

## Appendix A6

### DEVELOPMENT DIRECTORATE

Revenue Monitoring
--------------------

Approved budget as reported at Quarter 2		£2,261,700
Adjustments to budget	£0	
		£0
Revised Approved Budget		£2,261,700
Forecast Outturn at 31 March 2011		£2,482,200
Forecast over(under)spend		£220,500*

\*£282,700 to be met by a transfer from earmarked reserves so the net underspend is £62,200

The significant issues arising during the period July to September that Members should consider are:

<b>Service</b>	<b>Approved Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Potential Budget Saving</b>	<b>Q3 Forecast Year End Variance</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Development Directorate	£121,100	£123,300	£78,300	£76,900	£0	(£44,200)	The savings are due to the restructure and the removal of the Development Director Post and the Development Directorate Support Officer.
Economic Development	£60,900	£53,400	£53,400	£46,300	£0	(£14,600)	This is due, principally, to staff redeployment to Planning Policy which is anticipated to continue until the end of the financial year.
Ashwell Business Units	£0	£20,000	£17,400	£17,400	£0	£17,400	The original budget was set assuming a breakeven position. However a shortfall in rental income is predicted in the first year of operation. The intention is to meet the shortfall from the Local Authority Business Growth Incentive grant that was transferred into the Invest to Save Reserve at 31/3/10 (Cabinet report No.179/2010). The business units are expected to achieve small profits from 2011/12.

<b>Service</b>	<b>Approved Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Potential Budget Saving</b>	<b>Q3 Forecast Year End Variance</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Communications & Performance	£97,600	£123,700	£108,700	£108,700	£0	£11,100	At Quarter 1 an overspend was reported of £26,100 being due to Rutland County Council Web Site improvements committed contractually during 2009/10 and completed during 2010/11. This expenditure will be met from a transfer from the Invest to Save Reserve. Since Quarter 1 savings have been identified. The grant aided budget for Road Closure Events has not been utilised as expected, saving £7,500 and printing and publicity costs are forecast to come in at a saving of £7,500.
Catmose Sports & Swimming	£0	£0	£54,800	£54,800	£0	£54,800	The costs of running the swimming pool had been included within the Active Recreation Budget. These costs have now been transferred to their own cost centre to facilitate monitoring. This spend will be met by an allocation from Invest to Save Reserve.

<b>Service</b>	<b>Approved Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Potential Budget Saving</b>	<b>Q3 Forecast Year End Variance</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Museum Service	£222,100	£244,700	£248,700	£220,600	£0	(£1,500)	The previous overspend has been mitigated in Qtr 3 by a significant rebate resulting from a successful NNDR valuation appeal exercise. This is ongoing reducing the budget requirement for 2011/12.
Planning Policy	£178,200	£401,600	£355,400	£355,400	£0	£177,200	The variance is due to ongoing work on the Local Development Framework and Minerals Core Strategy. This expenditure is to be covered by funds from the Housing and Planning Delivery Grant reserve as set out in Cabinet Report Number 4/2010. The HPDG reserve accumulated over recent years currently amounts to £409,000. Careful monitoring will be required to ensure the overall budget agreed to in the Cabinet Report is not exceeded.
Welland Market Towns	£8,400	£8,400	£8,400	£24,600	£0	£16,200	The variance is due to the budget requirement for the Rutland Market Towns post being understated.

<b>Service</b>	<b>Approved Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Potential Budget Saving</b>	<b>Q3 Forecast Year End Variance</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Property Services	£263,700	£301,200	£298,200	£270,300	£0	£6,600	Property Services have currently undergone a restructure to mitigate the budget pressures incurred with regard to the need to use agency staff to deliver the maintenance programme. In addition vacant posts have not been filled in the short term to help bridge the gap. The restructure will be completed by the end of March 2011.
Total reduction in 2010/11 budget as a result of in year savings					£0		

Other risk areas that may affect the budgets over the next quarter/year:

:

- Pit Lane Rents – the rental income receivable when the units are fully let is less than the amount budgeted for in 2010/11. Improved monitoring has mitigated the shortfall, the variance being forecast at £8,400 for Q3.
- Live @ - included in museum budget in 2009/10, in 2010/11 has its own budget. Careful monitoring will be needed during 2010/11 to manage the development of this programme and overtime requirements.

## Capital Monitoring

The approved capital programme 2010/11 for the Development Directorate Portfolio is £21,592,900

**Approved budget as reported at Quarter 2** **£21,592,900**

**Adjustments to capital programme**

Post 16 Capital Project transferred from CYPS £3,436,000

Post 16 Capital Project re-profiled budget (£1,986,000)

£1,450,000

**Revised Budget**

**£23,042,900**

**Forecast Outturn at 31 March 2010**

**£23,050,100**

**Forecast over(under)spend**

**£7,200**

**Approved Schemes**

<b>Scheme</b>	<b>Revised Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Q3 Variance against budget</b>	<b>Funding source</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Post 16	£1,450,000	£0	£0	£1,450,000	£0	Grant/ Contributions	The amount of funding allocated to the Post 16 project is £5.1m. The spend in 2010/11 will be the site purchase plus design, legal and planning fees.
Catmose Campus	£13,428,600	£13,883,700	£13,428,600	£13,428,600	£0	Grant/ Prudential borrowing	An overspend has been identified in the client direct budget due to the prolongation in completion, but it is anticipated that this will be recovered in year from the contractor.

<b>Scheme</b>	<b>Revised Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Q3 Variance against budget</b>	<b>Funding source</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Little Build	£4,440,100	£7,129,000	£4,440,100	£4,440,100	£0	Grant/ Contributions	The scheme was at the contractual stage when the DfE announced during week commencing 5/7/10 a c£660k reduction per Authority in the 14-19/SEN Targeted Capital Fund Grant, £296,500 coming from the Little Build project. The Capital Projects Team has negotiated with the contractors Willmott Dixon to deliver the project taking into account the reduced funding available.
Better Schools for All	£3,712,600	£5,336,500	£3,712,600	£3,712,600	£0	Grant	The scheme is funded from the same pot as the Little Build with work being handled by the same contractors. Phasing of programme has been reassessed on school opening in 2011/12.



<b>Scheme</b>	<b>Revised Budget</b>	<b>Q1 Forecast</b>	<b>Q2 Forecast</b>	<b>Q3 Forecast</b>	<b>Q3 Variance against budget</b>	<b>Funding source</b>	<b>Explanation including assumptions made and risk assessment of the forecast</b>
Free Swimming	£11,600	£11,600	£11,600	£11,600	£0	Grant	This grant will be used to address some of the smaller works that are required to keep the pool operational. However this is currently on hold pending negotiation/agreement with Catmose Campus.
Access to Work	£0	£7,200	£7,200	£7,200	£7,200	Reserves	Access to work was a £52k Capital project funded by The East Midlands Development Agency for £34k, with £18k match funding coming from Rutland County Council. This match funding will be met by the Invest to Save Reserve. £10,880 had been match funded in 2009/10 and £7,200 will be match funded in 2010/11.
<b>TOTAL</b>	<b>£23,042,900</b>	<b>£26,368,000</b>	<b>£21,600,100</b>	<b>£23,050,400</b>	<b>£7,200</b>		