

Table A - 2011/12 Net Outturn Position (comparison between 2011/12 Approved Budgets (including any subsequent Members approvals) and Actuals, after adjustments as outlined in paragraph 12 – Variances over £10k

1. The net outturn position includes the sum of £131k in respect of expenditure relating to commitments made in 2011/12 which have moved into 2012/13. These have been reviewed by the Section 151 officer and it is requested that these be approved to be carried forward into 2012/13.

Variance: overspend / (saving)	Service / Description	Explanation
(£311k)	Anglia Revenues Partnership (ARP), Housing Benefit, Council Tax Benefits	Increase in NNDR discretionary relief granted. Additional Housing Benefits Subsidy over that budgeted due to low error rate on subsidy claim. Underspend on Council Tax Benefits granted. Increase in ARP surplus and court costs recovered.
(£33k)	Election Expenses	Reduction in election costs as a result of national referendum being held at the same time. £7k saving on By-election expenses as not required.
(£23k)	Office Accommodation	£19k Business Rates refund. £4k savings on Staff Salaries as a result of vacant post
(£18k)	Construction and Property Services	£18k savings on Staff Salaries as a result of vacant post.
(£25k)	Corporate Management	£40k savings on Audit Fees as a result of reductions in the Audit Commission Fee levels. £19k underspend on Professional Fees. Other variances include allowance for cost of change within this area.
£113k	Business Units, Town Centres and Palace Cottage	Income shortfalls on Business Units £23k, Town Centres £43k and Palace Cottage £8k as a result of vacancies. £29k additional repairs and maintenance expenditure on Business Units to bring them to standard for letting. Additional Business Rates on Business Units

Variance: overspend / (saving)	Service / Description	Explanation
		£6k and Palace Cottage £4k arising from vacant properties.
(£12k)	Estate Management	Savings on Officers Salaries as a result of a vacant post not being filled for part of the year.
£10k	Human Resources	Increase in professional fees, including recruitment costs.
£70k	Computer Services	Reduction in income streams during the year and increase in Officers Salaries and professional fees as a result of the requirement for interim Manager and other staff.
(£36k)	Financial Services	£23k savings on Staff Salaries as a result of a shared Internal Audit manager with St Edmundsbury BC, £13k savings on Professional Fees.
£77k	Bad Debts Provision	Increase in Bad Debts provision over that originally budgeted, primarily in respect of Benefit Overpayments, due to the economic climate.
£95k	VAT Shelter Arrangement	Reduction in income received from Flagship Housing Group as a result of the timing of their maintenance programme.
(£35k)	Environmental Health General (including Food, Environmental Protection and Health and Safety at Work)	£10k underspend on Professional Fees, £25k underspend on a number of minor budget items, including £7k on Equipment and £3k on subscriptions to associations.
(£96k)	Waste and Street Scene Services	£78k additional income generated from Recycling Credits, £13k reduction in Tipping Charges, £5k general minor underspends across the service.

Variance: overspend / (saving)	Service / Description	Explanation
(£16k)	Local Licences	£3k saving in officers' salaries, £13k increase in general Licensing income.
(£14k)	Corporate Services	Underspend on Staff Salaries due to Officer arrangements.
(£14k)	Public Relations	£10k additional cost of change as part of shared services. £24k savings on Publicity General as a result of fewer editions of Foghorn and other general spending reductions.
(£30k)	Policy and Performance	£30k savings on Staff Salaries as a result of full time post replaced by part time officer and sharing of resources with St Edmundsbury BC.
(£12k)	Play Areas	Timing differences in grant funding for the Play Rangers scheme.
£34k	Palace House	Additional revenue running costs incurred whilst the Home of Horseracing project progresses. Discussions with the Home of Horseracing Trust regarding impact on the Council's current capital contribution to the project are in place.
(£16k)	Business Support and Retention	Underspend mainly due to changes in contributions to external organisations.
(£27k)	Concessionary Travel	Repayment of past year contributions from Suffolk County Council as part of the scheme closure.
(£13k)	Mildenhall Bus Station	Main variances include £8k Underspend on repairs and maintenance, £3k additional income from National Express Commission.

