

**AGENDA ITEM: 9**

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Meeting	Cabinet Resources Committee
Date	26 September 2005
<b>Subject</b>	<b>Revenue Monitoring 2005/06</b>
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.

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Officer Contributors	Borough Treasurer
Status (public or exempt)	Public
Wards affected	N/A
Enclosures	Appendix A – 2005/06 General Fund Forecast Outturn Appendix B(i) – 2005/06 Efficiency Savings Implementation Monitor Appendix B(ii) – 2005/06 Budget Reductions Implementation Monitor Appendix C – 2005/06 Housing Revenue Account Forecast Outturn
For decision by	Cabinet Resources Committee
Function of	Executive
Reason for urgency / exemption from call-in (if appropriate)	Not applicable

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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 the following amendment to the 2005/06 budget be approved, along with changes to the base budget for future years :-**

- (i) reduction in the budget for the Coroners Court (£109,000 in 2005/06 and the base budget);**

**1.3 That Heads of Service be instructed to return identified underspends to the centre and take appropriate management action to contain emerging budget pressures.**

## **2. RELEVANT PREVIOUS DECISIONS**

**2.1 Cabinet Resources Committee 21 July 2005; General Functions Committee 28 July 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 contain forecast overspends within service budgets to avoid having to call on balances.**

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

**5.1 The 2004/05 outturn report presented to this committee on 21 July 2005 advised that General Fund balances at 31 March 2005 amounted to £5.004m. The 2005/06 budget included a contribution to balances of £3m, which brings the total of General Fund balances to £8.004m before considering the effects of monitoring during the year. Further comments are contained in Section 8.**

## **6 LEGAL**

**6.1 None.**

## **7 CONSTITUTIONAL POWERS**

- 7.1 This committee is responsible for monitoring the council's budgets.

## **8 BACKGROUND INFORMATION**

- 8.1 There was a need to focus staff resources at the start of the financial year on closing accounts a month earlier (a statutory requirement) and the implementation of SAP. As a result of this, a decision was made to undertake the first monitoring on month 4 (July), which was also the final month using LAFIS.
- 8.2 The greatest budget risk in 2005/06 that was identified at the start of the financial year was parking income, which was highlighted in the 2005/06 budget report to Council in March, and this budget has consequently been monitored on a weekly basis since April.
- 8.3 Taking account of forecast variations set out in Appendix A, the forecast of balances at 31 March 2005 is £7.223m. This figure incorporates the planned £3m contribution to balances in 2005/06.
- 8.4 Significant variations to date are commented on in the following paragraphs, along with items not yet reflected in the forecast variations but which need to be brought to Members attention.

### Adult Social Services

Staffing Costs – a number of vacancies were being held, pending an ongoing reorganisation. These vacancies are not being filled and there may be a need for additional staffing resources to undertake specific project work.

### Central Expenses

Coroners Court Levy – the budget anticipated a significant increase in the cost of the contract costs for transportation of bodies between sites but this has not materialised and so the budget provision is being returned to the centre. The latest approved estimate will be adjusted for this item.

Concessionary Fares – although it is not shown in this report, it is anticipated that a saving might arise from a lower levy demand, despite the fact that additional costs could arise subsequently as a result of 2005/06 being a re-issue year for passes. This will continue to be monitored and an update brought to a future committee.

Interest Earnings & Cost of Borrowing – although it is also not shown within Appendix A, early indications are that there will be a net benefit. More detailed analysis of interest rates, daily cash balances and forecast capital borrowing (supported and unsupported) needs to be done before a more reliable figure can be incorporated in the monitoring statement.

Street Lighting – as reported elsewhere on this agenda, a figure for the final settlement of the claim is being recommended to Members. A provision was made in the financial forward plan for 2006/07 budget, but the payment is now likely to arise in this year. A figure will be incorporated in a future monitoring report once it has been agreed by this committee.

### Children's Services

External & Other Placements – Members will have long experience of this being a volatile budget due to the nature of the service. The current forecast outturn is based on anticipated demand for the remainder of the financial year, although there remains the potential for significant fluctuations in costs as the number of placements rises or falls on a daily basis.

### Education

Staff Vacancies – this is the result of delays in appointing or the non-appointment of staff across a number of services, principally children and family centres.

Pupil Travel Passes – a change in policy by the Mayor of London has resulted in free travel passes for all under 16s on London Transport from September 2005. This change was not known until after the council budget was set.

Transport Costs – the timing of the Easter holidays in 2005 and 2006 has resulted in an increase in the number of transport days within the 2005/06 financial year.

Recoupment – previous year SEN recoupment payments to other local authorities are not currently reflected in the monitoring statement as negotiations are still ongoing with the other councils. A provision was made in the 2004/05 for estimated payments due, so until the liabilities are finalised it will not be possible to report on the adequacy of the provision (or whether there will be a return to the centre).

### Environment

Licensing Act – the budgetary requirements for the new Licensing Act were set at a time when the new fee regime was not finalised. The projected overspend recognises the number of applications with variations to licenses currently anticipated to run at a lower rate. There are also additional staffing costs forecast for administering the scheme. However, it is cautiously predicted that the 2006/07 forward plan provision will meet the total additional costs across the two financial years 2005/06 and 2006/07.

