

Renewal & Recreation Portfolio Budget Monitoring Summary

2011/12 Actuals £'000	Division Service Areas	2012/13 Original Budget £'000	2012/13 Latest Approved £'000	2012/13 Projection £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
73	Housing Strategy & Development Housing Strategy & Development	(16)	(16)	(16)	0		0	0
73		(16)	(16)	(16)	0		0	0
15	Planning Building Control	(22)	16	16	0	1	0	0
(169)	Land Charges	(281)	(169)	(169)	0		0	0
1,011	Planning	801	798	833	35	2	27	290
1,264	Renewal	1,167	1,230	1,195	(35)	3	(27)	0
2,121		1,665	1,875	1,875	0		0	290
2,610	Recreation Culture	2,315	2,315	2,315	0		0	0
5,285	Libraries	4,816	4,856	4,856	0	4	0	0
374	Town Centre Management & Business Support	294	294	294	0		0	0
8,269		7,425	7,465	7,465	0		0	0
10,463	Total Controllable R&R Portfolio	9,074	9,324	9,324	0		0	290
4,181	TOTAL NON CONTROLLABLE	2,207	2,207	2,211	4	5	0	0
2,294	TOTAL EXCLUDED RECHARGES	1,957	1,957	1,957	0		0	0
16,938	PORTFOLIO TOTAL	13,238	13,488	13,492	4		0	290

Reconciliation of latest approved budget

£'000

Original budget 2012/13

13,238

Allocation from contingency for Land Charges

112

Allocation from contingency for Building Control Charges

38

Carry forward for Local Development Framework studies

60

Carry forward for libraries shared service one-off costs

40

Latest Approved Budget for 2012/13

13,488

Renewal & Recreation Portfolio - Budget Monitoring Notes - 31 July 2012

1) Building Control £0k

Based on information to date, an income deficit is projected of £160k. This is being offset by savings of £160k from management action to reduce costs, including holding 4.3fetes vacant.

2) Planning Dr £35k

Income from non-major planning applications is £110k below budget for the first four months of the year and a deficit of £250k is projected for the year. The actual income for the April to July 2012 is actually £42k higher than that received for the four months last year. Total income is therefore expected to be £100k higher than 2011/12, however, still some £250k below budget. The income projections have assumed the statutory price increase will be effective from 1st January 2013. Full year effect is expected to be around Cr £130k and will not therefore offset the current deficit forecast.

Continuing management action, including holding 6.6fte vacant posts has resulted in projected savings of £315k.

Only £41k has been received for major applications this year, compared to £106k for the same period last year. Planning officers within the major team have provided a schedule of potential future income that may be received before the year end of approximately £159k, and therefore a shortfall of income totalling £100k is projected from major planning applications.

The full year effect of the shortfall of income is likely to be £290k and Officers will need to review the service in order to ensure that there will be a balanced budget in future years.

3) Renewal Cr £35k

A recent vacant post has led to a projected underspend on salaries within the renewal team totalling £35k which is being used to offset the shortfall of income projected for planning applications.

4) Libraries £0k

There is an anticipated overspend on the Library IT budgets of £40k. This is largely due to two projects, the replacement of the Library Management System and the handover of responsibility for maintenance of hardware to Capita. All efforts possible are being made to expedite these projects which involve a number of partners and third party contractors.

There is a projected under achievement of income of £100k. The main areas of shortfall are library fines, spoken word hire, DVD hire and CD hire. Year on year customers are borrowing fewer items overall which significantly affects both hire charges as well as fines, although budgets increase each year in line with inflation.

To partly offset the above income deficit, management action is being taken to reduce expenditure within the libraries acquisition fund, giving a projected underspend of £40k. However, it should be noted that having fewer items available for loan etc is likely to further impact income hire and fines income in the future.

Within the staffing budget, there is a projected underspend of £85k. This is due to holding posts vacant pending Member decisions on potential reductions in opening hours (with consequent staff savings), as well as management action to help balance the overspend on IT budgets and income deficit.

There is also a projected underspend within premises budgets of £15k relating to a business rate rebate. This gives rise to an overall balanced budget across the library service.

Summary of variations within Libraries	£'000
Overspend within IT budgets	40
Income deficit	100
Underspend from libraries acquisition fund	(40)
Underspend within staffing budget	(85)
Underspend within premises costs	(15)
Total variation for libraries	<u><u>0</u></u>

5. Non-controllable budgets Dr £5k

For information here, the variations relate to a net shortfall within property rental income budgets across the division. Property department are accountable for these variations.