

MONTHLY BUDGET MONITORING STATEMENT - CASH LIMIT 2010/11

PORTFOLIO	Resources	
BUDGET		28,528,450
TOTAL CASH LIMIT		28,528,450

CHIEF OFFICER Various

MONTH ENDED June 2010

Risk indicator	
Low	L
Medium	M
High	H

ITEM No.	BUDGET HEADING	BUDGET Profile 2010/11				BUDGET Outturn 2010/11				RISK INDICATOR
		Budget Profile To End June 2010	Actual To End June 2010	Variance vs. Profile To June 2010		Total Budget	Year End Outturn	Variance vs. Total Budget		
		£	£	£	%	£	£	£	%	
1	Miscellaneous Expenses	37,425	416,438	379,013	1012.7%	208,900	167,205	(41,695)	(20.0%)	L
2	Project Management, Risk & Insurance	50,580	87,691	37,111	73.4%	212,300	210,900	(1,400)	(0.7%)	L
3	Procurement Service	53,826	(98,382)	(152,208)	(282.8%)	316,500	314,200	(2,300)	(0.7%)	L
4	Internal Audit	95,748	103,886	8,138	8.5%	438,300	436,900	(1,400)	(0.3%)	L
5	Customer Services	368,328	442,309	73,981	20.1%	1,462,200	1,454,254	(7,946)	(0.5%)	L
6	Community Involvement, Empowerment & Development	312,354	399,834	87,480	28.0%	1,236,100	1,238,589	2,489	0.2%	L
7	Legal Services	230,005	286,422	56,417	24.5%	799,800	992,600	192,800	24.1%	H
8	Financial Services	1,561,098	1,753,817	192,719	12.3%	5,689,250	5,694,270	5,020	0.1%	L
9	Human Resources	678,132	622,857	(55,275)	(8.2%)	3,115,400	3,139,588	24,188	0.8%	L
10	In House Agency	(36,000)	(21,500)	14,500	(40.3%)	(144,000)	(144,000)	0	0.0%	L
11	IT Services Unit	1,344,216	1,314,997	(29,219)	(2.2%)	5,309,400	5,309,400	0	0.0%	L
12	AMS	637,220	3,023,843	2,386,623	374.5%	2,217,800	2,217,800	0	0.0%	L
13	Landlords Repairs & Maintenance	524,034	(314,369)	(838,403)	(160.0%)	2,162,700	2,162,700	0	0.0%	L
14	Staff Restaurant	22,798	23,415	617	2.7%	91,200	91,200	0	0.0%	L
15	Spinnaker Tower	0	183,137	183,137	-	(400,000)	(320,000)	80,000	(20.0%)	M
16	MMD Crane Rental	0	(48,858)	(48,858)	-	(195,400)	(195,432)	(32)	0.0%	L
17	Administration Expenses	0	1,406	1,406	-	5,000	5,000	0	0.0%	L
18	Council Tax Benefits	(326,283)	(294,857)	31,426	(9.6%)	68,700	138,753	70,053	102.0%	M
19	Housing Benefit - Rent Allowances	(142,074)	(197,118)	(55,044)	38.7%	(568,400)	(498,300)	70,100	(12.3%)	M
20	Housing Benefit - Rent Rebates	(57,474)	(240,350)	(182,876)	318.2%	(235,100)	(235,200)	(100)	0.0%	L
21	Local Taxation	72,177	215,355	143,178	198.4%	1,550,100	1,555,031	4,931	0.3%	L
22	Benefits Administration	780,621	1,897,733	1,117,112	143.1%	1,826,300	1,793,125	(33,175)	(1.8%)	M
23	Discretionary Non-Domestic Rate Relief	0	0	0	-	184,500	184,500	0	0.0%	L
24	Land Charges	(20,164)	(23,036)	(2,872)	14.2%	(80,600)	(103,200)	(22,600)	28.0%	L
25	Democratic Representation & Management	400,234	499,261	99,027	24.7%	1,646,900	1,719,651	72,751	4.4%	M
26	Corporate Management	331,645	372,798	41,153	12.4%	1,610,600	1,666,391	55,791	3.5%	M
TOTAL		6,918,446	10,406,729	3,488,283	50.4%	28,528,450	28,995,925	467,475	1.6%	