Recycling – the success of the compulsory recycling scheme is now being reflected in costs of recycling, which has prevented the achievement of the productivity saving on the ECT contract. There has also been an increase in demand for recycling boxes.

## Highways & Design

Special Parking Account & Highways Planned Maintenance – The risk of achieving parking income was set out in the 2005/06 budget report to Council in March 2005, where it was stated that commitment of the highways revenue budget would be controlled in conjunction with the parking income budget. The risk management plan is being considered.

## Housing

Benefits Administration – additional temporary resources have been used to clear the benefits case backlog, with the cost being offset by savings from salary vacancies and additional grant income.

Benefits Payments – this is the net effect of the benefit payments to claimants after the receipt of subsidy income from central government. This budget was set on the same assumptions as for the 2004/05 budget, and is therefore out of step with the current level of benefit claims and expenditure and subsidy forecasts.

Housing Benefits Subsidy Limitation & Transitional Relief – the budgets for both of these items were set at incorrect levels, where changes in the regulations and legislation were not identified.

Temporary Accommodation – income from accommodating asylum seekers is forecast to be £500,000 higher, brought about by a reduction in the use of overnight accommodation and an increased use of private sector leased properties. Further efficiencies of £400,000 come from re-negotiating management fee agreements with housing association providers.

The last three items are inter-related. Additional resources are being brought in to re-model the position on temporary accommodation, benefit payments and subsidy in order to improve budget forecasting over the remainder of the year and identify any issues for the 2006/07 budget.

## Planning

Planning Delivery Grant – the final grant figure notified to the council after the budget was set was £109,000 higher than anticipated. One-off expenditure of £61,000 for Local Development Framework costs and £50,000 for corporate integration and e-government and e-planning initiatives will be funded from this increase, and the relevant budgets have been adjusted accordingly. The remaining £285,000 has been transferred to the central contingency pending further consideration.

## Public Offices

Cleaning Contract – the new cleaning contract, which commenced last

financial year, is significantly higher than the previous contract and was subject to an above inflation increase for 2005/06.

North London Business Park – although Cabinet Resources Committee has previously approved the leasing of additional spaces on the ground floor at Building 4, the extension of leases on both Building 4 & 5, and the disposal of vacated properties as part of the accommodation strategy, the signing of new leases is subject to finalisation of certain figures including the revised charge to Barnet Homes in respect to space occupied at Barnet House.

### Resources

Corporate Procurement Savings – savings are being delivered through activity led the Strategic Procurement Team but it is proving difficult with the pre-SAP financial and other information systems to target the reductions in service budgets across the council. Consideration will be given in the next monitoring statement to substantially reducing the central savings budget within the Resources Directorate and taking achieved procurement savings as in-year benefits, except where specific proposals are capable of being included in the budget each year. This approach will have an effect on the 2006/07 base budget.

- 8.5 A traffic light monitor on budgeted savings is attached at Appendix B though the forecast variations shown in this monitor is included in Appendix A, so that that 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. This is shown in Appendix C with the current forecast showing a lower contribution of £102,000 to the HRA working balance.

## **9 LIST OF BACKGROUND PAPERS**

- 9.1 None.

BS: Jeff Lusting  
BT: Clive Medlam  
Pam Kettle

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
<b><u>Adult Social Services</u></b>			
Client Care - these are volatile, demand led budgets with potential for significant fluctuation during the year		(101)	
Staffing Costs - vacancies held pending restructure		(407)	
Fines not yet incurred - the investment in hospital discharge services and good mangement is enabling the rapid discharge of people and the avoidance of fines.		(45)	
			(553)
<b><u>Borough Solicitor</u></b>			
Registrars income levels below anticipated levels		35	
Corporate Anti-Fraud Team support to HR Improvement Plan		45	
Vacancies across Committee Services		(35)	
			45
<b><u>Borough Treasurer</u></b>			
Accountancy Staffing - delay in restructure		175	
Vacancies across the service		(45)	
			130

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
<b><u>Central Expenses &amp; Contingency</u></b>			
External Audit & Inspection Fees		62	
Coroners Court Levy - additional costs contained within existing budgets		(109)	
Other Corporate Levies & Subscriptions - higher than budgeted		27	
Miscellaneous Income		(23)	
			(43)
<b><u>Children's Services</u></b>			
External Placements - see note 1 below		735	
Other placements (In-borough fostering & residential) - see note 1 below		(196)	
Social Work Teams & other salaries		(153)	
Section 17 & 18 (support to families in need) - see note 1 below		(143)	
Uncommitted Safeguarding Children Grant - see note 2 below		(231)	
Other budgets		(228)	
			(216)
Note 1 - these are volatile budgets & there is potential for significant cost fluctuation			
Note 2 - this grant is being used to help contain the LAC costs			



	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
<b><u>Resources</u></b>			
HR Improvement Plan		100	
IS - Pericles project over-run delaying achievement of mainframe downsizing		140	
IS - Revenue costs of CRM and CMS projects		40	
HR - Lost income from Mill Hill Training transfer		60	
Vacancies and Running Costs Underspends Across Resources		(80)	
Lettings income from the Claremont Industrial Estate		22	
Rate Refund (net effect)		(19)	
Lettings income from Ravensfield House & Park House		(68)	
Rent Assistance		(13)	
Net Property charges outside of the general fund		(5)	
Property Services - net effect of temporary and agency staff offset by salary savings		136	
Other (minor variations)		(10)	
			304
<b><u>Cultural Services</u></b>			
Leisure Management Contract		(60)	
Staffing		25	
			(35)

