2003/04		25		25		0	
Note - service budget reduced by £1k since last report to reflect efficiency savings achieved			75		355		280
<b><u>Children's Services</u></b>							
External placements (continuing pressures, including New Park House placements)	B	1,452		1,486		34	
Family Placements (in-house) and adoption costs	B	13		(73)		(86)	
Barnet residential units - New Park House & 68A Meadow Close	B	(156)		(162)		(6)	
Children with Disabilities	B	96		31		(65)	
Asylum Seekers - variation in forecasted numbers	B	(300)		(190)		110	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Social Workers - staffing costs	B	(695)		(791)		(96)	
Other Family Support Services & Leaving Care	B	(344)		(298)		46	
Grants (principally Safeguarding Children's Grant)	B	(500)		(501)		(1)	
SWIFT		251		249		(2)	
			(183)		(249)		(66)
<b><u>Committee &amp; Administration</u></b>							
Vacancy Savings		(49)		(59)		(10)	
			(49)		(59)		(10)
<b><u>Community Care</u></b>							
Client costs, impact of new home care contracts, provider units & staffing including corporate agency recharges		(425)		(460)		(35)	
Potential s117 repayment		234		234		0	
Grant allocation transferred to support expenditure		(307)		(307)		0	
Employment Tribunal		100		100		0	
Head of Community Care recruitment and handover		134		134		0	
SWIFT		163		163		0	
Closure Springwood Day Centre	B	72		72		0	
			(29)		(64)		(35)
<b><u>Corporate Performance Office / Information Systems</u></b>							
Corporate Procurement Savings		0		259		259	
Other Variations - principally underspend on cost of moving to NLBP		18		(81)		(99)	
MCS project - costs reported to Joint Resources / ICT Cabinet		600		604		4	
MCS project - planned capitalisation (to be discussed with external auditors)		(600)		(600)		0	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
			18		182		164
<b><u>Cricklewood &amp; Strategic Development</u></b>							
Employee cost savings		(30)		0		30	
Note - service budget reduced by £1k since last report to reflect efficiency savings achieved			(30)		0		30
<b><u>Customer Care</u></b>							
Branch Library Income		40		40		0	
South Friern Library - planned closure reversed	B	72		72		0	
Building Cleaning tender		50		50		0	
Libraries Staff Vacancy Savings		(140)		(162)		(22)	
Out of Hours Telephone Service - delay in restructuring	B	55		61		6	
Print Income		51		18		(33)	
Translation - Community Helpline	B	10		11		1	
		0		16		16	
Other Variances - Mainly Staff Vacancy Savings		(59)		(74)		(15)	
Ex Leisure & Youth Service budgets:-							
GLL Contract - final BAFO costs	B	100		86		(14)	
Copthall Stadium - loss of anticipated funding	B	120		120		0	
Welsh Harp - premises costs	B	10		10		0	
Advertising Income (previous Leisure & Youth Service budget)	B	125		125		0	
Note - service budget reduced by £16k since last report to reflect efficiency savings achieved			434		373		(61)
<b><u>Education</u></b>							

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Planning Access & Resources							
Net position on salaries and other employee costs		(9)		(53)		(44)	
PFI Primary Strategy budget		(91)		(83)		8	
Net effect Travel passes		(139)		(136)		3	
Net effect OLA's Extra District income & expenditure		(76)		(76)		0	
Buisness and Performance							
Net position on salaries and other employee costs		(4)		0		4	
Ongoing effect of previous years' early retirements		113		124		11	
Standards & Effectiveness							
Staff vacancies		(12)		(19)		(7)	
School income shortfall		31		32		1	
Qualified Teachers & Special Educational Needs Co-ordinators - budget transfer from Early Years & Play		(105)		(124)		(19)	
Unforeseen legal costs		0		18		18	
Increase college charges re work related learning		0		7		7	
Premises expenditure		30		30		0	
Central support charges		50		50		0	
Standards & Inclusion - SEN							
Primary Pupil Referral Unit - surplus budget		(69)		(69)		0	
Net position on salaries budget		(142)		(179)		(37)	
Net position on placements underspend and therapies overspend - based on December pupil placements		41		114		73	
Transport - based on current costs and excluding impact of single status	B	154		201		47	
Hospital Recoupment - increase in claims from other boroughs		70		70		0	
Youth							
Various ( Overall Youth Target Saving to achieve (£100K))		(89)		(83)		6	



