

Significant Items of Variance from Working Budget

General Fund Budget 2015/16 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Key to Appendix C
General Fund Revenue - Overheads			
Departmental & Overhead Accounts	An analysis of all recharges from Departmental Staffing & Overhead Accounts compared to the working budget shows a favourable position of £287,502 for General Fund revenue services. After allowing for a reduction of £450,000 for vacancies which was included in the budgets and taking into account the use of temporary staff to manage turnover and cover vacancies, the net position for the General Fund is an adverse variance of £162,498. The net variance is allocated across all of the General Fund portfolios.	162,498	A
Finance & Staffing Portfolio			
Benefits Holding Account	A lower than estimated need for payments out, offset by reduced government grant received, resulting in a net favourable variance of £162,751.	(162,751)	B
Corporate Management	The recharge of corporate management costs to the HRA was greater than anticipated in 2015/16.	(91,298)	B
Environmental Services Portfolio			
Refuse Collection & Recycling Service	Successful over-achievement of trade waste income generated an additional surplus of £42,450.	(42,450)	C
Sports Development	Sports Development has generated £13,920 extra income from activities.	(13,920)	C
Housing Portfolio (General Fund)			
Improvement Grants	Improvement grants reported as revenue expenditure in the accounts, but budgeted for and funded from the capital programme. Variance is therefore a presentational item only in 2015/16.	423,307	D
Planning Portfolio			
Planning Income	Planning Income is £631,220 more than originally budgeted because of a number of large fees received relating to large applications that take up a considerable amount of staff time, which unfortunately has an adverse impact on performance indicators..	(631,220)	E
Pre-App Fees	Pre-App Fees are £102,880 more than originally budgeted following the portfolio holder's agreement to change the charging schedule from 1 April 2015; this additional amount is in line with projected and targeted additional income.	(102,880)	E
Housing and Planning Delivery Grant Reserves	Funding of £214,661 was transferred from the HPDG reserve in 2015/16.	(214,661)	E

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Strategic Planning & Transport Portfolio			
Growth Agenda / New Communities	Planning Fee income for Growth Agenda/New Communities was £83,160 as compared to the £195,000 income budget. This reduced income level is because an outline planning application for Darwin Green had been expected, but this has been delayed.	111,840	F
Northstowe	Planning Fee income was £4,450 for 2015/16, as opposed to a budgeted £40,000. This is because an expected development has been delayed.	35,550	F
Unallocated Areas			
Precautionary Items	When the budget was set £75,000 was included for Precautionary Items. None of this has been requested and so the provisional outturn position has assumed that none of it is required.	(75,000)	G
Additional Income Generation / Savings Target	The Council delivered savings of £408,270 during 2015/2016. The resulting shortfall of £261,730 partially offset the favourable variance in respect of planning fee income. The overall target of £670k will be met and surpassed in a full year from 2016-2017	261,730	H
Interest on Balances	Interest of £29,530 more than the budget was realised in 2015/16. This was mainly due to increased balances. This could be used to offset the unidentified additional income / savings.	(29,530)	I
Retained Business Rates	Additional funding was retainable in 2015/16 in respect of renewables, which was the main reason for the favourable variance:	(557,300)	J
	Other Net Variations	(22,069)	
Total for General Fund Revenue		(948,154)	

Notes

Council Actions	Budget provision of £50,000 was included in the original budgets to support Council Actions. £36,000 of this has been 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 has been used for additional Community Chest Grants. The balance of £4,000 has been transferred to the reserve.	G
Usable Earmarked Reserves	Amounts in Usable Earmarked Reserves include the following major items; there are plans in place for each of these over the period of the Medium Term Financial Strategy: <ul style="list-style-type: none"> • New Homes Bonus Infrastructure Reserve £4,501,672; • Pension Deficit Reserve £1,048,584; • Planning Enforcement Reserve £500,000 (Capped); • Business Efficiency Reserve £290,000; • Parish Liaison & Site Development Reserve £251,067; • Major Developments Fees Reserve £179,461; and • Northstowe Reserve £127,505. 	K

