

AGENDA ITEM: 8

Page nos. 20 - 42

Meeting	Cabinet Resources Committee
Date	16 February 2006
Subject	Revenue Monitoring 2005/06
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	Chief Finance Officer Head of Finance (Core) All Heads of Service
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

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 return confirmed forecast 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
Cabinet Resources Committee 26 September 2005
Cabinet Resources Committee 10 November 2005
Cabinet Resources Committee 5 January 2006.

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.
- 4.2 For the past two years the Council has made a successful application to the Deputy Prime Minister to capitalise redundancy costs on the grounds of efficiency. An initial application has been made for 2005/06, but it must be borne in mind that approval is not automatic – each application is considered separately. If a capitalisation Direction is not made, the costs will have to be met from revenue and will have a significant impact on balances.
- 4.3 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.

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.

5.2 Adjustments to service budgets approved at previous meetings are set out at the end of Appendix A. In addition, self-balancing adjustments have been made to various service budgets to reflect an increased allocation of Planning Delivery Grant.

5.3 Taking account of forecast variations set out in Appendix A, the forecast of balances at 31 March 2006 is £7.410m. Further comments are contained in Section 8.

6 LEGAL ISSUES

6.1 None.

7 CONSTITUTIONAL POWERS

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

8 BACKGROUND INFORMATION

8.1 The biggest budget risk identified at the start of the financial year was parking income. This was highlighted in the 2005/06 budget report to Council in March, and the budget has been monitored on a weekly basis throughout the year. A shortfall on income has been highlighted in budget monitoring reports throughout the year to date, and the latest position is set out in Appendix A. A decrease in the all day charge from £4.00 to £3.00 for borough car parks with all day tariffs was approved by Cabinet Resource Committee 10 November and is proposed to take effect from January 2006. A detailed review to estimate the financial impact will be undertaken.

8.2 An additional column has been incorporated into Appendix A to show the variance as a percentage of the total budget. This was requested by Members at a previous meeting, to put the forecast variance into proper context. Members are always encouraged to make suggestions on the format of the report and appendices that could improve understanding about the budget.

8.3 A traffic light monitor on budgeted savings is attached at Appendix B. The forecast variations shown here are also incorporated into Appendix A, to give a comprehensive position on the current level of forecast balances.

8.4 The projected balances figure represents an improvement of £0.4m in the position reported to this committee in January. Significant movements since the last report are highlighted in the following paragraphs, along with details on items not yet reflected in the forecast variations but which need to be brought to Members attention.

8.5. Adult Social Services

Client Care – This is demand led area of expenditure which has a history of large fluctuations throughout the year. The number of placements will

continue to be monitored closely and an updated position reported to each committee.

Staffing Costs – this projection incorporates the impact of the staffing restructure and the requirement to employ agency staff to ensure full coverage of service.

8.6 Central Expenses

Underhill Public Inquiry – Invoices totaling £12,571 have been approved and paid for December 2005 and January 2006 for the legal costs of the named members. The December invoice largely represented the cost of reading and advising on a significant volume of material resulting from the forensic analysis of relevant parts of the Council's IT system; the January 2006 invoice represents the time spent preparing written submissions prior to the interviews with PwC. Total legal costs for these individuals to date is £37,710.

Invoices totaling £39,650 have been received for the legal costs of named officers. However, no payment has been made to date on these invoices as these solicitors have agreed a 'no win no pay' fee which will only become payable at the conclusion of the case

£17,070 has been expended on other external legal costs.

A provision of £742,000 was made in the 2004/05 accounts for all the costs of the Inquiry. A new estimate from PwC was received on 22 November 2005 which has revised the previously estimated costs upwards between £531,750 - £596,750. Previous correspondence had estimated the range at £346,000 - £542,000 and we had made provision for the upper end of this. There is, therefore, a potential in-year overspend of £54,750. Officers are awaiting an explanation of the detail and level of these costs from PriceWaterhouseCoopers.

Officers continue to consider the risks, including the financial risks, associated with this item.

8.7 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. In addition, the cost of an individual placement can be highly variable dependant on the need of the child.

8.8 Highways & Design

RASWA Income – additional income is anticipated due to extra inspections and defaults resulting from utility companies failing to meet their obligations following the works they have undertaken.

PFI Advisors - Projections of the estimated costs for the street lighting PFI advisors indicate that the budget is likely to be exceeded, although this is not as yet reflected in Appendix A. A preferred bidder has been appointed and advisor costs will be dependent upon the length of negotiations required to complete the contract. The requirement for advisors is kept under constant review. Any variation in estimated cost compared to budget will be reported in the next revenue monitoring report.

