

**Policy Committee –
17th June 2014**

**INTERIM REVENUE BUDGET MONITORING
REPORT - QUARTER 4 2013/2014**



Report of the Corporate Head of Financial Management

Ward(s) affected: All

1. Purpose of Report

1.1 To advise members of the revenue budget position of the Council, based on the Quarter 4 review of income and expenditure to the end of March 2014.

2. Recommendations

2.1 Members to note the interim revenue budget monitoring position as at 31 March 2014.

2.2 Members note the £172,500 of the savings achieved this year and identified as green in Appendix B and that these savings will be transferred to an earmarked reserve for support to the 2015/16 budget and beyond.

2.3 Members approve a carry forward of £25,000 to increase the 2014/15 contingency to £100,000.

2.4 Members confirm a carry forward of £148,215 for completion of revenue commitments in 2014/15

2.5 Members confirm a contribution of £200,000 to the Business Rates Contingency Reserve.

2.5 Members approve the transfer of the balance of the revenue budget surplus to earmarked reserves. The allocations to be delegated to the Corporate Head (Financial Management) Section 151 Officer.

3. Background Information

3.1 On 25 February 2013 the Council approved its Revenue Budget at £6,369k for 2013/14.

3.2 The budget included:

- A compensatory grant of £34k, equivalent to an increase of 1%, which is

- payable for two years only.
- Contributions to Earmarked Reserves are as follows:
New Homes Bonus Reserve £553k
Enabling Efficiencies £30k
- Growth pressures of £228k were included in the 2013/14 budget, of which £100k are ongoing, i.e. will impact on the base budget in future years.
- A Corporate Contingency of £67k. This has been adjusted to £100k by utilising surpluses generated in 2012/13.

4. Quarter 4 Financial Performance – Revenue Budget

- 4.1 Based on the March budget monitoring exercise the Council's performance against revenue budget is a projected underspend of £792k for the full financial year.
- 4.2 Projected financial performance at the end of Q4 is summarised in Table 1 below.

Table 1: Summary Of Q4 Forecasted Outturn Position As At 31March 2014

| | Revised Budget 2013/14 £ | Interim Outturn 2013/14 £ | (Under) / Overspend 2013/14 £ |
|--|--------------------------------|---------------------------------|--|
| <u>Services</u> | | | |
| Chief Executive / Director of Services | 1,918,104 | 1,761,913 | (156,191) |
| Resources Department | 1,718,065 | 1,606,741 | (111,324) |
| Community Department | 2,238,129 | 1,667,256 | (570,873) |
| Total Service Related Costs | 5,874,298 | 5,035,910 | (838,388) |
| <u>Corporate Costs</u> | | | |
| Investment Income | (54,000) | (45,942) | 8,058 |
| Interest Payable | 284,000 | 274,535 | (9,465) |
| MRP for Capital Financing | 316,480 | 344,944 | 28,464 |
| Recharges to capital excluded from Net costs of Services | (25,000) | 0 | 25,000 |
| Corporate Contingency | 15,202 | 10,000 | (5,202) |
| Total Revenue Budget 2013/14 | 6,410,980 | 5,619,447 | (791,533) |

- 4.3 A further report on the expected outturn will be brought to the meeting of Policy

Committee in July following approval of the draft Statement of Accounts by the S151 Officer. The formal audited Statement of Accounts will be presented to the Audit and Governance Committee on 29 September 2014.

4.4 Budget monitoring clinics are held with budget holders on a quarterly basis.

4.5 Statistics showing performance against income and salary budgets are also presented to CLT on a monthly basis.

Service Related Costs

4.6 Services are currently showing a projected favourable variance of £838k, this includes the £173k identified green on the income and savings plan. Details of the variances are set out in Appendices A2 to A4. The main factors giving rise to the variances are:

Chief Executive / Director of Services

- 4.7
- ✓ Savings in employee costs of £94k across various services.
 - ✓ Additional recovery of housing benefit overpayments £85k.
 - X Reduced subsidy paid towards costs of housing & ctax benefits payments £199k
 - ✓ Savings in IT charges £47k
 - ✓ Savings in communications costs and additional income from sponsorship £10k

Resources

- 4.8
- ✓ Savings in employee costs of £60k across various services
 - ✓ Savings in 2013/14 NNDR charge of £33k High St and £10k Coach Street Car Parks
 - ✓ Savings in property maintenance £71k.
 - ✓ Additional rental income from properties/other £43k

Community

- 4.9
- ✓ Waste Management Services underspend of £35k. This includes net additional income of £94k from the introduction of the Garden Waste Subscription Scheme and commercial contracts £22k offset by a reduction in paper recycling income £13k and other reimbursements £15k and a forecast overspend on vehicle maintenance and other running costs of £88k
 - ✓ Housing income and employees show a combined saving of £36k, together with increased partner contributions £36k.
 - ✓ Planning Income was £180k above estimate including £151k planning fees and £41k Land Charges, offset by reduced building control £12k. Employee savings amount to £35k.
 - ✓ Craven Pool & Fitness Centre achieved a bottom line saving of £59k, a result of income growth in fitness, and employee savings.
 - ✓ Bereavement Services had a net increase in income £68k through increase in cremations. £30k of savings on maintenance which was allocated for work on the cremator which has slipped to 2014/15

Corporate

- 4.10 At the end of the year Corporate Costs are showing an adverse variance of £51k due to a reduction in investment income £8k offset by reduced

borrowing costs £9k, a reduction in the charge to capital £25k and additional MRP charges £28k and the transfer of insurance contract savings to contingency.