Total Value of Remedial Action (from Analysis Below)

(451,769)

Total Net Forecast Outturn (after remedial action)

28,528,450 28,544,156 15,706 0.1%

Note All figures included above exclude Capital Charges, Levies and Insurances
Income and underspends are recorded in brackets and expenditure and overspends without

REASONS FOR VARIATIONS AGAINST TOTAL BUDGET 2010/11

Item No.	Reason for Variation	Variance £
1	Not all posts available for Trade Union secondments have been filled.	(41,695)
7	Overspend is attributable to three factors: a) employees £106,000 due to need to cover work of two senior members of staff off with long term sickness with locums, these posts have been covered by locums and short term appointments, but this has added to total employee costs. b) Reduction in volume of work for Housing Revenue (£60,000) . c) Reduction in capital fee income by £20,000 as the number of active capital schemes has reduced. However, staff resources have been transferred to other work that in the past has been outsourced, this has resulted in a significant reduction in expenditure on External Legal advice.	192,800
9	The service 's forecast budget provision for vacancies has not been achieved at this stage of the financial year.	24,188
16	The profit share payable by Heritage Projects Ltd to the City Council under the terms of the lease is forecast to reduce by £80,000 in 2010/11, this reflects falling visitor numbers to the Spinnaker Tower attraction.	80,000
20	Increased demand for CTB.	70,053
21	The Northgate system has identified a number of overdue rent reviews which could result in a reduction in subsidy.	70,100
23	The current forecast saving of £33,000 is partly attributable to savings from vacant posts.	(33,175)
25	The income on Land Charges is derived from property searches. The budget has been reduced in 2010/11 to reflect the decline in income experienced in 2009/10. The first three months has seen a rise in the volume of searches. The need for Home Improvement Packs (HIPS) was abolished in May 2010, this may result in an increase in property sales and therefore local search enquiries. The income forecast has been adjusted to reflect this anticipated change in service demand.	(22,600)
26	The forecast overspend on Democratic Representation and Management comprises of three variances; Committee Meetings is forecast to overspend by £23,000 due to the printing of meeting paperwork, Members Expenses is forecasting an overspend of £25,000 due, in part, to the increase in the number of portfolios, and the City Solicitor's budget is forecast to be overspent by £24,000 as a budget saving put forward in 2009/10 to review admin support within the Directorate has not yet been implemented.	72,751
27	This is mainly attributable to the approved budget saving to review support to senior management throughout the Council that has not yet been implemented. This forecast overspending is partially offset by a saving of £17,000 in the DA fees as a result of the reduced requirement to audit the CAA regime.	55,791
	Other minor variations	(738)
	TOTAL PROJECTED VARIANCE	467,475

Remedial Action	Value of Remedial Action
It is likely that further secondments will be required in the current year to support the management of change process.	
Service review commenced. Work ongoing to identify the incidence of the savings that have been achieved on external legal costs by completing this work in house. It is proposed to claw back a proportion of these savings from client budgets in order to fund the staff resources that are now employed in Legal Services.	(192,800)
As further posts become vacant during the course of the year, these will be reviewed with the intention of holding them vacant for a period of time sufficient to achieve the balance of savings required.	(24,200)
Discussions with the operator will consider options to reverse this trend.	
This is deemed to be a 'windfall' cost pressure that is outside the direct control of the service manager and will be borne corporately unless it can be absorbed within the overall Portfolio budget.	(70,053)
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This will be applied to offset some of the windfall costs in this Portfolio	33,175
This will be applied to offset some of the windfall costs in this Portfolio	
The forecast overspend in respect of Committee Meetings and Members Expenses will be funded by savings from other budget heads under the control of this service manager, a total of £48,000. In respect of the forecast overspend on the City Solicitor's budget, the review of admin resource will need be implemented in the current financial year.	(72,000)
The original proposal is under review for equivalent savings to be found.	(55,791)
TOTAL VALUE OF REMEDIAL ACTION	(451,769)