

Appendix D Significant items of variances

Listed below are significant items covering the variances identified in **Appendix C**.

General Fund

- a. An analysis of Departmental & Overhead Accounts compared to the original budgets currently indicates an adverse position of £104,500. This figure is arrived at after allowing for a reduction of £500,000 for vacancies which was included in the budgets and after taking into account the use of temporary staff to manage turnover and cover vacancies. The £104,500 has been allocated to Portfolio's, the HRA and Capital in **Appendix C**;

Leader

Finance & Staffing

Environmental Services

- b. **Refuse Collection & Recycling Service** Successful over-achievement of trade waste income is anticipated to generate an additional £42,400;

Housing General Fund

Planning

- c. **Planning Income** is £120,000 more than originally budgeted because of a number of large fees received;
- d. **Pre- Application fees** are expected to generate £100,000 and seem to be on course to generate at least this amount, This was included in the MTFs savings target and has now been incorporated in the working budget hence the movement from the previous month;

Strategic Planning & Transport

- e. Additional expenditure of £150,000 is anticipated to be incurred on the Local Plan as a result of the Planning Inspector's review. This was approved at the July's Cabinet meeting and has now been reflected in the working budget and so is now not included in the projection;

Unallocated

- f. Budget provision of £50,000 was included in the original budgets to support Council Actions. It has been agreed that £36,000 of this will be used on an invest to save basis to facilitate the re-organisation of the 2nd Floor at the Cambourne Offices and so release space to generate rental income in the future and £10,000 to be used for additional Community Chest Grants. This leaves a balance of £4,000;
- g. When the budget was set £75,000 was included for Precautionary Items a pro-rated sum of £18,900 has been assumed to not be required in the projected spending position;

- h. An Additional Income/Savings Target of £670,000 was included in the budget of which £295,000 was not allocated. Presently £50,000 has been found from fuel savings in Refuse and Street Cleaning, which leaves £245,000 still to be identified, which has been included in this financial position;

Areas identified to meet additional income/savings target	Savings Target	Savings Identified
Single Shared Waste Service and other waste initiatives	£125,000	£0
Increased Planning Pre-App fee income	£100,000	£100,000
Supplies & Services procurement	£50,000	£0
Systems Contract Terminus Review	£25,000	£0
Office Space Management	£25,000	£0
Shared Services/ Commercialisation Programme	50,000	£0
Sub-total	£375,000	£100,000
Other income/savings to be identified	£295,000	£50,000
Total	£670,000	£150,000

- i. The Interest on Balances is predicted to be £79,500 more than the budget. This is mainly because of increased balances. This could be used to offset the unidentified savings from Income/savings;
- j. There are significant amounts in Usable Earmarked Reserves totalling approximately £5.7m. Of this the major items are:-
- New Homes Bonus Infrastructure Reserve £2,247,437;
 - Pension Deficit Reserve £1,033,648;
 - Parish Liaison & Site Development Reserve £580,305;
 - Planning Enforcement Reserve £500,000 (Capped);
 - Business Efficiency Reserve £240,000;
 - Major Developments Fees Reserve £179,461; and
 - Shared Waste Service £126,000.

Housing Revenue Account (HRA)

- k. As yet there are no significant variances to report. The £23,100 variance is the estimated proportion of vacancies that will be recharged at the end of the year to the HRA;

Capital

- l. The original budget for the refurbishment of Whaddon Travellers Site was set in 2012 and included a £1.1m grant from the HCA to provide affordable accommodation. The project is now well underway with completion due in December 2015. Delays in starting on site, in part due to a delay in obtaining a key County Council decision and poor performance of the Council's initial project management consultants, have required the original budget to be revisited. Approval to meet the £500k shortfall in the project expenditure using Section 106 Commuted Sums has been given by the Housing Portfolio Holder: and

Capital Receipts

- m. Two parcels of land have been sold which has generated receipts of £212,300. These receipts are ring-fenced for the HRA but will add to the resources available to fund capital expenditure.