

2010/11 VARIANCE ANALYSIS

For consideration by Cabinet 18 January 2011

	Favourable (-) / Adverse		Qtr 2 PRT Projection £
	£	£	
2010/11 ORIGINAL BUDGET REQUIREMENT		24,740,000	
SERVICE / SERVICE AREA & MAIN REASONS FOR VARIANCE			
CORPORATE VARIANCES			
Senior Management Restructure		-191,300	
Capital Financing cost - reduced charge due to change in unsupported borrowing		-76,000	
Miscellaneous Items - all Services		-33,600	
COMMUNITY ENGAGEMENT			
Happy Mount Park - new waste water run-off charge	18,600		
Non-Resort Parks - additional rental income	-6,500		-6,400
Parks Patrol - salary savings	-8,700		
The Dome - residual costs mainly from utilities and R&M	22,700		22,800
Platform - numerous variances	-9,100		-11,000
Promenade Management - additional rental income	-12,500		-13,900
Salt Ayre Sports Centre -£48K re salaries, +£67K reduced income, +£23K additional NNDR cost	33,700		69,800
Customer Services - salary savings	-6,900		
Leisure Development - salary savings	-20,500		
Community Pools - net increased operating costs	34,300		7,600
Community Engagement Mgt & Admin teams -£116K re salaries, +£181K reduced grant income	49,300	94,400	
ENVIRONMENTAL SERVICES			
Open Spaces Commuted Sums	37,500		
Highways Verge Maintenance	-6,800		
Grounds Maintenance -£39K re salaries, -£27K re plant & vehicles, -£10K re waste disposal charges	-81,000		-32,400
Lancashire Highways Partnership - net surplus	-73,000		-43,600
Management & Admin - +£25K re salaries	18,100		
Street Cleansing -£38K re salaries, -£32K re vehicles, -£23K re additional income	-93,600		
Trade Refuse -£30K re salaries, +£59K re reduced income from collections	15,100		43,600
Public Conveniences - mainly salary savings	-25,000		
Three Stream Waste -£60K re salaries, -£146K re vehicles	-201,600	-410,300	
FINANCIAL SERVICES			
Benefits Administration +£11K re salaries	25,400		
Council Tax Administration -£40K re salaries, +£20K reduced legal costs recovery	-16,900		
NNDR Administration +£4K re salaries, -£21K govt grants, -£30K legal & court costs	-44,700		-13,000
Benefits and Allowances - net reduction in cost	-48,900		
Financial Services Mgt & Admin -£37K re salaries	-41,900		
Audit Fees - increased cost due to various elector challenges	35,000		27,000
Project Implementation Reserve	-88,600		
Interest and Investment Income	-102,800		-105,000
HRA charges (Item 8)	29,100		
Treasury Management	-7,000	-261,300	
GOVERNANCE SERVICES			
Democratic Representation - Member Allowances	-25,500		-18,300
City Council Elections - additional costs	15,800		15,000
Democratic Mgt & Admin accounts -£22K re salaries	-22,300		
HR Mgt & Admin -£22K re salaries, +£6K medical fees	-8,100		
Legal Mgt & Admin +£9K re salaries	10,200		
Search Fees net reduced income	37,700	7,800	30,000
HEALTH & HOUSING			
Cemeteries - mainly additional internment fees	-13,800		
Health & Safety -£10K re salaries	-15,300		
Housing Advice -£21K re salaries	-18,900		
Private Rented Sector Activity -£5K re salaries	-4,200		
Env Health Mgt & Admin -£17K re salaries	-20,700		
Pest Control -£3K re salaries	-5,300		
Strategic Housing Mgt & Admin +£11K re salaries, +£30K re admin charges for DFG's	39,800	-38,400	30,500

Continued on next page

APPENDIX B

INFORMATION SERVICES

Management & Admin -£42K re salaries, -£10K re printing & copying equipment	-58,100	-58,100	-20,000
---	---------	----------------	---------

PROPERTY SERVICES

Commercial Land & Buildings - reduced rental income and additional R&M costs	85,300		38,700
CCTV - hire of equipment	-8,300		-9,500
Concessionary Travel Expenses	-214,900		
Property Mgt & Admin -£7K re salaries, -£7K re consultants	-15,200		
Office Support -£21K re salaries	-21,700		
Lancaster Market -£11K re salaries, +£59K re income, -£17K re NNDR, +£5K re building cleaning	26,300		191,300
Municipal Buildings - energy savings and R&M savings	-49,500		-33,700
Off Street Car Parks - +£20K income, +£20K NNDR less -£9K electricity saving	27,900		-22,100
Lancaster Bus Station - service charges mainly	-14,500		-17,200
Other Land & Buildings - R&M at resort parks mainly	<u>12,500</u>	-172,100	

REGENERATION AND PLANNING

Building Regulations	-45,300		
Development Control - additional income less legal costs and reduced discharge conditions income	46,000		15,300
Luneside Regeneration project costs - uncertainty over receipts from other bodies re previous years	78,300		78,300
Regeneration Team -£17K re salaries, +£83K re reduced grant income	66,700		
Lancaster Square Routes - consultancy (Cabinet 05 Oct 2010)	40,000		
THI 2 - "A View for Eric" - consultancy (Cabinet 05 Oct 2010)	40,000		
Land Drainage - R&M	-18,500		
Winning Back West End Property Account -£69K recovery of costs from sale of properties	-72,500		-69,000
Local Development Framework - consultancy spend delayed until 2011/12	-25,200		-23,700
Morecambe Area Action Plan - spend delayed until 2011/12	<u>-95,000</u>	14,500	-95,000

2010/11 DRAFT REVISED BUDGET

23,615,600

NET UNDERSPEND

-1,124,400