

Appendix C (1)

Significant Items of Variance from Working Budget

General Fund Budget Q2 2016/17- Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Projected (Favourable) / Adverse Outturn £
Finance & Staffing Portfolio			
Housing and Council Tax Benefit	The variance is due to the phasing of the budget: in the past years all the Housing Benefit payments to the Council tenants were posted at year end, which is still assumed in the budget as the process was in place at the time the budget was set, however since the payments are now posted monthly, this creates a variance to the budget to date which will be cleared by the year end.	5,199,657	0
Other net variances		33,019	33,019
Total variance for Portfolio		5,232,677	33,019
Corporate & Customer Services			
Land Charges	A £182k contingent liability was brought forward from the 2015-16 accounts regarding a nationwide litigation case brought against local authorities by personal search organisations. Settlement has now been reached and paid, however there is still some uncertainty as to whether this is a full and final settlement of the case. Clarity will be sought and if the case is now closed then £150k can be returned as a saving. No outturn variance is currently projected as any loss in revenue will be met from reserves built up from previous years' surplus.	(260,813)	0
Elections	The adverse variance arises from the Referendum Costs due to be reimbursed by the Government. No outturn variance is expected at year end as money for conducting the referendum will be refunded by that time.	222,061	0
Other net variances		17,105	17,106
Total variance for Portfolio		(21,647)	17,106
Executive Director (Corporate Services)			
Finance, Policy & Performance	Savings made on unfilled vacancies earlier in the year, recruitment at lower than budgeted pay scales and sharing posts with CCC.	(35,000)	(75,864)
Contact Centre	The variance relates to the vacancies earlier in the year.	(38,400)	(28,000)
ICT	The current budgeted costs of £283,710 for YTD related to ICT are due to be recharged from the Shared Services by the end of the year	(265,400)	33,500
Other	This variance relates to agency staff used to backfill vacancies. In addition, one permanent position was approved after the budget was set at the annual cost of £15,395.	10,200	31,480
Other net variances		44,885	13,222
Total Staffing variance for Director		(283,715)	(25,662)
Environmental Services Portfolio			

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SSWS	<ul style="list-style-type: none"> • £150k saving on growth budget <p>There was £150k injected into the base budget (£75k by both authorities) to cope with the additional resource necessary to cover growth areas. However, round remodelling suggests that current growth is containable within current resources. The £150k was profiled in Q1 as a possible contribution to SSWS savings target of which SCDC would be entitled to 50% (75K).</p> <p>Other variances:</p> <ul style="list-style-type: none"> • £13k additional income received, mainly through bulky household collections • £62k saving in fleet fuel • £20K pressure in fleet repairs and maintenance • £20k pressure on equipment budget <p>The main contributor to the variance to date is in relation to the way expenditure has been accounted for within the Commercial arm of the single shared waste service compared with what was envisaged when the budgets were set. The budget assumed that all expenditure for both Councils' would effectively be managed within SCDC's finance ledgers when in reality to date, this has not happened. All costs being incurred on behalf of Cambridge City's trade service are still being captured through Cambridge City Council's financial systems and hence the budgets within this report in relation to this have no expenditure recorded against them which has disclosed a disproportionate budget variance.</p> <p>This inconsistency has resulted in a £664k variance which will not materialise to this extent in the outturn position. This, added to the £150k saving on growth money and the fuel saving to date of £56k are the main reasons for the £933,672 shown in the appendix.</p>	(933,672)	(145,000)
Other		(26,848)	17,755
Total variance for Portfolio		(960,520)	(127,245)
Environmental Health			
Environmental Commissioning	There is a projected total of £202K of vacancies to the year end. A number of vacant posts have been back-filled by agency and contracted staff. An annual budget of £45,000 is in-place to part-fund the use of agency staff. The projection is that there is a pressure of £62,000 against this budget which will offset against the £202K vacancies to give a net saving of £140k in staffing costs.	(27,400)	(65,730)
Working with Business		(43,800)	(76,969)
Other		(36,230)	(21,735)
Total Staffing variance for Director		(107,430)	(164,434)
Affordable Homes			
Housing Strategic Services	Staff restructure cost of £32,270 funded from savings of £55,446 taken in previous year on a vacant position	63,200	32,000
Warm Homes Unit	The variance is due to the approved Surveyor Post with a budget of £41,690pa, which was missed in error from the original estimate	14,200	33,000
Other		8,619	0
Total Staffing variance for Director		86,019	65,000
Planning Portfolio			
Development Control	The key elements of the variance consist of the Planning Fee income and Planning Pre-Application income approximately £140k higher than budgeted and of £34k revenue receipt in advance for S106 administration fees and also other income approximately £37k higher than budgeted. It has also been identified that approximately £106k Planning Fee income for Northstowe is included in Development Control income, which relates to Northstowe and Growth Agenda.	(342,312)	(342,312)
Planning Policy	The variance consists of a number of positive and negative variances, including £34k debit provision for shared 2015/16 services work, carried out by Cambridge City Council, but not yet invoiced. £99k credit provision for Local Plan consultancy work carried out in 2015/16, which SCDC have not yet been invoiced for. £163k underspend on Consultancy for 2016/17 £25K adverse variance on the legal fees against budget.	(215,351)	0