Winter Maintenance - It is estimated that the 2005/06 budget could be exceeded by approx £100,000 depending on the severity of the winter. This is not as yet reflected in Appendix A. This estimate is based on winter conditions similar to those experienced in 1995/96, but incorporates the revised pricing schedule. A comparison with variable expenditure at the end of December 2004 indicates £60,000 more has been expended to December 2005. Every effort is being made to contain the forecast overspend.

Housing Revenue Account

8.9 This is monitored in conjunction with Barnet Homes. A summary of the HRA is set out in Appendix C, which shows a £41,000 improvement on the previous position and a forecast £61,000 overspend for the year.

9 **LIST OF BACKGROUND PAPERS**

9.1 None.

Legal:

CFO: Jonathan Bunt
Michael Bradley

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
<u>Adult Social Services</u>							
Client Care	(104)		156		0%	260	
Staffing Costs	(447)		(576)		2%	(129)	
		(551)		(420)			131
<u>Law & Probity</u>							
Additional Costs due to delay in closing Wood Street Outstation Registrars office partly offset by vacancies and one-off income across the Dept	0		10			10	
Land Charges Income Levels	113		135		5%	22	
		113		145			32
<u>Central Expenses & Contingency</u>							
External Audit & Inspection Fees (Robson Rhodes)	80		80		14%	0	
Other Corporate Levies & Subscriptions - higher than budgeted	27		27		0%	0	
Miscellaneous Income	(23)		(23)		n/a	0	
Rate Refund (net effect)	(19)		(19)		n/a	0	
LPSA Interim Reward Grant	124		124		100%	0	
Net effect of the corporate prudential borrowing position	(2,000)		(2,000)		(32%)	0	
Return of previous windfall receipt from Brent Cross	14		14		n/a	0	
		(1,797)		(1,797)			0
<u>Children's Services</u>							

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
External Placements	1,181		1,073		13%	(108)	
Other placements (In-borough fostering & residential)	(205)		(205)		(4%)	0	
Social Work Teams & other salaries	(487)		(477)		(5%)	10	
Section 17 & 18 (support to families in need)	(66)		(66)		(13%)	0	
Safeguarding Children Grant - being held to offset external placement costs	(274)		(274)		n/a	0	
Other budgets	(152)		(152)		(3%)	0	
		(3)		(101)			(98)
<u>Resources</u>							
Corporate Finance - delay in restructure	264		156		8%	(108)	
Mill Hill Training Centre - lost income following transfer	64		64		78%	0	
HR Improvement Plan	175		175		n/a	0	
Pericles project over-run delaying achievement of mainframe downsizing	140		140		50%	0	
Support to ICT Projects	72		72			0	
GIS - Income Shortfall and Licence Costs	87		87		24%	0	
Strategic Procurement Savings	1,400		1,400		0%	0	
Vacancies and Running Costs Underspends Across Resources	(173)		(173)		n/a	0	
Leisure Management Contract - transferred to Resources from Culture	(60)		(60)		n/a	0	
Claremont Industrial Estate - income	43		43		18%	0	
Ravensfield House & Park House - income	(95)		(95)		n/a	0	
Rent Assistance	(13)		(13)		(100%)	0	
Net Property charges outside of the general fund	(5)		(5)		(3%)	0	

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Property Services - net effect of temporary and agency staff offset by salary savings	200		200		40%	0	
Disposal of Park House - impact on fees & charges	44		44		27%	0	
		2,143		2,035			(108)
<u>Education</u>							
Early Years & Play							
Staff vacancies - various	(182)		(150)		7%	32	
Nursery Education funding saving	(222)		(249)		0%	(27)	
Youth Service							
Salary net overspend	5		1		0%	(4)	
Premises Overspend	23		20		2%	(3)	
Grant income (prior year)	(38)		(38)		n/a	0	
General Underspend	0		(4)		n/a	(4)	
Resources & Performance							
Pupil Travel Passes	(209)		(183)		(53%)	26	
Staff related savings	(42)		(40)		(3%)	2	
Lea Retained Budgets	(2)		(37)		0%	(35)	
ELT/Schools	31		31		5%	0	
Standards & Effectiveness							
Staff oncosts - (pending budget allocation)	93		56		7%	(37)	
A Level Music Overspend	4		18		5%	14	
Standards & Inclusion							
LSC 6th Form grant higher than anticipated	(36)		(36)		0%	0	

