

SUMMARY OF GENERAL FUND MAJOR VARIANCES (Qtr 4 2009/10)

(Not included elsewhere in the report)

Service	Service Area	Reason for Variance & Action being taken	Variance to Date	Projected Variance to Year End
			£	£
			+ = Adverse () = Favourable	
VARIANCES REPORTED THROUGH PRT PROCESS (SERVICE HEAD COMMENTS)				
Democratic Services	City Elections	Additional printing costs relating to the Morecambe Parish elections, together with printing for by-elections.	+5,100	+5,100
	Civic & Mayoral Expenses	Savings due to reduction in events attended by Mayor.	(8,500)	(6,300)
	Electoral Registration	Additional grant received from Government for works previously completed but never guaranteed. Contribution towards the licence costs from 2 elections.	(27,100)	(27,100)
	Youth Games	Refund of Sports Council payments relating to previous years - may need to refund to other bodies and may therefore be carried forward (through an accounting adjustment).	(5,200)	(5,200)
Legal & Human Resources	Books and Periodicals	Efforts have been made to reduce spending and purchase only publications that are absolutely necessary	(5,600)	(5,600)
	Legal and Court Costs	Substantial expenditure had to be incurred on Counsel's fees in defending the Town Green application	+9,400	+9,400
	General Fees and Charges	Income depends on whether work is undertaken for which charges can be recovered and this is impossible to budget accurately in advance	+6,000	+6,000
	Licensing Act 2003 Premises	There have been fewer variations and new applications in this financial year, possibly as a result of the economic climate	+7,400	+7,400
	Corporate Training	Proposed management training had not been evaluated and it was decided to wait and provide training at a later date that meets the current needs of the Council - may be subject to carry forward request	(10,100)	(9,000)
	Consultants	The budget had been established for NWE0 to advise on the senior management structure, but after the initial piece of work, it was found that the work could be carried out in-house without the need to incur further cost. To be offset by reduced contribution from Restructuring Reserve.	(8,800)	+0
Financial Services	Investment Interest	See separate report.	(22,000)	(22,000)
	Part provision for estimated losses in investments	Capitalisation directive for £2.1M now received - outturn dependent on views at year end regarding Landsbanki & Glitnir creditor status and any updates to estimated recovery rates.	+0	+0
	VAT Recovery Claim	HMRC have now paid 2 out of 3 elements of the claim (in line with the basic assumptions for the Revised Budget), and confirmation of most of the interest due (£244K) has just been received on 27 April.	+400,000	(37,000)
	Service Mgt & Admin	Various year end accruals are still outstanding but it is expected that there may be some underspending at year end.	(23,000)	(10,000)
Revenues	NNDR Admin Grant	Business Rates Deferral Scheme new burdens grant - underspend against grant received.	(8,200)	(8,200)
Information Services	Equipment Maintenance	Project delayed due to joint working with Preston CC. Will be subject to a carry forward request.	(16,600)	(16,600)
	Printing / Copying technology	Changes to technology used will deliver an overall saving. Some accruals are still outstanding.	(17,000)	(10,000)
	Income from printing	No income received from prints. Budget to be reviewed during 2010/11.	+5,200	+5,200
Environmental Services	Electricity	Mistake made by supplier regarding meter readings leading to under charged amounts of £6K in 2008/09 and £3K in 2009/10.	+3,000	+9,000
	Vehicles - Fuel	Budgets to used more litres than actual outturn, in addition to a lower than anticipated rate per litre.	(27,000)	(27,000)
	Vehicles - R&M	Unplanned maintenance less than expected, in addition to the positive impact of extended warranties.	(22,000)	(22,000)
	Highways	As has been previously reported, due to jobbing nature of work it is extremely difficult to predict levels of income in Highways. As in previous years more profitable jobs are instructed in the second half of the year.	(55,000)	(55,000)
	Bulky Matters	Income from jobs and therefore sales down. The first 3 quarters of the year saw less than predicted number of jobs. This is an obvious side effect of the recession. However, due to marketing campaign number of jobs for the last quarter has picked up. In addition, there is now an annual management fee from Blackpool Bulky Matters.	+10,000	+10,000
	Grounds Maintenance - Hire of Vehicles	More efficient running of fleet has led to less breakdowns.	(10,000)	(10,000)

