

Overview and Scrutiny Committee

Appendix 2

13th April 2011

Budget Monitoring Apr – December 2010 Explanations for projected outturn variances

Chief Executive Directorate

CE Head of Paid Service

Description	Variance £	Explanation
PA & Directorate Support	(12,620)	Vacant Post

Head of Business Transformation

Description	Variance £	Explanation
IT Services	14,000	As a result of the Shared Service with Bromsgrove District Council a share of redundancy costs are met by the Borough

Total	Chief Executive Directorate	1,380	
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Executive Director of Finance & Resource

Head of Finance & Resources

Description	Variance £	Explanation
Local Taxation	(29,700)	Two Vacant Posts
Corporate Expenses	(10,209)	The Audit Commission has given a refund in relation to work to be undertaken by the finance team to change the presentation of the accounts in accordance with new legislation (International Financial Reporting Standards)
Corporate Activities	15,056	A £10,000 contribution paid to the County Council for the WETT programme fund and 50% costs relating to META workshops are included in the anticipated variance.
Procurement	(28,478)	Officer seconded to undertake a role to support the implementation of job

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		evaluation.
M'Ment of Investment Properties	12,070	Additional costs relating to Arrow Valley Social Club – since the termination of the lease agreement, the Council is responsible for the boarding up and security at Arrow Valley Social Club, carrying out repairs due to vandalism and paying service water drainage at the site.
Comm Related Asset Property	(64,070)	A central government proposal to end empty property rate exemptions did not materialise in 2010/11 therefore the additional provision for NNDR void properties will not be needed this financial year.
Finance Charges	(142,168)	Due to the continued low interest rate the borrowing costs for the Council are significantly lower than anticipated.
Prior year Adjustment – VAT	(279,000)	During previous year's the Council charged VAT to various Leisure and Cultural activities that have since been challenged in the High Court. With the assistance of Grant Thornton Redditch Borough Council has been able to obtain a refund plus interest from the HMRC, the initial budget for this was lower than the actual due to the level of uncertainty of what would be agreed by the HMRC.
Human Resources	(20,069)	The service is currently being reviewed as part of the shared service programme and resulting savings have been included in the 2011/12 budget.

Head of Customer Services

Description	Variance £	Explanation
Customer Service Centres	(18,610)	Vacant Post and Maternity Leave (vacant post given as saving in 2011/12)

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Total	Finance & Resources	(565,178)	
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Executive Director of Planning & Regeneration, Regulatory & Housing Services

Head of Housing

Description	Variance £	Explanation
Housing Capital	(36,530)	Vacant post

Head of Planning & Regeneration

Description	Variance £	Explanation
Business Centres	(40,660)	Central government proposal to end void property NNDR exemptions did not take place in 2010/11 – the additional provision for NNDR void properties will not be needed this financial year.
Planning Services	(54,845)	Vacant posts
Economic Development	(10,000)	Bid for Diversification Park report unlikely to be used in 2010/11
Land Charges Income	(25,000)	Additional income includes previous year vat adjustment of (£12,559)
Planning Applications	(30,000)	Additional receipts in first half of year
Building Control	9,800	Income not achieving budget

Total	Planning & Ren., Regulatory & Housing	(187,235)	
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Executive Director of Leisure, Environment & Community Services

Head of Community Services

Description	Variance £	Explanation
Shopmobility	15,000	Town Centre Management have reduced grant to RBC & charged for electricity

Head of Environmental Services

Description	Variance £	Explanation
L'Scape & Cntryside/Waste Management	(22,500)	Savings due to restructuring and maternity leave
Engineering & Design	(13,390)	Officer working reduced hours
Garden Waste Collection	(10,322)	Pilot scheme - income received for 2010/11 – the scheme has now ceased but at the 7/2/2011 Council meeting, Members asked that options for private companies to undertake this service be looked into.
Waste Collection Gen.	(19,000)	Due to restructure of service, budget no longer required. This has been given up in 2011/12
Crematorium	(5,380)	Due to a number of staff not being in the pension fund there is a saving on the Council contributions we make
Grazing Project	5,622	Papermill Farm lease still under negotiation and therefore no income from rental has been received. The £5k relates to anticipated income from 2009/10 which has yet to be received. The lease relates to the grazing rights of horses on this land.
Pay & Display Car parks	19,500	Due to the changes in a local car park operating hours there is a significant shortfall in income from the Town Hall pay and display car park. Officers have included an element of this in the budget pressures for 2011/12 but will

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		continue to market the service more actively with the aim to increase revenue.
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Head of Leisure and Cultural Services

Description	Variance £	Explanation
Abbey Stadium	(30,000)	Reduction in casual hours coaches and instruction staff and £10k over achievement in income
Hewell Rd Swimming Pool	10,000	Under achieved on income including losses due to severe weather in Nov & Dec 10
Stitch Meadows	13,000	£10k efficiency (increased income) savings not achieved. There is also a lose of 3k on fair and circus fees due to the ongoing implications with town centre usage.
Arrow Vale	10,000	Under achieved on income in the main linked to the lose of ATP income due to severe weather.
Kingsley School Swimming Pool	10,000	Under achieved on income including losses due to sever weather
Church Hill Community Centre	(46,000)	The PCT lease expired on 31.3.09 however they have still continued to occupy the premises, without a lease, they have now been invoiced from 1.4.09 -31.3.11.

Total	Leisure, Environment & Community	(63,470)	
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SUMMARY

Total variances	£
General Fund	(814,503)