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Transport Costs - additional number of pupil days/full effect of contract price increase/Unachieved saving.	365		323		-12%	(42)	
Placement underspend	(191)		(182)		5%	9	
Therapies overspend	98		108		10%	10	
Specialist and other Teams - net staffing position	(43)		(71)		-65%	(28)	
Cultural Services							
Libraries staffing underspend; income shortfall	35		(20)			(55)	
		(311)		(453)			(142)
<u>Environmental Services</u>							
Licencing Act - reduced income and additional staffing	135		135		20%	0	
Recycling - additional recycling boxes	60		60		n/a	0	
Recycling - ECT additional collection costs	45		45		n/a	0	
Increased Green Waste Gate fee	95		95		n/a	0	
Savings to meet increased Gate Fee:							
Street Cleansing training and supplies & services	(17)		(17)		0%	0	
Trade Waste increased income	(35)		(35)		(4%)	0	
Refuse training and Saturday collections	(13)		(13)		0%	0	
Parks locking/unlocking and developments	(13)		(13)		0%	0	
Grounds Maintenance agency and overtime reductions	(6)		(6)		(2%)	0	
Mill Hill Depot security savings	(16)		(16)		(2%)	0	
Catering - reduced take-up	97		97		n/a	0	
Golf Courses - residual maintenance costs	80		80		1%	0	

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Parks & Openspaces - control spend on developments to meet Golf course maintenance	(80)		(80)		(3%)	0	
CCTV - efficiency saving from merger with Emergency Telephone Suite & capital slippage	(88)		(130)		(1%)	(42)	
Management - additional staffing costs	75		75		24%	0	
Abandoned Vehicles - procurement efficiencies	(8)		(8)		(10%)	0	
Street Enforcement service - vacancies	(200)		(200)		(10%)	0	
Additional weed spraying	22		22		3%	0	
Residential Services - loss of Barnet Homes income	35		35		4%	0	
Cemetery & Crematoria fees & charges - increase from 1st January 2006	(30)		(30)		(10%)	0	
SEN Transport	0		0		n/a	0	
Street Cleansing - change flytip target	(15)		(15)		0%	0	
Targeted efficiency savings - Refuse, Street Cleansing, Greenspaces & Catering	(50)		(50)		n/a	0	
Policy & Performance - vacant posts held open	(50)		(50)		(13%)	0	
Mill Hill Depot - backdated income	(20)		(20)		(3%)	0	
Other minor variations (net)	35		23		n/a	(12)	
		38		(16)			(54)
Highways & Design							
Special Parking Account - reduced income from PCN's and CPZ 's	1,222		1,299		10%	77	
Car parks - reduced income	328		301		28%	(27)	
Highways Planned Maintenance - planned deferral of schemes	(1,500)		(1,500)		(85%)	0	
Other Expenses - lower than anticipated external funding	29		27		2%	(2)	
R.A.S.W.A.- Increase in levels of inspections & defaults	35		(75)		(26%)	(110)	

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Rechargeables - increase in charges and some increase in activity	(10)		(10)		(2%)	0	
		104		42			(62)
<u>Planning</u>							
Planning Appeal Costs - Initial inquiry and court costs	20		20		n/a	0	
Organisation restructure and other staffing initiatives	25		0		2%	(25)	
Minor income variations (net)	1		1		1%	0	
		46		21			(25)
<u>Public Offices</u>							
Contract Cleaning	154		154		62%	0	
Miscellaneous Income (Aerial mast on Barnet House)	(55)		(55)		n/a	0	
Vacant posts offset by use of admin-temp-casual-agency	(30)		(30)		(6%)	0	
General premises budgets	(10)		(10)		(4%)	0	
NLBP Service Charges - increase deemed outside of lease	65		65		44%	0	
NLBP rates - increase wef 1 April 2005 revaluation	87		87		27%	0	
		211		211			0
<u>Housing</u>							
Salaries (Benefits Admin & Control)	(60)		(16)		(2%)	44	
Vacant posts offset by use of admin/temp/casual/agency staff	296		296		n/a	0	
Staff Advertising	5		5		92%	0	
Admin-Subsidy	(110)		(110)		(5%)	0	
Performance Standards Funding	(31)		(31)		n/a	0	