	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Early Years - Family & Play							
Three & Four year old funding projected underspend		(131)		(205)		(74)	
Children & Family Centres - Staff vacancies		(125)		(154)		(29)	
Qualified Teachers & Special Educational Needs Co-ordinators Budget transfer to S & E		0		0		0	
After-School Service - staff vacancies		(46)		(39)		7	
Childminding support services		(11)		(11)		0	
Playschemes staffing vacancies		(12)		(8)		4	
Note - service budget reduced by £20k since last report to reflect efficiency savings achieved			(572)		(593)		(21)
<b><u>Environmental &amp; Neighbourhood Services</u></b>							
Golf Courses - retained in Council control but no budget. (based on 18.08.04 CRC report and excluding redundancy costs of £45,000)		108		108		0	
Locking of Parks - increased cost of tender	B	115		115		0	
Management action to contain above two items within zero-based budget review		(223)		(223)		0	
Parks & Open Spaces - further developments on locking of parks	B	(25)		(25)		0	
Hendon Cemetery & Crematorium - reduced activity	B	35		42		7	
Hendon Cemetery & Crematorium - Tree Works		32		32		0	
Residential Services/Works in Default (net position) - vacancies		(7)		(22)		(15)	
Watling Market - lettings income shortfall		15		15		0	
Management Restructure - delay in implementation		(50)		(50)		0	
Street Trading - additional licence fees	B	15		15		0	
Licensing Act - delay in implementation		0		98		98	
Civic Amenity Site - acoustic fence (provisional estimate). Scope for capitalisation to be reviewed once final costs are known		46		46		0	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Parks and Open Spaces - works to dangerous trees and weed removal		29		46		17	
Golf Courses - income shortfall		10		10		0	
Green Waste & Recycling - expansion of service including organic waste, facilitated by DEFRA grant of £95,000 (per CRC 28.07.04)		(96)		(76)		20	
Domestic Refuse - special collection income		(13)		(13)		0	
Domestic Refuse - saving on vehicle hire costs		(45)		(45)		0	
Trade Waste - projected adverse position allowing for bad debt provision	B	33		33		0	
Roads structural repairs - subject to confirmation		(55)		(55)		0	
Street Enforcement Service		(150)		(23)		127	
Abandoned Vehicles		(12)		(6)		6	
CCTV and Business Performance - vacancies		(60)		(61)		(1)	
Human Resources - vacancy factor on devolved budget that will not be achieved		14		16		2	
Employment Tribunal - building cleaning		35		35		0	
Catering - projected shortfall on school meals income	B	142		108		(34)	
Highways Maintenance Services		0		(50)		(50)	
Other minor variations		3		23		20	
Note - service budget reduced by £207k since last report to reflect efficiency savings			(104)		93	197	
<b><u>Highways &amp; Design</u></b>							
Special Parking Account - Income Shortfall (net)	B	1,341		1,341		0	
Car Parks - reduced income	B	400		400		0	
Highways - Planned Maintenance		(830)		(830)		0	
Street Lighting - capitalisation of urgent replacements		(250)		(250)		0	
IT Development - reprogramming		(100)		(100)		0	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Street Lighting - prioritisation of replacements and new equipment with lower maintenance		(200)		(200)		0	
Miscellaneous Routine Work		(50)		(50)		0	
War Memorials		(20)		(20)		0	
Other expenses - reduced income		33		33		0	
General - supplies and services		(17)		(17)		0	
Highways staffing		2		0		(2)	
Winter Maintenance - includes costs of thermal mapping and route optimisation		120		120		0	
Safer Routes to schools		(23)		(23)		0	
RASWA - income		(400)		(526)		(126)	
Highways/Design - additional fee income		(50)		(50)		0	
Building Control - lower income due to reduced demand		79		79		0	
Building Services - Management		0		(10)		(10)	
Rechargeables - additional income		(150)		(150)		0	
Water Courses - deferral of non-essential works		(86)		(86)		0	
Traffic Management		20		20		0	
Note - service budget reduced by £20k since last report to reflect efficiency savings achieved			(181)		(319)		(138)
<b>Housing</b>							
Housing Benefit Admin (staffing pressure)		151		0		(151)	
Housing Benefit Subsidy		3,305		2,855		(450)	
Housing H & D Team		0		98		98	
Housing Team budgets		0		226		226	
Temporary accommodation (net) income		(3,456)		(3,179)		277	
Note - service budget reduced by £12k since last report to reflect efficiency savings achieved			0		0		0