- 4.11 The Council has currently utilised £95k of the contingency budget for unforeseen cost pressures which have included agency costs £13k, IT licences £40k, security £5k, land charges national litigation settlement £13k, waste management £7k and other service costs £17k.

Savings

- 4.12 The Council is facing financial pressure for its budgets from 2014/15 onwards. To address this challenge an income and savings plan was developed. This plan helped to enable the meeting of Policy committee on 11 February to recommend a balanced budget for 2014/15. The budget included £415k of savings achieved to date. In addition some of the work on the projects commenced in 2013/14 and these have generated £173k. This information is shown at Appendix B.
- 4.13 The refreshed Medium Term Financial Strategy forecasts are that savings or additional income of £216k will be required for cash limited budgets in 2015/16. Based on the latest government announcements this increases by a further £174k in 2016/17 and £152k in 2017/18 to £542k.
- 4.14 To date projects totalling £335k in 2015/16 have been identified. Some of these projects will commence in 2014/15 and work is on-going to identify further projects.
- 4.15 As detailed in Appendix B currently £173k of savings had been achieved by the end of March. This includes £94k on green waste subscriptions. This is an increase of £44k on the original forecast as an increased number of households have requested the service. It is intended that these savings are transferred to an earmarked reserve and carried forward to support budget pressures in future years.

Budget Slippage

- 4.16 As part of the year end process officers have identified a number of areas of revenue expenditure to which the council is committed but which will not be completed until 2014/15. The 2014/15 revenue budget does not contain sufficient resource to undertake these projects and CLT have therefore agreed budget slippage of £148,215. The items requiring budget to be slipped are identified at Appendix C.

Main Risk Areas

- 4.17 The 2013/14 Revenue Budget report highlighted the main risk areas to the Council as sustaining income levels in the current economic climate, and implementing the savings that have been built into the budget. These risks will continue in to 2014/15 and beyond.

Income Streams

- 4.18 All income streams are monitored on a monthly basis. To mitigate the risk of under achievement of income cautious estimates were included within the 2013/14 budget. At the end of quarter 4 overall were 6% ahead of target.

Business Rates

- 4.19 The 1 April 2013 saw the introduction of a fundamental change in the Local Government Finance System with the introduction of the Business Rates Retention Scheme (BRRS).
- 4.20 The Council now retains a portion of the business rates collected based on an estimated collection level and pays the balance to the government in the form of a tariff. The tariff is fixed and any income above this level the Council is able to retain a portion of it. Conversely the Council must still pay this tariff even if rate income levels drop. The rewards and risks associated with business rates are now shared between the Council and the Government, previously all risk was carried by the Government.
- 4.21 As part of the settlement to 2013/14 the government gave a baseline figure which it estimated the Council would receive for its share of business rates of £1.298m. Due to the uncertainties surrounding the scheme the Council used this figure to set its budget.
- 4.22 The BRRS includes a safety net below which the government will guarantee income from the non domestic rates system. For 2013/14 this is £1.200m which is £98k below the baseline funding need of £1.298m. The initial estimate was that the Council was entitled to receive on account payments of £1.589m as it's share under the BRRS. The current outturn for the year is that the Councils share of rates income subject to audit will be £1.4m (an additional £102k over baseline) a reduction of 189k from the on account payments. This figure will only be confirmed as part of the audit of the 2013/14 accounts.
- 4.23 As part of the 2013/14 BRRS the amount of relief given to small businesses was also increased. The Government subsequently announced that grant funding would be provided to help compensate authorities for the costs associated with this. The estimated amount of compensation was £364k and the final figure (subject to audit) is £411k an additional £47k. A payment on account of £238k was received on 31 January which leaves a balance owed to the Council of 173k.
- 4.24 Currently the Council has received additional income of £529k from the BRRS & expects to receive a further £173k under the Small Business Rate Relief element. The Council will need to make a refund of £189k for the reduction required to the on account payments. The net impact of these transactions is an additional £513k of income to the council. Policy Committee at the meeting on 4th March agreed to allocate some of this additional income to the Business Rates Contingency Reserve. This reserve was set up as part of the 2014/15 revenue budget to mitigate against the funding gap that could arise if the council's income share from rates dropped to the safety net level. It is proposed that £200k is allocated to this reserve.

5. Financial Position

- 5.1 The Council has a General Fund unallocated balance of £1,030k at 1 April 2013. This balance has remained during 2013/14.

- 5.2 The Council's policy was to maintain the General Fund Balance at a prudent level. This is essential in order to mitigate against the risk of unplanned movements from budgeted net expenditure levels and to cover for day to day cash flow variances. Moreover, a robust level of reserves will help the Council mitigate against the risks of ongoing funding cuts. For 2013/14 this level was agreed as adequate.
- 5.3 The 2013/14 revenue budget was not without pressures, and as a consequence the contingency was set at £67k. The Council had a surplus on its 2012/13 revenue budget and it was agreed to utilise £33k for 2013/14 contingency thereby increasing the budget to £100k. The drawdowns from contingency utilised all by £5k of this resource. The 2014/15 contingency budget was set at £75k and based on 2013/14 experience it is proposed that £25k is carried forward from the 2013/14 savings to 2014/15 to increase contingency to £100k.
- 5.4 The total projected saving within the revenue budget is £792k. When the additional income from business rates is included this gives an estimated revenue budget surplus of £1,305k. (The budget monitoring report at the end of Quarter 3 projected a surplus of £1,032k.) Paragraphs 4.15, 4.16, 4.24 & 5.3 make recommendations for the utilisation of £546k of this surplus, which will leave £759k to be allocated to earmarked reserves for use in the future. This information is summarised in Table 2.

