

Appendix B - Major Variances in Net Costs of Services 2007/08 V 2006/07

		Outturn 2007/08	Outturn 2006/07	Increase/ (Decrease)
Code	Cost Centre	£'000	£'000	£'000
004	Corporate Improvement Reduced costs in 07/08 resulting from a reallocation of staff costs to a new cost centre (364 Corporate Policy).	232	299	(67)
056	Corporate Additional costs incurred on recruitment and interim management prior to the appointment of the Chief Executive and the new corporate management team.	2,027	1,966	61
065	CER Package Reduced costs in 07/08 as this project is nearing completion.	(18)	157	(175)
066	Cultural Package Reduced costs in 07/08 as this project is nearing completion.	0	67	(67)
067	Customer Reduction in staff costs (46k) and ICT support charge (£53k)	513	642	(129)
102	Development Control Additional Planning fee income received in 07/08 due to more applications, including some big projects, partly offsets increases in expenditure. Additional costs in 07/08 relate to Salaries (£98k), Legal Fees (£40k) and Recharges. The salary costs relate to creation of 2 new posts. Legal fees relate to a provision for a planning appeal. Support service recharges have increased in 07/08 for computer and customer contact centre.	260	155	105
125	Street Cleansing Additional costs in 07/08 relate to interim management cover for maternity leave (£51k). Increased costs for the cleansing contract (£27k) resulting from expansion of the scheme coverage.	975	891	84
263	Strategic Housing Manager/Housing Strategies Additional costs in 07/08 relate to housing register contract (£226k) and Salaries (£17k). The housing register contract was renewed during the year as the original contract with Peddars Way Housing Association, following housing stock transfer, came to an end. Salary costs relate to an extension of a fixed term post approved by Star Chamber.	539	287	252
302	Trees & Countryside Additional costs relate to Wensum Valley Project. The project was transferred over from Norfolk County Council in 06/07, along with the balance of reserves. Wensum Valley were set up as a charitable trust at the beginning of 07/08, with the reserve balance being transferred to the new organisation.	185	82	103
305	Local Elections Additional costs in 07/08 relating to Local Elections held in May 2007	206	54	152

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		£'000	£'000	£'000
306	PFI Leisure Contract Additional costs in 07/08 relate to Unitary Charges (£1m), partly offset by a reduction in management charge for the non PFI centre, following full service commencement in Thetford in February 2007, and Dereham in April 2007. An impairment charge (£700k) to the service arose as land at the new Dereham Leisure Centre was revalued to reflect the length of the PFI commitment.	2,184	352	1,832
355	Customer Service Centres 06/07 includes the costs of re-furbishing the customer service centres	303	357	(54)
362	Partnership Development/Match Funding Lower spend on Match Funding projects in 07/08 compared to 06/07 as the new scheme was being developed and launched during the year.	95	159	(64)
364	Corporate Policy This is a new cost centre that was set up in 07/08. Staff costs were reallocated from cost centre 004, Corporate Improvement.	100	0	100
406	REV Project Higher proportion of expenditure in 07/08 was eligible for grant funding.	3	65	(62)
459	Strategic Alliance Reduced activity on the key work streams by the strategic partner in 07/08 in comparison to the first year.	558	838	(280)
500	Tourism This budget was merged with Economic Development in 07/08	8	90	(82)
502	Community Transport Changes to the national concessionary bus fares scheme, resulting in an increase in the number of bus passes issued to residents, lead to an increase in subsidy paid (88k). Set up costs for the new 2008 scheme were only partly offset by a one-off grant.	951	855	96
503	Waste Collection Increases in the number of households in the district has triggered an increase in the cost of waste collection (£377k), as the contractor has had to employ additional resources to deal with the extra demand on this service. This was partly offset by an increase in income for garden waste collection (£73k). The reallocation of Customer Contact Centre charges resulted in an increase of £160k.	1,547	1,071	476
551	ICT Interim management expenditure funded from reserves	(2)	(72)	70
561	Offices Reduction in rent and service charges at the Old Guildhall and Breckland House (£144k) and additional works on internal and external redecoration at Breckland House (£32k)	(187)	(371)	184