Significant Items of Variance from Working Budget

Housing Revenue Account Budget 2015/16 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Key to Appendix C
Housing Repairs - Revenue			
Responsive Repairs	A favourable variance of £381,425 against the budget for responsive repairs was reported by the year end, as a result of a lower level of spend at change of tenancy coupled with underspending in respect of internal response repair works. This is partially due to a reduction in the number of voids being experienced and a mild winter.	(381,425)	L
Cyclical Repairs	In respect of cyclical and planned revenue repairs, a favourable variance of £122,431 is reported for 2015/16, predominantly due to underspending in asbestos survey activity and resulting removal works and specialist investigations, where both of these are demand led budgets, with the levels of expenditure in any one year being difficult to predict.	(122,431)	L
Housing Administration			
Repairs Administration	Repairs administration expenditure was £138,805 lower than anticipated due to recharges from affordable homes as a direct result of staff vacancies and underspending in employee related expenditure across the service.	(138,865)	M
General Administration	A lower level of spending, combined with additional income, results in a favourable variance of £308,682 in general administration. This was due to lower than anticipated recharges from affordable homes, reduced take up for the under-occupation incentive scheme, receipt of costs associated with the transfer of Fairview to a registered provider, where costs were incurred by SCDC in prior years, and other areas of minor reduced spending. The net position also includes additional costs in respect of the recharge from corporate services for 2015/16.	(308,682)	M
Tenant Participation			
Tenant Participation	Tenant Participation reported a £92,631 favourable variance at year end due to a combination of lower spending in tenant led estate investment and in support for tenant groups in 2015/16, coupled with lower than anticipated staffing and overhead recharges. £50,000 of this resource has been included as a rollover into 2016/17 to allow for ongoing tenant led estate investment.	(92,631)	N
Other HRA Budgets			
Revenue Financing of Capital Expenditure	Slippage in the delivery of the housing capital programme resulted in the demand for revenue funding to meet capital expenditure being significantly lower than anticipated, giving rise to a £5,652,600 underspend in 2015/16.	(5,652,600)	O
Depreciation	Depreciation of the housing stock for 2015/16 was £476,400 greater than budgeted, due in part to the need to depreciate shared ownership accommodation and other HRA non-dwelling assets without the ability to negate changes in this in the accounts using transitional arrangements (as is the case for the remainder of the housing stock). The value of the housing stock was also increased significantly as part of the year end revaluation exercise which included a review of asset lives, resulting in the need to charge the full level of notional Major Repairs Allowance (MRA) to the HRA in 2015/16.	476,400	O
Corporate Management Recharges	This recharge was £91,298 higher than anticipated in 2015/16, due predominantly to an increase in the contribution required from the HRA to meet the cost of pensions for employees with prior service.	91,298	O

Interest on Balances	Interest of £66,253 more than the budget was realised in 2015/16. This is due to a combination of increased revenue balances and capital receipts, the latter of which the HRA is now entitled to receive interest upon.	(66,253)	0
Transfer to / (from) Reserves	The planned use of £1,000,000 of reserves earmarked for reinvestment in the housing stock was not required in 2015/16 to fund new homes, but will instead be available for reinvestment in future years. £75,006 was transferred into the insurance reserve, making good the call on the fund in 2014/15.	1,075,006	0
	Other Net Variations	(29,781)	
Total for Housing Revenue Account		(5,149,964)	

