

**CONTROLLABLE OVERSPENDS GREATER THAN £5,000**  
**For Consideration by Cabinet 27 July 2010**

SERVICE	DETAILS		BUDGET	ACTUAL	OVERSPEND	EXPLANATION / ACTION
			£	£	£	
Community Engagement	Salt Ayre Sports Centre	Savings Target	-119,000	-96,300	22,700	Against the original savings target of £119K there was an overall shortfall of £47K of which £22.7K was deemed controllable. <b>It is recommended that the £22.7K be carried forward into 2010/11.</b>
Community Engagement	Communications	Income Generation	-14,800	-6,930	7,870	The income budget for Communications has not been met in 2009/10. The budget was originally established to offset an increase in staffing, on the basis that future staffing levels would be amended should it be that ongoing income targets could not be met. Since then, however, annual savings of £61K have been budgeted for marketing & communications and subject to this being achieved, no further action is recommended.
Community Engagement	The Dome	Net Cost	78,600	91,442	12,842	There was an additional £8K cost as a result of the ice rink, in addition to lost revenue from cancelled shows. No further action is recommended as the venue is now closed.
Environmental Services	Grounds Maintenance	Overtime	14,000	21,917	7,917	Increased overtime due to staff vacancies - offset by savings on salary budget. No further action recommended.
Environmental Services	Three Stream Waste	Contracted Services	31,700	42,678	10,978	Additional contract staff employed - offset by savings on vacant posts and savings on overtime. No further action recommended.
Democratic Services	Elections	City Council Elections	5,900	11,032	5,132	Additional printing costs relating to the Morecambe Parish elections, together with printing for additional by-election. Elections overall £2K overspent and Democratic Services £50K underspent. No further action recommended.
Regeneration & Policy	Planning Mgt & Admin	Car Allowances	28,000	33,119	5,119	Morecambe based staff now at Lancaster claiming travel exps for projects in Morecambe in addition to more planning application resulting in more mileage. Overall planning application fee income was up by £122K. No further action recommended.
Financial Services	Council Tax	Postages	4,700	13,834	9,134	Additional cost of re-billing for 2009-10, but mostly offset by savings of £8K elsewhere on the section. No further action recommended.
Property Services	Municipal Buildings	Repair and Maintenance	592,800	612,507	19,707	Emergency works as a result of ceiling collapses in Lancaster Town Hall and the City Museum resulted in additional costs being incurred in the last quarter of the year, at a time when it was not possible to reschedule sufficient works as they were already committed. The cost of the emergency works was in excess of £26K and savings have been achieved wherever possible to bring the net overspend down to less than £20K. Overall Property Services was underspent by £545K. No further action recommended as the works were as a result of emergencies and reductions in costs were made wherever possible.
Council Housing (HRA)	Responsive Maintenance	Repair and Maintenance	2,048,100	2,408,252	360,152	Works done on all void properties due to the condition on termination of tenancy and the increased number of voids has resulted in additional costs. In addition, unrecoverable insurance and rechargeable repair costs have also added to the overspend. This account was also overspent by £187K in 2008/09 and whilst the impact on the HRA in the current year may be offset by savings on financing the capital programme it demonstrates a clear need for more accurate monitoring and control of the budget. It is <b>not</b> recommended that the overspend be carried forward as this would have a detrimental affect on the need to maintain properties and ensure they are fit for re-letting. However, it is recommended that improved monitoring and reporting arrangements are put in place and that this account be specifically highlighted within the quarterly PRT reports. Budget and Performance Panel will be requested to consider whether they wish to include this specifically in their work programme.
Council Housing (HRA)	Insurance Repairs	Net Cost	0	40,100	40,100	Cost charged to insurance repairs should all be fully recoverable from the insurers, however during 2009/10 delays in charging costs and making complete claims to the insurers has resulted in unrecoverable costs of £40K being incurred. It can be seen from the above items that unrecoverable costs relating to insurance claims are not being recorded consistently. Work has already started on improving the internal recording and monitoring systems to ensure the problem does not recur. No further action recommended.