Table 2: Summary of Proposals for Utilisation of 2013/14 Savings

| Description | Paragraph Reference | Amount £'000 | Balance £'000 |
|---|---------------------|-----------------|------------------|
| Forecasted Savings at 31 March | 5.4 | 1,305 | 1,305 |
| Savings generated from Council Income & Savings Plan | 4.15 | (173) | 1,132 |
| Revenue Budget Slippage to complete 2013/14 commitments | 4.16 | (148) | 984 |
| Contribution to Contingency 2014/15 Budget | 5.3 | (25) | 959 |
| Contribution to Business Rates Contingency Reserve | 4.24 | (200) | 759 |
| Estimated Contributions to Earmarked Reserves | 5.5 | (759) | 0 |

- 5.5 It is proposed that the Council contributes to the following specific earmarked reserves for the funding of capital or revenue projects going forward. These reserves would include Buildings, IT, Vehicles Planning and Enabling Efficiencies

6. Summary

- 6.1 The impact of the economy on the Council's income streams and their volatility is a risk to the Council and will need to be managed closely going forward.

- 6.2 The General Fund Revenue Balance currently stands at £1,030k. This will assist in mitigating against the risk of unplanned movements from budgeted net expenditure levels, as well as the impact of changes in local government funding.
- 6.3 At the start of the year Council had £1,726k in earmarked reserves of which commitments of £1,191k had been agreed. At 31 March £461k of these committed sums had been utilised in 2013/14. The details are shown in Appendix D. The appendix includes contributions drawn down and utilised for projects approved as part of the 2013/14 capital programme. In addition it also reflects current commitments and approvals for utilisation of these reserves.

7. **Implications**

7.1 **Financial and Value for Money Implications**

All financial implications are contained in the body of the report.

7.2 **Legal implications**

None as a direct result of this report. The Council set a balanced budget for 2013/14, and going forward it is a further requirement that the budget is balanced.

7.3 **Contribution to Council Priorities**

The delivery of a balanced and managed budget is critical to the well being of the Authority.

7.4 **Risk Management**

Failure to achieve a balanced budget in the financial year would have had serious consequences for the Council.

7.5 **Equality Impact Assessment**

The Council's Equality Impact Assessment Procedure **has been** followed. An Equality Impact Assessment **has not** been completed on the proposals as completion of **Stage 1- Initial Screening** of the Procedure identified that the proposed policy, strategy, procedure or function **does not have** the potential to cause negative impact or discriminate against different groups in the community based on •age • disability •gender • race/ethnicity • religion or religious belief (faith) •sexual orientation, or • rural isolation.

8. **Consultations with Others**

None

9. **Access to Information : Background Documents**

None

10. Author of the Report

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12. Appendices

Appendix A – Revenue Budget - analysis of projected outturn by Department / Cost Centre Group.
Appendix B – Income and savings plan.
Appendix C – Revenue Budget Slippage
Appendix D – Earmarked Reserves Analysis

Summary Report

| Reference | Description | Original Budget 2013/14 £ | Virements 2013/14 £ | Revised Budget 2013/14 £ | Mar Draft Accounts 2013/14 £ | (Under)/ Overspend 2013/14 £ | Dec Projected Outturn 2013/14 £ | |
|-----------|--|------------------------------|------------------------|-----------------------------|---------------------------------|---------------------------------|------------------------------------|--|
| A2 | Chief Executive/Director of Services | 1,873,941 | 44,163 | 1,918,104 | 1,761,913 | (156,191) | 1,828,440 | |
| A3 | Resources Department | 1,687,897 | 30,168 | 1,718,065 | 1,606,741 | (111,324) | 1,677,083 | |
| A4 | Community Department | 2,219,012 | 19,117 | 2,238,129 | 1,667,256 | (570,873) | 1,948,635 | |
| | Total Service Related Costs | 5,780,850 | 93,448 | 5,874,298 | 5,035,910 | (838,388) | 5,454,158 | |
| | <u>Corporate Costs</u> | | | | | | | |
| | Investment Income | (54,000) | 0 | (54,000) | (45,942) | 8,058 | (54,000) | Interest rates on investments remained lower than budget |
| | Interest Payable | 284000 | 0 | 284,000 | 274535 | (9,465) | 284000 | £1.25m loan at 6% replaced early November with new loan of £1m at 3.1% |
| | MRP for Capital Financing | 316480 | 0 | 316,480 | 344944 | 28,464 | 316480 | Adjustement o MRP required for prior years |
| | Recharges to capital excl from Net costs of Services | (25,000) | 0 | (25,000) | 0 | 25,000 | 0 | Forecast not rechargeable as per 12/13 actual - dependent on capital programme |
| | Corporate Contingency | 66850 | (51,648) | 15,202 | 10,000 | (5,202) | 100000 | Revised budget included carry forward of £33k from 2012/13, Savings on insurance £10k for transfer to reserve less utilisation of contingency to offset cost pressures (£95k). |
| | Total Revenue Budget 2013/14 | 6,369,180 | 41,800 | 6,410,980 | 5,619,447 | (791,533) | 6,100,638 | |