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
<b>Education</b>			
Early Years & Play			
Staff vacancies - various		(172)	
Youth Service			
Salary overspends sessional staff		44	
Resources & Performance			
Pupil Travel Passes		(210)	
Staff related savings		(89)	
Lea Retained Budgets		(16)	
ELT/Schools		39	
Standards & Effectiveness			
Staff oncosts - (pending budget allocation)		91	
Standards & Inclusion			
Transport Costs - additional number of pupil days		304	
Placement underspend / Therapist overspend - net position		(8)	
Specialist Teams - net position		(17)	
			(34)

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
<b><u>Environmental &amp; Neighbourhood Services</u></b>			
Licencing Act - reduced income and additional staffing		195	
Recycling - additional recycling boxes and ECT productivity saving not achieved		105	
Increased Green Waste Gate fee		100	
Savings to meet increased Gate Fee:			
Street Cleansing training and supplies & services		(17)	
Trade Waste increased income		(35)	
Refuse training and Saturday collections		(13)	
Parks locking/unlocking and developments		(13)	
Grounds Maintenance agency and overtime reductions		(6)	
Mill Hill Depot security savings		(16)	
Catering - reduced take-up		97	
Golf Courses - residual maintenance costs		80	
CCTV - efficiency saving from merger with Emergency Telephone Suite		(78)	
Management - additional staffing costs		75	
Abandoned Vehicles - cessation of Operation Scrap-It funding (subject to decision on future service levels)		60	
Street Enforcement service - vacancies		(100)	
Additional weed spraying		45	
Residential Services - loss of Barnet Homes income		35	

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
Other minor variations (net)		30	
			544
<b><u>Highways &amp; Design</u></b>			
Highways & Design			
Special Parking Account - reduced income		938	
Car parks - reduced income		312	
Highways Planned Maintenance		(1,250)	
Other Expenses		26	
R.A.S.W.A.		25	
Rechargeables		80	
			131
Public Offices			
Contract Cleaning		154	
Miscellaneous Income (Aerial mast on Barnet House)		(55)	
Vacant posts offset by use of admin-temp-casual-agency		(42)	
General premises budgets		(61)	
Additional costs from lease on NLBP building 4 ground floor - approved CRC 28/7 (see comments in main report under section 8.4)		197	
Other - minor variations		4	

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
			197
<b><u>Housing</u></b>			
Salaries (Benefits Admin & Control)		(33)	
Vacant posts offset by use of admin/temp/casual/agency staff		274	
Admin-Subsidy		(110)	
Performance Standards Funding		(31)	
Benefits Payments		760	
Housing Benefits transitional relief		109	
Housing Benefits limitation subsidy		420	
Temporary Accommodation		(900)	
			489
<b><u>Strategic Development</u></b>			
Staff savings & impact of restructure		(21)	
Admin-temp-casual-agency including EDAW fees		89	
Consultants Fees		41	
Staff Advertising		26	
Developers' Contributions		(40)	
Anticipated use of S106 receipts		(91)	
Other - minor variations		(4)	

	Appendix	FORECAST VARIATIONS September CRC	
		£000	£000
			0
<b>Total (net forecast overspend)</b>		<b>959</b>	<b>959</b>
General Fund Balances @ 1.4.2005		(5,004)	
Contribution to Balances		(3,000)	(8,004)
<b>Forecast Balances @ 31.3.2006</b>		<b>(7,045)</b>	<b>(7,045)</b>

