

Variance Analysis - Movements from 2017/18 Original Estimates

Description	Details	2018/19 Budget Changes £	2018/19 Budget Changes £
	DIRECTORATE CASH BUDGETS		13,422,700
STAFFING	Increase in staffing costs of 2% pay award, increments, and impact on N.I. & Pension.		
	- Employees - Pay Awards	231,970	
	- Employees - Pay Increments	42,290	
	- Impact of pay award on cost of pensions	14,600	
	- Change in Pension deficit charges for 2018/19	50,000	
			338,860
CONTRACTS			
Waste contract	Inflationary adjustments to original contract price plus property growth and vehicle replacement cost.	143,130	
Liberata	Provision for continuation of annual Empty Homes Review to identify properties eligible for New Homes Bonus	25,000	
Insurance Services	Inflationary increase on Council's original insurance premiums plus increase in Insurance Premium Tax (IPT).	15,400	
Active Nation leisure contract	Annual inflationary increase in costs for the Council's leisure centres contract.	23,830	
ICT Contracts	Annual inflationary increases in contract costs for various computer equipment/software contracts.	11,270	
Other Contracts	Inflationary increases on all other contracts.	15,670	
			234,300
OTHER NON-PAY			
Housing Benefits	Estimated reduction in housing benefit costs based on forecasts for 2017/18.	(84,440)	
Elections	No local elections in 2017/18. Reinstated budgets for 2018/19. Offset by reduction in transfer to reserve for future years.	120,000	
Misc	Various minor changes	(2,860)	
			32,700
INCOME GENERATION			
Gillibrand Street Annexe	Rental income from new lease of Gillibrand Street Annexe	(14,500)	
Misc	Various minor changes	(6,220)	
			(20,720)
INCOME (GOVERNMENT GRANTS)			
Housing Benefit Administration	Reduction in Housing Benefit Admin Subsidy Grant receivable in 2018/19	22,620	
Housing Options	Flexible Homelessness Support Grant for 2018/19	(57,580)	
Housing Benefit Administration	Increase in Universal Credit & New Burdens funding for 2018/19	(26,710)	
Housing Options	Homelessness Reduction Act New Burdens for 2018/19	(13,680)	
			(75,350)
INCOME (OTHER GRANTS & CONTRIBUTIONS)			
LCC Waste & Recycling	Contract for waste/recycling Cost Share agreement with LCC to end 31 March 2018	933,020	
Housing Services	Assumed reduction in LCC Supporting People funding for 2018/19.	69,260	
LCC Public Realm Income	Additional funding allocation agreed for 2018/19 to 2020/21 for grass cutting, verge maintenance and weed control.	(34,270)	
Union Street Offices	Income from Lancashire Care Foundation Trust for use of Union Street Offices	(65,000)	
Home Improvement Grants	Disabled Facilities Grant (DFG) 10% Administration Fee to offset cost of delivering the service	(50,000)	
Home Improvement Grants	Integrated Home Improvement Service (IHIS) - agreement with Lancashire County Council to continue for 2017/18 only	20,000	
			873,010
ADJUSTMENT FOR GROWTH ITEMS			
Performance & Partnerships	Performance & Projects Officer fixed term posts - budget provision for 2018/19 only	65,160	
Legal Services	Temporary Solicitor post in 2018/19 funded by slippage from 2016/17 held in reserves.	26,320	
ICT Services	EPIM's Data Entry Assistant (Fixed Term) for 2018/19 only.	25,930	
Employees	Apprenticeship Levy for 2018/19 transferred from reserve.	28,000	
Eaves Lane Depot	Business and Water Rates for Eaves Lane Depot, less rental income.	15,140	
Financial Systems	Annual revenue cost of PCI-DSS Compliance & Civica ICON Solution. Financed by slippage held in reserves.	16,000	
Investment Portfolio	Reduction in NNDR liability less reduction in rental income following demolition of Oak House site.	(28,000)	
			148,550
TRANSFORMATION STRATEGY			
Chorley Employment Inclusion Programme	Different employment programme to be delivered in 2018/19	(295,390)	
Retirement Village	Net cost of retirement village including temporary manager	62,650	
Chorley Youth Zone	Chorley Youth Zone - Additional Contribution to CYZ from £50k to £100k per annum	50,000	
Parking Strategy	Implementation costs for 2017/18 only	(20,000)	
Digital Park	Business Support Package Costs	2,700	
			(200,040)
BUDGET SAVINGS			
Waste Collection Service	Garden Waste subscription/Charge for Replacement Bins/Contract Hire of Vehicles/4 weekly comingled collection	(415,000)	
Productivity Savings (Staffing changes)	Savings from Business, Growth and Investment review 2018/19	(200,000)	
Base Budget Review savings agreed for 2018/19	Base Budget Review Savings	(75,000)	
Senior Management Structure Review	Savings target from review of Senior Management Structure for 2016/17 to 2018/19	(51,800)	
Review of Fees & Charges	Estimated additional income generated following review of fees and charges	(50,200)	
Review of Overtime	Estimated reduction in staffing costs following review of overtime	(20,000)	
			(812,000)
NEW REVENUE INVESTMENT			
Recurrent Revenue Investment	Increase in Recurrent Revenue Investment items introduced in 2017/18	69,500	
One-off Revenue Investment	Revenue Investment items for 2018/19 only	223,500	
LCC Transition Fund 2018/19	Current budget is £100k, this will increase it to £115k towards subsidising bus routes	15,000	
			308,000
	DIRECTORATE CASH BUDGETS		14,250,010