Significant Items of Variance from Working Budget

Capital Budget 2015/16 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Key to Appendix C
Housing Revenue Account - New Homes Programme			
New Homes - On Site	Activity in respect of the new build schemes at Swavesey, Foxton and Linton has progressed well in 2015/16, with the Foxton scheme spending ahead of profile. There is the need to recognise that rollover to meet the balance of costs for the Swavesey and Linton schemes, will be more than offset by the earlier than anticipated spending at Foxton.	205,819	P
New Homes - Schemes Not Yet On Site	The new build scheme identified in Teversham was still at pre-planning stage in 2015/16, and as such only feasibility, site preparation and planning costs were incurred in 2015/16. The scheme is anticipated to be on site in 2016/17, with resource subject to rollover to facilitate this.	(848,789)	P
New Homes Programme	Resource was included in the capital plan for schemes under investigation in order that they could proceed as soon as possible to meet retained right to buy receipt deadlines for new build homes. No further schemes were progressed to approval stage in 2015/16, and this resource will be subject to rollover to allow appropriate investment in future years.	(628,241)	P
Housing Revenue Account - Reprovision of Existing Homes			
Reprovision of Existing Homes	The budget of £1.2 million was not used in 2015/16, but has been requested as a rollover into 2016/17 to meet the costs of the Robinson Court, Gamlingay scheme and to replace other life expired HRA dwellings.	(1,192,679)	Q
Housing Revenue Account - Repurchase of Shared Ownership Homes			
Repurchase of Shared Ownership Homes	The budget of £300,000 for the potential repurchase of shared ownership dwellings was not required in full in 2016/17, with £157,000 less spent than budgeted in 2015/16. This will be offset by an under-achievement in anticipated capital receipts, where reduced activity overall means that less recycling of properties has taken place.	(157,000)	R
Housing Revenue Account - Improvement of Housing Stock			
Heating Installations and Replacements	In respect of heating installations and replacement systems, the current contractors were unable to deliver the full programme in 2015/16 due to a lack of labour capacity. This, coupled with a milder winter which resulted in fewer boiler failures being reported meant that the budget was not spent in full in year. This will be added to the 2016/17 programme with a new contractor, by virtue of rollover of resource.	(508,915)	S
Energy Conservation	The anticipated programme of external wall insulation was not delivered in 2015/16 as the incumbent contractor ceased trading. A new contractor is now in place and will deliver £500,000 of the 2015/16 programme alongside that for the new year.	(1,108,282)	S
Improvements to Non-Traditional Houses	Staffing capacity meant that planned projects for improving non-traditional homes were not fully delivered in 2015/16. The programme will be picked up and delivered in 2016/17, with the resource rolled over to fulfil this.	(568,938)	S
UPVC Windows and Doors	There was no single contract in place for the delivery of UPVC window and door installations in 2015/16. Mears are now contracted to deliver this programme and will complete the works in 2016/17.	(150,485)	S

Full Property Refurbishment	This budget is subject to the condition of properties presented as void in any one year, with the decision to spend weighed up against potential disposal of the asset, if the investment need is considered too great. The demand against this provision was lower than anticipated in 2015/16, reflecting a smaller number of properties being returned in particularly poor condition.	(540,274)	S
Self Build	Activity in respect of the preparation of HRA sites as potential self build plots was in the very early stages in 2015/16, with the majority of the budget of £150,000 approved mid-year, being required as a rollover to meet site preparation costs in 2016/17, for the first round of sites identified.	(118,154)	S
	Other Net Variations	43,208	
Housing Revenue Account - Other Capital Spend			
Other HRA Capital Spend	Capital budgets of £600,000 for sheltered housing and £30,000 for improvements to flats were not fully spent in 2015/16. The funding for sheltered housing was ear-marked originally for the replacement of hard-wired emergency alarm systems, but a subsequent decision to decommission these and replace with a telephone based service where required results in a saving against the original allocation, with resource of £105,000 rolled over into 2016/17 to meet the cost these and replacement smoke alarms.	(582,805)	T
General Fund			
Cambourne Offices	£450,000 had been included in the capital programme for potential photovoltaic projects at South Cambs Hall, which did not go ahead in the year. Other projects at the Cambourne offices totalling £95,000 in respect of LED lighting, wiring and data centre improvements did not go ahead in year.	(545,000)	U
ICT Development	Investment in ICT has been deferred in a number of areas, recognising the creation of the new 3C ICT Shared Service and resulting desire to streamline ICT investment coupled with the decision to fully tender the Housing Management IT System, as opposed to upgrading the existing application.	(472,919)	V
Repurchase of General Fund Sheltered Properties	A budget of £1,100,000 is ear-marked for the repurchase of any general fund equity share properties where owner occupiers opt to sell in any year. In 2015/16, the demand on this budget was slightly lower than estimated.	(149,000)	W
Travellers Site	Budget for the redevelopment of the travellers site at Whaddon was increased during 2015/16. The final scheme costs came in marginally lower than the increased budget of £1,900,000, with a rollover of £10,000 for residual site office / community facility costs on the site reducing the reported saving of £109,725 to £99,725.	(109,725)	X
Other General Fund Capital Spend	Grants for the provision of social housing and for empty homes were not awarded as anticipated in 2015/16, with unallocated resource of £400,770, of which £103,000 will be rolled over to meet existing commitments. £80,000 had been included in the capital programme for potential photovoltaic projects at Waterbeach Depot, which did not go ahead in the year. Investment of £90,000 in respect of watercourses did not take place in 2015/16 as anticipated.	(570,770)	Y
	Other Net Variations	(158,203)	
Total for Housing Revenue Account		(8,161,152)	