

Significant Items of Variance from Working Budget

General Fund Budget Q1 2016/17- Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £
Finance & Staffing Portfolio		
Corporate Management	The bulk of the variance is due to the £31K reversal of an accrual for unfunded pension costs invoice from the County Council not received to date and bank charges of £2K not yet reflected in the account.	(25,979)
Housing 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.	384,082
Other net variances		(6,797)
Total variance for Portfolio		364,900
Corporate & Customer Services		
Elections	The adverse variance arises from the Referendum Costs due to be reimbursed by the Government.	114,537
Other net variances		7,878
Total variance for Portfolio		106,660
Economic Development		
Economic Development	The favourable variance consists of a) the funds received from Huntingdon in PY and carried forward to this year, of which £16K was put forward for Business support workshops; b) £19K timing difference as new workshops have not been organised to date in the year due to staff sickness absence.	(35,664)
Other net variances		4,803
Total variance for Portfolio		(40,467)

Appendix C (1)

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Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £
Environmental Services Portfolio		
Footway Lighting	Accrual of £20k payable to Balfour Beatty b/fwd from 2015-16 has not yet been cleared in Q1. This has created a credit in this period. In addition to this, the £11k quarterly contract payment to Balfour Beatty has not yet been paid.	(31,479)
Waterbeach Depot	The anticipated uplift in rateable value of the site following the upgrading and adaptations necessary to accommodate Cambridge City Council has not yet been assessed and therefore applied. It has been assumed that this revaluation is back-dated to 9th November leading to a £37,429 variance.	(45,942)
Trade Waste	<p>When the budget was set, it was assumed that the Cambridge City Council's trade waste service would transfer to the Single Shared Waste Service (SSWS) with effect from 1st April. This has not happened. CCC has retained financial control of their element of the trade waste service which has meant that there are inevitable variances against all cost budgets apportioned to CCC within the trade waste service on SCDC's finance ledger.</p> <ul style="list-style-type: none"> • Staffing - £100k • Equipment - £ 21k • Landfill Costs - £213k • Fleet Transport Costs - £ 30k <p>Subsequent period profiled budgets will need to be realigned to reflect current practices with an agreed approach taken going forward after consultation with senior officers from both Authorities.</p>	(367,265)
Shared Waste Policy and Household Collection Service	<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. With the uncertainty surrounding whether this sum is necessary from day 1, the £150k was profiled in Q1 as a possible contribution to earmarked reserve for future use – this contribution has not yet been made.</p> <ul style="list-style-type: none"> • £30k additional income received, mainly through bulky household collections • £20k saving in staffing resource • £35k saving in fleet fuel • £18K pressure in fleet repairs and maintenance • £21k pressure on equipment budget 	(197,977)
Other		(5,389)
Total variance for Portfolio		(637,274)

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Planning Portfolio		
Development Control	The key elements of the variance consist of the Planning Fee income and Planning Pre-Application income approximately £190k higher than budgeted and of £34k revenue receipt in advance for S106 administration fees and also other s106 income higher than budgeted.	(257,781)
Planning Policy	The variance consists of a number of positive and negative variances, including £34k credit provision for shared 2015/16 services work, carried out by Cambridge City Council, but not yet invoiced. £100k credit provision for Local Plan work carried out in 2015/16, which SCDC have not yet been invoiced for. Favourable variance of £98K on the Local Plan Consultancy Fees. £25K adverse variance on the legal fees against budget.	(187,022)
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.	(90,577)
Other net variances		29,145
Total variance for Portfolio		(564,525)
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.	127,619
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 and £18k for "Bus Contract" miscoded to Northstowe.	(110,606)
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).	(280,697)
Other		0
Total variance for Portfolio		(263,684)
Other net variances		25,677
Total for General Fund Revenue		(968,247)

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Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £
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Significant Items of Variance from Working Budget

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

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £
Housing Repairs - Revenue		
Responsive Repairs	A favourable variance of £320,141 against the budget for responsive repairs was reported by the quarter 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 the demand led nature of the response repair budget.	(320,141)
Other net variances		0
Total variance for Portfolio		(320,141)
Sheltered Housing		
Sheltered Housing	The favourable variance for the year to date is based on staffing underspends due to a restructure in progress and the timing of the invoice payments, with a number of invoices not received to date and therefore not yet reflected in the accounts.	(66,497)
Other net variances		0
Total variance for Portfolio		(66,497)
Housing Administration		
Service Improvement	A budget was allocated for consultancy work, which is currently in progress. Invoices have not yet been received, resulting in a timing variance showing as an underspend at present. Budget allocation for tenancy audit looking at the Pay to Stay impact has not been used as guidance is still awaited from DCLG.	(44,000)
Other net variances		12,408
Total variance for Portfolio		(56,408)
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.	(17,942)
Other net variances		0
Total variance for Portfolio		(17,942)
Reprovision & New Homes Programme		