## APPENDIX B (i)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving	Status
		£	£	£		
1	<b>Adult Social Services</b>					
2	Placements	450,000	450,000	0	This is a demand led service & it is too early in the year to be certain of the outturn position, however the service has good controls on assessments and placements processes and will endeavour to bring the budgets in on line.	a
3	IT	15,660	15,660	0	Significant demand for IT hardware replacement	a
4	Printing & Stationery	13,900	13,900	0	The budgets have been reduced	g
5	Learning disability reprofiling	200,000	200,000	0	Service modernisation continuing	g
6	Age Concern - reduction from 3 to 2 centres	50,000	50,000	0	SLA agreed with Age Concern	g
7	Restructure Management Team	100,000	100,000	0	The restructure has been completed and implemented	g
8	Reinvestment Leys receipt	220,000	220,000	0	A revised schedule has been agreed with NHHT and the capital payment has been made	g
9	<b>Borough Solicitor</b>					
10	Supplies and Services	27,150	27,150	0		g
11	Court Fees	10,000	10,000	0	Early monitoring suggests spend within budget	g
12	Land Registry Fees	2,500	2,500	0		g
13	Counsels Fees	33,000	33,000	0	Early monitoring suggests spend within budget	g
14	IT Budgets	20,800	20,800	0		g
15	Registrars Income	19,500	19,500	0	Income levels below level required at Month 4	a
16	Legal Fees - Receipts	35,000	35,000	0	Early monitoring suggests income received upto budgeted levels	g
17	Court Costs Awarded	10,000	10,000	0	Early monitoring suggests income received upto budgeted levels	g
18	Copying Charges	1,000	1,000	0		g
19	Registrars - Closure of Wood Street office - saving on premises costs	21,000	21,000	0	Office still open - compensatory savings expected on income	a
20	Registrars - Closure of Wood Street office - saving on staff costs	50,000	50,000	0	Office still open - compensatory savings expected on income	a
21	Electoral Registration - Advertising	8,000	8,000	0		g
22	Legal Services - Staff Reduction	117,000	117,000	0	Staffing costs within budget at Month 4	g
23	Staffing efficiencies from IT investment (FYE)	63,000	63,000	0	Staffing costs within budget at Month 4	g
24	Reduction of one manager post	18,000	18,000	0	Staffing costs within budget at Month 4	g
25	Reduction of 1 1/2 x FTE posts in Office Support Team.	37,000	37,000	0	Staffing costs within budget at Month 4	g
26	Supplies & Services	3,000	3,000	0		g
27	Transport	2,000	2,000	0		g
28	Restructure Scrutiny	50,000	50,000	0	2 staff are leaving - saving now likely to be achieved in full	g
29	<b>Borough Treasurer</b>					
30	Cashiers - Close Wood Street	30,000	30,000	0	Cashiers Staffing Costs within Revised Budget	g
31	Internal audit - Delete one post	15,000	15,000	0	Post deleted - revised structure costed and agreed - and is within budget	g
32	Administration - Delete one post	25,000	25,000	0	Post deleted - revised structure costed and agreed - and is within budget	g
33	Expenses service wide	15,000	15,000	0		g
34	Reduce IT budgets service wide	30,000	30,000	0	Budgets have been adjusted service-wide	g
35	Car allowances service wide	20,000	20,000	0		g
36	CAFT - Vacancy factor	15,000	15,000	0	CAFT staffing budget reset to include vacancy factor	g
37	Welfare rights - Delete one post	21,000	21,000	0	Post deleted - revised structure costed and agreed - and is within budget	g
39	Grants	25,000	25,000	0	Grants budget reduced.	g
40	Assessments - Delete one post	25,000	25,000	0	Post deleted - revised structure costed and agreed - and is within budget	g

APPENDIX B (i)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving	Status
		£	£	£		
41	MCS efficiencies - deletion of posts within Accountancy, Cashbook & Income	235,000	35,000	200,000	Final restructure proposals to be agreed	a
42	Delete 2 posts in Local Taxation	35,000	35,000	0	Posts deleted - revised structure costed and agreed - and is within budget	g
43	Delete post in Audit	60,000	60,000	0	Post deleted - revised structure costed and agreed - and is within budget	g
44	<b>Central Expenses</b>					
45	Democratic Health Network	690	690	0		g
46	London Team Against Fraud	7,500	7,500	0		g
47	Corporate - Car leasing	16,000	16,000	0		g
48	Senior management restructure (contingency)	180,000	180,000	0		g
49	<b>Children &amp; Families</b>					
50	Efficiency review	278,000	278,000	0	Administrative posts deleted and IT technology introduced	g
51	Asylum seekers	180,810	245,210	(64,400)	Last year NASS informed authorities that they would resume responsibility for single adults and families. The budget was set on this basis. NASS has subsequently asked authorities to continue with supporting these asylum seekers. Barnet informed NASS that after end of Sept there will no longer be an Asylum Seekers Team to deal with these asylum seekers.	a
52	Young Peoples Team	15,000	15,000	0	Post deleted	g
53	<b>Cultural Services</b>					
54	Cessation of Translation Service	65,460	65,460	0		g
55	Savings on running costs (£160 to CC)	27,500	27,500	0		g
56	Savings on IT expenditure	23,300	23,300	0		g
57	Media Fund	30,000	30,000	0		g
58	Staff restructure	221,320	221,320	0	Staffing expenditure around new budgeted level at month 4	g
59	<b>Education</b>					
60	reorganisation	95,000	95,000	0	Budget Amended	g
61	travel passes	50,000	50,000	0	Budget Amended	g
62	Publications	10,000	10,000	0	Budget Amended	g
63	Delete transport client officer post	20,000	20,000	0	Budget Amended	g
64	Reorganisation	70,000	70,000	0	Budget Amended	g
65	salaries reduction	40,000	40,000	0	Budget Amended	g
66	staffing reductions	10,000	10,000	0	Budget Amended	g
67	Traded Services	50,000	50,000	0	Budget Amended	g
68	increased use of grant income to fund posts	50,000	50,000	0	Budget Amended	g
69	Grant income to fund posts	25,000	25,000	0	Budget Amended	g
70	reduce EBP grant by 3% -efficiency saving	2,500	2,500	0	Budget Amended	g
71	Reduced running costs	7,500	7,500	0	Budget Amended	g
72	Delete post of SEN tribunal officer	25,000	25,000	0	Budget Amended	g
73	<b>Environmental Services</b>					
74	Barnet Homes - re-negotiation of grounds maintenance contract	75,000	75,000	0	SLA - awaiting confirmation from Barnet Homes	a
75	SEN Transport efficiencies - Education	90,000	90,000	0	£30k from management charges, £60k logistics savings to be confirmed with Education.	a
77	Parks & Open Spaces - management	115,000	115,000	0	Budget reduced - staff savings (3 management posts) actioned.	g
78	Staff - overtime	3,500	3,500	0	Budgets reduced and controls in place.	g
79	Management and Support	500	500	0		g
80	Stores organisation efficiencies	30,000	30,000	0	Two posts deleted. Cost recovery process to be confirmed.	a