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Building Control Service	The key element of the variance was due to the unbudgeted Building Control Fee income received by SCDC. Any cost or income relating to this service will be transferred to Cambridge City as this is part of the shared service and should not be considered additional income. The expectation is a charge for the SCDC element to be made through a recharge from Cambridge City at year end.	(51,306)	0
Other net variances		(40,011)	(7,688)
Total variance for Portfolio		(648,980)	(350,000)
Strategic Planning & Transport Portfolio			
Growth Agenda / New Communities	The key element driving the variance is that growth Agenda Planning Fee income is approximately £117k less than budget. Two large expected Planning Fees, have been delayed, and are now likely to be received in March or April 2017.	215,671	215,671
Northstowe	This balance is a combination of factors: approximately £144k DCLG Capacity Funding, received in 2015/16 carried forward to 2016/17 as a revenue receipt in advance, offset by Northstowe Planning Fees £22k less than budgeted.	(120,492)	(120,492)
Transport Initiatives & Policy	Income of £261,860 has been secured through a s106 agreement with developers of the former Bayer site at Hauxton as a contribution for the development of a designated bus service. This income has been made up-front with no expenditure yet incurred. The County Council's invoice for operating the service in 2015-16 has not yet been received and is thus represented as a credit on the service account (£17,956).	(5,558)	0
Other		0	0
Total variance for Portfolio		89,621	95,179
New Communities & Planning			
Development Control	The variance is mainly due to the use of Agency staff to carry out the work remaining from prior years.	72,000	239,095
Planning Office Support Team	Adverse variance is due to 5 posts in the team with the total annual cost of £177,000, approved in January 2016 and therefore not included in the original budget set.	74,500	184,787
Other		39,838	59,643
Total Staffing variance for Director		186,338	483,524
Other net variances		277,131	(55,542)
Total for General Fund Revenue		3,849,493	(29,054)

Appendix D (2) Significant Items of Variance from Working Budget

Housing Revenue Account Budget Q2 2016/17 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Projected (Favourable) / Adverse Outturn £
Housing Repairs - Revenue			
Responsive Repairs	A favourable variance of £448,689 for the year to date is currently reported, as a result of a lower level of spend at change of tenancy and underspending in respect of internal response repair works. This is due in part to a large backlog of work to be invoiced by our contractor Mears and the demand led nature of the response repairs budget. It is difficult to predict the demand that will be realised over the winter months, as response repairs are often weather dependent.	(449,689)	0
Non-Responsive Maintenance	New contracts have been agreed for Cyclical Maintenance works , which will deliver savings against the original estimate.	(193,386)	250,000
Other net variances		(8)	(250,000)
Total variance for Portfolio		(643,083)	(250,000)
Sheltered Housing			
Sheltered Housing	Favourable variance for the year to date is based on staffing underspends following a restructure, which will be partly offset by reduced service charges calculated at year end.	(59,521)	(89,521)
Other net variances		0	0
Total variance for Portfolio		(59,521)	(89,521)
Housing Administration			
Service Improvement	Invoice has not yet been received for the Mears Apprentice, resulting in a timing variance showing as an underspend at present. Budget allocation for a tenancy audit, looking at the Pay to Stay impact, has not been used to date as regulations and detailed guidance are still awaited from DCLG.	(27,016)	0
Other net variances		0	0
Total variance for Portfolio		(27,016)	0
Tenant Participation			
Tenant Participation	The favourable variance is due to a combination of lower spending in tenant led estate investment and in support for tenant groups in the year to date. Tenant forums have been restructured, leading to savings in taxi/travel costs and additional savings achieved through a retender of tenant led scrutiny support work.	(18,003)	(25,000)
Other net variances		0	0
Total variance for Portfolio		(18,003)	(25,000)

