

## Appendix D Significant items of variances

Listed below are significant items comprising the variances identified in **Appendix C**. The paragraph letters below cross reference to particular lines in that appendix.

### General Fund

- a. An analysis of **Departmental Accounts** compared to the original estimates indicates that vacancies and other changes to staffing budgets are projected to result in savings of £57,100. This figure is arrived at after allowing for a reduction of £500,000 for vacancies which was included in the estimates and after taking into account the use of temporary staff to manage turnover and cover vacancies. It has also been assumed that £70,000 of future savings will be achieved by as yet non specified vacancies;

### Leader

- b. **Sustainability** has received additional income of £16,800 from another authority in respect of staffing costs related to the Green Deal initiative;

### Environmental Services

- c. **Refuse Collection & Recycling Service**: Successful over-achievement of trade waste income against profiled budget, flexible working arrangements and reduced staff sickness levels, and lower fuel costs than planned for, are resulting in a positive variance against profiled budget estimated at £157,000 for the year;
- d. The **Street Cleansing Service** similarly manages staff numbers through flexible working, resulting in projected savings against budget of £13,000;

### Housing General Fund

- e. **Homelessness** is anticipated to receive additional income from Housing Associations amounting to £11,000 because of changes to the private rental scheme;

### Planning

- f. **Planning Income** is expected to be £600,000 more than originally estimated because of a number of large fees relating to planning permission for solar panel developments. The tariffs for feeding into the national grid will change in April 2015 and, to receive the enhanced tariffs, developments have to be built by this date. Fees for these applications are only expected to continue until the autumn 2014 and this is reflected in the projection. However, if the level of new planning applications results in new work, then some of this income may be required to fund additional resources;

### Unallocated

- g. Budget provision of £50,000 was included in the original estimates to support **Council Actions** this is expected to be spent on supporting the Shared Services initiative, for example Building Control project management and ICT feasibility study;

- h. When the budget was set £75,000 was included for **Precautionary Items**. A pro-rated sum of £18,800 has been assumed to not be required in the projected spending position;
- i. **Additional Expenditure** of up to £50,000 to invest in the Local Government Association's Bond Agency has been agreed by Cabinet;
- j. For the purposes of this report it has been assumed that the £30,000 to deliver the action plan for "**Ageing Well**", "**Children, Young People & Families**", "**Health & Wellbeing**" and "**Communities & Localism**" will be resourced from savings already incorporated into this report;
- k. Budgeted **Local Plan** Expenditure totalling £210,000 being funded from New Homes Bonus;
- l. 2013/14 was the first year of the new **Retained Business Rates** (RBR) regime. Throughout the year, MTFS forecasts of RBR had been calculated on guidance from the Department for Communities and Local Government; however, year-end accounting requirements resulted in RBR being recorded £2.152m higher than forecast, but offset by a deficit on the Business Rates Collection Fund (BRCF) of £2.231m, which for accounting purposes is shown in the following (i.e. this) financial year (see m). Similarly, in 2014/15, RBR is now forecast to be £486k higher than originally estimated; but this will similarly be offset by a deficit on the BRCF, to be shown in 2015/16;
- m. The deficit on the **Business Rates Collection Fund** in respect of 2013/14 attributable to SCDC was £2,231,000, which is shown in 2014/15, as above;

### **Housing Revenue Account (HRA)**

- n. As yet there are no significant variances to report. The £29,600 variance is the estimated proportion of vacancies that will be recharged at the end of the year to the HRA;

### **Capital**

- o. It is too early in the year to get a reliable indicator of the capital position because of the irregular nature of the payments. The slight overall variance is the estimated proportion of vacancies that will be recharged to Capital: and

### **Capital Receipts**

- p. Land has been sold which has generated receipts of £151,100. This can only be used to fund HRA Capital expenditure and a decision will be made later in the year either to fund capital expenditure in this year or to keep it in reserve to fund future year's expenditure.