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Benefits Payments	783		747		51%	(36)	
Housing Benefits transitional relief	109		109		50%	0	
Housing Benefits limitation subsidy	420		328		55%	(92)	
Temporary Accommodation	(1,200)		(1,200)		(14%)	0	
General Fund Community Centres - BHL management fee & Claremont Road Community Centre	90		90		n/a	0	
		302		218			(84)
<u>Strategic Development</u>							
Staff savings & impact of restructure	(69)		(69)		(21%)	0	
Admin-temp-casual-agency including EDAW fees	87		88		n/a	1	
Consultants Fees	39		49		n/a	10	
Staff Advertising	45		45		n/a	0	
Developers' Contributions	(40)		(40)		n/a	0	
Anticipated use of S106 receipts	(83)		(83)		n/a	0	
Other - minor variations	21		19		n/a	(2)	
		0		9			9
Total (net forecast overspend)	295	295	(106)	(106)		(401)	(401)
General Fund Balances @ 1.4.2005	(5,004)		(5,004)			0	
Contribution to Balances	(3,000)		(3,000)			0	
Variations Approved at Cabinet Resources Committee 28th July 2005							
NLBP Ground Floor Building 4 Lease	79		79			0	
Variations Approved at Cabinet Resources Committee 26th September 2005							

	FORECAST VARIATIONS					CHANGE TO PREVIOUS FORECAST	
	January CRC		February CRC			£000	£000
	£000	£000	£000	£000	%	£000	£000
Street Lighting	415		415			0	
Coroners Court Levy - unrequired budget returned to the centre	(109)		(109)			0	
Variations Approved at Cabinet Resources Committee 10th November 2005							
ECT Recycling Contract	315		315			0	
		(7,304)		(7,304)			0
Forecast Balances @ 31.3.2006	(7,009)	(7,009)	(7,410)	(7,410)		(401)	(401)

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	

On Target/Achieved Efficiency Savings

1	<u>Adult Social Services</u>				
4	Printing & Stationery	13,900	13,900	0	The budgets have been reduced
5	Learning disability reprofiling	200,000	200,000	0	Service modernisation continuing
6	Age Concern - reduction from 3 to 2 centres	50,000	50,000	0	SLA agreed with Age Concern
7	Restructure Management Team	100,000	100,000	0	The restructure has been completed and implemented
8	Reinvestment Leys receipt	220,000	220,000	0	A revised schedule has been agreed with NHHT and the capital payment has been made
9	<u>Borough Solicitor</u>				
10	Supplies and Services	27,150	27,150	0	
11	Court Fees	10,000	10,000	0	At Month 8 projection is spend will be within budget
12	Land Registry Fees	2,500	2,500	0	
13	Counsels Fees	33,000	33,000	0	At Month 8 projection is spend will be within budget
14	IT Budgets	20,800	20,800	0	
16	Legal Fees - Receipts	35,000	35,000	0	Overall Legal Service income on target at Month 8
17	Court Costs Awarded	10,000	10,000	0	Overall Legal Service income on target at Month 8
18	Copying Charges	1,000	1,000	0	
21	Electoral Registration - Advertising	8,000	8,000	0	
22	Legal Services - Staff Reduction	117,000	117,000	0	Legal Service staffing costs within budget at Month 8
23	Staffing efficiencies from IT investment (FYE)	63,000	63,000	0	Legal Service staffing costs within budget at Month 8
24	Reduction of one manager post	18,000	18,000	0	Committee Services staffing costs within budget at Month 8
25	Reduction of 1 1/2 x FTE posts in Office Support Team.	37,000	37,000	0	Committee Services staffing costs within budget at Month 8
26	Supplies & Services	3,000	3,000	0	
27	Transport	2,000	2,000	0	
28	Restructure Scrutiny	50,000	50,000	0	Saving will be achieved in full
29	<u>Borough Treasurer</u>				
30	Cashiers - Close Wood Street	30,000	30,000	0	Cashiers Staffing Costs within Revised Budget
31	Internal audit - Delete one post	15,000	15,000	0	Post deleted - revised structure costed and agreed - and is within budget
32	Administration - Delete one post	25,000	25,000	0	Post deleted - revised structure costed and agreed - and is within budget
33	Expenses service wide	15,000	15,000	0	
34	Reduce IT budgets service wide	30,000	30,000	0	Budgets have been adjusted service-wide
35	Car allowances service wide	20,000	20,000	0	
36	CAFT - Vacancy factor	15,000	15,000	0	CAFT staffing budget reset to include vacancy factor
37	Welfare rights - Delete one post	21,000	21,000	0	Post deleted - revised structure costed and agreed - and is within budget
39	Grants	25,000	25,000	0	Grants budget reduced.
40	Assessments - Delete one post	25,000	25,000	0	Post deleted - revised structure costed and agreed - and is within budget
42	Delete 2 posts in Local Taxation	35,000	35,000	0	Posts deleted - revised structure costed and agreed - and is within budget
43	Delete post in Audit	60,000	60,000	0	Post deleted - revised structure costed and agreed - and is within budget
44	<u>Central Expenses</u>				