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
<b><u>Human Resources</u></b>							
Shortfall in Income	B	92		21		(71)	
Shortfall in Income / MCS Related Costs		0		94		94	
Staffing vacancies		(75)		(50)		25	
			17		65		48
<b><u>Planning</u></b>							
UDP Enquiry and regeneration consultants (being funded from PDG contingency)		0		0		0	
Note - service budget reduced by £22k since last report to reflect efficiency savings achieved			0		0		0
<b><u>Property &amp; Valuation</u></b>							
Claremount Way - recognition of rental income on an accruals basis		17		17		0	
Other Properties and Estates		1		10		9	
Rent Assistance - none to be provided		(13)		(13)		0	
Rents and Lettings of vacant Council Properties		0		(79)		(79)	
Other minor variations		0		(20)		(20)	
			5		(85)		(90)
<b><u>Public Offices</u></b>							
Facilities : East Area		(37)		(147)		(110)	
Buildings : East Area		0		199		199	
Buildings : NLBP - Estate and Service charges (including prior years)		104		0		(104)	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Facilities : NLBP		31		49		18	
Buildings : West Area - Stag House recharge to HRA net of Print building running costs		(44)		(51)		(7)	
Office moves		61		0		(61)	
			115		50		(65)
<b>Strategic Directors</b>							
Communications (Agency Staff Costs)		0		28		28	
Minor Variations		(25)		7		32	
Note - service budget reduced by £22k since last report to reflect efficiency savings achieved							
			(25)		35		60
<b>Total (net forecast overspend)</b>		<b>(350)</b>	<b>(350)</b>	<b>(33)</b>	<b>(33)</b>	<b>317</b>	<b>317</b>
General Fund Balances @ 1.4.2004		(3,931)		(3,931)			
Budget variations approved by Cabinet Resources Committee 28/7/04:-							
Corporate purchasing savings		600		600		0	
Age Concern grant	B	50		50		0	
NLBP office moves		129		129		0	
Homecare Contract (Housing 21)	B	(50)		(50)		0	
Barbara Langstone House - net rent income		(350)		(350)		0	
Licensing Act (Committee & Legal Services)		(59)		(59)		0	
Budget variations approved by Cabinet Resources Committee 23/9/04:-							
Street Lighting PFI Consultants Fees - 2003/04 provision unused		150		150		0	
Efficiency Savings - returns to centre approved by Cabinet Resources Committee 23/9/04:-							
Borough Solicitor		0		(40)		(40)	
Borough Treasurer		0		(33)		(33)	

	Appendix B/C	FORECAST VARIATIONS				MOVEMENT IN FORECAST VARIATIONS	
		February		March		£000	£000
		£000	£000	£000	£000		
Central Expenses		0		(1)		(1)	
Community Care		(368)		(368)		0	
Customer Care		0		(16)		(16)	
Development		0		(1)		(1)	
Education		0		(20)		(20)	
Environment		0		(207)		(207)	
Highways		0		(20)		(20)	
Housing		0		(12)		(12)	
Planning		0		(22)		(22)	
Strategic Directors		0		(22)		(22)	
Budget variations approved by Cabinet Resources Committee 25/11/04:-							
Local Land Charges Income - base budget adjustment	B	500		500		0	
Transfer of provisions to balances approved by Cabinet Resources Committee 10/2/05:-							
NNDR Credits		(785)		(785)		0	
TfL grant		(400)		(400)		0	
			(4,514)		(4,908)		(394)
<b>Forecast Balances @ 31.3.2005</b>		<b>(4,864)</b>	<b>(4,864)</b>	<b>(4,941)</b>	<b>(4,941)</b>	<b>(77)</b>	<b>(77)</b>

**Reconciliation to Savings Implementation Monitors**

	£000
Items included on savings implementation monitoring (Appendix B)	3,098
Efficiency savings achieved included in above returns to centre (Appendix C)	773

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
		£	£	£	
1	<b><u>Borough Solicitor</u></b>				
2	Staffing efficiencies resulting from IT investment	62,000	62,000	0	Staff savings are currently being made but in the long-term savings are still dependant on IT systems being implemented.
3	Electoral Registration - reduction in temporary staff	20,000	20,000	0	Achieved
4	Citizenship Ceremonies	100,000	100,000	0	The present number of ceremonies being performed indicate that this target will now be achieved.
5	Burnt Oak Registry Office - designate as approved premises	20,000	20,000	0	Will be achieved
6	Local Land Charges - income	250,000	(520,000)	770,000	Not achievable due to downturn in the property market - overall shortfall estimated at £770k. £500k additional funding applied in year.
7	Legal fees	50,000	50,000	0	Will be achieved
8					
9	<b><u>Borough Treasurers</u></b>				
10	Reduction of one Principal Auditor post	38,000	38,000	0	Established post deleted - saving achieved
11	Reduction in use of Enpeyz contract for schools audits	15,000	15,000	0	Achieved
12	Reduce management team by one post	50,000	50,000	0	Achieved
13	Outsourcing of document scanning and indexing	HB Administration transferred to Housing. See Housing			
14	Reduction in Accountancy staffing	100,000	100,000	0	Specific post savings achieved. Overall overspend in Accountancy due to other reasons. MCS / Community Care
14	Grants to voluntary organisations	295,000	295,000	0	Achieved
16					
17	<b><u>Central Expenses</u></b>				
18	Car leasing	40,000	40,000	0	Potential underachievement from higher insurance premiums
19	ALG levy - London Housing Unit Committee	40,000	40,000	0	Achieved
20	Office expenses	30,000	30,000	0	Achieved
21	Leisure & Youth advertising income 2003/04 - transfer to central contingency	125,000	0	125,000	This income target was not achieved in 2003/4 and is considered high risk
22					