APPENDIX B (i)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving	Status
		£	£	£		
81	Ground maintenance efficiencies	25,000	25,000	0	Post deleted.	g
82	Domestic Refuse - bin purchase	15,000	15,000	0		g
83	Domestic Refuse - protective clothing	4,000	4,000	0	Budgets reduced and amended. (Bins, protective clothing, special collections)	g
84	Domestic Refuse - special collection income	10,000	10,000	0		g
86	ECT recycling contract - productivity savings	95,000	50,000	45,000	£50k no inflation increase confirmed. Balance of £45k will not be achieved by round reduction as originally envisaged(because of impact of compulsory recycling).	r
87	Street Enforcement Service	603,750	603,750	0	Restructure approved by General Functions (November 2004) and implemented.	g
88	Golf Courses - running costs	108,000	28,000	80,000	Disposal agreed Cabinet Resources 28/04/05. No revenue budget 2005/06. There will be some residual maintenance costs. Report to Cabinet Resources 21/07/05 with tender results. Expected to lease from 1 April 2006	r
89	Grounds Maintenance	10,000	10,000	0	Budgets reduced.	g
91	Mill Hill Depot	100,000	100,000	0	Additional income being negotiated and confirmed.	a
92	SES/Street Cleansing	870	870	0	Budgets reduced on equipment and materials	g
93	Refuse	340	340	0		g
94	SES	1,220	1,220	0	Budgets reduced on printing and stationery	g
95	SES	170	170	0		g
96	Residential Services/Catering	4,920	4,920	0	Service IT budgets reduced.	g
97	Recycling - increase in green waste collection	44,000	44,000	0	Tonnages collected being monitored. Participation rates will be key.	a
98	<b>Highways &amp; Design</b>					
76	Responsive Highways Maintenance - carriageways	55,000	55,000	0	Budgets reduced. Reflects improved conditions following increased planned mtnce.	g
85	Road structural repairs	35,000	35,000	0	Budgets reduced.	g
90	Highways Maintenance	50,000	50,000	0	Budgets reduced.	g
99	Highways - staffing reduction	32,000	32,000	0	Budgets reduced	g
100	General running cost savings - Equipment & Materials	2,864	2,864	0	Budgets reduced	g
101	General running cost savings - General Office Expenses	500	500	0	Budgets reduced	g
102	General running cost savings - IT	11,520	11,520	0	Budgets reduced	g
103	General running cost savings - Other Expenses	50,808	50,808	0	Budgets reduced	g
104	General running cost savings - Printing	3,946	3,946	0	Budgets reduced	g
105	General running cost savings - Stationery	1,442	1,442	0	Budgets reduced	g
106	Car Parks - repairs/maintenance	8,000	8,000	0	Budgets reduced	g
107	Disabled Crossing Facilities	5,000	5,000	0	Budgets reduced	g
108	Schools Crossing Patrols	5,000	5,000	0	Budgets reduced	g
109	Home Zones - works budget	30,000	30,000	0	Budgets reduced	g
110	Building Control - net additional income	60,000	60,000	0	Fees Increased	g
111	Highways Administration reduction in posts - additional impact 05/6 (FYE)	20,000	20,000	0	Posts reduced - Total £90k, £70k 2004-05 - balance of £20k 2005-06	g
112	Design services	250,000	250,000	0	Implementation in progress. Fee base being confirmed	a
113	<b>Housing -General Fund</b>					
114	Community Centres staffing	13,000	13,000	0	Will not be achieved, further work required with Barnet Homes, but can be taken up elsewhere in Housing GF	r
115	Reduction in IT budget in Housing Benefit	16,800	16,800	0	Budgets reduced	g
116	Temporary accomodation	50,110	50,110	0	Budgets reduced	g
117	<b>Human Resources</b>					
118	Re-organise management of HR	100,000	100,000	0	Final structure of HR not yet clear	a

