

Appendix A5

CORPORATE PORTFOLIO

Revenue Monitoring

Approved budget as reported at Q3	£4,654,300
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Adjustments to budget	
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	<u>£0</u>
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Revised Budget	
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	<u>£4,654,300</u>
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Forecast at Quarter 3	£4,931,000
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Outturn at 31 March 2011	£4,916,100
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Over(under)spend against Budget	£261,800
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Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Revenues (including Counter Fraud and Benefits Payments)	£228,500	£228,600	£218,390	£221,900	£174,100	(£54,400)	<p>The Council received additional National Non Domestic Rates (NNDR) administration grants of £10k and £17k relating to 2009/10 and 2010/11 respectively to contribute towards the in year costs of amended rules. These had not been anticipated due to late notification from the Department for Communities and Local Government (CLG). Furthermore additional grants of £10k were received which were not originally budgeted.</p> <p>There was a £6k saving on postage and stationery costs which are substantially incurred in March when the Council Tax bills are issued.</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Housing Benefit Payments	£6,700	£6,700	£6,700	£35,300	(£6,800)	(£13,500)	<p>Housing Benefit caseloads with a value of £5m have increased 1.3% above projections. Additionally there have been nationwide amendments to Housing Benefit schemes which have resulted in increased entitlements from September. Furthermore, the fraud prevention team identified a fraud during Q3 which resulted in a loss of subsidy amounting to £13,920. This may be re-paid in future financial years.</p> <p>Housing Benefit overpayments recovered during the year had not been transferred from the Civica system to the revenue budget until the year end therefore this has resulted in additional income of £33k that was not forecast at Q3. Procedures have now been amended to ensure that this income is transferred quarterly.</p> <p>Furthermore, there was anticipated expenditure relating to Rent Rebates of £8.3k at Q3, however this should have been removed from the budget as the Council no longer retains an Housing Revenue Account (HRA).</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Corporate Subscriptions	£45,300	£45,300	£45,300	£45,400	£31,100	(£14,200)	The Council did not subscribe to the East Midlands Rural Affairs Forum or the Improvement and Development Agency in 2010/11. This budget will be amended in 2011/12 to reflect the savings.
External Audit & Inspection	£203,700	£203,700	£203,700	£203,700	£176,000	(£27,700)	The Audit Commission reviewed their charging in year and reduced the Inspection Fee element of their service, however this was not confirmed until Q4 The 2011/12 budget will be updated to reflect the agreed audit fee for the year.
Corporate Financial Expenses	£65,400	£65,200	£65,200	£63,600	£52,500	(£12,900)	The Council received a one off unexpected and unbudgeted rebate of £7k from Commensura relating to agency staff spend in previous financial years. There was also a £7k saving through not renewing the subscription to the Association of Local Authority Risk Managers (ALARM)
Elections - European	£0	(£14,000)	(£14,000)	(£32,700)	(£20,400)	(£20,400)	Grant income relating to prior years had been received during Q3 of 2010/11. However, In March a repayment of part of this grant was made to the Ministry of Justice that wasn't anticipated.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Registration Service	(£32,400)	(£32,400)	(£32,400)	(£26,900)	(£10,300)	£22,100	Income from charging within the registration service was £14k less than anticipated at Q3. There was also an overspend of £2K relating to staff overtime. In both instances the outturn was similar to the previous financial year. The income budget was ambitiously set £13K higher than in 09/10 and ultimately this was not achievable.
Welland Partnership	£54,200	£48,600	£54,200	£54,200	£42,700	(£11,500)	The payment to the partnership was £5k less than budget with the remaining saving due to reduced licence costs payable to Rutnet.
Training, Conferences and Seminars	£207,000	£222,000	£255,500	£255,500	£192,500	(£14,500)	It was anticipated at quarter 3 that there would be an overspend due to the use of Invest to Save funds for a Coaching programme and a Foundation Management programme for middle managers. However, the take up for Coaching was less than anticipated and the foundation management programme was put on hold due to the restructure. Consideration is currently being given to Strategic Management Team (SMT) have agreed that these funds will be required in 2011/12.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Information Technology	£366,900	£359,400	£400,400	£374,700	£351,500	(£15,400)	The central budget for Information Technology (IT) consultancy was not utilised in year releasing a saving.
IT Operational Support	£885,800	£927,500	£887,500	£925,500	£996,600	£110,800	At Q3 a variety of under and over spends relating to computers (hardware, software, licenses etc) had been pressured by costs relating to the Agresso system. Essential Agresso costs of £95k that should have been capitalised when the system was installed have been charged to revenue in 2010/11. This is a one off charge and reduces the annual burden on the revenue budget in future years.