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	
45	Democratic Health Network	690	690	0	
46	London Team Against Fraud	7,500	7,500	0	
47	Corporate - Car leasing	16,000	16,000	0	
48	Senior management restructure (contingency)	180,000	180,000	0	
49	Children & Families				
50	Efficiency review	278,000	278,000	0	Administrative posts deleted and IT technology introduced
52	Young Peoples Team	15,000	15,000	0	Post deleted
53	Cultural Services				
54	Cessation of Translation Service	65,460	65,460	0	
55	Savings on running costs (£160 to CC)	27,500	27,500	0	
56	Savings on IT expenditure	23,300	23,300	0	
57	Media Fund	30,000	30,000		
58	Staff restructure	221,320	221,320	0	Staffing expenditure around new budgeted level at month 7
59	Education				
60	reorganisation	95,000	95,000	0	Budget Amended
61	travel passes	50,000	50,000	0	Budget Amended
62	Publications	10,000	10,000	0	Budget Amended
63	Delete transport client officer post	20,000	20,000	0	Budget Amended
64	Reorganisation	70,000	70,000	0	Budget Amended
65	salaries reduction	40,000	40,000	0	Budget Amended
66	staffing reductions	10,000	10,000	0	Budget Amended
67	Traded Services	50,000	50,000	0	Budget Amended
68	increased use of grant income to fund posts	50,000	50,000	0	Budget Amended
69	Grant income to fund posts	25,000	25,000	0	Budget Amended
70	reduce EBP grant by 3% -efficiency saving	2,500	2,500	0	Budget Amended
71	Reduced running costs	7,500	7,500	0	Budget Amended
72	Delete post of SEN tribunal officer	25,000	25,000	0	Budget Amended
73	Environmental Services				
74	Barnet Homes - re-negotiation of grounds maintenance contract	75,000	75,000	0	SLA - awaiting confirmation from Barnet Homes
77	Parks & Open Spaces - management	115,000	115,000	0	Budget reduced - staff savings (3 management posts) actioned.
78	Staff - overtime	3,500	3,500	0	Budgets reduced and controls in place.
79	Management and Support	500	500	0	
81	Ground maintenance efficiencies	25,000	25,000	0	Post deleted.
82	Domestic Refuse - bin purchase	15,000	15,000	0	
83	Domestic Refuse - protective clothing	4,000	4,000	0	Budgets reduced and amended. (Bins, protective clothing, special collections)
84	Domestic Refuse - special collection income	10,000	10,000	0	
87	Street Enforcement Service	603,750	603,750	0	Restructure approved by General Functions (November 2004) and implemented.
89	Grounds Maintenance	10,000	10,000	0	Budgets reduced.
91	Mill Hill Depot	100,000	100,000	0	Additional income being negotiated and confirmed.

