

## Variance Analysis - Movements from 2016/17 Original Estimates

Description	Details	2017/18 Budget Changes £	2017/18 Budget Changes £
	<b>DIRECTORATE CASH BUDGETS</b>		<b>14,059,430</b>
<b>STAFFING</b>	Increase in staffing costs of 1% pay award, increments, and impact on N.I. & Pension.		
	- Employees - Pay Awards	132,810	
	- Employees - Pay Increments	46,880	
	- Impact of Pension rate change for 2017/18	275,740	
	- Change in Pension deficit charges for 2017/18	(165,100)	
			<b>290,330</b>
<b>CONTRACTS</b>			
Waste contract	Inflation on original contract, plus property growth and vehicle replacement cost - this does not include savings through adjustments to the frequency of collection identified below under 'budget savings' heading	148,570	
Insurance Services	Inflationary increase on Council's original insurance premiums plus increase in Insurance Premium Tax (IPT).	17,790	
Active Nation leisure contract	Annual inflationary increase in costs for the Council's leisure centres contract.	11,230	
ICT Contracts	Annual inflationary increases in contract costs for various computer equipment/software contracts.	10,860	
Water Charges	Provision for anticipated increase in revised United Utilities surface water charges no longer required.	(20,000)	
Other Contracts	Inflationary increases on all other contracts.	21,820	
			<b>190,270</b>
<b>OTHER NON-PAY</b>			
Housing Benefits	Estimated reduction in income from housing benefit overpayments recovered based on latest forecasts for 2016/17.	91,650	
Regulatory Services	Empty Properties and Enforcement Officer post funded from investment budget carried forward in reserves.	37,110	
Customer Transformation	Debt Recovery Officer staffing costs to 16/10/17 funded from reserves	13,460	
Buckshaw Community Centre	Full year anticipated net cost of the new centre	10,000	
Economic Development	Employer Engagement Officer staffing costs to 07/11/17 funded from reserves	5,720	
Elections	No local elections in 2017/18. Budget saving offset by transfer to reserve for use in future years.	(114,000)	
Non Domestic Rates	Reduction in business rates for Council offices & premises following .	(59,110)	
Stagecoach Depot	Assumes Stagecoach Depot will be leased to an external party who will be liable for Business Rates/Utilities	(22,600)	
External Funding	Funding for External Funding Officer post held in reserve to cover period to 21/07/16 end of Fixed Term post.	(9,200)	
Misc.	Various minor changes	7,700	
			<b>(39,270)</b>
<b>INCOME GENERATION</b>			
Parking Strategy	Changes to Parking Charges	180,000	
Council Tax	Reduction in estimated Council Tax Summons/Committal costs recovered.	35,000	
Investment Portfolio	Rental income from new retail units 98-102 Market St and new lease with Café Ambio from April 2017.	(8,900)	
Waste and Recycling Services	Increase in collection of bulky waste items by Veolia	(8,890)	
Misc.	Various minor changes	8,580	
			<b>205,790</b>
<b>INCOME (GOVERNMENT GRANTS)</b>			
Housing Benefit Administration	Reduction in Housing Benefit Admin Subsidy Grant receivable in 2017/18	24,580	
Housing Benefit Administration	Changes to Universal Credit Grant and New Burdens Grants for 2017/18	(1,740)	
			<b>22,840</b>
<b>INCOME (OTHER GRANTS &amp; CONTRIBUTIONS)</b>			
Housing Services	Assumed reduction in LCC Supporting People funding for 2017/18.	69,260	
LCC waste/recycling agreement	Amendment to waste/recycling Cost Share agreement with LCC for 2017/18	17,670	
Home Improvement Grants	Integrated Home Improvement Service (IHIS) - agreement with Lancashire County Council to continue for 2017/18	(20,000)	
Corporate Policy - Children's Partnership Board	Children's Partnership Board - LCC funding allocation 2016/17 only	15,000	
			<b>81,930</b>
<b>ADJUSTMENT FOR GROWTH ITEMS</b>			
New Revenue Investment 2016/17	One year growth items dropping out of budgets in 2017/18	(1,408,000)	
Digital access and inclusion	Budget funded by 2015/16 New Homes Bonus held in earmarked reserve for 2016/17 only.	(25,000)	
Accommodation finding service	Budget funded by 2015/16 New Homes Bonus held in earmarked reserve for 2016/17 only.	(18,000)	
Employment support fund with Runshaw College	Budget funded by 2015/16 New Homes Bonus held in earmarked reserve for 2016/17 only.	(10,000)	
Economic Development	New Market Walk, Markets & Town Centre Officer post funded by Market Walk service charge from 2018/19	33,980	
Waste & Streetscene Services	New Graduate Trainee post in Waste & Recycling Services as per report to Executive Cabinet 19/01/17	21,010	
Growth Lancashire	Membership of Growth Lancashire for 2017/18	15,000	
			<b>(1,391,010)</b>
<b>TRANSFORMATION STRATEGY</b>			
Chorley Employment Inclusion Programme	Funding for 3 year programme	300,000	
Digital Park	Business Support Package including external funding project manager and marketing prior to opening	65,230	
Retirement Village	Net cost of retirement village including temporary manager and marketing	30,300	
Parking Strategy	Implementation costs for 2017/18 only	20,000	
ESIF grant funding	Chorley Futures SO1 at 25%	(4,610)	
			<b>410,920</b>
<b>BUDGET SAVINGS</b>			
Waste Collection Service	Garden Waste subscription - forecast net income including the cost of financing the purchase of bins	(215,000)	
Waste Collection Service	Garden Waste - 4 weekly comingled collection and revised garden waste collection take-up	(310,000)	
Waste Collection Service	Garden Waste - forecast reduction in funding required for purchase of replacement waste receptacles	(60,000)	
Productivity Savings (Staffing changes)	Savings from vacant posts to be deleted in 2017/18	(140,000)	
Base Budget Review savings agreed for 2016/17	See Schedule of Base Budget Review Savings	(100,380)	
Senior Management Structure Review	Savings target from review of Senior Management Structure for 2016/17 to 2018/19	(66,500)	
Budget Savings Achieved	Insurance contract procurement	(59,090)	
Budget Savings Achieved	Market Walk additional revenue	(50,000)	
Single Front Office Review	Reduction in 2017/18 to take account of one-off savings in 2016/17	24,000	
			<b>(976,970)</b>
<b>NEW REVENUE INVESTMENT</b>			
Recurrent Revenue Investment	Recurrent Revenue Investment items introduced for 2017/18	468,440	
LCC Transition Fund 2017/18	New Revenue Investment items for 2017/18 only	100,000	
			<b>568,440</b>
	<b>DIRECTORATE CASH BUDGETS</b>		<b>13,422,700</b>