

## 2011-12 Revenue Out-turn

	Budget	Actual	Over/ (Under) Spend	Over/ (Under) Spend
	£'000	£'000	£'000	%
Place and Governance	3,503	3,389	(114)	(3.3)
Commissioning	10,662	10,548	(114)	(1.1)
<b>Sub Total</b>	<b>14,165</b>	<b>13,937</b>	<b>(228)</b>	<b>(1.6)</b>
Housing Benefit	6	(402)	(408)	
<b>Total</b>	<b>14,171</b>	<b>13,535</b>	<b>(636)</b>	<b>(4.5)</b>

The table above details the year end under spend of £636k (4.5%). It is recommended that the under spend balance is retained in the General Fund, subject to any other accounting changes identified after the accounts process has been completed.

The main variances which contribute to this out-turn position are detailed below:

*Place and Governance*

- Policy & Communication (£25k) – below budget salaries and marketing & promotion spend due to spend being kept to a minimum during the year.
- Member Services (£30k) – below budget salaries costs and reduced claims for Members travel and subsistence.
- Corporate Management (46k) – below budget spend within hired services and early retirement costs relating to the shared management with SHDC.
- Corporate Efficiencies (£78k) – above budget efficiencies achieved in various areas within base budgets and from reviews of services.
- Insurance £41k – Above budget insurance costs mainly resulting from increased lease car insurance costs and increase industrial property insurance costs. The industrial property increase is offset by income received within the Commercial Property account, which reduces the net increase to £20k.
- Community Safety £13k – above budget salary costs resulting from a temporary post being extended beyond its budgeted end date.

*Commissioning*

- ICT (£121k) – mainly due to below budget software support and licences resulting from the zero based budgeting approach adopted when the service was brought back in house.
- Forward Planning (£23k) – below budget spend within the LDF base budget.
- Land Charges (£58k) – above budget income from search fees.
- Public Lighting (£51k) – below budget spend due to the contract being re-tendered and only re-active works taking place. This will result in a reduced charge/special expense to the relevant Town Councils.
- PFI (£42k) – Credits received relating to service deductions from the contractor.
- Advice & Homelessness (£20k) – Above budget Bed & Breakfast (B&B) income due to increased collection rates and reduced B&B spend resulting from fewer applicants utilising B&B.
- Building Control £55k – below budget income resulting from the current economic conditions and above budget spends within supplies and services and salaries.

- Development Control £139k – below budget income resulting from the current market conditions particularly affecting small developments. Major applications have increased but this income is largely offset by additional contract payments.

#### **Housing Benefit**

- Housing Benefit (£408k) – Due to the performance within the year, the Council will receive additional subsidy which would have been withheld if overpayments had breached a prescribed threshold percentage. This performance was not known at the end of quarter 3, so the forecast out-turn assumed a prudent approach and did not include this additional income. In addition to this, the bad debt provision is less than budgeted as collection rates are expected to increase as a result of employing 2 additional overpayment officers.

The figures above are not final and include assumptions relating to Icelandic bank deposits interest based on prior year accounting treatment. Further guidance will be issued by CIPFA shortly, with the final out-turn being reported to Audit Committee along with the Statement of Accounts by the end of June.

#### **Major Income Areas**

The following table details the out-turn against the major areas of income within the Council.

<b>Major Income Area</b>	<b>Budget</b>	<b>Actual</b>	<b>(Above)/ Below Income</b>	<b>(Above)/ Below Income</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>%</b>
Land Charges income	160	218	(58)	(36.3)
Development Control income	1,086	1,012	74	6.8
Commercial Property rental income	2,368	2,326	42	1.8
Building Control income	409	367	42	10.3
Bed & Breakfast income	25	37	(12)	(48.0)
Offices Rental & Service Charges	640	550	90	14.1
Garden Waste Scheme	570	570	-	-
Licensing income	151	151	-	-

- Land Charges income should reflect the current market conditions, so the income received is higher than expected due to increased searches.
- Development Control and Building Control income are below budget due to the current market conditions within the construction industry.
- Bed & Breakfast income is higher than budgeted due to an increase in the collection rate, as a result of improved collection protocols.
- Office rental & service charges income is below budget due to reduced spend within service charges leading to reduced income, in addition to a small reduction in lettings within the year.