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	
92	SES/Street Cleansing	870	870	0	Budgets reduced on equipment and materials
93	Refuse	340	340	0	
94	SES	1,220	1,220	0	
95	SES	170	170	0	Budgets reduced on printing and stationery
96	Residential Services/Catering	4,920	4,920	0	Service IT budgets reduced.
98	Highways & Design				
76	Responsive Highways Maintenance - carriageways	55,000	55,000	0	Budgets reduced. Reflects improved conditions following increased planned mtnce.
85	Road structural repairs	35,000	35,000	0	Budgets reduced.
90	Highways Maintenance	50,000	50,000	0	Budgets reduced.
99	Highways - staffing reduction	32,000	32,000	0	Budgets reduced
100	General running cost savings - Equipment & Materials	2,864	2,864	0	Budgets reduced
101	General running cost savings - General Office Expenses	500	500	0	Budgets reduced
102	General running cost savings - IT	11,520	11,520	0	Budgets reduced
103	General running cost savings - Other Expenses	50,808	50,808	0	Budgets reduced
104	General running cost savings - Printing	3,946	3,946	0	Budgets reduced
105	General running cost savings - Stationery	1,442	1,442	0	Budgets reduced
106	Car Parks - repairs/maintenance	8,000	8,000	0	Budgets reduced
107	Disabled Crossing Facilities	5,000	5,000	0	Budgets reduced
108	Schools Crossing Patrols	5,000	5,000	0	Budgets reduced
109	Home Zones - works budget	30,000	30,000	0	Budgets reduced
110	Building Control - net additional income	60,000	60,000	0	Fees Increased
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
113	Housing -General Fund				
115	Reduction in IT budget in Housing Benefit	16,800	16,800	0	Budgets reduced
116	Temporary accomodation	50,110	50,110	0	Budgets reduced
117	Human Resources				
119	Payroll Reductions due to move to Weekly Pay	37,500	37,500	0	Post reductions have occurred - costs slightly above profiled budget at Month 7
119a	Delete 1 post in training	42,500	42,500	0	Post deleted - revised structure costed and agreed - and is within budget
120	Discontinue central advertising / outsource resource handling	70,000	70,000	0	Posts deleted - revised structure costed and agreed - and is within budget
121	Information Systems				
123	IS Partners	15,000	15,000	0	
125	IS - Telephony Infrastructure - reduced call rate charges	20,000	20,000	0	Reduced charges already reflected in 04-05 so no problem expected
130	IS - 10% Reduction in NLBP managed service costs	45,000	45,000	0	Saving should be achieved
132	Planning				
133	Reduce the annual spending on employee expenses	13,300	13,300	0	Budgets reduced
134	Reduce the annual spending on transport costs	2,330	2,330	0	Budgets reduced
135	Reduce the annual spending on supplies and services	10,210	10,210	0	Budgets reduced
136	Revised base budget	61,600	61,600	0	Budgets reduced
137	Property Services				

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	
138	Reduced spending on stationery, training	4,000	4,000	0	Achieved
139	Recharge post to Housing Estates regeneration budget	14,600	14,600	0	Post to be recharged to Regeneration budget
140	Public Offices				
141	Equipment and Materials	880	880	0	Budgets reduced
142	Floral Decorations	160	160	0	Budgets reduced
143	General Office Expenses	140	140	0	Budgets reduced
144	Printing	400	400	0	Budgets reduced
145	Staffing efficiencies	10,600	10,600	0	Budgets reduced
146	Staffing efficiencies	280	280	0	Budgets reduced
147	Staffing efficiencies	110	110	0	Budgets reduced
148	Resources				
149	Procurement savings	300,000	300,000	0	Following budget adjustment agreed by CRC, revised budget will be achieved
151	CPO - End all consultancy budgets	40,000	40,000	0	Spend reduced in 04-05 - so saving should be achieved
153	Savings on running costs (from CC)	160	160	0	
154	Savings on IT expenditure (from CC)	1,250	1,250	0	Budgets have been adjusted service-wide
155	Restructure switchboard (from CC)	25,000	25,000	0	Posts deleted - revised structure costed and agreed - and is within budget
156	Strategic Development				
157	IT savings	3,080	3,080	0	Achieved
159	Strategic Directors & Corporate Support				
160	Reduced Printing, Conference and Stationery Budgets	25,160	25,160	0	
162	Reduce First team to 4 issues a year	11,000	11,000	0	
163	CPO - Reduce Consultation Budgets	25,000	25,000	0	
164	CPO - Citizens's panel - 2 per year	5,000	5,000	0	

At Risk Efficiency Savings

1	Adult Social Services				
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.
3	IT	15,660	15,660	0	Significant demand for IT hardware replacement
9	Borough Solicitor				
15	Registrars Income	19,500	19,500	0	Income is now projected to exceed budget at month 8
19	Registrars - Closure of Wood Street office - saving on premises costs	21,000	11,000	10,000	Office closed later in year than anticipated. It is hoped to offset the additional cost with extra income
20	Registrars - Closure of Wood Street office - saving on staff costs	50,000	30,000	20,000	Office closed later in year than anticipated. It is hoped to offset the additional cost with extra income
49	Children & Families				

