

Analysis of Budget Variations 2009/10 - 2010/11

	2009/10 £000	2010/11 £000
Cash Base Budget Requirement	14,817	15,016
Movements:		
Inflation	156	41
Pay		
Pensions	162	68
Non-Pay	163	125
Contractual	70	25
Income	24	(43)
Increments	108	90
Revenue Effects of the Capital Programme		
Volume - Income	70	(174)
Volume - Expenditure	112	(6)
Investment		
Rebasing of Base Budget	163	
Savings Achieved for 2009/10	(254)	
Savings Proposals	(748)	-
Directorate changes from Dec Draft	244	
Contingency:		
- Management of the Establishment	(70)	110
Directorate & Corporate Cash Budgets	15,016	15,252
Savings Achieved for 2010/11		
Corporate Services Restructure		(220)
Senior Management Restructure		(443)
Contracts		(74)
Other Savings		(10)
Directorate & Corporate Cash Budgets	15,016	14,505
Net Financing Transactions:		
- Net Interest/Premiums/Discounts	103	71
- MRP less Commutation Adjustment	358	464
Total Expenditure	15,477	15,040
Financed by:		
Council Tax - Borough	(6,305)	(6,320)
Parish Precepts	594	594
Council Tax Parishes	(594)	(594)
Aggregate External Finance	(8,358)	(8,487)
LAA Reward Grant	(150)	(150)
Area Based Grant	(23)	(29)
LABGI Grant	(150)	(75)
Collection Fund Surplus	16	20
Use of General Balances	(273)	-
Use of General Balances (Concessionary Travel)	(234)	
Total Financing	(15,477)	(15,040)
Net Expenditure	(0)	(0)
Analysis of Net Expenditure (Budget Gap)		
Net Expenditure in Year	(0)	(0)

Key Assumptions	2010/11
	%/£
Pay Award	0.5%
Increase in Pension Contribution	1.0%
Increase in Grant Settlement	£129k
Increase in Council Tax	0%
Performance Reward Grant	£150k
Housing & Planning Delivery Grant	£102k

BUDGET UPDATE			
Variances from 2009/10 Budget	£'000	£'000	Comments
1) External Factors			
Concessionary Travel Grant/Pooling Adj.	(426)		Redistribution of grant agreed for 2010/11.
Increase in Government Settlement	(129)		Represents a 1.5% increase from 2009/10.
		(555)	
2) Savings Achieved			
Corporate Services Restructure	(220)		In line with report to Executive Cabinet 3/12/09.
Senior Management Restructure	(443)		In line with report to Executive Cabinet 12/11/09.
Energy saving on Indoor Leisure contract	(20)		Various energy saving measures, eg, insulation of the pool during non use hours.
Rephasing of ISP contract with LCC	(15)		Higher implementation costs resulted in lower ongoing revenue costs.
Other contract savings	(22)		Various minor savings achieved across directorates.
Corporate Policy Consultancy	(12)		Reduced budget provision required as work done internally.
BT ESP8 lines move to broadband	(5)		Continuation of the programme to replace expensive data connections
Pre-Application planning advice	(10)		Introduction of new charges as per report.
		(747)	
3) Volume Changes			
Employees			
Pay	(7)		Reduced pay award in 2009/10, and 0.5% provision for 2010/11.
Pensions	60		Increase in pension rate by 1% for 2010/11
Increments	90		
		143	
Other Expenditure			
Non Domestic Rates	31		Increase in rates resulting from revaluations, in particular car parks.
Markets Refuse Contract	16		Market Walk have increased the refuse collection cost
Local Development Framework	50		This is the additional contribution required to LDF reserve for 2010/11.
Liberata Contract	13		Inflationary increase on contract.
Duxbury Park Coach House Rent	12		
Lancashire Economic Partnership subscriptions	(14)		LEP annual subscriptions have reduced by £14k
External Audit (incl. Shared Services & IFRS)	13		Increased costs to cover Shared Services and IFRS issues.
Shared Assurance Services recharge	(12)		Reduction in recharge to SRBC in line with SRBC draft budget.
IT costs for Gov. Connect Security	12		New requirement for annual security testing to enable us to use Gov Direct
Fuel (Petrol/Diesel)	22		Budget now brought into line to reflect price increases over last two years.
		143	
Income			
Reduction in Parking Fees/Permits income	119		To bring in line with forecast income in 2009/10 as reported in budget monitoring.
Reduction in Planning/Building Control Fees income	43		Budget rebased in line with 2008/09 income volumes and 2009/10 forecast.
Saving from Shared Enforcement Officer not achieved	23		Proposed saving not achieved as shared service not yet implemented.
Saving from Shared Head of Revs & Bens not achieved	25		Proposed saving not achieved as shared service not yet implemented.
Income from Street Naming/Numbering not achieved	10		Slowdown in housing developments, budget phased to rise back over next 3 years.
Land Charges income (increase in fees)	(19)		Increase in fees in line with report to Cabinet.
Cotswold House Rents/Voids	(28)		Increased voids based on 2008/09 void rates
Cotswold House - Lifeskills Grant	(20)		Supporting People Grant to fund Life Skills coordinator post
Reduction in Recharges to Capital Schemes	50		Recharges adjusted to reflect Capital programme.
Shared Financial Services recharge	(17)		Inflationary increase in recharge to SRBC for 2010/11.
Buckshaw Waste Collection charges	(14)		Budget rebased in line with 2008/09 income and 2009/10 forecast.
Astley Park Catering	(12)		Contract with Southcott Catering Ltd allows for increased rent to year 5.
Housing & Planning Delivery Grant	(25)		Extra revenue income as no capital / revenue split based on 09/10 announcement.
Cemetery Income	15		Budget rebased in line with 2008/09 income and 2009/10 forecast.
Benefits Admin Subsidy Grant	19		Further 2.5% reduction in grant awarded by DWP for 2010/11.
		169	
Other Changes			
Net Financing	74		Increased cost of borrowing predominantly for recycling and reduction in investment interests
Housing & Council Tax Benefits	68		Based on predicted increase in volume and rent levels for 2010/11.
Reduction in use of LABGI grant	75		Reduced use of grant for 2010/11 as outlined in 2009/10 budget papers.
Increase in Council Tax Base	(19)		Represents 0.3% increase in Council Tax Base for 2010/11.
Reduction in Management of the Establishment savings target	50		Reduction based on reduced number of Senior Management posts.
Reduction in Procurement/Efficiency savings target	60		Significant savings achieved over recent years therefore unlikely to maintain.
Additional Area Based Grant	(6)		Additional grant awarded for 2010/11.
Use of General Balances 2009/10	273		No use of general balances for 2010/11
Use of General Balances (Concessionary Travel) 2009/10	234		No use of general balances for 2010/12
Deficit on Collection Fund	20		
Other minor variances	18		
		847	
Budget Gap 2010/11	0	0	