

Appendix 1: General Fund Revenue Outturn

General Fund Revenue Outturn as at 31st March 2019

A summary of the revenue outturn position for the main service accounts of the Authority is set out in the table below.

Expenditure	Original Budget	Working Budget	Actual	Variance (Under)/ Over Spend	Appendix 1 Note
Central Services	1,815	1,815	1,758	(57)	
Environmental Services	5,666	5,645	5,457	(188)	1
Governance Services	1,629	1,724	1,702	(22)	
Health & Housing Services	4,026	4,027	3,711	(316)	2
Office of the Chief Executive	270	299	331	32	
Regeneration & Planning	6,113	6,285	6,531	246	3
Resources	1,119	1,109	1,276	167	4
Other Corporate Income & Expenditure Item	(4,434)	(4,700)	(5,209)	(509)	5
Net Revenue Expenditure	16,204	16,204	15,557	(647)	

Note1 Environmental Services

Car Parking Income (£179K above forecast)

The base budget was projected prior to February 2018 and doesn't include a favourable outturn of £48K for 2017/18. Explanations for the remaining additional income include increased numbers of festivals in the district and a general upturn in parking levels which has continued since the opening of the bypass.

Vehicle Repairs & Maintenance (£93K overspend)

Overspend has been incurred due to increased maintenance requirements. Further work will take place in 2019/20 to profile forecast maintenance budgets using actual information from previous years to optimise the vehicle replacement programme

Garden Waste Subscriptions (£55K below forecast)

The number of subscriptions dropped by 5.6% however the additional capacity generated was utilised to absorb the impact of new residential developments across the district which has contributed to delaying a new collection round scheduled for April 2019. Prices have been frozen for 2019/20 in order to protect the client base.

Waste Collection Salaries (£53K above forecast staff turnover)

Usually an area of high staff turnover, the target of £93K wasn't achieved due to vastly improved retention rates.

Note 2. Health & Housing

DFG Admin Fee Income (£137K underspend)

The capital DFG grant has been increasing year on year and for 2018/19 was £1.97M. Grants are allocated and an 18% admin fee is levied. More money has meant an increased number of grant allocations and a subsequent rise in admin fee income. There is some offset to staff overtime, agency costs and IT equipment to deal with the extra volume of work.

HMO Income (£74K underspend)

New HMO legislation from October 2018 resulted in 100+ additional properties for licensing resulting in an additional £74K income. The licences are for 5 years so this will be an exceptional year and it is expected to peak again in 2023/24.

Salt Ayre SPA and Health & Fitness (£96K underspend)

Problems recruiting to and retaining posts including the SPA manager post has resulted in savings. New staffing structure recently implemented is working well and improved performance has been noticed now the new team is established. Gym membership numbers continue to rise following the development and the marketing of the new offer with £33K additional income. This, coupled with savings from the vacant gym manager post, now restructured, has returned the net saving.

Salt Ayre Management & Administration (£80K overspend)

During the 2018/19 budget process, estimates provided by an external company were used by Property Services to reduce the electricity budgets based on expected savings made from the repair of the air handling unit at Salt Ayre. Whilst the centre continues to be as efficient as it can with all utilities, the returned savings have not been as high as expected resulting in a £50K overspend on electricity. In addition to this a rates revaluation has been completed at Salt Ayre which has increased by £30K.

Note 3 Regeneration & Planning

Development Management (£228K overspend)

An increase in non-fee earning work and reduced level of staffing to carry out building control fee earning work has resulted in an underachievement of income of £35K. Development control has had unforeseeable court costs and appeals in year to the value of £44K. Pre-app and planning fee income has seen a steady decrease in year, potentially due to Brexit uncertainty, with an underachievement of income of £191K.

Economic Development (£81K underspend)

Vintage and Light Up Lancaster, despite the best efforts of officers, have been unable to achieve the full savings target of £22K leaving an overspend of £19K. Economic Initiatives have incurred a £69K underspend due to delays in administering spend. New staff/structure now in place and a carry forward request of £29K has been submitted and will offset the underspend.

Regeneration (£216K underspend)

Engineers R&M budgets are both reactive and planned. Reactive jobs have been lower than estimated and some planned work delayed. This, along with lower capital salary charges and consultancy costs that will be delayed into 2019/20, have resulted in an underspend of £122K. Neighbourhood Planning consultancy expenditure £43K is likely to be delayed into 2019/20.

Service Support (£52K overspend)

Salary turnover target not achieved due to savings being used for interim cover which have out-turned higher than previously estimated.

Note 4 Resources

Net cost of Housing Benefits Grants (£183K overspend)

There was a reduction in 2018/19 in Housing Benefit Overpayment Recoveries of £285K as the number of claimants and overpayments reduced as more people move across to Universal Credit leaving a net cost of £183K after net spend on benefits awarded and in year overpayments are taken into account.

Reduction in Court Costs Income (£163K overspend)

Difficult to budget for Council Tax/NNDR Court Cost income as numbers of court cases can vary quite significantly year on year and estimates are based on previous years' numbers. 2018/19 was based on a large number of cases which didn't materialise.

Reduced Repairs & Maintenance Expenditure (£90K underspend)

As the Building Condition Works Programme draws to a close, and a lot of the essential upgrade works completed to the Councils buildings, the amount spent on one off repairs has reduced again. The budgets have been cut back in recent years and will be assessed going forward again to ensure that the correct level of funding is available for the routine maintenance and one-off repairs.

Resources Staffing (£116K underspend)

There have been two vacant Customer Service posts that haven't, and are unlikely to be, filled (subject to any service restructures) leading to a saving of £41K. Staff savings during the year in all Resources areas including Financial Services, Audit and Property Services totalled £75K.

Note 5 Other Corporate Income & Expenditure

Additional Government Income (£112k underspend)

Additional unanticipated income for received towards the end of the year in respect of Brexit preparations (£18k) and returned Business Rates levy (£88k).

Reduced Minimum Revenue Provision (£104k underspend)

Minimum Revenue Provision budgets are calculated in accordance with anticipated capital expenditure and borrowing. A lower than anticipated spend reflects lower levels of capital expenditure and therefore the need to borrow.

Direct Revenue Funding of Capital (£486k underspend)

Delays in some capital schemes have resulted in lower than anticipated revenue funding of capital schemes,