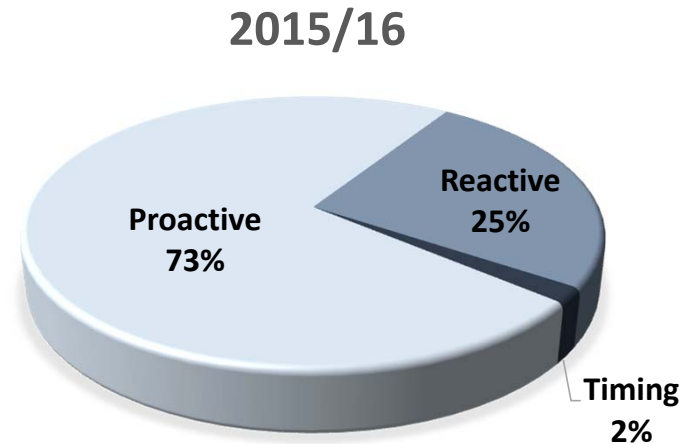
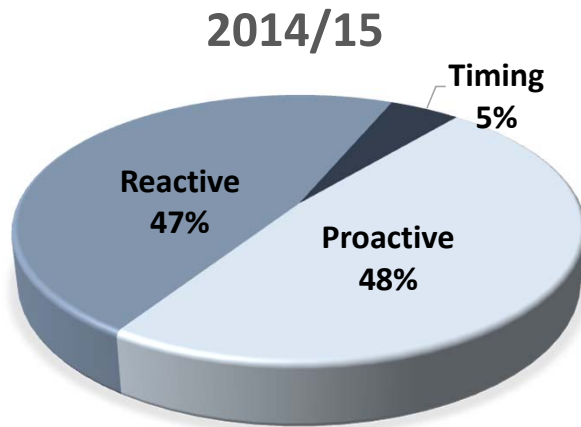


# GENERAL FUND VARIANCE ANALYSIS

For Consideration by Cabinet 02 December 2014

Analysis of General Fund Variances / Net Underspendings						
		2014/15	Expressed as a percentage of			2015/16
		£ VARIANCES				£ VARIANCES
<b>TOTAL NET VARIANCES</b>		<b>-776,000</b>	-4.2%	Net Revenue Budget	-5.4%	<b>-959,000</b>
Split by	Expenditure Savings	-458,400	-0.4%	Gross Expenditure	-0.8%	-757,000
	Additional Income	-317,600	-0.4%	Gross Income	-0.3%	-202,000



Key Drivers for Variances:	2014/15	2015/16	COMMENTS
	£	£	
<b><i>Proactive Changes (Managed savings, etc)</i></b>			
Restructures / Deleted Posts / Overtime	-148,000	-167,300	<i>Additional savings achieved over and above the original budgeted £322K.</i>
VAT refund	-108,200		<i>One-off refund relating to successful VAT claim on Trade Waste income, made back in 2010/11</i>
Internal Audit fee work	-12,000		<i>Continuation of work for other bodies</i>
Contribution to Parks reserve no longer required	-30,500	-3,000	<i>Change in provision of parks patrol vehicles now managed by Environmental Services</i>
Apprenticeship reserve	3,100	-19,700	<i>Reduced need for contribution - costs being funded from internal savings</i>
Car allowance savings	-39,400	-40,400	<i>Reduced cost following Personnel Cttee decision on 25 Feb 2014</i>
Consultancy & external fees	-51,000	-28,100	<i>Proactive management of costs (although some elements affected by demand)</i>
Software and other licences	-5,900	-25,300	<i>Proactive management of costs</i>
Reduced cost of funding HRA Central Control	-21,200	-28,500	<i>Proactive management of costs</i>
Business Rates reserve	600	-387,700	<i>Reassessment of Business Rates position and funding requirements</i>
	<b>-412,500</b>	<b>-700,000</b>	
<b><i>Reactive Changes (Unforeseen events, demand changes etc.)</i></b>			
Net turnover, pay award, incremental progression	-186,100	-13,900	<i>This will also include an element of managed savings, e.g. deliberately keeping posts vacant for a period of time, to review services needs</i>
Fees and charges across all services	-146,300	-78,900	<i>Assumed to be all demand driven</i>
Investment Interest	-51,100	-123,100	<i>Higher than anticipated cash balances &amp; improved interest rate forecasts</i>
Energy Costs	-40,700	15,100	<i>An element of the saving will have been achieved through active management</i>
Water Charges - Williamson Park	11,000	10,000	<i>Additional surface water charges levied by the water supplier</i>
Reduced fuel costs	-69,700	-74,500	<i>Reflects the reduction in the price of oil</i>
Vehicle repair & maintenance	63,000	65,700	<i>In line with 2013/14 outturn, cost of vehicle repair &amp; maintenance has increased</i>
MAAP contribution to reserve (BID)	40,000		<i>Member decision made after budget was set</i>
Other Non-Specific Changes	-24,400	-42,200	
	<b>-404,300</b>	<b>-241,800</b>	
<b><i>Timing Changes</i></b>			
West End Property costs	20,600	-75,400	<i>Savings now assumed in 2015/16 re Chatsworth Gardens</i>
Additional vehicle leasing costs	80,100	21,800	<i>The increase in 2014/15 is offset by savings made in 2013/14 - changes in leasing profiles</i>
Revenue cost of capital financing	-92,900	39,600	<i>Mainly due to additional capital receipts in 2014/15 resulting in less financing costs charged to revenue</i>
Direct revenue financing of capital programme	33,000	-3,200	<i>Additional cost in 2014/15 relates to slippage on the 2013/14 capital programme</i>
	<b>40,800</b>	<b>-17,200</b>	