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
23	<b><u>Children &amp; Families</u></b>				
24	Implementation of Children's Services Strategy	1,235,000	1,733,000	(498,000)	Excluding expenditure on the joint IS system with Community Care (SWIFT) the Department's budget is projecting an underspend of £300k. Costs of external placements and adoption are significantly higher than projected but offset partially by the savings in the running costs of New Park House and in-house fostering. The savings requirement will be substituted by other Departmental budgets eg social workers staffing, asylum seekers and grant substitution of £500k (Safeguarding Children).
25					
26	<b><u>Committee &amp; Admin</u></b>				
27	Restructuring in Support services	77,500	77,500	0	Achieved
28	Restructuring Democratic Services	50,000	50,000	0	Delay in implementation of Licensing Act but go ahead given to recruit two posts at October F&PR meeting
29					
30	<b><u>Community Care</u></b>				
31	Renegotiate Housing 21 contract	50,000	100,000	(50,000)	Achieved - another 50k taken already
32	Administrative staff - 2 posts in contracts	35,000	35,000	0	Saving transferred to Physical Disabilities and Learning Disabilities as posts have been identified in these units for deletion
33	Flightways centre	100,000	100,000	0	Achieved
34	Reduction in grant to Age Concern	150,000	100,000	50,000	CRC on 28/7/2004 approved the variation to the budget of £50k. £75K one off budget transfer from highways.
35	Learning Disabilities - residential and day care efficiency savings	200,000	200,000	0	Significant work being undertaken in service - dependent on care costs. This saving is reliant on the closure of the Leys being on time and as this is on course it should be achieved. Leys closed 30th June.
36	Accelerated reprovision of The Leys centre	200,000	200,000	0	Centre will close, saving dependent on reprovioning costs for current clients. 3 clients moved to other in-house provision all staff are expected to move to their new post in the other homes soon . The home is expected to close 30 June . On target.



**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
37	Close Springwood day centre	300,000	228,000	72,000	Cabinet on 22 March 2004 received an update report on Springwood, which advised that there was a risk of falling £72,000 short of the budgeted saving. The report advised that efforts will be made to contain these costs within the overall Community Care budget. The centre has been closed.
38					
39	<b><u>Communications</u></b>				
40	Cease media training for members and Directors	14,500	14,500	0	Achieved
41	FIRST TEAM - Reduce to bi-monthly	33,000	33,000	0	Achieved
42					
43	<b><u>Customer Care</u></b>				
44	Reduction in Marketing Service Budget	25,000	25,000	0	
45	Restructuring of Customer Services	100,000	39,000	61,000	Saving will not be achieved in full in 2004-05 - due to time necessary to restructure - likely to be operational by March 04
46	Translation and Interpretation Service - restructure	20,000	(7,000)	27,000	Decision taken to stop helpline and outsource day-time interpretation delayed. Finally approved at Council Sept 04. On-going costs while new contract arrangements set up.
47	Restructuring of Libraries / Close Totteridge Library	75,000	75,000	0	This saving now relates to staff savings and this depends on vacancies arising
48	Reduction in Libraries Media Fund	12,000	12,000	0	
49	Further reduction to Media Budget	44,500	44,500	0	
50	Closure of South Friern Library	72,000	0	72,000	Library remains open and partly funded via book fund. Decision taken to keep library open for rest of year.
51	Restructure of Leisure & Youth	255,670	49,000	206,670	Base Budget shortfall of £250k identified across the Leisure areas that have moved to Customer Care. In year problem partly offset by vacancies which leaves £216k projected variance in 2004-05.
52	Reduction in Greenwich Leisure Ltd. management fee	44,000	44,000	0	
53	Fitness for Life scheme to become self-financing	23,000	23,000	0	