APPENDIX B (i)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving	Status
		£	£	£		
119	Payroll Reductions due to move to Weekly Pay	37,500	37,500	0	Post reductions have occurred - final tidy up of revised budget required	g
119a	Delete 1 post in training	42,500	42,500	0	Post deleted - revised structure costed and agreed - and is within budget	g
120	Discontinue central advertising / outsource resource handling	70,000	70,000	0	Posts deleted - revised structure costed and agreed - and is within budget	g
121	<b>Information Systems</b>					
122	HBS Business Services - Print Contract	60,000	60,000	0	Whether or not saving is achieved will not become apparent until later in year	a
123	IS Partners	15,000	15,000	0		a
124	IS vacancies	30,000	30,000	0	Staffing in IS within budget at Month 4	g
125	IS - Telephony Infrastructure - reduced call rate charges	20,000	20,000	0	Reduced charges already reflected in 04-05 so no problem expected	g
126	IS - reduction of 1 post	45,000	45,000	0	Staffing in IS within budget at Month 4	g
127	IS - Hardware Maintenance Savings	30,000	30,000	0		a
128	IS - Managed service saving due to new system implementation	150,000	150,000	0	Delay in Pericles implementation has jeopardised achievement of this saving	a
129	IS - Re-scope terms of contract for HBS partnership	150,000	150,000	0	Saving not achieved in full at this point	a
130	IS - 10% Reduction in NLBP managed service costs	45,000	45,000	0	Whether or not saving is achieved will not become apparent until later in year	g
131	IS - Increase in Schools income	20,000	20,000	0	Saving should be achievable though income levels will not be apparent until later in year	a
132	<b>Planning</b>					
133	Reduce the annual spending on employee expenses	13,300	13,300	0	Budgets reduced	g
134	Reduce the annual spending on transport costs	2,330	2,330	0	Budgets reduced	g
135	Reduce the annual spending on supplies and services	10,210	10,210	0	Budgets reduced	g
136	Revised base budget	61,600	61,600	0	Budgets reduced	g
137	<b>Property Services</b>					
138	Reduced spending on stationery, training	4,000	4,000	0	Achieved	g
139	Recharge post to Housing Estates regeneration budget	14,600	14,600	0	Post to be recharged to Regeneration budget	g
140	<b>Public Offices</b>					
141	Equipment and Materials	880	880	0	Budgets reduced	g
142	Floral Decorations	160	160	0	Budgets reduced	g
143	General Office Expenses	140	140	0	Budgets reduced	g
144	Printing	400	400	0	Budgets reduced	g
145	Staffing efficiencies	10,600	10,600	0	Budgets reduced	g
146	Staffing efficiencies	280	280	0	Budgets reduced	g
147	Staffing efficiencies	110	110	0	Budgets reduced	g
148	<b>Resources</b>					
149	Procurement savings	300,000	300,000	0	This represents increase in existing savings in base and hence must be considered high risk	a
150	IS and CPO Admin reduction (1.5 posts)	45,000	45,000	0	Pressure on staffing budgets in new Directorate	a
151	CPO - End all consultancy budgets	40,000	40,000	0	Spend reduced in 04-05 - so saving should be achieved	g
152	CPO - reduction of 1 post	45,000	45,000	0	Pressure on staffing budgets in new Directorate	a
153	Savings on running costs (from CC)	160	160	0		g
154	Savings on IT expenditure (from CC)	1,250	1,250	0	Budgets have been adjusted service-wide	g
155	Restructure switchboard (from CC)	25,000	25,000	0	Posts deleted - revised structure costed and agreed - and is within budget	g
156	<b>Strategic Development</b>					
157	IT savings	3,080	3,080	0	Achieved	g

APPENDIX B (i)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving	Status
		£	£	£		
158	Staff savings to be achieved through reducing hours and restructuring	14,290	14,290	0	Budgets reduced & restructure to be completed by Head of Service	a
159	<b>Strategic Directors &amp; Corporate Support</b>					g
160	Reduced Printing, Conference and Stationery Budgets	25,160	25,160	0		g
161	Remove Consultants Fees budget for Arts Depot	31,000	31,000	0		a
162	Reduce First team to 4 issues a year	11,000	11,000	0		g
163	CPO - Reduce Consultation Budgets	25,000	25,000	0		g
164	CPO - Citizens's panel - 2 per year	5,000	5,000	0		g
165	<b>Totals</b>	<b>7,170,900</b>	<b>6,910,300</b>	<b>260,600</b>		
166	<b>Summary of Efficiencies :-</b>					
167		4,433,640	4,433,640	0		g
168		2,521,260	2,385,660	135,600		a
169		216,000	91,000	125,000		r
170	<b>Totals</b>	<b>7,170,900</b>	<b>6,910,300</b>	<b>260,600</b>		

Appendix B (ii)