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Property Services	Municipal Buildings - Energy Costs	Savings made through flexible purchasing scheme	(44,100)	(21,900)
	Municipal Buildings - Energy Performance Certificates	Significant fall in costs for each certificate & limited lettings & sale of buildings	(9,200)	(8,300)
	Municipal Buildings - Hire of Premises	Additional Income from Room hire	(22,600)	(22,600)
	CityLab - Electricity	Increased usage by occupiers	+8,100	+8,100
	CityLab - Gas	Savings made through flexible purchasing scheme	(8,200)	(8,200)
	Derelict Land - Shell ICI	One-off windfall income for cable easement	(16,500)	(16,500)
	Commercial Properties	Rental Income higher than assumed in revised budget	(19,000)	(19,000)
	Kellet Road Industrial Estate, Carnforth	Since the revised estimate was set actual details of some of the costs for the dilaps works and fees have now been received. Accruals will result in a saving.	+28,400	(5,300)
	Lancaster Bus Station - Service charge recovered	Environmental Services recharge £16.1K not budgeted for, however other accruals will result in a net saving.	+5,300	(18,000)
	Ryelands House - service charge recovered	Budget set too high resulting in reduced income. Accruals will reduce the current position down to £10.6K.	+32,758	+10,600
	St. Leonard's House - Energy costs	Savings made through flexible purchasing scheme	(26,900)	(20,600)
	Lancaster Market - electricity	Savings made through flexible purchasing scheme	(15,800)	(12,400)
	Lancaster market - rents	Due to loss of tenants and uncertainty surrounding the future of the market	+20,300	+20,300
	Lancaster market - service charge recovered	Due to loss of tenants and uncertainty surrounding the future of the market	+18,200	+18,200
	Concessionary Travel	Waiting for pooled invoice Dec-Mar to arrive. Reimbursement rates with bus companies still not agreed so final outturn figure for pooling arrangements cannot be finalised.	?	?
	Concessionary Travel - Travel Pass Expenses	Unexpected increased costs recharged from County Council.	+8,400	+8,400
	Off-Street Car Parks - Electricity	Reduced energy prices from December due to new flexible purchasing contract and energy savings initiative	(11,000)	(8,100)
Off-Street Car Parks - Fines	Lancashire Parking Services have supplied provisional income figures and are still finalising the actual income and the value of the outstanding PCNs. Potential for variance of greater than £5,000.	+87,000	?	
Community Engagement	Playschemes	Reduced provision resulting in savings.	(8,200)	(8,200)
	Salt Ayre Sports Centre	This figure includes the need to achieve a savings target of £128k. Performance of Reflexions accounts for the major part of the variance - although prior to savings target, is an actual improvement on original budget by £19k - helping to reflect the high degree of difficulty in achieving the savings. Bar and catering operation also did not achieve target. Action to be taken includes introduction of new direct debit system (provide greater flexibility for customers) for Reflexions and specific membership 'drive' promotions. Bar and catering operation reviewed to reduce staff costs at management level - still providing high standard of customer service.	+47,200	+47,200
Regeneration & Policy	Planning Application Fee Income	Budget revision (downward) at half year was based on trends in the previous 12-18 months. However, since budget revision, although there has been a drop in medium sized application numbers, householder applications have increased and there is also a small upturn in "major" applications, with associated large fees. Request carry forward to "reserve" to procure consultants for major applications if upturn continues.	(117,800)	(117,800)
	Local Development Framework	Spend on preparation of LDF documents not progressing at anticipated rate due to need to undertake competing work to cover the Strategic Housing Agenda until staff appointed.	(23,500)	(11,900)
	River and Sea Defences	Unexpected Income from Wind Farm cables	(9,300)	(9,300)
	Critical Ordinary Watercourses	Additional income.	(10,300)	(10,300)
			+93,258	(424,500)

VARIANCES NOT REPORTED THROUGH PRT PROCESS				
			+0	+0

TOTAL VARIANCES			+93,258	(424,500)
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