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
54	Reduction in Leisure & Youth staff support cost due to smaller establishment	10,000	10,000	0	
55	Reduction in Leisure & Youth staff training budget	10,000	10,000	0	
56	Withdraw support from London Towers Basketball scheme in schools	30,000	30,000	0	
57	Close the Welsh Harp Sailing Base whilst major building works are undertaken	77,000	67,000	10,000	
58					
59	<b><u>Corporate Performance Office</u></b>				
60	Restructuring of admin and management support in CPO/IS	100,000	100,000	0	Achieved - Zero base budget now achieved
61	Merger and restructuring of CPO and IS	689,000	689,000	0	Achieved - Zero base budget now achieved
62	Corporate purchasing savings not achieved 2003/04	600,000	600,000	0	CRC on 28/7/2004 approved the write-off of £600k base savings target carried over from 2003/4. Balance of £600k considered achievable at this point. Approx £80k relating to mobile phones savings agreed with services and in process of being reclaimed. Achievement of savings now largely reliant on agency savings being reclaimed from services.
63					
64	<b><u>Education</u></b>				
65	Standards & Effectivenss - reduction in running costs	40,000	40,000	0	Achieved
66	CIS post paid for through grant	23,000	23,000	0	Achieved
67	Transport savings from reduced outborough placements	100,000	(101,000)	201,000	Single status award included, estimated at £132K out of a total projected overspend of £201K. No contingency provision allocated for this award.
68	Music service - shift to fully traded service	17,000	17,000	0	Achieved
69					
70	<b><u>Environmental Services</u></b>				
71	Trade Waste - review of fees and enforcement	25,000	(8,000)	33,000	Profiled to achieve gross income target. Projected collection rate requires increase in bad debt provision reflected in monitoring position.

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
72	Street Enforcement Service - efficiency savings & revised shift pattern	573,000	573,000	0	Achieved
73	Abandoned vehicles - increased income	30,000	30,000	0	Profiled to achieve
74	Air quality monitoring - reduction in monitoring station	7,000	7,000	0	Achieved
75	Pest control - reconfigure service	150,000	150,000	0	Achieved
76	Hendon Cemetery and Crematorium - increased income	60,000	18,000	42,000	Year to date activity lower than 2003/04. Further promotion of activity will be undertaken with local undertakers.
77	Street Trading - new license income	15,000	0	15,000	Members have decided not to implement.
78	Care & Repair - increased income	25,000	25,000	0	Profiled to achieve
79	Works in default - deletion of post	21,000	21,000	0	Achieved
80	Quality & Systems - deletion of posts	45,000	45,000	0	Achieved
81	Catering - elimination of subsidised services	100,000	(8,000)	108,000	Projected shortfall on school meals income.
82	Recycling - ECT contract	50,000	50,000	0	Achieved
83	Recycling - increased credits from higher collection	150,000	150,000	0	Profiled to achieve
84	Mill Hill depot - review of running costs	40,000	40,000	0	Achieved
85	Greenspaces - reduction in admin staff	15,000	15,000	0	Achieved
86	Greenspaces - withdrawal from annual Countryside Management service	36,000	36,000	0	Achieved
87	Management Restructure	95,000	95,000	0	Achieved
88	Review of waste & sustainability - reduction of posts	65,000	65,000	0	Achieved.
89	Private Sector Housing - reduced intervention	95,000	95,000	0	Achieved
90	Trading Standards - reduced service provision / posts	89,000	89,000	0	Achieved

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
91	Perimeter protection scheme - reduction in budget for security measures	47,000	47,000	0	Achieved
92	Parks - locking - revised operational arrangements	25,000	(65,000)	90,000	Increased tender bid received from contractor. Alternative options currently being implemented. Compensatory savings identified through zero based budget process.
93	Leisure & Youth restructure savings - impact on Greenspaces	38,330	38,330	0	Achieved
94					
95	<b><u>Highways Building Control &amp; Design</u></b>				
96	Highways Administration – reduction in posts	70,000	70,000	0	Achieved through vacancies
97	Design - restructure	250,000	250,000	0	Achieved
98	Highways Services - reduction in posts	233,000	233,000	0	Achieved through vacancies
99	Capitalisation of highways work	1,000,000	1,000,000	0	Achieved
100	Special Parking Account - increased net income	1,441,000	100,000	1,341,000	Income levels below target, contributing factors incl bus lane cameras & PCN issue
101	Pay & Display Fees - increased income	599,000	199,000	400,000	Income levels below target due to vandalism, theft etc.
103	Infrastructure Team - increased income	120,000	120,000	0	Increased net income identified
104	Gully Cleansing - contract savings	6,000	6,000	0	Achieved
105	Traffic Census - efficiency savings	5,000	5,000	0	Achieved
106	School Patrols - reduced demand	25,000	25,000	0	Achieved
107	Public Transport - minor works reduction	16,000	16,000	0	Achieved
108	Traffic & Road Safety - alternative funding	89,000	89,000	0	Achieved
109	Reduction in contract prices negotiated as part of the carriageway contract extensions	200,000	200,000	0	Achieved