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	
1	<b>Adult Social Services</b>					
2	Close Springwood (FYE)	100,000	100,000	100,000	0	achieved
3	Sheltered workshops	23,000	23,000		23,000	Consultation underway - will be contained within service cash limit
4	Telephones for disabled	24,000	24,000	24,000	0	
5	HIV / AIDS Service	8,000	8,000	8,000	0	
6	Community Network	50,000	50,000		50,000	Consultation underway - will be contained within service cash limit
7	<b>Borough Solicitor</b>					
8	Removal of Head of Service post and 1 manager post	93,000	93,000		93,000	
9	<b>Borough Treasurer</b>					
10	Grant to Barnet Action 4 Youth - expires March 2004	50,000	50,000	50,000	0	Grants budgets reduced and allocation of grants expected to be within reduced budget
11	Grant to Barnet Retired & Senior Volunteer Programme - expires March 2004.	12,500	12,500	12,500	0	
12	Reduction in small grants to voluntary organisations.	70,000	70,000	70,000	0	
13	Additional grant funding for Welfare Rights Unit	18,560	18,560	18,560	0	Grant funding secured
14	Assessments - eliminate one-off budget increase for introducing "Fairer Charging"	10,000	10,000	10,000	0	Budget adjusted
15	Cease services provided to the Probation Service (net of income lost)	5,000	5,000		5,000	Final restructure proposals awaited
16	Increase charge to Special Parking Account re cash collection	75,000	75,000	75,000	0	Increased charge achieved in 04-05 - so should be secure in 05-06
17	Delete post in Student Finance	25,000	25,000	25,000	0	Post deleted - revised structure costed and agreed - and is within budget
18	<b>Central Expenses</b>	0				
19	Roundabout Sponsorship	28,700	28,700	28,700	0	
20	LPSA - interim reward grant	124,000	124,000	124,000	0	
21	<b>Children &amp; Families</b>					
22	ART - reduction in service	120,000	120,000	120,000	0	Specific posts deleted and phase 2 of the C&F restructure costed and agreed within available resources
23	Further staff savings	140,000	140,000	140,000	0	Specific posts deleted and phase 2 of the C&F restructure costed and agreed within available resources
24	Principal Projects and Strategy Officer	33,580	33,580	33,580	0	Post deleted
25	<b>Cultural Services</b>					
26	Close Totteridge Library (FYE)	28,000	28,000		28,000	
27	Reduce GLL management fee	25,000	25,000		25,000	Negotiations with Schools still ongoing
28	Cease adult guidance support	50,000	50,000		50,000	
29	Reduce library opening hours and re-designate posts	226,000	226,000		226,000	
30	Nil inflation on Media Budget	24,000	24,000		24,000	
31	Reduce mobile libraries by 1 vehicle	96,500	96,500		96,500	
32	Reduction on media fund	22,500	22,500		22,500	
33	<b>Education</b>					
34	Recode 50% ELT post to grant	36,000	0	36,000	0	Budget adjusted
35	Charge part of Early Years advisory service to grant	96,000	96,000	96,000	0	Budget adjusted
36	Youth Service	300,000	300,000	300,000	0	Budget adjusted
37	Targeted support for schools causing concern	44,000	44,000	44,000	0	Budget adjusted
38	Capitalise consultancy for Primary capital strategy	250,000	250,000	250,000	0	Budget adjusted

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	
39	<b>Environmental Services</b>					
40	Abandoned Vehicles	12,000	12,000	12,000	0	Budget reduced.
41	Restructure of Street Enforcement	201,250	201,250	201,250	0	Restructure approved General Functions November 2004 and implemented.
42	LA 21 Grants	5,000	5,000	5,000	0	Budget reduced
43	Increase fees & charges above inflation	20,000	20,000	20,000	0	Increased fees and charges approved by CRC committee 25/11/2004. Monitor
45	Noise Service - refocus to times of peak demand	90,000	90,000	90,000	0	Reduction in Out of Hours service implemented.
46	Trade Waste - increased income	25,000	25,000	25,000	0	Targetted increase in turnover and improved debt collection.
47	Residential service - staffing reductions	60,000	60,000	60,000	0	Two posts deleted.
48	Grounds maintenance - rationalisation of highways planting	70,000	70,000	70,000	0	Savings agreed with Cabinte member. Implementation being monitored.
49	School meals - increase charge to £1.85	90,000	90,000	(7,000)	97,000	At risk due to potential reduction in take-up of school meals. Also impact of non-controllable factors (eg school closures) and "Healthy Eating" drive to be taken into account.
50	Litter bins & graffiti	62,000	62,000	62,000	0	Budgets reduced (equipment £50k , graffiti 12k)
51	Allotments - increased income	50,000	50,000	30,000	0	Charges increased 1/4/05 - but first 4 months indicate a possible drop in take-up.
52	Cease HECA survey programme	22,000	22,000	22,000	0	Programme ceased and budget deleted.
53	Capitalise Environmental Health Officer	40,000	40,000	40,000	0	Capitalisation process to be confirmed with external auditor.
54	Public health - reduction 0.5 posts	13,000	13,000	13,000	0	Post deleted
55	Waste Performance Grant	276,000	276,000	276,000	0	Government grant for 2005/06 confirmed. 2006/07 to be confirmed.
56	<b>Highways and Design</b>					
44	Responsive Highways Maintenance - footways	25,000	25,000		25,000	Budget reduced. Reflects improved conditions following increased planned mtnce.
57	Highways - general increase in fees and charges	180,000	180,000	50,000	130,000	Fees increased / level of work undertaken applicable to the financial year 2005-6 lower than anticipated.
58	IT invest to save	50,000	50,000	50,000	0	Budget reduced
59	Highways - general fees & charges increase	30,000	30,000	30,000	0	Fees and charges increased - monitor
60	Highways rationalisation of works programme	340,000	340,000	340,000	0	Budgets reduced (public lighting). One off
61	War memorials	10,000	10,000	10,000	0	Budgets reduced
62	Highways planned maintenance	200,000	200,000	200,000	0	Budgets reduced
63	Safer Routes	23,000	23,000	23,000	0	Budgets reduced
64	<b>Special Parking Account</b>					
65	Parking - fees restructure (SPA?)	500,000	500,000	(750,000)	1,250,000	Fees increased/revised. Income pressure continuing into 2005/06
66	<b>Housing - General Fund</b>					
67	Community centres	37,000	37,000		37,000	Will not be achieved, further work required with Barnet Homes, but can be taken up elsewhere in Housing GF
68	Housing Initiatives	39,200	39,200	39,200	0	On target
69	<b>Human Resources</b>					
70	Close Occupational Health Service	80,000	80,000		80,000	Service closed and services now picking up cost of OH referrals
71	Charge Services for all Corporate run training courses	50,000	50,000		50,000	Level of Income received will not become apparent until later in the year
72	Revision of the advertising style - reduce information included	50,000	50,000		50,000	Savings need to be reclaimed from services - therefore high risk
73	<b>Planning</b>					
74	Increased income (national planning fees)	15,000	15,000	15,000	0	Fees increased 01/04/05. awaiting member confirmation of use of extra income.
75	Reductions in Planning and Enforcement Posts	109,000	109,000	109,000	0	Restructure proposal put forward to members for approval.
76	<b>Property Services</b>					
77	Charging for property disposal packs	2,000	2,000	2,000	0	Fees being generated
78	Charges for RTB/Home loss work	18,000	18,000	18,000	0	Fees being generated for RTB's and potential fees being generated for Home loss
79	Charge HRA for work undertaken on Housing Association programme	8,000	8,000	8,000	0	Fees being generated
80	Increased charges for Court of Protection work	5,000	5,000	5,000	0	Fees being generated