| Description | Original Budget 2013/14 £ | Virements 2013/14 £ | Revised Budget 2013/14 £ | Mar Draft Accounts 2013/14 £ | (Under)/Overspend 2013/14 £ | Dec Projected Outturn 2013/14 £ | Variance Analysis (Under)/Overspend |
|---|------------------------------|------------------------|-----------------------------|---------------------------------|--------------------------------|------------------------------------|--|
| CLT | 447,961 | (101) | 447,860 | 429,810 | (18,050) | 435,130 | Net saving on staff costs in relation to Monitoring Officer services |
| Business Support | 176,139 | (3,659) | 172,480 | 134,280 | (38,200) | 138,540 | Savings in staff costs £33k due to vacancies and contingency budget. £3k unbudgeted income from events. |
| Human Resources & Training | 161,444 | 0 | 161,444 | 127,360 | (34,084) | 149,010 | £11k saving in staff costs due to vacant post (H&S Officer); £16k training budget to be slipped into 14/15; £6k saved by use of cheaper recruitment methods |
| Communications & Partnerships | 218,523 | (7,887) | 210,636 | 183,700 | (26,936) | 200,970 | £13k core grants not distributed, £8K Community Grants budget to be slipped into 14/15; £6k not spent from projects budget due to staff |
| Tour De France | 0 | 15,660 | 15,660 | 15,660 | 0 | 0 | |
| Customer Services | 335,494 | (22,993) | 312,501 | 290,031 | (22,470) | 309,292 | Nett savings in employees £(6)k. Reduction in Direct Computer Charges £(21)k. Reduction in misc fees and charges £5k. |
| Revenues & Benefits Services | 125,877 | 22,856 | 148,733 | 183,386 | 34,653 | 153,055 | Savings in Employees £(20)k, Additional postage & franking/TNT charges £21k, Additional computer charges £15k, Additional external services £2k, Additional printing and stationery £7k. |
| Information Services | 408,503 | 40,287 | 448,790 | 397,686 | (51,104) | 442,443 | Reduce Cost in External Services, as tried to cover work with in house resources. Savings also in application Software and Support. |
| Total Chief Executive/Director of Services | 1,873,941 | 44,163 | 1,918,104 | 1,761,913 | (156,191) | 1,828,440 | |

| Description | Original Budget 2013/14 £ | Virements 2013/14 £ | Revised Budget 2013/14 £ | Mar Draft Accounts 2013/14 £ | (Under)/ Overspend 2013/14 £ | Dec Projected Outturn 2013/14 £ | Variance Analysis (Under)/Overspend £ |
|--|---------------------------|---------------------|--------------------------|------------------------------|------------------------------|---------------------------------|---|
| Democratic Services | 52,782 | 0 | 52,782 | 194 | (52,588) | 134 | Full year impact of vacancy not filled £(46)k ,Operating budgets not required £(6)k |
| Democratic Representation | 249,722 | (353) | 249,369 | 232,487 | (16,882) | 246,208 | Savings on standards committee £9k, postage £6k |
| Elections | 25,759 | (30) | 25,729 | 25,728 | (1) | 35,084 | |
| Electoral Registration | 68,678 | 41 | 68,719 | 53,702 | (15,017) | 61,161 | Grant income £15k for IER to be carried forward to 14/15 |
| Legal Services | 133,278 | 37 | 133,315 | 125,027 | (8,288) | 134,322 | Savings in Books and Journals and in External Services (8.5k) |
| Total Legal & Democratic Services | 530,219 | (305) | 529,914 | 437,138 | (92,776) | 476,909 | |
| Properties | 266,010 | 21,811 | 287,821 | 225,117 | (62,704) | 291,882 | Reduced maintenance costs £(4.5k) and £(2k) reduction in NNDR costs at the crem Lodge. Additional Security costs (break in)& reactive maintenance Skipton Depot £3k. Additional operating costs (various) BVS £12K. Increased rent receivable £(8)k and reduction in maintenance costs £(17k) for private garage sites. Increase in rent receivable £(14k) & reduced NNDR, electricity costs and maintenance costs £(22k) in Misc Property. |
| Car Parks | (971,673) | (1,907) | (973,580) | (1,065,467) | (91,887) | (1,015,608) | Nett saving in employee costs £(27)k, Saving of £(43)k in NNDR - mostly High St-£(27)k & Coach St £(10)k, saving of £(17)k in reactive maintenance. Increase in permit income £(7)k permits. |
| Public Conveniences | 76,790 | 6,500 | 83,290 | 90,105 | 6815 | 88,770 | Additional Water & Sewerage costs Whitefriars PC £7k |
| Amenity Areas/Aireville Park | 101,430 | (5,760) | 95,670 | 106,034 | 10,364 | 94,370 | Sponsorship income o/s (showing as £12k reduction in income). |
| Asset & Projects Service Unit/Estates | 120,296 | (10,032) | 110,264 | 111,505 | 1,241 | 101,684 | Increase in property valuation costs £9k. Reduced expenditure on advertising £(2k). Nett saving in employee costs £(4)k |
| Total Projects & Facilities | (407,147) | 10,612 | (396,535) | (532,706) | (136,171) | (438,902) | |
| Corporate Costs | 1,107,780 | 6,914 | 1,114,694 | 1,223,486 | 108,792 | 1,158,957 | Full Year Vacancy Provision, 49k, see employee costs in Other Cost Centres.Early Retirement Repayments, 65k. |
| Financial Services | 457,045 | 12,947 | 469,992 | 478,823 | 8,831 | 480,119 | Net Employee overspend 16.5k, but net savings in supplies and services of (7k) in Consultancy and Direct Computer costs |
| Total Resources Department | 1,687,897 | 30,168 | 1,718,065 | 1,606,741 | (111,324) | 1,677,083 | |

