

Appendix A6

DEVELOPMENT DIRECTORATE

Revenue Monitoring

Approved budget as reported at Quarter 3	£2,261,700
Adjustments to budget	
None	
Revised Approved Budget	£2,261,700
Actual Outturn at 31 March 2011	£2,491,500
Actual over(under)spend	£229,800*

*£177,200 to be met by a transfer from earmarked reserves so the net overspend is £52,600

The significant issues arising during the period April to March that Members should consider are:

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Actual	Variance Q4 Against Budget	Explanation including assumptions made and risk assessment of the forecast
Development Directorate	£121,100	£123,300	£78,300	£76,900	£77,200	(£43,900)	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	£50,100	(£10,800)	The underspend relates to redeployment of staff to Planning Policy to deal with peak work load.
Ashwell Business Units	£0	£20,000	£17,400	£17,400	£4,700	£4,700	The original budget was set assuming a breakeven position. However a shortfall in rental income was predicted in the first year of operation as well as initial repair and maintenance required. The repairs required have been delayed due to bad weather hence the variance between Q3 and actual spend.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Actual	Variance Q4 Against Budget	Explanation including assumptions made and risk assessment of the forecast
Communications & Performance	£97,600	£123,700	£108,700	£108,700	£116,100	£18,500	At Quarter 1 an overspend was reported of £26,100 relating to Web Site improvements committed contractually during 2009/10 and completed during 2010/11, Since Q1 savings have been made within printing and publicity costs.
Live@	£26,800	£26,800	£26,800	£32,000	£41,400	£14,600	Live@ has proved difficult to forecast sales. Although the Live events have been popular the cinema side has absorbed any profits made. The focus going forward will be towards Live events.
Catmose Sports & Swimming	£0	£0	£54,800	£54,800	£100,800	£100,800	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. The total deficit for the pools operating costs 2010/11 of £50,400 were not forecast at Q3.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Actual	Variance Q4 Against Budget	Explanation including assumptions made and risk assessment of the forecast
Museum Service	£222,100	£244,700	£248,700	£220,600	£220,100	(£2,000)	The previous overspend has been mitigated in Qtr 3 by a significant rebate resulting from a successful NNDR valuation appeal exercise. This is a recurring reduction therefore the budget will be amended in 2011/12.
Planning Policy	£178,200	£401,600	£355,400	£355,400	£356,900	£178,700	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. 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	£23,900	£15,500	The variance is due to the budget requirement for the Rutland Market Towns post being understated.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Actual	Variance Q4 Against Budget	Explanation including assumptions made and risk assessment of the forecast
Local Strategic Partnership (LSP)	£21,400	£21,400	£21,700	£21,700	£4,000	(£17,400)	Although the LSP post had a revenue budget it was covered by grant funding in the year.
Property Services	£263,700	£301,200	£298,200	£270,300	£257,800	(£5,900)	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.
Capital Projects Team	£0	£1,200	£3,500	£3,500	£65,900	£65,900	Proportion of team costs not capitalised due to review and restructure.
Administrative Buildings	£383,500	£383,500	£383,500	£371,800	£290,100	(£93,400)	The under spend is due to successful appeals against rateable value with refunds being received in March 2011. This will also result in reduced National Non Domestic Rates (NNDR) liability for 2011/12 therefore the budgets will be amended accordingly.

Service	Approved Budget	Q1 Forecast	Q2 Forecast	Q3 Forecast	Q4 Actual	Variance Q4 Against Budget	Explanation including assumptions made and risk assessment of the forecast
Central Maintenance and Rechargeable Works	£148,400	£148,400	£148,400	£148,400	£172,400	£24,000	Over spend mainly due to an invoice for works on Catmose House roof in 2009 which were not accrued for.

Capital Monitoring

The approved capital programme 2010/11 for the Development Directorate Portfolio is £23,042,900

Approved budget as reported at Quarter 3	£23,042,900
Adjustments to capital programme	
14-19 Rural Funding transferred from CYPS To fund Post 16	£300,000
Revised Budget	£23,342,900
Actual Outturn at 31 March 2010	£20,917,400
Actual over(under)spend	(£2,425,500)

Approved Schemes

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)
Post 16	£1,750,000	£1,458,900	(£291,100)	Grant/ Contributions	No	£291,100	The underspend against budget will be carried forward into 2011/12.
Catmose Campus	£13,428,600	£13,061,200	(£367,400)	Grant/ Prudential borrowing	No	£367,400	An overspend has arisen from extending the appointment of key external consultants directly related to prolongation of the construction works. Cost recovery from the contractor is in the process of being settled.
Little Build	£4,440,100	£3,755,500	(£684,600)	Grant/ Contributions	No	£684,600	This is a guaranteed maximum price contract under a regional framework and will be within budget.

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)
Better Schools for All	£3,712,600	£2,632,100	(£1,080,500)	Grant	No	£1,080,500	This is a phased programme of work through to 31/8/11 in accordance with grant conditions. The final phase of schools has commenced with expenditure in 11/12 committed to within budget.
Free Swimming	£11,600	£9,700	£1,900	Grant	No	£1,900	This grant will be used to address some of the smaller works that are required to keep the pool operational.
TOTAL	£23,342,900	£20,917,400	(£2,425,500)				