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	
81	Review of charges of costs against capital receipts for disposals	10,000	10,000	10,000	0	Fees being anticipated
82	<b>Public Offices</b>					
83	Full costs of Stag House to Barnet Homes	51,000	51,000	51,000	0	Achieved
84	Reduction of budget for building maintenance	6,000	6,000	6,000	0	Budgets reduced
85	Barnet House	120,000	120,000	57,340	62,660	Net effect of contract cleaning budget pressure and savings on premises budgets, means that this reduction cannot be confirmed as being met, at present.
86	<b>Resources</b>					
87	Staff savings through service restructuring	28,000	28,000		28,000	Unclear at present where this saving is
88	<b>Strategic Development</b>					
89	Review sources of funding	39,000	39,000	39,000	0	Partner organisations contributing to costs
90	Inward Investment North London	35,000	35,000	35,000	0	Achieved
91						
92						
93	<b>Total</b>	<b>5,304,790</b>	<b>5,268,790</b>	<b>2,832,130</b>	<b>2,452,660</b>	
94	<b>Summary of Budget Reductions</b>					
95		<b>3,818,790</b>	<b>3,782,790</b>	<b>3,100,790</b>	<b>718,000</b>	
96		<b>949,000</b>	<b>949,000</b>	<b>481,340</b>	<b>447,660</b>	
97		<b>537,000</b>	<b>537,000</b>	<b>(750,000)</b>	<b>1,287,000</b>	
98	<b>Total</b>	<b>5,304,790</b>	<b>5,268,790</b>	<b>2,832,130</b>	<b>2,452,660</b>	

## HOUSING REVENUE ACCOUNT

Service	2005/6					Remarks
	Original Budget	Current Budget	Actual Year to Date	Projected Outturn	Variance	
	£	£	£	£	£	
<b>EXPENDITURE</b>						
Supervision & Management:-						Although no change shown at present there are outstanding issues relating to SLAs and Insurance costs that will affect the management fee payable to Barnet Homes.  Reduction in contribution reflecting lower income estimates.
General Expenses	14,639,160	14,639,160	4,388,433	14,639,160	0	
Special Expenses	5,059,920	5,059,920	1,688,640	5,059,920	0	
Other Expenses	106,220	106,220	44,187	106,220	0	
Repairs & Maintenance	8,458,000	8,458,000	2,529,854	8,458,000	0	
Capital Charges :-					0	
Cost of Capital	550,000	550,000	0	550,000	0	
Depreciation	8,112,170	8,112,170	0	8,112,170	0	
Housing Benefits	500,000	500,000	0	500,000	0	
Housing Subsidy	8,300,000	8,300,000	2,490,000	8,300,000	0	
Contribution to Working Balance	634,680	634,680	0	532,380	(102,300)	
	<b>46,360,150</b>	<b>46,360,150</b>	<b>11,141,114</b>	<b>46,257,850</b>	<b>(102,300)</b>	
<b>INCOME</b>						
Supervision & Management:-						
General Income	(2,361,860)	(2,361,860)	(590,465)	(2,361,860)	0	
Special Income	(3,294,500)	(3,294,500)	(1,067,055)	(3,216,500)	78,000	
Rent Income:-						
Dwellings	(38,984,000)	(38,984,000)	(10,547,494)	(38,984,000)	0	
Garages	(721,000)	(721,000)	(246,777)	(696,700)	24,300	
Other	(698,790)	(698,790)	(139,465)	(698,790)	0	
Interest	(300,000)	(300,000)	0	(300,000)	0	
	<b>(46,360,150)</b>	<b>(46,360,150)</b>	<b>(12,591,256)</b>	<b>(46,257,850)</b>	<b>102,300</b>	
<b>NET COST OF SERVICES</b>	<b>0</b>	<b>0</b>	<b>(1,450,142)</b>	<b>0</b>	<b>0</b>	