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
110	<b>Housing</b>				
13	Outsourcing of document scanning and indexing (formerly in Borough Treasurer's)	75,000	75,000	0	Budget assumed contract starting in July, but likely to slip to September - will remain amber until contract implemented.
111	Rent increase on all B&B	190,000	190,000	0	On target but profile of reductions may be reviewed due to market changes
112	Rent increase on hotel accommodation for single people	80,000	80,000	0	On target but profile of reductions may be reviewed due to market changes
113	Conversion of Hotel Annexes to PSL	270,000	270,000	0	On target but profile of reductions may be reviewed due to market changes
114	Full year effect of rent rollup scheme	400,000	400,000	0	On target but profile of reductions may be reviewed due to market changes
115	Reduced administrative costs	35,000	35,000	0	Achieved
116					
117	<b>Human Resources</b>				
118	Restructuring of Learning and Development	178,000	178,000	0	Achieved
119	Mainstreaming Equalities	87,000	87,000	0	Achieved
120	Restructure Health and Safety team	55,000	55,000	0	Achieved
121	Restructure Strategy Unit	58,000	58,000	0	Achieved
122	Conferences	20,000	20,000	0	Achieved
123	Equipment	20,000	20,000	0	Achieved
124	Postage	20,000	20,000	0	Achieved
125	Print / stationery	30,000	30,000	0	Achieved
126	Rent payments	20,000	20,000	0	Achieved
127	HR Operations - restructuring & devolution	300,000	279,000	21,000	Costing of Devolution of HR operations now completed. Virements to Services have now been actioned.
128					
129	<b>Planning,</b>				
130	Planning advice - new charge	35,000	35,000	0	Achieved
131	Section 106 - additional income	15,000	15,000	0	DPR Report on increased Section 106 fees

**APPENDIX B**

Line reference	Revised Proposal	Budget 2004/05	Forecast Outturn	Variance	Progress & Risks of not achieving by 1 April
132	Planning fees - additional income	10,000	10,000	0	Dependant on demand - reactive to property market and national economic conditions
133					
134	<b>Valuation</b>				
135	Valuation- external income from developers	40,000	40,000	0	Expected to be achieved.
137					
138	<b>Public Offices</b>				
139	Rates Reduction at NLBP	287,000	287,000	0	Rates reduction expected to be achieved - awaiting formal notification/decision
140	Maintenance cut to Public Offices (West)	35,000	35,000	0	Achieved
141					
142	<b>Directors Group</b>				
143	Regrouping	210,000	210,000	0	Achieved
144					
145					
146	<b>TOTALS</b>	<b>14,367,500</b>	<b>11,270,830</b>	<b>3,096,670</b>	
147					
148	<b>Summary</b>				
149		<b>7,976,830</b>	<b>7,976,830</b>	<b>0</b>	
150		<b>3,248,000</b>	<b>3,583,000</b>	<b>(335,000)</b>	
151		<b>3,142,670</b>	<b>(289,000)</b>	<b>3,431,670</b>	
152	<b>Totals</b>	<b>14,367,500</b>	<b>11,270,830</b>	<b>3,096,670</b>	

Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
	<b>Borough Solicitor</b>					
AS01	Borough Solicitor	Supplies and Services	Supplies and Services	27,151	6,788	
AS02	Borough Solicitor	Services	Court Fees	10,000	2,500	
AS03	Borough Solicitor	Services	Land Registry Fees	2,500	625	
AS04	Borough Solicitor		Counsels Fees	33,000	8,250	
AS05	Borough Solicitor	IT	IT	20,800	5,200	
AS06	Borough Solicitor	Registrars Income	Registrars Income	19,500	4,875	
AS07	Borough Solicitor	Legal Fees - Receipts	Legal Fees - Receipts	35,000	8,750	
AS08	Borough Solicitor	Court Costs Awarded	Court Costs Awarded	10,000	2,500	
AS09	Borough Solicitor	Copying Charges	Copying Charges	1,000	250	
	<b>Borough Treasurer</b>					
BS01	Borough Treasurer	Staff	Cashiers - Close Wood Street	30,000	7,500	
BS02	Borough Treasurer	Staff	Internal audit - Delete one post	15,000	3,750	Saving achieved through vacancy - already accounted for in budget monitoring
BS03	Borough Treasurer	Staff	Administration - Delete one post	25,000	-	
BS04	Borough Treasurer	Other Expenses	Expenses service wide	15,000	3,750	
BS04	Borough Treasurer	IT	Reduce IT budgets service wide	30,000	-	
BS05	Borough Treasurer	Staff	Car allowances service wide	20,000	5,000	
BS06	Borough Treasurer	Transport	Corporate - Car leasing	16,000	4,000	
BS07	Borough Treasurer	Staff	CAFT - Vacancy factor	15,000	3,750	
BS08	Borough Treasurer	Staff	Welfare rights - Delete one post	21,000	5,250	Saving achieved through vacancy - already accounted for in budget monitoring
BS09	Borough Treasurer	Staff	Accountancy - Mini restructure	80,000	-	Major Accountancy Restructure surrounding SAP implementation, savings will not be generated until Summer 2005
BS10	Borough Treasurer		Grants	25,000	-	
BS11	Borough Treasurer	Staff	Assessments - Delete one post	25,000	-	
	<b>Central Expenses</b>					
CS1	Central Expenses	Misc	Democratic Health Network	690	690	
CS2	Central Expenses	Misc	London Team Against Fraud	7,500	-	
	<b>Children's Services</b>					

Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
DS2	Children's Services	Efficiency review		278,000	-	Efficiency target agreed by Cabinet before CPO completed their work to recommend how the savings may be achieved. This work is now completed and the proposals accepted but there will be no saving in 2004-5.
	<b>Committee</b>					
ES01	Committee		Reduction of one manager post	18,000	-	Will be achieved in 2005/06
ES02	Committee		Reduction of 1/2 x FTE post within Member Support Team	13,000	3,250	Will be achieved in 2005/06
ES03	Committee		Reduction of 1 1/2 x FTE posts in Office Support Team.	37,000	9,250	Members Have Now Reversed this decision
ES04	Committee		Supplies & Services	3,000	750	Will be achieved in 2005/06
ES06	Committee		Transport	2,000	500	Will be achieved in 2005/06
	<b>Community Care</b>					
FS1	Community Care	Services	Placements	450,000	338,000	
FS2	Community Care	Supplies and Services	IT	15,660	15,660	
FS3	Community Care	Supplies and Services	Printing & Stationery	13,895	13,895	
	<b>CPO &amp; IS</b>					
GS3	CPO & IS	Equipment & Materials	Procurement savings	300,000	-	
GS1	CPO & IS	Services	HBS Business Services - Print Contract	60,000	-	
GS1	CPO & IS	Services	IS Partners	15,000	-	
GS2	CPO & IS	Staff	IS vacancies	30,000	-	
	<b>Customer Care</b>					
HS05	Customer Care	Staff	Cessation of Translation Service	65,460	-	
HS07	Customer Care	Equipment & Materials	Savings on running costs	27,659	-	
HS08	Customer Care	IT Services	Savings on IT expenditure	24,550	-	
HS09	Customer Care	Media Fund	Savings on purchase of stock	30,000	-	
HS10	Customer Care	Staff	Staff restructure	221,320	-	
	<b>Design</b>					
KS15	Design	Services	Design services	250,000	-	Phase 2 restructure
	<b>Development</b>					
	Development	IT		3,080	770	
NS06	Development	staff savings		14,295	-	
	<b>Education</b>					



Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
IS04	Education	Planning, Access & resources	reorganisation	95,000	-	
IS05	Education	Planning, Access & resources	travel passes	50,000	-	
IS08	Education	Planning, Access & resources	Publications	10,000	-	
IS07	Education	Standards & Inclusion	Delete transport client officer post	20,000	20,000	Vacant post will be deleted 01/04/2005
IS09	Education	Early Years, Families, Play & Youth	Reorganisation	70,000	-	
IS10	Education	Children & Family Day Centres	salaries reduction	40,000	-	
IS11	Education	Play & After School service	staffing reductions	10,000	-	
IS12	Education	Fees & Charges	Traded Services	50,000	-	
IS13	Education	Standards & Effectiveness	increased use of grant income to fund posts	50,000	-	
IS14	Education	Standards & Inclusion	Grant income to fund posts	25,000	-	
IS15	Education	Standards & Effectiveness	reduce EBP grant by 3% -efficiency saving	2,500	-	
IS16	Education	Standards & Effectiveness	Reduced running costs	7,500	-	
	<b>Environment</b>					
JS06	Environment	Services	LA 21 Grants	5,000	-	
JS07	Environment	Staff	Parks & Open Spaces - management	115,000	-	Redundancy notices issued. Interviews carried out.
JS08	Environment	Staff	Staff - overtime	3,500	-	
JS08	Environment	Staff	Management and Support	500	-	
JS09	Environment	Equipment and Materials		50,000	-	
JS09	Environment	Services	Street Cleansing - external graffiti	12,000	-	
JS10	Environment	Equipment and Materials	Domestic Refuse - bin purchase	15,000	-	
JS10	Environment	Equipment and Materials	Domestic Refuse - protective clothing	4,000	-	
JS10	Environment	Fees & Charges	Domestic Refuse - special collection income	10,000	-	
JS11	Environment	Services	Road structural repairs	35,000	-	
JS12	Environment	Services	Allotments	50,000	-	
JS13	Environment	Staff	Street Enforcement Service	805,000	224,000	Restructure approved by General Functions (November 2004).
JS14	Environment	Fees & Charges	Golf Courses - running costs	108,000	-	

Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
JS15	Environment	Services	Abandoned Vehicles	12,000	12,000	
JS16	Environment	Training	Grounds Maintenance	10,000	-	
JS17	Environment	Services	Highways Maintenance	50,000	-	
JS18	Environment	Services	Mill Hill Depot	100,000	-	
JS19	Environment	Stationery	SES/Street Cleansing	870	-	
JS19	Environment	Printing	SES	166	-	
JS19	Environment	Stationery	Refuse	350	-	
JS20	Environment	Equipment and Materials	SES	1,216	-	
JS21	Environment	IT	Residential Services/Catering	4,920	-	
JS22	Environment	Fees & Charges	Recycling - increase in green waste collection	44,000	-	
	<b>Highways</b>					
KS03	Highways	Staff	Staffing	32,000	6,000	
KS07	Highways	IT	IT - invest to save	50,000	-	
KS08	Highways	Equipment and Materials		2,864	-	
KS08	Highways	General Office Expenses		500	-	
KS08	Highways	IT		11,520	-	
KS08	Highways	Other Expenses		50,808	-	
KS08	Highways	Printing		3,946	-	
KS08	Highways	Stationery		1,444	-	Expenditure to be contained within budget
KS09	Highways	Services	Street Lighting - maintenance	300,000	-	Close work planning and management of work necessary
KS10	Highways	Misc	Misc - Routine Works	40,000	-	Close work planning and management of work necessary
KS11	Highways	Fees & Charges	Private Works Reinstatement - Developers Income	10,000	-	Fees and charges increased
KS11	Highways	Fees & Charges	Rechargeables	20,000	-	Fees and charges increased
KS12	Highways	Equipment and Materials	Car Parks - repairs/maintenance	8,000	-	Expenditure to be contained within budget
KS12	Highways	Equipment and Materials	Disabled Crossing Facilities	5,000	-	Expenditure to be contained within budget
KS12	Highways	Staff	Schools Crossing Patrols	5,000	-	Expenditure to be contained within budget
KS13	Highways	Equipment and Materials	Home Zones - works budget	30,000	-	Expenditure to be contained within budget
KS14	Highways	Fees & Charges	Parking Income	50,000	-	Income levels below target, the contributing factors incl bus lane cameras, vandalism, theft etc.
	<b>Housing -General Fund</b>					

Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
LS01	Housing -General Fund	Community centre staffing		13,000	3,250	
LS02	Housing -General Fund	IT		16,800	8,400	
LS03	Housing -General Fund	Temporary Accomodation		50,112	-	
	<b>Human Resources</b>					
MS06	Human Resources	Equipment and Materials	Service Wide	25,000	-	
MS06	Human Resources	Staff	Service Wide	125,000	-	Dependent on new structure
	<b>Planning</b>					
NS02	Planning	Employees		13,298	3,325	Projected overspend anticipated to be met from contingency provision for planning delivery
NS03	Planning	Transport		2,330	583	Projected overspend anticipated to be met from contingency provision for planning delivery
NS04	Planning	Supplies & Services		10,207	2,552	Projected overspend anticipated to be met from contingency provision for planning delivery
NS05	Planning	Income		61,606	15,402	Projected overspend anticipated to be met from contingency provision for planning delivery
	<b>Public Offices</b>					
	Public Offices	Equipment and Materials		889	-	
	Public Offices	Equipment and Materials	Floral Decorations	154	-	Will be achieved in 2005/06
	Public Offices	General Office Expenses		142	-	
	Public Offices	Printing		400	-	
	Public Offices	Staff		10,598	-	
	Public Offices	Staff		279	-	
	Public Offices	Staff		105	-	
	<b>Strategic Directors</b>					
PS01	Strategic Directors	Executive Directors Running Costs	Reduced Printing, Conference and Stationery Budgets	25,160	12,580	
PS02	Strategic Directors	Consultants Fees	Remove Consultants Fees budget for Arts Depot	31,000	-	
PS03	Strategic Directors	Young Peoples Team	Efficiency Savings within Young Peoples Team	15,000	3,750	
PS04	Strategic Directors	Communications	Reduce First team to 4 issues a year	11,000	5,500	
	<b>Valuation</b>					
HS10	Valuation	Equipment and Materials		4,000	-	

Ref	Service Area	Description	Details	Total Savings £	Saving Achieved 2004-05 £	Progress
HS10	Valuation	Staffing		14,600	-	
	<b>TOTAL</b>			<b>5,274,344</b>	<b>772,844</b>	