Telecommunications	£54,400	£45,100	£54,400	£54,100	£67,200	£12,800	The original budget included an element of income in respect of recharging to departments across the authority; however the corresponding expenditure budgets were not included. The recharges have therefore not been completed. This is currently under review and will be corrected in the 2011/12 budget.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Legal	£264,800	£273,000	£255,200	£269,800	£291,200	£26,400	There was a requirement to make a payment for the legal technical subscription, the Council negotiated a decrease in the amount payable and will make further efficiencies in the future as a result of the shared service with Peterborough. The cost of legal advice procured from Peterborough was higher than anticipated in 2010/11 following the departure of the Legal Services Manager in year.
Pension Costs	£121,700	£121,700	£86,744	£86,700	£106,800	(£14,900)	This is expenditure payable to the Leicestershire Pension Fund relating to the early retirement of past employees. The movement from Q3 has occurred because it was necessary to move the capital costs for the retirement of an employee a number of years ago from the Children and Young Peoples (CYPS) budget to Corporate to ensure accurate financial reporting. This has no overall affect on outturn position.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Strategic Management Team and Admin Support	£0	£0	£0	£226,800	£233,400	£233,400	<p>This covers the 3 new Strategic Directors and Support Officer posts as highlighted in Quarters 2 and 3. The additional overspend at Q4 relates to honoraria paid for sickness cover of a support officer which has lasted longer than anticipated at Q3.</p> <p>This overspend is offset by salary savings across other areas, as highlighted in the appendices.</p>
Council Tax Benefit	(£30,400)	(£30,400)	(£30,400)	(£24,200)	(£20,000)	£10,400	<p>As a result of increased benefit claim, the cost of Council Tax Benefit increased by £100k but only £90k of additional subsidy was received. The gross budgets were ~£1.8M and the variances are a result of increased benefit claims against those initially predicted.</p>
Corporate Insurance	£164,400	£130,000	£130,000	£130,000	£124,700	(£39,700)	<p>Insurance premiums were renegotiated during the year and this realised savings against the budget.</p> <p>£8k of additional income from insurance claims was received during Q4 that had not been anticipated at Q3.</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Corporate Finance	£643,800	£624,100	£593,400	£519,500	£515,500	(£128,300)	<p>Significant savings have been made due to vacancies throughout the year with minimal use of agency staff despite budgetary provision being available. These savings can help facilitate Agresso Development (see below) and will also contribute towards the funding of the Strategic Director post.</p> <p>The movement from Q3 relates to the rebate from Commensura as highlighted above in Corporate Financial Expenses.</p>
Agresso	£0	£112,900	£130,900	£156,600	£157,700	£157,700	<p>This spend is for the essential continued development of Agresso over and above what was initially anticipated. This is non recurring expenditure and will generate savings in future years. Savings have been made in Corporate Finance to part fund these developments, and additional cost pressures.</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Elections General	£27,900	£27,900	£23,900	£7,200	£2,300	(£25,600)	<p>A part year vacancy has resulted in an under-spend of £5,000. Additionally a government grant of £11,280 has been received in year relating to Elections in 2009/10 which was not accrued at year end. Other minor under-spends complete the variance</p> <p>Vacancies in the final quarter released additional savings of £3k and there was additional income of £2k relating to election fees.</p>
Democratic Services	£222,700	£215,000	£207,100	£210,000	£208,100	(£14,600)	<p>Net savings made due to not filling vacant Democratic Services Officer post and outsourcing to Peterborough City Council regarding attending meetings and recording minutes.</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Human Resources	£283,900	£283,900	£297,400	£306,200	£316,000	£32,100	<p>As reported in Quarter 2 an over spend in relation to agency staff employed to aid delivery of the Agresso HR system. This is partially offset by the saving in the Training Budget arising from not filling the vacant Training and Development post.</p> <p>The movement from Q3 has arisen because professional fees were paid by HR on behalf of other sections during the year. It was planned to allocate these directly to services but due to the large number of low value transactions the administrative cost of doing this retrospectively out-weighed the overall benefit. This process will be reviewed for the future.</p>
Internal Audit	£89,900	£85,600	£74,500	£69,000	£78,300	(£11,600)	<p>Internal Audit is part of a consortium that has recently undergone a restructure which has realised savings for Rutland CC.</p> <p>The costs are higher than expected at Q3 due to an increase in non fee charging workload as a result of the restructure.</p>

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Outturn	Q4 Outturn Variance against budget	Explanation
Land Charges	(£600)	(£600)	£26,800	£24,200	£71,400	£72,000	Following the recent abolition of Home Information Packs (HIP), Local Authorities are no longer able to charge for this, nor for a Personal Search fee as this information is now available free of charge. This has caused a significant decrease in forecast income.

Capital Monitoring

The approved capital programme 2010/11 for the Corporate is £53,000

Approved budget at Q3	£53,000
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Adjustments to capital programme

£0

£0

Revised Approved Budget Q4

£53,000

Actual Outturn at 31 March 2011

£52,850

Forecast over(under)spend

(£150)

Scheme	Approved Budget	Actual Outturn	Actual variance against budget	Funding source	Scheme complete	Amount to be carried forward into 2011/12	Explanation (including description of any shortfall that may arise in 2011/12)
Agresso capital	£53,000	£52,850	(£150)	Supported Borrowing	Yes	£0	