| Description | Original Budget 2013/14 £ | Virements 2013/14 £ | Revised Budget 2013/14 £ | Mar Draft Accounts 2013/14 £ | (Under)/ Overspend 2013/14 £ | Dec Projected Outturn 2013/14 £ | Variance Analysis (Under)/Overspend |
|------------------------------------|------------------------------|------------------------|-----------------------------|---------------------------------|---------------------------------|------------------------------------|---|
| Refuse Collection - Domestic | 712,072 | (17,835) | 694,237 | 717,002 | 22,765 | 694,381 | 35k Overspends in Vehicle Fleet Costs (Excl.labour chrg). Savings in Supplies and Services to reduce net overspend. |
| Refuse Collection - Commercial | (131,138) | (234) | (131,372) | (173,853) | (42,481) | (166,494) | Increased income in (31)k, and (10)k savings in (est) reduced Disposal Costs |
| Street Cleansing | 267,315 | 2,492 | 269,807 | 285,443 | 15,636 | 272,049 | Overspends in Disposal Fees and Vehicle Fleet Costs |
| Recycling | (212,572) | 20,596 | (191,976) | (252,035) | (60,059) | (220,829) | Again Overspends in Vehicle Fleet Costs, 17k. Under achievement of LAR 15k. GWS income (97)k. |
| Mechanics Workshop | (9,729) | 1,690 | (8,039) | 26,276 | 34,315 | 9,977 | Labour Recharge 25k down on estimate [reflected as savings in other cost centres]. Unbudget Agency Cover for Workshop tasks |
| Waste Management Service Unit | 163,196 | (32) | 163,164 | 157,738 | (5,426) | 160,431 | |
| Total Waste Management | 789,144 | 6,677 | 795,821 | 760,571 | (35,250) | 749,515 | |
| Environmental Health Services | 379,102 | 4,045 | 383,147 | 361,610 | (21,537) | 388,471 | Income up £12k; Flood budget hardly used saving £9k |
| Hackney Carriages | (18,551) | 0 | (18,551) | (27,466) | (8,915) | (20,343) | Savings in Vehicle fleet costs; and good plate income |
| Liquor Licencing | (32,656) | 0 | (32,656) | (43,402) | (10,746) | (37,113) | Liquor Licensing income (10)k ahead of budget |
| Environmental Health Service Unit | 56,090 | (40) | 56,050 | 51,460 | (4,590) | 58,796 | Savings on EH Manager costs (externally sourced) |
| Total Environmental Health | 383,985 | 4,005 | 387,990 | 342,202 | (45,788) | 389,811 | |
| Street Signs & GIS | (300) | 0 | (300) | (10,966) | (10,666) | (9,000) | Additional income from sales of street signs - New sites |
| Historic Buildings | 4,000 | 0 | 4,000 | 2,082 | (1,918) | 3,130 | |
| Building Control - Non Fee Earning | 40,706 | 0 | 40,706 | 40,567 | (139) | 40,684 | |
| Building Control - Fee Earning | (32,556) | 39 | (32,517) | (16,572) | 15,945 | (15,951) | 12k reduction on expected income for the year. |

| Description | Original Budget 2013/14 £ | Virements 2013/14 £ | Revised Budget 2013/14 £ | Mar Draft Accounts 2013/14 £ | (Under)/ Overspend 2013/14 £ | Dec Projected Outturn 2013/14 £ | Variance Analysis (Under)/Overspend |
|-----------------------------------|---------------------------|---------------------|--------------------------|------------------------------|------------------------------|---------------------------------|---|
| Local Development Framework | 179,842 | 46 | 179,888 | 173,940 | (5,948) | 178,553 | (15)k savings in Employee costs - 10k overspend on LDF Peter Brett Ass. |
| Local Land Charges | (58,599) | 8,579 | (50,020) | (85,408) | (35,388) | (68,899) | Additional costs £4k - NYCC/YDNP and NLIS transmission fees, income (41)k ahead |
| Development Control | 206,202 | (24,506) | 181,696 | 22,983 | (158,713) | 87,826 | £51k Carleton Road Development (SuperMarket & Business), £20k Harron Homes, Belle Vue Mills Ltd £15k |
| Planning (Service unit) | 61,395 | 28,366 | 89,761 | 69,274 | (20,487) | 76,330 | Savings in salaries and supp. & Services |
| Total Planning Services | 400,690 | 12,524 | 413,214 | 195,900 | (217,314) | 292,673 | |
| Aireview House | 17,192 | (46) | 17,146 | (7,590) | (24,736) | 2,410 | Premises running costs £14k below budget; rental income more than budget (actual occupancy 68% budgeted 50%) |
| Homelessness | 187,419 | (414) | 187,005 | 122,280 | (64,725) | 121,260 | £27k saving in staff costs due to vacancy; £12k underspent on Homelessness Strategy; income includes £19k late payment for 12/13; £5k saving in 3rd party accom and removal costs |
| Private Sector & Housing Enabling | 25,900 | 0 | 25,900 | 26,540 | 640 | 25,640 | |
| Housing Service Unit | 72,123 | 0 | 72,123 | 72,170 | 47 | 72,805 | |
| Total Housing Services | 302,634 | (460) | 302,174 | 213,400 | (88,774) | 222,115 | |
| Economic Development | 286,501 | 2,142 | 288,643 | 310,479 | 21,836 | 280,985 | Additional commitments funded by NHB reserve |
| Craven Swimming Pool | 2,456 | (175) | 2,281 | (33,684) | (35,965) | (8,959) | £30k over achieved budget income for the year. |
| Museum incl. Skipton TH | 273,228 | (4,002) | 269,226 | 221,799 | (47,427) | 262,864 | Museum & TIC income £21k increase; £7k reduction in premises costs; £8k saving in TH staff cost; £6k saving in TH premises cost; £7k unbudgeted event income |
| Bereavement Services | (219,626) | (1,594) | (221,220) | (343,411) | (122,191) | (240,369) | Increase in Cremation Fees Income £(67k). Reduction in planned maintenance £(29k) as cremator re-lining postponed until 2014/15 (budget c/f), Reduction in annual maintenance £(11k), Reduction in gas costs £(7k), Reduction in advertising expenditure £(3k). |
| Total Community Department | 2,219,012 | 19,117 | 2,238,129 | 1,667,256 | (570,873) | 1,948,635 | |