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	
51	Asylum seekers	180,810	180,810	0	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.
73	Environmental Services				
75	SEN Transport efficiencies - Education	90,000	30,000	60,000	£30k from management charges, £60k logistics savings to be confirmed with Education.
80	Stores organisation efficiencies	30,000	30,000	0	Two posts deleted. Cost recovery process to be confirmed.
97	Recycling - increase in green waste collection	44,000	44,000	0	Tonnages collected being monitored. Participation rates will be key.
98	Highways & Design				
112	Design services	250,000	250,000	0	Implementation in progress. Fee base being confirmed
121	Information Systems				
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
124	IS vacancies	30,000	30,000	0	Staff costs above budget at Month 7 although some cost relates to supporting capital projects
126	IS - reduction of 1 post	45,000	45,000	0	Staff costs above budget at Month 7 although some cost relates to supporting capital projects
127	IS - Hardware Maintenance Savings	30,000	30,000	0	
129	IS - Re-scope terms of contract for HBS partnership	150,000	150,000	0	Saving not achieved in full at this point
131	IS - Increase in Schools income	20,000	20,000	0	Income levels suggest saving will now be achieved in full.
148	Resources				
150	IS and CPO Admin reduction (1.5 posts)	45,000	45,000	0	Pressure on staffing budgets in new Directorate
152	CPO - reduction of 1 post	45,000	45,000	0	
156	Strategic Development				
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
159	Strategic Directors & Corporate Support				
161	Remove Consultants Fees budget for Arts Depot	31,000	31,000	0	

High Risk/Unachieved Efficiency Savings

29	Borough Treasurer				
41	MCS efficiencies - deletion of posts within Accountancy, Cashbook & Income	235,000	35,000	200,000	Final restructure proposals to be agreed
73	Environmental Services				
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).
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
113	Housing -General Fund				
114	Community Centres staffing	13,000	0	13,000	Will not be achieved, further work required with Barnet Homes, but can be taken up elsewhere in Housing GF

Line Reference	Efficiency Proposal	Budget 2005/06	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	
117	Human Resources				
118	Re-organise management of HR	100,000	100,000	0	Additional costs associated with HR improvement plan leading to Overspend
121	Information Systems				
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
165	Totals	7,170,900	6,742,900	428,000	
166	Summary of Efficiencies :-				
167		4,743,140	4,743,140	0	
168		1,655,760	1,595,760	60,000	
169		772,000	404,000	368,000	
170	Totals	7,170,900	6,742,900	428,000	

Appendix B (ii)

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	

On Target/Achieved Savings

1	Adult Social Services					
2	Close Springwood (FYE)	100,000	100,000	100,000	0	achieved
4	Telephones for disabled	24,000	24,000	24,000	0	
5	HIV / AIDS Service	8,000	8,000	8,000	0	
7	Borough Solicitor					
8	Removal of Head of Service post and 1 manager post	93,000	93,000	93,000	0	
9	Borough Treasurer					
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
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	Central Expenses	0				
19	Roundabout Sponsorship	28,700	28,700	28,700	0	
20	LPSA - interim reward grant	124,000	124,000	124,000	0	
21	Children & Families					
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	Cultural Services					
26	Close Totteridge Library (FYE)	28,000	28,000	28,000	0	
28	Cease adult guidance support	50,000	50,000	50,000	0	
29	Reduce library opening hours and re-designate posts	226,000	226,000	226,000	0	
30	Nil inflation on Media Budget	24,000	24,000	24,000	0	
31	Reduce mobile libraries by 1 vehicle	96,500	96,500	96,500	0	
32	Reduction on media fund	22,500	22,500	22,500	0	
33	Education					
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
39	Environmental Services					
40	Abandoned Vehicles	12,000	12,000	12,000	0	Budget reduced.

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	
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
45	Noise Service - refocus to times of peak demand	90,000	90,000	90,000	0	Reduction in Out of Hours service implemented.
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.
50	Litter bins & graffiti	62,000	62,000	62,000	0	Budgets reduced (equipment £50k , graffiti 12k)
52	Cease HECA survey programme	22,000	22,000	22,000	0	Programme ceased and budget deleted.
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	Highways and Design					
44	Responsive Highways Maintenance - footways	25,000	25,000	25,000	0	Budget reduced. Reflects improved conditions following increased planned mtnce.
57	Highways - general increase in fees and charges	180,000	180,000	180,000	0	Additional income applicable to 2005-06 estimated to be on target.
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
66	Housing - General Fund					
68	Housing Initiatives	39,200	39,200	39,200	0	On target
69	Human Resources					
70	Close Occupational Health Service	80,000	80,000	80,000	0	Service closed and services now picking up cost of OH referrals
73	Planning					
74	Increased income (national planning fees)	15,000	15,000	15,000	0	Fees increased 01/04/05.
75	Reductions in Planning and Enforcement Posts	109,000	109,000	109,000	0	Restructure proposal put forward to members for approval.
76	Property Services					
77	Charging for property disposal packs	2,000	2,000	2,000	0	Fees being generated
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
81	Review of charges of costs against capital receipts for disposals	10,000	10,000	10,000	0	Fees being anticipated
82	Public Offices					
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
88	Strategic Development					
90	Inward Investment North London	35,000	35,000	35,000	0	Achieved