New build programme	Recharge invoice to the County Council to be raised for the expenditure as most of the work is being performed on County Council sites.	17,363
Other net variances		0
Total variance for Portfolio		17,363
Income		
Rental income	Higher than anticipated rental income, due in part to the completion of 20 new properties in Swavesey, which completed earlier than assumed for budget purposes. Right to buy sales are also marginally lower than anticipated for the first quarter, and the authority is not yet holding vacant homes for sale to meet the anticipated higher value voids levy, as regulations are still awaited.	(76,000)
Other net variances		(16,925)
Total variance for Portfolio		(92,925)
Other net variances		
		5,846
Total for Housing Revenue Account		(542,396)

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Capital Budget 2015/16 - Major Variances from Budget

Service Grouping	Reason for Variance	Actual (Favourable) / Adverse Variance £
Housing Revenue Account - New Homes Programme		
New Homes - On Site	Activity in respect of the new build scheme at Swavesey was complete by May 2016, and at Linton by July 2016, with the need to profile budgets to reflect this. The scheme at Foxton is spending slightly behind profile at this stage in the year, but work is progressing well on site, with completion still anticipated by December 2016.	27,054
New Homes - Schemes Not Yet On Site	The new build scheme identified in Balsham is not now anticipated to proceed as intended, and officers are exploring alternative sites which could be substituted into the programme to provide a comparable number of new build homes within a similar timeframe.	(308,194)
Other net variances		(14,511)
Total variance for Portfolio		(295,651)
Housing Revenue Account - Re provision of Existing Homes		
Reprovision 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.	(100,780)
Other net variances		0
Total variance for Portfolio		(100,780)
Housing Revenue Account -Repurchase of HRA Shared Ownership Homes		
Repurchase of Shared Ownership Homes	The resident's share in 2 shared ownership dwellings has been acquired by the Council in the first quarter of 2016/17. Activity in this area is hard to predict and can occur at any point in the financial year. The budget of £300,000 per annum is still anticipated to be sufficient to meet the demand at this stage in the year, and will be offset by the capital receipt received when dwellina shares are sold on again.	63,981
Other net variances		0
Total variance for Portfolio		63,981
Housing Revenue Account -Cash Incentive Grants		
Grants to Registered Providers	A budget of £390,600 has been included in the Housing Capital Plan to allow for grants to be made to registered providers so that retained right to buy receipts can be appropriately spent, where the HRA does not have sufficient resource to provide the required 70% top up funding. Officers are working with one of the larger local registered providers. to identifv schemes where this resource can be utilised to	(97,650)
Other net variances		0
Total variance for Portfolio		(97,650)

Housing Revenue Account - Improvement of Housing Stock		
Energy Conservation	The anticipated programme of external wall insulation will now be delivered in 2016/17 now that a contractor has been appointed and the contract is operational.	(248,000)
Wilford Furlong Refurbishment	The project to refurbish homes at Wilford Furlong in Willingham has been subject to resident consultation and works can now be ordered.	(233,000)
Improvements to Non-Traditional Houses	A pilot property has been improved in the early part of 2016/17, to ensure that this programme is rolled out effectively throughout the remainder of the year.	(216,000)
Kitchens	A new contractor has been appointed to undertake kitchen and bathroom replacements, and orders for both are now being placed, with full delivery anticipated by the end of the financial year.	(172,000)
Change of Tenancy	The need for capital investment in void dwellings is wholly dependent upon the condition in which properties are handed back to the landlord. There have not been as many major voids in 2016/17 to date as anticipated.	(151,000)
Drainage Surveys and Upgrades	Officers are in the process of appointing a contractor to undertake drainage surveys and any resulting upgrade works. The expenditure in this area is likely to be incurred in the latter stages of the financial year.	(125,000)
Bathrooms	A new contractor has been appointed to undertake kitchen and bathroom replacements, and orders for both are now being placed, with full delivery anticipated by the end of the financial year.	(77,000)
Disabled Adaptations	This budget is demand led, and is spending slightly behind profile at this stage in the financial year.	(60,000)
Heating Installations and Replacements	The current contractor was unable to deliver the full heating programme in 2015/16 due to a lack of labour capacity, but work has begun well in 2016/17. Spend is marginally behind profile, but the budget is expected to spend in full by year end.	(40,000)
Other net variances		35,665
Total variance for Portfolio		(1,286,335)
	Other Net Variations	0
Total for Housing Revenue Account Capital		(1,716,435)
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.	(87,461)

Grants - Provision of Social Housing	The allocation of Section 106 resource for investment in the provision of social housing has not yet been utilised in 2016/17, but is ear-marked for a number of projects during the year.	(100,500)
	Other Net Variations	(50,603)
Total for GF Capital expenditure		(137,358)