Reprovision & New Homes Programme			
New build programme	Majority of the current expenditure relates to County Council sites and is recharged to the County Council. This budget meets the cost of abortive schemes, and as such it is hoped that call upon it is minimal.	(10,946)	(40,000)
Other net variances		0	0
Total variance for Portfolio		(10,946)	(40,000)
Income			
Rental income	Higher than anticipated rental income, due to vacant homes being moved to target rent and not yet holding voids for sale to meet the higher value voids levy, pending the release of detailed regulations by DCLG.	(147,285)	(255,000)
Other net variances		0	0
Total variance for Portfolio		(147,285)	(255,000)
Other net variances		(10,796)	0
Total for Housing Revenue Account		(916,650)	(659,521)

Appendix D (3) Significant Items of Variance from Working Budget

Capital Budget 2015/16 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £	Projected (Favourable) / Adverse Outturn £
Housing Revenue Account - New Homes Programme			
New Homes - On Site	The scheme at Foxton is progressing well on site, with completion anticipated by December 2016.	(30,050)	0
New Homes - Schemes Not Yet On Site	The new build scheme identified in Balsham will not now be proceeding as intended. Officers are exploring alternative sites which could be substituted into the programme as well as acquiring individual properties to ensure that retained Right to Buy receipts are used within DCLG deadlines.	(579,995)	0
Other net variances		(8,974)	0
Total variance for Portfolio		(619,019)	0
Housing Revenue Account - Re provision of Existing Homes			
Re provision of Existing Homes	The budget to meet the costs of the Robinson Court, Gamlingay scheme has not been spent as quickly as anticipated, due to the need to secure vacant possession and planning permission for this site, following consultation. Majority of spend will now be in 2017/18	(156,185)	(400,000)
Other net variances		0	0
Total variance for Portfolio		(156,185)	(400,000)
Housing Revenue Account -Cash Incentive Grants			
Grants to Registered Providers	A budget of £390,600 was included in the Housing Capital Plan to allow for grants to be made to registered providers to ensure that retained right to buy receipts can be appropriately spent. Resource has been identified however to allow the authority to utilise adequate right to buy receipts within the deadlines for the current year rather than make grants to registered providers.	(162,750)	(390,600)
Other net variances		0	0
Total variance for Portfolio		(162,750)	(390,600)
Housing Revenue Account - Improvement of Housing Stock			
Improvements to Non-Traditional Houses	Orders for work now being raised but a year end underspend of £500k is anticipated	(363,250)	(500,000)
Drainage Surveys and Upgrades	A Contractor has now been appointed to undertake drainage surveys and any resulting upgrade works. The late start to the program will result in an around £300k budget not utilised in the current year, to be rolled over to 2017/18.	(209,000)	(300,000)
Other net variances	A systems issue with our contractor Mears has resulted in a large amount of completed work not yet being invoiced. Other year to date underspends against the profiled budget result from late start to new contracts.	(1,273,238)	0
Other net variances		5,850	0
Total variance for Portfolio		(1,839,638)	(800,000)
		Other Net Variations	0
		20,226	0
Total for Housing Revenue Account Capital		(2,757,366)	(1,590,600)

General Fund			
ICT Development	With the ICT function effectively being managed through the 3c ICT shared service by HDC, the investment in capital has been scaled-back over the last year. It is recognised that there is a collective desire to streamline ICT investment through the 3c development programme with the ultimate goal of achieving large-scale shared savings through a more collaborative investment policy. This scaled-back approach is evidenced by the £87,461 profiled budget variance presented on appendix C. This variance is not withstanding the £472,000 that has already been approved by Cabinet through the budget rollover process.	(179,766)	(300,000)
	Other Net Variations	32,394	12,392
Total for GF Capital expenditure		(147,372)	(287,608)
Capital Expenditure Total		(2,904,738)	(1,878,208)