Key:

Green Income / Savings achieved - low risk

Amber Income / Savings in progress- further work required - medium risk

Red Income / Savings aspirational or not commenced - high risk (may require a change in council policy &/or member approval)

| Ref No | Line No | Additional Income / Proposed Saving Service Area | Status | Target 2013/14 £ | Actual 2013/14 £ | Target 2014/15 £ | Latest Projection 2014/15 £ | Target 2015/16 £ | Target 2016/17 £ | Progress / Comments | Lead Member |
|--------------------------|---------|--|--------|------------------|------------------|------------------|-----------------------------|------------------|------------------|---|----------------------|
| E1 | 1 | Economic Development Review | Red | 0 | 0 | 10,000 | 10,000 | 10,000 | 10,000 | Review on-going report now due summer 2014 | Simon Myers |
| E11 | 2 | Building Control Review | Red | 0 | 0 | 37,000 | 37,000 | 37,000 | 37,000 | Report submitted to CLT January 2014. Consultation due to commence April 14. | Richard Foster |
| E12 | 3 | Settle TIC Review | Red | 0 | 0 | 26,000 | 2,000 | 26,000 | 26,000 | Capital costs and funding to be confirmed. | Simon Myers |
| E14 | 4 | Crematorium - Running Costs | Red | 5,000 | 0 | 10,000 | 8,000 | 10,000 | 10,000 | Savings on running costs - utilities / repairs | Alan Sutcliffe |
| E20 | 5 | Customer Services Review | Red | 0 | 0 | 10,000 | 10,000 | 10,000 | 10,000 | Service review to commence May / June 2014 Part of E19 | Linda Brockbank |
| E21 | 6 | Revenues and Benefits Review | Red | 0 | 0 | 5,000 | 5,000 | 10,000 | 15,000 | Savings dependent upon Government legislation | Alan Sutcliffe |
| E9 | 7 | Housing Review | Red | 0 | 0 | 0 | 0 | 0 | 36,000 | Final element of saving to be delivered | Richard Foster |
| I3 | 8 | Extension of Pay and Display | Red | 0 | 0 | 20,000 | 0 | 40,000 | 40,000 | Report to Policy Committee scheduled for May/June 2014. Will then require NYCC Area Committee Approval. Reduced to £20k for 14/15 due to consultation timings. | Alan Sutcliffe |
| I8 | 9 | Vending on Council Land | Red | 0 | 0 | 10,000 | 10,000 | 10,000 | 10,000 | Report to Policy May/ June 2014 | Alan Sutcliffe |
| I9 | 10 | Building Homes to Rent | Red | 0 | 0 | 0 | 0 | 0 | 100,000 | Project proposal under review by O&S Committee. Income forecast of £20k now not achievable in 2014/15 or 15/16. Income from 16/17 increased to £100k | Richard Foster |
| TOTAL RED SAVINGS | | | | 5,000 | 0 | 128,000 | 82,000 | 153,000 | 294,000 | | |
| E18 | 11 | Business Support service provision | Amber | 0 | | 4,500 | 4,500 | 9,500 | 13,500 | Further savings from streamlining service provision | Linda Brockbank |
| E2 | 12 | Skipton Town Hall | Amber | 0 | 0 | 50,000 | 50,000 | 100,000 | 150,000 | Capital funding approved to provide lift and new toilet facilities - planning application to be submitted April 2014. | Alan Sutcliffe |
| E23 | 13 | Democratic Services - service provision | Amber | 0 | 0 | 3,000 | 3,000 | 6,000 | 9,000 | Savings to be generated from across Democratic Service provision linked to E22 | Chris Knowles-Fitton |
| I10 | 14 | Car Park Charging for Blue Badge Holders | Amber | 0 | 0 | 30,000 | 15,000 | 30,000 | 30,000 | Approved by Council's Policy Committee - to be considered by Area Committee summer 2014 | Alan Sutcliffe |
| I5 | 15 | Sports Development | Amber | 0 | 0 | 5,000 | 5,000 | 5,000 | 5,000 | Projects currently being worked on. | Simon Myers |
| E28 | 16 | Technology for Members & CLT | Amber | 0 | 0 | 2,500 | 2,500 | 5,000 | 10,000 | Paperless meetings through use of technology. Proof of Concept to be presented to Select Committee in Oct, final solution and business case to be developed with implementation from March 2014. Confirmation of savings will form part of the business case development. | Carl Lis |