At Risk Savings

1	Adult Social Services					
3	Sheltered workshops	23,000	23,000	23,000	0	Consultation underway - will be contained within service cash limit
6	Community Network	50,000	50,000	50,000	0	Consultation underway - will be contained within service cash limit
9	Borough Treasurer					
15	Cease services provided to the Probation Service (net of income lost)	5,000	5,000		5,000	Final restructure proposals awaited
25	Cultural Services					

Line Ref	Budget Reduction Proposal	Budget 2005/06	Total Reduction	Forecast Outturn	Variance	Progress & Risks of not achieving
		£	£	£	£	
27	Reduce GLL management fee	25,000	25,000	25,000	0	Negotiations with Schools still ongoing expected to progress but full year saving will not be achieved
39	Environmental Services					
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
46	Trade Waste - increased income	25,000	25,000	25,000	0	Targetted increase in turnover and improved debt collection.
51	Allotments - increased income	50,000	50,000	50,000	0	Charges increased 1/4/05 - but first 4 months indicate a possible drop in take-up. Service aims to match any income shortfall with matching expenditure savings.
53	Capitalise Environmental Health Officer	40,000	40,000	40,000	0	Capitalisation process to be confirmed with external auditor.
69	Human Resources					
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, although due to MCS less general training is being undertaken.
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
76	Property Services					
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
82	Public Offices					
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	Resources					
87	Staff savings through service restructuring	28,000	28,000	28,000	0	
88	Strategic Development					
89	Review sources of funding	39,000	39,000	39,000	0	Partner organisations contributing to costs

High Risk/Unachieved Savings

39	Environmental Services					
49	School meals - increase charge to £1.85	90,000	90,000	5,000	85,000	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.
64	Special Parking Account					
65	Parking - fees restructure (SPA?)	500,000	500,000	(1,100,000)	1,600,000	Fees increased/revised. Income pressure continuing into 2005/06
66	Housing - General Fund					
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
91						
92						
93	Total	5,304,790	5,268,790	3,415,130	1,889,660	
94	Summary of Budget Reductions					
95		4,137,790	4,101,790	4,137,790	0	
96		540,000	540,000	372,340	167,660	
97		627,000	627,000	(1,095,000)	1,722,000	
98	Total	5,304,790	5,268,790	3,415,130	1,889,660	

HOUSING REVENUE ACCOUNT

Service	2005/6					Remarks	
	Original Budget	Current Budget	Actual Year to Date Month 7	Projected Outturn	Variance		
	£	£	£	£	£		
EXPENDITURE							
Supervision & Management:-							
General Expenses	14,639,160	14,639,160	8,285,169	14,703,150	63,990	Increase in projected outturn due to retained housing salaries. There are still outstanding issues relating to SLAs and Insurance costs that will affect the management fee payable to Barnet Homes.	
Special Expenses	5,059,920	5,059,920	2,951,620	5,059,920	0		
Other Expenses	106,220	106,220	53,110	106,220	0		
Repairs & Maintenance	8,458,000	8,458,000	5,075,211	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	4,980,000	8,675,000	375,000		Adjustment in respect of 2004/5 final claim
Contribution to Working Balance	634,680	532,380	0	593,390	61,010		
	46,360,150	46,257,850	21,345,110	46,757,850	500,000		
INCOME							
Supervision & Management:-							
General Income	(2,361,860)	(2,361,860)	(1,277,752)	(2,861,860)	(500,000)	Additional service charge income from 2004/5 actuals	
Special Income	(3,294,500)	(3,216,500)	(1,804,841)	(3,216,500)	0		
Rent Income:-							
Dwellings	(38,984,000)	(38,984,000)	(22,697,438)	(38,984,000)	0		
Garages	(721,000)	(696,700)	(402,938)	(696,700)	0		
Other	(698,790)	(698,790)	(407,627)	(698,790)	0		
Interest	(300,000)	(300,000)	0	(300,000)	0		
	(46,360,150)	(46,257,850)	(26,590,596)	(46,757,850)	(500,000)		
NET COST OF SERVICES	0	0	(5,245,486)	0	0		