Variance: overspend / (saving)	Service / Description	Explanation
£20k	Citizens Advice Bureaux	£20k additional Grant funding as approved in principle by Community Services Committee 22 March 2011 COM11/319. Underspends within service area identified to support the additional funding.
(£24k)	Strategic Housing Management	£6k additional advertising revenue. £18k underspend on general expenses within the service.
£11k	Community Centres	£8k overspend on premises-related costs as a result of timing differences in transfer of the properties. £3k overspend on Studlands park Community Centre Management Fees.
£23k	Anglia Community Leisure	Additional costs of Management Fees as a result of ongoing discussions regarding the leisure savings programme.
£61k	Development Control	£58k shortfall on Planning Applications Fees. £3k minor overspends on various other items.
£72k	Building Control	£54k shortfall in income, £18k additional staffing costs incurred. To be addressed as part of the Building Control Fee Earning account 3 year rolling “break even” programme.
£167k	Savings Programme	Variance relates to Savings Programme items not allocated to service areas and which were identified as “risk” items, mainly due to timing of savings being achieved. The 2011/12 saving programme items are now implemented, which secures the savings over the Council Medium term Financial Strategy (MTFS), but leaves a one off pressure for the Council in 2011/12.
(£84k)	Interest on Investments.	This is mainly due to the Council being able to hold a larger amount in investments during the financial year

Variance: overspend / (saving)	Service / Description	Explanation
		than originally anticipated. Variance is also due to increased interest rates achieved up front on a couple of investment structures. Recommendation is to transfer these additional monies into the risk and recession reserve to allow for interest receipt pressures in 2012/13 onwards as a result of these investment structures.

Table B – Major Variances in Reserves against Budget

2. The overall variance on reserve usage in 2011/12 after taking account of the £131k carry forward requests was an under-utilisation of **£559k**. This includes the following items:

£38k under-utilisation of budgeted contributions from reserves. Major variances include:

Service Item / Reserve Over / (Under) utilisation	Current Position / Action
Risk and Recession Reserve £74k	Funding required for the cost of change as part of the Shared Services agenda. Costs of Change are being part funded from reserves and part funded from the base budget in line with the March 2012 Budget and Council Tax report. Savings to be realised within base budgets from 2012/13 onwards.
Corporate Priority Development Reserve (£52k)	Funding in respect of timing differences on previous service improvements which are no longer required and which will be reassessed as part of the ongoing budget process.
Section 106 Play and Open Space £15K	Appointment of Play and Open Space Officer funded from Section 106 monies.
Economic Development Local Area Business Growth Incentive (LABGI) Reserve (£84k)	Budgeted usage of this reserve is being reviewed in the light of the Strategic Plan.
Planning Policy Statement on Climate Change Reserve £22k	Utilisation of Grant monies received from the West Suffolk Local Strategic Partnership in 2010/11 in respect of Energy Conservation.
Wheeled Bin Replacement Reserve (£6k)	Based on actual expenditure on Wheeled Bins during the year.

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Section 106 Community Development Officer (£7k)	No officer in post during the year.
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£216k additional contributions to reserves, recommended for approval. Major variances include:

Service Item / Reserve Over / (Under) utilisation	Current Position / Action
New Homes Bonus Reserve (£116k)	First instalment of the 2012/13 New Homes Bonus allocation received in March 2012. Members to approve contribution to reserves.
Anglia Revenues Partnership Reserve (£59k)	£20k 2010/11 Anglia Revenues Partnership surplus, £49k Government Grant funding received transferred to reserve.
Section 106 Monitoring Officer Reserve (£36k)	Additional section 106 contributions received in 2011/12 in respect of Monitoring Officer funding.
Section 106 Public Open Space Reserve (£5k)	Additional section 106 monies received in respect of Public Open Space.

£305k of additional contributions to reserves in respect of carry forward requests due to project slippages, which had already been budgeted for in 2011/12 out of reserves.

Service Item / Reserve Over / (Under) utilisation	Current Position / Action
Service Improvements Applied (£164k)	Balances totalling £164k remaining on those 2011/12 Service Improvements that were applied during the year but are still to be completed. These are recommended to be carried forward into 2012/13. This requires a carry forward of £164k in the Corporate Priority Development Reserve. Members to approve carry forward of £164k.
Project Related timing differences (already within reserves) (£141k)	Other differences carried forward as a result of project related timing differences include: £10k Computer Development Reserve £33k Efficiency Reserve £16k Rural Sport & Recreation Reserve £10k Regeneration Youth Provision Reserve £13k Corporate Improvement Reserve £19k Community Against Drugs Reserve £40k Local Plan Preparation Reserve These require carry forwards within the reserves above. Members to approve carry forwards.