| Ref No | Line No | Additional Income / Proposed Saving Service Area | Status | Target 2013/14 £ | Actual 2013/14 £ | Target 2014/15 £ | Latest Projection 2014/15 £ | Target 2015/16 £ | Target 2016/17 £ | Progress / Comments | Lead Member |
|----------------------------|---------|---|--------|------------------------|------------------------|------------------------|--------------------------------------|------------------------|------------------------|--|----------------------|
| I7 | 17 | Legal Services | Amber | 0 | 0 | 2,500 | 2,500 | 3,000 | 3,000 | Income from agency work on behalf of other Council's. Awarded contract to carry out some legal work for YDNPA but no guarantee about volume. Conservative estimates added. (Impact on item P2) | Simon Myers |
| P3 | 18 | Procurement Savings to be Identified | Amber | 0 | 0 | 0 | 0 | 23,100 | 48,100 | As savings are identified they will be itemised for monitoring. £10k transferred to P4, £1.9k transferred to P5, £15k transferred to P6. | Alan Sutcliffe |
| TOTAL AMBER SAVINGS | | | | 0 | 0 | 97,500 | 82,500 | 181,600 | 268,600 | | |
| COMPLETED SAVINGS | | | | | | | | | | | |
| P6 | 19 | ICT Wide Area Network | Green | 0 | 0 | 15,000 | 15,000 | 15,000 | 15,000 | Completed | Alan Sutcliffe |
| E10 | 20 | Development Control Review | Green | 0 | 0 | 17,000 | 17,000 | 17,000 | 17,000 | Completed | Richard Foster |
| E13 | 21 | Pool Management Rationalisation | Green | 10,000 | 10,000 | 20,000 | 20,000 | 20,000 | 20,000 | Completed | Carl Lis |
| E15 | 22 | HR Service Provision | Green | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | Completed | Linda Brockbank |
| E16 | 23 | HR Service Provision | Green | 0 | 0 | 5,000 | 5,000 | 10,000 | 15,000 | Completed | Linda Brockbank |
| E17 | 24 | Business Support service provision | Green | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | Completed | Linda Brockbank |
| E19 | 25 | Customer Services Review | Green | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 5,000 | Completed | Linda Brockbank |
| E22 | 26 | Democratic Services - service provision | Green | 2,500 | 2,500 | 5,500 | 5,500 | 8,500 | 11,500 | Completed | Chris Knowles-Fitton |
| E24 | 27 | Facilities Management Service Provision | Green | 3,000 | 3,000 | 6,500 | 6,500 | 10,000 | 13,500 | Completed | Alan Sutcliffe |
| E26 | 28 | Finance Review | Green | 0 | 0 | 4,000 | 4,000 | 9,700 | 9,700 | Completed | Alan Sutcliffe |
| E27 | 29 | CLT Review | Green | 0 | 0 | 20,000 | 20,000 | 20,000 | 20,000 | Completed | Chris Knowles-Fitton |
| E29 | 30 | Pest Control | Green | 0 | 0 | 5,000 | 5,000 | 5,000 | 5,000 | Completed | Carl Lis |
| E3 | 31 | Bus Station Toilets | Green | 0 | 0 | 19,000 | 14,000 | 14,000 | 14,000 | Completed | Alan Sutcliffe |
| E4 | 32 | Environmental Health Review | Green | 0 | 0 | 30,000 | 30,000 | 30,000 | 30,000 | Completed | Carl Lis |
| E5 | 33 | Planning Policy Review | Green | 0 | 0 | 14,000 | 14,000 | 51,000 | 51,000 | Completed | Richard Foster |
| E6 | 34 | LLPG Review | Green | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | Completed | Richard Foster |
| E7 | 35 | Housing Review | Green | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | Completed | Richard Foster |
| E8 | 36 | Housing Review | Green | 0 | 20,000 | 36,000 | 36,000 | 36,000 | 36,000 | Completed | Richard Foster |
| I1 | 37 | Garden Waste Contribution to Costs | Green | 50,000 | 94,000 | 90,000 | 115,000 | 140,000 | 140,000 | Completed | Carl Lis |
| I2 | 38 | Crematorium - Income from Tenant | Green | 2,000 | 2,000 | 4,500 | 4,500 | 4,500 | 4,500 | Completed | Alan Sutcliffe |

| Ref No | Line No | <u>Additional Income / Proposed Saving</u> <u>Service Area</u> | <u>Status</u> | Target 2013/14 £ | Actual 2013/14 £ | Target 2014/15 £ | Latest Projection 2014/15 £ | Target 2015/16 £ | Target 2016/17 £ | Progress / Comments | Lead Member |
|--|---------|---|---------------|------------------------|------------------------|------------------------|--------------------------------------|------------------------|------------------------|---------------------|-----------------|
| I4 | 39 | Sports Development | Green | 0 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | Completed | Simon Myers |
| I6 | 40 | Elections & Electoral Registration | Green | 0 | 0 | 400 | 400 | 400 | 400 | Completed | Simon Myers |
| P1 | 41 | Transfer Grants to Localism Reserve | Green | 0 | 0 | 70,000 | 70,000 | 70,000 | 70,820 | Completed | Linda Brockbank |
| P2 | 42 | Legal Services | Green | 0 | 0 | 250 | 250 | 250 | 250 | Completed | Simon Myers |
| P4 | 43 | Insurance Policy Savings | Green | 0 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | Completed | Alan Sutcliffe |
| P5 | 44 | Telephone system | Green | 0 | 0 | 1,900 | 1,900 | 1,900 | 1,900 | Completed | Alan Sutcliffe |
| TOTAL GREEN SAVINGS | | | | 93,500 | 172,500 | 400,050 | 425,050 | 504,250 | 516,570 | | |
| Income / Savings | | | | 98,500 | 172,500 | 625,550 | 589,550 | 838,850 | 1,079,170 | | |
| Savings Inflation Adjustment | | | | 0 | 0 | 12,511 | 11,791 | 16,777 | 21,583 | | |
| Total Income / Savings | | | | 98,500 | 172,500 | 638,061 | 601,341 | 855,627 | 1,100,753 | | |
| Savings Required As per 2013/14 MTFS | | | | 0 | 0 | 554,416 | 581,566 | 665,333 | 775,761 | | |
| Total Income / Savings Analysis | | | | | | | | | | | |
| Green | | | | | 172,500 | 400,050 | 425,050 | 504,250 | 516,570 | | |
| Amber | | | | | 0 | 97,500 | 82,500 | 181,600 | 268,600 | | |
| Red | | | | | 0 | 128,000 | 82,000 | 153,000 | 294,000 | | |
| Total | | | | 98,500 | 172,500 | 625,550 | 589,550 | 838,850 | 1,079,170 | | |

MTFS savings required will be updated as part of the budget strategy, based on latest information.

2013/14 Revenue Budget Slippage Requests

| Ref | Request Description | Budget £ | Spend in Year £ | Balance £ | Amount Requested £ | Comment |
|-----|---|----------------|-----------------------|----------------|--------------------------|--|
| RS1 | Electoral registration - grant towards cost for IER project - due to complete 2014/15 | 17,850 | 2,570 | 15,280 | 15,280 | To complete Individual Electoral Registration Project by July 2014 |
| RS2 | Finance - funds required for completion of projects | 48,970 | 29,126 | 19,844 | 8,550 | To complete various projects for the Financial Management System - Asset Register, Legal Debt Recovery, & Budget Planner |
| RS3 | Planned Maintenance - total | 42,000 | 8,405 | 33,595 | 33,595 | To enable completion of various planned maintenance projects |
| RS3 | Reactive Maintenance - total | 172,900 | 148,042 | 24,858 | 24,850 | To enable completion of various maintenance projects in respect of car parks, garages |
| RS4 | Bereavement Services - reline of cremator | 35,000 | 6,157 | 28,843 | 28,840 | Project delayed in 2013/14 now scheduled for May 2014 |
| RS5 | HR Training Budget | 57,500 | 41,760 | 15,740 | 15,740 | To provide funding for approved training commitments |
| RS6 | Community Grants | 16,900 | 8,038 | 8,862 | 8,860 | To meet funding obligations agreed by Grants sub Committee |
| RS6 | Community Grants | 80,820 | 68,257 | 12,563 | 12,500 | |
| | Total | 471,940 | 312,355 | 159,585 | 148,215 | |

Forecasted Balances and Reserves at 31 March 2014

| Reserve | Opening Balance 1 Apr-13 £'000 | In Year Receipts £'000 | Planned Utilisation & Commitments to 31 March £'000 | Estimated Available Balance 31 March £'000 | Forecasted Contributions at Year End £'000 | Forecasted Available Balance 31 Mar 2014 £'000 | Link to Council Plan Priority | Purpose of Reserve (all reserves are revenue and their purpose is reviewed as part of the budget process each year) |
|--|--------------------------------------|---------------------------|---|---|---|---|-------------------------------|---|
| New Homes Bonus | 620 | 588 | (696) | 512 | 0 | 512 | 1,2,3 | 3 Overarching project areas - Infrastructure, Empty Homes & Localism. (Nb localism reserve contributing total £138k to grants in future year) |
| Enabling Efficiencies | 424 | 30 | (195) | 259 | 156 | 415 | 2,4 | For use for projects to create future savings and efficiencies |
| Planning | 360 | 0 | 0 | 360 | 80 | 440 | 1 | To contribute towards costs of LDF and contingency for planning enquiry costs / appeals |
| ICT | 83 | 0 | (65) | 18 | 203 | 221 | 4 | Set up to fund investment in IT (enabling technology) |
| Vehicles | 50 | 0 | 0 | 50 | 195 | 245 | 4 | Set up to fund purchase of vehicles |
| Buildings | 50 | 0 | (40) | 10 | 125 | 135 | 4 | Set up to fund maintenance, repairs and improvements to council properties |
| Building Control | 25 | 0 | 0 | 25 | 0 | 25 | 1,4 | |
| Insurance | 0 | 10 | 0 | 10 | 0 | 10 | 4 | Fund excess on insurance claims |
| Business Rates Contingency | 0 | 0 | 0 | 0 | 200 | 200 | 4 | To mitigate against deficits in the North Yorkshire Business Rates Pool |
| Future Year Budget Support | 0 | 0 | 0 | 0 | 173 | 173 | 4 | 2013/14 savings achieved as per savings plan to support future year budgets |
| Carry Forward | 33 | 0 | (33) | 0 | 173 | 173 | 4 | Contingency & Budget Slippage |
| Partial Exemption | 17 | 0 | 0 | 17 | 0 | 17 | | Offset costs of VAT implications |
| LABGI & ERDF | 57 | 0 | 0 | 57 | 0 | 57 | | Balance of grant from previous projects |
| Edith Stead Bequest & Bishopdale Court | 7 | 0 | 0 | 7 | 0 | 7 | | |
| Total Earmarked Reserves | 1,726 | 628 | (1,029) | 1,325 | 1,305 | 2,630 | | |
| General Fund | 1,030 | 0 | 0 | 1,030 | 0 | 1,030 | | Unallocated GF reserve acts as contingency for unexpected expenditure |
| Total Revenue Reserves | 2,756 | 628 | (1,029) | 2,355 | 1,305 | 3,660 | | |

KEY Council Plan Priority Area

1 Enterprising Craven. 2 Greener Craven. 3 Working with Communities. 4 Financial Resilience.